BOARD of SUPERVISORS



City Hall 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco 94102-4689 Tel. No. 554-5184 Fax No. 554-5163 TDD/TTY No. 554-5227

MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

- TO: Supervisor Gordon Mar, Chair Government Audit and Oversight Committee
- FROM: John Carroll, Assistant Clerk
- DATE: April 17, 2020

SUBJECT: **COMMITTEE REPORT, BOARD MEETING** Tuesday, April 21, 2020

The following file should be presented as COMMITTEE REPORT at the regular Board meeting on Tuesday, April 21, 2020. This emergency ordinance was acted upon at the regular Government Audit and Oversight Committee meeting on Thursday, April 16, 2020, at 10:00 p.m., by the votes indicated.

Item No. 16 File No. 200360

Emergency ordinance to temporarily require grocery store, drug store, restaurant, and on-demand delivery service employers to provide health and scheduling protections to employees during the public health emergency related to COVID-19.

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT Vote: Supervisor Gordon Mar - Aye Supervisor Aaron Peskin - Aye Supervisor Matt Haney - Aye

Cc: Board of Supervisors Angela Calvillo, Clerk of the Board Alisa Somera, Legislative Deputy Anne Pearson, Deputy City Attorney File No. 200360

Committee Item No. <u>4</u> Board Item No. <u>16</u>

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

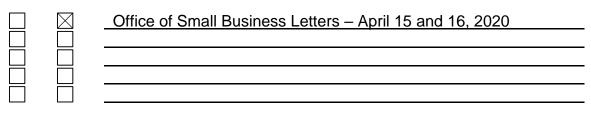
Committee: <u>Government Audit and Oversight</u> Board of Supervisors Meeting:

Date: <u>April 16, 2020</u> Date: <u>April 21, 2020</u>

Cmte Board

		Motion
		Resolution
\boxtimes	\boxtimes	Ordinance - VERSION 2
\boxtimes	\boxtimes	Legislative Digest - VERSION 2
		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
	\bowtie	Public Correspondence

OTHER



Prepared by: <u>John Carroll</u> Prepared by: <u>John Carroll</u>

 Date:
 April 10, 2020

 Date:
 April 17, 2020

FILE NO. 200360

AMENDED IN COMMITTEE 4/16/2020 ORDINANCE NO.

1		dinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery /ee Protections]	
2	Service Employ		
3	Emergency or	dinance to temporarily require grocery store, drug store, restaurant, and	
4	on-demand de	livery service employers to provide health <u>and</u> , scheduling, and hours	
5	protections to	employees during the public health emergency related to COVID-19.	
6	NOTE:	Unchanged Code text and uncodified text are in plain Arial font.	
7		Additions to Codes are in <u>single-underline italics Times New Roman</u> ; Deletions to Codes are in strikethrough italics Times New Roman.	
8		Board amendment additions are in double underlined Arial font. Board amendment deletions are in strikethrough Arial font.	
9		Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.	
10		ained by the Deeple of the Oity and Ocyaty of Ocya Erensianay	
11	Be it ord	ained by the People of the City and County of San Francisco:	
12	Quality		
13		1. Declaration of Emergency Pursuant to Charter Section 2.107.	
14	(a) Section 2.107 of the Charter authorizes passage of an emergency ordinance in		
15	cases of public emergency affecting life, health, or property, or for the uninterrupted operation		
16	of any City or County department or office required to comply with time limitations established		
17	by law. The Bo	ard of Supervisors hereby finds and declares that an actual emergency exists	
18	that requires th	e passage of this emergency ordinance.	
19	(b) On F	ebruary 25, 2020, Mayor London Breed proclaimed a state of emergency (the	
20	"Public Health I	Emergency") in response to the spread of the novel coronavirus COVID-19. On	
21	March 3, 2020,	the Board of Supervisors concurred in the February 25 Proclamation and in	
22	the actions take	en by the Mayor to meet the Public Health Emergency.	
23	(c) To m	itigate the spread of COVID-19, on March 16, 2020, the Local Health Officer	
24	issued Health C	Order No. C19-07 directing San Franciscans to "shelter in place," or stay at	
25	home, except a	is necessary to take care of essential needs. That order extended to April 7,	

2020. On March 31, 2020, the Local Health Officer issued a replacement order, Health Order
No. C19-07b, which tightens the restrictions and extends the stay-at-home order through May
3. These Orders have forced the closure of many businesses. Restaurants are prohibited from
operating except for carry out and delivery service. Essential Businesses, including grocery
stores, drug stores, and on-demand delivery services for food, medicines, and other essential
items, may continue to operate under Health Order No. C19-07b, subject to certain social
distancing and sanitation requirements.

8 (d) This emergency ordinance is necessary to reduce the likelihood of COVID-19
9 infection among employees of grocery stores, drug stores, restaurants, and on-demand
10 delivery services and the members of the public with whom they interact.

11

12

Section 2. Findings and Purpose.

