

File No. 240652

Committee Item No. \_\_\_\_\_

Board Item No. 76

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: \_\_\_\_\_

Date: \_\_\_\_\_

Board of Supervisors Meeting

Date: June 11, 2024

### Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

### OTHER

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____

Prepared by: Lisa Lew

Date: June 7, 2024

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

1 [Urging Hornblower Group to Swiftly Negotiate a Fair Contract with IBU's Alcatraz City  
2 Cruises Workers]

3 **Resolution urging Alcatraz City Cruises' operator, Hornblower Group, to come to the**  
4 **table regularly and in good faith to swiftly negotiate a mutual contract with the workers**  
5 **of the Inland Boatmen's Union of the Pacific (IBU) that adopts wage increases and**  
6 **protected benefits and ensures stable and safe working conditions for the men and**  
7 **women fueling San Francisco's waterfront economy and operating its ferry transit that**  
8 **are commensurate with the Bay Area standard among similar unionized companies in**  
9 **San Francisco.**

10  
11 WHEREAS, Alcatraz Island, now operated by the National Park Service (NPS), has  
12 been an important historic marker and focal point of San Francisco lore, as well as a valuable  
13 tourism generator since opening to the public in 1973, drawing 1.7 million people to the  
14 waterfront annually; and

15 WHEREAS, San Francisco's full recovery from the recent economic downturn will in  
16 large part depend on waterfront tourism returning to pre-pandemic levels; and

17 WHEREAS, The Alcatraz Ferry is run by Hornblower Group's Alcatraz City Cruises,  
18 founded in 1980 and headquartered at Pier 3 on San Francisco's waterfront; and

19 WHEREAS, Hornblower Group, which operates ferries, excursion boats, and  
20 previously an inland cruise line, generates approximately \$3.4 million in annual rent for the  
21 Port of San Francisco, although a significant sum of rent went unpaid during the pandemic;  
22 and

23 WHEREAS, Hornblower Group filed voluntary Chapter 11 petitions in the United States  
24 Bankruptcy Court for the Southern District of Texas on February 21, 2024, as part of a  
25 recapitalization plan with an alternative investment firm; and

1           WHEREAS, Concurrently, Hornblower Group was acquired by Strategic Value  
2 Partners, LLC to provide a significant equity investment in the business; and

3           WHEREAS, Additionally, Hornblower Group will receive \$121 million in new-money  
4 financing and its debt will be reduced by approximately \$720 million; and

5           WHEREAS, There is currently an open enforcement case at the Bay Conservation and  
6 Development Commission (BCDC) with respect to Hornblower's permit for Pier 3, with a  
7 pending draft agreement stipulating penalties and required safety improvements on site; and

8           WHEREAS, The workers of Alcatraz City Cruises voted overwhelmingly in October of  
9 2022 to be represented by the Inland Boatmen's Union of the Pacific (IBU); and

10          WHEREAS, Negotiations for an initial contract have continued for almost two years,  
11 with 36 separate meetings of the parties, with no resolution in site due to Hornblower's delay  
12 tactics; and

13          WHEREAS, Unlike companies such as Blue & Gold Fleet and Golden Gate Ferry,  
14 Hornblower has refused to pay lost wages to employee negotiators while at the table in good  
15 faith bargaining, thus creating an extended financial burden for these workers, including  
16 draining their vacation pay; and

17          WHEREAS, Despite this cost burden, Alcatraz City Cruises workers have offered to  
18 make themselves available almost every day until this contract dispute is resolved, and still  
19 have met with a tepid response and paltry offers to meet on average twice a month; and

20          WHEREAS, Although wages and benefits continue to be a core concern of any fair  
21 contract, the workers have identified securing stable and set scheduling as a top priority,  
22 given Hornblower's practice of changing worker schedules at the last possible minute; and

23          WHEREAS, Workers have become frustrated with the slow pace of negotiations and  
24 lack of good faith bargaining, and have made it clear that Hornblower's tactics are no longer  
25 tolerable; and

1           WHEREAS, The escalating tensions culminated in a strike authorization vote of 91% of  
2 the workers and a four-hour Unfair Labor Practice strike on May 25, 2024; and

3           WHEREAS, Should the parties continue to fail to reach an agreement on a mutual  
4 contract, workers will likely seek to continue to picket their employer, drawing adverse  
5 attention to Hornblower and possibly to the Port and the waterfront community, which could  
6 cost the City due to loss of sales tax revenue and even rent, if Hornblower should fail as a  
7 business, further hampering the City's ability to bring back tourism to pre-pandemic levels and  
8 market strong job opportunities to potential workers we need to fuel the economy's growth;  
9 now, therefore, be it

10           RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
11 joins the beleaguered workers operating the Alcatraz City Cruise ferry lines and their union,  
12 the IBU, in urging Hornblower to come to the table regularly and in good faith to swiftly  
13 negotiate a mutual contract that adopts wage increases and protected benefits and ensures  
14 stable and safe working conditions for the men and women fueling San Francisco's waterfront  
15 economy and operating its ferry transit that are commensurate with the Bay Area standard  
16 among similar unionized companies in San Francisco; and, be it

17           FURTHER RESOLVED, That the Board of Supervisors joins these workers in calling  
18 for retroactive reimbursement for any lost wages or vacation time used by the brave workers  
19 who have been forced to serve at the negotiating table for 36 separate sessions deliberately  
20 spread out over two years; and, be it

21           FURTHER RESOLVED, That the Board of Supervisors directs the Clerk of the Board  
22 to transmit a copy of this Resolution upon adoption to Hornblower's Alcatraz City Cruises, the  
23 Port of San Francisco, the National Park Service, the Office of Representative Nancy Pelosi,  
24 and to the Mayor.

25

## Introduction Form

*(by a Member of the Board of Supervisors or the Mayor)*



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)  
*(Routine, non-controversial and/or commendatory matters only)*
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor  inquires..."
- 5. City Attorney Request
- 6. Call File No.  from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the Board on

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission       Youth Commission       Ethics Commission
- Planning Commission       Building Inspection Commission       Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes                       No

*(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)*

Sponsor(s):

Subject:

Long Title or text listed:

Signature of Sponsoring Supervisor: