

August 28, 2023

Jagdeep Singh Bachher
Chief Investment Officer
University of California
1111 Franklin
Oakland, CA 94607

Re: Concerns re Violence at UCRS-Owned Laguna Cliffs Marriott Hotel

Dear Chief Investment Officer Bachher,

We write in light of a series of disturbing incidents to express concern that Laguna Cliffs Marriott is not being responsibly managed as an investment asset of the UC Retirement System.

Since July 1, 2023, a labor dispute at the hotel has created financial and reputational risks to this investment. In the case of John Tesar, the Michelin-winning "celebrity chef" behind the Knife Modern Steak restaurant at the hotel, we believe that neither the hotel management company, Aimbridge, nor UC's investment managers are taking action quickly enough to address allegations that Chef Tesar engaged in disturbing behavior towards striking workers. We are also deeply concerned about other reported instances of violence directed at workers that have occurred at the property during the labor dispute.

In particular, we have received the following allegations from the union that represents workers at the hotel, UNITE HERE Local 11:

Pattern of Violent Incidents

- During the course of the labor dispute at the Laguna Cliffs Marriot, workers have reported multiple allegations of violence and threats of violence against picketers to the management of the hotel, the police, and the National Labor Relations Board.
- On July 3, a hotel security leader allegedly told a guest who had threatened to assault workers that the guest should do what he wanted to do and that the security head would testify on the guest's behalf.
- On the following day, a hotel housekeeper named Emilse Pineda was punched in the head by a different hotel guest who called her a sexist epithet before walking back into the hotel. Ms. Pineda has stated: "I was in shock as the punch came out of the blue ... I reported the incident to hotel security, but they did nothing to help identify the man or remove him. I felt almost drunk and woozy and had headaches over the next several days. The day after the punch, I passed out and the paramedics were called. As far as I know, the hotel has done nothing about this incident."¹

¹ "SoCal Hotel Workers Call for Boycott of Three Properties Following Employer Violence," UNITE HERE Local 11, Aug. 14, 2023. <https://www.unitehere11.org/news-2/press-releases/>

- On July 25, two workers were injured when a guest slammed a door into them while degrading them with racist, anti-immigrant epithets.
- In response to these and other episodes, the Union requested that the Laguna Cliffs Management and the UC provide information and records to help it identify the perpetrators of violence against its members. The Union sent formal requests on July 4, July 7, July 24, and July 28. To this date, however, neither the hotel nor the UC have provided the Union with any of the requested information or records.
- On July 17, the Union filed an Unfair Labor Practice charge against the hotel alleging that the hotel had violated the National Labor Relations Act by “(1) encouraging, sanctioning, and/or failing to take reasonable steps to prevent and address violence by hotel guests against persons engaged in peaceful picketing during a labor dispute, and (2) failing to provide information requested by the Charging Party Union to investigate acts of violence against persons engaged in peaceful picketing during a labor dispute.”²
- On July 24, with the violations unremedied, workers began an Unfair Labor Practice strike over multiple ULP allegations, including the violence.

Threatening Conduct by John Tesar

- Before beginning his work with the Laguna Cliff's Marriott, Chef John Tesar once described himself as a "rageaholic," and he has been the subject of multiple articles citing his alleged outbursts.³ Before the labor dispute began, at least one kitchen worker reported to the hotel's human resources director that he felt uncomfortable by Tesar's conduct toward him.
- On July 25, during the Unfair Labor Practice Strike, Chef Tesar approached striking workers from the hotel on the picket line and broke a drum a picketer was holding. He then said to the gathered workers, including Maria Hernandez, a busser at the Knife restaurant who was standing right in front of him: "Take your union and shove it up you're a---. Suck my d----. You are a bad person. You are a bad person. You're a lazy *pendeja*."
- In response to Tesar's outburst, the Union filed additional Unfair Labor Practice allegations and informed Aimbridge Hospitality and the UC Regents of his actions. The

² NLRB Case No. 21-CA-321992.

³ Sheeler, Jason, "John Tesar: The Most Hated Chef in Dallas," *D Magazine*, Aug. 24, 2011.

