

## Communication from Public

**Name:** Mia Lopez-Zubiri

**Date Submitted:** 05/15/2023 11:20 AM

**Council File No:** 14-1371-S13

**Comments for Public Posting:** Venice Community Housing is in council district 11, and we are writing in strong support of the motion introduced by Councilmember Curren Price and co-sponsored by Councilmember Katy Yaroslovsky to amend the Los Angeles Living Wage Ordinance and the Los Angeles Hotel Worker Minimum Wage Ordinance requiring \$25/hr now & \$30/hr by 2028, quality health care, and worker protections, as a matter of economic justice, housing justice, and public safety. Venice Community Housing is in full support of this ordinance and has been operating and developing affordable housing in Los Angeles for 35 years. Our organization currently houses over 500 low-income and formerly unhoused community members, and we are expanding to accommodate the urgent need for permanently affordable housing throughout the city. The tourism industry has made a recovery from the pandemic with billions of dollars of public investment and is assured a future of growth with major events like the Olympics attracting visitors from around the world to our beautiful city. It's time for the workers at LAX and hotels to get their fair share of the profitable tourism industry that wouldn't be possible without them. If our community members are not making enough money to afford rent, they will continue to be displaced or risk losing their homes. LA already has the highest number of unhoused people in the nation, and it's unacceptable that the workers who are the backbone of a major economic engine are disproportionately rent-burdened. With the current state of the housing crisis and rising cost of rent, families need to earn enough money to live where they work. Tourism workers were among many frontline workers and communities of color who bore the brunt of the pandemic, yet many still lack quality health care. We're calling for the council's support to ensure our tourism workers receive family-sustaining wages, quality health care, and workplace protections. Our tourism workers are heads of households, many of them are single parents, and they're our neighbors, friends, and family members. Los Angeles should be a place where everyone can thrive. Best regards, Becky Dennison, Executive Director Venice Community Housing



**Venice Community Housing**

200 Lincoln Blvd., Venice, CA 90291  
Tel: (310) 399-4100 Fax: (310) 399-1130  
www.vchcorp.org

Venice Community Housing

Council File: 14-1371-S13

May 15, 2023

Venice Community Housing is in council district 11, and we are writing in strong support of the motion introduced by Councilmember Curren Price and co-sponsored by Councilmember Katy Yaroslovsky to amend the Los Angeles Living Wage Ordinance and the Los Angeles Hotel Worker Minimum Wage Ordinance requiring \$25/hr now & \$30/hr by 2028, quality health care, and worker protections, as a matter of economic justice, housing justice, and public safety.

Venice Community Housing is in full support of this ordinance and has been operating and developing affordable housing in Los Angeles for 35 years. Our organization currently houses over 500 low-income and formerly unhoused community members, and we are expanding to accommodate the urgent need for permanently affordable housing throughout the city.

The tourism industry has made a recovery from the pandemic with billions of dollars of public investment and is assured a future of growth with major events like the Olympics attracting visitors from around the world to our beautiful city. It's time for the workers at LAX and hotels to get their fair share of the profitable tourism industry that wouldn't be possible without them. If our community members are not making enough money to afford rent, they will continue to be displaced or risk losing their homes. LA already has the highest number of unhoused people in the nation, and it's unacceptable that the workers who are the backbone of a major economic engine are disproportionately rent-burdened. With the current state of the housing crisis and rising cost of rent, families need to earn enough money to live where they work.

Tourism workers were among many frontline workers and communities of color who bore the brunt of the pandemic, yet many still lack quality health care. We're calling for the council's support to ensure our tourism workers receive family-sustaining wages, quality health care, and workplace protections.

Our tourism workers are heads of households, many of them are single parents, and they're our neighbors, friends, and family members. Los Angeles should be a place where everyone can thrive.

Best regards,

Becky Dennison, Executive Director  
Venice Community Housing

## Communication from Public

**Name:** Geary Juan Johnson  
**Date Submitted:** 05/15/2023 01:47 PM  
**Council File No:** 14-1371-S13  
**Comments for Public Posting:** Economic and Community Development Committee- Motion (Price – Yaroslavsky et al.) relative to amending the Los Angeles Living Wage Ordinance and the Los Angeles Hotel Worker Minimum Wage Ordinance. I question will this ordinance apply in a full and equal manner to all citizens who are eligible? I question will this be another Ghost Ordinance that lacks city government enforcement authority? I object to the city use of federal funds for purposes of racial discrimination (State Unruh Act CC 51,52) against Black tenants in rent controlled buildings. (This submission is also intended as an amicable offer to settle court case Petition for Writ of Mandate 23STCP00644 filed Los Angeles Superior Court 2/28/23). See attached emails May 11, 2023 at 12:07 pm and May 12, 2023 at 9:48 am. to city employees. The Power of Racism Is Among Us. <https://lahousingpermitsandrentadjustmentcommission.com/communications-with-city-employees/> (On another note: The address 1511 Hi Point St new construction not appear to meet the LAMC setback requirements from the curb.)

## Unlawful Retaliation by Owner and City Government - Deprivation of Housing Services

---

From: G Johnson (tainmount@sbcglobal.net)

To: thomas@powerpropertygrp.com; highpoint1522@gmail.com; brent@powerpropertygrp.com; 09e41e7459a05677911c@powerpropertygroup.mailer.appfolio.us; frontdesk@powerpropertygrp.com; megan@boldpartnersre.com; nisi@powerpropertygrp.com; richard.brinson@lacity.org; lahd.rso.central@lacity.org; hcidla.reap@lacity.org

Cc: patrice.doehrn@dfeh.ca.gov; susan.strick@lacity.org; contact.center@dfeh.ca.gov; shou.committee@senate.ca.gov; mayor.helpdesk@lacity.org; lahd.rso.central@lacity.org; hcidla.reap@lacity.org; paul.krekorian@lacity.org; councilmember.price@lacity.org; councilmember.harris-dawson@lacity.org; councilmember.lee@lacity.org; councilmtgitems@santamonica.gov; highpoint1522@gmail.com; 09e41e7459a05677911c@powerpropertygroup.mailer.appfolio.us; megan@boldpartnersre.com; cityatty.help@lacity.org; councilmember.hernandez@lacity.org; councilmember.blumenfield@lacity.org; councilmember.raman@lacity.org; councilmember.yaroslavsky@lacity.org; cd10@lacity.org; councilmember.park@lacity.org; councilmember.mcosker@lacity.org; councilmember.soto-martinez@lacity.org; james.cortes@dfeh.ca.gov; gavin@gavinnewsom.com; maintenance@alltimemaintenance.com

Date: Friday, May 12, 2023 at 09:48 AM PDT

---

### Reference LAHD RSO complaint CE280933 Harassment by Landlord

### CRD case 202201-15997931--Johnson/ City of Los Angeles HCIDLA and REAP Department

"James Byrd Jr. (May 7, 1998. Shawn Berry, Lawrence Brewer, and John King dragged him for three miles (five kilometers) behind a pickup truck along an asphalt road. Byrd, who remained conscious for much of his ordeal, was killed about halfway through the dragging when his body hit the edge of a culvert, severing his right arm and head. The murderers drove on for another 1+ 1/2 miles (2.5 kilometers) before dumping his torso in front of a black church."

"(Re Emmett Till). Several nights after the incident in the store, Bryant's husband Roy and his half- brother J.W. Milam were armed when they went to Till's great-uncle's house and abducted Emmett. They took him away and beat and mutilated him, before shooting him in the head and sinking his body in the Tallahatchie River. Three days later, Till's body was discovered and retrieved from the river."

"There was some kind of scuffle two hundred yards down the street, again strangely noiseless, and a huddled knot of men opened up to reveal two brawlers being separated and pulled away from their fight. What I saw next gave me a fright: in the farther distance, beyond the listless crowd, the body of a lynched man dangling from a tree. The body was slender, dressed from head to toe in black, reflecting no light. It soon resolved itself, however, into a less ominous thing: dark canvas sheeting on a construction scaffold, twirling in the wind."

— Teju Cole, Open City

To whom it may concern:

1. This is a follow up to the email of May 11, 2023 at 12:07 pm. regarding continuing retaliation after my complaints about racial discrimination and denial of housing services.

2. I am a Black male, over the age of 45, with a disability, and entitled to

"All persons within the jurisdiction of this state are free and equal, and no matter what their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status are entitled to the full and equal accommodations, advantages, facilities, privileges, or services in all business establishments of every kind whatsoever." The Unruh Act also establishes your liability as a property owner or government entity.

