



## MINUTES

### Citizens League Saint Paul Minimum Wage Study Committee

Thursday, June 28, 2018, 8:30am-11:00 am  
University of St. Thomas, McNeely Hall, Room 100  
2060 Summit Ave, St. Paul, MN 55105

**Committee Members Present:** Co-Chair B Kyle, Co-Chair Rick Varco, Mr. Bob Brick, Mr. Dillon Donnelly, Mr. Paris Dunning, Mr. Matt Gray, Mr. Jon Grebner, Mr. Matt Halley, Ms. Mary Hicks, Mr. Andrew Kopplin, Ms. Rebecca Lucero, Mr. Tim Mahoney, Ms. Veronica Mendez Moore, Mr. Oscar Murcia, Mr. Sam Peterson.

**Members Not Present:** Mr. Barry Gisser, Mr. Doug Hennes, Ms. Sarah Kopp-Reddy, Ms. Kera Peterson, Ms. Pang Vang.

**Staff & Staff Support Present:** Pahoua Hoffman, Angelica Klebsch, Thomas Durfee, Snowden Stieber, Ben Gleekel.

**Observers Present:** LyLy Vang-Yang, Melanie McMahon, Owyn Ferguson, Natalia Madryga, Celeste Robinson, Yingya Vang, Jennifer Schellenberg, Yao Yang, Jeff Peterson, Colleen Nocerini, Kip Hedges, Daniel Yang.

#### Proposed outcomes for this meeting

- Review study committee charge and proposed goals
- Review the study committee process
- Receive follow up on research questions
- Hear perspective from a panel of hourly workers.
- Discuss information received and confirm additional information needed
- Agree on next steps

#### WELCOME

Co-Chair Varco opened the meeting at 8:31 a.m. He welcomed all committee members, panelists, and guests to the meeting, and reminded everyone to avoid the use of social media during the meeting. He reviewed proposed outcomes (see above). Co-Chair Varco then reviewed the charge of the committee, and then presented the minutes of last week's meeting. There were no proposed amendments. There was a motion to approve the minutes as read, and seconded. Motion passes.

## **REVIEW OF PROCESS**

Ms. Hoffman gave a presentation on how the committee will begin transitioning to the development phase. She emphasized that each study committee has a different makeup and a different process, but she would show the committee members a previous Citizens League report, on reforms to the Metropolitan Council, as an example of what is possible. Each report would be defined by the scope of work, which in this committee involves the 4 charges given to it by the City of Saint Paul surrounding the minimum wage. The report would define terms and provide findings and conclusions. Ms. Hoffman said it was the responsibility of the Citizens League staff to compile all the notes and observations made during the learning phase and to present them back to the committee members.

Ms. Hoffman then showed the committee the executive summary from another Citizens League report that focused on transit finance. The summary included two statements of problems that 100% of the committee agreed with. She said that, while committee members might hold different opinions on what the final minimum wage ordinance should be, she thought that every member was in agreement that the minimum wage has not kept up with the cost of living. Ms. Hoffman also said that the final report could take one of many different formats: some have had a majority-minority report, while others might present a menu of options to give to the Mayor and the City Council. She said that the current minimum wage committee might present a variety of scenarios, each with their own set of recommendations, and that she had told the Mayor and City Council that this might happen. Ms. Hoffman said that the members should not feel the pressure to ensure that everyone is in agreement, that a final report can reflect a diversity of opinions.

## **DEBRIEF**

Co-Chair Varco asked committee members to share their thoughts or comments on last week's meeting.

A committee member said they left last week's meeting feeling frustrated that they did not get the chance to gather the information they needed for the committee to accomplish its goals. They felt that active listening was not happening. The panel was there to share their experiences, but too often they ended up in arguments with the members. The panel, therefore, did not have adequate time to discuss their plans and worries for when the minimum wage ordinance is implemented. Additionally, there had been questions that weren't questions, but rather statements in support of the panel. The committee member said they thought the committee was still in the learning and listening phase, and that later in the process would be the time for members to express support and opinions. They also noted that the panel was allowed to talk longer than their allotted time, that the panel members seemed determined to give a presentation in a certain format rather than respond to the committee and its warnings about time limits. The committee member said, in their own conversations with fellow business owners, it took a while to get to the root of their fears and worries, and that last week's meeting did not get to those level of conversations. They said they did not want future panels to run into the same problems as last week's.

Another committee member said that last week, Mr. Robinson from the Smokehouse did describe the future plan for his restaurant, including going to counter service or installing a service fee. The member also said that Mr. Crew from W.A. Frost talked about the shrinking margins and loss of hours for back of the house workers at his establishments. The committee

member said that in their own restaurant, they were cutting an hour off the end of the day for three workers as Minneapolis's higher wage began to kick in this July. They said that last week's panel got slowed by a number of questions that made tip credits seem unnecessarily complicated, when in reality restaurants can easily handle the system. They also said that the issue of tip credits is such a hot-button issue, that people tend to get off base very quickly. The member said that the proposal to extend conversations a half-hour would have been especially useful for last week's panel.

A committee member said that they agreed with the first committee member's comments. They said the members need to remember their roles as listeners at this point in the process, and that the time for making a case will come later.

Another committee member said they were frustrated that last week's meeting went over time, which in turn meant that the members weren't able to hear from each other. They were excited to have 30 extra minutes to discuss issues with fellow committee members, not to have longer presentations from panels.

A committee member, as the owner of two restaurants, said they understand the anxieties of restaurant owners. The member said they felt there were some inaccuracies in last week's presentation. Several panelists mentioned price increases ranging from 33% to 50% for various food items. The committee member said in their own restaurant they raised their prices about 3% when the state minimum wage went from \$7.25 to \$9.50 per hour. The member said, in order to get their servers from \$9.50 to \$15 per hour, they planned on increases of 1% or 2% per year, for a total increase of about 7% over 5 years. Overall, the member said they are anticipating a 10% increase in prices. They also expressed skepticism at the counter service claim of some panelists. The committee member said if they could make more money in their restaurants by switching to a counter service model with less staff, they would not wait until 2021 to do it, they would do it tomorrow. The committee member also said they were not cutting any hours in their Minneapolis restaurant, but in fact were adding more staff, with an additional prep cook and chef.

Co-Chair Varco said that he and Co-Chair Kyle were still in discussions on how to better format and guide panel discussions at future meetings to ensure that there was adequate time for committee members to talk about the issues with each other.

## **PRESENTATIONS**

Mr. Durfee presented his research on industry breakdowns of wages in Saint Paul: who earns \$15, who pays \$15 by size of employer, and who pays \$15 by industry. He explained the new sources from the Minnesota Department of Employment and Economic Development (DEED) that gave him unemployment insurance data for Saint Paul. While the data would not include workers like contractors or self-employed attorneys, over 90% of jobs are covered, and the data would focus on Saint Paul specifically, not Ramsey County at large. Mr. Durfee said that the pay he's referencing in the presentation includes tips. He said that this data would be the best that he could get his hands on, and that he trusts this data more than any other source he had seen.

Mr. Durfee presented information on who earns \$15/hour. He reminded the committee that firms earning over \$500,000 per year had a minimum wage of \$9.65 and firms earning under \$500,000 had a minimum wage of \$7.87. He said that most jobs in MN paid over \$15/hour, but many workers earned between the minimum wage and \$15/hour. Mr. Durfee said that St. Paul

had more jobs under \$15/hour than Minneapolis, and fewer jobs above \$15/hour than Minneapolis, and therefore a greater share of jobs would be affected by a \$15 wage in St. Paul than in Minneapolis.

A committee member asked if these numbers reflected both vacant jobs and filled jobs. Mr. Durfee said the data only related to filled jobs. He said that he was still working on the job vacancy survey, which would show the profiles of vacant jobs.

Co-Chair Varco asked if it was possible to breakdown the group of jobs paying between the minimum wage and \$15/hour, which would help inform any phase-in for an ordinance. Mr. Durfee said he had not received that data from DEED, but that he would ask for it.

Mr. Durfee presented a breakdown of \$15+/hour jobs based on the size of employers. He said that, in general, \$15+/hour jobs tended to be at large firms (100+ jobs). He said that subminimum wage jobs tended to be with small firms. He said that a flat \$15/hour minimum wage would require greater catch-up for small firms.

