



Wilmette/Kenilworth Chamber of Commerce

June 1, 2017

Village President Bob Bielinski
Village of Wilmette
1200 Wilmette Ave.
Wilmette, IL 60091

Dear President Bielinski:

The Wilmette/Kenilworth Chamber of Commerce would like to formally request that the Village of Wilmette opt out of both the Cook County Minimum Wage Ordinance No. 16-5768 and the Cook County Mandatory Paid Sick Leave Ordinance No. 16-4229.

The Chamber conducted a survey of its members, and a majority of responding businesses requested that the Village of Wilmette opt out of these ordinances. The Chamber does not believe it is right for county government to regulate these business issues.

We believe that workers are entitled to a living wage, and that most Wilmette businesses already pay their employees above minimum wage. However, there may be some Wilmette businesses for whom this will cause a hardship. In the case of paid sick leave, numerous businesses feel that it would create financial and logistical difficulties for them.

Thank you for considering our request to opt out of these Cook County ordinances.

Sincerely,

Julie Yusim
Executive Director
Cc: Wilmette/Kenilworth Board of Directors

From: Julie Yusim [<mailto:julie@wilmettekenilworth.com>]

Sent: Friday, June 16, 2017 3:06 PM

To: Frenzer, Tim <frenzert@wilmette.com>

Subject: RE: Questions for the Chamber Concerning the Cook County Minimum Wage & Paid Sick Leave Ordinances

Tim, please see my responses below:

Julie Yusim, Executive Director
Wilmette/Kenilworth Chamber of Commerce
351 Linden Ave, Wilmette 60091
847-251-3800

Please note that the chamber's new email address is julie@wilmettekenilworth.com and info@wilmettekenilworth.com. Please update our contact information.

From: Frenzer, Tim [<mailto:frenzert@wilmette.com>]

Sent: Friday, June 16, 2017 2:40 PM

To: Julie Yusim <julie@wilmettekenilworth.com>

Cc: Bielinski, Bob <bielinskib@wilmette.com>; Braiman, Michael <braimanm@wilmette.com>

Subject: Questions for the Chamber Concerning the Cook County Minimum Wage & Paid Sick Leave Ordinances

Dear Julie;

Thank you for joining us at the Village Board meeting this past Tuesday, and for speaking on the subject of the Village Board's consideration of how to respond to the Cook County Ordinances that take effect on July 1, 2017.

Based on your comments and, more particularly, the letter dated June 1, 2017, the Village President asked me to submit to you, for the Chamber's response, a number of follow up questions. Please review these and let us know what additional information that the Chamber of Commerce can provide.

Our Agenda materials for the June 27, 2017 Village Board meeting need to be ready at noon on Thursday, June 22, so we would be grateful if the Chamber could respond by then.

Thank you again for all your assistance.

Regards,

Tim

The Chamber's letter of June 1, 2017, referencing the Cook County Minimum Wage Ordinance No. 16-5768 and the Cook County Mandatory Paid Sick Leave Ordinance No. 16-4229, states:

The Chamber conducted a survey of its members, and a majority of its responding businesses requested that the Village of Wilmette opt out of

these ordinances. The Chamber does not believe it is right for the county government to regulate these business issues.

We believe that workers are entitled to a living wage, and that most Wilmette businesses already pay their employees above minimum wage. However, there may be some Wilmette businesses for whom this will cause a hardship. In the case of paid sick leave, numerous businesses feel that it would create financial and logistical difficulties for them.

With regard to the survey referenced in the Chamber letter, the Village Board is interested in additional information.