3. Due to the intentional acts of the owner, and the city housing department acting on concert, I am still being denied housing services working intercom, repairs to the intercom, and denial tandem parking stall. The parties have refused to engage in an interactive process regarding the request for accommodation/modification. Thirty days have passed since the requests for accommodation/modification and other requests for housing services. This is determined by law to be unlawful retaliation. The parties have adequate notice of my race, sex, age, and disability, and act intentionally because of those protected categories; separate complaints to the owner, city agencies, endorsed rent checks, code enforcement complaints alleging violations of Unruh, emails, prove the causal connection between the parties discriminatory intent and the denial of requested housing services and such denial of housing services results in me being harmed in that I do not have such housing services and do not have "full and equal" housing services. The parties can voluntarily follow the dictates of the Unruh Act; they can voluntarily provide the housing services requested; it is not by accident that the parties continue to deny myself the services requested. The intent of the parties is to make a distinction that causes harm to me. Such distinction by the parties is unlawful discrimination and unlawful retaliation because I complained.

4. This was written to you on May 6, 2023 but none of this was addressed by Nisi Walton on May 11, 2023 at the unit:

"While I am primarily concerned with the intercom and secured tandem parking, I have also complained about the other services denied to me as a Black male, over the age of 45, with a disability, and that denial of such services has caused harm to me in that (1) my rights under the Unruh Act have been violated and (2) I have been **denied services provided to home sharing tenants/guests including but not limited to:**

Mini split duct air conditioning and heating,  
 DACK app and entry code for smartlock,  
 Owner provided Wi-Fi and high speed Spectrum Internet,  
 Maid service,  
 Desk with chair and lamp,  
 Guest parking,  
 A full maintenance team, who can deal with most repairs with in 24 hour, A fully loaded kitchen,  
 Bedding and towels,  
 Air purifier,  
 anti-allergic mattress encasement

& disposable slippers with your wellness in mind"

5. Nisi Walton, agent of the owner, on May 11, 2023 in person, intentionally refuses to address:

The intercom need for repair  
 The secured tandem parking need for assignment or extend striping  
 The disability request for accommodation/modification

HVAC Mini-Ductless  
Continuing obligations- rent agreement

Maintenance crews prevented from making repairs to intercom and parking REAP complaint (abatement of a nuisance)  
Arbitrary and intentional discrimination  
Illegal home sharing; host not in residences Concrete cracks behind kitchen sink backsplash  
Nuisance  
General dilapidation, or lack of maintenance (intercom)

The below REAP complaint is supported by the December 28, 2022 order from the rent stabilization division. See attachment.

6. My rent checks April 1, and May 1, 2023, endorsed, benefits the owner as well as the city government of Los Angeles. My rent checks read (as they have for the last three years): "Paid under duress for rent, intercom repairs, parking tandem or two cars."

7. Attached is the "2021-11-4 Written Notice Change for Parking by Johnson" which is the owner evidence that unit 9 tenants were assigned to stall #14 ( a tandem stall) and moved to stall #8 (under the threat of eviction). The form is signed by owner agent at the time Cliff Renfrew. **The form is proof that parking was reduced from tandem to single.** Nisi Walton, agent of the owner, intentionally refuses to enter a discussion of this parking issue.

8. . That these areas are not addressed, and as the owner and city have adequate notice of my protected status, is proof of the parties' violation of the Unruh Act as their actions are intentional to cause harm. I have been harmed because my rights under Unruh have been violated, and I am harmed because I do not have the services requested.

9. Nisi Walton, as well as the city government, has adequate notice that the owner thru agent Thomas Khammar has said unit 9 tenants already have a tandem parking stall. Nisi Walton knows this is not true because current stall 8 is a single stall. Nevertheless, Walton does not address the assignment to a tandem stall nor what race qualifies for the unit 9 tenants to get a tandem parking stall. See picture of stalls 17-19 all occupied by white tenants who only have one car each. Nisi Walton does not answer the question due to her intentional discrimination against myself because of my race Black, sex Male, age over 45, and with a disability; Nisi's actions are a proximate cause of the harm to me.

10. Not including emails, faxes, first class mail, the parties received adequate notice thru code violation complaints: two in 2020, eight in 2021, four in 2022, and four in 2023.

11. All parties have received adequate notice of their legal liability under the Unruh Act.

12. I have received a few recent calls from the code enforcement division requesting to set up appointments to inspect. I would be glad to be available if you tell me you are going to inspect and cite for the intercom and the tandem parking; **so far I have been told you will not do so.** Therefore there is no need for me to be available; if you need access to the unit or property, contact the owner. As long as the intercom remains unusable and the tandem parking is not supplied, I will continue to engage in a redress of my grievances.

13. The cost to prepare and email this is \$42.00 in damages for housing services that were not addressed.

All rights reserved.

**Geary Juan Johnson**  
**1522 Hi Point St 9**  
**Los Angeles CA 90035**  
 Phone 323-807-3099

## The Power of Racism Is Among Us

"Invidious discrimination is the treatment of individuals in a manner that is malicious, hostile, or damaging." (Javorsky .v Western Athletic Clubs, Inc. (2015) 242 Cal.App.4th 1386, 1404 [195 Cal.Rptr.3d 706].) The purpose of the Unruh act is to prohibit businesses from engaging in unreasonable, arbitrary or invidious discrimination. *Howe v. Bank of America N.A.*, [179 Cal. App.4th 1443, 1450](#) (2009) (quoting *Sunrise Country Club Assn. v. Proud* [190 Cal. App.3d 377, 381](#) (1987)).

City Council Agenda Links Submitted as "Communications from the Public"

20-0807

[https://clkrep.lacity.org/onlinedocs/2020/20-0807\\_PC\\_AM\\_05-09-2023.pdf](https://clkrep.lacity.org/onlinedocs/2020/20-0807_PC_AM_05-09-2023.pdf)

COVID-19/ Charter Section 245(b) / Board of Harbor Commissioners Actions / June 18, 2020 / Danning Gill / Nossaman LLP / So. Cal Ship Services / Pacific Bell Telephone Company / Berth 182 Slope Repair Project, etc.  
 Submitted May 5, 2023

**Published May 9, 2023**

20-1598

Submitted May 5, 2023

California Statewide Communities Development Authority (CSCDA) / Low-Cost Tax-Exempt Financing / Middle-Income Rental Housing / Community Improvement Authority Membership

[https://clkrep.lacity.org/onlinedocs/2020/20-1598\\_PC\\_AM\\_05-09-2023.pdf](https://clkrep.lacity.org/onlinedocs/2020/20-1598_PC_AM_05-09-2023.pdf)

**Published May 9, 2023**

21-1073-S1

Rail to Rail Corridor Project / Los Angeles County Metropolitan Transportation Authority / Memorandum of Understanding / Payment

Submitted May 5, 2023

[https://clkrep.lacity.org/onlinedocs/2021/21-1073-S1\\_PC\\_AM\\_05-09-2023.pdf](https://clkrep.lacity.org/onlinedocs/2021/21-1073-S1_PC_AM_05-09-2023.pdf)

**Published May 9, 2023**

23-0900-S1

[https://clkrep.lacity.org/onlinedocs/2023/23-0900-S1\\_PC\\_AM\\_05-09-2023.pdf](https://clkrep.lacity.org/onlinedocs/2023/23-0900-S1_PC_AM_05-09-2023.pdf)

Tujunga Avenue / Calvert Street / Lighting District

Submitted May 5, 2023

**Published May 9, 2023**

**From Code Complaint 851127; Code violation complaint 855304. Email March 13, 2023. Email March 17, 2023. Email Thursday, April 13, 2023 at 04:34 PM PDT. Email Monday, May 1, 2023 at 03:15 PM PDT**

Electrical wiring, disconnected, and or abandoned

Defective, deteriorated or bare electrical wiring

Failure to obtain clearance from the housing and community investment department Lack of approved, electrical, lighting wiring, and or electrical equipment

Owner or responsible party not in residence and contact information not posted Unapproved

units

Change of use or occupancy without building, permit and certificate of occupancy

### **Additional Comments (excerpt)**

Intercom not repaired or replaced

Tandem parking stall striping not extended Ceiling to floor crack in wall in bedroom  
Illegal home sharing; host not in residences Concrete cracks behind kitchen sink backsplash  
Nuisance

General dilapidation, or lack of maintenance  
(Redacted from email May 6, 2023)

## **Complaint for Referral to REAP for inclusion of 1522 Hi Point St Apts 90035- Continuing Wrongs and New Damages**

From: GJohnson(tainmount@sbcglobal.net)

To: hcidla.reap@lacity.org; lahd.reap@lacity.org; mayor.helpdesk@lacity.org

Cc: 09e41e7459a05677911c@powerpropertygroup.mailer.appfolio.us; brent@powerpropertygrp.com;  
hcidla.rso.central@lacity.org; councilmember.ridley-thomas@lacity.org; councilmember.harris-dawson@lacity.org;  
councilmember.rodriquez@lacity.org; councilmember.blumenfield@lacity.org; councilmember.martinez@lacity.org;  
paul.koretz@lacity.org; councilmember.price@lacity.org; councilmember.buscaino@lacity.org;  
councilmember.lee@lacity.org; councilmember.cedillo@lacity.org; councilmember.bonin@lacity.org;  
councilmember.kevindeleon@lacity.org; meghan@boldpartnersre.com

Date: Friday, September 23, 2022 at 08:30 AM PDT

## **Complaint for Referral to REAP for inclusion of 1522 Hi Point St Apts 90035**

Dear REAP department:

I am a tenant referring this building and residential unit(s) for inclusion in REAP.