A committee member asked how franchises are categorized. Mr. Durfee said that firm size was determined by the number of jobs at each location.

Co-Chair Varco said that the upshot of franchising is that, even though there are 30 or 40 McDonalds around the city, each one would qualify as a small employer because they have less than 100 workers. Mr. Durfee said he would double-check, but he believed that was the case.

Mr. Durfee then presented a breakdown of \$15/hour jobs by industry. He said that he included in his presentation the seven industries that form the largest share of the labor market for both jobs above and below \$15/hour. He said one immediate takeaway was that for workers on either side of \$15, the health industry and social services are a large part of the story, that they are a large portion of the labor market however it is sliced.

Mr. Durfee clarified that the category of “administration and waste” included a variety of jobs, but that it was largely janitors and sanitation workers.

Co-Chair Kyle asked if the breakdown by industry had also included a further breakdown by firms with over or under 100 jobs. Mr. Durfee said he was not able to make size distinctions in his industry breakdown, but that he was looking at further data. Co-Chair Kyle asked for Mr. Durfee to try to make that breakdown if it was possible, and report back on the findings, or report back that he was unable to do it. Mr. Durfee said he would.

A committee member said that the categories of education services, health care, and arts/entertainment/recreation, are all likely covering the nonprofit sector, which make up 24% of jobs in St. Paul. Co-Chair Kyle asked the committee member if Mr. Durfee’s data was a sufficient representation of the nonprofit sector, and the committee member said that it was.

A committee member asked for a clarification on reading the charts. Mr. Durfee said that he included a raw head count in the report which might be easier for some people to read. He also reiterated that, overall, more jobs paid over \$15/hour, so they would represent a larger portion of most industries.

Another committee member asked if Mr. Durfee had yet made a breakdown on race. Mr. Durfee said that the current data did not allow him to do that, but that he would be looking into the

American Community Survey and that he was planning on presenting data on race at a later meeting.

## **PANEL**

Co-Chair Varco outlined the structure of the panel and how the process would work. He said there will be 30 minutes with the panel giving testimony, which includes time for brief clarifying questions. After that, there will be a Q & A period, which will allow for open-ended or more pointed questions. Finally, there will be a 30 minute period for discussion between committee members. He also reiterated that it was important to assume everyone was engaging with good faith, and that everyone was bringing their best efforts to the table.

Ms. Antonia Sanchez introduced herself. She lives in St. Paul and has been cleaning for 14 years. She has 10 years with the same company, and she gets no benefits. She does not qualify for Earned Sick and Safe Time because the company is based in Texas. She did not want the same problem to happen with a minimum wage. She said that there were a number of Hispanic workers at her job, and that they were all paid low wages and among the hardest workers. Ms. Sanchez said that many of her co-workers did not attend these meetings because they did not know about CTUL. She said that she hoped that the committee would hear their voices and that if it was in the committee's hands, she asked them to help pass the \$15/hour ordinance. She thanked the committee for listening to her.

Mr. Marquise Tatum introduced himself. He is 16 years old, attends high school on the east side of St. Paul, and he lives at home with his mother and one of his brothers. He said that poverty is about not being able to survive. He said that many times he would have to go to sleep in order to ignore his hunger. He said he did not think there should even be a conversation about poverty, that everybody should be on the side of fighting poverty. Mr. Tatum said that 40% of Saint Paul is living in poverty, and that you could not fight poverty by adding more jobs at poverty wages. He said that \$10/hour simply could not address a person's needs. He did not think there was a need for any carve-outs, even for teen workers. He asked if teens are the future, why would we keep the future broke. He said that people who earn six-figures but opposed a higher minimum wage were very frustrating to him.

Ms. Shirley Henderson, a small business owner from Seattle, spoke. She said that she came from Seattle to the panel because she had been part of the fight for \$15 in both in Seattle and Minneapolis, and she wanted to help explain the process. She said that Seattle and the Twin Cities were similar because they both housed some of the wealthiest corporations in the world. She said that wealth inequality is rampant in both cities. Shirley said her small business pays its employees \$15/hour today, even though there is a phase-in. She said, for a small business, the first interest is in having a vibrant community. Without a healthy community, the small business will not survive. She said she was here to debunk the fear mongering around higher minimum wages, which she felt had always been proven wrong by history.