(a) Grocery stores, drug stores, restaurants, and on-demand delivery services, provide
critical access to essential items during the Public Health Emergency. Many San Franciscans,
especially residents who are particularly vulnerable to COVID-19 due to age or underlying
health conditions, have turned to on-demand delivery services to receive food and other
essential items while staying safe at home.

(b) Grocery store, drug store, and restaurant employees, and on-demand delivery
drivers and shoppers are an essential population of workers who cannot perform their work
remotely. These workers must be provided the necessary supplies, tools, and equipment to
protect themselves from infection and to prevent the spread of COVID-19 to other employees
or to the members of the public to whom they supply essential goods. All grocery stores, drug
stores, restaurants, and on-demand delivery services must fully implement and follow Health
Order No. C19-07b.

1 (c) This need is particularly pressing for on-demand delivery drivers and shoppers. 2 Under California Labor Code Section 2750.3, a worker who provides services for a hiring 3 entity is an employee unless the hiring entity demonstrates that the worker is an independent 4 contractor. Many delivery services incorrectly classify their delivery shoppers and drivers as 5 independent contractors. Independent contractors generally are not provided health 6 insurance, sick leave, other paid leave, unemployment insurance, or workers compensation; 7 they may not be provided or reimbursed for the necessary supplies, tools and equipment to 8 protect themselves from COVID-19; and they may not be provided guidance on the social 9 distancing and sanitation requirements of Order No. C19-07b. Existing City ordinances govern 10 employee benefits, which are beyond the scope of this emergency ordinance. However, to 11 prevent the spread of COVID-19 through essential on-demand delivery services, it is 12 necessary to clarify and supplement Health Order No. C19-07b's requirements in the on-13 demand delivery service context. To do so, this emergency ordinance defines on-demand 14 delivery drivers and shoppers as Employees, regardless of how the on-demand delivery 15 service classifies them for any other purpose. 16 (d) Further, by providing additional scheduling flexibility-and hours protections, this

emergency ordinance provides grocery store, drug store, restaurant, and on-demand delivery
employees additional tools to protect themselves and others from infection and thereby
protect public health.

20

21 Section 3. Definitions.

- 22 For purposes of this emergency ordinance, the following definitions apply.
- 23 "Agency" means the Office of Labor Standards Enforcement.
- 24 "City" means the City and County of San Francisco.

1 "Covered Employer" means any person, as defined in Section 18 of the California 2 Labor Code, including corporate officers or executives, who directly or indirectly or through an 3 agent or any other person, including through the services of a temporary services or staffing 4 agency or similar entity, employs, suffers or permits to work, or exercises control over the 5 wages, hours, or working conditions of an Employee for any of the following: (a) a grocery 6 store, supermarket, convenience store, restaurant, cafe, or other establishment primarily 7 engaged in the retail sale of food; or (b) a drug store, pharmacy, or other establishment 8 primarily engaged in the retail sale of medication, pharmaceuticals, or medical supplies; or (c) 9 an On-Demand Delivery Service.

10 "Employee" means any person who in a particular week performs at least two hours of 11 work for a Covered Employer within the geographical boundaries of the City, without regard to 12 whether the Covered Employer classifies the person as an employee for any other purpose. 13 "Employee" includes, without limitation, shoppers and drivers for an On-Demand Delivery 14 Service.

15 "Essential Business" has the same meaning of "Essential Business" in Health Order 16 No. C19-07b.

17 "On-Demand Delivery Service" means <u>a third-party an-online or mobile application or</u> 18 other internet service that offers or arranges for the ased delivery platform or network company that facilitates the consumer purchase and same-day or scheduled delivery of food 19 20 products, medications, or other goods directly from no fewer than 20 restaurants, grocery 21 stores, drug stores, and other Essential Businesses. 22 "Part-time" means fewer than 35 hours of work in each work week. 23 24

Section 4. Protections for Employees of On-Demand Delivery Services.

(a) As required by Health Order No. C19-07b (Section 13.h.iii) all Essential Businesses
must provide employees hand sanitizer, soap and water, or effective disinfectant in the
workplace. Additionally, under this emergency ordinance, Covered Employers that are OnDemand Delivery Services must provide to or reimburse Employees for the reasonable cost of
purchasing necessary hand sanitizer, disinfecting cleaning supplies, and any needed personal
protective equipment such as gloves and face masks.

(b) As required by Health Order No. C19-07b (Section 13.h), all Essential Businesses
must provide a Social Distancing Protocol to each employee who works at a facility and must
post the Social Distancing Protocol in each facility. Additionally, under this emergency
ordinance, Covered Employers that are On-Demand Delivery Services must provide the
Social Distancing Protocol to Employees in a manner calculated to reach all such Employees
via electronic communication, and/or by posting conspicuously on the Employer's web-based
or app-based platform.

