AGENDA

HOTEL IMPROVEMENT DISTRICT OPERATING COMMITTEE REGULAR MEETING

Melinda Liu
Chairwoman

Marina Dutton
Committee Member

Cory Hilderbrand
Committee Member

Yuni Hunter
Committee Member

Brandon Parole
Committee Member

Steve Torelli
Committee Member

Vacant
Committee Member

September 15, 2026
8:30 AM
Conference & Training Center (CTC)
1 Civic Center Plaza
Irvine, CA 92606

PARTICIPATION VIA ZOOM
MEETING ID: 161 065 1550
PASSCODE: 042584

WEBSITE: zoom.us/join
TELEPHONE: 669-254-5252

To participate virtually, visit *zoom.us/join* using any web browser, or the Zoom app on smartphones or tablets, and enter the Meeting ID and Passcode noted above. To participate by telephone, dial one of the numbers listed above and enter the same Meeting ID and Passcode. For technical assistance before or during the meeting, call 949-724-6078.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

INTRODUCTIONS

PRESENTATIONS

1. Community and Library Services Athletic Facility Booking Process

2. Sales and Marketing Update

DIRECTOR'S REPORT

ANNOUNCEMENTS/COMMITTEE REPORTS

Announcements and Committee Reports are for the purpose of presenting brief comments or reports, are subject to California Government Code Section 54954.2 of the Brown Act and are limited to 21 minutes per meeting, 3 minutes per member of the Hotel Improvement District Operating Committee. In addition, the Chair shall receive any necessary additional time to deliver announcements of community events and opportunities.

ADDITIONS, DELETIONS, AND REORDERING

Additions to the agenda are limited by California Government Code Section 54954.2 of the Brown Act and for those items that arise after the posting of the Agenda and must be acted upon prior to the next Commission meeting.

PUBLIC COMMENTS - NON-AGENDIZED ITEMS

Any member of the public may address the Hotel Improvement District Operating Committee on items within the Committee's subject matter jurisdiction, but which are not listed on this agenda. If 20 or fewer requests to provide public comments are submitted, each speaker shall be limited to three minutes. If between 21 and 30 speakers submit public comments, each speaker shall be limited to two minutes. If more than 30 speakers submit public comments, each speaker shall be limited to 90 seconds. The time limit per speaker shall be established based on the number of requests to speak submitted to the Recording Secretary before the first speaker is called. Requests to speak submitted after the first speaker is called shall receive 90 seconds. These time limits may be shortened or extended, or a cumulative limit on the time for all public speakers may be imposed, at the discretion of the Chair or by a majority vote of the Committee.

COMMITTEE BUSINESS ITEMS

Public comments on Committee Business Items will be heard at the time the matters are considered. If 10 or fewer requests to speak are submitted, each speaker shall be limited to three (3) minutes per item. If between 11 and 15 speakers submit requests to speak, each speaker shall be limited to two (2) minutes per item. If 16 or more requests to speak are submitted, each speaker shall be limited to 90 seconds per item. The time limit per speaker shall be established based on the number of requests to speak submitted to the Recording Secretary before the first speaker is called. Requests to speak submitted after the first speaker is called shall receive 90 seconds. These time limits may be shortened or extended, or a cumulative limit on the time for all public speakers may be imposed, at the discretion of the Chair or by a majority vote of the Committee.

3. TOURISM READINESS AND COMPETITIVENESS ASSESSMENT

RECOMMENDED ACTION:
Recommend that the City Council direct staff to incorporate the Tourism Readiness and Competitiveness Assessment findings, as appropriate, to inform future tourism and economic development strategic planning.

4. HOTEL IMPROVEMENT DISTRICT CITY DIRECTED FUNDING FOR CULTURAL PROGRAMS

RECOMMENDED ACTION:
Receive and file.

5. FISCAL YEAR 2026–27 HID DIRECTED FUNDING EXPENDITURE PLAN

RECOMMENDED ACTION:
Approve the Fiscal Year 2026–27 HID Directed Funding Expenditure Plan for destination promotion activities.

6. MINUTES

RECOMMENDED ACTION:
Approve the minutes of a regular meeting of the Hotel Improvement District Operating Committee held on July 21, 2026.

ADJOURNMENT

NOTICE TO THE PUBLIC

PARTICIPATION AT HOTEL IMPROVEMENT DISTRICT OPERATING COMMITTEE MEETINGS

Meetings are broadcast live on ICTV, Cox Communications Local Access Channel 30, and AT&T U-Verse Channel 99. You may submit comments on any agenda item or on any item not on the agenda, in writing via mail to: “Attn: Hotel Improvement District Operating Committee,” 1 Civic Center Plaza, Irvine, CA 92606; or by email to *erlozada@cityofirvine.org*. Comments submitted at least two hours prior to the commencement of the meeting will be distributed to the Committee at the meeting. You may also provide live comments via “Zoom.” For more information, visit *cityofirvine.gov/hid* .

REQUEST TO SPEAK IN PERSON: If you would like to address the Committee on a scheduled agenda item or non-agenda item, please register by completing a Request to Speak Form available with the Recording Secretary. Request to Speak Forms shall be made available to submit comment requests no earlier than one hour prior to a Committee meeting. If a meeting of another legislative body precedes a Committee meeting, Request to Speak Forms will be made available to submit comment requests as soon possible following adjournment of the legislative meeting preceding the Committee meeting. Comment requests may not be submitted on behalf of other individuals.

We respectfully ask that you identify on the form your name and the item(s) on which you would like to speak. The Request to Speak Form assists the Chair in ensuring that all persons wishing to address the Committee are recognized. It also ensures the accurate identification of meeting participants in the Committee minutes. Your name will be called at the time public comments are heard by the Committee. City policy is to limit public testimony to up to three minutes per speaker depending on relevant circumstances, which includes the presentation of electronic or audio/visual information. Speakers may not yield their time to other persons.

Please take notice that the order of scheduled agenda items and/or the time they are actually heard, considered, and decided may be modified by the Chair or the Committee during the course of the meeting, so please stay alert.

PLEASE NOTE: The Committee is making every effort to follow the spirit and intent of the Brown Act and other applicable laws regulating the conduct of public meetings, in order to maximize transparency and public access. For questions or assistance, please contact the City Manager's Office at 949-724-6691, or via email at *erlozada@cityofirvine.org*. It would be appreciated if written communications of public comments related to items on the agenda, or items not on the agenda, are provided prior to the commencement of the meeting.

ADJOURNMENT

At 10 a.m., the Committee will determine which of the remaining agenda items can be considered and acted upon prior to 10:30 a.m. and will continue all other items for which additional time is required until a future Committee meeting. All meetings are scheduled to terminate at 10:30 a.m.

STAFF REPORTS

As a general rule, staff reports or other written documentation have been prepared or organized with respect to each item of business listed on the agenda. Copies of these materials are on file with the Recording Secretary and are available for public inspection and copying once the agenda is publicly posted, (at least 7 days prior to a regular Committee meeting). Staff reports can also be downloaded from the City's website at *cityofirvine.gov/hid* at least 7 days prior to the scheduled Committee meeting.

If you have any questions regarding any item of business on the agenda for this meeting, or any of the staff reports or other documentation relating to any agenda item, please contact Committee staff at 949-724-6691.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the Committee regarding any item on this agenda after the posting of the agenda will be available for public review in the City Manager's Office, 1 Civic Center Plaza, Irvine, California, during normal business hours. In addition, such writings or documents will be made available for public review on the City's website and at the respective public meeting.

SUBMITTAL OF INFORMATION BY MEMBERS OF THE PUBLIC FOR DISSEMINATION OR PRESENTATION AT PUBLIC MEETINGS

Written Materials/Handouts

Any member of the public who desires to submit documentation in hard copy form may do so prior to the meeting or at the time he/she addresses the Committee. Please provide 15 copies of the information to be submitted and file with the Recording Secretary at the time of arrival to the meeting. This information will be disseminated to the Committee at the time testimony is given.

CITY SERVICES TO FACILITATE ACCESS TO PUBLIC MEETINGS

As required by the Americans with Disabilities Act (ADA), requests for agenda information to be made available in alternative formats and any requests for disability-related accommodations to facilitate meeting attendance or participation may be made by contacting the City Manager's Department at 949-724-6691. Notification three (3) business days prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting. Additionally, assisted listening devices are available at the meeting (28 CFR 35. 102-35. 104 ADA Title II).

COMMUNICATION AND ELECTRONIC DEVICES

To minimize distractions, please be sure all personal communication and electronic devices are turned off or on silent mode.

MEETING SCHEDULE

Regular meetings of the Hotel Improvement District Operating Committee are held bi-monthly on the third Tuesday of each month at 8:30 a.m. Agendas are available at the following locations:

- City Clerk's Office
- Irvine Police Department
- Main Entrance of City Hall
- Lakeview Senior Center, 20 Lake Rd
- Northwood Community Center, 4521 Bryan Ave
- Rancho Senior Center, 3 Ethel Coplen Way
- William Woollett Jr. Aquatics Center, 4601 Walnut Ave
- City's web page at *cityofirvine.gov*

I hereby certify that the agenda for the Hotel Improvement District Operating Committee meeting was posted in accordance with law at the main entrance of City Hall, 1 Civic Center Plaza, Irvine, California on September 8, 2026 by 7:30 p.m. as well as on the City's webpage.

Signed: /s/ Ericka Lozada
Recording Secretary

THERE IS NO STAFF REPORT FOR THIS ITEM

ORAL PRESENTATION

THERE IS NO STAFF REPORT FOR THIS ITEM

ORAL PRESENTATION

REQUEST FOR HOTEL IMPROVEMENT DISTRICT OPERATING COMMITTEE ACTION

MEETING DATE: SEPTEMBER 15, 2026

TITLE: TOURISM READINESS AND COMPETITIVENESS ASSESSMENT

Karin Koch

Director of Economic Development

RECOMMENDED ACTION

Recommend that the City Council direct staff to incorporate the Tourism Readiness and Competitiveness Assessment findings, as appropriate, to inform future tourism and economic development strategic planning.

EXECUTIVE SUMMARY

On June 23, 2026, the City Council directed staff to work with University of California, Irvine, Paul Merage Business School (UCI), to conduct an economic study on Irvine's tourism preparedness and competitiveness and coordinate with Orange County Business Council (OCBC), the Greater Irvine Chamber (Chamber), and Orange County Hotel & Lodging Association (OCHLA) to gather data including wage data. The City Council authorized an expenditure up to $100,000.

Based on the applicable bidding threshold, staff conducted an informal competitive bid process and selected Hunden Partners, a firm with specialized expertise in tourism market analysis, destination competitiveness, and hospitality workforce research, to prepare the Tourism Readiness and Competitiveness Assessment and Tourism Sector Wage Assessment. Hunden Partners and staff worked with UCI, OCBC, the Chamber, OCHLA, hotel operators, and other community and tourism stakeholders throughout the study process. The assessment provides a data-informed overview of Irvine's visitor economy, hotel market, tourism assets, workforce conditions, wage trends, and competitive position.

The assessment identifies several tourism assets and demand generators in Irvine, including its corporate base, UCI, the Great Park, sports facilities, dining, retail, outdoor amenities, and proximity to John Wayne Airport. It also identifies opportunities to increase overnight stays, strengthen weekend and off-peak demand, improve coordination among City departments and tourism partners, and evaluate destination-serving investments over time. The report also presents local and comparative wage data, workforce characteristics, and case-study information.

ANALYSIS

Background

On March 24, 2026, the City Council directed staff to explore a comprehensive Tourism Readiness and Competitiveness Assessment in collaboration with UCI. The assessment was intended to evaluate Irvine's infrastructure, transportation, workforce readiness, marketing, hospitality capacity, economic opportunities, and potential quality-of-life impacts associated with increased visitation; incorporate relevant regional industry data; and identify anticipated tax and business revenue benefits. The City Council also directed staff to return within 90 days with a proposed scope of work, timeline, and funding source.

Staff subsequently engaged with UCI, which expressed interest in participating as a community partner, but not in a position to lead the assessment. Staff also evaluated consultant-led approaches and developed a focused scope of work to efficiently address the City Council's direction.

At its June 23, 2026, meeting, the City Council considered staff's recommendation to issue a request for proposals and appropriate Hotel Improvement District funds for a Tourism Readiness and Competitiveness Assessment. Following discussion of the assessment's funding, scope, timing in relation to upcoming major regional events, the City Council directed staff to coordinate with OCBC, the Chamber, and OCHLA to gather tourism-related data, including wage data. The City Council also directed staff to work with the UCI Paul Merage School of Business to conduct an economic study of Irvine's tourism preparedness and competitiveness, with a cost not to exceed $100,000.

Tourism Readiness and Competitive Assessment

<u>Study Process</u>

On July 15, 2026, the City entered into a contract with Hunden Partners, a consulting firm with experience in destination development, tourism economics, hotel market analysis, and workforce research, to work with UCI, OCBC, the Chamber, and OCHLA to complete the assessment.

The study included four primary components:

1. Stakeholder engagement with hotel and hospitality representatives, business organizations, tourism stakeholders, community partners, and City staff
2. Tourism market research examining visitor demand, hotel supply and performance, visitor origins, visitor spending, overnight stay patterns, and competition from surrounding destinations
3. Wage and workforce research examining tourism-supported employment, hospitality occupation wages, commuting patterns, labor-market conditions, and provide available relevant wage-policy case studies
4. Identification of implications and potential next steps related to tourism development, destination competitiveness, visitor demand, and workforce opportunities

<u>Tourism Market Findings</u>

The assessment identifies Irvine as a significant business, education, sports, and visitor destination within Orange County. Major sources of visitor demand include corporate travel and meetings, youth and amateur sports, UCI-related visitation, regional events, retail and dining activity, and family-oriented recreation.

In 2025, Irvine received approximately 3.7 million visitor trips from persons traveling more than 50 miles. While visitation has substantially recovered from the pandemic-related decline, annual trips remain below the approximately 4.1 million trips recorded in 2019. The assessment estimates that visitors generated approximately 4.5 million visit-nights in Irvine in 2025, with 94.9% of potential overnight demand captured within the City.

The assessment estimates that approximately 5.1% of potential visit-nights, or approximately 244,000 room-nights, were lost to other destinations. Hotel leakage, defined as overnight stays associated with Irvine activity that occurred at hotels outside the City, was primarily concentrated in Costa Mesa, Newport Beach, Santa Ana, and Lake Forest. This represents an opportunity for Irvine to further strengthen its overnight visitor experience, hotel room-block coordination, event packaging, and destination marketing.

Irvine’s hotel market includes 23 properties and approximately 5,000 rooms. Hotel occupancy increased to 72% in 2025, although the market has not fully returned to its 2019 occupancy level. The assessment finds that corporate travel is the strongest source of weekday demand, while sports, leisure, and event activity supports weekends and summer periods. November through January represent a comparatively softer demand period.

The Great Park is identified as a major existing and future tourism asset. Its sports facilities, events, concerts, and planned amenities have the potential to strengthen regional visitation. The assessment notes that coordinated tournament recruitment, hotel room-block strategies, multi-day visitor packages, and event scheduling may help increase overnight stays associated with sports and entertainment activity.

The assessment identifies several potential areas for future consideration:

- Strengthen sports tourism activation by recruiting regional and national tournaments that generate overnight stays, coordinating hotel room blocks, and packaging visitor experiences.
- Leverage the Great Park’s existing and planned entertainment, sports, and event assets to expand weekend and seasonal demand.
- Evaluate opportunities to increase group and meeting business, including the long-term feasibility of appropriately scaled conference or meeting facilities that align with Irvine’s corporate, research, university, and hotel market.
- Assess market support for additional lodging product, including lifestyle or luxury hotel opportunities and value-oriented accommodations that may serve sports, group, and per-diem travelers.

- Improve collaboration among the City, UCI, hotels, business organizations, event organizers, and destination partners to measure visitor activity and convert visitation into overnight stays and local spending.
- Prioritize visitor experiences and programming during softer periods, particularly November through January, to help balance seasonal hotel demand.

These findings are intended to inform future planning and do not authorize a specific capital project or tourism program.