Shirley said that she had built a \$15/hour wage into her model when opening her small business. She said that while some owners would react strongly to the idea of higher minimum wages, with creativity a small business can definitely manage it. She said that it was important to ask local government to help the small businesses, that large businesses receive a huge amount of handouts, but that the small businesses get huge burdens. In Seattle, a city council member had presented a plan for a municipal bank, commercial rent control, increasing public transit, and a civic 401(k) as ways to help small businesses and help workers in poverty.

Shirley said that the priority should be to make it work, because the poverty gap is immense. She said that the city should get creative on how to support small businesses do this. She said that President Trump was slashing infrastructure and support. A phase-in for smaller businesses is good, because the higher wages at large businesses will be spent at smaller businesses, enabling the small businesses to afford the increase. She said that exemptions go to those who can afford it the most, and that the people who can afford it the most are fighting against it the hardest.

Ms. Jessa Manthe said she has been working for 10 years in retail, both during and after her time in college. She worked full-time and still couldn't afford the tools to invest in her education, and she couldn't afford rent. In order to make ends meet, she said she had to take out more loans, which will now follow her around for the next 25 years. She said the loans have affected her ability to buy a house or choose to have kids. Now, as a manager, Jessa said she sees many on her staff struggling with stagnant wages and struggling to pay for basic necessities. She said that, as a manager, a \$15/hour wage would bring dignity to her staff, and they'd have greater engagement in work. She said that for a worker making less than \$15/hour, their entire existence is making it to next pay day. If workers could make more and have more dignity, they would be able to more fully participate in society and further contribute to their communities. Jessa said this is the kind of world she wished to live in, and said that was why she supported a \$15/hour wage.

Ms. Sumer Spika, a full-time homecare worker and union organizer, presented next. She has worked in home health care for about 11 years, and her husband has MS and requires a homecare worker for himself. They have four children, and her husband cannot work, so her income is all that her family receives. She said having a higher wage would allow her to not have to make choices between paying bills, and give her the freedom to take care of her family and herself. She said she was forced to go back to work 4 days after giving birth to two of her children. Sumer said that she was trying to find another homecare worker for her husband, but that it was almost impossible, since no one wanted to work for \$12/hour. She said that most people who worked as PCAs had to work multiple jobs, because the wages were so low. Sumer said at one point she was working 90 hours a week and still had to rely on food stamps and medical assistance. Summer said that the work that she did was important: helping people go to the bathroom, help with medicine, and help people engage with society and live their best lives. She said that home healthcare workers have been left out of the Fair Labor Standards Act, and that she thought that was wrong. She recognized that reimbursement rates did not make it easy for PCA workers to receive a higher wage, but that with a phase-in time and a change in state law, all workers could enjoy a higher standard of living. She also said that the cost of institutionalizing people receiving home healthcare would cost the state more than increasing the wage for home healthcare workers.

Ms. Sanchez said many of her coworkers, including herself, were single mothers. She said that if they were paid more fairly, that they would not have to leave their children at home. She said that she had been told "you're in America, speak English," and her response was that since she was in America, she should be paid like Americans. She said that she knows many Hispanic people who have to work two full-time jobs, which does not give them any time to learn English or better themselves. She thanked the committee for listening, and that she knew the committee members were people with feelings, and that they would make the best decision for Saint Paul and for the people who work in it, allowing them to have a life of dignity.

Shirley said that the common fear of businesses closing because of a higher wage was not true, that Seattle's economy was in fact booming due to raising the standard of living by raising the minimum wage. She said the sky did not fall in Seattle.

Mr. Tatum said that he worked at a nonprofit organization called Urban Roots, and that he was a conservationist. He said that a 5 year phase-in time was too long, that he needed a \$15/hour wage now.

A committee member asked if Shirley lived in the Twin Cities, and what kind of business she owned. She said that she lived in Seattle, and that it was a coffee shop and hair salon. The committee member asked Sumer if she owned her home healthcare company, or if she was a worker. Summer said she was a worker, that she did not own a business.

