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CITY ATTORNEY

REPORT NO. R 1 4 - 0 3 5 3

REPORT RE:

SEP 1 9 2014

**DRAFT ORDINANCE ADDING ARTICLE 6 TO CHAPTER XVIII OF THE
LOS ANGELES MUNICIPAL CODE REQUIRING A MINIMUM WAGE FOR HOTEL
WORKERS AND REPEALING ARTICLE 4 OF CHAPTER X OF THE
LOS ANGELES MUNICIPAL CODE**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 14-0223

Honorable Members:

Pursuant to the Economic Development Council Committee's request on June 10, 2014, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, which adds Article 6 to Chapter XVIII of the Los Angeles Municipal Code (LAMC) requiring a minimum wage for hotel workers, and repeals Article 4 of Chapter X of the Los Angeles Municipal Code.

Background

On June 10, 2014, the City Council's Economic Development Committee requested that the City Attorney prepare and present a hotel living wage ordinance that includes: 1) an effective date of July 1, 2015 for hotels with 300 or more rooms; 2) an effective date of July 1, 2016 for hotels with 125 or more rooms; 3) a hardship exemption for hotels that have financial hardships, including benchmarks for determining what the exemption would be; and 4) a service charge protection clause.

We have prepared the draft ordinance as requested and modeled it on the Airport Hospitality Enhancement Zone (AHEZ), which was adopted by the City Council in 2008. AHEZ applied to hotels in the vicinity of LAX. This ordinance implements a minimum wage to be applied to hotels citywide and, therefore, the draft ordinance repeals AHEZ.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Bureau of Contract Administration and the Office of the Controller with a request that all comments, if any, be presented directly to the City Council when this matter is considered.

California Environmental Quality Act (CEQA)

Based on the information provided, the ordinance is not subject to CEQA because it is not a project as defined under that statute. (Public Resources Code Section 21065; State CEQA Guidelines 15378.) The ordinance is not a project under CEQA because it will not result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

If you have any questions regarding this matter, please contact Deputy City Attorney Basia Jankowski at (213) 978-8136. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

DM:BJ:ac
Transmittal