(c) As required by Health Order No. C19-07b (Sections 13.h.i, 13.k.i), individuals are to
maintain at least six feet of physical distance from people who are not part of the same
household. Additionally, under this emergency ordinance, Covered Employers that are OnDemand Delivery Services must offer Employees who make deliveries the option of a "nocontact" delivery method where feasible with detailed guidance on how to safely make both inperson and no-contact deliveries.

(d) As required by Health Order No. C19-07b (Section 13.h.v), essential businesses
must regularly disinfect high-touch surfaces. Additionally, under this emergency ordinance,
Covered Employers that are On-Demand Delivery Services must require delivery drivers to
regularly disinfect high-touch surfaces in their vehicles and compensate them for doing so.

- 24
- 25

Section 5. Right to Schedule Changes.

1	A Covered Employer shall where reasonably feasible approve an Employee's request
2	to cancel scheduled work for any reason for which an Employee may otherwise use leave
3	under the City's Paid Sick Leave Ordinance (Administrative Code Sections 12W.2(e) and
4	12W.4(a)), and the Agency's rules and guidance implementing those provisions, or
5	emergency paid sick leave under the Families First Coronavirus Response Act, H.R. 6201,
6	Public Law No. 116-127, Section 5102(a) and implementing regulations. The Employer shall
7	allow the Employee to use any available accrued paid sick leave or emergency paid sick
8	leave, or to reschedule the work.
9	
10	Section 6. Offering Additional Work to Part-Time Employees.
11	(a) Subject to the limitations in this Section 6, before a Covered Employer may hire
12	new Employees or use contractors or a temporary services or staffing agency to perform work
13	for the Covered Employer, the Covered Employer shall first offer the additional work to
14	existing Part-time Employee(s) if (1) the Part-time Employee(s) are qualified to do the
15	additional work, as reasonably determined by the Covered Employer, and (2) the additional
16	work is the same or similar to work the Employee(s) have performed for the Covered
17	Employer. This Section 6 requires Covered Employers to offer to Part-time Employees only
18	the number of hours required to give the Employee 35 hours of work in a week.
19	(b) A Covered Employer has discretion to divide the additional work hours among Part-
20	time Employees consistent with this Section 6.
21	(c) A Part-time Employee may, but is not required to, accept the Covered Employer's
22	offer of additional work hours under this Section 6. The Part-Time Employee shall have 72
23	hours to accept the additional hours, after which time the Covered Employer may hire new
24	Employees to work the additional hours. The 72 hours referenced in the previous sentence
25	begins either when the Part-Time Employee receives the written offer of additional hours or

1 whenever the Covered Employer posts the offer of additional hours described in subsection

- 2 (d), whichever is later. A Part-Time Employee who wishes to accept the additional hours must
- 3 do so in writing.

(d) When this Section 6 requires a Covered Employer to offer additional work hours to
existing Part-time Employees, the Covered Employer shall make the offer either in writing
directly to an Employee or by providing notice to Employees in a manner calculated to reach
all such Employees by posting the offer in a conspicuous location in the workplace where
notices to Employees are customarily posted, providing it via electronic communication,
and/or by posting conspicuously on the Employer's web-based or app-based platform.

10

11 Section <u>6</u>7. Exercise of Rights Protected; Retaliation Prohibited.

12 (a) It shall be unlawful for a Covered Employer or any other person to interfere with,

restrain, or deny the exercise of, or the attempt to exercise, any right protected under this

14 emergency ordinance.

15 (b) It shall be unlawful for a Covered Employer or any other person to discharge,

16 threaten to discharge, demote, suspend, or in any manner discriminate or take adverse action

against any person in retaliation for exercising rights protected under this emergency

18 ordinance.

(c) Protections of this emergency ordinance shall apply to any person who mistakenlybut in good faith alleges violations of this emergency ordinance.

21

22 Section <u>7</u>8. Implementation and Enforcement.

23 (a) An individual may report a potential violation of this emergency ordinance by calling

24 <u>311. The Agency may investigate potential violations and may coordinate investigation by</u>

25 <u>other City officials as appropriate.</u>

2 may promulgate regulations and guidelines for such purposes. Except as otherwise provided 3 by Agency regulations or guidelines, the investigation and administrative enforcement 4 provisions of Police Code Section 3300F.10 and the civil enforcement provisions of Police 5 Code Section 3300F.12 apply to this emergency ordinance. 6 7 Section <u>89</u>. Other City Laws. 8 This emergency ordinance is not intended to limit the operation of any other City law. 9 Should there be any overlap in application between this emergency ordinance and another 10 City law, both laws shall be followed, except if there is a conflict between the two that cannot 11 be reconciled, the City law providing greater protection to the Employee shall take 12 precedence. 13 14 Section <u>9</u>10. Preemption. 15 Nothing in this emergency ordinance shall be interpreted or applied so as to create any 16 right, requirement, power, or duty in conflict with federal or state law. The term "conflict," as 17 used in this Section 9 means a conflict that is preemptive under federal or state law. 18 Section 1011. City Undertaking Limited to Promotion of the General Welfare. 19 20 In undertaking the adoption and enforcement of this emergency ordinance, the City is 21 undertaking only to promote the general welfare. The City is not assuming, nor is it imposing 22 on its officers and employees, an obligation for breach of which it is liable in money damages 23 to any person who claims that such breach proximately caused injury. This emergency 24 ordinance does not create a legally enforceable right by any member of the public against the 25 City.

