

NO on the Costly Restaurant Ordinance

LA restaurants are already struggling to stay in business.

Background

Los Angeles is home to more than 1,500 quick-service restaurants. The **overwhelming majority of these local restaurants are independent small businesses—locally owned by people of color, immigrants and women.**

LA restaurants are already struggling to survive the **state's new \$20/hour minimum wage for fast food workers** and other growing operating costs. Now, the City of LA is considering an additional unnecessary, duplicative and costly ordinance that **unfairly targets local restaurants**—once again—and would **further increase food costs** for families already struggling.

Here's why LA restaurant owners, small businesses, consumers and others *OPPOSE* the Costly Restaurant Ordinance:



The Ordinance is unnecessary and duplicative.

- California law already requires local restaurant owners to provide every employee with **extensive notices of their rights** and **training** on topics like violence and sexual harassment, health and workplace safety, and food safety and handling.
 - These notices and trainings are provided both upon hire and on an ongoing basis.
- Further, California just established a **statewide Fast Food Council specifically charged with developing minimum standards for training**, worker protections, health and safety for fast food workers.
- **It makes no sense for LA to pass a duplicative and potentially conflicting city ordinance** that would further strain local restaurants before the Fast Food Council even has a chance to function as intended.

The Costly Restaurant Ordinance would:

- ✂ **Mandate new rigid scheduling requirements that limit employee flexibility.**
- ✂ **Require restaurants to send employees off-site to complete unnecessary and duplicative training** provided by outside third parties.
- ✂ **Develop additional paid time off requirements** for restaurants, on top of the 5 days of paid sick leave already required by CA law.



The Ordinance imposes costly new burdens on local restaurant owners—jeopardizing their very existence.

- The \$20/hr minimum wage is projected to cost local restaurant owners **\$250,000 per restaurant, per year**. To offset costs, local restaurants have been forced to **increase food prices, lay off employees and cut hours**.
- The **Ordinance** would lead to even higher, **unsustainable cost burdens** for LA restaurants—causing **more layoffs, even higher food prices** and would be **the final straw that forces many LA restaurants out of business**.
- Nearly **60%** of California’s restaurants are owned by **people of color** and **50%** are owned by **women**.
- There is no justification for **unfairly singling out these local restaurants and minority-owned small businesses—yet again**.

In a recent survey of local restaurant owners impacted by the \$20/hr minimum wage:

-  **98%** reported **already raising food prices**;
-  **89%** reported **reducing employee hours**;
-  **74%** reported an **increased likelihood of shutting down their restaurants**; and
-  **70%** reported **reducing staff or consolidating positions** due to the significant wage hike.



The Ordinance would increase food costs for families already struggling.

- Since AB 1228 passed, local restaurants have been forced to **increase food prices by 10%** overall.
- The **Ordinance** would **further drive-up food costs** for families already struggling to make ends meet. These impacts are **most harmful to low-income families who depend on affordable, convenient food options**.



LA’s limited city resources are already stretched thin.

- Los Angeles is facing unprecedented crises including crime, homelessness and a high cost of living.
- It makes no sense to divert LA’s limited resources and staff to enforce an unnecessary and duplicative restaurant ordinance when our city has more pressing priorities to address.

ProtectLARestaurants.com