“SEC. 162.03. REFERRAL TO REAP. (Added by Ord. No. 173,810, Eff. 4/16/01.)

Any City or County agency or **any tenant** may refer any building or residential unit within the scope of this article to the Department for inclusion in REAP if the following conditions are met:

- i. The building or unit is the subject of one or more Orders;
- ii. The period allowed by the Order for compliance, including any extensions, has expired without compliance; and
- iii. The violation affects the health or safety of the occupants, or, if the unit is subject to the RSO, the violation results in a deprivation of housing services, as defined in Section 151.02, or a habitability violation, as defined in Section 153.02.

In its referral, the City or County agency shall indicate if the violations are of a nature or extent that they are likely to exist in or affect units that have not been inspected. The RAC shall promulgate regulations setting forth criteria for determining when that condition exists.

As below as it relates to 1522 S Hi Point Street zip 90035:

1. RSO building built prior to 1978 presumed to have presence of lead based paint and asbestos
2. RSO unit
3. Owner notified
4. HCIDLA notified

5. See work stop orders and notices to comply previously issued against the building
6. Deprivation of housing service: door entry intercom system for this apartment 9 and other apartments 8 and 5 since May 2015 and continuing
7. Deprivation of housing service tandem parking stall for this apartment 9 since May 2015 and continuing

8. Failure to provide tandem parking stall for this apartment 9 since May 2015 and continuing; health and safety violation 9. Tandem parking at 1522 Hi Point St is a housing service as defined by LAMC section below 151.02 Definitions: Housing Services.

10. Maintenance to the intercom system at this address is a housing service as defined by LAMC section below 151.02 Definitions: Housing Services.

11. The door entry intercom system at this address is a housing service as defined by LAMC section below 151.02 Definitions: Housing Services.

12. Fifteen units have undergone primary renovations in this building. All such units received a new intercom as part of the replacement of the previous intercom. Code enforcement inspectors issued finals for occupancy for all units that received new replacement intercoms.

**13. The city government has assumed authority over the intercom system and the parking stalls as housing services.**

14. The intercoms for units 9, 8, 5 remain un repaired and unusable.
15. These REAP violations are a violations of the tenants peaceful enjoyment of the premises.
16. The intercom door entry equipment on the outside front of the building replaced the previous door entry intercom system.
17. The building door entry intercom system is only partially functioning and thus is nuisance, maintenance, and electrical violations under the jurisdiction of REAP.

I hereby demand that 1522 S Hi Point St 90035 be placed into the REAP program on the following grounds, including but not limited to, and that all 18 tenants receive a rent reduction of 50%.

1. Peeling paint exterior timber clad letters and numbers
2. Rear inside hallway structural defect unsafe loose wobbly stair railing previously reported as structural defect 3. Intercom unit 9 not maintained;
4. intercom not fully functioning from front outside building;
5. (removed)
6. Deprivation of maintenance to intercom
7. Deprivation of housing services: tandem parking stall
8. Floors, stairways, or railing not maintained in good repair (rear stairway wobbly and unsafe)

I refer to a 2015 order from the Los Angeles County Public Health department in which they ordered the door entry **intercom system repair** by 2015 (corrected 2016) but the repair or replacement never occurred. The non-working intercom is still in units 9, 8, and 5. The non-working intercom box is on the outside of the building and for the use of all eighteen tenants and the Public. With the exception of the intercom in unit 9, all code violations herein are common to all tenants of the 18 units, i.e the Intercom is for the use of all 18 units and tenants as well as the Public.

The parking area is surrounded by a security gate, of which I as a tenant pay for but cannot use. (Revised: Denial full and equal benefits i.e tandem parking stall),

Some of these violations were the subject of a city Capital Improvements rent increase and may also constitute failure of a capital improvement.

The above violations are under the authority of city Los Angeles REAP as they are nuisance conditions, structural hazards, failure to manage, maintenance, electrical and lack of uniform compliance.

I refer to city notices to comply and SCEP notice indicate the building is not in uniform compliance and has been declared to be substandard.

I am told by code enforcement that these issues have been the subject of hundreds of city of Los Angeles code violation complaints. The period for compliance has expired; the building or unit is the subject of one or more Orders, the violations result in **deprivation of housing services and/or habitability/health and safety violations.**

The intercom system and parking stalls were available at the inception of the unit 9 tenancy. The intercom system was partially replaced in 2015 by the owner and subject to the city Capital Improvements program.

**The owners of the property are:**

**Hi Point 1522, LLC  
520 Pacific Street #5**

**Santa Monica CA 90405  
meghan@boldpartnersre.com**

**Ph. 818-219-1587**

Hi Point 1522 LLC

8885 Venice Blvd Suite 205 Los Angeles CA 90034  
Hi Point 1522 Managers Holdco LLC 8885 Venice Blvd Suite 205, Los Angeles CA 90034

Hi Point 1522 Managers LLC 8885 Venice Blvd Suite 205 Los Angeles CA 90034 Hi Point 1522 TJ Entity LLC 8885 Venice Blvd Suite 205 Los Angeles CA 90034

**The property is managed by:**

Power Property Management, Inc. a corporation dba Power Property Group Agent Brent Parsons 8885 Venice Blvd Ste 205 Los Angeles, CA 90034

Kassandra Harris AKA Kassy Harris 1522 Hi Point St No. 12  
Los Angeles CA 90035  
(resident manager)

**Phone numbers for the owner/manager are: 213-908-8008 or 310-593-3955.**

This complaint is filed pursuant to a continuing Unruh complaint filed with the Department of Fair Employment and Housing against the city government of Los Angeles.

I understand a female tenant who was white asked for parking stall #13 to be extended which it was. I was denied a similar and equal privilege to the white tenant.

See attached Order from the County Health Department (Chen).

Since wrongs and damages are continuing, under the rent agreement, the law allows me to pursue this complaint again.

**SEC. 151.02. DEFINITIONS.**

**(Amended by Ord. No. 184,822, Eff. 4/30/17.)**

The following words and phrases, whenever used in this chapter, shall be construed as defined in this section. Words and phrases not defined herein shall be construed as defined in Sections 12.03 and 152.02 of this Code, if defined therein. **(Amended by Ord. No. 176,544, Eff. 5/2/05.)**

**Capital Improvement.** The addition or replacement of the following improvements to a rental unit or common areas of the housing complex containing the rental unit, providing such new improvement has a useful life of five (5) years or more: roofing, carpeting, draperies, stuccoing the outside of a building, air conditioning, security gates, swimming pool, sauna or hot tub, fencing, garbage disposal, washing machine or clothes dryer, dishwasher, children's play equipment permanently installed on the premises, the complete exterior painting of a building, and other similar improvements as determined by the Commission.

Provided, however, that the complete exterior painting of a building shall only be considered as an eligible capital improvement once every ten (10) years. **(Amended by Ord. No. 165,251, Eff. 11/20/89.)**

**Housing Services.** Services connected with the use or occupancy of a rental unit including, but not limited to, utilities (including light, heat, water and telephone), ordinary repairs or replacement, and maintenance, including painting. This term shall also include the provision of elevator service, laundry facilities and privileges, common recreational facilities, janitor service, resident manager, refuse removal, furnishings, food service, parking and any other benefits privileges or facilities. **(Amended by Ord. No. 154,808, Eff. 2/13/81.)**

**Landlord.** An owner, lessor, or sublessor, (including any person, firm, corporation, partnership, or other entity) who receives or is entitled to receive rent for the use of any rental unit, or the agent, representative or successor of any of the foregoing.

**Primary Renovation Work. (Added by Ord. No. 176,544, Eff. 5/2/05.)** Work performed either on a rental unit or on the building containing the rental unit that improves the property by prolonging its useful life or adding value, and involves either or both of the following:

1. Replacement or substantial modification of any structural, electrical, plumbing or mechanical system that requires a permit under the Los Angeles Municipal Code.
2. Abatement of hazardous materials, such as lead-based paint and asbestos, in accordance with applicable federal, state and local laws.

**Rent.** The consideration, including any bonus, benefits or gratuity, demanded or received by a landlord for or in connection with the use or occupancy of a rental unit, including but not limited to monies demanded or paid for the following: meals where required by the landlord as a condition of the tenancy; parking; furnishings; other housing services of any kind; subletting; or security deposits. **(Amended by Ord. No. 154,808, Eff. 2/13/81.)**

## REAP EXCERPT:

**Habitability Violation.** Any violation of Section 1941.1 of the California Civil Code, or a reduction or elimination of the following services if contracted for by the tenant, or if provided to the tenant at the time the tenant moves into his or her rental unit: elevators, **security gates**, and air conditioners.

**Order.** Any order or notice to comply, correct or abate a condition or violation issued by the Department, the Department of Building and Safety, the Health Department, the Fire Department, or their successors.

**2. Upon acceptance of the complaint from a tenant or an enforcement agency,** if the complaint is supported by an Order, then the complaint shall be treated as a referral to the REAP and rent reduction under Section 162.03, and shall be processed under that section.

I am a Black male tenant entitled to all privileges and accommodations under the state Unruh Act, and under the rental agreement.

All rights reserved.

**Geary Juan Johnson**

1522 Hi Point St Apt 9 Los Angeles CA 90035

323-807-3099



2022-12-28 LAHD Closing CE273371.pdf

499.5kB



2021-11-4 Written Notice Change for Parking by Johnson.pdf  
884.4kB



2023-5-5 Cars Parked 17-19 Tandem.jpeg  
4.2MB

## Opportunity to Repair for May 11, 2023- Memorialization- Intercom and Tandem Parking NOT addressed

---

From: G Johnson (tainmount@sbcglobal.net)

To: thomas@powerpropertygrp.com; highpoint1522@gmail.com; brent@powerpropertygrp.com; 09e41e7459a05677911c@powerpropertygroup.mailer.appfolio.us; frontdesk@powerpropertygrp.com; megan@boldpartnersre.com; nisi@powerpropertygrp.com; richard.brinson@lacity.org; lahd.rso.central@lacity.org; hcidla.reap@lacity.org

Cc: susan.strick@lacity.org; contact.center@dfeh.ca.gov; shou.committee@senate.ca.gov; mayor.helpdesk@lacity.org; lahd.rso.central@lacity.org; hcidla.reap@lacity.org; paul.krekorian@lacity.org; councilmember.price@lacity.org; councilmember.harris-dawson@lacity.org; councilmember.lee@lacity.org; councilmtgitems@santamonica.gov; highpoint1522@gmail.com; 09e41e7459a05677911c@powerpropertygroup.mailer.appfolio.us; megan@boldpartnersre.com; cityatty.help@lacity.org; councilmember.hernandez@lacity.org; councilmember.blumenfield@lacity.org; councilmember.raman@lacity.org; councilmember.yaroslavsky@lacity.org; cd10@lacity.org; councilmember.park@lacity.org; councilmember.mcosker@lacity.org; councilmember.soto-martinez@lacity.org; james.cortes@dfeh.ca.gov; gavin@gavinnewsom.com; maintenance@alltimemaintenance.com

Date: Thursday, May 11, 2023 at 12:07 PM PDT

---

### Reference LAHD RSO complaint CE280933 Harassment by Landlord

To whom it may concern:

This shall memorialize that this morning between 10:00 am and 11:15 am repairs were made to this unit. A crack in a bedroom wall was re-plastered; the bathroom toilet shut off valve was installed; the pump in the toilet bowl was replaced; a window screen was re-aligned to prevent insects entry.

**Nisi Walton, Power Property Management Inc employee, was on site and I was able to meet with her in the unit.**

I appreciate the repairs, but I note here that the intercom remains un-usable and not working. I am still without a tandem parking stall or maintenance has not extended the striping to create a tandem parking stall for stall #8. This means that the actions today of not addressing the intercom or tandem parking is intentional to cause harm, and the racial and otherwise arbitrary discrimination by the owner ---and others in concert----is the proximate cause of damages to me of not receiving full and equal housing services requested. I did not mention these items to Nisi or repairmen this morning because the owner already has adequate notice (monthly or weekly emails and endorsed rent checks).

The owner is aware that whites(non-Blacks) in tandem parking stalls 17-19 have parking for two cars while I do not have such privilege; the owner is aware that whites in stalls 17-19 have working intercoms while I do not.

I have previously forwarded to the owner five declarations under penalty of perjury regarding the intercom and/or parking; these declarations are from **four Black males**.

All rights reserved. The cost to prepare and email this is \$42.00 in damages for housing services that were not addressed.

**Geary Juan Johnson**  
**1522 Hi Point St 9**  
**Los Angeles CA 90035**  
Phone 323-807-3099

I am A Black Male over the age of 45 with a obvious disability and disability

Ref. state Unruh Act, CC 51, 52

c: State Civil Rights Department

## Communication from Public

**Name:** T. William Lester  
**Date Submitted:** 05/15/2023 04:43 PM  
**Council File No:** 14-1371-S13  
**Comments for Public Posting:** Please include the attached report on the impact of the proposed Living Wage Ordinance (LWO) on workers and the Los Angeles economy in the public record.

# **Estimating the Impacts of the Proposed Tourism Workers Living Wage Ordinances for the City of Los Angeles**

**May 3<sup>rd</sup>, 2023**

**T. William Lester  
Professor and Chair  
Department of Urban and Regional Planning  
San José State University  
[thomas.lester@sjsu.edu](mailto:thomas.lester@sjsu.edu)**

<b>EXECUTIVE SUMMARY</b>	<b>3</b>
<b>INTRODUCTION</b>	<b>4</b>
THE REBOUND OF THE LOS ANGELES TOURISM INDUSTRY	4
EXISTING LOS ANGELES LIVING WAGE ORDINANCES	5
THE ECONOMIC IMPACTS OF PREVIOUS LIVING WAGE LAWS	6
<b>THE ECONOMIC IMPACT OF THE PROPOSED LIVING WAGE ORDINANCE</b>	<b>8</b>
DEMOGRAPHIC PROFILE OF AFFECTED WORKERS	8
HEALTH CARE COSTS AND CURRENT COVERAGE ANALYSIS	9
RENT BURDEN ANALYSIS	10
REGIONAL ECONOMIC IMPACTS OF LIVING WAGE INCREASES	11
CONTRIBUTIONS TO GOVERNMENT TREASURIES	12
DISTRICT-LEVEL IMPACTS	12
<b>CONCLUSION</b>	<b>14</b>
<b>METHODOLOGICAL APPENDIX</b>	<b>15</b>
DATA SOURCES	15
LIVING WAGE DIFFERENCE FOR HOTEL WORKERS	15
LIVING WAGE DIFFERENCE FOR AIRPORT HOSPITALITY WORKERS	15
ECONOMIC IMPACT ANALYSIS	16
<b>REFERENCES</b>	<b>17</b>

## Executive Summary

The Los Angeles City Council has proposed amendments to two existing living wage ordinances (LWO) to update the current living wage laws that have been in place for a decade or more. The proposed LWO would raise wages for workers covered by the Hotel LWO and the LAX LWO in 2023 to \$25 per hour and by 2028 to \$30 per hour.

This report details the proposed ordinance's impact on LA's tourism economy. Dr. T. William Lester, Professor and Chair of Urban and Regional Planning at San José State University, analyzed the proposed LWO's impacts on the regional economy and finds that the ordinance:

- Will have a positive direct economic impact on the combined set of approximately 36,000 tourism workers, resulting in an annual wage increases of 35.6 percent;
- Will particularly benefit people of color, especially women of color, who make up the largest share of tourism workers;
- Will help to offset the increases in health care costs that workers have experienced that are not covered by employers;
- Will reduce workers' rent burden during a time when rents have sharply risen, in excess of 20% over the past two years, and as evictions threaten many workers with homelessness;
- Will contribute more than \$40 Million to government treasuries; and,
- Will generate an additional 1,464 jobs and \$288 million in economic output throughout the Los Angeles County regional economy.

*Table 1: Estimated Wage Increases*

Year	Proposed Wage	Total Affected Workers	Aggregate Wage Increase
2023	\$25/hour	36,435	\$542,590,777
2028	\$30/hour	40,036	\$890,160,349

## Introduction

The City of Los Angeles has previously passed several Living Wage Ordinances, beginning in 1997, based on the idea that while the State of California’s minimum wage is one of the highest in the nation, it is still not sufficient to support workers in Los Angeles given the high cost of living. The national and regional research reviewed below shows that living wage ordinances have proven effective tools that put a wage floor under workers and help protect their ability to secure stable employment, housing, and health care.

Since the start of the COVID-19 pandemic, tourism workers in the City of Los Angeles have experienced an increase in economic risks, from lack of access to affordable healthcare or affordable housing or the substantial impact of inflation on the cost of necessities. Working families are overwhelmingly burdened with rent and healthcare costs. Workers are vulnerable to economic shocks; this threatens not only workers and their families but also undermines the tourism industry’s ability to retain and sustain its workforce.

The existing Living Wage Ordinances tie annual increases to the national Consumer Price Index (CPI). However, these increases have not kept pace with the actual rise in costs for workers.

The Los Angeles Alliance for a New Economy asked Dr. T. William Lester, Professor of Urban and Regional Planning at San José State University and a nationally recognized expert on living wage laws, to review the proposed ordinance and assess the impacts.

This report first provides a brief status update of the Los Angeles Tourism Industry, background information on existing living wage laws in Los Angeles and a review of scholarship on the economic impact of living wage laws. The report then analyzes the proposed LWO changes and details the anticipated wage, rent and healthcare effects on covered tourism workers as well as the multiplier effects across the regional economy.

