

For Immediate Release

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Save Our Services West Hollywood Launches First Mailer to Educate West Hollywood Residents About Proposed Hotel Tourism Cap Ordinance
Cites Potential Revenue Loss Up to \$20 Million+, Greater Than City's Entire Social Services Budget

WEST HOLLYWOOD, Calif. (July 8, 2021) – This week, Save Our Services West Hollywood (S.O.S. WeHo) launched their first mailer to West Hollywood residents. The mailer highlights vital services in West Hollywood like public safety, senior services, addiction and recovery, and homeless services. These essential services may be eliminated by a misguided tourism cap being considered by the City Council. The group of concerned West Hollywood residents, workers, and businesses plan to engage in extensive community conversation to halt this ordinance that will harm local businesses, workers, and city services.

“The Council’s proposed ordinance could devastate the services provided to the City, and god forbid negatively impact the social services WeHo relies on,” said Patrick Shandrick, West Hollywood Human Services Commissioner and long-term West Hollywood resident. “The Council majority refuses to study the budget impacts of the proposed ordinance, with huge projected losses for the City on top of the already millions of dollars in deficits during these economic pandemic times. Pre-pandemic, at least the City of Santa Monica, explored the impact a similar ordinance would have on the constituency and economics of that community-- and WeHo should do the same.”

FUNDING FOR ESSENTIAL SERVICES IN WEHO IS UNDER THREAT

Nearly two-thirds of WeHo's city revenue comes directly or indirectly from tourism. Harming these revenues would threaten important local services such as:

- ✗ Support for our seniors
- ✗ Homeless services and programs
- ✗ Investing in economic recovery
- ✗ Rent relief
- ✗ Drug rehabilitation programs & services

A new tourism cap ordinance is being rushed without research by the West Hollywood City Council. It would potentially harm up to \$12 million in revenue that the City counts on for critical services, and unfairly targets women, minority, and LGBTQ+ workers.

TELL THE CITY COUNCIL:
PROTECT. OUR. RESIDENTS.

www.SOSWeHo.org

SAVE OUR SERVICES
Tell our City Council to **PROTECT** funding for our vital services in West Hollywood.

Your Voice Can Stop It.

During the pandemic, hotel tax revenues dropped over 40%, creating a multi-million-dollar deficit for the city government. Specifically, a recent hotel survey found the following potential impacts that will result from the proposed tourism cap impacting not only hotel taxes but also sales tax generated by hotel guests who support local restaurants, bars, and shops:

- Potential losses in Hotel Taxes (T.O.T.): \$9.9 million
- Potential losses in WeHo Tourism Assessments: \$2.4 million
- Potential losses in Sales Tax \$8.2 million
- Potential losses in City tax revenues from the ordinance: \$20.4 million

To put this into context, this rushed proposed ordinance could cost the city up to \$20 million in the first year alone, including sales tax. **That's more than the entire city budget for social services, including all funds put towards Rent Stabilization, homeless services, senior services, H.I.V. prevention, and many others.**

The survey further found that up to \$2.1 million in current overtime paid to housekeepers will be eliminated. Opportunities for gratuities will be cut in half, limiting the opportunity for interested housekeepers to earn more for themselves and their families.

The tourism cap does not provide safety measures for hotel workers because it doesn't add any new protections. Instead, it merely places an arbitrary cap on the amount of work hotel workers can do, reducing capacity and taking hours away from workers. Working families need to be able to work overtime so they can feed their families. This ordinance will result in fewer wages being earned and would hinder the economy in the long run.

Save Our Services West Hollywood is urging the City Council to oppose this misleading hotel tourism cap. Residents, business leaders, and hospitality workers all demand that West Hollywood Save Our Services.

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For more information and to get involved, visit www.SOSWeHo.org.