



TRACI PARK

LOS ANGELES COUNCILWOMAN ★ 11TH DISTRICT

May 24, 2023

Los Angeles City Council
Attn: Councilmember Paul Krekorian, Council President
200 N. Spring St., Suite 435
Los Angeles, CA 90012

Re: Living Wage and Hotel Worker Minimum Wage Ordinances (CF 14-1371-S13)

Dear Council President Krekorian and Members of the Los Angeles City Council,

As read into the record at the May 17, 2023 Economic and Community Development Committee meeting, here are the topics I suggested be included in an independent analysis of the minimum wage proposal outlined in motion CF 14-1371-S13.

- How other cities have implemented similar policies and wage increases
- A process for broad outreach and robust engagement with businesses and industries directly and indirectly impacted by this effort
- The relationship and overlay between the hotel minimum wage and hotel worker protection ordinances
- The percentage of workers covered under the Living Wage Ordinance and Hotel Worker Minimum Wage Ordinance who fall below the federal poverty level
- The impact on collection of Transient Occupancy Tax revenue
- The impacts on the wages of workers who make more than minimum wage and related upstream wage compression
- An analysis of cost passthrough
- Potential reductions in services and layoffs
- Impacts to small business enterprise programs, small and local programs, and airport concessions disadvantaged business enterprise programs
- Impacts to workers at different hotel types and sizes including limited services hotels, boutique hotels, and chain hotels
- Differences between hotels in different economic regions of the City
- Impacts on hotel debt service ratios and lending and debt service for the tourism industry
- Impacts to airline-funded capital improvement projects at LAX
- Assessment of current healthcare benefit practices, costs, and anticipated market conditions including employer and employee costs
- Alternative increase rates and timelines for implementation to mitigate undue economic impacts on employers of different sizes, types, and financial condition
- Condition the drafting of an ordinance of a positive analysis after public hearings and stakeholder engagement

I look forward to a robust discussion that uplifts our workers and this critical industry.

Very truly yours,

TRACI PARK
Councilwoman, 11th District
City of Los Angeles