## The Rebound of the Los Angeles Tourism Industry

Los Angeles’ post-pandemic tourism industry – including hotels, restaurant, and travel services—is making a rapid recovery. Although pandemic shutdowns drastically reduced demand in the tourism sector in 2020, the industry is emerging strong both nationally and locally. Nationwide airline passenger travel has now exceeded the total volume from the first quarter of 2019. Passenger traffic volume is rebounding rapidly at LAX, nearing pre-pandemic levels, rising 23 percent between the first three months of 2023 versus 2022.<sup>1</sup> International traffic rebounded 72 percent over the same period.

Corporate travel has continued to be slower to recover, a trend that CoStar’s March 2023 Hospitality Report attributes to the continued low rate (below 50%) of office utilization in Los Angeles, a lagging effect of pandemic office closures. And the strength of the dollar overseas has meant that international visitors are still slower to return to Los Angeles. Despite this, the Tourism Board forecasts 51 million visitors to Los Angeles in 2023, which matches or exceeds 2019 visitor levels.

---

<sup>1</sup> <https://www.lawa.org/-/media/60372b2e1f9e433a93e78a75323c36d4.pdf>

Hotels in particular have not only recovered from the pandemic shock but are thriving. According to the Los Angeles Convention and Tourism Board’s published metrics for 2022, the average daily revenue for tourism lodging in the city of Los Angeles was 8.3% above 2019 levels and 34.5% above 2021 levels signaling robust and expanding demand.<sup>2</sup> According to CoStar, the average daily revenue is up from \$173.85 in 2019 to \$200.62 in 2023. Over the same period, the revenue per available room went up from \$126.38 to \$146.71, outpacing the rate of inflation. In addition, employment levels in the tourism industry are approximately 95% of pre-pandemic levels and the growth of tourism establishments has kept pace with the rate of recovery.<sup>3</sup>

The hotel occupancy rate in the city, at about 72%, does remain about 10% below the pre-pandemic level. However, that’s an increase of 22.4% in 2022 and trends suggest that increase will continue. Further, CoStar points out that occupancy rates would be higher if not for the “influx of new hotel supply.”<sup>4</sup> An impressive number of new hotels opened in 2021, reported to be “the highest number of hotels and hotel rooms to open out of any county” in the nation by the Los Angeles Business Journal.<sup>5</sup> This is an indicator both of stable profitability in the hotel sector and investor confidence in the region’s economy.

## Existing Los Angeles Living Wage Ordinances

Los Angeles has a long history of enacting living wage laws that apply to certain segments of the workforce, passing laws in 1997, 2007 and 2014.

The 1997 Living Wage Ordinance raised the wage floor for employees of city contractors. At that time, the Council singled out the poor compensation of workers with airport contractors as a significant driver of the need for a living wage. The Council stated that performance of airport workers directly reflects on the City’s public image and “the success or failure of City operations may turn on the success or failure of these enterprises”<sup>6</sup>.

The LWO also mandated that contractors also contribute \$1.25 per hour worked toward employer-provided health insurance premiums or the equivalent per hour worked to the employee if the employers did not directly provide health insurance. This additional payment was intended to offset the drain on public healthcare resources by contractors’ employees. In 2009, the Council unanimously approved raising the hourly rate for health benefits for workers at Los Angeles World Airports (LAWA) to \$4.50 per hour worked, and required annual increases based on the Consumer Price Index to address

---

<sup>2</sup> 2022 Los Angeles County & Submarket Lodging Metrics. Smith Travel Research.

<https://latourismorg.app.box.com/s/ujw3nufzp4ak769j4p75lk45wpqb2b3j>

<sup>3</sup> Specifically, employment in the NAICS code 722- Accommodations and Food Services, which includes hotels and restaurants was 381,353 in LA County in the 3<sup>rd</sup> quarter of 2022, down 5% from 2019 Q3. For reference employment dropped 35% during the depths of the pandemic shutdowns. Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW).

<sup>4</sup> Hospitality Market Report for Los Angeles, CA. CoStar. March 8, 2023. page 3.

<sup>5</sup> Madans Welk, Hannah. “Hotel Industry Sees Record High Openings”, Los Angeles Business Journal. February 14, 2022. <https://labusinessjournal.com/special-reports/hotel-industry-sees-record-high-openings/>

<sup>6</sup> Article 11: Living Wage. Los Angeles Charter and Administrative Code. Updated December 12, 2019. <https://bca.lacity.org/Uploads/lwo/Ordinance%2010.15.2018%20Version.pdf>

the increase of the cost of healthcare. The most recent increase in 2022, brought the rate to \$5.77 per hour worked.<sup>7</sup> The current living wage for LAX workers now stands at \$18.04 per hour.

The 2007 Ordinance raised the base pay specifically for workers at hotels within a newly defined “Airport Hospitality Enhancement Zone” (AHEZ) that corresponded to the already-established Gateway to LA Business Improvement District. The Council extended the living wage to workers at these privately-owned hotels because they depend upon LAX for their business. This ordinance continued to include the mandate that the hotels pay health benefits as either a contribution to employer-provided insurance or directly to the worker to support individual health insurance.

The 2014 Citywide Hotel Worker Minimum Wage Ordinance raised the base pay to \$15.47 an hour for workers in hotels within Los Angeles city limits and within the AHEZ. This rate was indexed to inflation using the CPI and now stands at \$18.86 per hour. The ordinance also mandated an accrual up to 96 hours of paid time off, which exceeded the State of California’s mandated paid sick leave for all employers. This took effect for hotels with 300 or more rooms in 2015 and then those with 150 rooms or more in 2016. In response to a citizen initiative, Council reduced the threshold to 60 rooms in 2022.

An important aspect of these previous ordinances is that although increases are tied to the Consumer Price Index, they have not kept pace with the actual rise in housing and healthcare costs in Los Angeles. Increasing the wage, and improving upon the annual increase mechanism is necessary to accomplish what these original laws were intended to do: create stability for workers across our vital tourism industry at hotels and at the airport.

The cost of the wage increases for these workers will be borne by some of the most profitable businesses in our region with margins that can withstand these wage increases better than workers can weather economic shocks. To the extent that additional labor costs are passed on to consumers through higher prices, the vast majority of the costs will then be borne by non-Los Angeles residents.

## The Economic Impacts of Previous Living Wage laws

We also conducted a review of the existing scholarship on the impacts of living wage laws on workers, employment levels and local economic development. The key takeaway of this review is that the literature shows that **such policies rarely result in negative impacts on employment levels or economic development opportunities for local communities.**

Empirical research on the impacts of raising labor standards has been conducted for decades. This work is divided into two groups:

- 1- Studies that analyze changes in the minimum wage. These changes affect all workers in a geographic area regardless of industry or sector.
- 2- Studies of living wage laws. These laws focus on jobs that are supported by public dollars or within segments of the economy. These are comparable to the proposed Los Angeles’ Tourism Workers Living Wage law.

---

<sup>7</sup> <https://www.lawa.org/lawa-businesses/lawa-administrative-requirements/living-wage-and-service-worker-retention-ordinances>

Forty years ago, empirical assessments of the impact of raising the minimum wage on employment showed a negative impact on employment levels with elasticities that ranged between minus 10 and 20 percent (Brown, Gilroy, and Kohen 1982). However, more recent research utilizes geographically detailed methodologies and sophisticated causal research designs. These recent studies have convincingly shown that minimum wage increases do not lead to significant disemployment effects (Dube, Lester et al. 2010, Dube, Lester et al. 2016, Allegretto, Dube et al. 2017). In other words, these studies have generally found employment effects close to zero.

While some researchers believe that there is a threshold at which a large and rapid increase in the minimum wage could cause negative employment effects Manning (2021), empirical research has not borne this out. Although most state-level minimum wage changes are modest, some municipalities have enacted large minimum wage changes. For example, San Francisco passed a 26 percent increase in the minimum wage. Dube, Naidu and Reich (2007) examined multiple outcomes for full-service and fast-food restaurants, including employment. They compared employment at affected restaurants in San Francisco and the East Bay and found that **increased wages lowered wage inequality yet did not create employment loss**. More recently, data from Seattle, which was the first major city to raise its minimum wage to \$15.00 per hour, show that a large increase did not lead to significant employment losses.

There are fewer empirical studies on living wage laws than on minimum wage laws. In a study of Los Angeles' initial 1997 Living Wage Ordinance, Fairris (2005) examined the impacts on City contractors with large numbers of affected workers. The survey analysis revealed that **affected firms had less worker turnover and absenteeism and that fewer workers used overtime hours**. Workers at establishments with City contracts also received an average wage increase of \$1.74 per hour worked and two additional paid days off relative to a control group of establishments. Researchers that have studied other cities' living wage laws, including Boston (Brenner 2005) and San Francisco (Reich, Hall et al. 2005), have found similar effects. The UCLA School of Public Health Assessment of the 2002 health insurance provision of the Los Angeles Living Wage Ordinance found that, although rates of health care coverage for the affected workers stayed stubbornly at 40%, increased income reduced mortality rates by 1.4 deaths per year per 10,000 workers (Cole, Shimkhada et al. 2005).