Wage and Workforce Findings

Available tourism-related wage and workforce data complied in the report shows Irvine’s tourism wages pay modestly more than Orange County and the United States, while remaining slightly below California levels. For selected tourism-related occupations including hotel desk clerks, housekeeping cleaners, restaurant cooks, maintenance and repair workers, the study reports the following key metrics:

Metric	Irvine	Orange County	California	U.S.
Jobs in Selected SOCs	18,902	176,701	1,653,615	13,642,065
Average Hourly Wage	$22.40	$21.67	$23.23	$20.49
25th Percentile Wage	$18.79	$18.36	$19.08	$16.39
Median Wage	$21.10	$20.34	$21.85	$19.22
75th Percentile Wage	$24.49	$23.54	$25.26	$23.32
Median Annual Earnings	$43,882	$42,300	$45,442	$39,976

The study further reports a median advertised wage of $20.43 per hour for selected tourism-related job postings in Irvine.

The assessment finds that 2025 accommodation and food-service employment levels in Irvine were approximately 5.8% below the levels seen in 2019. Irvine draws workers from throughout the region, with only about 11.5% of private-sector workers employed in Irvine residing in the City. Santa Ana represents the largest external worker origin, accounting for 5.3% of workers. This regional commuting pattern underscores the importance of transportation access, competitive compensation, scheduling, benefits, career advancement, and workforce development partnerships.

An estimated 7,238 Irvine jobs are supported by visitor demand, with approximately 71% concentrated in food service, lodging, and travel-related services.

The study further reports a median advertised wage of $20.43 per hour for selected tourism-related job postings in Irvine.

The assessment’s San Diego case study reported stakeholder input that tipped hotel workers, including servers, bartenders, banquet staff, bell staff, and shuttle drivers, often earned between $30 and $60 per hour or more when gratuities were included. California law does not permit tips to be counted toward the required minimum wage.

The assessment notes that tourism and hospitality employers face continuing recruitment and retention challenges. Stakeholder input identified wages, benefits, scheduling, workplace conditions, seasonal staffing patterns, and competition from employers across the region as factors influencing workforce availability and retention. The study also identifies opportunities to work with UCI and other education and workforce partners to support training, career pathways, supervisory development, and employee advancement.

The assessment identified hotel wage-policy studies from Anaheim, San Diego, Los Angeles, and other jurisdictions as analogs, providing comparative context on potential effects on workers, hotel operations, visitor demand, investment, and tax revenue. The case studies were provided solely for informational and comparative purposes, presenting available studies' findings, methods, funding sources, and limitations.

Next Steps

The assessment provides a foundation for future tourism and economic development priorities by documenting current market conditions, workforce characteristics, stakeholder perspectives, and comparative case study information. Staff recommends City Council to direct staff to incorporate the Tourism Readiness and Competitiveness Assessment findings, as appropriate, to inform future tourism and economic development strategic planning.

ALTERNATIVES CONSIDERED

The Committee can recommend to modify the staff recommendation regarding the use of the assessment in future tourism and economic development planning or provide alternative direction regarding tourism readiness.

FINANCIAL IMPACT

There is no direct fiscal impact associated with the recommended action. Any future fiscal impacts associated with implementation of the assessment findings would be evaluated as part of future City Council actions.

REPORT PREPARED BY Charles Behnke, HID Sales Manager

ATTACHMENT The City of Irvine Tourism Readiness & Competitive Assessment

THE CITY OF IRVINE

Tourism Readiness & Competitive Assessment

September 2026

hunden partners 20 YEARS

CITY OF IRVINE 1971

ATTACHMENT

Contents

Situational Overview

Situational Overview

The City of Irvine (City) engaged Hunden Partners (Hunden) to prepare a Tourism Competitiveness and Readiness Assessment to evaluate the City's tourism market position, quantify the economic impact of tourism, and assess how hospitality wages and workforce dynamics affect the industry. The Study draws on existing tourism, hospitality, and economic data, prior reports, input from City leadership, hospitality operators, and community stakeholders, as well as additional market research conducted by Hunden. Together, these efforts provide the City with an objective foundation to inform future policy and destination planning decisions.

The Study identifies key opportunities to strengthen Irvine's competitiveness as a destination and provides data on the workforce landscape within the hospitality industry. Beyond its immediate findings, the Study establishes a foundation for a broader destination planning process that can guide long-term tourism development and enhance Irvine's position within the regional and national tourism markets.

THE RESEARCH WAS CONDUCTED IN THREE PHASES:

1. Stakeholder Engagement
2. Market Research & Tourism Assessment
3. Case Studies & Benchmarking

Why We're Here

The purpose of this study is to identify opportunities to strengthen the visitor economy and separately evaluate tourism workforce and wage conditions. The study will clarify who visits Irvine, how the City competes within Orange County, where demand may be leaking, and how potential hotel-wage policies could affect workers, hotel operations, investment, competitiveness, and City revenues.

TOURISM MARKET

DEFINE CURRENT CONDITIONS

Assess Irvine's visitor profile, tourism assets, demand drivers, hotel performance, visitation trends, and economic contribution. Benchmarking against nearby destinations will identify the City's strengths, weaknesses, and competitive position.

WORKFORCE & WAGES

EVALUATE OUTCOMES

Analyze tourism employment, wages, commuting patterns, and workforce challenges. Research and case studies will evaluate potential hotel-wage policy implications for workers, hotel operations, investment, development feasibility, competitiveness, and City revenues.

STRATEGIC DIRECTION

IDENTIFY OPPORTUNITIES

Synthesize the tourism and wage findings to identify opportunities that strengthen overnight demand, visitor spending, workforce outcomes, and long-term competitiveness. Implications will address tourism products, the Great Park, marketing, partnerships, governance, funding, and future analysis.

Stakeholder Engagement Summary

Hunden engaged a diverse cross-section of Irvine's tourism stakeholders to inform the findings of this Study.

Stakeholder Engagement Snapshot

City of Irvine 1971

Greater Irvine Chamber

Orange County Business Council

The University of California Irvine · Let There Be Light

Hyatt Regency

R.D. Olson Development

Wild Rivers

Irvine Surprisingly SoCal

the Barclay Irvine Barclay Theatre Cheng Hall

Orange County Hotel & Lodging Association

Key Themes from Engagement

NO DEMAND ANCHOR

Unlike Anaheim's Disneyland or Orange County's beach communities, Irvine lacks a signature attraction. Hotel demand relies heavily on weekday corporate travel, leaving occupancy weaker on weekends and holidays.

LEAKAGE TO NEIGHBORS

Sports tournaments, conventions, and price-sensitive travelers increasingly choose Lake Forest and Costa Mesa. Stakeholders cite parking costs, hotel rates, and proximity to venues as key factors.

DAY TRIPS, NOT ROOM NIGHTS

Great Park continues to attract strong local and regional visitation, but stakeholders agree it generates limited overnight demand. Future development is expected to expand programming and potentially increase overnight visitation.

EVENTS DRIVE VISITATION

Great Park is one of Irvine's strongest visitation drivers, but attendees to concerts, tournaments, and festivals overwhelmingly arrive and depart the same day rather than staying overnight.

WAGES SHIFT DEMAND

Hoteliers and business leaders warn a wage increase would not simply compress margins. It could shift cost-sensitive visitors, particularly corporate groups and sports travelers, to lower-cost neighboring cities.

LOS ANGELES PRECEDENT

Stakeholders frequently cited Los Angeles's wage ordinance as a precedent, pointing to workforce reductions and valet parking rates that more than doubled as operators absorbed higher labor costs.

TOT REVENUE AT RISK

Even modest declines in hotel occupancy would reduce transient occupancy tax (TOT) revenue, with ripple effects on restaurants and other visitor-serving businesses.

TIGHT LABOR MARKET

The hotel labor market is highly competitive. Employers report that open positions, particularly in housekeeping, can be difficult to fill, requiring competitive pay and a strong workplace environment to attract and retain staff.

Tourism Market Assessment

Irvine Tourism Profile

Irvine, CA: Destination Snapshot

LOCATION & IDENTITY

- One of the nation's largest master-planned communities, combining major employment centers, residential villages, parks, and open space
- Home to UC Irvine and major business and innovation clusters, supporting a strong corporate and professional identity

COMMUNITY AT A GLANCE

- Population: 325,327
- Households: 118,969
- Median Household Income: $140,695
- Median Age: 35.2
- Average Household Size: 2.59
- Daytime Population: Approximately 436,000
- Unemployment Rate: 4.2%

TOURISM & VISITOR APPEAL

- Destination for corporate groups, sports events, and leisure travelers, supported by a diverse hotel and meeting market
- Offers a mix of shopping, outdoor recreation, sports, dining, arts, and family attractions
- Key Draws: Great Park, Irvine Spectrum Center, UC Irvine, trails, golf, global dining, and nearby Orange County attractions

ACCESS & REGIONAL REACH

- Direct access via I-5 and I-405, with connections to major Orange County highways
- John Wayne Airport (SNA) is less than five minutes from the majority of Irvine hotels
- 45 miles from Los Angeles and 90 miles from San Diego
- City center is approximately 7 miles from the Pacific Ocean
- Amtrak and Metrolink service available through the Irvine Transportation Center

Sources: Esri Business Analyst, 2026; U.S. Census Bureau, 2020 Decennial Census; Destination Irvine; City of Irvine.

Irvine's Visitor Profile

Stakeholder interviews identified three primary sources of visitor demand to Irvine: **corporate & business travel, youth and amateur sports, and university-related travel**

BUSINESS TRAVEL

Irvine's concentration of corporate employers **generates business travel, meetings, and weekday lodging demand**. Major companies headquartered or operating in the city include Blizzard Entertainment, Rivian Automotive, Edwards Lifesciences, Mazda, and Taco Bell. Stakeholder interviews identified **business travel as a primary driver of hotel demand**, particularly during the middle of the week.

YOUTH SPORTS

Great Park and other Irvine sports facilities host local, regional, and national competitions across soccer, baseball, softball, ice sports, aquatics, and concerts. These events attract **more than 1.5 million visitors annually***, including athletes, families, and event organizers. However, the share of attendees generating overnight stays in Irvine has not been quantified.

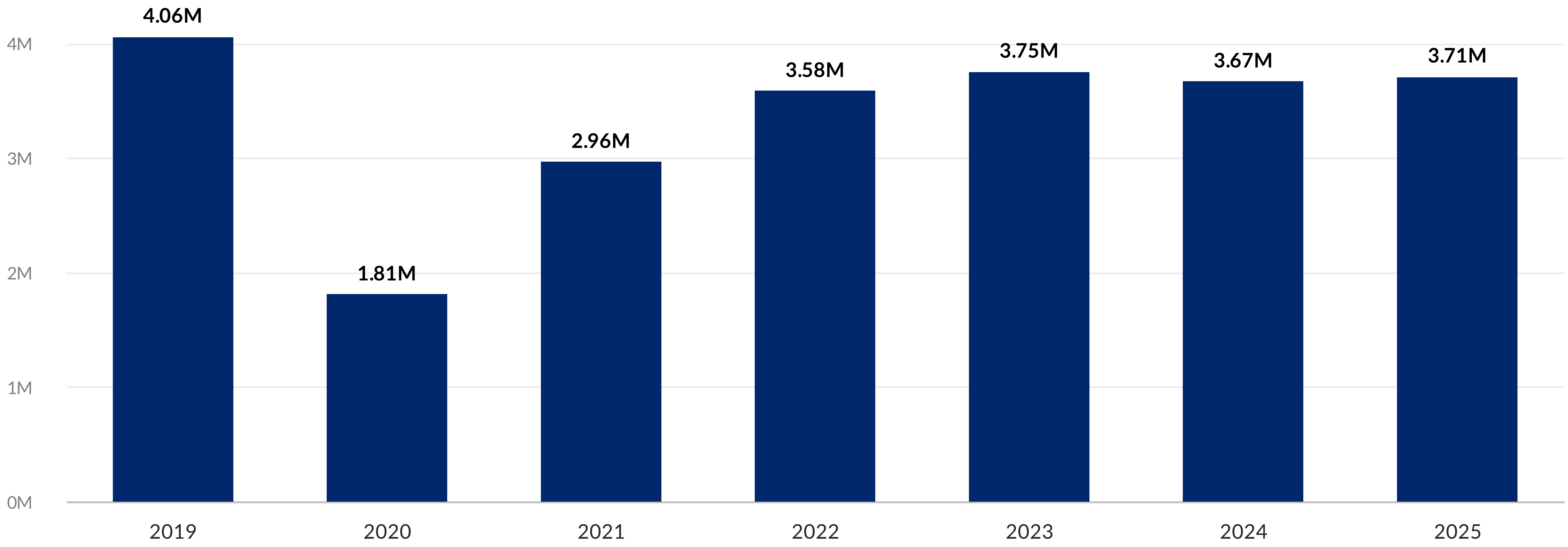
UNIVERSITY TRAVEL

With approximately 37,000 students, **UC Irvine generates significant visitation** through university events, athletics, conferences, move-in periods, graduations, and prospective student visits. The extent to which this activity translates into Irvine hotel room nights has not been quantified.

Sources: City of Irvine Great Park Master Tournament Calendar, client provided.
**Reflects the Great Park Sports Complex only and excludes Great Park Live, Wild Rivers, and other district venues.*

Irvine Visitor Volume - Recovery & Trend

Irvine's visitor trips fell 55% in 2020, then more than doubled off the trough to 3.75M by 2023. Recovery has since plateaued: 2023–2025 held in a narrow band, leaving 2025 (3.71M) still about 9% below the 2019 peak of 4.06M, based on visitors whose home location is 50+ miles from Irvine.



Source: Placer.ai total trips (trend), home distance 50+ miles, 2019–2025 full year.

Irvine Visitor Origins - Top 10 Markets

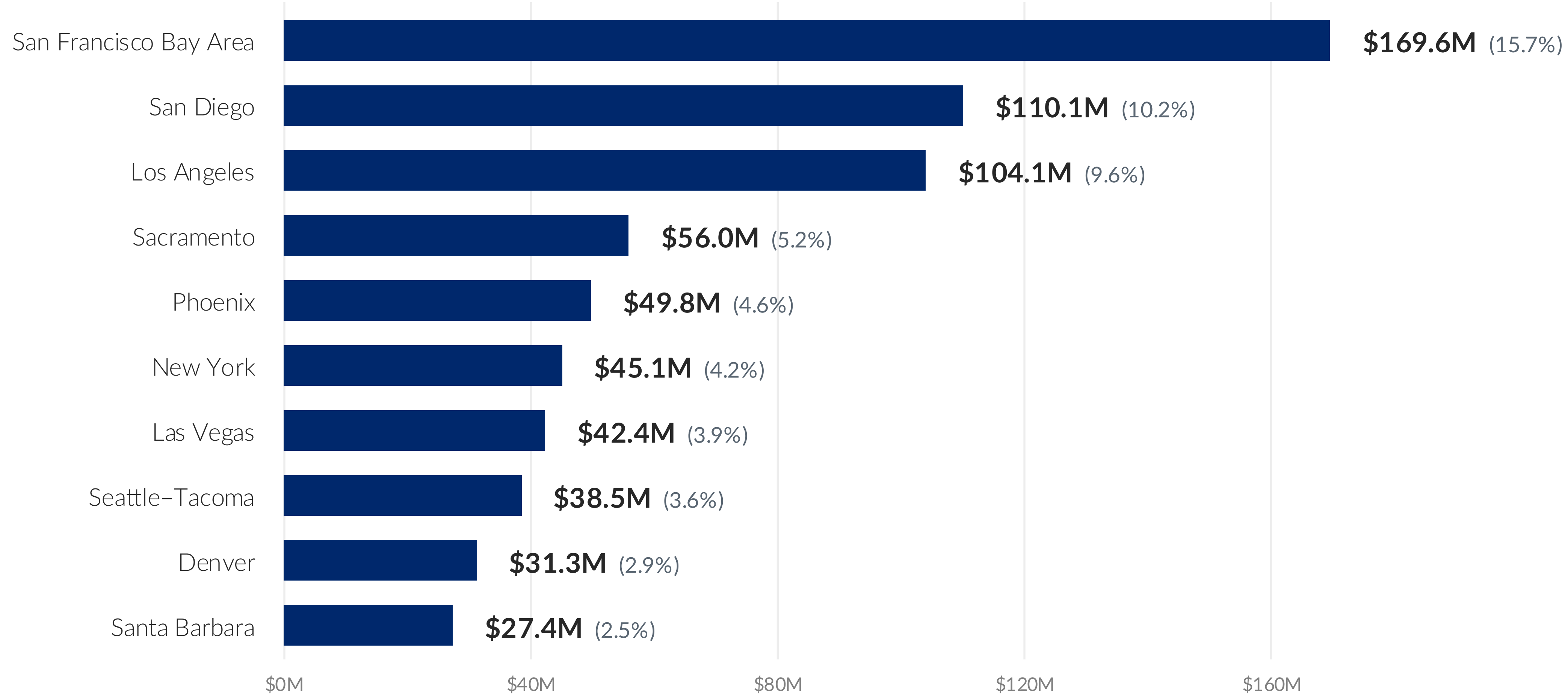
The Bay Area stands out as Irvine's highest-value major visitor market, generating $169.6 million in spending in 2025, 63 percent more than Los Angeles despite fewer trips. Bay Area visitors also account for nearly 899,000 visit nights and spend, on average, $305 per trip, while New York visitors post the highest spend per trip at $404 and the longest average stay at 2.6 nights.

