Communication from Public

Name:	Nick Stewart-Bloch
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Comments for Public Posting:	See attached letter and report below.

May 2, 2025

Dear Councilmembers,

As Council prepares to vote on a historic motion to raise wages and health benefits in the tourism industry and transform the lives of thousands of working families, we write to remind Council of the positive impacts similar policies have yielded for LA in the past. We are confident your vote for the ordinance drafted by the City Attorney will be a great boon for workers, the city's tax base and the economy as a whole.

The industry has continually predicted catastrophe, and said now is "not the right time." But, as we showed in the attached Sky Never Fell report, these are the same points the industry has used for decades that paint an entirely false and misleading picture of what these policies will do.

As you know, the City-commissioned economic analysis released in September 2024 strongly contradicts the industry's narrative. The economist's testimony in December made clear that this policy will be a *"very robust catalyst for regional growth of the economy,"* with "*strong net economic benefits*" in the City of LA, resulting in thousands of new jobs and increased tax revenue.

This analysis corroborates all historical evidence on LA's past efforts to raise standards in the tourism industry. In 2009, when LA City Council raised the health benefit under the LWO, the Air Transport Association warned that the "current economic health of the industry is extremely fragile," while the LA Chamber of Commerce predicted that it "would force carriers to cut more flights at LAX or simply move services to airports outside of Southern California."[1] Instead, after implementation, passengers at LAX continued to rise along with revenue for years to come. Today, airport revenue is rising again, and exceeds pre-pandemic levels by 38%.[2]

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[1] https://www.youtube.com/watch?v=C9jbqHB4rsg
https://www.redlandsdailyfacts.com/2008/09/03/living-wage-discussion-grows-out-of-lax-talks/
https://labusinessjournal.com/news/wages-at-airport-could-fly-higher/
https://www.nbclosangeles.com/news/local/committee-votes-to-increase-living-wage-to-1425/1842403/
[2]https://www.lawa.org/lawa-investor-relations/statistics-for-lax/10-year-summary/passengers
https://scag.ca.gov/sites/default/files/2024-05/data_sheet_-_lax.pdf
https://cao.lacity.gov/debt/InvConf2020/LAWA.pdf
https://www.lawa.org/sites/lawa/files/documents/LAX%20Financial%20Report%20FY%202008%20-2009.pdf
https://www.lawa.org/sites/lawa/files/2025-04/FY2025-26_Budget_Update_%232_FINAL.pdf
https://www.lawa.org/sites/lawa/files/documents/LAX%20FY2012%20Financials.pdf
https://www.lawa.org/sites/lawa/files/documents/LAX_AnnualReport_FY2014.pdf
https://cao.lacity.gov/debt/LAWA_Investor%20Presentation_02-27-2014_revisedFINAL%20(1).pdf
https://www.lawa.org/media/16221
https://qad.lawa.org/sites/lawa/files/documents/LAX%20Financial%20Report%20FY%202005-2006.pdf
https://www.lawa.org/sites/lawa/files/documents/LAX%20Financial%20Report%20FY%202009-2010.pdf

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The latest example of this dynamic has been on display in Long Beach, where residents voted to raise the hotel worker minimum wage despite industry warnings of doom. The latest data shows since the increase went into effect RevPAR, which is the strongest measure of hotel profitability, was 15.7% higher in March 2025 from the same month the previous year, with TOT revenue exceeding budget projections the year of the policy's adoption and projected to continue increasing.[3]

Currently, the industry's own metrics on hotel performance released in April contradict their apocalyptic statements. For hotels covered by this policy, occupancy rates, RevPAR, room nights booked, and revenue increased in February from the same period the previous year. In the Valley, they increased by double digit percentages. *In 2024, the 50+ room hotel market saw record numbers of guests and revenue far higher than pre-pandemic levels.[4]* These metrics are only poised to increase with the World Cup, the convention center expansion, and Olympic and Paralympic games.

As the above examples and attached report indicate, the industry predicting catastrophe is nothing new and has had no bearing on the reality that LA is one of the world's leading tourism economies with the means to support jobs that provide living wages and family healthcare. LA has a chance to be a leader ahead of the Olympic and Paralympic Games in 2028 and to prove yet again that a thriving economy and living wages can go hand in hand.

We thank you for your support of workers and the living wage.

Sincerely,

Víctor G. Sánchez
Executive Director

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[3] Long Beach Hospitality Submarket: CoStar, April 19, 2025, https://www.longbeach.gov/globalassets/finance/media-library/documents/city-budget-and-finances/budget/budget-documents/fy-25-adopted-budget/fy-25-adopted-book p162, p235.

