

July 10, 2023

Dear Mayor Richardson and City Council Members:

The California Hospitality United Coalition represents social justice organizations, small businesses, and minority chambers of commerce as a united coalition protecting hospitality jobs and strengthening the economy.

Regarding item number 23-0737, we urge the City to first, limit its labor market analysis on hospitality worker wage rates to just the City of Long Beach and second, conduct the analysis by employing the services of an independent economic research consultant. There is no single market for labor and adjustments to the Long Beach Hotel Worker Wage Ordinance will affect not only hotels, but all businesses within the city — impacting many small businesses and ultimately increasing the cost of living for residents.

Therefore, we believe it is vital that the City's analysis be expanded in scope to consider wage earnings for city employees and non-hospitality industries as well as externalities that impact all businesses, jobs, and tax revenue within the city.

A recent study conducted by Oxford Economics found a \$25/hour minimum wage for hotel and airport workers in the City of Los Angeles would result in:

- \$1.9 Billion in Lost Business Sales at Los Angeles Businesses
- \$846 Million Decrease in Visitor Spending
- \$138 Million in Lost State and Local Tax Revenue
- \$321 Million in Lost Construction Spending
- 12,187 Lost Jobs

It is incumbent upon the Long Beach City Council to consider the broader consequences of any adjustment to the Hotel Worker Wage Ordinance on the greater business community and Long Beach residents. With inflation still high and a potential recession on the horizon, the City Council ought to be fully informed before taking further action.

In conclusion, we urge the City to:

- 1) Limit the labor market analysis to just the City of Long Beach
- 2) Employ an independent economic research consultant
- 3) Expand the scope of the analysis to include wage earnings for city employees and non-hospitality industries in addition to potential negative impacts on all businesses, visitor spending, local tax revenue, and jobs

Sincerely,
Lynn S. Mohrfeld, CAE
President & CEO, California Hotel & Lodging Association

Attached: California Hospitality United Coalition member list

The California Hospitality United Coalition

Together, we're Committed to Protecting California's Hospitality, Economy, and Jobs.

Chambers of Commerce

Antelope Valley Chambers of Commerce
Beverly Hills Chamber of Commerce
Brea Chamber of Commerce
Burbank Chamber of Commerce
California Delta Chambers & Visitors Bureau
California Hispanic Chambers of Commerce
Century City Chamber of Commerce
Costa Mesa Chamber of Commerce
Culver City Chamber of Commerce
El Dorado County Chamber of Commerce
El Dorado Hills Chamber of Commerce
Garden Grove Chamber of Commerce
Greater Reedley Chamber of Commerce
Greater Riverside Chambers of Commerce
Greater San Fernando Valley Chamber of Commerce
Hispanic Chambers of Commerce San Francisco
Inland Empire Regional Chamber of Commerce
La Canada Flintridge Chamber of Commerce
Lodi Chamber of Commerce
Long Beach Area Chamber of Commerce
Los Angeles Area Chamber of Commerce
Malibu Pacific Palisades Chamber of Commerce
Oceanside Chamber of Commerce
Petaluma Area Chamber of Commerce
Pomona Chamber of Commerce
Rancho Cordova Area Chamber of Commerce
Rancho Mirage Chamber of Commerce
Redondo Beach Chamber of Commerce
Regional Chamber of Commerce San Gabriel Valley
Regional Hispanic Chamber of Commerce
San Francisco Filipino American Chamber of Commerce
San Mateo Chamber of Commerce
San Pedro Chamber of Commerce
San Ramon Chamber of Commerce
Santa Maria Valley Chamber of Commerce
Santee Chamber of Commerce
Silicon Valley Central Chamber & CVB
South Bay Association of Chambers of Commerce
Torrance Area Chamber of Commerce
Tulare Chamber of Commerce
Walnut Creek Chamber of Commerce & Visitors Bureau
West Hollywood Chamber of Commerce
Westside Council of Chambers of Commerce
Yorba Linda Chamber Of Commerce

Hospitality

California Restaurant Association
California Travel Association
Northeast Los Angeles Hotel Owners Association
Sonesta Camarillo

Taiwan Hotel and Motel Association of Southern California
The Greater Los Angeles Hospitality Association
Ventura County Lodging Association
American Hotel & Lodging Association
Asian American Hotel Owners Association
Bayside Hotel Group
Best Western Hotels and Resorts
Camarillo Hotel & Tourism Association
Hotel Council of San Francisco Hoteliers

Visitor Bureaus

Visit Sacramento
Visit SLO CAL
Visit Stockton
Visit Vacaville
Visit Ventura
Yolo County Visitors Bureau/Visit Yolo
Destination Irvine
Greater Ontario Convention & Visitors Bureau
Marina del Rey Tourism Board
Travel Santa Ana
Visit Greater Palm Springs

Businesses & Taxpayer Groups

California Retailers Association
California Taxpayer Protection Committee
California Taxpayers Coalition
Central Valley Taxpayers Assoc
San Diego Tax Fighters
Placer County Taxpayers Association
Seaside Taxpayers Association
AAHOA Director at Large Eastern Division
Asian Industry B2B
California Business and Industrial Alliance
California Business Properties Association
California Business Roundtable
Central City Association of Los Angeles
Fairmont Century Plaza
Inland Empire Economic Partnership
Los Angeles County Business Federation
National Federation of Independent Business
Orange County Business Council
Protect Culver City
R Street Sacramento Partnership
The Hollywood Partnership
United Latinos Action
Valley Industry & Commerce Association
West Ventura County Business Alliance