In a subsequent study of the 1997 Los Angeles Living Wage Ordinance, Fairris et al. (2015) compares data on affected workers and firms to a control group of firms in similar industries. They find that the Los Angeles Living Wage Ordinance led to pay increases for 10,000 workers. The LWO most impacted workers at the Los Angeles and Ontario airports and in low-income families. The **rate of job loss was one percent of affected jobs**. Firms implemented cost-recovery measures that included reducing some worker benefits and overtime hours. They also reduced worker training. However, in actuality, **employers' cost savings were attributable to lower rates of labor turnover and unscheduled absenteeism** (Fairris et al. 2015).

As living wage advocates shifted their focus from laws that cover a narrow set of workers, such as those who work for public contractors, to laws that would cover entire industries, researchers began studying the broader effects of living wage laws. Living wage critics claim that living wage ordinances harm the "business climate" in cities that enact them and generate negative impacts on employment and economic development. Lester (2012) evaluated this claim by analyzing trends in employment and business establishment for sectors believed to be most impacted by business-assistance living wage laws (i.e. sectors typically targeted by local economic subsidy programs). This time-series analysis compared 15 cities that enacted business-assistance living wage increases to a control group of 16 equally-sized

cities that considered but then failed to pass businesses-assistance provisions. The study found that the **overall long-term employment effects are small and not statistically significant for low-wage sectors as well as for overall employment.** Lester (2011) also compares the employment and business establishment effects in 19 cities in California that passed living wage laws for city contractors to cities that did not. This study finds that **these living wage laws did not have a significantly negative impact on employment or establishments.**

As stated at the beginning of this section, given this established scholarship on the economic impacts of living and minimum wage laws, we do not expect that the proposed Tourism Workers Living Wage Ordinance would cause large disemployment effects in Los Angeles.

## The Economic Impact of the Proposed Living Wage Ordinance

Using the methodology described in the attached Appendix, our analysis has determined that the proposed LWO will result in immediate raises for an estimated **36,435 workers** in Los Angeles in 2023. These raises will result in a **more than \$542 million** in total additional income for working families.<sup>i</sup> These figures would grow each year as the living wage increases until 2028 when it will be at \$30/hour. At that time, an estimated **40,036 workers** will be covered and the total additional income for working families will be **more than \$890 million.**

- Number of tourism workers affected in 2023 by proposed living wage raise to \$25/hour: 36,435
- Number of tourism workers affected in 2028 by proposed living wage raise to \$30/hour: 40,036
- 2023 aggregate wage increase for tourism workers: \$542,590,777
- 2028 aggregate wage increase for tourism workers: \$890,160,349
- Average annual wages would increase approximately 35.6% for full time workers.

In the sections below, we detail how the LWO will impact various demographic groups and what will be the impact on worker's access to health care and on their rent burden. We also point out that there are anticipated contributions to government coffers and a wider impact when those workers spend their additional income in the regional economy.

### Demographic Profile of Affected Workers

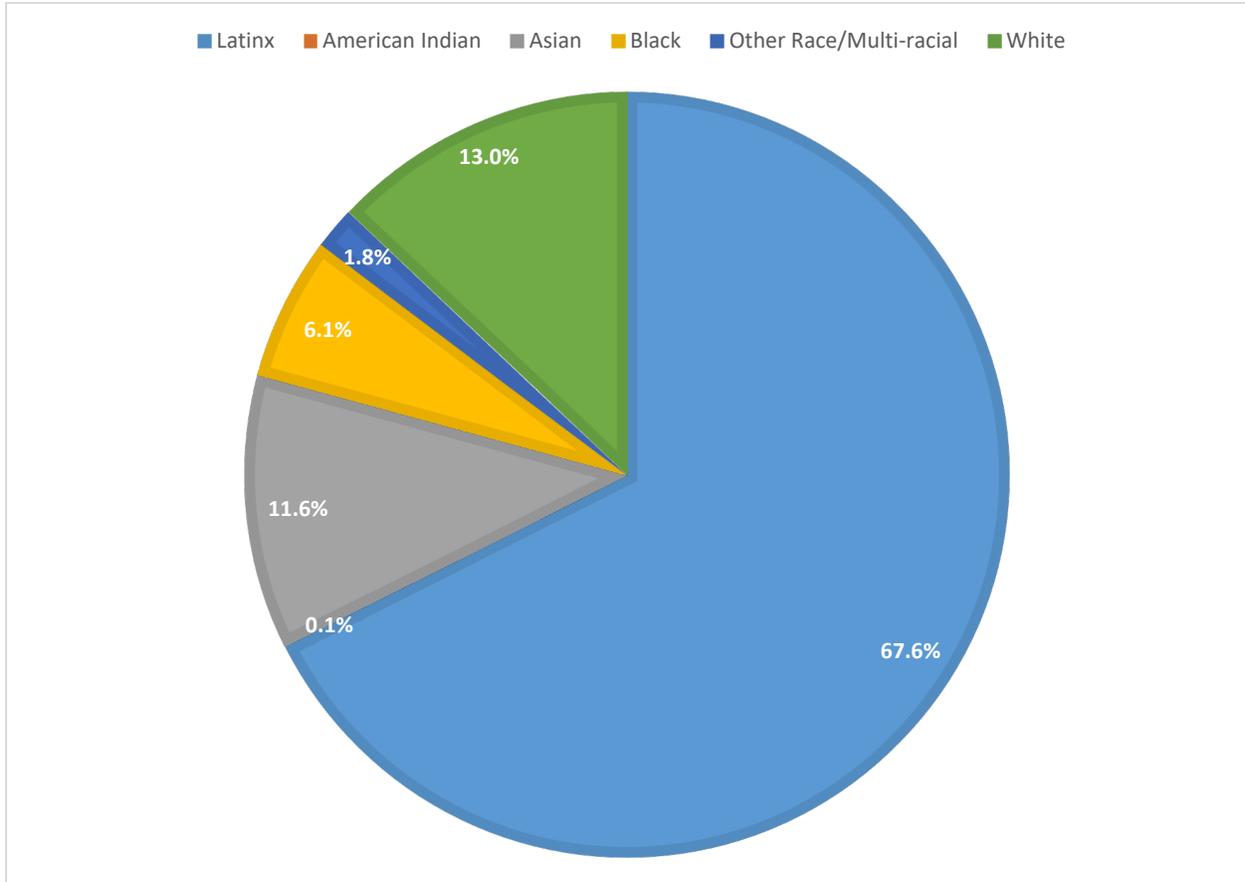
For the workers that will be affected by the proposed LWO, we disaggregated the results by race/ethnicity to understand the different wage impacts of the LWO across demographic groups in Los Angeles. Where possible, we cross-tabulated by gender.

We found that nearly **9 in 10 workers** affected by the proposed LWO **are people of color** (87 percent). Specifically, Latinx workers make up close to 68 percent of the affected workforce; Asians comprise 12 percent; and African Americans are 6 percent. Non-Hispanic Whites comprise 13 percent of the workforce. The remaining 1.8 percent of affected workers would be other races or of more than one race (from self-reported census data).

Of the combined set of tourism workers that would be impacted by this LWO, approximately **56 percent are male and 44 percent are female.** However, the impact would be different for hotel workers than for LAX service and hospitality workers as the employment composition at hotels is majority female (53.1%), while at LAX it is only 33.9% female.

From this analysis, we find that the LWO will impact people of color, especially women of color. Given that people of color are overrepresented at lower levels of the income distribution, the LWO could help address the City's income inequality and racial wealth gap.

Figure 1: Share of Affected Workers by Racial and Ethnic Group



Source: Author's analysis of US Census Bureau, American Community Survey (ACS) 5 year 2016-2020 data.

