COMBAT AND COLLABORATION IN SEATTLE'S HISTORIC MINIMUM WAGE DEBATE

On a cloudy Thursday in April, more than 30 reporters and television cameras were gathered near Mayor Ed Murray's seventh floor office at Seattle City Hall. The media, and observers nationwide, were waiting for an announcement from the new Mayor that he had reached a deal for Seattle to become the first major city in the country to raise its minimum wage to $15 per hour.

The only problem was that he didn't have a deal.

The Mayor's Income Inequality Advisory Committee, a group of two dozen diverse stakeholders from across the city, had negotiated for the past four months and were nearing their deadline. One day before, the Mayor believed the committee had reached an agreement on an innovative and complicated plan to raise the minimum wage. Now, as the media were waiting for a 3 PM press conference, the agreement had fallen apart.

Murray angrily went back and forth between different factions to cajole and yell at them in a last- ditch effort to get everyone back on board. It didn't work, and the assembled reporters from local and national outlets were still waiting.

City Councilmember Kshama Sawant, the socialist leader of an influential grassroots group pushing for an immediate increase to $15, stated to the public: "The committee is done. It is over."[1] Sawant and her opponents in the business community were threatening to place competing measures on the November ballot that would put Seattle in a political civil war for the rest of the year.

Ed Murray, 58, had staked his campaign for Mayor on raising the minimum wage, and on his reputation as a public official who finds compromise and gets results. Though he was only a few months into his first term, a highly public failure and subsequent fight at the ballot box risked irreparably harming his agenda and his chances for reelection in four years.

Murray reflected on the trajectory of his life, from his days as a young political activist to his celebrated tenure as a state legislator fighting for LGBT marriage equality. At nearly every point in his career, Murray had been able to find the balanced policy solutions when no one else could. Now, the Mayor's gambit to give a wage increase to 100,000 people in Seattle was in shambles. Could he salvage the deal and find a solution one more time?

Ed Murray's Trajectory from Activist to Mayor

Edward B. Murray was a study in balance. Openly gay and proudly Catholic, soft-spoken in public and known for his temper in private, demonized by both the far-left and the far-right, the 53rd Mayor of Seattle had spent his personal and professional lives split between seemingly irreconcilable opposing forces.

Raised in West Seattle in an Irish Catholic family, Murray came out as gay the same year he graduated from college.[2] Despite the Holy See's condemnation of homosexuality, Murray had remained a practicing Catholic for most of his adult life.[3] His long-time partner Michael Shiosaki credited Murray's career of public service to his "Catholic roots of serving others, and caring for the poor and aged. That was all part of his upbringing."[4] As a child, Murray was awed at the example set by John F. Kennedy, the first Catholic President of the United States: "John Kennedy's election really was about my parents, my aunts and uncles, my grandparents, viewing that election as fully being accepted as Americans."[5]

Murray's life changed in 1987 when he met Cal Anderson, a young veteran and aspiring politician.[6] Anderson was appointed as the first openly gay legislator in state history, and in 1988 he ran for a full term with young political activist Ed Murray as his campaign manager. For Murray, it was another shattered glass ceiling. He said, "When Cal Anderson ran, it was like, 'Wow, someone like me can really do that.' And he was sort of the bookend to John Kennedy breaking through the barrier."[7]

Cal Anderson's career served as a model for Murray's – like Anderson, he called himself a "Democrat who happens to be gay."[8] After Anderson died from AIDS-related complications, Murray was appointed to fill a resulting vacancy and became Washington's second openly gay legislator, representing Seattle's Capitol Hill neighborhood.[9][10] Ed Murray, the loyal Catholic, now represented a large section of one of the most secular cities in the country.[11]

Murray eventually rose to become Democratic Party leader in the State Senate.[12] In contrast to his public persona of dry speeches and frequent quotations of famous leaders, behind closed doors, Murray was known to be at times a difficult "hothead."[13] When asked about his temper, Murray said, "The fact that I get in people's face and we still are friends... The people I've built transportation packages with, the Republicans... will tell you I'm actually a person who brings people into the room."[14] For Murray, 'bringing people into the room' meant including the broadest possible cross section of stakeholders.

This was best exemplified in his role as the architect behind Washington's successful fight for LGBT marriage equality, a decade-long strategy that mostly eschewed activism in favor of traditional legislative deal making.[15][16] Murray and Cal Anderson before him had spent more than 20 years looking for enough votes in the State Senate to pass legislation that prohibited discrimination on the basis of sexual orientation.[17][18] In 2006, he succeeded, and spent several successive years passing expansions of LGBT rights, including the establishment of same-sex domestic partnerships.[19][20][21]

Finally, in 2012, then-Senator Murray helped pass full LGBT marriage equality into law and famously declared, "My friends, welcome to the other side of the rainbow."[22] The deciding vote came from one of Murray's long-time colleagues, conservative Democrat Mary Margaret Haugen. Murray patiently worked to convince Haugen on the issue after she voted for the state Defense of Marriage Act in 1998, and his determination paid off when Haugen walked into his office 14 years later to announce that she would support marriage equality.[23] A later referendum campaign by opponents of the bill failed, and voters made Washington one of the first states in the country to approve marriage equality by popular vote.[24][25]

25 years after his mentor Cal Anderson first entered the legislature, Ed Murray's insider-focused "strategy of incrementalism" paid off, starkly differing from the aggressive strategies of external pressure pursued in other states.[26] "My base was extremely unhappy in the gay and lesbian community that we didn't pass marriage first, but we did get to marriage and we did pass it," said Murray.[27] Eight months later, Murray married his partner Michael, 22 years to the day from when they first met.[28] With the campaign for marriage equality completed, Ed Murray soon set his sights on another goal: becoming Mayor of Seattle.

National "Fight for $15" Begins

As Ed Murray prepared to run for Mayor, a movement against income inequality was growing across the country. In late 2012, a small collection of fast-food workers in New York City organized a strike and took to the streets to call for a living wage. The *New York Times* called their efforts the "biggest wave of job actions in the history of America's fast-food industry."[29] It was designed by the Service Employees International Union (SEIU) and other progressive labor groups as part of a new campaign that built off 2011's Occupy Wall Street protests – the "Fight for $15." Frustrated by the lack of progress in traditional collective bargaining and union organizing, SEIU and its partners devised a new, unconventional strategy to move toward better wages and quality of life, using $15 per hour as a "nice and round" goal.[30]

Similar fast-food strikes spread out from New York to other cities.[31] In May 2013, Seattle became the seventh city to join when 21-year old Caroline Durocher walked off the job from a Taco Bell in the Ballard neighborhood. "I'm sick of seeing my co-workers and me essentially get pushed and pushed and barely be able to eat," said Durocher. "And I think it's time that we pushed them back."[32] Dozens of workers in Seattle joined in that day, and in August, Seattle and 59 other cities participated in the first ever coordinated national fast-food strike.[33]

The movement for a $15 minimum wage was now politically difficult to ignore, and the 2013 candidates for Mayor of Seattle, including Ed Murray, were paying close attention.

Washington's Pivotal 2013 Election

In Washington's municipal elections of 2013, three concurrent races set the tone for Seattle's minimum wage fight.

Mayoral Race: The City vs. Mayor McGinn

Long-rumored to seek higher office beyond the legislature, Ed Murray was an expected entrant to the Seattle Mayor's race. First term incumbent Mayor Michael McGinn had "developed a reputation as brash and difficult to work with early in his tenure, which was marked by bitter relations with a city council that openly disdained him."[34] Multiple candidates ran against McGinn, including two city councilmembers, but Murray rose to the top and joined McGinn as winners of the top-two primary, taking on each other head-to-head in the general election.[35]

 Despite Murray's record as a progressive champion in the State Capitol, to the left of nearly every other member of the legislature, in Seattle's municipal politics he was seen as a more conservative candidate due to being friendly with the business community. Mayor McGinn was the preferred choice of most labor unions and Seattle's influential alternative-weekly newspaper, *The Stranger*, and had attempted to "portray himself the true progressive and Murray as a tool of the downtown business interests."[36][37][38][39]

However, Murray successfully portrayed McGinn as having an "acrimonious style and ineffective leadership," contrasting with Murray's record of collaboration with elected officials in the State Capitol.[40] And on policy, Murray ran to the left of McGinn on a key issue: raising the minimum wage. At a SEIU-hosted candidate forum, Murray became the first serious candidate in the race to indicate support for $15 per hour.[41] With a striking Burger King employee at his side, Murray later announced a broad income inequality platform that included a proposal to incrementally phase in $15.[42]

Two days after Murray released his proposal, two influential SEIU locals endorsed his campaign.[43] SEIU 775 President David Rolf, later a co-chair of Murray's income inequality committee, helped develop the proposal, and wrote that it branded Murray "as a clear progressive in the race," making it "laughable to attack him as a shill for big business."[44] When combined with his already existing broad base of support and voter fatigue with McGinn, it helped carry Murray to a win with nearly 52% of the vote.[45] Ed Murray had made history again – he would become the first openly gay Mayor of Seattle.[46]

A Socialist Alternative for City Council

A race just as contentious in Seattle was happening down-ticket as 16-year incumbent City Councilmember Richard Conlin faced off against little-known community college instructor Kshama Sawant. Previously a failed legislative candidate, Sawant gained stature by tying herself to the Fight for $15. Seattle municipal elected offices are ostensibly non-partisan, but Sawant proudly ran as a member of the far-left Socialist Alternative Party.[47]

Conlin was described by *The Stranger* as "the most destructive member of the Seattle City Council" due to his record "helping to kill mass transit, build new highways, and seek harsh penalties for panhandlers," and his sole vote against paid sick leave for Seattle employees.[48] Despite being more

ideologically aligned with McGinn than Murray, Sawant succeeded where the soon-to-be former Mayor couldn't and pulled off a shocking upset, winning by just 3,151 votes out of nearly 185,000 cast. She would join the Seattle City Council and become one of the only socialist elected officials in the country.[49] Even more than Mayor-elect Murray, her position on $15 had been unequivocal: it must happen, and soon.

The Fight for $15 in SeaTac, WA

A small suburb south of Seattle, SeaTac is named for its largest employer, the Seattle-Tacoma International Airport.[50] David Rolf, the SEIU leader, wrote that the city's minimum wage campaign "began as an organizing tactic and ended with the national spotlight trained on a small, impoverished, heavily immigrant suburban city."[51] While Washington already had the highest state-level minimum wage in the country, airlines, including SeaTac-based Alaska Airlines, had systematically moved their unskilled jobs to outside contractors, resulting in lower pay and worse working conditions.[52]

After efforts to allow airport workers to unionize failed, labor unions turned to the idea of a voter-approved ballot measure as a way to "write the equivalent of a union contract into law."[53] They placed Proposition 1 on SeaTac's November 2013 ballot, a measure that included a $15 minimum wage and a provision for paid sick leave.[54] Opposing the effort was a political committee funded by airlines, restaurants, hotels, and other airport-adjacent businesses.[55] International media descended to cover the campaign in SeaTac, and the two sides spent a combined $2.2 million, "believed to be Washington's most expensive ever on a per-voter basis."[56] [57]

Proposition 1 won in November by just 77 votes out of more than 6,000 cast, and minimum wages were set to rise to $15 on January 1st .[58] Credit for the victory went to the labor side's superior campaign tactics and organizing. Businesses attempted to overturn the results through a recount and legal challenge, but it was too late to blunt the impact of Proposition 1 as a substantive victory in the Fight for $15.[59] [60] SEIU, their labor partners, and workers on the ground had achieved an unprecedented victory using nontraditional tactics – and people in Seattle, including Mayor-elect Ed Murray, had taken note.

Seattle's Six Month Sprint to Reach a Deal on $15

Welcome to Ed Murray's Seattle

As SEIU's David Rolf put it, "the cause of $15 wages had scored a trifecta in Seattle-area elections: Proposition 1 in SeaTac, Ed Murray, and Kshama Sawant."[61] Coupled with the national movement continuing to gain momentum, supporters of a $15 minimum wage in Seattle now saw a window opening to move their agenda forward.

Councilmember-elect Sawant did not let up after the election as she continued to affect the debate from the outside – sometimes literally. Less than a month after the election, she addressed more than 150 activists and fast-food workers who had made a symbolic 15-mile march from SeaTac to Seattle City Hall. Outside her future office, Sawant made their beliefs clear: "We can't wait for years. The rent is due now."[62]

Employers were reflexively opposed to any efforts to dramatically raise the minimum wage, but Ed Murray and his advisors quickly decided that it would have to be their first agenda item. Murray didn't support an immediate raise to $15, but he had made a clear promise on the campaign trail for at least a phased-in increase and knew that Sawant and her allies would hold him accountable. "This was really a decision based on the mounting national movement that was developing around it and developing here in Seattle. So to some extent it was a political decision as much as a strategic decision," said Murray.[63]

Murray scheduled a press conference for December 19 to announce his minimum wage strategy. Sawant preempted the Mayor-elect by hosting one of her own two days earlier where she officially launched a new organization: "15 Now."[64] Sawant thought from the beginning that it was important to build an organization outside of the Mayor's strategy, one that could apply external pressure. She believed the Mayor and his staff would attempt to "undercut the independent movement" she presided over.[65]

At Murray's press conference, the Mayor-elect announced the formation of a 23-member "Income Inequality Advisory Committee" that would be tasked with formulating the new policy, using a group of outside participants to circumvent the city's normal legislative process. The plan would not come directly from the Mayor or City Council. Rather, it would come from affected stakeholders. While this innovative strategy contrasted with Murray's earlier work inside the system of the state legislature, it honored his goal of including all voices at the table. The committee included a broad range of leaders who represented diverse constituencies across business, labor, and nonprofit employers, and included three members of the City Council.[i] Members of the committee included David Rolf, who had been instrumental in the winning side at SeaTac, and several business leaders who had been on the losing side.