Origin (DMA)	Trips	Avg Monthly Visitors	Visit Nights	Avg Duration	Total Spend	Avg Spend / Trip
Los Angeles, CA	608,929	33,141	372,157	1.9 nights	$104.1M	$171
San Diego, CA	577,133	32,236	407,274	1.9 nights	$110.1M	$191
San Francisco–Oakland–San Jose, CA	556,965	40,718	898,756	2.3 nights	$169.6M	$305
Sacramento–Stockton–Modesto, CA	159,811	12,307	227,818	2.1 nights	$56.0M	$350
Phoenix, AZ	153,388	11,377	191,177	1.9 nights	$49.8M	$325
Las Vegas, NV	117,858	8,494	136,843	1.7 nights	$42.4M	$360
New York, NY	111,807	7,981	202,594	2.6 nights	$45.1M	$404
Seattle–Tacoma, WA	111,182	8,001	152,854	2.1 nights	$38.5M	$346
Santa Barbara–Santa Maria–SLO, CA	68,604	4,973	86,992	1.9 nights	$27.4M	$400
Chicago, IL	68,285	5,089	106,481	2.2 nights	$24.2M	$355

Source: Placer.ai visitor origins (DMA), home distance 50+ miles, 2025

Irvine Visitor Spending by Origin Market

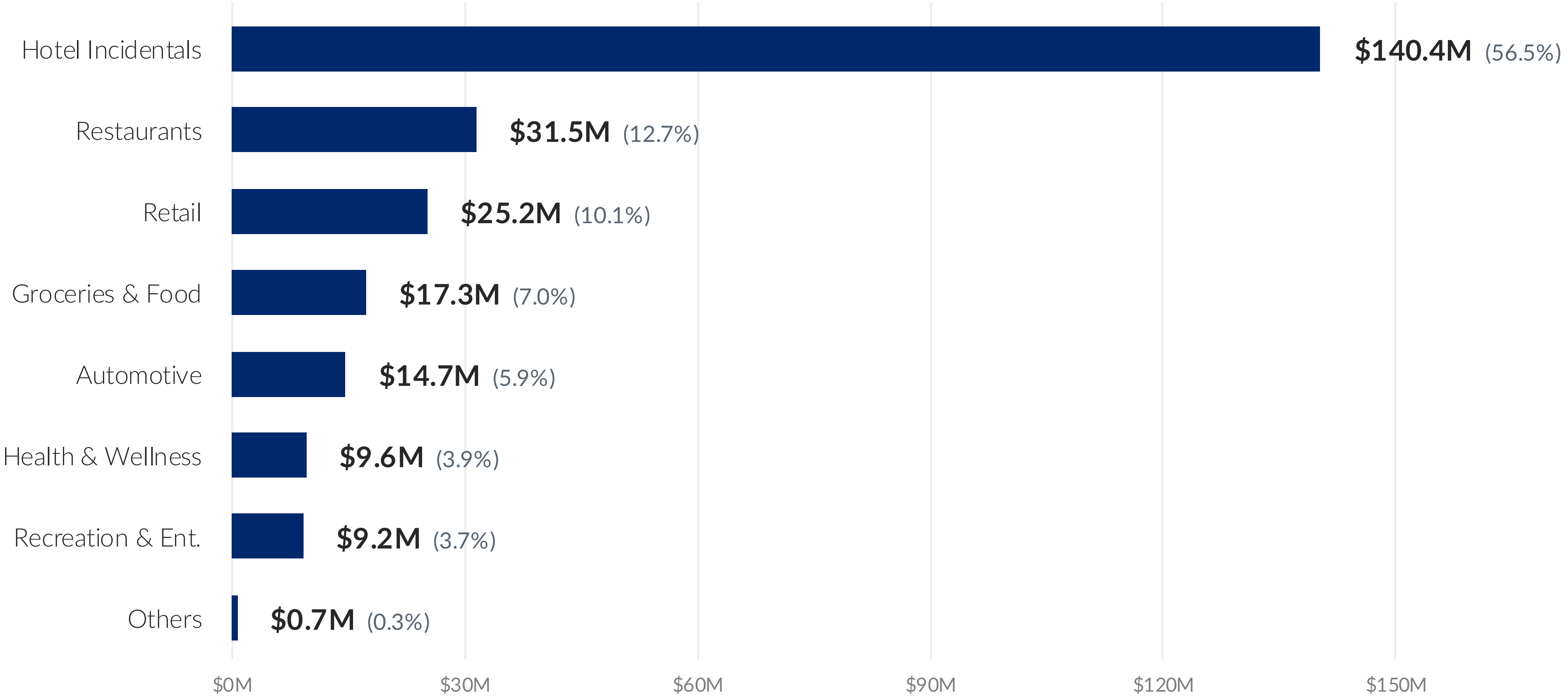
In 2025, the San Francisco Bay Area was Irvine's largest single source of visitor spending, $169.6M, or 15.7% of the total, ahead of San Diego and Los Angeles despite generating fewer trips, driven by longer stays and higher spend per trip.



Source: Placer.ai visitor origins (DMA), total visitor spend, home distance 50+ miles, 2025

Irvine Visitor Spending by Category

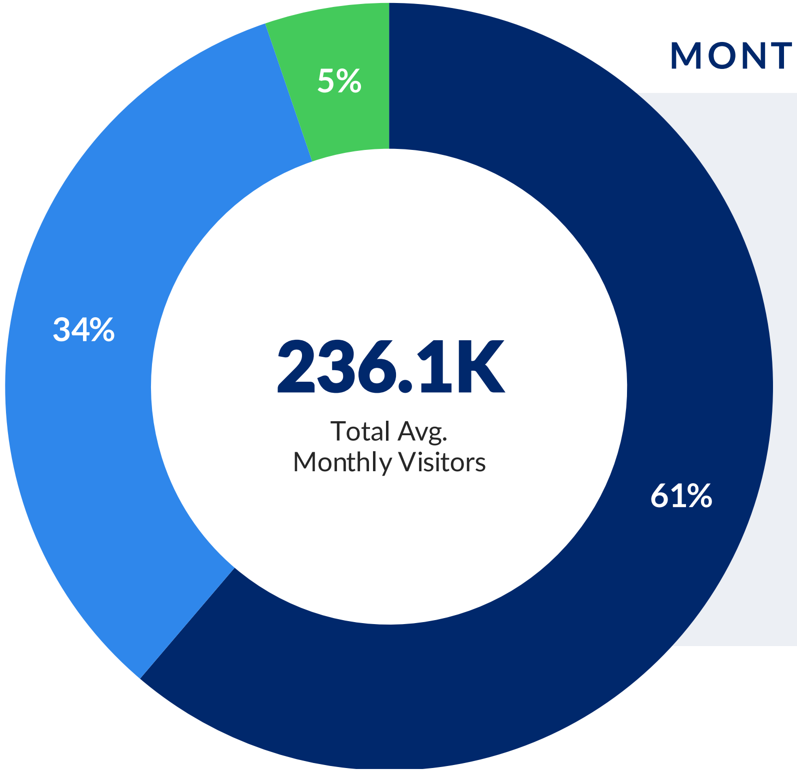
Lodging alone generates more visitor spending than every other category combined, $140.4 million versus $108.2 million, **showing how heavily Irvine's visitor economy is tied to hotel activity.**



Source: Placer.ai category analysis (visitor spend), home distance 50+ miles, 2025

Irvine Visitor Mix

About 236,000 people visit Irvine each month from 50+ miles away. Six out of ten stay overnight in the city, roughly a third are day-trippers, and only about 5 percent stay overnight in another market instead.



MONTHLY VISITORS BY TYPE

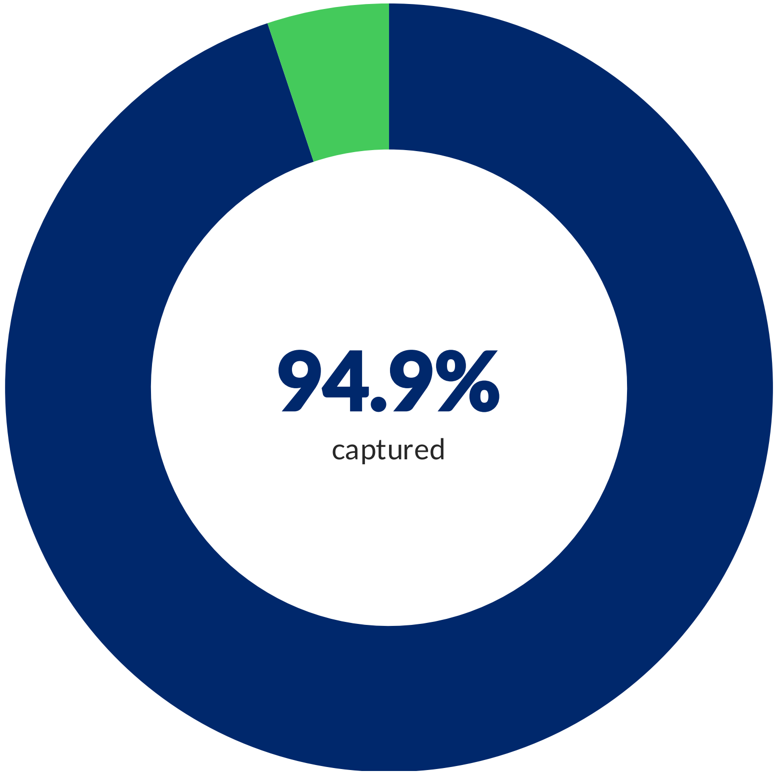
Overnight — stayed in market	Booked a room night in Irvine	144.5K	61.2%
Day visitors — no overnight	Visited and left the same day	79.2K	33.5%
Day visitors — overnight elsewhere	"Leaked" — stayed overnight in another market	12.3K	5.2%

Source: Placer.ai visitor distribution, home distance 50+ miles, 2025

Visit-Nights Capture & Revenue Impact

Irvine captures 94.9 percent of the overnight demand it generates. The 5.1 percent that leaks, roughly 244,000 room-nights, represents a minimum of $13.6M in visitor spending lost to nearby markets.

VISIT-NIGHTS CAPTURED



Of 4,760,175 potential visit-nights:

Captured in market	4.5M	94.9%
Leaked to other markets	244K	5.1%

MINIMUM ESTIMATED REVENUE LOSS

244,045 leaked room-nights ×
$56 minimum spend per night

$13.6M

Source: Placer.ai visitor distribution & estimated revenue impact, home distance 50+ miles, 2025

Top Leakage Destinations

The visitor-nights Irvine does lose flow overwhelmingly to adjacent Orange County cities. Costa Mesa, Newport Beach, Santa Ana, and Lake Forest together account for nearly half of all leakage.

Rank	Destination City	State	Leakage Nights	YoY	% of Total
1	Costa Mesa	CA	31.6K	▲ 1.9%	14.5%
2	Newport Beach	CA	29.9K	▼ 12.4%	13.8%
3	Santa Ana	CA	23.0K	▼ 14.8%	10.6%
4	Lake Forest	CA	21.3K	▲ 24.9%	9.8%
5	Anaheim	CA	15.5K	▲ 14.4%	7.1%
6	Los Angeles	CA	6.6K	▼ 4.0%	3.0%
7	Tustin	CA	6.3K	▲ 19.2%	2.9%
8	Mission Viejo	CA	4.9K	▼ 12.8%	2.3%
9	Orange	CA	4.7K	▼ 18.0%	2.2%
10	Huntington Beach	CA	4.0K	▼ 39.6%	1.8%

Source: Placer.ai top leakage destinations (leakage nights), home distance 50+ miles, 2025

Irvine’s Position Among California Destinations

Irvine's 3.8 million annual trips place it firmly within California's top 10 destinations, though its visitation scale is closer to Long Beach and Bakersfield than to the state's major tourism hubs. Note: this ranking reflects all trips, not the 50+ mile visitor definition used elsewhere in this section.

TOP 10 CALIFORNIA CITIES BY TOTAL TRIPS (2025)

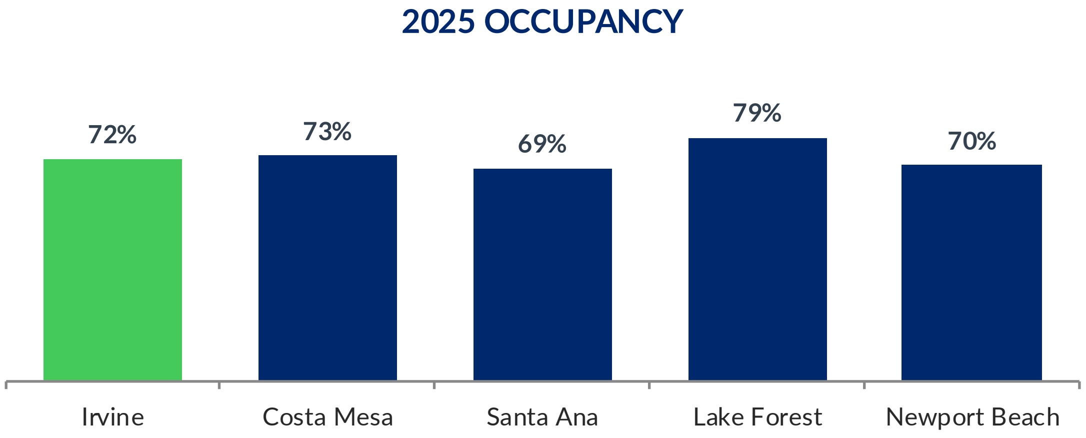
Rank	Destination	Trips	Visitors (Avg. Monthly)	Visit Nights	Avg Nights / Trip
1	Los Angeles	30.1M	2.1M	34.3M	2.1
2	San Diego	27.0M	2.0M	41.4M	2.4
3	Anaheim	14.5M	1.2M	18.3M	2.2
4	San Francisco	11.1M	842.7K	13.2M	2.1
5	San Jose	9.2M	591.9K	10.6M	2.2
6	Sacramento	6.6M	460.3K	7.1M	1.8
7	Fresno	4.4M	300.3K	5.6M	2.1
8	Long Beach	4.1M	299.8K	4.8M	2.0
9	Bakersfield	4.0M	274.7K	5.5M	2.1
10	**Irvine**	**3.8M**	**257.4K**	**4.5M**	**2.1**

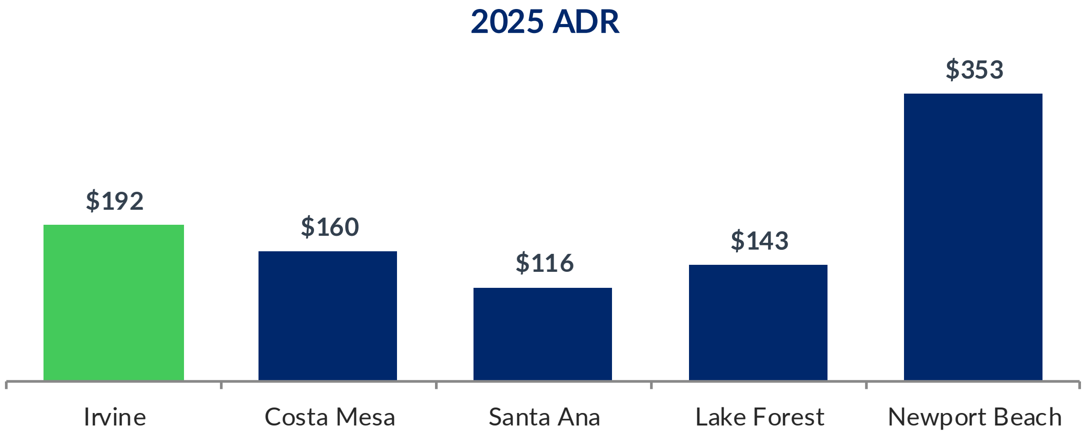
Source: Placer.ai Top 10 state rankings (cities, all trips), 2025

Irvine vs. Peer Markets

The four peer markets were selected based on proximity to Irvine, shared demand drivers and visitor types, and their role as direct competitors for Irvine's hotel demand.

