File No.	190470
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Committee I	tem No.	•	
Board Item I	Vo.	34	

## COMMITTEE/BOARD OF SUPERVISORS

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Prepared by: Lisa Lew	Date: May 3, 2019
Prepared by:	Date:

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Resolution supporting Kome Seafood Buffet workers' demands to settle wage claims by paying workers the wages and penalties that are owed to them; supporting laid off workers' demands to have the Right of Refusal to be reemployed with the company; and urging the People of San Francisco to refrain from patronizing Kome Seafood Buffet or Teakee Café until the California Labor Commissioner's citation and case is resolved.

WHEREAS, San Francisco has historically been a champion for workers, paving the way for workers' rights like the \$15 minimum wage, and community-based alliances like the San Francisco Progressive Workers Alliance (PWA) which educates and organizes thousands of workers to fight wage theft and empower low-wage workers; and

WHEREAS. The restaurant industry is a key employer and economic driver in the Bay Area and throughout California, and is a sector with notoriously poor and unsafe work and health conditions where wage theft and low-wage jobs are widespread; and

WHEREAS, Wage theft in the restaurant industry has a regional impact, contributing to income inequality, displacement, and healthcare insecurity; and

WHEREAS, Wage theft and minimum wage violations alone cost California workers \$2 billion a year, an estimated \$30 billion is stolen annually from U.S. workers, and wage theft disproportionately affects immigrant and low-wage workers; and

WHEREAS, In 2017, the Bureau of Field Enforcement (BoFE), the investigative unit of the California Labor Commissioner's Office, issued a \$5.16 million citation to the owners of Kome Seafood Buffet in Daly City for wage theft violations impacting 133 immigrant workers ranging from cleaning staff, kitchen staff, waiters, and food servers; and

WHEREAS, Workers have also filed individual wage theft claims for stolen tips against the Kome employers; and

WHEREAS, In 2018, the California Labor Commissioner's Office, ordered the owners of Kome to pay approximately \$61,000 in backwages, fines and penalties for retaliation, after one worker was unjustly terminated for participating in the wage theft investigation and other protected activity; and

WHEREAS, The workers in partnership with community-based organizations have taken brave steps to ask the owners of Kome Seafood Buffet to resolve the citation, and instead, the owners have appealed the citation and have carried out actions perceived as retaliatory and intimidating to workers; and

WHEREAS, The owners of Kome Seafood Buffet; Wendy Lai Ip, an individual; Gang Zhou, an Individual; Jun Zheng, an Individual; Bai Dong Zhang, an Individual; David Leung, an Individual; Tiffany Leung, an Individual; Koshi Food Services Inc., a Corporation; Kome Seafood Buffet Inc., a Corporation, are all named in the citation as liable and responsible for paying for the citation and should be held accountable to improve work conditions by adhering to the State labor code; and

WHEREAS, In April 2018, one owner, David Leung, publicly spoke on Chinese-language TV news (KTSF) about buying and renovating the ABC cafe restaurant at Noriega Street in the Sunset, and the restaurant has since been renamed Teakee Cafe, and Kome employers have still not paid the original \$5.16 million citation; and

WHEREAS, In January of 2019, workers at Kome were subsequently laid off by Kome employers without the advance notice advocates assert is required by the state WARN Act, which requires employers of a certain size to give workers 60-days notice before a mass layoff or pay-in-lieu-of-notice; and

WHEREAS, The San Francisco Labor Council, San Mateo Labor Council, Alameda Labor Council, over 300 individuals, and 37 other community and labor organizations throughout California have endorsed the Kome Workers Campaign for Dignity campaign to express their support for the workers and the need for responsible business practices; and

WHEREAS, On November 26, 2018, the Daly City Council unanimously passed a Resolution to stand with workers and denounce wage theft practices in their city; and

WHEREAS, Other employers investigated by the Labor Commissioner's Office for wage theft have chosen the high road, such as in 2014, when acclaimed Yank Sing dim sum restaurant reached a \$4 million settlement for back wages, paid workers, and changed workplace practices to not only resolve past violations but to become model employers in the industry; more recently in January of 2019, the Bay Area Burmese restaurant chain Rangoon Ruby reached a \$4 million settlement with the Labor Commissioner's Office; now, therefore, be it

RESOLVED, That the San Francisco Board of Supervisors express its full support for the worker's demands to settle the wage claim by paying workers the wages and penalties that are owed to them; and, be it

FURTHER RESOLVED, That when the Kome Seafood Buffet reopens, all of the laid off staff should have the Right of Refusal to be reemployed with the company; and, be it

FURTHER RESOLVED, That the San Francisco Board of Supervisors commits to support low-wage workers by condemning wage theft in the City and County of San Francisco and throughout the Bay Area; and, be it

FURTHER RESOLVED, That the San Francisco Board of Supervisors urges the People of San Francisco to refrain from patronizing Kome Seafood Buffet or Teakee Cafe, nor any other businesses known to be operated by owners of Kome, until the BoFE citation and

case is resolved and the workers have been fully compensated for the violations they have experienced.

Supervisors Mar, Ronen, Peskin, Fewer BOARD OF SUPERVISORS

Print Form

For Clerk's Use Only

## **Introduction Form**

By a Member of the Board of Supervisors or Mayor

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

RECEIVED BOARD OF SUPERVISORS SAMFRANCISCO

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1. For reference to Co	ommittee. (An Ordi	nance, Resolutio	n, Motion or C	harter Ameno	lment).	
2. Request for next pr	rinted agenda Witho	out Reference to (	Committee.	•	www.g.g.gw	urrent en
3. Request for hearing	g on a subject matte	r at Committee.			•	
4. Request for letter b	eginning:"Supervis	sor				inquiries"
5. City Attorney Requ	uest.					<del>-</del>
6. Call File No.		from Cor	nmittee.			
7. Budget Analyst req	luest (attached writt	ten motion).		• •		
8. Substitute Legislati	ion File No.			•		
9. Reactivate File No.				. •		
☐ 10. Topic submitted f	or Mayoral Appeara	ance before the B	SOS on			
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Please check the approp	riate boxes. The pr	oposed legislation	n should be for	warded to the	e following	<b>;</b> :
Small Business Co	mmission	☐ Youth Cor	mmission	[ Ethi	es Commis	ssion
Plar	nning Commission	·	Building In	spection Com	mission	
Note: For the Imperative	e Agenda (a resolu	tion not on the p	orinted agend:	a), use the In	perative ]	Form.
Sponsor(s):						
Supervisor Mar; Ronen, I	Peskin, Fewer					
Subject:						
Support for Kome Seafoo	od Buffet Workers'	Demands to Settl	le Wage Claim	S		
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