The Mayor asked Rolf to co-chair the committee from the labor side, and originally asked Maud Daudon, CEO of Seattle's Chamber of Commerce, to co-chair from the business side. Daudon politely declined due to her position – the Chamber of Commerce represented a very large and varied group of more than 2,000 employers that often didn't see eye-to-eye with each other. Instead, Daudon recommended Howard S. Wright III, one of her board members and a fourth- generation Seattleite who, among many other interests, owned part of the Seattle Space Needle. Wright and Rolf met each other for the first time on the day of the press conference.[66]

The Mayor-elect and his staff purposefully filled the committee with members from both business and labor who would strongly represent the interests of their industries. They wanted an honest debate that could result in a deal with buy-in from everyone at the table. Among the city councilmembers on the committee was Kshama Sawant. Murray's advisors had opposed the inclusion of Sawant, but Murray insisted. In Sawant, he found an unlikely analogue from his time in the legislature – the far-right conservatives who rarely compromised but often set the parameters of the debate. The politics and the issues were different, but Murray's principles stayed the same. He would include all stakeholders at the negotiating table.[67]

"I think it's one thing just to throw an idea out there or write a bill. I think it's another to bring the stakeholders in who actually could come to an agreement that could unite people," said Mayor

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[i] See Exhibit 1 for full roster of the Income Inequality Advisory Committee.

Murray.[68] On 15 Now, he believed he could get approval from them "if they were at the table, in the room."[69] Sawant reluctantly accepted her position on the committee, wary of the entire process but eager to make sure her socialist movement had a voice inside the room, not just outside. She said, "[The Mayor] put big businesses on the same table as labor representatives and pretended as if this was an equal playing field. It's not."[70]

On January 1st, Ed Murray was sworn in as Mayor. Two days later, he signed his first executive order, moving to raise the minimum wage for his governmental employees at the City of Seattle to $15 per hour.[71] Next, he and the committee had their eyes on the rest of the city.

Mayor Murray Delegates to the Committee

The Income Inequality Advisory Committee (IIAC) started meeting in January with very few guidelines for their work. When announcing the committee, Murray had said the members would "participate in a structured effort, within a defined timeframe, with clear goals and clear deadlines, while driving toward a clear end-product – which is a proposal I can submit to City Council this summer."[72] He gave only two major rules:

Four Month Timeline - Mayor Murray gave the committee until May 1st – four months to reach a deal that could be forwarded to the Seattle City Council for a vote.[73]

Everything Else Was Off the Table - Mayor Murray directed the committee to not consider any income inequality policy proposals besides raising the minimum wage. Supplemental proposals such as changing the tax code or increasing access to education or affordable housing were not part of the IIAC's purview.

Otherwise, the Mayor was nowhere to be found – by design. Mayor Murray intentionally did not set out any requirements for the detailed contents of a deal. Rather than using a heavy hand in the negotiating room over the particulars, Murray initially gave the members of the committee a wide berth to get to know each other and begin the negotiation process. In the IIAC's first meeting, restaurateur David Meinert recalled the Mayor saying, "Look, I want you guys to get into this and argue. And I expect that there should be blood on the floor."[74]

While he was almost never physically present in the room, members of his staff were constant observers. Mayor Murray himself described his strategy as, "Eyes on, but hands off… I knew that conversations would happen and that people would be more likely to get in each other's face if the Mayor wasn't in the room."[75] Staying aloof also prevented Murray from being the sole owner. With a collaborative process, he and the committee would share both credit and blame for the final product.

Committee Off to a Slow Start

The first two months went slowly for the committee. The full group met just three times and largely focused on fact-finding - bringing in outside experts to lecture on economics, demographics, and specific industries. Subcommittees were established to look at potential impacts on disadvantaged groups, including immigrants, refugees, and people with disabilities.[76] Restaurateur Meinert was quickly disillusioned. "Everybody's here for their own ego, not to solve income inequality," he said.[77]

The policy sticking points came up early. Despite support for an immediate increase from Councilmember Sawant and some labor negotiators, most members agreed that there should be a phase-in period – but what that would look like was up in the air. Additionally, the business side supported using a "total compensation" methodology that would include items like tips and benefits in the definition of what constituted wages. Labor was opposed, because the concept of a tip credit violated their fundamental belief that only wages are wages.

Early in the process, Mayor Murray attempted to break the stalemate by authorizing $30,000 to pay for a professional mediator. During the mediator's first meeting with the IIAC, he had the members participate in a series of icebreakers and trust-building exercises. According to Donegan, "The mayor's staff decided the reason we couldn't get to a deal is because 'I didn't know what kind of shoes you liked to wear.' So maybe if we spend 20 minutes together, and I got to know you better, I would be willing to compromise."[78]

It didn't work. Rather than facilitating a breakthrough, the mediator ultimately served a role similar to the Mayor's staff, sitting in the room and observing. "I don't think we were particularly dysfunctional, but it was hard work, right? We had a libertarian and we had a socialist, and we had everything in between," said co-chair David Rolf. "You know, we were never going to have a unanimous vote."[79]

On March 5th, the committee held its first public hearing in a joint meeting with the Seattle City Council. The *Seattle Times* reported that "About 700 people, many wearing red T-shirts with "15" on the front, cheered calls to enact a pay increase in the city." Most testifiers spoke in favor of an increase, but "some small-business and restaurant owners questioned the impact of raising the minimum wage, with several saying they'd like to give their employees an increase but don't know how they would pay for it."[80]

On March 21st, research commissioned by the committee from the University of Washington's Evans School of Public Policy and Governance was presented.[ii] The researchers found that about 100,000 people in Seattle were making under $15 per hour, and that a raise to $15 would potentially decrease the city's poverty rate from 13.6 to 9.4 percent. They also found that low wages were more likely among people who were women, of color, younger, less educated, or on public assistance.[81]