Market	Population	Median HH Income	Hotels	Rooms	Occupancy	ADR
Newport Beach	83,505	$177,529	20	3,232	70%	$353
Irvine	**325,327**	**$140,695**	**23**	**4,996**	**72%**	**$192**
Costa Mesa	111,032	$116,209	24	2,915	73%	$160
Lake Forest	87,493	$147,638	11	1,200	79%	$143
Santa Ana	309,580	$98,298	35	3,646	69%	$116





Source: ESRI forecasts 2026, December 2025 STR (Visit California), CoStar 2025 hotel supply figures.

Local Hotel Supply

Local Hotel Environment

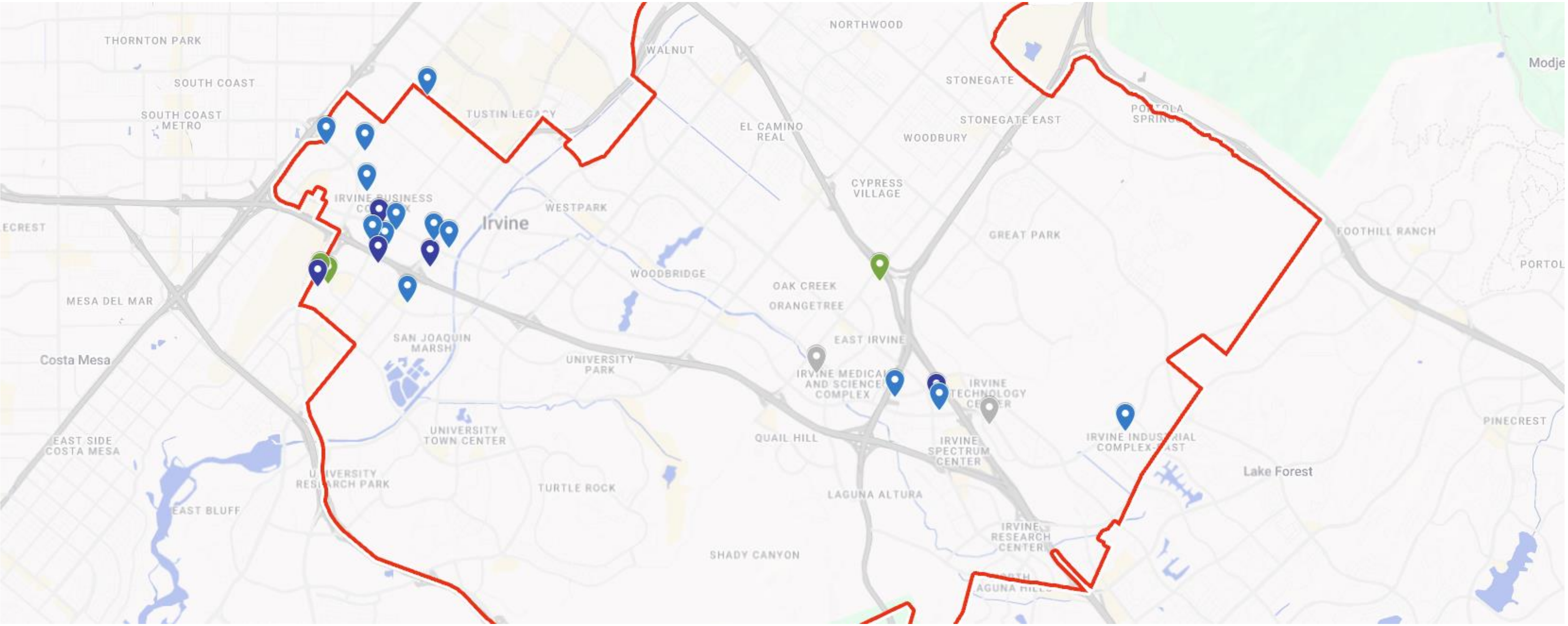
Hunden, using data from CoStar, identified the existing hotel supply within Irvine city limits. This inventory includes 23 properties totaling 4,996 rooms. The largest share of rooms is in the Upscale segment at 46 percent, followed by Upper Upscale at 38 percent, with no Luxury or Economy product in the market. The average age of the hotel supply is 25 years, and only seven properties have opened within the past decade. Currently one property is under construction, the 172-room Home2 Suites by Hilton, the largest hotel underway anywhere in Orange County.

LODGING SUMMARY

Chainscale	Rooms	% of Total Rooms	Hotels	Rooms per Hotel	Avg Year Opened	Avg Age (Years)
Luxury	--	--	--	--	--	--
Upper Upscale	1,882	38%	5	376	1991	35 Years
Upscale	2,320	46%	13	178	2007	19 Years
Upper Midscale	312	6%	2	156	2002	24 Years
Midscale	272	5%	2	136	1998	28 Years
Economy	--	--	--	--	--	--
Independent	210	4%	1	210	1970	56 Years
Total/*Average*	**4,996**	**100%**	**23**	***217***	***2001***	***25 Years***

Source: CoStar, Smith Travel Research

Local Hotel Supply Map



Upper Upscale | Upscale | Upper Midscale | Midscale | Irvine City Boundary

Irvine Hotel Supply Performance

Hunden analyzed all hotels within Irvine's city limits using CoStar and STR data. **Occupancy has not fully recovered to its 2019 peak**, remaining at 70 percent from 2022 through 2024 before improving to 72 percent in 2025. Hotels sold approximately the same number of room nights in 2025 as in 2018, even though more rooms were available, showing that demand has not kept pace with supply. **Rate growth has driven the recovery**, with ADR increasing 23 percent and RevPAR increasing 11 percent since 2019.

IRVINE HOTEL PERFORMANCE

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR
2017	4,350	1,587,885	1,188,940	75%	$152	$114
2018	4,928	1,798,769	1,384,417	77%	$155	$120
2019	4,958	1,809,733	1,445,501	80%	$156	$125
2020	4,425	1,615,232	661,693	41%	$130	$53
2021	4,570	1,667,899	971,846	58%	$141	$82
2022	4,693	1,712,945	1,202,414	70%	$179	$126
2023	4,931	1,799,853	1,261,147	70%	$188	$132
2024	5,246	1,914,711	1,346,274	70%	$189	$133
2025	**5,665**	**1,914,711**	**1,384,101**	**72%**	**$192**	**$139**
2026 (YTD)	**3,290**	**1,112,106**	**829,736**	**75%**	**$204**	**$152**

Source: STR August 2026
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*
2026 YTD data is as of July 2026

TOT & District Collections Across Orange County

COMBINED TOT & DISTRICT COLLECTIONS

City	TOT Rate	District Rate	FY2021	FY2022	FY2023	FY2024	FY2025	CAGR 22–25
Anaheim	15%	2%	$33.08M	$198.92M	$251.88M	$276.88M	$272.52M	11.1%
Newport Beach	10%	--	$16.89M	$26.68M	$30.20M	$31.74M	$33.17M	7.5%
Garden Grove	14.5%	2.5% (Tier I)	$7.93M	$27.09M	$31.35M	$31.95M	$30.32M	3.8%
Huntington Beach	10%	4.0% → 6.0%	$13.35M	$22.11M	$24.28M	$24.36M	$27.26M	7.2%
Irvine	**8%**	**2%**	**$7.23M**	**$17.19M**	**$21.17M**	**$22.72M**	**$24.09M**	**11.9%**
Laguna Beach	12%	2%	$17.79M	$24.63M	$23.16M	$20.40M	$20.10M	−6.5%
Costa Mesa	8%	3%	$5.89M	$11.50M	$13.52M	$13.96M	$13.70M	6.0%
Santa Ana	11%	2% (70+ Rooms)	$4.75M	$8.86M	$12.38M	$11.24M	$11.20M	8.1%
Lake Forest	10%	--	$2.88M	$5.23M	$5.82M	$5.94M	$6.21M	5.9%

Sources: City Annual Comprehensive Financial Reports, FY2020-21 through FY2024-25
Notes: Combined reflects total lodging levies paid by guests. TOT plus improvement district assessment; not city general fund revenue. Assessment figures are reported where cities disclose them and estimated from TOT. Rates shown are maximums; Anaheim, Garden Grove, and Santa Ana assess only a portion of city lodging. Huntington Beach's assessment rose from 4% to 6% in FY2025. Newport Beach & Lake Forest have no active district.

Local Set Heat Charts

Two demand engines shape Irvine's hotel market. Corporate travel drives midweek performance throughout most of the year, while summer leisure, sports, and event demand creates a secondary weekend peak.

Corporate demand remains the stronger base. Tuesday and Wednesday consistently lead occupancy and ADR, while Monday rates outperform Friday, reflecting Irvine's business-oriented travel profile.

Summer broadens demand beyond weekdays. Friday and Saturday performance strengthens significantly in June and July, with July emerging as Irvine's strongest month, driven by sports tournaments, leisure travel, and outdoor concerts and events. The following slide examines how Great Park tournament activity aligns with this trend.

The clearest opportunity is seasonal rather than day-specific. November through January is the weakest period, while Saturday strength is concentrated between May and October. Future event recruitment and packaging could focus on extending demand beyond the summer peak.

OCCUPANCY BY DAY OF WEEK BY MONTH

(January 2025 – December 2025)

Month	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
January-25	50%	65%	78%	75%	68%	64%	60%	66%
February-25	55%	76%	87%	87%	74%	68%	73%	74%
March-25	54%	75%	89%	87%	74%	68%	68%	73%
April-25	48%	75%	82%	80%	70%	70%	67%	70%
May-25	55%	66%	77%	76%	67%	69%	77%	69%
June-25	58%	72%	84%	83%	81%	82%	83%	78%
July-25	66%	83%	82%	82%	80%	89%	89%	81%
August-25	59%	76%	84%	80%	68%	72%	80%	74%
September-25	56%	71%	81%	84%	76%	73%	76%	74%
October-25	55%	74%	84%	84%	77%	76%	82%	76%
November-25	49%	66%	73%	74%	68%	68%	67%	67%
December-25	52%	63%	68%	71%	68%	70%	72%	66%
Average	55%	72%	81%	80%	73%	72%	74%	

Source: Smith Travel Research

ADR BY DAY OF WEEK BY MONTH

(January 2025 – December 2025)

Month	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
January-25	$166	$193	$211	$203	$181	$164	$156	$182
February-25	$171	$202	$220	$220	$189	$166	$169	$191
March-25	$169	$201	$238	$240	$204	$171	$163	$198
April-25	$164	$202	$214	$208	$183	$163	$156	$184
May-25	$163	$192	$213	$209	$182	$165	$171	$185
June-25	$171	$194	$215	$211	$192	$180	$178	$192
July-25	$201	$227	$230	$234	$216	$212	$211	$219
August-25	$170	$198	$214	$209	$185	$181	$180	$191
September-25	$175	$202	$218	$214	$192	$175	$172	$193
October-25	$175	$209	$225	$221	$195	$174	$175	$196
November-25	$167	$195	$210	$204	$175	$162	$159	$182
December-25	$152	$177	$190	$190	$171	$153	$152	$169
Average	$170	$199	$217	$214	$189	$172	$170	

Source: Smith Travel Research

Great Park Tournament Seasonality, 2025

Tournament Activity at the Great Park Sports Complex Compared to Irvine Hotel Occupancy. July accounts for 20 percent of annual tournament activity and is also Irvine's strongest hotel month, while November through January is soft for both. Beyond Great Park tournaments, Woollett Aquatics and Great Park Ice generated 10,394 and 4,805 room nights, respectively, in 2025.

Month	Tournaments	Tournament Days	% of Total	Irvine Hotel Occupancy
January	8	16	6%	66%
February	10	18	6%	74%
March	11	26	9%	72%
April	8	16	6%	70%
May	10	25	9%	69%
June	10	38	13%	76%
July	13	57	20%	81%
August	13	29	10%	73%
September	6	15	5%	73%
October	6	14	5%	76%
November	10	22	8%	66%
December	5	10	3%	65%
Total 2025	**110**	**286**	**100%**	**72%**

Method: Calendar year 2025 only, not a multi-year average. Tournaments counts events by start month. Tournament days sums the duration of each event, with concurrent events counted separately and each day assigned to the month it falls in. Percent of total is the share of the 286 tournament days recorded in 2025.

Excludes 37 Orange County SC stadium dates and Westcliff University graduation, none of which are tournaments.

Sources: City of Irvine Great Park Master Tournament Calendar, client provided. Reflects the Great Park Sports Complex only and excludes Great Park Live, Wild Rivers, and other district venues.
Irvine occupancy from CoStar/STR, calendar year 2025.

Next Steps & Opportunities

Pillars of Place

Hunden's Pillars of Place framework analyzes visitor behavior and tourism assets across key categories – attractions, events, retail, dining, and more to identify opportunities for strategic growth. The assessment benchmarks Irvine and surrounding cities, uncovering ways to activate underutilized assets, enhance visitor appeal, and reduce tourism leakage through regional development strategies.

- **Concerts and Entertainment Facilities**
- **Sports Facilities and Outdoor Recreation**
- **Retail and Dining Nodes**
- **Convention and Meetings Facilities**
- **Agricultural, Exposition, and Fairgrounds**
- **Winery, Brewery, Distillery, and Food Halls**
- **Hotels**
- **Attractions, Water Parks, and Theme Parks**
- **Parks, Trails, and Outdoor Space**
- **Festivals and Events**

Irvine Product Opportunity Matrix

Introduction to Initial Pillars of Place Analysis

The following matrix indicates the strength of Irvine's asset supply for each pillar of place based on volume, quality, and programming.

Concerts & Entertainment	Sports & Outdoor Recreation	Retail & Dining	Ag, Expo, & Fairgrounds	Convention & Meetings Space	Winery, Brewery, & Food Hall	Hotels	Attractions (Including Water & Theme Parks)	Parks & Outdoor Space	Festivals & Events
Great Park Live, Irvine Barclay Theatre, and Irvine Improv anchor current supply, while a permanent amphitheater planned for 2030 is expected to strengthen regional competitiveness.	Great Park's extensive fields, stadium, ice complex, and nearby aquatics facilities give Irvine strong sports supply.	Irvine Spectrum and Diamond Jamboree anchor strong retail and globally diverse dining, while Costa Mesa offers deeper luxury shopping and Newport Beach more experiential waterfront dining..	Tanaka Farms, Manassero Farms, and Irvine Ranch Historic Park support seasonal visitor activity, but Irvine lacks a fairground or exposition facility comparable to Costa Mesa's OC Fair & Event Center.	Irvine's lack of a centralized convention or exhibition venue represents one of its greatest product gaps, limiting its ability to compete with Anaheim for major events.	Irvine has no winery and no distillery. Three satellite taprooms and Trade Food Hall are the entire supply, while Anaheim and Santa Ana hold the regional clusters.	Irvine has 23 hotels and approximately 5,000 rooms, but its business-oriented portfolio lacks the resort and luxury properties found in Newport Beach and other coastal markets.	Wild Rivers, Tanaka Farms, Pretend City, and Irvine Spectrum offer family entertainment, but Irvine lacks an overnight demand anchor comparable to Disneyland or Orange County's beaches.	Great Park, Bommer Canyon, San Joaquin Marsh, and Irvine's extensive trail network create strong outdoor supply.	Room to diversify programming, especially in the summer months. Farmers markets and holiday events are the bulk of programming.
—	✓	✓	—	✗	✗	—	—	✓	—

✓ Strong Supply — Moderate Supply ✗ Poor Supply Greatest Opportunities for Irvine

Key Themes and Takeaways

Group & Meetings Product

Irvine lacks a centralized convention or conference facility, while most large-capacity meeting space is dispersed across individual hotels.

A centralized facility could attract larger groups, create hotel compression, and reduce leakage to competing Orange County markets.

Any concept should be sized to Irvine's corporate, research, and hotel demand rather than Anaheim's convention model.

Lodging & Positioning

Irvine's 23 hotels are anchored by strong full-service business product but hold no luxury or resort inventory.

A luxury or lifestyle property would lift the rate ceiling; added midscale rooms would capture sports and per-diem demand.

Both opportunities require feasibility testing against hotel performance, development costs, and the strength of their respective demand segments.