A committee member clarified that the poverty rate in the City of Saint Paul was 22.3%, and that the 40% statistic referred to was for people living below the threshold of 185% of the federal poverty line. Jessa said that, regardless of whether it was 22% or 40%, it was a question of values, and of what kind of city we want to live in.

The committee member thanked the panel for coming, and appreciated their courage. They agreed that the 22.3% was still egregious, but said that it was important to have accurate data to assess the situation. The member asked the panel, given there were 68,000 unfilled jobs in the Twin Cities that paid \$15+/hour plus benefits, what were the barriers to people transitioning to the jobs with higher pay, and what could the committee do to address the barriers.

Mr. Tatum said that for people who are underage, there wasn't a lot that could be done, since companies refused to hire young people. Ms. Sanchez said that there are many workers who lack the documentation or status that would enable them to find a higher-paid job. Sumer said that if a worker is unable to make their ends meet, they might not have the transportation to get to the jobs.

Mr. Durfee asked Shirley about how geography affected a minimum wage. Shirley said that there had been a lot of fear in Seattle about jobs moving out of the city, but that the opposite had been true—Seattle was having such an economic boom, that more jobs were being created and filled. Mr. Durfee asked Sumer if the fact that Minneapolis paid more would make it more attractive, even if someone lacked transportation. Summer said if a person in Saint Paul did not have reliable transit, they would look in Saint Paul, even if the wages were lower. She said that, in the home healthcare field, many people quit much higher-paying jobs in order to stay home and care for loved ones. She said that they could not look at moving to higher-paying jobs because it would mean that their loved ones would be institutionalized.

A committee member asked if the panel thought that exemptions/carve-outs were a good idea or if the committee should be looking for different solutions. Jessa said that it was about values, that the city should be looking for people-focused solutions. Shirley said that she thought that the firms fighting for exemptions and carve-outs were the ones that could most afford it. Mr. Tatum said that he did not want any carve outs at all. Ms. Sanchez said that it was important to ensure that keeping the cost of rent and food from rising, otherwise the workers would end up in the same place they are now.

Co-Chair Varco asked the panel how many hours they worked, and how much their incomes mattered to their families. Mr. Tatum said that he worked 38 hours a week and that money was

going to cover both himself and his mother, who has disabilities and only receives \$400 a month. Ms. Sanchez said she is the sole breadwinner in her family, and she has one daughter still living at home. She works 90 hours a week, and does the work of three people. She makes \$11.50/hour, even though she's worked there for 10 years. Jessa said she works 40 hours a week, and they are inconsistent, which makes it difficult to invest in much outside of work. She said that her husband makes more money than she does, which gives them some breathing room. Jessa said that while she is in a good place, she had seen other low-paid workers stay in bad relationships because they did not make enough to support themselves. Sumer said that she works about 80 hours a week between her two jobs, but she only gets paid for 36 hours a week.

Co-Chair Kyle asked the four local members for their experience on rising cost of rent and groceries. Marquise said that if he had a higher wage, he would be able to pay for higher costs. Ms. Sanchez said her rent had recently increased \$50 per month, but her wages had remained the same. She said she did not receive any benefits, and no vacation time. Jessa said that if prices rose 10%, but it meant a higher wage for everyone, she would be willing to pay it. Sumer agreed. Jessa said that the values that shape our solutions will be very important.

A committee member asked Shirley about Seattle's credit for people who paid health insurance. Shirley confirmed that Seattle had such a credit, but that in her opinion it was an unfortunate carve-out, since it affected workers negatively during the phase-in.

The committee member asked the panel if they preferred a \$15/hour with no benefits or a smaller minimum wage with access to benefits. Everyone on the panel said that they didn't want either of those choices.

A committee member asked Sumer to explain her typical day as a home health care worker. She said that she was also a union organizer, but when she did health care, it included helping her clients get out of bed, feeding them, helping them with toilet access, with getting people to and from their jobs and medical appointments.

A committee member thanked the panel for appearing, and told them that the member had learned a lot from their stories. The committee member asked the panel to talk about the cost of housing and how it had impacted how far their wages go. The committee member said they had seen numbers suggesting that the minimum wage would have to be \$19/hour to afford food and housing, and they wondered if \$15 would help the panelists actually meet their needs.