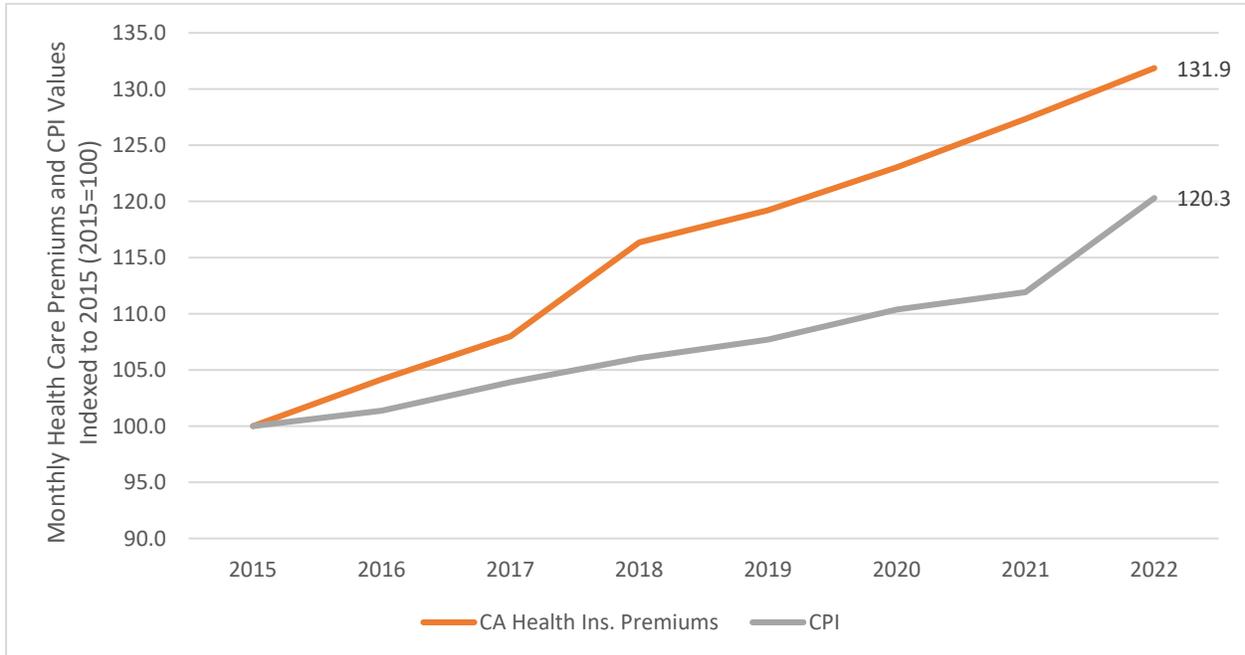
### Health Care Costs and Current Coverage Analysis

As the LWO also mandates an employer contribution to employees' health care costs, we analyzed the status of health care coverage for the combined set of tourism workers. At present, tourism workers are less likely to have health insurance compared to other workers in Los Angeles. **Nearly half of tourism workers (45.8%) lack employer sponsored health care**, compared to 37.9% for all other LA workers. The Latinx community in Los Angeles is also two times more likely to lack health insurance than other ethnic groups, so the LWO's expansion to additional workers across an industry made of up of nearly 68% Latinx workers could help reduce that coverage gap.<sup>8</sup>

<sup>8</sup> Racial Disparities in Six Charts, Los Angeles Almanac. <https://www.laalmanac.com/social/so722.php>

According to the California Department of Managed Health Care, average health insurance premiums per individual rose to \$552 per month in 2022. In recent years, as illustrated in Figure 2 below, the average cost of health insurance premiums in California have risen faster than the rate of inflation. This indicates that the State of California’s Department of Managed Health Care annual report on rates would be a more accurate index for the employer healthcare contribution rate than the CPI, which is the current index.

Figure 2: Rise in California Health Insurance Premiums outpaces Inflation



Source: CA Department of Managed Health Care, [Large Group Aggregate Rates and Prescription Drug Cost Report](#), 2016-2022. US Bureau of Labor Statistics, Consumer Price Index (CPI).

## Rent Burden Analysis

Since the onset of the COVID-19 pandemic, rents in Los Angeles have risen sharply. The average asking rent for the median-size housing option (a 2-bedroom unit) rose from \$2,628 in March 2021 to \$3,363 in March 2023.<sup>9</sup> That is an increase of 28% in two years.

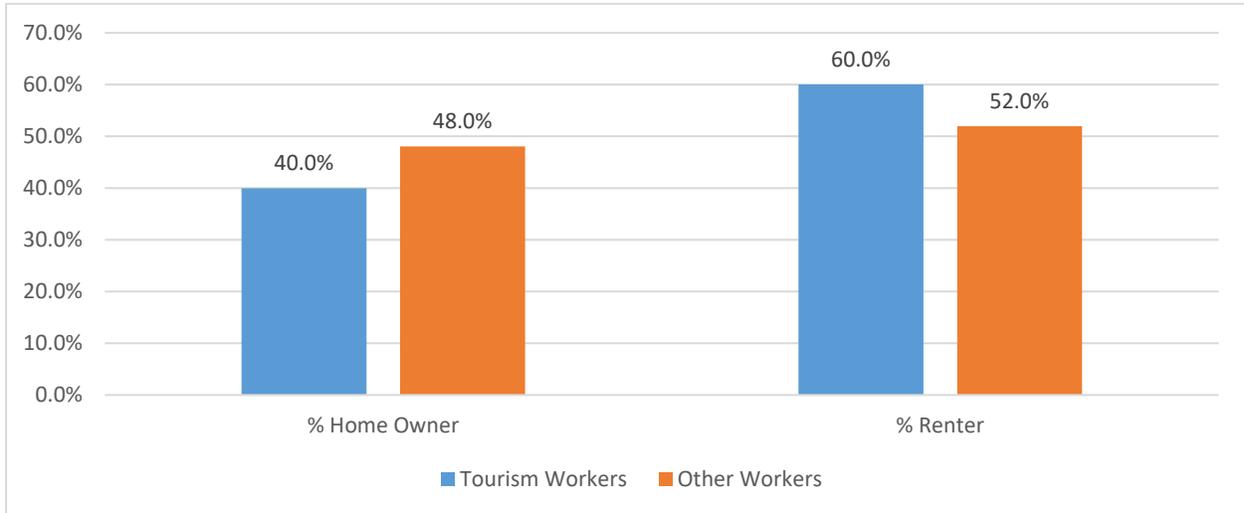
Households with tourism workers have more workers contributing to household expenses (2.4 workers) than in other households (2.1), and they also tend to live in households with more people. Tourism workers live in households with a mean of 3.7 people while other households have a mean of 3.3 people. Therefore, **tourism workers are disproportionately rent-burdened**, which is defined as paying

<sup>9</sup> <https://www.renthop.com>

more than 30% of monthly household income on rent. Compared to 42% of all Los Angeles wage workers, 56.2% of tourism workers are rent-burdened.<sup>10</sup>

When workers are rent-burdened, their ability to save for purchasing a home is greatly diminished. LA tourism workers have lower homeownership rates than other workers. Given the overrepresentation of people of color in the combined set of tourism workers, we can deduce that the lower rate of homeownership contributes to the persistent racial wealth gap and will continue to suppress income mobility for people of color in Los Angeles.

Figure 3 : Lower Homeownership Rates for Tourism Workers



Source: Author’s analysis of US Census Bureau, American Community Survey (ACS) 5 year 2016-2020 data.

### Regional Economic Impacts of Living Wage Increases

The estimated \$542 million in increased wages generated by the proposed LWO would lead to additional household spending power for households with tourism workers. That additional spending power would generate an extra **\$288 million in economic output** throughout Los Angeles County. This additional output is essentially an increase in spending on goods and services by affected households, which then stimulates demand in other local industries generating additional economic output. This is referred to as the “multiplier effects” of an economic policy. Using a cautious methodology to account for potential cost increases, we still find a **significant net-positive economic impact for the regional economy**.

\$288 million is a conservative estimate of the additional output. The additional household demand could lead to increased prices for accommodation and travel originating in LA. Therefore, we used IMPLAN Pro

<sup>10</sup> Author’s analysis of US Census Bureau, American Community Survey (ACS) 5 year 2016-2020 data.

modeling software and corrected for the reduced income effects for LA-based households who could potentially face increased prices. We assume that the burden of these cost increases would be spread across all Los Angeles household income groups and a significant share of the increased costs would be paid by non-residents. This IMPLAN analysis finds the total number of regional jobs that would be created or supported by the increased consumer expenditures as **an additional 1,464 jobs**.

## Contributions to Government Treasuries

The proposed LWO would result in higher incomes for nearly 40,000 workers and therefore lead to a gross increase in income taxes owed. Additionally, the multiplier effects of higher wages also generates economic output (sales) that generates new sales, income taxes, and fees. Assuming a high rate of tax compliance, this additional tax would have a **positive fiscal impact** for the State of California amounting to approximately \$13.6 million. Local governments would receive approximately \$12.1 million in additional revenues based on the passage of the LWO.<sup>11</sup>

*Table 2: Additional Government Revenues resulting from Proposed Living Wage Ordinance*

Federal	\$19,011,700
State	\$12,617,430
County	\$3,750,955
Local	\$3,801,795
Local Special Districts	\$3,714,593

Source: IMPLAN Pro.

## District-Level Impacts

As tourism workers do not reside evenly across the city, we analyzed the differences in the proposed LWO impacts across City Council districts. This analysis used residence-based employment counts and block-to-block commuting patterns data from the U.S. Census Bureau’s LODES data to allocate city-wide impacts to each district. We estimated the number of affected tourism workers residing in each of the 15 Los Angeles City Council districts and then calculated the total wage increases that are expected to flow to those districts. The district level impacts are presented in Table 3 below.

While the largest impact would be within District 8 and the smallest impact would be District 12, all councilmembers would see between \$25-58 Million in additional wages flowing to households within

---

<sup>11</sup> Note: This fiscal impact analysis includes both the impact of the direct wage increases as well as the multiplier effects described in the section below.

their districts. With the exception of District 11, the districts with the highest impacts are also the districts that are in the top 25% of Disadvantaged Communities and have the highest share of households with a housing burden according to the Los Angeles Housing Department<sup>12</sup>.