[4] Hotel Performance Update - 2024 YTD Lodging Performance. LA TMD Board Meeting March 6, 2025 https://latourismorg.app.box.com/s/cg18r6miraqduykp2zcjbzydvar657qh

The Sky Never Fell:

An analysis of the predictions and outcomes of the 2014 Raise LA Hotel Worker Minimum Wage Ordinance

Los Angeles Alliance for a New Economy

Nick Stewart-Bloch, Research and Policy Analyst

February 2024

Executive Summary

In 2014, Los Angeles City Council passed the Citywide Hotel Worker Minimum Wage Ordinance, known as Raise LA, which raised wages for hotel workers. As part of the legislative process, Council commissioned three reports to study the potential impact of the wage increase, two of which–conducted by Blue Sky Consulting Group and Beacon Economics–largely predicted negative economic outcomes for the hotel industry, workers, and the broader city economy. Industry leaders and hotel owners echoed these predictions and claimed the economic consequences would be disastrous.

Analyzing the data today, it's clear these claims did not materialize. LA's hotel industry grew by every measure, either outperforming or on track with comparator markets in California and New York City.

Prediction: Hotel employment would decline

Reality: Hotel employment grew by 16.5% in LA County between 2013 and 2019, the highest growth in hotel employment of the comparator markets.

Prediction: Hotel industry profits would decline

Reality: Revenue per available room (RevPAR) increased 32.6%, and in absolute terms, the LA City hotel industry posted much higher RevPAR figures than its regional competitor markets.

Prediction: Hotel construction would slow

Reality: From 2013 to 2019, LA County saw a 7.8% increase in room inventory, and in 2019 it had the highest total hotel construction volume in the US.

Introduction

In 2014, as LA City Council was considering its first-ever citywide hotel worker minimum wage ordinance, local hotel owner James Crank predicted disaster for his North Hollywood hotel. “Most likely, my family will be forced to close the Beverly Garland and return it to the bank,” he wrote to Council. “This would cause a lay-off of all 200 employees, a loss of one large destination for tourism and travel, reduced occupancy taxes to the City, and the loss of a budding new resource for the East Valley...” [1]

While the wage increase did come to pass after the ordinance passed in 2014, Mr. Crank’s forecasted catastrophe did not. Indeed, the very next year, the hotel completed a $20 million renovation. Previously a Holiday Inn, it rebranded as The Garland, a “retro-cool” boutique. Seven years later, the hotel reported having 61 more employees than it did before the law passed. In 2021, The Garland’s owner, Rio Vista Development Co,[2] listed 261 employees on payroll as part of its paperwork for the second of two Paycheck Protection Program (PPP) loans it received for the hotel, totaling over $4 million (which were subsequently forgiven).[3] The hotel has since continued upgrading and expanding its amenities.[4]

Such arguments are commonplace. In 2011, the National Employment Law Project and Cry Wolf Project analyzed industry opposition to minimum wage laws across the United States and found nearly identical rhetoric over the last century about the inevitability of disastrous economic consequences if wages increased.[5]

In 1997, then-Los Angeles Mayor Richard Riordan said he believed the living wage ordinance being considered that year would “hurt those it intends to help.”[6] The LA Chamber of Commerce claimed it would “have a significant deterrent effect on business development in Los Angeles.”[7] In 2007, in response to an expansion of LA’s living wage ordinance to include hotels near LAX, the industry argued that the wage increase would cause “significant job cuts” which would “hurt working families.”[8] In 2009, when LA City Council increased the minimum wage and health benefits requirement for airport workers, a spokesperson for the Air Transport Association argued that the industry was “fighting for survival” and could “ill afford new increased taxes, fees and regulatory burdens at this time.”[9]

Yet time and again, the scholarly literature on minimum and living wage policies has resoundingly found that “such policies rarely result in negative impacts on employment levels or economic development opportunities for local communities.”[10]

As the Council considers an updated living wage ordinance for tourism workers, we look back at the claims made in 2014, when the 2014 Citywide Hotel Worker Minimum Wage Ordinance (referred to hereafter as “Raise LA”) was adopted.

Unsurprisingly, the economic decline and reduced employment in the sector that the industry predicted never materialized. The hotel industry in both LA County and LA City showed growth in employment, key industry profitability figures—revenue per available room (RevPAR), average daily rate (ADR), and occupancy—and hotel construction. In all instances, LA either outperformed or was relatively on par with comparator markets.

Purpose and Methodology

This memo revisits the predictions made by economic analysts regarding Raise LA, which broadened the hotel living wage to include hotel workers citywide.[11] As part of the legislative process in 2014, LA City Council commissioned three studies to examine the potential economic impact of the ordinance; one report author was selected by labor, one by industry, and one was mutually agreed upon. The economists selected by labor, Economic Roundtable, issued a report ("Repaying Hospitality") which predicted that the hotel industry could continue to grow by absorbing the wage increases.[12] We focus in particular on the other two studies, issued by Blue Sky (selected by industry) and Beacon Economics (selected by the City and agreed to by both labor and industry), which made negative predictions about declines in hotel employment, industry health, and future development if the city adopted the proposed living wage ordinance.