Ms. Sanchez said that \$15 would be a good start. She said that a higher wage would give her the time to learn English, to spend time with her three grandchildren, time to go to church. She said that she had always wanted to volunteer at hospitals and pray with the sick. She said that she liked Saint Paul, and loved living here.

Jessa said that time, freedom, and dignity were important. She said that she wanted to save for a house and maybe start a family. She agreed that \$15 might not be enough, but it is a definite improvement.

Sumer said if she had a \$15/hour wage to offer a home health care worker to take care of her husband, she would be able to finally fill the role, because they have been looking for months. She said right now she is competing with places like Aldi that offer almost \$15/hour with benefits. She said Minnesota has a care crisis, and it is only going to worsen. With a carve-out



for PCAs, she said she cannot imagine ever being able to find a home healthcare worker, which would mean that she might have to institutionalize her husband.

Jessa said that there are adverse health impacts to living in poverty, including constant stress, inadequate nutrition, and lack of access to other health necessities.

Co-Chair Varco asked Jessa to talk about how working at low wages prevented her from having the time to find the skills for a higher paying job. She said she didn't have time and tools to be successful in school, since she was working full-time to pay her bills. She took out loans, thinking she would find a good job and pay them off, but she ended up not having the time to search for a better job or develop the necessary skills, and was therefore stuck at her low-paying retail job.

Co-Chair Kyle asked the local panel members if they were concerned that the companies they worked for might close if the firms were unable to handle a higher minimum wage. Mr. Tatum said that the businesses would give them a heads up, and allow them to search for another job. Ms. Sanchez said, due to the contracts her employer had with national corporations, she didn't think her employer could close. Sumer said that phase-ins for home-health care workers could help mitigate closings, and also the state legislature needed to implement a higher reimbursement rate.

A committee member asked Shirley if there was a carve-out for tips in Seattle. She said there was. The committee member asked if she knew the difference in annual incomes between Seattle and the Twin Cities. She said she didn't know about Minneapolis and Saint Paul, but she knew Seattle's average annual income was \$80,000. The committee member asked if she was opening a business in the Twin Cities. Shirley said she was not planning on one, she was on the panel to provide her experience from Seattle and as a small business owner, since the impacts on small businesses seemed to be a primary concern.

Co-Chair Varco closed the Q & A and thanked the panelists for their time and comments.

#### **COMMITTEE DISCUSSION**

Co-Chair Kyle asked committee members who owned small businesses what they thought about the statement that "people who push for carve-outs are the ones who can afford it, and the \$15/hour wage was good for small business."

One committee member said that while the statement about carve-outs was a generalization, in their experience, the member thought it was true. The committee member had received a Star Grant from the City of Saint Paul, and at the Star Grant meeting the large developers had everything ready to go while it took the committee member months to complete the application with the help of their spouse. The member said it was a process that was theoretically designed for small businesses, but the process seemed to work well for those who had deep pockets. The committee member said that they agreed that the higher wage would be good for their coffee shop. The median income in Saint Paul is \$52,000, which the member said meant that half the city could not afford their coffee. Strictly as a business statement, the higher poverty rate meant that his business had less customers.

Another committee member said that their small business would have to increase prices, but that it would be incremental. They said that their employees have seen the member on television, and wondered what they are doing on the committee. The employees did not know

there was going to be a higher minimum wage in Saint Paul, and they were excited by the news. The committee member had told their employees that they would have to cut some hours. The member agreed with Ms. Sanchez, that a fairer wage was important, but that rising costs will affect prices in many places. The member had his rent increase \$100 per month recently, and they were also concerned with the cost of their wholesalers.

Mr. Durfee clarified that the determination of small/large firms was not based on jobs per location, but on total jobs from the employer. Therefore, even if a Best Buy location had 99 jobs, since Best Buy overall had more than 100 jobs, they were considered a large firm. Co-Chair Varco asked if that held true to franchises, if it was determined by how many jobs a franchise owner had, or how many McDonalds had overall. Mr. Durfee said he would look into it and get back to the committee.