*Table 3: Impact by Council District of the Proposed Living Wage Ordinance for Tourism Workers*

<b>Council District</b>	<b>Council Member</b>	<b>Affected Tourism Workers</b>	<b>Tourism Wage Increases</b>
<b>1</b>	Eunisses Hernandez	2,103	\$ 31,407,999
<b>2</b>	Paul Krekorian	1,841	\$ 27,597,150
<b>3</b>	Bob Blumenfield	1,568	\$ 23,467,586
<b>4</b>	Nithya Raman	1,921	\$ 28,744,431
<b>5</b>	Katy Yaroslavsky	2,096	\$ 31,241,951
<b>6</b>	Vacant	1,636	\$ 24,532,371
<b>7</b>	Monica Rodriguez	1,523	\$ 22,824,527
<b>8</b>	Marqueece Harris-Dawson	4,546	\$ 67,204,230
<b>9</b>	Curren D. Price Jr.	2,770	\$ 41,103,243
<b>10</b>	Heather Hutt	3,435	\$ 51,050,022
<b>11</b>	Traci Park	3,199	\$ 47,442,829
<b>12</b>	John Lee	1,545	\$ 23,139,055
<b>13</b>	Hugo Soto-Martinez	2,593	\$ 38,766,402
<b>14</b>	Kevin de León	2,015	\$ 30,079,847
<b>15</b>	Tim McOsker	3,645	\$ 53,989,131
<b>TOTAL</b>		<b>36,435</b>	<b>\$ 542,590,777</b>

<sup>12</sup> [https://housing.lacity.org/wp-content/uploads/2020/05/local\\_maps.pdf?download=1](https://housing.lacity.org/wp-content/uploads/2020/05/local_maps.pdf?download=1)

Source: Author's Analysis of data from the U.S. Census 5-year ACS (2016-2020); Local Origin-Destination Employment Statistics (LODES) program.

## Conclusion

The Los Angeles City Council's proposed Living Wage Ordinance will help increase the wages of tourism workers across all council districts in Los Angeles. The LWO is needed to ensure that incomes keep pace with the rising costs of housing and health care. The immediate boost in wages and health care coverage will ensure that these workers will be able to sustain our region's vibrant tourism industry as it continues to rebound from the pandemic. In reducing the rent and healthcare burden on these workers, the LWO will help their families weather unforeseen financial shocks and could help them save for home ownership and build inter-generational wealth. Further, the LWO will generate increased revenues for governments at all levels and create a significant boost in consumer spending. Over the course of five years, the proposed LWO will support our current tourism workers as well as add new jobs to the regional economy.

## Methodological Appendix

Below we describe our data sources and the assumptions and calculations we used to calculate the LWO impacts.

### Data Sources

For this analysis, our primary data source is the 2016-2020 American Community Survey (ACS) published by the U.S. Census Bureau. We also used the US Census Bureau's Local Origin-Destination Employment Statistics (LODES) workplace-based data to find the number of airport workers employed in the census blocks that overlay the LAX airport complex. To refine our employment counts for workers affected by the proposed LWO, we used the US County Business Patterns data, the Census Bureau's North American Industry Classification System (NAICS), and the Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW) and Standard Occupational Classification (SOC). Economic impact analysis was conducted using data and software from IMPLAN Inc.

### Living Wage Difference for Hotel Workers

We used firm size data from the US County Business Patterns to determine the total number of hotels with 60 or more rooms. We used an industry growth rate from the QCEW to scale this number for 2023. We then assumed a rate of 0.53 workers per room ([Nichols, 2013](#)). We found that hotels with 60 or more rooms in **LA County** account for an 85.5% share of total employment. We are assuming the same proportion for City of Los Angeles.

To calculate the average hourly wage for every hotel worker in the City of Los Angeles, we used the ACS variables of reported income and hours worked. We compared the resulting hourly wages to the proposed \$25 living wage to create a wage difference for each worker. We then multiplied this wage difference by the annual reported hours worked to create the total wage increase for Los Angeles hotel workers. We then adjusted this figure for the 85.5% share to find for the total share of hotel workers that would earn the proposed adjusted living wage.

### Living Wage Difference for Airport Hospitality Workers

The total impact of the proposed LWO for the tourism sector totals is a sum of the combined LA hotel worker and LAX hospitality worker wage differences. We used the LODES workplace-based data to determine the number of workers employed in the census blocks that cover the LAX airport. To determine the proportion of LAX workers by occupation, we developed an Industry-Occupation matrix. First, using the NAICS, we determined the number of workers in airport-related industries that could be affected by the LWO. We further refined this employment count using the SOC to only those occupations covered by the LWO. We then calculated the total number of LAX hospitality workers that would be affected by the proposed LWO.

We used ACS data to estimate the annual wage increases by occupation in a similar manner to that which we used for hotel workers. We then took a weighted average of wage increases by occupation to estimate the total wage impact on LAX hospitality workers.

## Economic Impact Analysis

To estimate the impact of additional wage income earned due to the passage of the LWO, we used the IMPLAN Pro regional economic modeling software package to conduct the multiplier and fiscal impact analysis. The basis of the impact modeling was the estimated \$542 million in wage gains in 2023 from the initial increase to \$25 per hour. Although much of the wage increases will likely be ultimately paid by non-local residents, our analysis did make several conservative assumptions that discounted these wage gains based on the share of tourism and travel spending that may be paid by Los Angeles County revenue. For Hotel spending we assumed that 90 percent would be paid by non-LA residents. For LAX related expenses, we assumed a rate of 60 percent. This is due to the fact that LA area residents use LAX for their departure airport and represent a significant share of consumers at LAX. While no exact data could be found, we used a rate of 60 percent, rather than 50 percent due to the large proportion of international travelers who connect through LAX. This left a figure of \$407 million in wage increases, which were entered into IMPLAN as increases in household spending spread evenly across four income categories (\$30-40k through \$70-100k). The increased costs paid by LA residents (the 10 and 40 percent, respectively) were entered as negative impacts that were spread across all income groups (except those in the lowest category). On net, this left positive impacts for lower and middle income households and negative impacts for upper-income households who would see effectively reduced income effects due to higher prices. However, the full costs of the living wage laws paid by local consumers was discounted by 20 percent to account for the fact that not all of the increased costs would be passed through in the form of price increases. Specifically, research indicates that increases in minimum and living wage laws increases productivity and that these productivity enhancements amount to approximately 20 percent of the total effect. Lastly, we assumed that 10 percent of the higher costs would come from reduced profit among vendors/employers. Thus we included a negative impact of \$13.5 million in reduced proprietor income.

IMPLAN Pro uses a proprietary input-output modeling software, based on a variety of data sources including the U.S. Census Bureaus, Economic Census, to calculate the multiplier effects of the net positive household income effects. IMPLAN Pro also has estimates of state and local tax rates and uses them to produce the fiscal impacts noted above.

## Acknowledgements

The author wishes to thank Ashley J.A. Tindall (MPP, MFA) for writing and editorial assistance. In addition Matthew D. Wilson (PhD) contributed valuable research assistance and GIS analysis.

## References

- Allegretto, S., et al. (2017). "Credible research designs for minimum wage studies: A response to Neumark, Salas, and Wascher." ILR Review **70**(3): 559-592.
- Brenner, M. D. (2005). "The economic impact of the Boston living wage ordinance." Industrial Relations: A Journal of Economy and Society **44**(1): 59-83.
- Cole, B. L., et al. (2005). "Projected health impact of the Los Angeles City living wage ordinance." Journal of Epidemiology and Community Health **59**(8): 645-650.
- Dube, A., et al. (2010). "Minimum Wage Effects Across State Borders: Estimates Using Contiguous Counties." Review of Economics and Statistics **92**(4): 945-964.
- Dube, A., et al. (2016). "Minimum wage shocks, employment flows, and labor market frictions." Journal of Labor Economics **34**(3): 663-704.
- Dube, A., et al. (2007). "The Economic Impacts of a Citywide Minimum Wage." Industrial and Labor Relations Review **60**(4): 522-543.
- Fairris, D. (2005). "The Impact of Living Wages on Employers: A Control Group Analysis of the Los Angeles Ordinance." Industrial Relations **44**(1): 84-105.
- Fairris, D., et al. (2015). "Examining the evidence: The impact of the Los Angeles living wage ordinance on workers and businesses."
- Lester, T. W. (2011). "The Impact of Living Wage Laws on Urban Economic Development Patterns and the Local Business Climate: Evidence from California Cities." Economic Development Quarterly **25** (3): 237-254.
- Lester, T. W. (2012). "Labor Standards and Local Economic Development— Do Living Wage Provisions Harm Economic Growth?" Journal of Planning Education and Research **32**(3): 331-348.
- Manning, A. (2021). "The elusive employment effect of the minimum wage." Journal of Economic Perspectives **35**(1): 3-26.
- Reich, M., et al. (2005). "Living Wage Policies at the San Francisco Airport: Impacts on Workers and Businesses." Industrial Relations **44**(1): 106-138.

---