To assess the accuracy of these claims, we use CoStar,[13] Bureau of Labor Statistics, and Discover LA data to see what happened in the LA market and compare the performance of the hotel industry in LA City with competitor cities and regions. We use county rather than city data for employment, wages, and room inventory figures because no publicly available sources provide city-level data on these indicators. We rely on industry performance metrics (RevPAR, ADR, and occupancy rates) from Discover LA, a Tourism Marketing District that covers all hotels with over 50 rooms within the City of Los Angeles.[14] Where appropriate, CoStar submarket data and City Revenue data are included in our analysis.

The comparator markets are San Diego County, San Francisco (including San Francisco, San Mateo, and Marin Counties), New York City (including Bronx, Kings, Queens, Richmond, and New York Counties), and Orange County.[15] These markets were chosen because they are either regional competitors to LA—or in the case of New York City (NYC), most comparable in scale.

Given the anomalous impact of the Covid-19 pandemic on the industry, we focus primarily on data from 2013 to 2019, just before Raise LA passed and just prior to the pandemic; the industry suffered greatly during Covid, but by most metrics is now outperforming pre-pandemic levels.[16] The City of Los Angeles has surpassed its pre-pandemic ADR, and its RevPAR in Q3 of 2023 was 99% of its 2019 levels.[17]

Prediction: Hotel employment would decline

Reality: Hotel employment grew by 16.5% in LA County from 2013 to 2019, the highest growth in hotel employment of the comparator markets.

A central claim of the 2014 reports was that an increased minimum wage would reduce employment in hotels. Blue Sky claimed that "it is likely that either the number of jobs or the number of hours worked by hotel employees in Los Angeles would decline."[18] Beacon Economics similarly predicted decreased employment as one possible result of the minimum wage increase.[19] Hotel owners and associations echoed these claims, warning they would have to reduce hours and ultimately lay off employees to accommodate increased labor costs.

The predicted job losses did not occur. On the contrary, LA County had a 16.5% growth rate in hotel employment from 2013 to 2019, the highest growth rate relative to its competitor cities (see Fig 1).[20] The data shows a similar pattern of increases in employment in all cities studied from 2013 to 2019. Looking more broadly at employment in the leisure and hospitality sector, CoStar's ten-year historical data shows that LA County similarly had the highest overall rate of growth at 2.1%.

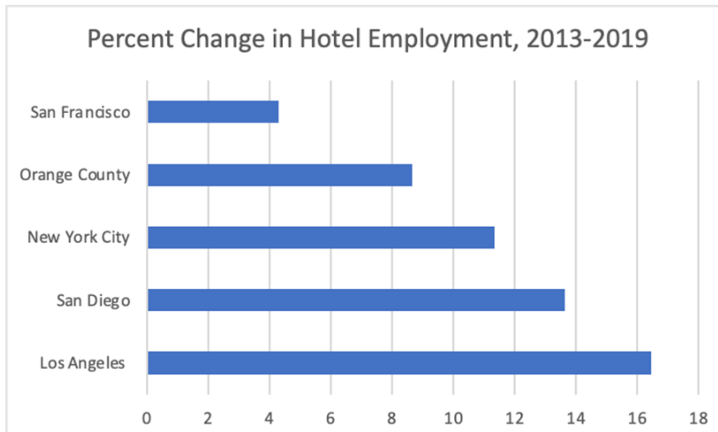

Fig. 1 Percent change from 2013 to 2019 of workers employed in private businesses under NAICS 72111 (hotels (except casino hotels) and motels). *Source: Bureau of Labor Statistics (BLS) - Quarterly Census of Employment and Wages, and New York Department of Labor, retrieved December, 2023.*

Regarding predictions of reduced hours, while data on average hours worked is unavailable for the hotel industry at the county or city level, national data shows that average weekly hours worked increased from 28.9 in 2013 to 29.5 in 2019, and then to 29.8 in 2022.[21] While we cannot extrapolate city or regional data from national figures, the cities under study constitute 10.6% of the national hotel market in the US.[22]

Prediction: Hotel industry profits would decline

Reality: RevPAR increased 32.6%, and in absolute terms, the LA City hotel industry posted much higher RevPAR figures than its regional competitor markets.

The 2014 reports broadly claimed that an increased minimum wage would negatively impact the industry, with Blue Sky noting that "hotel profits would likely decline," and Beacon Economics predicting that the industry would have to offset rising labor costs through decreased profit margins, higher prices, reductions in employment, or a combination thereof.[23] The Economic Roundtable study from 2013 also predicted a decrease in profits but concluded that the growing hotel industry could manage increased labor costs with modest increases in prices.[24]

In fact, LA city's hotel industry experienced similar rates of growth to its competitor cities across all key performance metrics that the industry relies on as key factors of profitability: revenue per available room (RevPAR), average daily rate (ADR), and occupancy rate. Analysts predict continued growth in LA's hotel industry in these metrics due to the multi-billion dollar LAX expansion, 2026 World Cup, and 2028 Olympics.[25] Notably, New York City was an outlier in having the strongest industry performance in absolute terms, while also paying the highest wages of all the comparator markets (as outlined further in the final section).

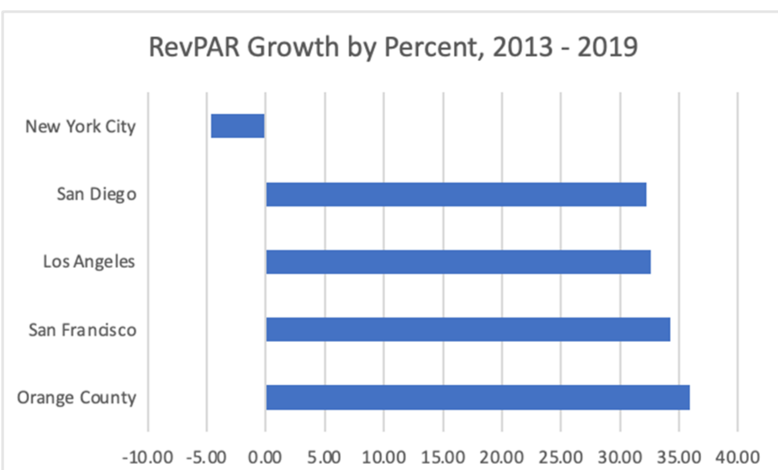

Fig. 2. RevPAR growth rate by percent from 2013 to 2019. *Source: CoStar Hospitality Market Reports and Discover Los Angeles. Retrieved January, 2023.*

Revenue Per Available Room Growth

For RevPAR, a standard industry metric which measures a hotel's ability to fill available rooms at an average rate,[26] LA hotels grew by 32.6% from 2013 to 2019 (see Fig 2).[27] This growth rate is similar to other cities besides NYC which experienced a decline over this period. In absolute terms, LA City hotels had much higher figures than its regional competitors. NYC is again an outlier in having the highest RevPAR in all years studied even though it experienced a decline from 2013 to 2019. CoStar predicts continued RevPAR and ADR growth in all California markets in 2024.[28]

Average Daily Rate Growth

Looking at ADR,[29] LA City had a 29.2% growth rate from 2013 to 2019, which placed it roughly in the middle of the pack among comparator cities (see Fig. 3).[30] In absolute terms, LA hotels had a higher ADR than San Diego and Orange County.

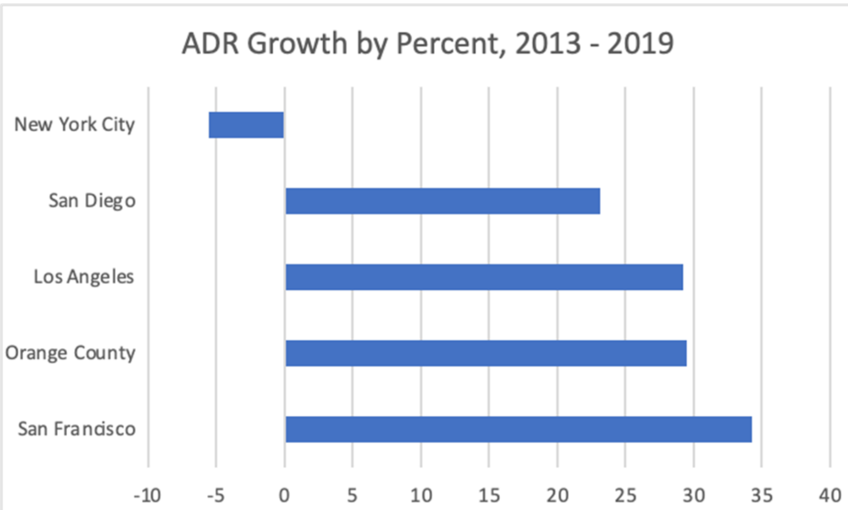

Fig. 3. Percent change from 2013 to 2019 of average daily rate (ADR). *Source: CoStar Hospitality Market Reports and Discover Los Angeles*

Occupancy Rate Growth

LA's hotel occupancy rates increased by 2.6%, from a 79.8% occupancy rate in 2013 to 81.9% in 2019 (see Fig 4.). LA posted the median growth rate of its competitor cities, higher than New York City and San Francisco, and lower than San Diego and Orange Counties. Similarly, in absolute terms, LA had the median occupancy rate of its comparator cities in both 2013 and 2019.

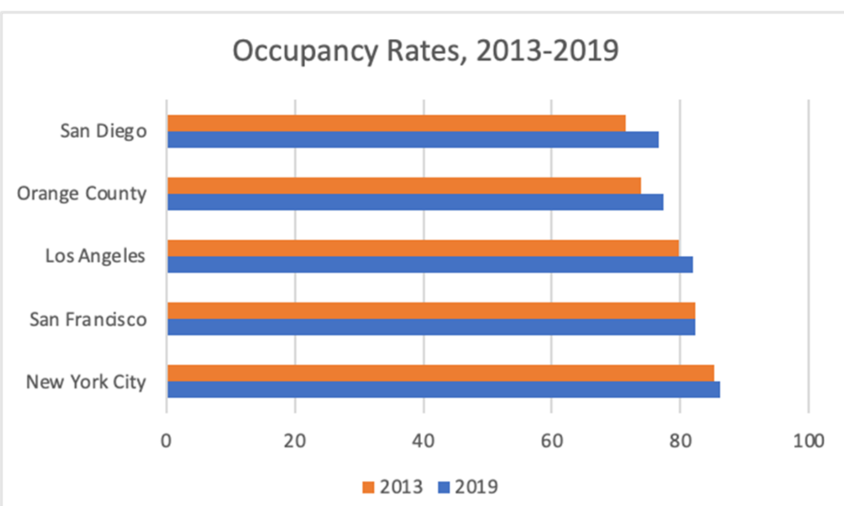

Fig. 4. Hotel occupancy rates in 2013 and 2019. *Source: CoStar Hospitality Market Reports and Discover Los Angeles. Accessed January 2024.*

Hotel Tax Revenues Increased

Steadily increasing tax revenue from the hotel industry in the City of Los Angeles further indicates that Raise LA did not cause industry decline or damage municipal finances as predicted.[31] Transient occupancy tax (TOT) revenues—a 14% tax levied on all hotels—sunk to a low during the recession in 2009-2010 and maintained steady growth before and after the implementation of Raise LA (see Fig 5).[32] Moreover, the City of Los Angeles predicts continued growth in the sector and therefore increasing yearly TOT revenue through 2028, the last year projected.[33]

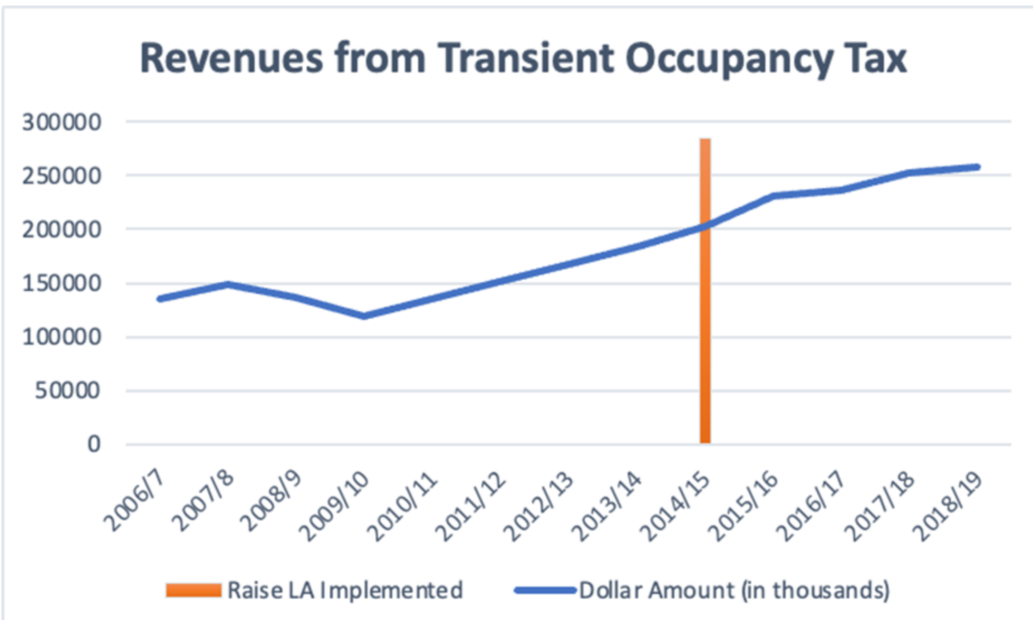

Fig. 5. Revenues form Transient Occupancy Tax, excluding short-term rentals in the City of Los Angeles. *Source: City of Los Angeles - City Administration Office Revenue Outlook Reports (2006/7 - 2023/24), retrieved December, 2023.*

Prediction: Hotel construction would slow

Reality: From 2013 to 2019, LA County saw a 7.8% increase in room inventory, and in 2019 it had the highest total hotel construction volume in the US.

In 2014, the hotel industry and economic analysts claimed that hotel construction in LA would slow given increased labor costs imposed by Raise LA. Hotel owners wrote to City Council about having to possibly close their hotels if the minimum wage increase passed. The Blue Sky study concluded that although "estimating any such change is admittedly challenging and even speculative[...] it is likely that at least some reduction in future development would nevertheless occur."[34]

The analysts' speculation did not pan out; rather than a reduction, LA saw a growth in hotel construction. Data for LA County shows that the region experienced comparable growth with its competitors in its room inventory—the outcome of hotel construction—while experiencing growth in average weekly wages. In fact, LA County seems to be consistently in the top five markets, and sometimes first, for hotel construction, "an indicator both of stable profitability in the hotel sector and investor confidence in the region's economy."[35]

From 2013 to 2019, LA County experienced a 7.8% increase in room inventory, having the highest total hotel construction volume in the US in 2019 (see Fig. 8).[36] This growth rate was similar to LA's California competitors, San Diego and Orange County, which experienced an 8% and 5.7% increase in room inventory, respectively. NYC was again an outlier in having the highest rates of room inventory growth at 26%, while maintaining the highest wage rates. Although comprehensive City of Los Angeles data is unavailable for room inventories, LA's Central Business District[37] showed an 18.2% increase in room inventory over this period, indicating that part of the city experienced over twice the County's rate of inventory growth.[38]

Despite Increase, LA Hotel Worker Wages Still Lag

In 2014, analysts and industry associations also predicted that wages would increase as a result of the ordinance. They were correct. LA County's hotel industry experienced a 27.8% increase in average weekly wages from 2013 to 2019, the largest percent increase of any of the comparator markets (see Fig 6). All comparator markets had growth rates in wages above 20% over that period. Between 2019 and 2022, LA County experienced a 21.4% increase in average weekly wages, higher than NYC and San Francisco but slightly below its regional competitors, San Diego and Orange County. In absolute terms, however, average weekly wages in LA have remained well below figures for NYC and San Francisco, LA's most comparable markets in scale, and only slightly above wages in San Diego and Orange Counties (see Fig 7). Despite increases since 2013, LA's hotel worker wages have yet to catch up with all of its peer cities.

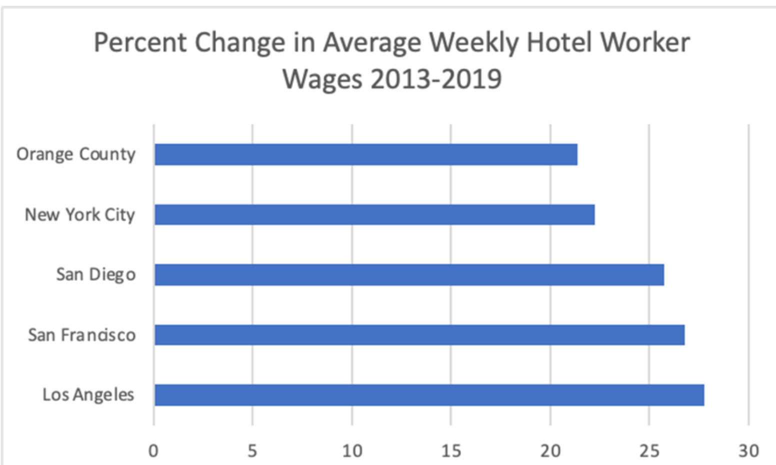

Fig. 6. Percent change in average weekly wages from 2013 to 2019 for NAICS 72111. Weekly wage data was weighted for regions with multiple counties based on employment levels for both Figure 6 and 7. Data was incomplete for San Mateo County for wages and employment in 2022 so a 20% growth rate in wages from 2019 was assumed. The proportion of San Mateo County employment of the entire San Francisco market in 2022 was assumed to be 26% which was the same as its 2019 levels. New York City data was also incomplete such that wage figures represent a weighted average of 93% of employment in the city. *Source: Bureau of Labor Statistics (BLS) - Quarterly Census of Employment and Wages, and New York Department of Labor, retrieved December, 2023.*

Fig. 7. Average weekly wages in 2022 for NAICS 72111. *Source: Bureau of Labor Statistics (BLS) - Quarterly Census of Employment and Wages, and New York Department of Labor, retrieved December, 2023.*

Conclusion

In 2014, the economic impact analysis reports produced by Blue Sky and Beacon Economics for LA City Council made numerous claims about the negative impacts Raise LA would have on employment, industry health, and new hotel development, all of which were echoed by the industry. None of these claims came to pass. LA experienced growth in hotel employment levels, key industry performance metrics, room inventory, and hotel worker wages from 2013 to 2019, performing similarly to its competitor cities. In fact, perhaps the key claim of the industry—that hotel employment would decline if the minimum wage increased—was proven untrue in LA County, which experienced the highest growth of hotel employment of the markets under study between 2013 and 2019 alongside the highest growth in hotel worker wages during that period. Meanwhile, New York City, which has maintained the highest hotel worker wages over the period studied, also had the highest rate of construction growth and highest industry metrics in every year, demonstrating that higher wages do not necessarily weaken hotel performance. Overall, both LA City's and LA County's hotel industry remained profitable, continued to grow, and were competitive hotel markets relative to other major cities, corroborating predictions in the 2013 Economic Roundtable study that the industry could manage the increased minimum wage while growing.[39]

Endnotes

[1] Pages 3-4 of September 22, 2104 “Communication(s) from Public” submission to Council File, https://clkrep.lacity.org/onlinedocs/2014/14-0223_pc_09-22-14b.pdf
[2] “The Garland Hotel Completes $20 Million Redesign,” July 24, 2015, Hospitality Design. Accessed January 11, 2024
https://hospitalitydesign.com/news/hotels-resorts/the-garland-hotel-completes-20-million-redesign/
[3] “Rio Vista Development Co” Pandemic Oversight. Accessed January 24, 2024.
https://www.pandemicoversight.gov/ppp-simple-search-landing?pfilters=%5B%7B%22column%22%3A%22Borrower%22%2C%22operand%22%3A%22IN%22%2C%22values%22%3A%5B%22RIO+VISTA+DEVELOPMENT+CO%22%5D%7D%2C+%7B%22column%22%3A%22Borrower+address%22%2C%22operand%22%3A%22IN%22%2C%22values%22%3A%5B%224222+Vineland+Ave%22%5D%7D%5D
“Rio Vista Development Company LP” Pandemic Oversight. Accessed January 24, 2024.
https://www.pandemicoversight.gov/ppp-simple-search-landing?pfilters=%5B%7B%22column%22%3A%22Borrower%22%2C%22operand%22%3A%22IN%22%2C%22values%22%3A%5B%22RIO+VISTA+DEVELOPMENT+COMPANY+LP%22%5D%7D%2C+%7B%22column%22%3A%22Borrower+address%22%2C%22operand%22%3A%22IN%22%2C%22values%22%3A%5B%224222+VINELAND+AVE%22%5D%7D%5D
[4] “Channel Your Inner Rockstar With A Stay At The Newly Renovated Garland,” January 9, 2022, Forbes. Accessed January 22, 2024
https://www.forbes.com/sites/carolinetell/2022/01/09/channel-your-inner-rockstar-with-a-stay-at-the-newly-renovated-garland/
[5] “Consider the Source: 100 Years of Broken-Record Opposition to the Minimum Wage,” March 2013, National Employment Law Project and Cry Wolf Project. Accessed January 11, 2024. p1, p6
https://nelp.org/wp-content/uploads/2015/03/Consider-The-Source-Minimum-Wage.pdf
[6] Jean Merl, “Council Approves ‘Living Wage’ Law for City Contracts,” March 19, 1997. Los Angeles Times. Accessed January 11, 2024 https://www.latimes.com/archives/la-xpm-1997-03-19-mn-39886-story.html
[7] Los Angeles Area Chamber of Commerce, “Testimony Before the Los Angeles City Council Personnel Committee: Living Wage Ordinance,” August 14, 1996. Accessed January 19, 2024.
https://clkrep.lacity.org/onlinedocs/1996/96-1111-S1.pdf p182
[8] Rick Orlov, “LA Holds Back on Wage Vote, Council Hopes for Deal Between Unions, Hotels,” Los Angeles Daily News, January 27, 2007. Accessed January 19, 2024.
[9] “Minimum wage increased for airport workers,” Los Angeles Daily News. July 15, 2009. Accessed January 19, 2024. https://www.dailynews.com/2009/07/15/minimum-wage-increased-for-airport-workers/
[10] T. William Lester, “Estimating the Impacts of the Proposed Tourism Workers Living Wage Ordinances for the City of Los Angeles,” May 3, 2023 p5
[11] “Ordinance 183241: Citywide Hotel Worker Minimum Wage Ordinance,” October 6, 2014. Los Angeles City Council. Accessed January 19, 2024. https://bca.lacity.org/Uploads/chwmwo/CHWMWO.pdf
[12] Patrick Burns and Daniel Flaming, “Repaying Hospitality: Economic Impacts of Raising Hotel Workers’ and Benefits in the City of Los Angeles,” 2013. Economic Roundtable. Accessed January 11, 2024. P1
https://economicrt.org/wp-content/uploads/2013/12/Repaying_Hospitality_2013.pdf
[13] CoStar is one of the standard sources for hospitality industry benchmarks.
[14] Raise LA applied initially to hotels with 300 rooms and then gradually broadened to include hotels with 150 rooms. No data is publicly available that specifies the metrics for this subset of hotels. However, the data published by the City of Los Angeles Tourism Marketing District applies to hotels with 50 or more rooms, which serves as the closest proxy for hotels affected by Raise LA.
“Los Angeles Tourism Marketing District: Management District Plan” March 3, 2015. Civitas Advisors. Accessed January 19, 2024. P2 https://clkrep.lacity.org/onlinedocs/2014/14-0943-S1_misc_1_06-11-2015.pdf