Sports Tourism Activation

The Great Park's 70 fields and courts and 5,000-seat stadium already generate weekend and summer demand when hotels are softest.

Near-term gains could come from recruiting regional and national tournaments that attract traveling teams and generate stronger room-night demand.

Coordinated scheduling and room-block packaging could increase overnight conversion.

Entertainment & Live Event Product

Great Park Live anchors Irvine's concert supply; the planned amphitheater and Aviator Hall could expand outdoor and indoor event capacity.

These investments could strengthen weekend visitation and establish Great Park as a broader entertainment destination.

Overnight impact will depend on event frequency, market reach, and the ability to package multi-day experiences.

Wage and Workforce Data

Wages and Workforce Profile

Key Questions

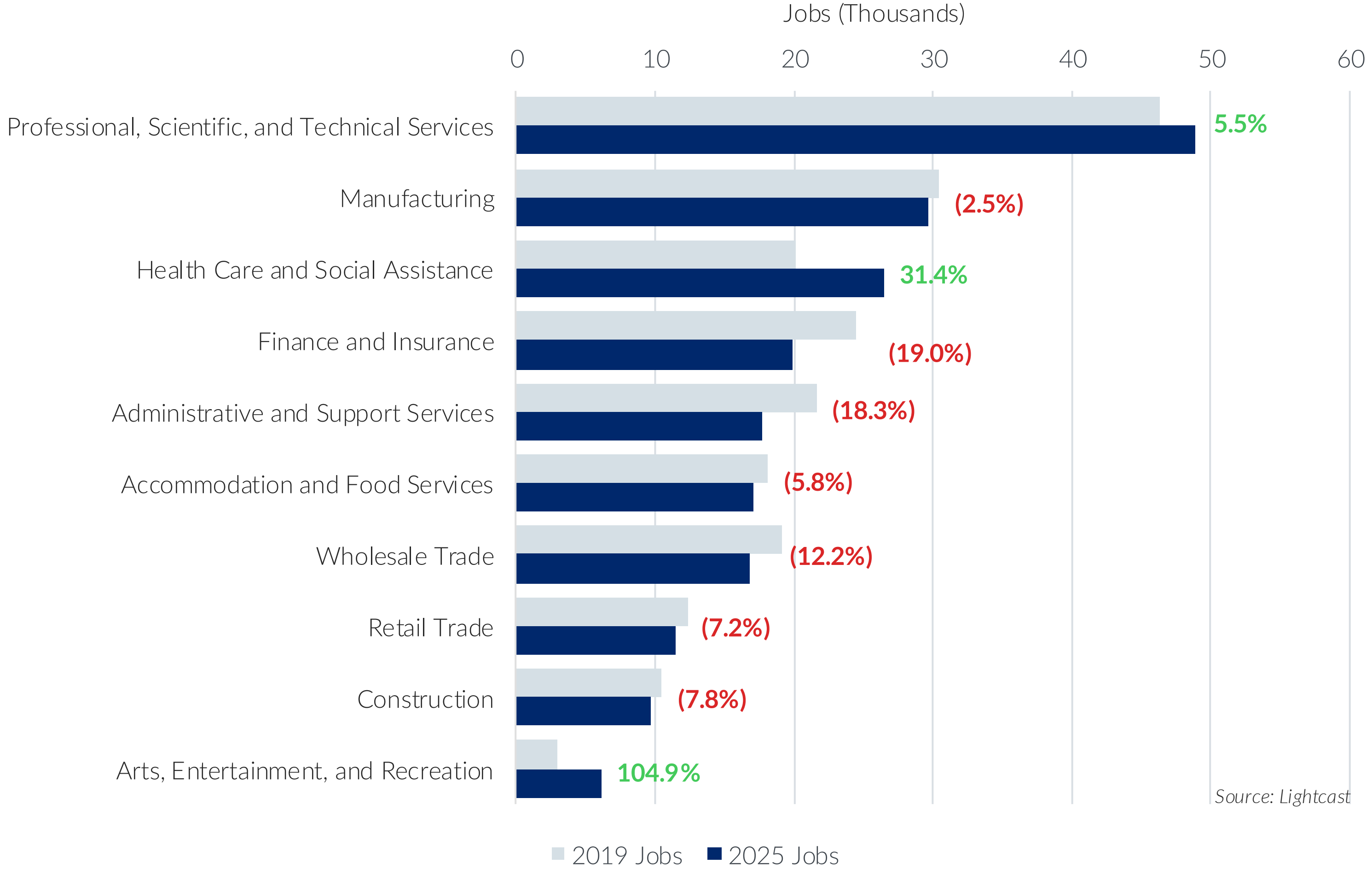
- Who makes up Irvine's tourism and hospitality workforce, which industries and occupations are most closely tied to the visitor economy?
- How much of Irvine's broader hospitality employment is supported by tourism and visitor spending?
- How competitive are Irvine's tourism and hospitality wages relative to the regional, state, and national labor market?
- What are the greatest challenges facing Irvine's current tourism and hospitality workforce?
- How reliant is Irvine on workers commuting from outside the city? What does that mean for Irvine's ability to attract labor?
- What do these workforce conditions suggest about the potential effects of future tourism and hospitality compensation policies?

Employment Trends by Industry

Irvine's largest employment sector in 2025 was professional, scientific and technical services, with approximately 48,900 jobs, followed by manufacturing and health care and social assistance. Employment increased in three of the ten industries shown between 2019 and 2025, while the remaining seven were below 2019 levels.

Arts, entertainment and recreation recorded the largest percentage increase, rising 104.9 percent from a relatively small employment base. Health care and social assistance increased 31.4 percent, while accommodation and food services declined 5.8 percent.

PRE-COVID TO 2025 JOB CHANGE (%) - BY INDUSTRY



Industry Sectors Supported by Tourism

An estimated 7,238 Irvine jobs are supported by visitor demand, with approximately 71% concentrated in food service, lodging, and travel-related services.

7,238
Estimated tourism-supported Jobs

71%
In food service, lodging, and travel services.

Note: This is a modeled approximation of tourism-supported jobs using Bureau of Economic Analysis' industry ratios, not a direct count of Irvine's actual tourism workforce. See appendix for full breakdown.

Industry	Estimated Tourism-Supported Jobs	Share
Food Services & Drinking Places	2,556	35%
Traveler Accommodations	1,787	25%
Travel Arrangement & Reservation Services	771	11%
Recreation & entertainment	407	6%
Wholesale Trade & Transportation Services	396	5%
Retail Trade	339	5%
Other Tourism-Supported Industries	982	14%
Total	**7,238**	**100%**

Source: Lightcast 2026 employment estimates; BEA Travel and Tourism Satellite Accounts, 2023. Tourism-supported employment estimated by applying BEA industry tourism ratios to Irvine's 2026 employment data.

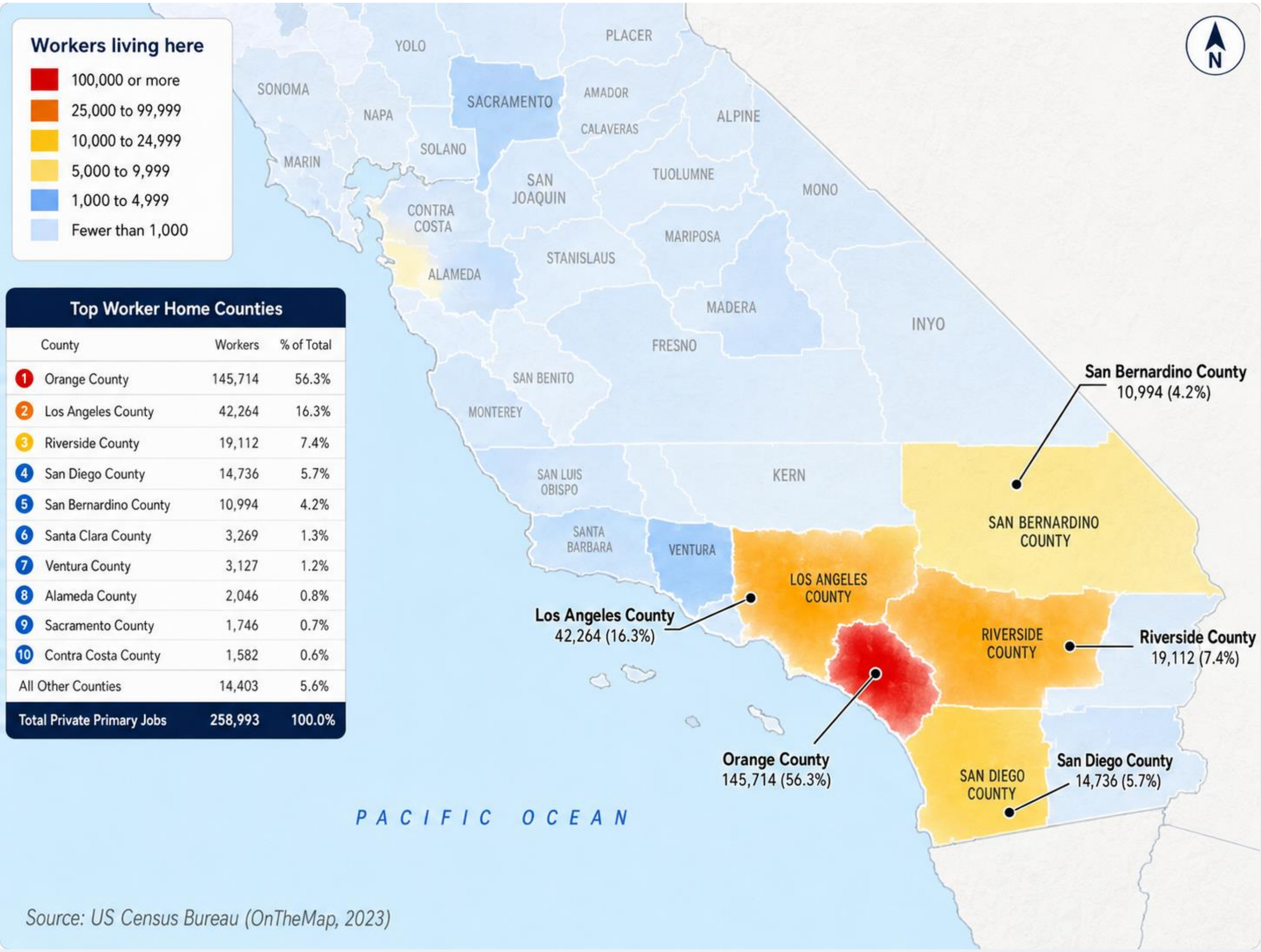
Irvine's Workforce Draws From Across Southern CA

Irvine's workforce commutes from across Southern California. While most live in Orange County, meaningful shares of Irvine's workforce travel from Los Angeles, the Inland Empire, and San Diego County.

56.3%
Live in Orange County
145,714 workers

16.3%
Live in Los Angeles County
Largest external worker origin

~27%
Live in other counties



Top Worker Home Counties

	County	Workers	% of Total
1	Orange County	145,714	56.3%
2	Los Angeles County	42,264	16.3%
3	Riverside County	19,112	7.4%
4	San Diego County	14,736	5.7%
5	San Bernardino County	10,994	4.2%
6	Santa Clara County	3,269	1.3%
7	Ventura County	3,127	1.2%
8	Alameda County	2,046	0.8%
9	Sacramento County	1,746	0.7%
10	Contra Costa County	1,582	0.6%
	All Other Counties	14,403	5.6%
	Total Private Primary Jobs	258,993	100.0%

All private primary jobs, not limited to tourism related employment

*See Appendix for full dataset

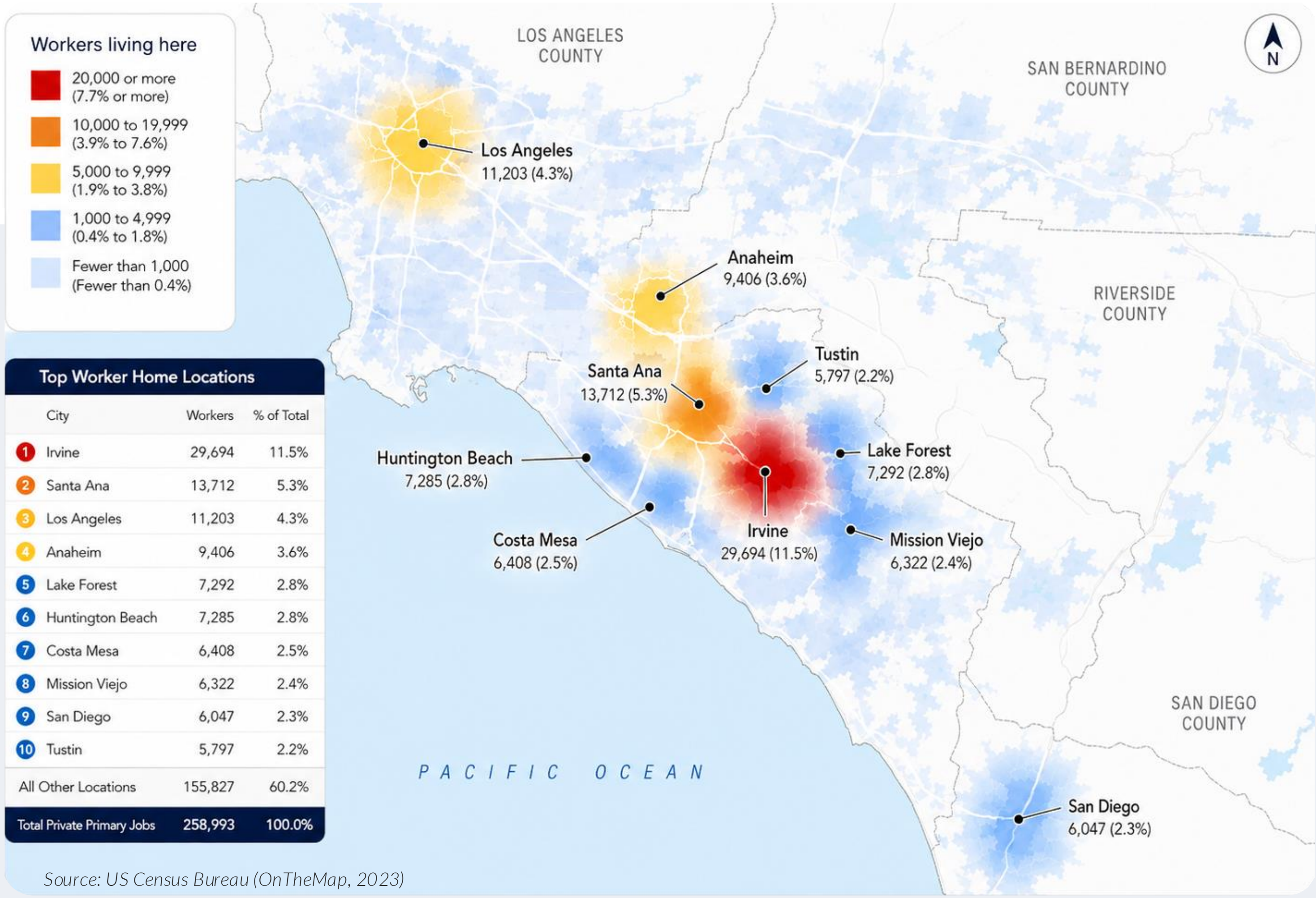
Most of Irvine's Workforce Commutes From Outside the City

Nearly 9 in 10 private-sector workers employed in Irvine live outside the city, with workers commuting from communities throughout Orange County and Southern California.

