Martinez, Ruben

From:

Jonathan Jaffrey < Jonathan@jaffrey.us>

Sent:

Monday, July 20, 2020 7:03 AM

To:

PublicComment-AutoResponse; City_Council

Subject:

Right of Recall Ordinance

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Tonight Pasadena City Council will decide whether to follow the flawed Ordinances of Santa Monica and Long Beach or focus on our City and our City's residents and needs.

The Hotel Works Rights Ordinances adopted by other City's are flawed. In general they provides for:

The Right of Recall Ordinance requires that these employers rehire workers who have been laid off due to "a lack of business, a reduction in work force, bankruptcy, or other economic, non-disciplinary reason."

As with the Los Angeles Right of Recall Ordinance, affected employers in Long Beach/Santa Monica must make a written offer of employment (by mail, email, and text message) for any position that is or becomes available for which the worker is qualified. To be eligible for recall, a laid off individual must have either: (a) held the same or similar position at the same employment site at the time of the most recent separation; or (b) be qualified or capable of being qualified for the position by receiving the same training that a completely new hire would receive for the position.

Setting aside the nightmares that will be involved in the administration and enforcement of such a ordinance, forcing any business to rehire employees based on seniority rather than performance, skills and other qualifications is ludicrous. All you will do with this anti-business ordinance is force hotels to create new positions so that there were no employees in them prior, contact employees via text on phones they likely couldn't afford to maintain while out of work, and otherwise 'adjust' their hiring practices to this flawed ordinance. In effect you will do nothing substantive but provide a basis for lawyers to harass hotel with lawsuits over their hiring practices.

Vote NO on this ordinance tonight and use your time together to provide support to our City's citizens. If you want to support Pasadena residents (and not out of City workers who commute here to work) get creative with programs to support the hiring of your constituents. Set up jobs boards and training opportunity's to match City residents and City employers. But before you vote on this flawed ordinance ask how many of these workers you are trying to protect live in Pasadena? If you don't know you aren't

07/20/2020 Item 28 protecting your constituents but rather punishing those that support our City, its thriving business community.

Jonathan Jaffrey
Pasadena Resident and Business Owner (non-hotel)

LOS ANGELES CHAPTER

July 20, 2020

Pasadena City Council Pasadena City Hall 100 North Garfield Ave. Pasadena, CA 91101

RE: Draft Ordinance on Right of Recall/Retention.

Dear City Councilmembers,

On behalf of the California Restaurant Association (CRA), I would like to express our strong opposition to the draft ordinance that would establish a right of recall/retention policy.

The coronavirus poses unprecedented challenges to the nation- and Los Angeles County in particular, as the unprecedented government ordered closure of restaurant dining rooms has forced restaurants to either adjust their business model by providing meals through takeout, delivery and outdoor dining only or shutting down completely. Not every restaurant can pivot to a take-out, delivery and outdoor dining model, and those who can, do so with incredible loss. The impact of these changes to restaurant operations has been devastating in an industry that is uniquely characterized by razor-thin economic margins. Even in a good economy, a restaurant operator typically earns about five cents to every dollar they earn in sales. That means an owner earns about \$50,000 for every \$1 million in sales. Restaurants in today's crisis environment simply do not have revenue matching costs.

Right of Recall/Retention Mandates

Compliance with the State and the City of Pasadena Public Health Department orders has forced restaurants to make unplanned, and unfortunate adjustments to operations and staffing levels. A "right of recall" policy fails to take into account the manner in which restaurants operate. Under such severe restrictions, restaurants would be forced to hire staff based on seniority rather than need. This would undoubtedly prevent many restaurants from opening, leading to loss of employment, and forgone tax revenue to the city.

A "right of recall" mandate on restaurants, even when it pertains only to those located in hotels, assumes that restaurants will be able to operate in full force once dine-in service resumes, but that is simply not the case. The full-service restaurant model as we know it will not exist immediately after the crisis ends. Social distancing protocols in restaurants are likely to remain in play to some degree negatively impacting staffing levels for reasons entirely out of our control.

Similarly, the right of retention hinders the possibility of new ownership (once the crisis clears) by requiring that new ownership offer previous employees the first positions that become available at the establishment based on seniority. Understanding that the restaurant community operates with low margins on a good day and dwindling cash flow in the midst of this public health crisis, it is misguided to place additional barriers for those who could potentially enter the restaurant community for a job.

Due to the reasons above and the detrimental impact the entire restaurant community is currently facing, we ask that you exempt all restaurants from the proposed ordinances above, and instead work to create policies that help the restaurant community "hibernate" during this crisis and, hopefully, remerge as local employers and continue as a cornerstone of the City restaurant community.

Sincerely,

David Juarez

Director of Local Government Affairs California Restaurant Association