(b) The Agency is authorized to implement and enforce this emergency ordinance and

1 Section 1112. Severability.

2 If any section, subsection, sentence, clause, phrase, or word of this emergency 3 ordinance, or any application thereof to any person or circumstance, is held to be invalid or 4 unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this emergency ordinance. The 5 6 Board of Supervisors hereby declares that it would have passed this emergency ordinance 7 and every section, subsection, sentence, clause, phrase, and word not declared invalid and 8 unconstitutional without regard to whether any other portion of this emergency ordinance or 9 application thereof would be subsequently declared invalid or unconstitutional.

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Section 1213. Effective Date; Expiration.

12 Consistent with Charter Section 2.107, this emergency ordinance shall become 13 effective immediately upon enactment, and shall expire on the 61st day following enactment 14 unless reenacted as provided by Section 2.107, or upon the termination of the Public Health 15 Emergency, whichever occurs first. Enactment occurs when the Mayor signs the ordinance, 16 the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of 17 receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

18

19 Section 1314. Supermajority Vote Required.

In accordance with Charter Section 2.107, passage of this emergency ordinance by the
 Board of Supervisors requires an affirmative vote of two-thirds of the Board of Supervisors.

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1	APPF	ROVED AS TO FORM:
2	DENI	NIS J. HERRERA, City Attorney
3	By:	/s/ LISA POWELL Deputy City Attorney
4		Deputy City Attorney
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REVISED LEGISLATIVE DIGEST

(Amended in Committee – April 16, 2020)

[Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections]

Emergency ordinance to temporarily require grocery store, drug store, restaurant, and on-demand delivery service employers to provide health and scheduling protections to employees during the public health emergency related to COVID-19.

Existing Law

Local Health Order No. C19-07b requires individuals in the City to shelter in place, or stay at home, except for specified essential needs. Under this Order, many businesses have closed temporarily. Restaurants are prohibited from operating except for carry out and delivery service. Other Essential Businesses, including grocery stores, drug stores, and on-demand delivery services for food, medicines, and other essential items, may continue to operate, subject to certain social distancing and sanitation requirements. Among other provisions, these requirements include that essential businesses provide employees hand sanitizer, soap and water, or effective disinfectant; provide employees with a social distancing protocol, which requires maintaining at least six feet of distance from people who are not part of the same household; and regularly disinfect high-touch surfaces.

Amendments to Current Law

This emergency ordinance does not amend current law, but it supplements and clarifies how Health Order No. C19-07b applies in the on-demand delivery service context, where delivery drivers and shoppers do not work in a fixed workplace.

Background Information

This emergency ordinance provides certain protections for employees of "covered employers," which are grocery stores, drug stores, restaurants, and on-demand delivery services. Consistent with the presumption in California Labor Code Section 2750.3, which has not been demonstrated to be inapplicable, on-demand delivery service workers are classified as employees for the purposes of the emergency ordinance regardless of how the employer classifies them.

The emergency ordinance supplements and clarifies how Order No. C19-07b's social distancing and sanitation requirements apply in the on-demand delivery service context. The emergency ordinance requires on-demand delivery services to provide to or reimburse employees for the reasonable cost of purchasing necessary hand sanitizer, disinfecting cleaning supplies, and any needed personal protective equipment such as gloves and face masks, and to provide employees a social distancing protocol. Additionally, on-demand

delivery services must offer delivery employees the option of a no-contact delivery method where feasible to facilitate social distancing and provide them detailed guidance on how to safely make both in-person and no-contact deliveries. On-demand delivery services also must require delivery drivers to regularly disinfect high-touch surfaces in their vehicles and compensate them for doing so.

The emergency order provides scheduling protections that give grocery, drug store, restaurant, and on-demand delivery service employees an additional tool to keep themselves safe. Covered employers must, where reasonably feasible, allow employees to cancel work for any reason for which sick leave or emergency paid sick leave under the federal Families First Coronavirus Response Act may be taken. Employees may use any available accrued paid sick leave or emergency paid sick leave, or reschedule the work.

The emergency ordinance includes anti-retaliation protections that, among other provisions, prohibit interfering with any right protected under the emergency ordinance and taking any adverse action against an employee for exercising rights protected under the emergency ordinance.

The Office of Labor Standards Enforcement (OLSE) will implement and enforce the emergency ordinance. Complaints of potential violations can be reported by calling 311 or contacting OLSE.