11.5%
Live in Irvine
29,694 workers

5.3%
Live in Santa Ana
Largest external worker origin

~40%
Live in the top 10 origin cities
The remaining workforce is broadly dispersed across the region



Top Worker Home Locations

	City	Workers	% of Total
1	Irvine	29,694	11.5%
2	Santa Ana	13,712	5.3%
3	Los Angeles	11,203	4.3%
4	Anaheim	9,406	3.6%
5	Lake Forest	7,292	2.8%
6	Huntington Beach	7,285	2.8%
7	Costa Mesa	6,408	2.5%
8	Mission Viejo	6,322	2.4%
9	San Diego	6,047	2.3%
10	Tustin	5,797	2.2%
	All Other Locations	155,827	60.2%
	Total Private Primary Jobs	258,993	100.0%

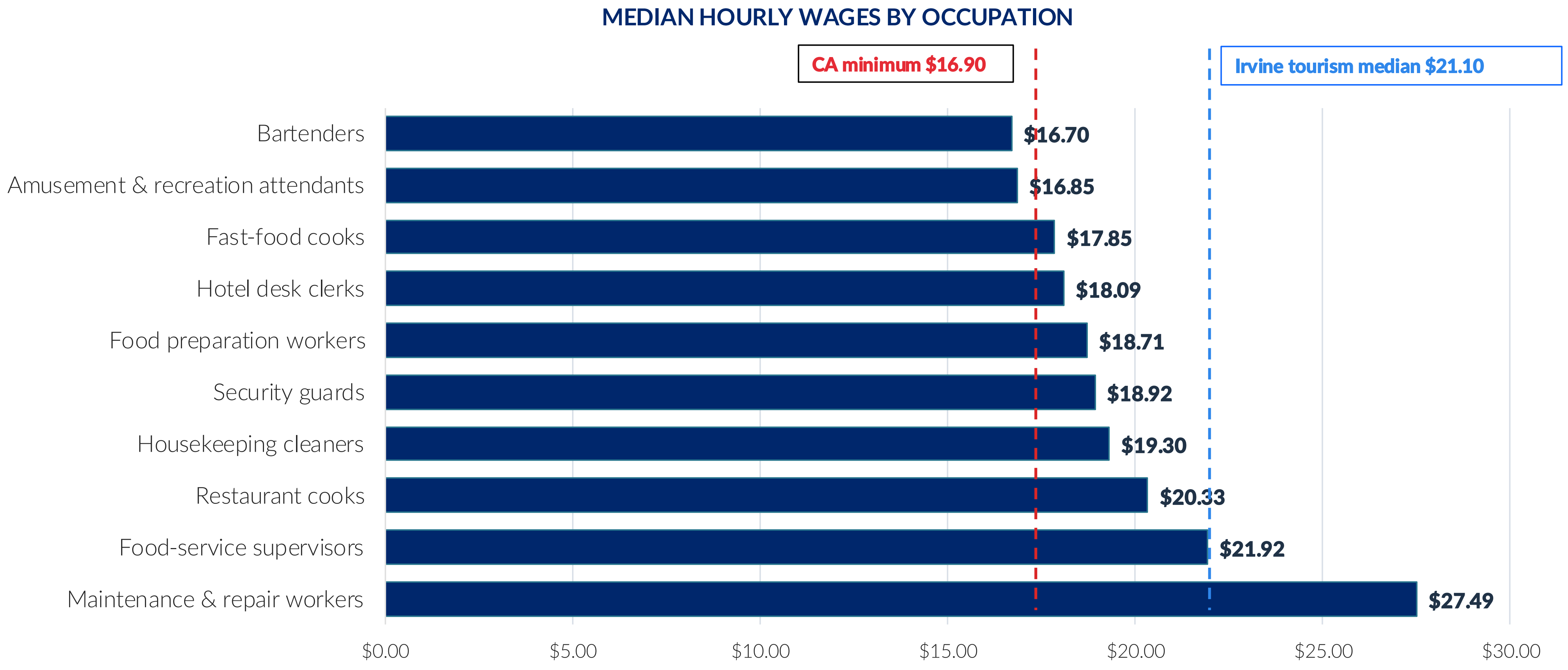
Source: US Census Bureau (OnTheMap, 2023)

All private primary jobs, not limited to tourism related employment

*See Appendix for full dataset

Irvine's Tourism Occupation Wages

Irvine's median wage is $21.10 per hour among tourism related occupations, approximately 25% above California's 2026 statewide minimum wage of $16.90. This figure does not include tips; California law does not permit tips to be counted toward the required minimum wage.



Ten occupations were selected to represent lodging, food-service, recreation and hotel support roles. The occupations are illustrative and do not represent Irvine's total tourism-related workforce.

Source: Lightcast

Comparing Irvine's Tourism Wages

Across the wage distribution, Irvine's selected tourism occupations pay modestly more than Orange County and the United States, while remaining slightly below California levels.

Metric	Irvine	Orange County	California	U.S.
*Jobs in Selected SOCs	**18,902**	176,701	1,653,615	13,642,065
Avg. Hourly Wage	**$22.40**	$21.67	$23.23	$20.49
25th Percentile Wage	**$18.79**	$18.36	$19.08	$16.39
Median Wage	**$21.10**	$20.34	$21.85	$19.22
75th Percentile Wage	**$24.49**	$23.54	$25.26	$23.32
Median Annual Earnings	**$43,882**	$42,300	$45,442	$39,976

Source: Lightcast (2026)
**Standard Occupational Classification*

Irvine's Tourism & Hospitality Wages by Occupation

Wages vary widely across Irvine's tourism and hospitality occupations, ranging from entry-level guest-service roles near $18/hour to lodging management above $34/hour at the median. These totals do not reflect total compensation.

Role	SOC*	2025 Jobs (Irvine)	25th Percentile	Median	75th Percentile
Lodging Managers	11-9081	**56**	$28.55	**$34.74**	$45.86
Food Servers, Nonrestaurant	35-3041	**256**	$17.90	**$18.82**	$22.79
Maids and Housekeeping Cleaners	37-2012	**1,502**	$16.93	**$19.30**	$22.45
Baggage Porters and Bellhops	39-6011	**32**	$16.65	**$18.40**	$20.37
Hotel, Motel, and Resort Desk Clerks	43-4081	**272**	$16.75	**$18.09**	$20.82
Maintenance and Repair Workers, General	49-9071	**2,949**	$22.35	**$27.49**	$32.41

**Standard Occupational Classification*
Source: Lightcast (2026)

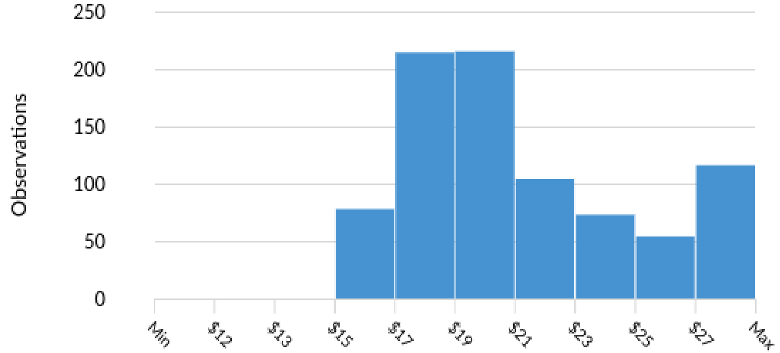
Job Postings and Advertised Wages

Across selected tourism-related occupations, Irvine's advertised wages were concentrated in the high teens and low $20s, with a median of $20.43 per hour. Posting activity fluctuated throughout 2025 without a sustained growth trend and softened noticeably at year-end.

Irvine Median Advertised Wage Across Tourism Related Occupations

$20.43/hr

Median Advertised Salary



Irvine Unique Job Postings Across Tourism-Related Occupations

Source: Lightcast (2026)

Advertised Benefits – Hospitality & Housekeeping

Irvine's advertised benefits are broadly competitive with Orange County, California, and national benchmarks.

- **Retirement benefits are strong locally**, with 401(k) plans (58.7%) nearly matching Orange County's rate and well ahead of California and the national average.
- **Health insurance, PTO, and sick leave are all more commonly advertised in Irvine than anywhere else compared.**
- **Employee-support benefits are also strongest locally**, with life insurance, disability insurance, and professional development each leading Orange County, California, and the U.S.

Note: Based on advertised job benefits for 37 tourism and hospitality-related occupations, filtered specifically to the hotel industry (NAICS 72111 - Hotels, except Casino Hotels, and Motels).

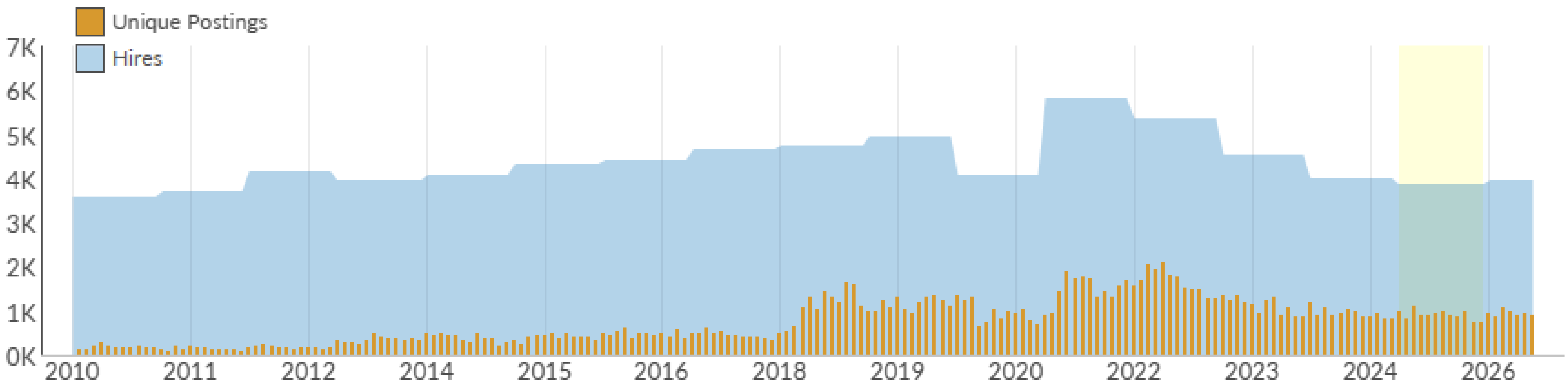
Benefit	Irvine	Orange County	California	United States
Dental Insurance	**84.3%**	84.2%	81.6%	81.2%
401(k) Plans	**58.7%**	60.0%	51.3%	45.4%
Health Insurance	**52.6%**	46.7%	43.1%	42.3%
Paid Time Off (PTO)	**54.5%**	51.9%	46.3%	44.0%
Vision Insurance	**36.9%**	31.4%	34.7%	37.8%
Life Insurance	**38.0%**	30.5%	29.7%	25.5%
Other Retirement/Savings	**27.3%**	24.3%	21.0%	17.1%
*Sick Leave	**36.6%**	21.6%	14.2%	7.2%
Disability Insurance	**28.1%**	18.6%	16.2%	15.8%
Professional Development	**24.0%**	17.1%	9.1%	9.0%

Source: Lightcast (2026)

***Sick leave:** California legally requires paid sick leave for nearly all employees, so employers may not advertise it as a distinguishing benefit; this figure likely understates actual access.

Posted Occupations (Orange County)

In an average month, there were 889 new job postings for 10 occupations, and 3,832 hires. This means there were approximately 4 hires across the 10 occupations for every 1 unique job posting. Most of the average monthly hires from January 2025 to December 2025 were for the following positions: **Janitors and Cleaners (1,175 new hires), Hosts and Hostesses (648 new hires), Amusement and Recreation Attendants (624 new hires), Maids and Housekeeping Cleaners (582 new hires), and Recreational Service Workers (238 new hires).**



Source: Lightcast (2026)

Cities with Hotel-Worker Wage Ordinances

Comparison of 2026 hotel-worker minimum wages, ordinance thresholds, and scheduled increases across California cities and SeaTac, Washington.

City	Hotel Min. Wage 2026	Room Threshold	Scheduled Increases	Hotels	Rooms
Los Angeles	$25.00	60+ rooms	$30 by 2028	329	34,622
Long Beach	$26.50	100+ rooms	$29.50 by 2028	83	6,100
Santa Monica	$25.00	None	Tracks LA	39	4,008
West Hollywood	$20.87	None	CPI	18	2,204
Glendale	$25.00	60+ rooms	$28.50 by 2028	26	2,012
Oakland	$25.14	50+ rooms	CPI	52	4,260
San Diego	$19.00	150+ rooms	$25 by 2030	273	40,032
SeaTac, WA	$20.74	None	CPI	27	3,400

Source: June 2026 STR Report (Visit California), CoStar August 2026

Tourism Workforce Challenges & Strengths

Workforce Strengths

Competitive Wage Position: Irvine's median tourism wage of $21.10 per hour exceeds Orange County and U.S. benchmarks, competitively positioning the city for workers within the regional labor market.

Diversified Visitor Demand: Irvine's mix of corporate travel, meetings, UCI-related activity, recreation, and sports creates demand across different days of the week and times of year, reducing reliance on a single tourism segment.

Strong Education & Employer Base: Irvine's concentration of major employers, UCI, and other regional education and workforce institutions creates opportunities for training partnerships, skill development, and advancement into supervisory and technical roles.

Workforce Challenges

Regional Competition for Labor: Irvine operates within a highly competitive Orange County labor market. Workers have access to employers across multiple nearby cities. This increases competition for hospitality workers and puts greater emphasis on wages, benefits, scheduling, and overall employment conditions.

High Worker Turnover: Hiring and separation activity across relevant Orange County occupations indicates substantial movement into and out of the workforce, contributing to ongoing replacement demand.

Regional Commuter Dependence: Nearly nine in ten workers employed in Irvine live outside the city, highlighting the importance of regional commuting access and Irvine's ability to attract workers from surrounding communities.

KEY TAKEAWAY

Irvine faces recurring recruitment and retention pressures, but its competitive wages, diversified visitor economy, and broader employment and education base provide meaningful workforce advantages.

LA28
Opportunity

LA28 Opportunity

Irvine is not currently designated to host Olympic or Paralympic competition, but it has already secured LA28-related hotel demand and is positioning its sports facilities to support pre-Games training and southern venue operations.

7	**27**	**~15 min**	**23 / 4,996+**
Irvine hotels with LA28 room-night bookings as of May 2025	Pacific Coast sites vetted before U.S. Soccer selected Great Park for 2026	FIVB planning estimate from UC Irvine to Honda Center	Irvine hotels and available guest rooms

WHAT'S CONFIRMED

- LA28's current venue plan does not identify Irvine as a competition venue. Orange County's confirmed events are indoor volleyball at Honda Center and surfing at Trestles State Beach. UCLA will serve as the primary athlete village.
- City meeting minutes report that seven Irvine hotels had secured LA28 room-night bookings as of May 2025.
- Under a July 2025 agreement, the Orange County Sports Commission committed to help Destination Irvine attract pre-Games training camps from national Olympic committees.
- Great Park served as the U.S. Men's National Team's 2026 World Cup base camp after U.S. Soccer vetted 27 Pacific Coast sites.
- The Irvine Hotel Improvement District has been working to capture business and event opportunities redirected to Irvine/OC as LA28-driven compression tightens the core Los Angeles market.

WHAT IRVINE SHOULD DO NOW

1. Package one "Team Base Irvine" offer combining training space, hotel room blocks, dining, and transportation before general Olympic demand builds.
2. Target Irvine's best-fit sports, including volleyball, aquatics, soccer, and other field sports, through Great Park, Woollett Aquatics Center, and UC Irvine.
3. Advance discussions with LA28 and UC Irvine to secure a formal satellite athlete village and training role serving Anaheim and other southern competition venues.

