

MINUTES

Economic Development Committee Meeting

Thursday March 25, 2021

3:00 p.m. – 3:30 p.m.

Via Zoom Meeting

Council Members

Chair Jeremy Nutting
Co-Chair Traci Buxton
Mayor Matt Pina

City Staff

Michael Matthias – City Manager (CM)
Dan Brewer – Chief Operating Officer (COO)
Susan Cezar – Chief Strategic Officer (CSO)
Beth Anne Wroe – Finance Director
Tim George – City Attorney
Scott Wilkins – Harbormaster
Matt Hutchins – Assistant City Attorney
Jeff Friend – Deputy Finance Director
Eric Lane – Land Use Planner II
Bonnie Wilkins – City Clerk

Guests: Councilmembers Luisa Bangs, Matt Mahoney, Anthony Martinelli and JC.Harris

Meeting was called to order at 3:04 p.m.

1. Approval of the February 25, 2021 Minutes

Minutes approved as submitted.

2. Hazard Pay for Essential Workers

City Manager Michael Matthias began the discussion by sharing a couple of examples: City of Seattle is requiring companies to provide hazard pay of \$4.00 per hour to grocery workers. City of Burien is also requiring companies to provide hazard pay of \$5.00 per hour to grocery workers. Councilmember Martinelli has suggested the City establish a hazard pay fund to provide a wage increase to grocery workers employed by companies of a certain size within the City of Des Moines. City Manager Matthias next shared research from three sources: the construction of the Burien ordinance, including details provided by the United Food and Commercial Workers Union; a Washington D.C. right/centrist think tank, American Action Forum and an Oxford University don and his team. He also described the Essential Workers List from the Governor's Office which is a rather extensive list of community based services. CM Matthias also discussed the hazard pay topic with businesses within the City. He made the distinction between "public goods" and "private goods". If the City forces a change in privately owned companies' pay scale it is likely the opposite effect of the desired outcome would result with lay-offs of part time employees. Additionally, there are a number of legal issues that need to be considered. In terms of the City establishing a Hazardous Pay Fund, it is possible the American Relief Fund may allow for this type of funding, however, it is too early to be certain as the specifics of this Bill are still unclear. CM Matthias suggested that it would be a very difficult task to determine who is an essential worker and entitled to Hazard Pay. He stated that Des Moines may want to revisit this topic, similar to King County's intention to do a 90 day review. At that time more information may be

available and this item could be reconsidered. There was a brief opportunity for Committee Members to comment. Comments included:

- It is very difficult to entertain any activity that may open the City to a legal action.
- Citizens wish for a grocery store in the downtown area. This type of action could make attracting a grocery store even less likely.
- The City should look at using Federal Funding, but not require individual businesses to provide Hazard Pay.

The Committee reached a consensus to table the discussion with a possible review in 90-120 days.

Adjourned at 3:29 p.m.

Respectfully submitted by,

Jodi Grager, Public Works Administrative Assistant