1. Can the Chamber share the survey questions with the Village? Yes, but would like to do 2nd, more detailed survey to get additional information for you.
2. Can the Chamber share the survey results or summarize them in more detail (without revealing the identities of the individual member respondents)? Yes
 - a. How many Chamber members were surveyed? 180
 - b. How many members responded? 35
 - c. How many respondents were opposed or not opposed to opting out of the County minimum wage or the sick leave ordinances, or both? 23 in favor of opting out; 12 opposed to opting out
3. Insofar as responses are concerned, can they be categorized in any way (e.g. restaurant, retail, service, etc.) Yes, I can define for you

With regard to the issue of opting out or not, as expressed by the Chamber in the second paragraph above:

4. Does the Chamber have any additional information or examples of how specific businesses or types of businesses would be economically impacted? 2nd survey will give this information
5. Does the Chamber have any information on the number or types of businesses that do work in multiple municipalities, so as to be impacted by possibly conflicting rules on minimum wage and/or paid sick leave applicable in other Cook County municipalities where they may do work? Thus far, I know of 2 businesses that have talked about this: deGuilio Kitchen Design and F.J. Kerrigan Plumbing
6. Is there any additional data or information that the Chamber can provide to the Village in support of its request? There will be with a second survey.

Another point that the businesses want to make is that they feel there is a “misconception” that Wilmette customers are not cost-conscious – that is contrary to what most of the retailers/restaurants/service providers report. In other words, a significant demographic does make purchasing decisions based on price over loyalty to Wilmette small businesses.

A large part of the concern is that businesses will have to increase prices in order to accommodate the mandates, which will in turn lead to lost customers.



Wilmette/Kenilworth Chamber of Commerce

June 23, 2017

President Bob Bielinski
Village of Wilmette
1200 Wilmette Ave.
Wilmette, IL 60091

Dear President Bielinski:

To begin with, the Wilmette/Kenilworth Chamber of Commerce and its members agree that people should be paid a living wage.

Our Chamber members are also extremely grateful for the loyalty and patronage of our customers in Wilmette.

The Chamber is largely comprised of very small businesses. The majority of our members have between 2-10 employees, and many (if not most) of their employees work part-time. Small, independently-owned Wilmette businesses would most heavily bear the burden of these Cook County Ordinances.

After the June 13th Village Board Meeting, the Chamber conducted a second survey to gather more detailed information about businesses and the potential impact of the Cook County minimum wage and paid leave ordinances.

It seems that residents objecting to the "opt out" are thinking mainly about restaurant and retail establishments. However, the majority of survey responses came from "Service" businesses, and shows that they will be significantly impacted by the Cook County ordinances.

Here is a comment from the manager of a Wilmette medical office who is also a Wilmette resident:

"As I read it, if a business has multiple locations, unless all locations have opted out then they must comply with the new law. For example, we also have a Glenview office so we would be bound by the law even if Wilmette opts out.

It is disturbing to have all the "anti" residents, most I would assume have never attempted to run a small business and have no idea of the increasing rules and regulations we all must follow and the costs that are related to those. I agree that we pay nobody under \$15/hr when hired and most of my employees due to the fact that they have worked for many years for us earn over \$20/hr, even for jobs that have a minimum of a high school degree as a requirement. Add to this law the cost of insuring my employees in a small business and those two things make it difficult to keep my bottom line in check. I am also concerned that I may no longer be able to run my own payroll and may need to hire a payroll service which would cost an additional 4-6% of my payroll each pay period, as I try to maintain compliance. Just more Big Brother moving in and soon the American small business dream will no longer be sustainable."

Below is a summary of the information we gathered; the raw data is attached to this letter:

- 99% of respondents pay employees well above minimum wage. Because most Wilmette businesses are already paying above minimum wage, a mandate is not necessary in Wilmette.

Wilmette/Kenilworth Chamber of Commerce
351 Linden Ave., Wilmette, IL 60091

Ph. 847.251.3800
wilmettekenilworth.com



Wilmette/Kenilworth Chamber of Commerce

- It is also important to point out that survey respondents believe that Wilmette customers are indeed cost-conscious and would not continue to patronize independent businesses based on loyalty if prices were to increase.
- The majority of respondents believe they would have to increase prices in order to comply with a mandatory minimum wage increase and mandatory paid leave. One reason stated is that they would have to add the expense of a payroll service in order to keep track of accumulated leave.
- The majority of respondents are more concerned about the paid leave portion of the Opt Out, especially because they pay above minimum wage and have many part-time employees. Providing and tracking paid leave for full and part-time employees who receive above minimum wage will cause a significant financial hardship for the majority of respondents.
- The Chamber does not have a relationship with corporate businesses like Carson's, Bed Bath & Beyond, Walgreens, Jewel, etc. We were not able to gather data from them.