[15] The boundaries of these markets were determined by CoStar hospitality market jurisdictions, a standard source for industry metrics. Although some of these markets are regional, they will be referred to as cities or markets for clarity henceforth.

[16] 2023 data for industry metrics retrieved in December includes predicted data for the remaining month of the year

[17] "TMD Lodging Metrics - Q3 2023," December 15, 2023. Discover Los Angeles. Accessed January 11, 2024. https://www.discoverlosangeles.com/tmd-lodging-metrics-q3-2023

[18] Blue Sky Consulting Group, "Hotel Minimum Wage: Analysis of the Impact on the City of Los Angeles of the Proposed Minimum Wage for Hotel Workers," June 3, 2014. Accessed January 19, 2024. P10 https://clkrep.lacity.org/onlinedocs/2014/14-0223_rpt_cla_06-03-14.pdf

[19] Beacon Economics, "Los Angeles Hotel Living Wage Ordinance Questionnaire," September 22, 2014. Accessed January 18, 2024. https://clkrep.lacity.org/onlinedocs/2014/14-0223_misc_09-22-14.pdf p8

[20] Employment data was sourced from the Bureau of Labor Statistics and the New York Department of Labor using NAICS code 72111 (hotels (except casino hotels) and motels)

[21] https://data.bls.gov/pdq/SurveyOutputServlet - Employment, Hours, and Earnings from the Current Employment Statistics survey (National) NAICS 72111

[22] CoStar, "United States Hospitality National Report," Retrieved December 2023

[23] Blue Sky Consulting Group, "Hotel Minimum Wage: Analysis of the Impact on the City of Los Angeles of the Proposed Minimum Wage for Hotel Workers," June 3, 2014. Accessed January 19, 2024. P3 https://clkrep.lacity.org/onlinedocs/2014/14-0223_rpt_cla_06-03-14.pdf p3
Beacon Economics, "Los Angeles Hotel Living Wage Ordinance Questionnaire," September 22, 2014. Accessed January 18, 2024. https://clkrep.lacity.org/onlinedocs/2014/14-0223_misc_09-22-14.pdf p8

[24] Patrick Burns and Daniel Fleming, "Repaying Hospitality: Economic Impacts of Raising Hotel Workers' and Benefits in the City of Los Angeles," 2013. Economic Roundtable. Accessed January 11, 2024. P44 https://economicrt.org/wp-content/uploads/2013/12/Repaying_Hospitality_2013.pdf

[25] Kirsten Z. Smiley and Aidan Martin, "Destination Los Angeles: A Look at the Future of the Hotel Market," April 10, 2023. HVS. Accessed January 11, 2024. https://www.hvs.com/article/9611-destination-los-angeles--a-look-at-the-future-of-the-hotel-market

[26] RevPAR is a standard industry metric that measures hotel performance by multiplying the ADR by the occupancy rate.

[27] "Lodging Metrics for TMD Hotels for Calendar Year 2020," March 3, 2021. Discover Los Angeles. Accessed January 11, 2024. https://www.discoverlosangeles.com/hotels/lodging-metrics-for-tmd-hotels-for-calendar-year-2020
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[28] Emmy Hise, "California Hotels Achieve High Occupancy Rates but Are Further From Previous Peaks Than Other States," October 5, 2023. CoStar Analytics. Accessed January 11, 2024.

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[37] The Los Angeles Central Business District, which includes downtown and large portions of South LA, is the largest CoStar hospitality submarket in Los Angeles County measured by room inventory, surpassing the Los Angeles Airport submarket in 2018. The Central Business District is also the only CoStar submarket which is nearly exclusively located in LA City as opposed to other submarkets that aggregate neighborhoods in the City of Los Angeles with other cities. For example, other submarkets are Santa Monica/Marina Del Rey, West Hollywood/Hollywood, or the Los Angeles Airport, which includes Culver City and Inglewood.

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