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From:	Dick-Endrizzi, Regina (ECN)
То:	<u>Haney, Matt (BOS); Mar, Gordon (BOS); Peskin, Aaron (BOS)</u>
Cc:	Carroll, John (BOS); Donovan, Dominica (ECN); RivamonteMesa, Abigail (BOS); Wright, Edward (BOS); Angulo, Sunny (BOS); Hepner, Lee (BOS)
Subject:	Update Letter from OSB regarding Item #4 - GAO- 200360
Date:	Thursday, April 16, 2020 9:18:34 AM
Attachments:	200360 OSB Letter to GAO.Amended.pdf
Importance:	High

Dear Supervisor Mar, Peskin and Haney,

The attached letter is an update to my letter sent last night.

I have discussed OSB's proposed amendments with Supervisor Haney's aide Abigail RivamonteMesa and support:

• Striking Section 6 in its entirety as it addresses the Office of Small Business's (OSB) key concern for San Francisco's small businesses and local independent grocers.

• Not amending the definition of "Covered Employer" to included "350 or more employees" as this qualifier is no longer needed by striking Section 6.

• Agree to retaining "...performs at least two hours of work..." in the definition of "Employee".

The Office of Small Business key concern is now addressed. Thank you for your consideration and all you are doing for the health and safety of San Francisco.

Kindly,

Regina Dick-Endrizzi | Executive Director | Office of Small Business regina.dick-endrizzi@sfgov.org | D: 415.554.6481 |O: 415.554.6134 |c: 415.902-4573 www.sfosb.org | businessportal.sfgov.org | facebook | twitter

COVID-19 Assistance for Businesses & Employees

From: Dick-Endrizzi, Regina (ECN)

Sent: Thursday, April 16, 2020 2:34 AM

To: Haney, Matt (BOS) <matt.haney@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Aaron Peskin <aaron.peskin@sfgov.org>

Cc: Carroll, John (BOS) <john.carroll@sfgov.org>; Dominica Donovan (dominica.donovan@sfgov.org) <dominica.donovan@sfgov.org>; RivamonteMesa, Abigail (BOS)

<abigail.rivamontemesa@sfgov.org>; Wright, Edward (BOS) <edward.w.wright@sfgov.org>; Angulo, Sunny (BOS) <sunny.angulo@sfgov.org>; Hepner, Lee (BOS) <lee.hepner@sfgov.org>

Subject: RE: Item #4 - GAO- 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections

Letter attached

Kindly, Regina Dick-Endrizzi | Executive Director | Office of Small Business

COVID-19 Assistance for Businesses & Employees

From: Dick-Endrizzi, Regina (ECN)

Sent: Thursday, April 16, 2020 2:31 AM

To: Haney, Matt (BOS) <<u>matt.haney@sfgov.org</u>>; Mar, Gordon (BOS) <<u>gordon.mar@sfgov.org</u>>; Aaron Peskin <<u>aaron.peskin@sfgov.org</u>>

Cc: Carroll, John (BOS) <<u>john.carroll@sfgov.org</u>>; Dominica Donovan (<u>dominica.donovan@sfgov.org</u>) <<u>dominica.donovan@sfgov.org</u>>; RivamonteMesa, Abigail (BOS)

<<u>abigail.rivamontemesa@sfgov.org</u>>; Wright, Edward (BOS) <<u>edward.w.wright@sfgov.org</u>>; Angulo, Sunny (BOS) <<u>sunny.angulo@sfgov.org</u>>; Hepner, Lee (BOS) <<u>lee.hepner@sfgov.org</u>>

Subject: Item #4 - GAO- 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections

Importance: High

Dear Supervisors,

Attached is letter from me as Director, of the Office of Small Business. Due to the Emergency Ordinance, the Small Business Commission is not able to hear. I have one key amendment request so that small businesses, predominately our local independent grocers are hamstrung by Section 6 but still retains the core component requirements for formula retailers. Formula retailers have a very different way handling scheduling than our small and local brick and mortar business. This is why there is the https://sfgov.org/olse/formula-retail-employee-rights-ordinances. My recommendation is to modify the definition of "Covered Employer" to be an employer of a business that is 350+ employees. I am happy to speak with you directly on how I came to 350+ employees.

Below are the Legacy Business Registry that would be impacted by Section 6, should the definition of covered employer not change.

Legacy Business local grocers:

Avedano's Holly Park Market Bi-Rite Market Courtney's Produce Haight and Fillmore Whole Foods Le Beau Nob Hill Market Lucca Delicatessen Lucca Food & Wine Shop Marina Supermarket New World Market Noriega Produce Other Avenues Pearl Market Real Food Company S & S Grocery Ted's Market and Delicatessen Valencia Whole Foods

