


Leyne Milstein  
Interim City Manager

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## MEMORANDUM

**DATE:** January 31, 2025

**TO:** Department Heads and Division Managers

**FROM:** Leyne Milstein, Interim City Manager   
[Leyne Milstein \(Feb 2, 2025 16:25 PST\)](#)

**SUBJECT:** **2025 LIVING WAGE RATES**

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The Living Wage Ordinance, City Code Chapter 3.58, provides for the City Manager to determine the appropriate yearly Living Wage rate for employees of City Nonprofessional Services contractors who are covered by the ordinance. The Living Wage rate is based on the San Francisco-Oakland-Hayward, CA. metropolitan area Consumer Price Index for All Urban Consumers (CPI-U) for the end of 2024. The annual CPI-U increase of **2.4%** for 2025 is effective as of Sunday, February 23, 2025. The rates have been set as follows:

**If health benefits are provided** and the employer's contribution for the benefits is at least \$2.48 for each hour of work, the covered employee's living wage rate shall be at least **\$16.47** per hour.

**If health benefits are not provided** or if health benefits are provided but the employer's contribution is less than \$2.48 for each hour of work, the covered employee's living wage rate shall be **at least \$18.94** per hour.

Each department that has City contracts is required to give written notice of these rates to a covered employer on a City contract for nonprofessional services where the compensation is \$250,000 or more. These rates are adjusted annually and become effective in February of each year.

The Living Wage Ordinance does not apply to covered employees whose terms and conditions of employment are governed by a bona fide collective bargaining agreement containing an express waiver of Chapter 3.58. (Ord. 2003-082)

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For more information on the Living Wage Ordinance, please refer to the Procurement Services page at <https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.