

## Mayflower Church – South Minneapolis Community

March 2, 2017

### General comments:

- I make \$8.25/hr and have seen the horrible impacts on people working multiple jobs to pay their debt and make rent. One person had a child die and they couldn't take time off. The horror of people working low wage jobs is terrible. There are limited opportunities for people with limited qualifications.
- When you make drastic and large changes to the fundamental cost structure of a business you will lose business. I have turned down opportunities to have restaurants in Minneapolis and moved businesses to St. Paul. Loans require cost information that has to be upheld and new requirements make this hard to predict. We've lost a lot of great restaurants this year because people don't want to sign 10 year leases in Minneapolis. This will impact business decisions that I make. We just move to paying \$9.50/hr. My employees make more than that. We also have tipped employees who make the minimum wage, but make more because of their tips. Each industry has needs and things that need to be considered. Tips need to be considered in a policy. People who work for me our highly educated, in school, and work for us because it's flexible, they can work less hours, etc. If we do this we'll move to more automation. Service jobs need to be looked at closely. All taxable wages should be considered when calculating wages.
- I'm a business owner and understand the bad side of low wages, but there is no magic pot of money small businesses can access. Other cities have increased the minimum wage, but scaled up. Small businesses are an entry point to work and learn. It's hard to pay students a lot for low skill jobs. Some policies use the age of the employee to determine the wage while others set a time period, like 90 days, I would urge the longer time period.
- I support a state increase in the minimum wage, but as of today, I wouldn't make a business investment in Minneapolis. I can move your people to my business, but I wouldn't invest in Minneapolis with these questions.
- We share clients between cities and to have two cost structures 10 minutes apart is confusing for our workers and customers.
- Attracting skilled workers is a challenge and servers are skilled. An increase in the minimum wage is going to impact servers because restaurants have to add service charge which caps what servers can make. Servers can go to other cities for work. This is

going to increase our costs. Servers are afraid of the impact an increase in the minimum wage could have.

- I'm always battle costs and my minimum wage is already creeping up without regulation. So we are moving this direction any way. Different types of employees should be able to make less based on job, skill/age, and tips.
- If everything went up tomorrow, my payroll would go from \$6,000 every two weeks to \$9,000 so there is a real impact on the bottom line. We're all fighting inflation and value of the dollar. There is only so far we can go. Small businesses are not the enemy.
- In other places, restaurants pay workers versus having the customers pay staff.
- Restaurants have tried to go to a no-tipping model, specifically in New York, and there are positives and negatives. Restaurants in our markets that have tried it have failed. They lost service staff to other jobs where they did receive tips. There are social norms at play and a cultural component. As a restaurateur, I have the right to preserve our culture. Tips are a motivation that elevates service. Anyone can take orders, machines do that, servers create an experience for customers. The restaurant industry is based on the commission model.
- I don't like bills at restaurants being based on tips. It's demeaning to me.
- There are some industries that are not optional for people to go to and they are areas where there are already shortages. How will we support those businesses with conflicting regulations and less opportunities to cut costs to accommodate the increased wage?
- As a worker, if I take home a salary of \$50,000 a year my wage won't increase but cost of goods and services will go up. Daycare expenses will increase. There are a large pocket of people who won't benefit from an increase minimum wage, but will be punished by it.
- I'm retired, but have thought about starting a business which would be in South Minneapolis. With all of the recent regulations in Minneapolis I wouldn't open a business in Minneapolis at all. If the minimum wage is increase at the state level then I might change my mind. A change at the federal level would be even better.
- I come from a human services background and see how the increase wage would be helpful. In my current life, I'm about building up communities and I'm concerned about mom and pop shops and having access to services. Some people are able to go to other jurisdictions, but what about people who aren't mobile. I'm also supportive of a youth wage.

- I own a business and want to know who will buy my business if the increased wage is passed. High school kids are sad about the proposal because they'll lose access to jobs.
- It will be important to address the unintended consequences of people losing benefits. It seems like an issue would be to determine how a policy would impact state level benefits.
- I like small businesses, but don't like big businesses getting corporate welfare. Why can't we offer assistance to small businesses?

**What kinds of considerations should be thought of, if any, for small/micro businesses, startups or particular industries?**

- People who work at Manny's will make more than servers who work at less fancy restaurants. If we have an increased minimum wage people will have more money to put into the economy.

**What kinds of considerations should be thought of, if any, for specific categories of employees?**

- Some employees use their job as supplemental income while others use it as their primary income. Most businesses take into account life situation when setting wages and hours. Can we account for different types of employees with a Minneapolis only policy? At the city level, can we accommodate these types of situations? We want to do this together and work together to build a better community.