Emotions came to a head the following week after Mayor Murray hosted a one-day conference at Seattle University. Open to the public and titled the "Income Inequality Symposium," panels throughout the day featured guest experts, economic analyses, and examples of successes in other cities. Attendees heard from 37 speakers, including Councilmember Sawant. Only a handful of speakers represented the business perspective, among them IIAC member Maud Daudon, the Chamber of Commerce leader.[82]

The business side blamed the Mayor and labor co-chair Rolf for their lack of representation at the symposium, and were vocal about it at the next IIAC meeting. Daudon described their point of view as, "If it's already determined, you know, are we just here for window dressing?"[83] That was one of many contentious meetings for the committee. Throughout the process, people "walked out of the room and

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[ii] The IIAC commissioned research by both the University of Washington and the University of California, Berkeley. See Exhibit 2 for details on their findings.

walked back [in]," said Murray.[84]

Fear of a Ballot Measure War in Seattle

What was going on outside the negotiating room was often just as important as what was going on inside. City Councilmember Kshama Sawant and 15 Now were at the head of a formidable grassroots movement of red-shirted supporters that began holding regular rallies and demonstrations at City Hall. After a session of the IIAC concluded, it was not uncommon for Sawant to go downstairs and address the demonstrators. Sawant and 15 Now were clear about their intentions if the committee could not reach a satisfactory deal. They would collect signatures to place an immediate $15 wage increase in front of voters on the November ballot. In other words, what happened in SeaTac could happen in Seattle.

The fight over Proposition 1 in SeaTac served as a cautionary tale to many business leaders in Seattle. Alaska Airlines and other companies spent hundreds of thousands of dollars in a losing effort, and what became law had been written entirely by labor. Unlike the collaborative process started by Mayor Murray, there were no negotiations in SeaTac. The minimum wage was immediately rising to $15 with no concessions to business.

Bob Donegan, President of Seattle-based restaurant chain Ivar's, had been part of the failed effort to defeat Proposition 1.[85] To him, a repeat of SeaTac was unacceptable. "It's better to negotiate a deal, to go up into the legislative process in [Seattle] than it is to let the initiative process do it," said Donegan. "You can't adjust an initiative... They always have unintended consequences, and that's unfortunate."[86] Businesses had an understandable interest in avoiding another uphill ballot fight. This time they would likely run a competing measure, but it didn't change the fact that Seattle voters were more left-leaning than SeaTac. After all, Seattle had just elected a socialist councilmember on a city-wide ballot. Additionally, the Mayor's political pollster released survey results showing 68 percent of likely voters were supportive of $15.[87]

For the labor side, avoiding a ballot measure fight was also preferable. While successful, SeaTac had been a very expensive campaign. Seattle was more than 23 times larger than SeaTac and an initiative would likely carry a significant price tag. Sawant had grassroots support, but would require funding from SEIU and other unions. "15 Now had lots of ground troops, but they didn't have money," said David Rolf. "Those of us who would have had to probably take financial responsibility for the success of a ballot measure were not anxious to be the first ones to go to war, because we wanted the negotiations to work."[88]

Newly inaugurated and learning on the job, Mayor Murray felt that a lengthy and expensive fight also threatened to overshadow his first year in office and potentially ruin his chances for reelection in four years. The Mayor had major issues on the horizon he wanted to tackle, including Seattle's housing and homelessness crisis. "It was important for this city not to have a battle at the ballot over the minimum wage," he said. "It would have been a colossal waste of money on everyone's part. It would have poisoned our ability to work as partners between labor and business."[89]

Nearly every stakeholder wanted to avoid this scenario, and Kshama Sawant knew it. Amid the regular rallies at City Hall, 15 Now partnered with SEIU in mid-February to hold a "Day of Organizing" for $15

activists.[90] There, hundreds of volunteers were taught about the basics of the ballot measure process, including how to gather signatures to qualify for the ballot.[91] 15 Now wasn't collecting signatures yet, but they would be ready just in case. "The tactic of the ballot initiative was a critical component of our overall strategy," recalled Councilmember Sawant.[92]

Mayor Murray's aggressive four-month deadline for the IIAC to reach a deal was mindful of this threat. Finishing before May would give the City Council enough time to debate and pass the committee's proposal before 15 Now would need to submit signatures and ballot language.

The Seven-Member "Gang of Eight"

The most common complaint from members on either side was the committee's size. With 24 members on the final roster, it was certainly representative of the wide range of stakeholders, but the large size made it difficult to achieve meaningful progress in negotiations. David Watkins, President of the Seattle Hotel Association, said, "It was a huge topic and there was no way that in that sized room they were going to get stuff done."[93]

Now only a month from his self-imposed deadline, Mayor Murray knew he had to change things up and be a stronger presence in the room. Shortly after the symposium, he established a smaller 'committee within the committee' that would begin holding its own meetings. The smaller committee at first had eight members – three from labor, three from business, one from nonprofits, and one city councilmember – and was dubbed the "Gang of Eight," or the "G-8." After several unproductive meetings the lineup was reshuffled, leaving a final roster of three members from labor and four from business:

Labor
- Co-Chair David Rolf - President, SEIU 775
- Sarah Cherin - Political Director, United Food and Commercial Workers (UFCW) 21
- David Freiboth - Executive Secretary, M.L. King County Labor Council

Business
- Co-Chair Howard S. Wright III - Chairman, Seattle Hospitality Group
- Maud Daudon - President & CEO, Seattle Metropolitan Chamber of Commerce
- David Watkins - President, Seattle Hotel Association & hotel general manager
- Bob Donegan - President & CEO, Ivar's & Kidd Valley Restaurants

Despite being fewer than eight people, the "G-8" name stuck.[iii] Mayor Murray recalled his thinking at the time: "We needed some people that could actually represent different constituencies and sit at the table and negotiate and have the power to negotiate on behalf of that constituency. Some, like labor, the representatives were very empowered to come to a deal. Others, like business, I wasn't clear that they could actually come to a deal."[94] Donegan was the final addition, included for his ability to speak

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[iii] See Exhibit 3 for profiles of the seven G-8 members.

on behalf of the restaurant industry.

What the final G-8 members had in common was possession of the greatest ability to start or avoid an initiative war. While nonprofit employers were wary of a minimum wage increase, they would be minor players in a ballot measure fight. It was similar for the City Councilmembers. Instead, final members of the G-8 represented either large labor unions or for-profit industries – the stakeholders with the deepest pockets.

