

From: [Minneapolis 311](#)
To: [Council Comment](#)
Subject: \$15 Minimum Wage Comment
Date: Wednesday, August 03, 2016 5:38:08 PM
Attachments: [image001.png](#)

Hello,

We received the email below and wanted to pass this along.

City of Minneapolis

Name * Hugh Gustafson
Email * Gustafsoncrew@live.com
Phone
Phone Type
Address
City Minneapolis
State MN
Zip

Question/Comment * \$15/hr- since when is minimum wage supposed to support a standard of living?! Is for first time workers, not career employees. Sorry the people supporting it weren't properly raised by their parents, told this, and asked to set goals. Where does the money come from? Higher prices to a consumer, and what consumer is going to pay \$9 for a fast food burger?! \$15/hr will be great for the employees for the first few months until they are laid off because business has dropped & they aren't needed. This was all started by the Seattle city council lady, whose husband is an engineer at Microsoft, so she's not hurting for money. Who in their right mind thinks a burger flipper at McD's should get \$15/hr & that a minimum wage job is supposed to support them for life?! You can fix stupid.

Previous <http://www.ci.minneapolis.mn.us/council/>

This is an email generated from the City of Minneapolis website. * Required fields are indicated with an asterisk.

Jordan Hooks

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From: [Ritchie, Heidi](#) on behalf of [Frey, Jacob](#)
To: [Molly Broder](#)
Cc: [Council Comment](#)
Subject: RE: \$15 ballot initiative
Date: Wednesday, August 03, 2016 2:28:48 PM

Thank you, Molly. This is good info to have as we move forward with crafting an ordinance. I will send this to the city coordinator's office to incorporate with the feedback we will be collecting on this subject.

~Heidi

Heidi Ritchie

Aide to [Council Member Jacob Frey](#), Ward 3

City of Minneapolis – City Council

350 South Fifth Street – Room #307

Minneapolis, MN 55415

TEL: 612-673-2203

Heidi.Ritchie@MinneapolisMN.gov



From: Molly Broder [mailto:Molly@broders.com]

Sent: Tuesday, August 02, 2016 3:53 PM

To: Frey, Jacob

Subject: \$15 ballot initiative

Dear Councilmember Frey,

I know the Charter issue for a \$15 minimum wage is coming up this week.

While I do believe strongly in a fair living wage, I would like to make a couple of points:

1. We voted to clean up the charter and simplify language. I agree with the city attorney that this issue is an ordinance issue not something that belongs in the charter and will look so outdated in years to come especially since the trend (city, state and nationally) is moving to \$15 without charter amendments. No other city has chosen this route to achieve the end goal. If it does move to charter, it will have to be a very long and nuanced piece of work.
2. For strictly hourly wage employees, I believe \$15 is achievable with some caveats. Our company continually increases hourly wages and we are try to get to an across the board \$15 without government intervention but, in my labor intensive industry, it is easier said than done – especially when every year we are forced to increase the hourly wage of our highest paid employees – our servers who gross more in a year than our highest paid managers. It is counterproductive to our ability to achieve a fair living wage for all.
3. There should be some consideration given to 'youth' wage since kids are not running households and often working their first jobs and learning how it all works. It would be better to get our youth employed and have them enter the workforce.
4. There needs to be a calculator for a 'super wage' or whatever you want to call it. This 'super wage' represents the overall earnings of employees who have a base wage, supplemented by other compensation such as tips or commission. I have documented evidence that many of my 'minimum' wage employees actually have reportable income of \$45-62 per hour! I am required to report this income and deduct all the taxes from this income every pay period. These are people well into the middle class who we

do not want to harm. Also they work for me because they can make this extra income, not because they can get paid minimum wage whatever the rate. If this passes without a 'super wage' credit, it will cost my company over \$100,000 just to increase THEIR wages – money that could be better served paying my strict hourly employees a better wage. It will turn my industry upside down, will cost jobs, reduce wages of tipped employees by approximately 30%, change service standards and increase consumer pricing significantly. It just wouldn't be fair across the board to employees, owners and ultimately consumers if government refuses to recognize the importance of and necessity of tipped income. I would love to show you spreadsheets of the income my employees make – employees squarely in the middle class with homes and mortgages based on this income. Do we want to raise people from the bottom at the expense of our middle class? By looking at the entire picture of an individual's reported wages within the company, you can make an increased minimum wage applicable and possibly affordable to the employees who need it the most – the ones truly making less than \$15 per hour.

5. My other point is that any wage increase needs to be phased in over many years as has happened recently with the state minimum wage. Increasing all hourly employees who make less than \$15 to the new minimum all at once would be catastrophic to many restaurants in my industry – many who pay more than \$9.50 but under \$15 to a substantial number of their workforce. This impacts a lot of employees and would virtually remove all profitability from all restaurants so I would suggest a measured approach.

Thank you for listening. If you would like backup data, I would be happy to provide it at any time.

Molly Broder
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