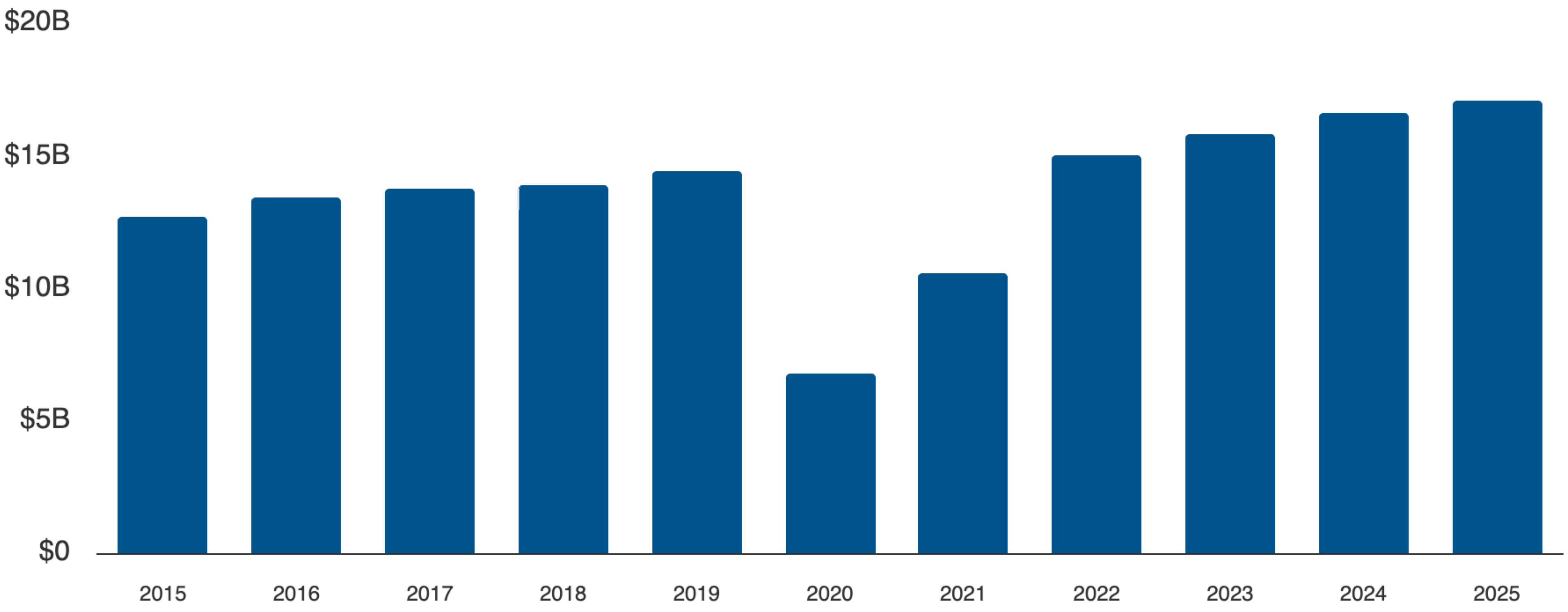
Preliminary: In September 2025, the International Volleyball Federation (FIVB) noted that a satellite athlete village is planned "outside UCLA, likely at UC Irvine" to reduce travel time to Honda Center. **This reflects federation-level planning and has not been confirmed by LA28.**

Sources: LA28 Official Venues (la28.org); Irvine Hotel Improvement District Operating Committee Minutes, May 27, 2025; Destination Irvine–Orange County Sports Commission Sponsorship Agreement, July 16, 2025; FIVB Board of Administration Minutes, Sept. 26, 2025; U.S. Soccer, June 2026; City of Irvine HID Monthly STR Report (CoStar/STR), Dec. 2025.

Appendix

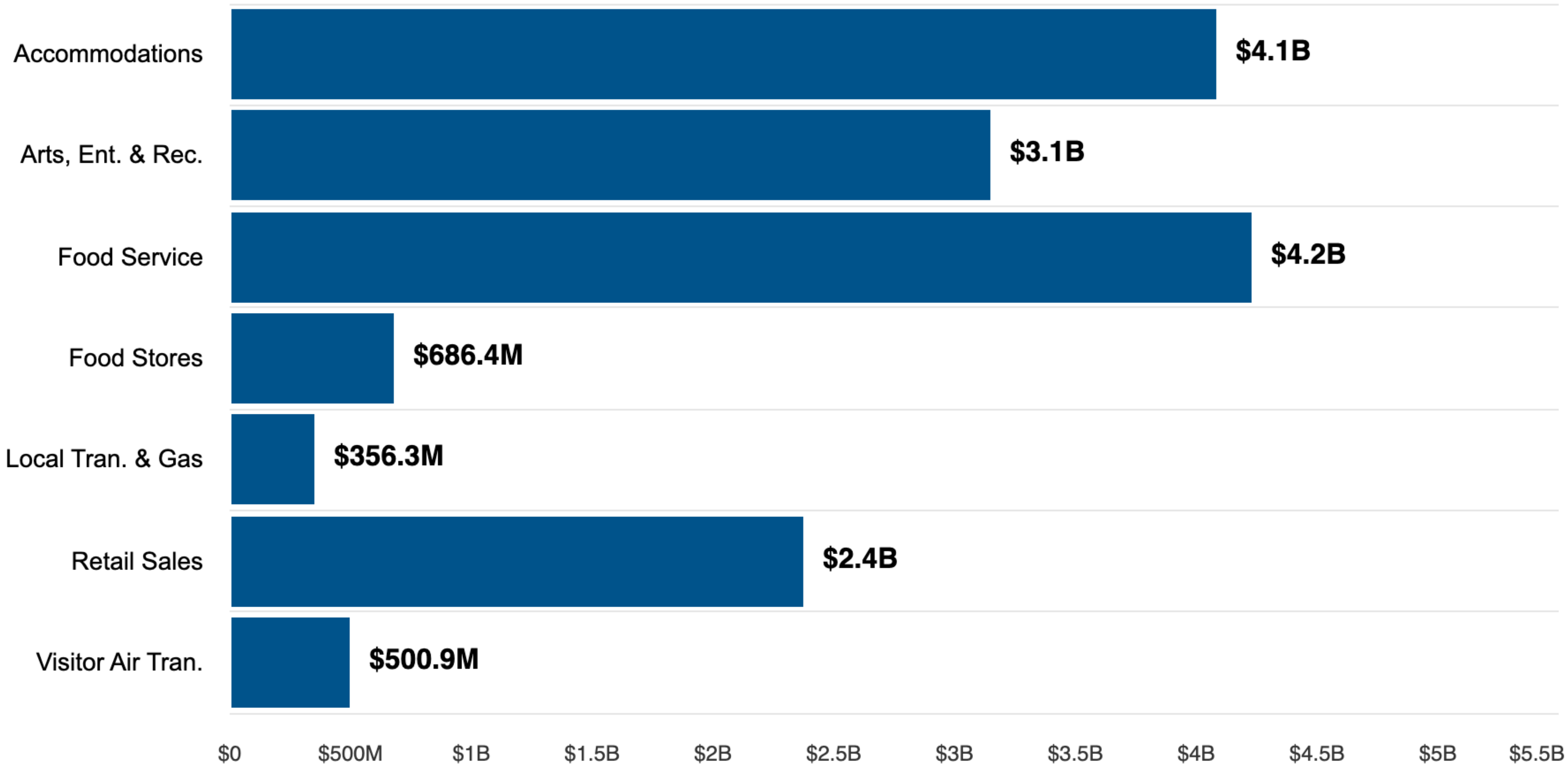
Tourism Profile
Continued

Travel Spending in Orange County

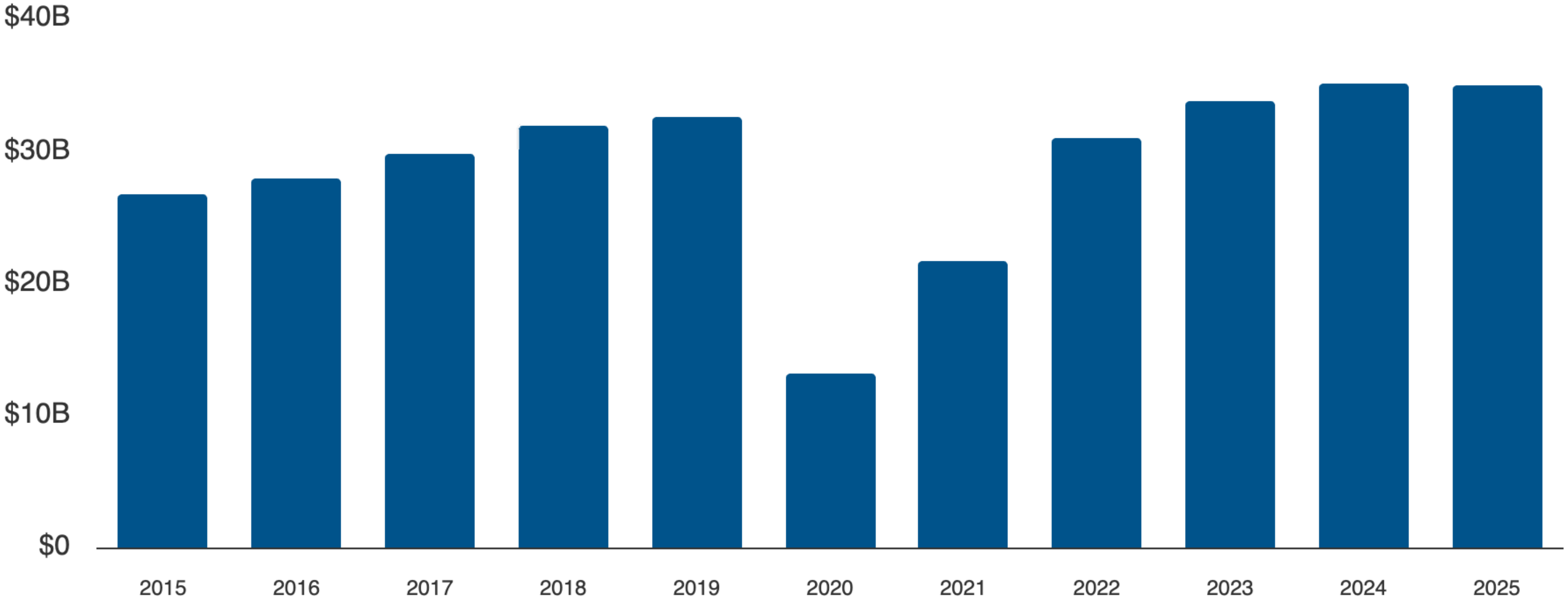


Source: Visit California, Dean Runyan Associates, Inc.

Travel Spending in Orange County by Sector

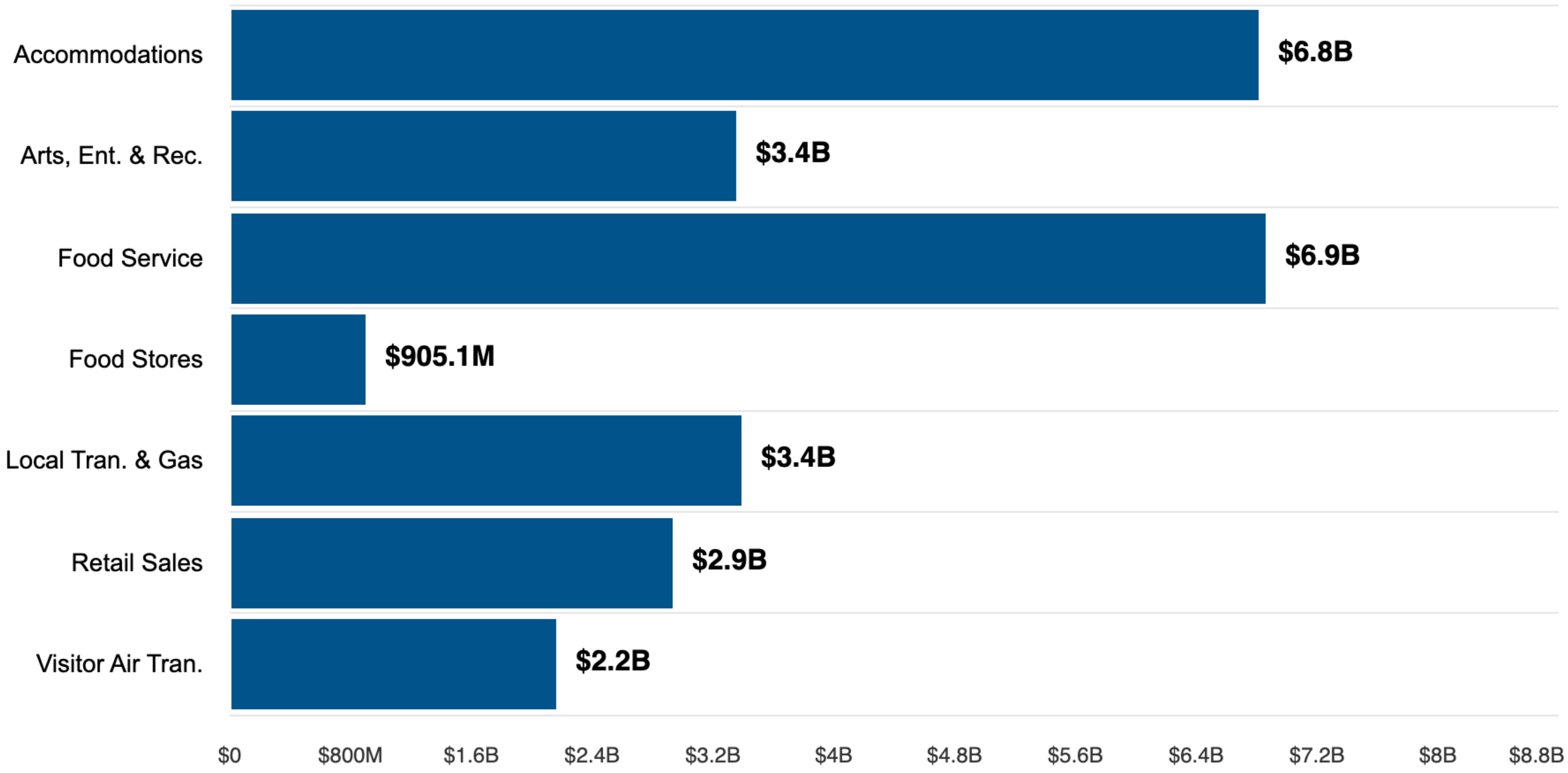


Travel Spending in Los Angeles County



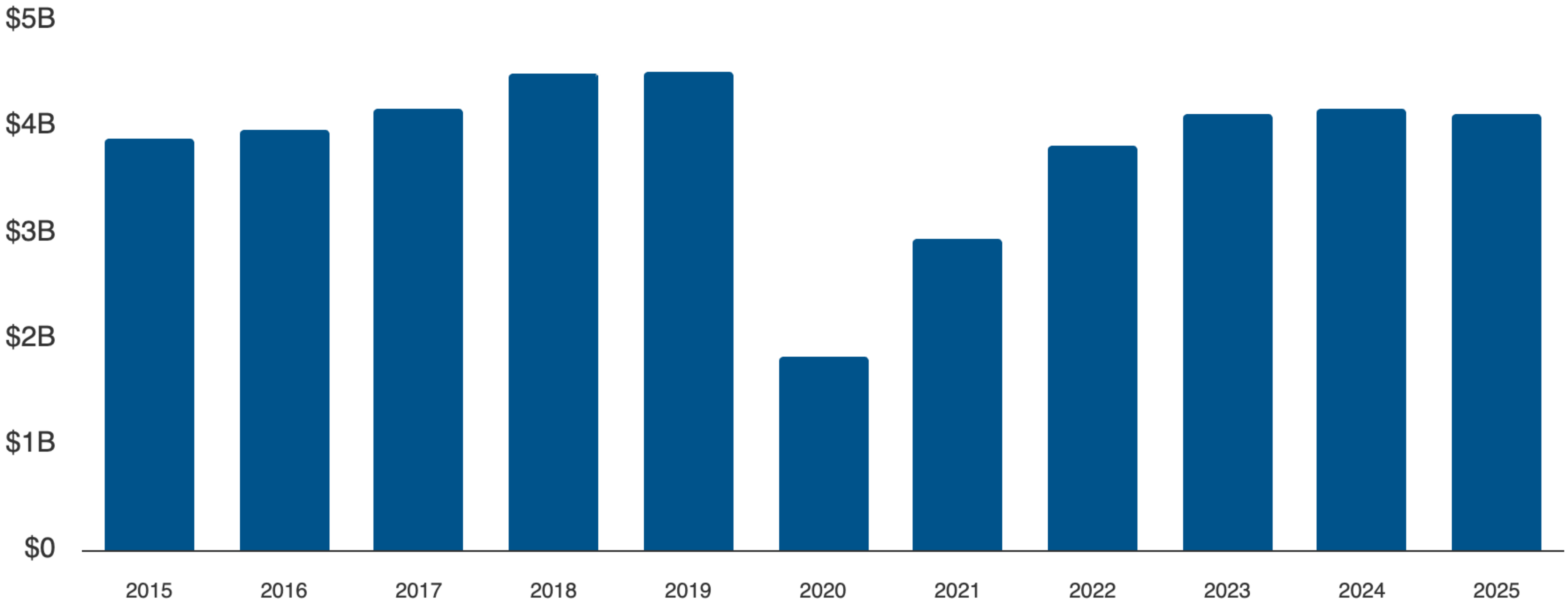
Source: Visit California, Dean Runyan Associates, Inc.