The G-8 would soon come to spend more time with the Mayor and each other than they would with their own families – and one member, Sarah Cherin, was eight-and-a-half months pregnant. Unlike the formal meetings during the day that had been typical of the larger IIAC, the G-8 began holding impromptu meetings several nights of the week, often working past midnight into the early hours of the morning. Murray later recalled this period as "the most fun" he had in his time as Mayor.[95]

G-8 member David Watkins remembered days spent getting to his actual job at hotel The Inn At The Market at 6 AM to oversee the day's work before spending the rest of the day holed up at City Hall. While the G-8 was meeting, members of the larger IIAC remained in close communication with those inside the room. The three labor and four business negotiators now had full responsibility to reach a deal that would satisfy their constituencies.

As the deadline approached without a deal materializing, tensions were rising outside of City Hall on both sides in anticipation of an increasingly likely ballot measure fight. On April 10th, the business coalition publicly rolled out an advocacy organization named "OneSeattle" that would oppose 15 Now if necessary.[96] [97] Four days later, 15 Now filed a proposed ballot measure with the city that would immediately raise the minimum wage to $15.[98] Murray himself made it clear to the IIAC that he would introduce his own proposal, without any stakeholder input, if they missed the deadline – and that it would likely be closer to labor's position.[99] That night, the G-8 would finally reach a breakthrough.

A Potential Deal Begins to Take Shape

The G-8 had been unable to find a compromise on phasing in the minimum wage and tip credits. David Rolf summed up the impasse: "Labor wanted a fast path to $15 for all workers and no credits for tips or health care benefits, but was open to a slower path for small businesses. Business groups wanted a slow path to $15 with a permanent credit for tips and health care and the same phase-in schedule for small and large businesses."[100] Further complicating the debate was the increased visibility of immigrant and minority-owned small businesses, who were beginning to generate press on their belief that a minimum wage increase would come at a "staggering cost."[101] [102]

Late on April 14th, Chamber of Commerce CEO Maud Daudon sketched a simple whiteboard drawing in the G-8's City Hall conference room. It was a graph with two lines. One line was for big employers, and showed the quicker schedule they would be on to get to $15. The other line was for small employers, and showed the slower schedule they would be on. As small businesses phased into $15 over a number of years, they would be allowed to use tip or health care credits to supplement actual salaries. However, at the end of the timeline, tip credits would be eliminated. It was a phase-in to get to $15, and a phase-out of tip credits for small businesses. Daudon said that the idea allowed for the "conversation to go from this amorphous- like nothingness, which had been the first three months of

that committee work, into something where people could react and respond."[103]

The potential compromise had positives for both sides, but would leave neither side entirely happy. Business would get a slower timeline that would ease the impact on small companies, and would get the tip credit they had been fighting for. But labor would avoid a permanent tip credit by ensuring it phased out. "It was messy. It was also brilliant," wrote Rolf.[104] After the meeting, Mayor Murray and the co-chairs went out for a celebratory drink.[105]

The Mayor's advisors and the G-8 went to work the next day to fill in the details of Daudon's whiteboard plan. They designed an exact time schedule that would have big businesses reaching $15 in three to four years, and small businesses using tips and health care before gradually phasing them out and reaching a true $15 in nine years. After reaching $15, wages would be annually indexed to inflation.

With the outline of a deal in place, the next debate was over what the exact cutoff would be for the number of employees that define a "small business." Labor's negotiating position had started at under 50, and business had started at 10,000 to hopefully exempt local employers like Starbucks and Nordstrom. Negotiators also differed on whether to count the nationwide number of employees, or just the number of employees inside Seattle. Labor opposed a local count, because it could potentially exclude large employers with a limited footprint in Seattle – like Target or other big-box stores.

After another week of late nights, including a five-hour session the day before Easter, the G-8 thought it was close to a deal.[106] At 2 AM on the morning of April 23rd, after listening to arguments from both sides, the Mayor settled on 500 employees. For Murray, 500 made practical sense, as it was the federal Small Business Administration's technical definition.[107] Anything under 500 would be classified as a small business, and anything at 500 or above would be a big business. Murray called the co-chairs into his office to inform them of his decision, and then did the same with business member Bob Donegan and labor member Dave Freiboth. They all left City Hall thinking that a deal had finally been reached.

When the G-8 reassembled six hours later to go over the plan before presenting it at the full IIAC's final scheduled meeting, it became clear that something had gone horribly wrong the night before. Rolf began reading off the details of the agreement that the Mayor's staff had transcribed overnight, and when he reached business size, the faces of the business negotiators went "blank."[108] Donegan and the business side believed they had agreed to 500 employees *nationally*, and Freiboth and the labor side believed they had agreed to 500 employees *locally*.

Labor was shocked that business thought they would ever agree to 500 employees locally, a proposal that could make smaller local businesses pay more than some large national companies. Only the metric of 500 employees nationally would ensure all large companies were included. "I'm not going to agree to that. I'm never going to agree to that," said Freiboth.[109] David Watkins on the business side had a similar response: "Time out… we're walking. No deal."[110]

The sides differed on what exactly happened the night before, but many believed it was just a natural consequence of their chaotic late-night work sessions. Dozens of ideas had been thrown out, and something had been lost in translation at the end of the night. "There was very poor documentation throughout the whole thing," said Daudon.[111] Another committee member attributed the confusion to the Mayor's staff being so new on the job.

Labor G-8 member Sarah Cherin placed the blame on the business side for lacking the authority to negotiate on behalf of their constituencies. "Part of any negotiation is you have to have people who are in the room who are empowered to make decisions," she said. "…When I shake a hand, I am shaking on behalf of my members, at least tentatively. I am shaking on behalf of my leadership. I have to be ready to deliver that deal. I don't think business understood that."[112]

The Mayor supported labor's position of 500 national employees, and spent the rest of the day trying to convince the business side to come around. By mid-afternoon, he attempted to force their hand by notifying media of a press conference the next day to announce a deal. In a statement he said:

> "Tomorrow at 1:15 p.m., I am prepared to announce a plan for how we raise the minimum wage in this city. Standing with me, I hope, will be members of my Income Inequality Advisory Committee. And it is my hope that it will be all the members of my advisory committee."[113]

The next day, the business side called the Mayor's bluff. "I would say the entire business side was not prepared to walk into a press conference and stand behind the Mayor," said Daudon. "I mean we didn't want to embarrass him, or anybody else in the group, but we also felt like it wasn't done yet. We didn't even know what we would hear."[114]

As the IIAC met to hold a vote on the proposal, several business negotiators indicated they would abstain, depriving the Mayor of supermajority support. Daudon would have to get approval from the Chamber of Commerce board. Similarly, restaurant CEO Donegan would need to collect feedback from the Washington Restaurant Association. As labor heard that some business members were abstaining, they began abstaining too. Labor felt they had made a major concession in agreeing to the lengthy phase-in, and if business was out, so were they.