The attached surveys also provide detailed commentary from respondents regarding the impact that the Cook County minimum wage and paid leave ordinances will have on their businesses.

To summarize, most Wilmette businesses surveyed already pay well above the minimum wage – even to part-time employees. Therefore, a mandated minimum wage in Wilmette is not necessary. Secondly, because most full and part-time employees are receiving above minimum wage in Wilmette, a mandatory paid leave ordinance would negatively impact businesses, create an imposing financial and administrative burden, and even force some businesses to increase prices.

It is for these reasons that the Wilmette/Kenilworth Chamber of Commerce asks that the Trustees vote in favor of Ordinance #2017-O-36 identifying Home Rule conflicts with certain County Ordinances regarding paid sick leave and minimum hourly wage.

Sincerely,

Julie Yusim

Julie Yusim, Executive Director
enclosures

Name of your business:	Number of years your business has been in Wilmette?	How many EEs does your company have?	How many of your EEs are paid minimum wage?	How many of your EEs are paid more than minimum wage?	Do you offer your employees paid leave of any kind? If so, what kind? Do you offer other benefits, such as: education reimbursement, dues for professional membership organizations, or 401 plan? Is this based on full-time vs. part time employment?
Christensen Animal Hospital	80	18	0	All	80 hours PTO/ year Can be used for sick/vacation/
Hubba-Hubba	2	2 - And 2 part timers	0	All	Only my manager
Residence Inn Wilmette	3	1500 total this location has 27	0		27 yes/ paid time off and vacation/ full&part time
North Shore Music	1	7	2		5 No
Lambrecht's Jewelers Inc.	62	Three	Zero	Three	We need to be able to adapt to circumstances.
Morning Glory Flower Shop	27		7	none	7 Yes, paid on part time and full time
Studio North Academy of the Performing Arts, LLC	6		14	0	14 no
Ronald Knox Montessori School	55 years		23	None	All are paid more than minimum wage. 10 days of paid leave for full or part time.
Personal Fitness Training, Ltd.	26		12	0	12 Do not offer
Don Olson Ins. Agency Inc	44		5	0	all of them Yes I offer them all a minium of 10 days sick leav
Convito Cafe & Market	37		50	4	46 no
The Law Office of Charles E. Hutchinson	3		0	0	0 n/a
Rock House	7		30	all	No
Wilmette Theatre	103	5 full time, 6 part time	None	All	Vacation time for full time
Rolfsalon	53, 20 as Rolfsalon	Seven	None	Two	Vacation based on full time and performance.
			8	0	8 Vacation, illness, personal--not based on full tim
Lad & Lassie	64 years		10-Aug	none	all we offer vaca & sick pay except part time students
Gold Medal Cleaners	59 years			none	all 1 week vac/pers time yr 1 up to 4 weeks + holidays
Nuts and Bolts Health	1		0	0	0
Kitchen Classics			4	none	3 All part-time; no paid leave
Efficiency Marketing			0	0	0
Adams Electric Co, Inc			4	0	4 yes, 2-4 wk vacation,health,401k, full time
Hong Kong auto service			4	none	4 Free evening training class