Legacy Businesses restaurants cafés

Alioto's Restaurant	Escape From New York Pizza	Pacific Cafe
Balboa Cafe	Hamburger Haven	Pacitas Salvadorean Bakery
Beep's Burgers	Hayes Street Grill	Perry's San Francisco
Benkyodo Company	Henry's House of Coffee	Pier 23 Café
BIX Restaurant	House of Bagels	Sacred Grounds Cafe
Brazen Head	Izzy's Steaks and Chops	Sam Wo Restaurant
Butter Bar & Restaurant	Jackson Fillmore Trattoria	Sam's Grill and Seafood
Cafe du Nord	Joe's Ice Cream	Restaurant
Cafe International	Kimochi, Inc.	Schubert's Bakery
Caffé Sapore	La Mediterranee	Scoma's Restaurant
Caffe Trieste	Little Joe's Pizzeria	Sodini's Green Valley Restaurant
Castro Country Club	Lucca Delicatessen	St. Francis Fountain
Chloe's Café	Lucca Food & Wine Shop	Tommaso's Ristorante Italiano
Cinderella Bakery and Café	Marina Supermarket	Toy Boat Dessert Cafe
Cove on Castro	Moshi Moshi	Two Jack's Nik's Place Seafood
Dianda's Italian American Pastry	Mums - Home of Shabu Shabu	VIP Coffee and Cake Shop
Company	New Asia Restaurant	Yasukochi's Sweet Stop
Eddie's Cafe	New Delhi Restaurant	Yuet Lee Restaurant
El Toreador Fonda Mexicana	Noe Valley Bakery	Zam Zam
<u>Restaurant</u>	Original Joe's	Zazie Restaurant

Thank you for your time and consideration.

Kindly,

Regina Dick-Endrizzi | Executive Director | Office of Small Business regina.dick-endrizzi@sfgov.org | D: 415.554.6481 |O: 415.554.6134 |c: 415.902-4573 City Hall, Room 140* | 1 Carlton B. Goodlett Place | San Francisco, CA 94102

www.sfosb.org | businessportal.sfgov.org | facebook | twitter

* Due to the <u>Public Health Order</u> to Shelter in Place, our office <u>is CLOSED to the public</u> through May 3, 2020. Services are being provided by email and phone only.

COVID-19 Assistance for Businesses & Employees



Office of Small Business Regina Dick-Endrizzi, Director

April 16, 2020

Honorable Supervisor Gordon Mar, Chair Honorable Supervisor Aaron Peskin Honorable Supervisor Matt Haney

RE: BOS File No. 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections

Dear Honorable Chair Mar:

This letter is a follow to my first letter dated April 15, 2020. I have discussed OSB's proposed amendments with Supervisor Haney's aide Abigail RivamonteMesa and support:

- Striking Section 6 in its entirety as it addresses the Office of Small Business's (OSB) key concern for San Francisco's small businesses and local independent grocers.
- Not amending the definition of "Covered Employer" to included "350 or more employees" as this qualifier is no longer needed by striking Section 6.
- Agree to retaining "...performs at least <u>two</u> hours of work..." in the definition of "Employee".

I want thank you to Supervisor Haney and his aide Abigail RivamonteMesa for their consideration to OSB's amendments.

Sincerely,

ZMDick. Lidenzi

Regina Dick-Endrizzi Executive Director, Office of Small Business and Small Business Commission

cc: Members of the Board of Supervisors Andres Power, Policy Director, Office of Mayor London N. Breed Lisa Pagan, Office of Economic and Workforce Development John Carol, Clerk, Government Audits and Oversite Committee

Dick-Endrizzi, Regina (ECN)
<u>Haney, Matt (BOS); Mar, Gordon (BOS); Peskin, Aaron (BOS)</u>
Carroll, John (BOS); Donovan, Dominica (ECN); RivamonteMesa, Abigail (BOS); Wright, Edward (BOS); Angulo, Sunny (BOS); Hepner, Lee (BOS)
RE: Item #4 - GAO- 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections
Thursday, April 16, 2020 2:33:39 AM 200360 OSB Letter to GAO.pdf

Letter attached

Kindly,

Regina Dick-Endrizzi | Executive Director | Office of Small Business regina.dick-endrizzi@sfgov.org | D: 415.554.6481 |O: 415.554.6134 |c: 415.902-4573 www.sfosb.org | businessportal.sfgov.org | facebook | twitter

COVID-19 Assistance for Businesses & Employees

From: Dick-Endrizzi, Regina (ECN)

Sent: Thursday, April 16, 2020 2:31 AM

To: Haney, Matt (BOS) <matt.haney@sfgov.org>; Mar, Gordon (BOS) <gordon.mar@sfgov.org>; Aaron Peskin <aaron.peskin@sfgov.org>

Cc: Carroll, John (BOS) <john.carroll@sfgov.org>; Dominica Donovan (dominica.donovan@sfgov.org) <dominica.donovan@sfgov.org>; RivamonteMesa, Abigail (BOS)

<abigail.rivamontemesa@sfgov.org>; Wright, Edward (BOS) <edward.w.wright@sfgov.org>; Angulo, Sunny (BOS) <sunny.angulo@sfgov.org>; Hepner, Lee (BOS) <lee.hepner@sfgov.org>

Subject: Item #4 - GAO- 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections

Importance: High

Dear Supervisors,

Attached is letter from me as Director, of the Office of Small Business. Due to the Emergency Ordinance, the Small Business Commission is not able to hear. I have one key amendment request so that small businesses, predominately our local independent grocers are hamstrung by Section 6 but still retains the core component requirements for formula retailers. Formula retailers have a very different way handling scheduling than our small and local brick and mortar business. This is why there is the https://sfgov.org/olse/formula-retail-employee-rights-ordinances. My recommendation is to modify the definition of "Covered Employer" to be an employer of a business that is 350+ employees. I am happy to speak with you directly on how I came to 350+ employees.