A committee member said they had 52 employees, but they did not consider themselves a wealthy person. They consider themselves a “hundred-dollar-aire.” The committee member recalled that around 80% of businesses in Saint Paul were small businesses. A number of small business owners could not afford to participate in the study committee because they were not making enough money to take the time off to participate. The committee member felt that claim that businesses pushing for carve-outs were most able to afford paying the wage was an inaccurate generalization.

Another committee member said they thought the statement meant that the society and City of Saint Paul could afford to pay people, not that individual businesses all could afford the minimum wage. The committee member’s own business could not afford the wage, but they were hoping the committee could find creative solutions to make it possible

A committee member said the committee should make clear to the City Council and Mayor that there is a lot of work needed to combat poverty and improve conditions for upward income mobility. The member felt that it would be disingenuous for the Mayor and City Council to treat a minimum wage ordinance alone as the way to fight poverty. They said that workplace development was a crucial tool, that there was a large disconnect between the number of open jobs and the number of people wanting higher-paid positions. The member said that the committee could talk in a unified voice on the issue

A committee member said they were interested in the City providing a progressive slate of ways to help businesses move forward. The member thought Shirley’s discussion on measures taken in Seattle was very inspiring, including the ideas of rent control and a municipal bank. The member was excited for the opportunity to recommend solutions to the City of Saint Paul that will help small businesses.

Another committee member said that workforce development is essential, and the fight for mobility is an important task, but there will also be some low-wage jobs that are always going to need to be done. The member thought it was important to ensure that even those workers received a good wage.

Co-Chair Kyle said that while she spends much of her own time at work thinking about workforce development, skills gaps, and vacant jobs, but she was struck by Sumer’s comments about her husband with MS. Regardless of the number of vacant jobs, there are current filled jobs that must be done, and no amount of training for upward mobility can remove the need for home healthcare workers or for employees at discount shopping stores.

Co-Chair Varco said that he was struck by the problem of low wages today can cause people to be unable to gain the skills or opportunities for better jobs tomorrow. He said that certain economic positions can become self-perpetuating, and the committee should remember that particular problem as they consider their recommendations and solutions.

A committee member felt challenged by the language that treated people who were for some exemptions as opponents to a broader living wage. They felt defensive when the framing suggested that if someone supports exemptions, their values must be different. They said that such language obscured the potential for nuance and for agreement among people on the committee. The member said they spend most of their time at their job raising money for their nonprofit which pays young people to learn. The member did not believe that there needed to be a youth exemption, but thought that it was different when a young person is being paid to learn. The member really appreciated Mr. Tatum's contribution to the panel, and they said that their own nonprofit business was very similar to the one that Mr. Tatum worked for, Urban Roots. The member said that they knew the director of Urban Roots, and that the director had some of the same concerns as the committee member, that their nonprofits might not be able to afford a \$15/hour wage for paying the kids to learn.

Another committee member clarified that the member was not advocating for an exemption for the adult staff at the nonprofit, that the exemption would be for the program participants who were in job training.

A committee member said that they were grateful that they didn't have to solve every problem. The member said that the committee hadn't been asked to solve all the problems, such as the housing crisis or the increasing cost of food. They encouraged the committee to remember what they had been asked to look at, and to not spend time looking for problems, but to focus on solutions.

A committee member said that the committee had not spent much time yet discussing the issue of on-boarding. There are a number of people who are out of the workforce entirely, and a number of vacant jobs that are at the entry level. The committee member was astounded that the City of Saint Paul has not weighed in on Right Track, which was a partnership between the City, the schools, and local organizations to ensure youth employment opportunities. They encouraged the committee to keep youth training, workforce development, and on-boarding in mind as the recommendations are formed and explained what Right Track was.

Mr. Durfee said that, as was highlighted by Ms. Sanchez's employer not granting her Earned Sick and Safe Time, the committee should consider what recommendations might be needed to make sure employers play by the rules.

## **CLOSING**

Co-Chair Varco said that they would forego reviewing the community response today in the interest of time.

Ms. Hoffman attempted to use voting clickers. It did not work.

Meeting was adjourned at 10:59 a.m.

Ratings: 5, 4, 4, 5, 3.5, 5, 4, 4.5, 5, 4.5, 4, 4.5, 5, 4.5, 4.5. Average = 4.46