<https://www.dmagazine.com/publications/d-magazine/2011/september/john-tesar-the-most-hated-chef-in-dallas/>
Blaskovich, Sara, "How former 'rageaholic' John Tesar, from Dallas, became Mr. Nice Guy on 'Top Chef,'" *The Dallas Morning News*, Feb. 16, 2017. <https://www.dallasnews.com/food/2017/02/17/how-former-rageaholic-john-tesar-from-dallas-became-mr-nice-guy-on-top-chef/>

Blaskovich, Sara, "Controversial Dallas chef has left the building at fine dining restaurant Oak," *The Dallas Morning News*, Apr. 27, 2016. <https://www.dallasnews.com/food/2016/04/27/controversial-dallas-chef-has-left-the-building-at-fine-dining-restaurant-oak/>

incident has since been covered by media outlets including *The Los Angeles Times*,⁴ *The Independent*⁵, *Eater LA*⁶, and *Page Six (New York Post)*.⁷ According to *Eater LA*, Tesar admitted to breaking the drum the protester was holding. Aimbridge Hospitality responded with the following statement: "Aimbridge fosters a positive and safe work environment for all associates and has zero tolerance for abusive behavior whether from consultants, agents, or employees. Mr. Tesar's behavior, as represented in the video clip, appears to violate Ambridge values and policy. As such, Mr. Tesar has been removed from the property while we continue to investigate this incident. If the investigation confirms that Mr. Tesar has breached our company standards and expectations, his contract at Laguna Cliffs will be terminated."

- But in the *Eater LA* article, Chef Tesar claims that Aimbridge's statement is untrue and that he was not removed from the property. Tesar told *Eater LA* that he has "spoken with ownership" and that they are "solid" in their continued working relationship. And on August 14, Chef Tesar indicated on his Instagram page that he was back at Knife Modern Steak kitchen at the Laguna Cliffs Marriott, posting a picture of the restaurant's sign with the caption: "@eater_la is the water hot or is it just a perfect day to stand up to thugs ... truth over click bait," along with a video of his son outside the resort. The Union has not been made aware of any action to discipline Chef Tesar for his behavior toward workers.

The conduct alleged above is profoundly troubling and raises serious concerns about management of the hotel and the effectiveness of the University of California in managing its investment assets. Compounding these concerns, we understand that UNITE HERE Local 11 has initiated a boycott campaign against the Laguna Cliffs Marriott.

In addition to being concerned about the wellbeing of the hotel's workers, we wish to avoid disruptions to the quality of the service at the hotel and long-term damage to the hotel's brand and reputation. Accordingly, we would like you to outline concrete actions the UC Investment Office will take to address the potential financial and reputational damage arising from developments at the hotel and to work to resolve the ongoing labor dispute. We ask that you provide a response to this letter by August 31, 2023.

Sincerely,

⁴ Li, Helen; Hussain, Suhauna, "L.A.'s striking hotel workers are being roughed up by employers' security, union says," *Los Angeles Times*, Aug. 7, 2023. <https://www.latimes.com/business/story/2023-08-07/los-angeles-striking-hotel-workers-are-being-roughed-up-by-employers-security-union-says>

⁵ O'Connor, Roisin, "Controversial chef John Tesar 'removed from hotel' after altercation with striking workers," *The Independent*, Aug. 7, 2023. <https://www.independent.co.uk/life-style/food-and-drink/john-tesar-restaurants-chef-striking-workers-b2388682.html>

⁶ Elliott, Farley, "Celebrity Chef John Tesar in Hot Water After Altercation With OC Labor Union," *Eater LA*, Aug. 9, 2023. <https://la.eater.com/2023/8/9/23823674/chef-john-tesar-video-strike-union-labor-workers-orange-county-yelling-knife-restaurant-news>

⁷ Siegler, Mara, "'Top Chef' star John Tesar gives middle finger during profane meltdown on hotel picketers: 'Suck my d-k!'," *Page Six*, Aug. 5, 2023. <https://pagesix.com/2023/08/05/top-chef-john-tesar-roasts-striking-workers-at-hotel/>