The deal collapsed after more than 30 members of the media had already arrived at Seattle City Hall for a press conference that had now been delayed to 3 PM. The two sides retreated to separate rooms where they were soon both visited by Mayor Murray. If committee members hadn't yet seen why Murray had a reputation as a "hothead" in the state legislature, today they did. "He yelled and screamed at both sides," said business co-chair Howard Wright.[115]

The Mayor burst into the second floor conference room where the business side was meeting and unleashed a furious torrent of curse words and threats. "He wasn't very happy," said Daudon.[116] Donegan recalled their response to the Mayor as, "Well Ed, this isn't the deal we agreed to."[117] Murray demanded that the group "fix it," and threw open the door to leave, accidentally slamming it against his chief of staff.[118]

Now What?

Mayor Murray's efforts to save the deal had not succeeded. Business was holding steady - if a vote were held that day, most would abstain or oppose the deal. Now it was close to 3 PM, and Murray huddled with his staff and the committee co-chairs to discuss strategy.

Besides the immediate concern of what to do about the assembled media, the Mayor was deeply worried about the prospects of the Income Inequality Advisory Committee reaching a deal before their deadline, just one week away. For two successive days, a compromise had slipped through his fingers

as business and labor continued to squabble. Murray felt it was important to reach a deal that had supermajority support from the committee – it was not a viable option to have just a simple majority with one side or the other. He needed both.

Murray looked out his office window at Elliott Bay and reflected on his options, including attempting to repair relations in the committee or abandoning the process altogether and introducing his own legislation. Could he find a balanced solution one more time?

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Exhibit 1: Income Inequality Advisory Committee

Mayor Murray's Income Inequality Advisory Committee ultimately had 24 members, organized here by where they generally stood on the politics of $15. The affiliations below were not strict, as no part of the group agreed on every issue.

Members of the "G-8" have an asterisk (see Exhibit 3 for expanded G-8 profiles)

Aligned with Labor

Name	Position	Organization
*Co-Chair David Rolf	President	Service Employees International Union (SEIU) 775
*Sarah Cherin	Political & Policy Director	United Food & Commercial Workers (UFCW) 21
*David Freiboth	Executive Secretary	M.L. King County Labor Council (MLKCLC)
Kshama Sawant	Councilmember	Seattle City Council
Nick Licata	Councilmember	Seattle City Council
Diane Sosne	President	SEIU 1199
Nick Hanauer	Venture capitalist	Second Avenue Partners
Eric Liu	Founder	Citizen University
Pramila Jayapal	Co-Chair	We Belong Together (Women for Common Sense Immigration Policies)
Nicole Keenan	Policy & Research Analyst	Puget Sound Sage

Aligned with Business

Name	Position	Organization
*Co-Chair Howard S. Wright III	Chairman	Seattle Hospitality Group
*Maud Daudon	President & CEO	Seattle Metropolitan Chamber of Commerce
*Bob Donegan	President & CEO	Ivar's & Kidd Valley Restaurants
*David Watkins	President	Seattle Hotel Association
Michael Wells	Executive Director	Capitol Hill Chamber of Commerce
Craig Dawson	President	Retail Lockbox
David Meinert	Entrepreneur	Various restaurants & talent management
Craig Schafer	Owner	Hotel Andra
Joe Fugere	Owner	Tutta Bella Neapolitan Pizzeria
Janet Ali	HR Supervisor	Nucor Steel
Ronald Wilkowski	Director of Business Development	Union Bank

Not necessarily aligned with either side

Name	Position	Organization
Bruce Harrell	Councilmember	Seattle City Council
Gordon McHenry	President & CEO	Solid Ground (nonprofit)
Audrey Haberman	Managing Partner	Philanthropy Northwest (nonprofit)

Exhibit 2: Research Study Results

The Income Inequality Advisory Committee (IIAC) commissioned two academic studies from research universities to assess the impact of raising the minimum wage. Results were presented to the IIAC in March 2014.

University of Washington Study: Impact in Seattle

Researchers at the University of Washington's Daniel J. Evans School of Public Policy and Governance were tasked with finding "who would be impacted by the $15 minimum wage in Seattle," according to IIAC Co-Chair David Rolf.[1]

Excerpts are reprinted below from the UW study's Executive Summary, authored by Marieka M. Klawitter, Mark C. Long, and Robert D. Plotnick.[i]

Worker Characteristics

- About a third of Seattle residents earn less than $15 per hour, compared to only 19% of those who work in Seattle and live outside of the city.

- About 100,000 people working in Seattle earn less than $15 per hour.

- 40% of those working in Seattle and earning minimum wage live outside the city.

- Among the lowest wage Seattle residents, 55% work in the city-- lower than for all workers (63%).

- Low wages are more likely among workers with characteristics typically associated with low wages: younger workers, less education, being female or a racial/ethnic minority, poor, or receiving public assistance.

- However, the majority of those earning low wages mirror the population: non-poor, some college education, white, and not receiving public assistance.

- Family incomes are lowest for Seattle residents earning minimum wage (median of $16,853 per year) and highest for those earning over $18 per hour (median of $89,780); in between they are fairly flat with medians between $30,000 and $35,000.

- The most common occupations for low-wage workers are: Food Preparation and Serving, Sales, Office and Administrative Support, Personal Care and Service, and Transportation and Material Moving.

- The most common industries for low-wage workers are: Accommodations and Food Services, Retail Trade, Health Care and Social Assistance, and Educational Services.

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[i] Klawitter, Marieka, M., Mark C. Long, and Robert D. Plotnick. "Who Would be Affected by an Increase in Seattle's Minimum Wage?" Evans School of Public Policy and Governance, University of Washington, 21, March 2014, http://murray.seattle.gov/wp-content/uploads/2014/03/Evans-report-3_21_14-+-appdx.pdf. Accessed 1 June 2017.

Poverty and Work in Seattle

- 13.6% of Seattle residents had income below the official poverty line in 2012.

- Half of poor persons age 16 or older worked at least one week in the past year. They worked an average of 27 weeks per year.

Possible Changes in Poverty, Earnings, Basic Food, and Business Costs

We have made simple simulations of maximum possible changes in earnings, food stamp eligibility, poverty, and business payrolls. These estimates do not account for any possible adjustments in employment or businesses.

- If there were no changes in the labor market (which is unlikely), typical employees earning the minimum wage of $9.32 and working 1,040 hours a year could see their annual earnings increase by up to $2,912 (30%) if the minimum wage increased to $12.12. Fully employed workers' earnings could increase by $5,600.

- With a minimum wage increase to $15.00, employees making the current minimum wage could increase their earnings by $5,907 (61%) if they worked the median (1,040) hours or $11,360 if they worked full-time all year.