Name of your business:	Explain SPECIFICALLY how the Cook County Ordinances for mandatory minimum wage and paid leave would effect your business:	Would your business have to increase prices if these ordinances are mandated in Wilmette?			
		Yes	No	Other	Comment
	Increasing the minimum wage will mean that we may need to increase wages by the proposed minimum wage across the board. Someone who is making \$1.75 above minimum now would be making minimum. If that person gets an increase why shouldn't anyone else.				
	The ONLY time we pay minimum wage is as a training wage for interns. This increase may mean we stop the program.				
Christensen Animal Hospital	Mandatory sick is already covered in our PTO policy. Employees can use PTO for whatever they would like		1		If my wages go up by 20% my fees will need to increase to cover this. I would anticipate a 10% increase.
Hubba-Hubba Residence Inn Wilmette North Shore Music	Having Cook County dictate more only makes it harder for me to insure a profit and keep my small business in business. I pay my employees more then minimum wage to ensure a talented staff. If that goes up then so does my wage model. greatly reduce our profit margins making it difficult to succeed in a highly competitive market We would have to look into the leave clause because our employees are either part time or independent contractors.		1 1		To cover my cost of the increase in payroll. I already pay more to attract a higher caliber employee and I would want to keep that edge. I would need to look at the data
Lambrecht's Jewelers Inc.	We do not need the Cook County Ordinance to tell us how to pay our employees or tell us how to deal with leave for our employees. We already are beyond the ordinance. However, I am sure there are businesses that employ teenagers on a part time basis. Those businesses may have to cut back on teenage employees if they have to comply with the mandatory minimum wage and paid leave. It would not effect us at all.			We don't know yet.	We are already past the minimum wage. If the state passes the tax increases they are talking about, we are probably going to have to increase prices.
Morning Glory Flower Shop	Also, there is absolutely no reason for anyone to be paid at current minimum wage in Wilmette. We strongly disagree that this would have a negative impact on any business in Wilmette. We feel it would be a selling point to attract new hires and retain current staff. If a business suggests that it would have a hardship or would impact them in a negative way, then maybe they have a bad business plan and or model.		1		
Studio North Academy of the Performing Arts, LLC Ronald Knox Montessori School Personal Fitness Training, Ltd. Don Olson Ins. Agency Inc	If the minimum wage is raised to \$15/hr, I would have to raise my prices for all 400 students that come through my business every week. It would NOT effect our business. No effect for minimum wage, but paid leave would be a financial hardship. It wouldn't affect me at all		1 1 1 1		
Convito Cafe & Market	We pay may employees currently under \$11, since they are doing jobs that is the going rate for (dishwasher, first job retail clerk, janitorial, etc.) We also have many many tipped employees who make under minimum. Our expenses will go up tremendously, especially when it reaches \$13, since now, our employees who are more skilled are paid \$13-17, and that means they will be \$20-30? We want to be on FAIR playing ground with the whole state. Not just a pocket near Chicago. This seems unfair and could negatively affect Cook County with some business choosing to open in Lake County instead.		1		For sure! We are nervous that since the whole state doesn't have to, and neighboring communities, it seems unfair. It would not necessarily increase my prices, but avoiding doing that would require that I decrease my services.
The Law Office of Charles E. Hutchinson	If this were to be adopted expansion would be difficult, I would likely hire virtual staff instead of actual staff. My employees make well over minimum wage with tips. In addition all of my music school teachers are paid by the lesson they teach, not hourly.		1		
Rock House	If you increase the minimum wage requirement, it would put me out of business though because my employees are tipped, I believe I am exempt from the minimum wage increase.		1		
Wilmette Theatre	Next year we would have to increase the compensation for our part time concession employees. These people are generally students who want part time employment or have other jobs and do this part time to supplement their income.				
Wilmette Theatre	We are not now accruing paid leave. We do give our full time employees sick leave but have not been accruing the allowed time.				
Wilmette Theatre	Our part time employees do not get paid leave.		1		
Rolfsalon	Any increase in bottom line to any business changes how the business must function and charge its guests. Numbers do not lie and increasing wages and paid leave dramatically changes a businesses biliary to function. Not at all			Maybe 1	That remains to be seen.
Lad & Lassie Gold Medal Cleaners	as I understand it we would need to pay our part time students paid leave that could be a hardship		1		
Nuts and Bolts Health Kitchen Classics Efficiency Marketing	I think it would help my business because more people could afford my health care services - to treat their injuries and prevent illness. I do not know. It won't but I don't want to live in a community that pays below minimum wage (except for teens).		1 1		I don't know
Adams Electric Co, Inc	No effect on present employees. When new hires come in, maybe. Beginning wages commesurate to experience/ training needed. it depends on what Cook County sets as minimum.			Maybe	
Hong Kong auto service	For sure, we will raise the price if these ordinances are mandated in Wilmette. On other hand, we may loose the business to other shops which are close to us in other town.		1		