Below are the Legacy Business Registry that would be impacted by Section 6, should the definition of covered employer not change.

Legacy Business local grocers:

Avedano's Holly Park Market Bi-Rite Market Courtney's Produce Haight and Fillmore Whole Foods Le Beau Nob Hill Market Lucca Delicatessen Lucca Food & Wine Shop Marina Supermarket New World Market Noriega Produce Other Avenues Pearl Market Real Food Company S & S Grocery Ted's Market and Delicatessen Valencia Whole Foods

Legacy Businesses restaurants cares		
Alioto's Restaurant	E <u>scape From New York Pizza</u>	Pacific Cafe
Balboa Cafe	Hamburger Haven	Pacitas Salvadorean Bakery
Beep's Burgers	Hayes Street Grill	Perry's San Francisco
Benkyodo Company	Henry's House of Coffee	Pier 23 Café
BIX Restaurant	House of Bagels	Sacred Grounds Cafe
Brazen Head	Izzy's Steaks and Chops	Sam Wo Restaurant
Butter Bar & Restaurant	Jackson Fillmore Trattoria	Sam's Grill and Seafood
Cafe du Nord	Joe's Ice Cream	Restaurant
Cafe International	Kimochi, Inc.	Schubert's Bakery
Caffé Sapore	La Mediterranee	Scoma's Restaurant
Caffe Trieste	Little Joe's Pizzeria	Sodini's Green Valley Restaurant
Castro Country Club	Lucca Delicatessen	St. Francis Fountain
Chloe's Café	Lucca Food & Wine Shop	Tommaso's Ristorante Italiano
Cinderella Bakery and Café	Marina Supermarket	Toy Boat Dessert Cafe
Cove on Castro	Moshi Moshi	Two Jack's Nik's Place Seafood
Dianda's Italian American Pastry	Mums - Home of Shabu Shabu	VIP Coffee and Cake Shop
Company	New Asia Restaurant	Yasukochi's Sweet Stop
Eddie's Cafe	New Delhi Restaurant	Yuet Lee Restaurant
El Toreador Fonda Mexicana	Noe Valley Bakery	Zam Zam
<u>Restaurant</u>	Original Joe's	Zazie Restaurant

Legacy Businesses restaurants cafés

Thank you for your time and consideration.

Kindly,

Regina Dick-Endrizzi | Executive Director | Office of Small Business regina.dick-endrizzi@sfgov.org | D: 415.554.6481 |O: 415.554.6134 |c: 415.902-4573 City Hall, Room 140* | 1 Carlton B. Goodlett Place | San Francisco, CA 94102

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* Due to the <u>Public Health Order</u> to Shelter in Place, our office <u>is CLOSED to the public</u> through May 3, 2020. Services are being provided by email and phone only.

COVID-19 Assistance for Businesses & Employees



OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

April 15, 2020

Honorable Supervisor Gordon Mar, Chair Honorable Supervisor Aaron Peskin Honorable Supervisor Matt Haney

RE: BOS File No. 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections

Dear Honorable Chair Mar:

First, thank you to you and your colleagues for your significant leadership in responding to the needs of all San Franciscans during this crisis. And, thank you for being responsive to and mindful of small business needs. I am writing to you regarding BOS File No. 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections which is scheduled to be heard at the Government Audit and Oversight Committee on Thursday April 16.

The Office of Small Business has received concerns from the small business community, primarily small and independent grocers, since last week's introduction of this emergency ordinance. While the Commission would normally have an opportunity to publicly opine on this matter, in lieu of that privilege we would like to submit the following for your consideration and discussion:

- Section 3:
 - Modify the definition of "Covered Employer" to: "Covered Employer" means any person, as defined in Section 18 of the California Labor Code, including corporate officers or executives, who directly or indirectly or through an agent or any other person, including through the services of a temporary services or staffing agency or similar entity, employs, suffers or permits to work, or exercises control over the wages, hours, or working conditions *of 350 employees or more* for any of the following: (a) a grocery store, supermarket, convenience store, restaurant, cafe, or other establishment primarily engaged in the retail sale of food; or (b) a drug store, pharmacy, or other establishment primarily engaged in the retail sale of medication, pharmaceuticals, or medical supplies;
 - Modify the definition of "Employee" to "in a particular week performs at the <u>eight</u> hours of work. It is very rare for small service sector business schedule for less than 8 hours in one week.