- For a family of three with median family income for $9.32 workers, food stamp benefits could drop from $348 dollars to $227 with a $12.12 minimum wage, and to $75 with a $15 wage. Drops would be less for workers working fewer hours and benefit levels are lower for smaller households.

- An increase in the minimum wage to $15.00 per hour is simulated to reduce poverty from 13.6% to 9.4% if employment and hours did not change. Nearly three-quarters of this decline would be achieved by raising the minimum wage to $12.12 per hour, with the poverty rate falling from 13.6% to 10.6%.

- Changes in payroll costs attributable to changes in the minimum wage depend on the number of workers earning less than the new minimum wage. In three hypothetical businesses, we found payroll costs could increase by 9 to 23% with a change to a $15 minimum wage. This would be higher if employers maintained pay ladders by increasing wages for other workers and lower if employers decreased work hours, hired more productive workers, or moved employment outside the city.

University of California, Berkeley Study: Impacts Elsewhere

While the Evans School researched impacts on Seattle, a team at the University of California, Berkeley's Institute for Research on Labor and Employment did a survey of other municipalities, looking at "how existing laws are designed, what we know about the impacts of local wage mandates on workers and employment, and whether businesses move outside city or county borders in response," according to Rolf.[2]

Excerpts are reprinted below from the UC Berkeley study's Executive Summary, authored by Michael Reich, Ken Jacobs, and Annette Bernhardt of the Institute for Research on Labor and Employment. [ii]

Employment. [ii]

Existing Local Minimum Wage Laws

- Nine localities in the United States currently have enacted minimum wage laws: Albuquerque, NM; Bernalillo County, NM; Montgomery County, MD; Prince George's County, MD; San Francisco, CA; San Jose, CA; Santa Fe, NM; Santa Fe County, NM; and Washington DC. (Richmond, CA, just voted to raise its minimum wage to $12.30 an hour by 2017, and a final vote is pending to pass the law.)

- Current mandated wage levels range from $8.50 in Bernalillo County to $10.74 an hour in San Francisco. (New wage mandates in Washington DC and Santa Fe, Montgomery, and Prince George's Counties go into effect later this year.)

- On average, the existing local minimum wage laws have mandated total wage increases of 41.4 percent, many of them in multiple steps and the majority indexed to inflation thereafter. Localities with larger increases have been more likely to implement them in several steps. Across the localities, the average per-step minimum wage increase is 16.7 percent.

- The nine laws are similar in covering the large majority of work that is performed within the boundaries of their cities or counties. San Francisco delayed coverage of nonprofits and small businesses (less than 10 employees) for one year. Santa Fe initially exempted small businesses but later amended its law to cover all establishments.

- Two of the nine laws (San Francisco and San Jose) follow their state's law in treating tipped workers the same as non-tipped workers, maintaining a uniform minimum wage for both groups. The other seven laws follow their states' laws in maintaining a lower minimum wage for tipped workers (even as some increased the base wage for tipped workers). Several of the laws make similar provisions for commissioned workers.

Effects of Minimum Wage Laws on Workers and Families

- Researchers consistently find that minimum wage laws raise pay for workers at the bottom rungs of the labor market. These increases include both directly affected workers (those earning between the old and the new minimum wage) as well as those indirectly affected (those earning above, but near, the new minimum wage).

- Raising the minimum wage also pushes up the wage floor relative to the median wage, thereby reducing pay inequality.

[ii] Reich, Michael, Ken Jacobs, and Annette Bernhardt. "Local Minimum Wage Laws: Impacts on Workers, Families and Businesses." Institute for Research on Labor and Employment, University of California, Berkeley, March 2014, http://murray.seattle.gov/wp-content/uploads/2014/03/UC-Berkeley-IIAC-Report-3-20-2014.pdf. Accessed 1 June 2017.

- Researchers consistently find that the affected workers are largely adults and disproportionately women and people of color.

- New research on the effect of minimum wage increases documents important reductions in family poverty rates and enrollments in public assistance programs, such as food stamps.

- Researchers have not estimated the amount of economic stimulus actually created by the new spending power of low-wage workers after minimum wage increases. We do know that low-wage workers and their families are likely to spend a significant portion of those increased earnings.

Effects of Minimum Wage Laws on Businesses

Economists have increasingly recognized that raising the minimum wage does not automatically mean that employment will fall. Increased labor costs can be absorbed through a variety of other channels, including savings from reduced worker turnover and improved efficiency, higher prices, and lower profits. Modern economics therefore regards the employment effect of a minimum wage increase as a question that is not decided by theory, but by empirical testing.

- To date, three rigorous studies have examined the employment impacts of San Francisco's and Santa Fe's local minimum wage laws. Each finds no statistically significant negative effects on employment or hours (including in low-wage industries such as restaurants).

- A larger body of economic research investigates the effects of state and federal minimum wage increases. These studies compare employment trends for states or counties that have different minimum wages. The best studies make comparisons to nearby states or counties to control for regional economic trends. These studies also find no statistically significant negative effects on employment or hours at an aggregate level or for low-wage industries such as restaurants and retail stores, or for specific groups of workers such as teens. These studies also do not find substitution effects (such as shifts in hiring away from black and Latino teens).

- Studies of the impact of minimum wage increases on restaurants' operating costs find that an increase of 10 percent in the minimum wage increases operating costs by about 1 to 2 percent.

- Researchers find small one-time price increases in the restaurant industry (of about 0.7 percent following a 10 percent minimum wage increase), but not in other industries.

- Researchers find that increases in the minimum wage reduce employee turnover, translating into a reduction in direct costs (recruitment, selection, and training of new workers) and a reduction in indirect costs (lost sales, lower quality service, and lost productivity as the new workers learn on the job).

- Some studies have also identified additional benefits of higher wages, including improved morale, improved work performance, and reductions in absenteeism.

- Researchers have not found evidence that employers absorbed minimum wage increases by reducing health benefits or pensions.

In summary, our assessment of the research evidence indicates that minimum wage mandates raise the incomes of low-wage workers and their families, and that the costs to businesses are absorbed largely by reduced turnover costs and by small price increases among restaurants.

That said, it is important to emphasize that existing research is necessarily limited to the range of minimum wage increases that have been implemented to date. While these studies are suggestive, they cannot tell us what is likely to happen when minimum wages are increased significantly beyond current local, state, or general mandates.

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[1] Rolf, David. "The Fight for Fifteen." *The New Press*, 2016, p. 144.
[2] Ibid, p. 145.

EXHIBIT 3: THE "G-8"

The members of the "Gang of Eight" (G-8), a subcommittee of the Income Inequality Advisory Committee (IIAC), became the primary negotiators to reach a deal. The G-8 originally had eight members, but quickly rearranged and conducted nearly every meeting with seven people: three from labor and four from business.