Fiona Ma
Treasurer of California



Katie Porter
Member of Congress



Ted W. Lieu
Member of Congress



Josh Newman
Member of CA Senate



Maria Elena Durazo
Member of CA Senate



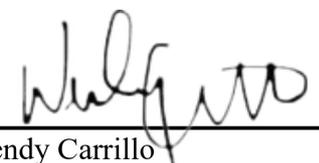
Dave Min
Member of CA Senate



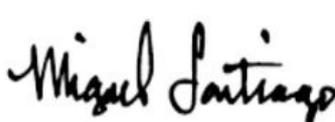
Lena Gonzalez
Member of CA Senate



Ash Kalra
Member of CA Assembly



Wendy Carrillo
Member of CA Assembly



Miguel Santiago
Member of CA Assembly



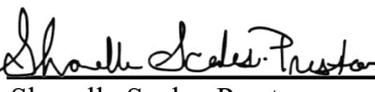
Pilar Schiavo
Member of CA Assembly



Farrah Khan
Mayor of Irvine



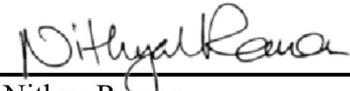
Chris Duncan
Mayor of San Clemente



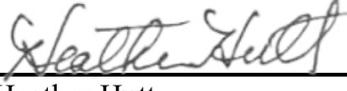
Shanelle Scales-Preston
Mayor of Pittsburg



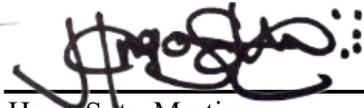
Michael Villar
Dana Point City
Councilmember



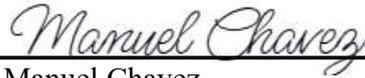
Nithya Raman
Los Angeles City
Councilmember



Heather Hutt
Los Angeles City
Councilmember



Hugo Soto-Martinez
Los Angeles City
Councilmember



Manuel Chavez
Costa Mesa City
Councilmember



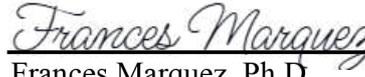
Kathleen Treseder, Ph.D.
Irvine City Councilmember



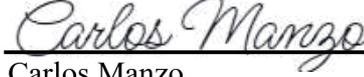
Johnathan Ryan Hernandez
Santa Ana City
Councilmember



Benjamin Vazquez
Santa Ana City
Councilmember



Frances Marquez, Ph.D.
Cypress City Councilmember



Carlos Manzo
Westminster City
Councilmember



Ahmad Zahra
Fullerton City
Councilmember



Caroline Torosis
Santa Monica City
Councilmember



Donald Torres
Stanton City Councilmember



Daren Nigsarian
La Habra City
Councilmember



Mark Enmeier
San Clemente City
Councilmember



Jose Medrano
La Habra City
Councilmember



Stephanie Oddo
Mayor Pro Tem of Laguna
Niguel



George Weiss
Laguna Beach City
Councilmember



Monica Wilson
Antioch City Councilmember

Carolyn Obringer

Carlyn Obringer
Concord City
Councilmember

Holly Tillman

Holly Tillman
Clayton City Councilmember

Bonnie Castrey

Dr. Bonnie Castrey
Member of the Board of
Trustees, Huntington Beach
Union High School District

Jim Moreno

Jim Moreno
Member of the Board of
Trustees, Coast Community
College District

Herlinda Chico

Herlinda Chico
President of the Board of
Trustees, Long Beach
Community College District

David Crockett

David Crockett
President of the Board of
Trustees, Rancho Santiago
Community College District

Anamaria Avila Farias

Anamaria Avila Farias
Member of the Board of
Trustees, Contra Costa
County Board of Education

Gracie Torres

Gracie Torres
Member of the Board of
Directors, Western Municipal
Water District

Stephen T. Blount

Stephen T. Blount
Member of the Board of
Trustees, North Orange
County Community College
District

Fauzia Rizvi

Fauzia Rizvi
Member of the Board of
Directors, Western Municipal
Water District

Kris Erickson

Kris Erickson
Member of the Board of
Trustees, Orange Unified
School District

Sergio Contreras

Sergio Contreras
Member of the Board of
Directors, Midway City
Sanitary District

Cherise Khaund

Cherise Khaund
Member of the Board of
Trustees, Mt. Diablo Unified
School District

Gina Clayton-Tarvin

Gina Clayton-Tarvin
Vice President of the Board
of Trustees, Ocean View
School District