Name of your business:

Do you think that Wilmette customers are cost-conscious? Please explain:

Christensen Animal Hospital

ABSOLUTELY! I personally know that some residents go to Lake county to shop, buy groceries, and gas. No one likes to pay more than they have to for a good or service.

Hubba-Hubba
Residence Inn Wilmette
North Shore Music

Yes, the Wilmette customers love the fact that Hubba-Hubba is an affordable women's boutique and that they do not have to go to the mall. Besides hearing if I am the same store from Chicago, I hear all the time how much they appreciate the price points I carry. My customers want value, selection & awesome service. Some customers only shop my sale rack while others want a little of everything. Keeping the Downtown Wilmette full of small independent shops is the key to Wilmette's uniqueness & appeal. The retail environment is incredibly challenging and the small business owners need all the help they can get. We do NOT have big financial backers. We are residents who live and work in a community we love and want to be involved and give back. On the occasional I do need seasonal workers, I do not want my hands tied on this issue if possible.

yes- I think most people are price sensitive and work to save wherever they can
Our customers look for value.

Lambrecht's Jewelers Inc.

Yes, they are cost conscious. We do have people who complain about sales tax. That will get worse if the Illinois house follows through on the taxes on services. There are many taxes that they are considering. Local brick and mortar stores are already facing enough competition from on line stores. Look at what Amazon is doing now with Whole Foods. Will Amazon be collecting the taxes on food and beverage purchases? This is hardly a level playing field.

Morning Glory Flower Shop

To a certain extent everyone is cost conscious, but to suggest that if they had to pay a few pennies more for a particular product sold in Wilmette, no one would have issue. Go back a couple of years to the Home Rule Sales Tax increase. No one at Morning Glory fielded any discussions from customers that this was going to impact their buying decisions in Wilmette or Cook County. I would argue no one much cared or they supported the justifications for the increase.

Studio North Academy of the Performing Arts, LLC
Ronald Knox Montessori School
Personal Fitness Training, Ltd.
Don Olson Ins. Agency Inc

Yes
Not sure.
Yes, especially since the population is aging, and many are on fixed incomes.
Yes at times

Convito Cafe & Market

Yes very. We have customers complain about 25 cents increases or want many things for free every day. (ex: extra serving, add chicken or cheese or whatever, and they think it should be free.) I think all retailers and restaurants will have to raise some prices, and residents will not like that.

The Law Office of Charles E. Hutchinson

Rock House

Yes they are. Just because it is the North Shore, Wilmette residents still watch expenses. I am a Wilmette resident and I am very cost conscious!

Wilmette Theatre

Yes I do think they are aware of prices and will purchase elsewhere if Wilmette is more expensive.

Rolfsalon

Everyone is cost conscious. The more money people make the more aware they are about what they spend. Its all about perceived value.

Lad & Lassie
Gold Medal Cleaners

yes I believe residents want us to pay our employees well. Wages are our biggest expense and our prices may be effected if we need to pay part time students

Nuts and Bolts Health
Kitchen Classics
Efficiency Marketing

I think they can be cost conscious because they are an educated people. Being an educated people, I have also observed they care about social justice issues. Yes, they are very price-sensitive. Our sales tax rates are another difficult issue, as would be a state-level tax on services if passed. Value more important than cost when purchase goods/services in our community.
Yes. Growing # of customers asking for estimate up front
, even for small jobs.

Adams Electric Co, Inc

Hong Kong auto service

yes. In Wilmette, the customer will ask how much for a job. In Northbrook, the customer ask how soon we can do the job.