Labor

Co-Chair David Rolf - President, Service Employees International Union (SEIU) 775

Rolf was a nationally renowned labor organizer recognized for his visionary leadership and innovative tactics. On top of his day job he had served since 2008 as Vice President of SEIU international. In addition to being the architect behind both SeaTac and Seattle's pushes for $15, Rolf successfully led major efforts in Washington, California, and Montana to unionize home care workers. Rolf's role as committee co-chair was to reach a deal at all costs – he was potentially more willing to compromise than his labor colleagues were. Rolf and fellow co-chair Howard Wright didn't know each other before the process started, but soon developed a strong mutual respect and partnership.

Organization: SEIU 775 was known as one of the most influential labor unions in Washington, having played a pivotal role in dozens of elections including Ed Murray's Mayoral candidacy in 2013 and campaigns for the state legislature and statewide offices. SEIU 775 represented "more than 40,000 long-term care workers providing quality in-home care, nursing home care and adult day health services in Washington State and Montana."[1]

Sarah Cherin - Political & Policy Director, United Food & Commercial Workers (UFCW) 21

Cherin was considered the farthest left G-8 member, fitting with how progressive her organization was. Where other labor negotiators might compromise, Cherin often stayed firm in her beliefs and would not back down. Business often named her as the biggest stumbling block from the other side to reach a deal.

Organization: UFCW 21 was the most progressive labor union in Washington and a major supporter of Mayor Mike McGinn, Ed Murray's opponent in 2013. Even so, Murray still invited Cherin to be on both the IIAC and the G-8. UFCW 21 described themselves as "the largest private-sector union in Washington with over 46,000 members working in grocery store, retail, health care, and other industry jobs."[2]

David Freiboth - Executive Secretary, M.L. King County Labor Council (MLKCLC)

Freiboth was a longtime labor leader in Washington. A graduate of the National Labor College, Freiboth led the Inlandboatman's Union of the Pacific before directing the MLKCLC. He was not as far left as Cherin, falling somewhere in the middle between her and Rolf. However, he refused to compromise on the issue of tip credits. Freiboth and Bob Donegan had a bond from a previous committee and both valued their professional friendship.

Organization: Where Rolf had pioneered new, innovative methods of union organizing, Freiboth and

the labor council represented the more traditional 20th century model. The MLKCLC was aligned with the national AFL-CIO and represented more than 120 local unions in Seattle and King County across a broad range of industries, including building and construction trades.

Business

Co-Chair Howard S. Wright III - Chairman, Seattle Hospitality Group

Wright was a wealthy fourth-generation Seattleite, coming from a family that built many Washington landmarks including the Grand Coulee Dam and Columbia Center, at one point the tallest building on the west coast.[3] Wright was a pragmatic negotiator, and highly valued the bond he developed with his fellow co-chair Rolf. Similar to Rolf, Wright was potentially more likely to compromise than others on his side. He frequently fought for carve-outs to protect Seattle's "progressive business community," companies like Starbucks, Nordstrom, and REI.[4]

Organization: Wright and his Seattle Hospitality Group, a family operated business, owned dozens of assets throughout Seattle, including the iconic Seattle Space Needle and the Seattle Sheraton Hotel. He had both hotels and restaurants in his portfolio.

Maud Daudon - President & CEO, Seattle Metropolitan Chamber of Commerce

Compared to her business colleagues, the Yale-educated Daudon had the most experience in governance and legislating, having been a former executive with the Port of Seattle and former Deputy Mayor. She was a smart and perceptive negotiator, able to keep track of every G-8 member's position despite the nature of their chaotic meetings. Her whiteboard drawing led to the potential breakthrough for a final deal.

Organization: The Seattle Metropolitan Chamber of Commerce was the largest advocacy group for the private sector in Seattle, lobbying on behalf of more than 2,000 dues-paying companies. The Seattle Chamber was far to the left of the unaffiliated U.S. Chamber of Commerce, but still considered conservative by Seattle's political standards. Daudon was Mayor Murray's initial choice for co-chair, but she recommended her board member Wright instead because she correctly anticipated having a tough time getting the Chamber's diverse Board to agree on whether she should support or oppose a proposal.

David Watkins - President, Seattle Hotel Association & Manager, The Inn at the Market

Watkins, a first generation American, was new to participating in local politics and was tentative at the beginning of the process before blooming into an aggressive negotiator by the end. Watkins was a career hospitality industry executive and thrust into his role on the IIAC due to serving a term as Board President of the Seattle Hotel Association, an advocacy group representing more than 60 hotels in the city. Watkins typically took the hardest negotiating position among the business side of the G-8, fighting passionately for tip credits and a more expansive definition of small businesses.

Organization: Watkins' day job was as General Manager for the Inn at the Market, a 70-room boutique hotel above Seattle's legendary Pike Place Market.

Bob Donegan - President & CEO, Ivar's & Kidd Valley Restaurants

Donegan was a shrewd negotiator and had extensive experience dealing with city government due to his involvement in redeveloping the Seattle waterfront. He was heavily involved in the unsuccessful effort to oppose SeaTac's $15 campaign. Donegan was the last addition to the G- 8 after the first several meetings had been unproductive, included because he could speak more authoritatively on behalf of the restaurant industry. He had deep ties to the Washington Restaurant Association and firmly supported tip credits. Donegan and Freiboth had a strong bond and both valued their professional friendship.

Organization: Ivar's (seafood) and Kidd Valley (burgers) were revered local restaurant chains, operating more than 25 fast-food and table-service locations in Seattle and the surrounding area. Long before the national conversation on income inequality, Donegan and the company committed to paying fair wages to their workers along with full benefits to part-time employees and matching 401(k) plans.[5] As a result, his employees tended to turn over much less frequently than those at similar businesses.

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[1] About us. SEIU 775, http://seiu775.org/about-us-2/. Accessed 1 June 2017.

[2] Who We Are. UFCW 21, https://www.ufcw21.org/who-we-are/. Accessed 1 June 2017.

[3] Helm, Leslie. "Executive Q&A: Howard S. Wright III." *Seattle Business,* October 2015, http://www.seattlebusinessmag.com/article/executive-qa-howard-s-wright-iii. Accessed 1 June 2017.

[4] Wright, Howard S. III. Personal interview. 3 March 2017

[5] Copeland, Joe. "Meet Bob Donegan, Crosscut Courage Award winner in Business." Crosscut, 31 October 2013, http://crosscut.com/2013/10/bob-donegan-ivars-business-courage-awards/. Accessed 1 June 2017.