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CERTIFIED MAIL

May 13, 2015

David Cotton
Flying Food Group Pacific, Inc.
212 N. Sangamon, Suite 1A
Chicago, IL 60607

RE: LIVING WAGE ORDINANCE –NOTICE TO CORRECT

Dear Mr. Cotton,

The Office of Contract Compliance (OCC) has been designated by the Los Angeles City Council as the administrative agency (DAA) responsible for monitoring and enforcing the Living Wage Ordinance (Los Angeles Administrative Code Section 10.37 et. seq.). The purpose of this letter is to inform you that we have reviewed documents you have provided and find that Flying Food Group Pacific, Inc. (FFGP) is not in compliance with the Living Wage Ordinance (LWO).

DETERMINATION:

The OCC has determined that the Living Wage Ordinance (LWO) applies to all employees working at 6751 Imperial Highway, Los Angeles, CA 90045, except for those employees who possess occupational licenses and are therefore exempt from the Living Wage Ordinance.

The FFGP facility at 6751 Imperial Highway, Los Angeles, CA 90045 operates on City of Los Angeles World Airport (LAWA) property and is leased to FFGP. According to the definition of Public Lease LAAC 10.37.1(l)(a)(3), the DAA has determined in writing that such lease agreements are covered under the LWO and further the proprietary interests of the City.

In its February 26, 2010 Determination Letter (effective May 1, 2010), the OCC stated that all industry-specific services rendered by employees of lessees on LAWA property are subject to the Los Angeles Living Wage Ordinance. Therefore, all FFGP employees working at the 6751 Imperial Highway, Los Angeles, CA 90045 facility are subject to the LWO.

CORRECTIVE ACTION:

The Office of Contract Compliance has determined that Flying Food Group, Pacific, Inc. is not in compliance with the LWO, and directs FFGP to make the following corrective measures:



- 1) Increase all employees' wages to the current Living Wage rate (Attachment). According to our records, there are 271 employees who have not been paid the correct Living Wage rates since May 1, 2010, nor are presently being paid the correct Living Wage rate.
- 2) Prepare a spreadsheet clearly indicating how retroactive restitution wage payments to all affected kitchen staff employees were calculated from May 1, 2010 to the present.
- 3) Provide payroll registers showing retroactive restitution wage payments and proof the checks were cleared by your financial institution.


Per Regulation #8(a) of the Living Wage Ordinance Rules and Regulations, please issue back wages within **ten (10) days** of receipt of this letter and provide payroll registries verifying that payments have been adjusted. If you require additional time to provide the aforementioned items, please contact the Office of Contract Compliance upon receipt of this notice.

Refer to the Living Wage Ordinance Regulation #8(d) (Attachment) for further instructions on contesting the OCC's findings. Should the violation or failure to comply continue and/or no resolution is imminent, the OCC in cooperation with the Controller's Office, the City Attorney and the awarding authority, may pursue available remedies including the impoundment of money as provided in Regulation #14; termination of the contract for cause as provided for in Section 10.376(d)(1); debarment from future City agreements, leases, licenses for three (3) years as provided for in Section 10.37.6(d)(2); the pursuit of civil action against the employer pursuant to Section 10.37.(6)(d)(2); and any other remedy that may be available to the City.

Forward the requested documents to the following address:

Office of Contract Compliance
Attention: Sophy Tzeng
1149 S. Broadway, Suite 300
Los Angeles, CA 90015

We direct this matter be given your immediate attention. If you have any questions, contact Sophy Tzeng either by telephone at (213) 847-2632 or via email at sophy.tzeng@lacity.org.

Sincerely,

Helmut Peindl,
EEO Manager
Office of Contract Compliance

cc: LAWA, Karen Tozer

