

Prevailing Wage Policy: Study Session & Panel Discussion

May 18, 2026

Prevailing wage study session

Agenda

- Overview of draft prevailing wage policy
- Panel discussion
- Wrap up & next steps

Policy consideration

- 1) Does adopting a prevailing wage policy further the city's strategic priorities?
 - A welcoming, safe community;
 - Good governance;
 - Connected, safe infrastructure;
 - Diverse, affordable, and dignified Housing; and
 - Climate leadership and natural spaces
- 2) Does city council wish to direct staff to prepare for adoption of a prevailing wage policy?

What is prevailing wage?

- What is Prevailing Wage?
 - Set minimum standards for hourly compensation for construction laborers
 - Compensation includes both wages and fringe benefits

Council directed that the policy should apply to:

- City capital improvements costing >\$250,000
- Private developments receiving >\$250,000 in city assistance

Policy exceptions

- Projects with <\$250,000 city investment
- Projects subject to state or federal prevailing wage
- Apprentices
- Housing improvement areas (HIAs)
- Developments with 10 or fewer units on a single site

Compliance & reporting

- Designated local **compliance officer**
- Construction firms must maintain payroll records
- Random review of 1+ project per year
- Additional audits as needed
- Complaints referred to MN Dept. of Labor and Industry

Impacts on people working on projects

- Construction laborers may see higher wages & consistent benefits on projects that move forward
- Developers, construction firms, city government must invest in time/systems to comply & implement policy
- Cost impacts depend on project/context
- Projects already subject to federal or state requirements would not be subject to the city's draft policy

Impacts on St. Louis Park residents and businesses

- Potentially reduce capital improvements & city supported developments
- More tax revenue, adjusted utility rates, or longer term TIF (over 15 years) may be required to maintain same level of capital improvements & development activity

REIIA summary

- The Racial Equity and Inclusion Impact Analysis (REIIA) summary and notes are included in city council packet
- Challenges
 - May limit participation of smaller women owned/BIPOC businesses
 - Apprentices (often women/BIPOC) exempt
 - Unclear racial/gender equity impact based on demographics of workers
- Benefits
 - Higher wages for women and BIPOC workers employed on city-funded projects

Introduction of panelists



Richard Kolodziejski,
Political Director,
Northern Midwest
Regional Council of
Carpenters



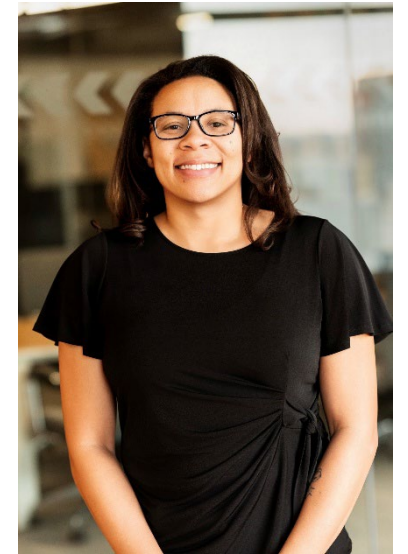
Cathy Capone Bennett
Executive Director,
Twin Cities Housing
Alliance



Nawal Noor
CEO and Founder,
Noor Companies



Stacie Kvilvang
Executive Vice
President,
Ehlers



Kori Shingles
Senior Community
Engagement
Manager,
PCL Construction

Panel discussion

Wrap up and next steps

- 1) Does adopting a prevailing wage policy further the city's strategic priorities?
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Thank you!