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

Section 6 (a)(b)(c)(d) applies only to businesses with 350+ employees.
 Section 6 prescribes how a Covered Business, as defined in the Ordinance, must notify their employees of the opportunity for additional hours. Section 6(c) requires that employees must accept the offer within 72 hours of it being made. Most small and independently owned grocers need their employees to respond to requests for additional work within 24 hours or less. This is particularly true due to the expanded eligible Paid Sick Leave uses necessary to contain the COVID-19 virus under the declaration of the Public Health Emergency.

Amending the covered employee definition by employee size allows Section 6 to be retained but only applies to business with 350+ employees.

Below is data gathered on San Francisco grocers and supermarkets. This data is presented to support the suggested amendment to the definition of a "Covered Employer" to an employer with 350+ employees:

- 1. San Francisco has 625 groceries
- 2. 76% are business with under 10 employees
- 3. 95% are business with less than 50 employees.
- 1. 12,251 employees are employed by 625 grocery stores and supermarkets.
- 4. 47% of the total employees are employed by businesses that have 350+ employees

While the data provided is intended to focus on local independent grocers, restaurants, corner stores and small independent pharmacies experience similar challenges in having to work with reduced staff during the COVID-19 crisis.

Amending the definition of covered employer retains the core components of the legislation and still provides the key supports for the employees it is intended to help, without impacting San Francisco's neighborhood serving local independent grocers and small business identified in the ordinance.

Thank you for your attention to this and for your thoughtful consideration.

Sincerely,

LADick Lidenzi

Regina Dick-Endrizzi Executive Director, Office of Small Business and Small Business Commission

cc: Members of the Board of Supervisors Andres Power, Policy Director, Office of Mayor London N. Breed Lisa Pagan, Office of Economic and Workforce Development John Carol, Clerk, Government Audits and Oversite Committee

From:	Dick-Endrizzi, Regina (ECN)
To:	<u>Haney, Matt (BOS); Mar, Gordon (BOS); Peskin, Aaron (BOS)</u>
Cc:	Carroll, John (BOS); Donovan, Dominica (ECN); RivamonteMesa, Abigail (BOS); Wright, Edward (BOS); Angulo, Sunny (BOS); Hepner, Lee (BOS)
Subject:	Item #4 - GAO- 200360 - Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service Employee Protections
Date:	Thursday, April 16, 2020 2:31:06 AM
Importance:	High

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Legacy Businesses restaurants cafés

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BIX Restaurant	House of Bagels	Sacred Grounds Cafe
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COVID-19 Assistance for Businesses & Employees

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hello,

I just read this comment into the record, but also wanted to submit it in writing. I am submitting this for a McDonald's workers who was not able to get off work to speak at the meeting, and does not have internet access at home.

Hello my name is Juliana Ojeda, I work in McDonalds on 1100 Fillmore St in SF and I am organizing with the Fight for 15, I strongly support the workers First Emergency Ordinance, it's necessary to protect the health of the workers and the public.

In my case I have 3 kids, my daughter is 7yrs old, a son with special needs 3yrs old, and a baby girl who is 11 months old, I am afraid to get sick and bring it to my family. My husband works in another McDonalds too, it would be good for both of us to feel protected at work.

For example at Fillmore we have ran out of sanitizer in different occasions, there is not a plan or reinforcement to keep social distance with customers or between us, I understand there is not enough space in the kitchen but, they have never provided mask for us, McDonalds only provide mask to the managers, this is not fair. They also allow more than 10 customers in the lobby with out reinforcement of the social distance requirement.

McDonalds workers recently went on strike to demand the company protect the workers and the the public, we are still waiting. I am proud to be an essential worker in this time, but we also deserve protection, help us get McDonalds to do the right thing.

Thank You

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp or meeting date

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

 ✓ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment). 			
2. Request for next printed agenda Without Reference to Committee.			
3. Request for hearing on a subject matter at Committee.			
4. Request for letter beginning :"Supervisor]inquiries"		
5. City Attorney Request.			
6. Call File No. from Committee.			
7. Budget Analyst request (attached written motion).			
8. Substitute Legislation File No.			
9. Reactivate File No.			
10. Topic submitted for Mayoral Appearance before the BOS on			
Please check the appropriate boxes. The proposed legislation should be forwarded to the following Small Business Commission Youth Commission			
Planning Commission Building Inspection Commission			
Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative F	'orm.		
Sponsor(s):			
Haney, Mar, Walton, Ronen, Preston, Fewer			
Subject:			
[Emergency Ordinance - Grocery Store, Drug Store, Restaurant, and On-Demand Delivery Service E Protections]	Employee		
The text is listed:			
Emergency ordinance to temporarily require grocery store, drug store, restaurant, and on-demand del employers to provide health, scheduling, and hours protections to employees during the public health related to COVID-19.	•		
Signature of Sponsoring Supervisor:			

For Clerk's Use Only