Travel Spending in Los Angeles County by Sector



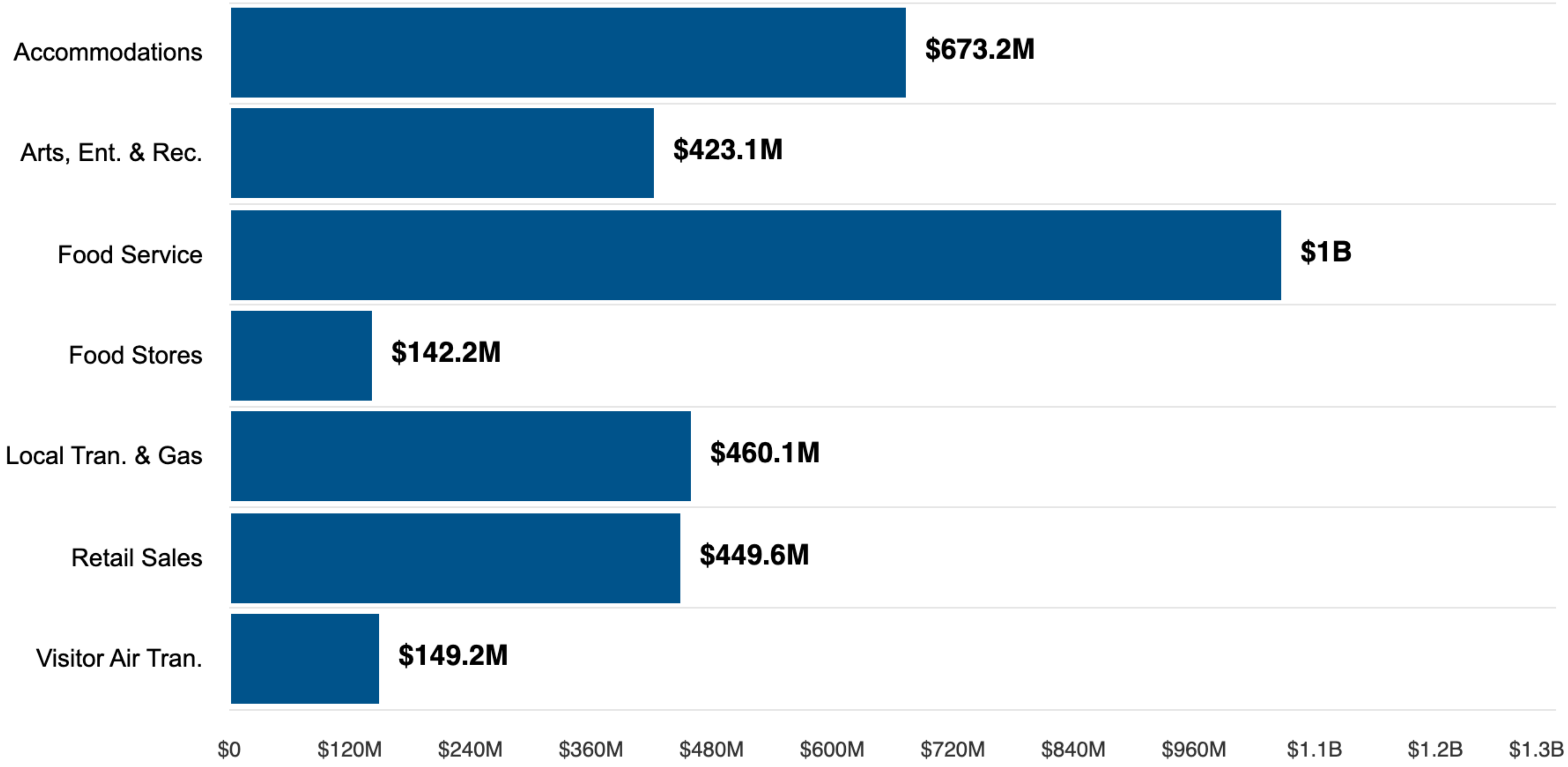
Source: Visit California, Dean Runyan Associates, Inc.

Travel Spending in Alameda County



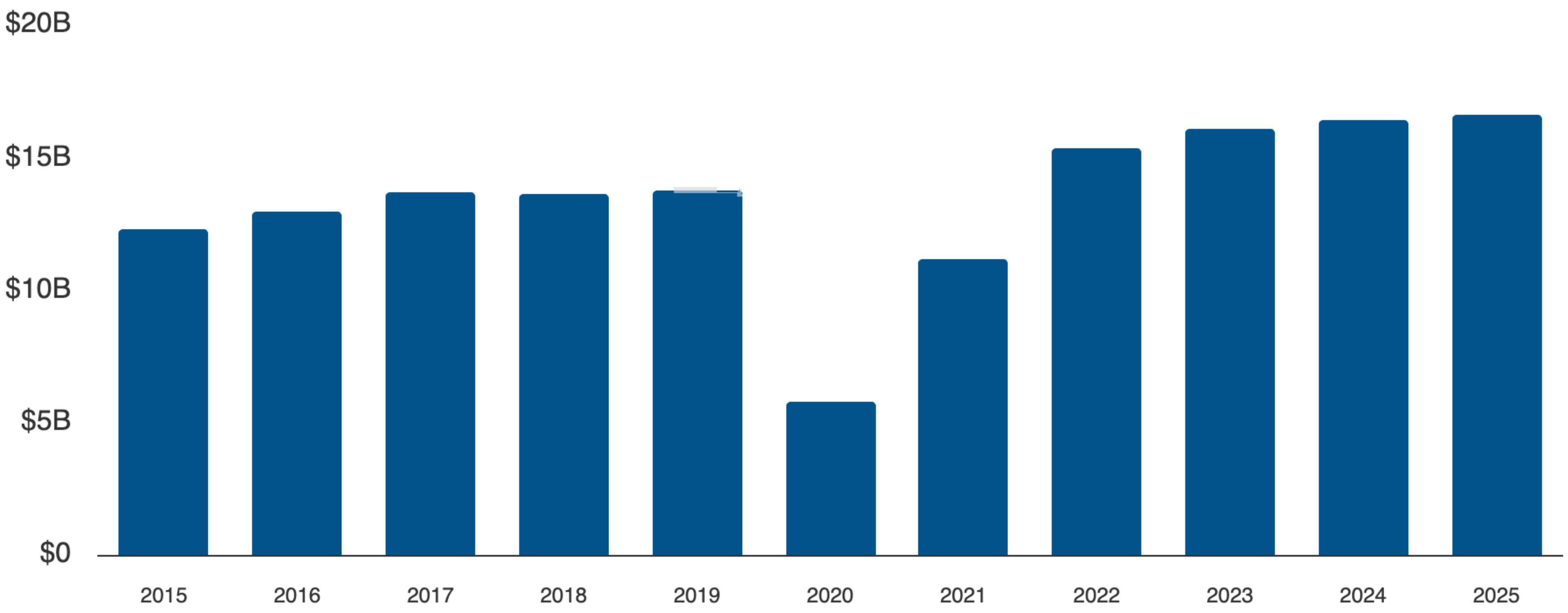
Source: Visit California, Dean Runyan Associates, Inc.

Travel Spending in Alameda County by Sector



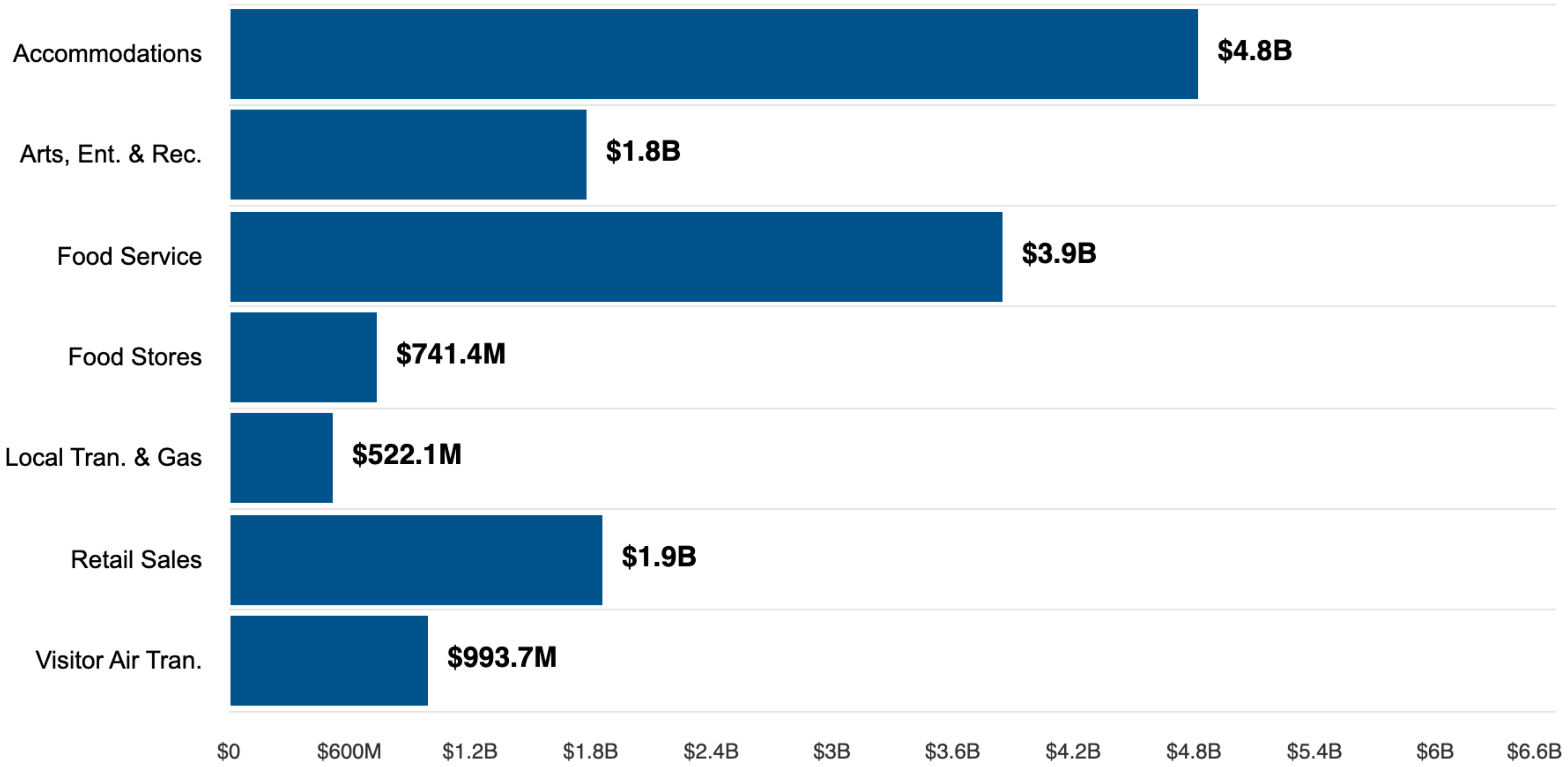
Source: Visit California, Dean Runyan Associates, Inc.

Travel Spending in San Diego County



Source: Visit California, Dean Runyan Associates, Inc.

Travel Spending in San Diego County by Sector



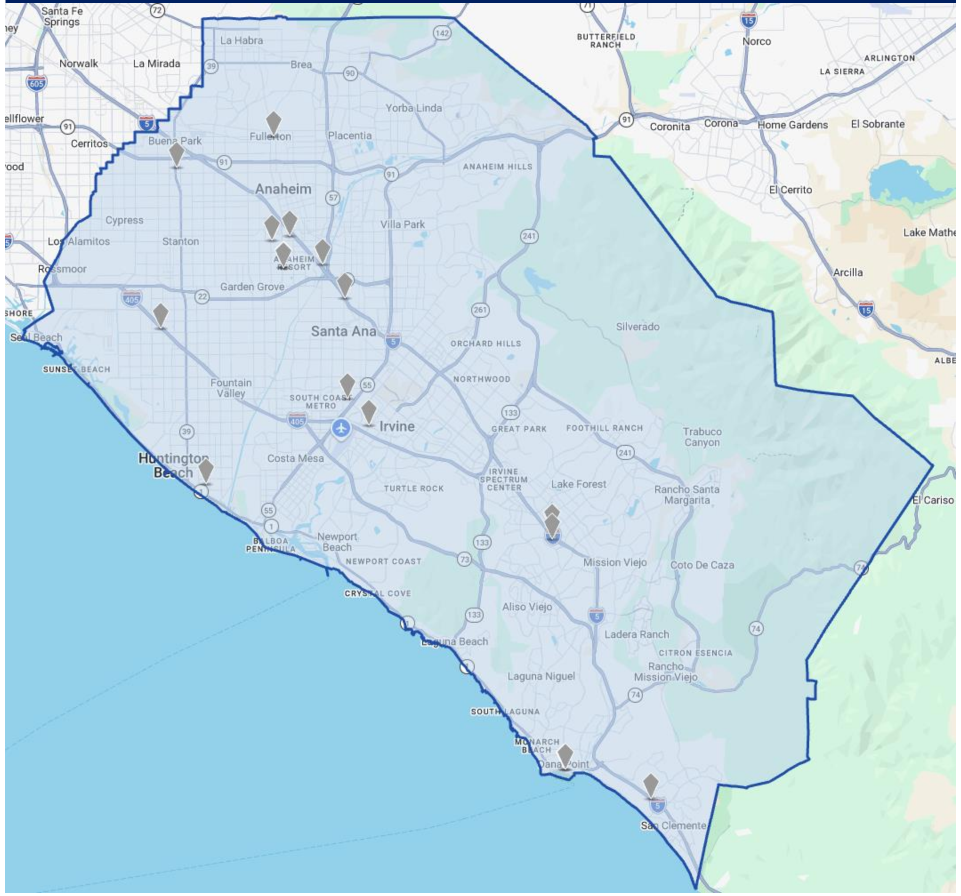
Source: Visit California, Dean Runyan Associates, Inc.

Local Hotel Supply
Continued

Regional Proposed/Planned Hotel Breakdown

- San Clemente, Autograph Collection – 130 rooms
- Hampton Inn & Suites by Hilton Santa Ana – 125 rooms
- Le Meridien Anaheim Garden Grove – 402 rooms
- TownePlace Suites by Marriott Anaheim – 186 rooms
- Home2 Suites by Hilton Buena Park – 140 rooms
- Residence Inn by Marriott Orange – 145 rooms
- Surf Lodge – 169 rooms
- Dana House – 130 rooms
- Element Lake Forest – 126 rooms
- AC Hotels by Marriott Costa Mesa – 180 rooms
- AC Hotel Laguna Hills – 150 rooms
- Magnolia Coast Hotel – 215 rooms
- Hotel at Santa Fe Ave – 124 rooms
- Residence Inn by Marriott Westminster – 175 rooms

Irvine, CA – Regional Hospitality Development Pipeline



Source: CoStar

Irvine Hotel Supply Performance

Hunden analyzed the Irvine hotel market using CoStar and STR data. As the subject market, Irvine has no hotel-worker wage ordinance and applies only the California state minimum. Occupancy peaked near 80 percent in 2019 and has recovered to the low-70s, held below its pre-pandemic high because new supply — average rooms up 14 percent since 2019 — outran the return of demand, which remains modestly below 2019. The rebound has been rate-led: ADR now sits 23 percent above its 2019 level, lifting RevPAR back above pre-pandemic.

MARKET PERFORMANCE (150+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2017	4,350	1,587,885	1,188,940	75%	$152	$114	$10.50
2018	4,928	1,798,769	1,384,417	77%	$155	$120	$11.00
2019	4,958	1,809,733	1,445,501	80%	$156	$125	$12.00
2020	4,425	1,615,232	661,693	41%	$130	$53	$13.00
2021	4,570	1,667,899	971,846	58%	$141	$82	$14.00
2022	4,693	1,712,945	1,202,414	70%	$179	$126	$15.00
2023	4,931	1,799,853	1,261,147	70%	$188	$132	$15.50
2024	5,246	1,914,711	1,346,274	70%	$189	$133	$16.00
2025	5,665	1,914,711	1,384,101	72%	$192	$139	$16.50

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*

Los Angeles Hotel Supply Performance

This Los Angeles view reflects the ordinance's original coverage — hotels with 150 or more rooms — through mid-2022. Occupancy held in the low-80s before the pandemic, bottomed near 40 percent in 2020, and recovered to the low-70s by 2022; RevPAR fell 61 percent at the trough, and while ADR had climbed back above its pre-pandemic level by 2022, RevPAR still lagged. Los Angeles's Citywide Hotel Worker Minimum Wage Ordinance took effect July 1, 2015 for hotels of 300 or more rooms and expanded to this 150+ tier in 2016.

MARKET PERFORMANCE (150+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2016	21,231	7,749,176	6,415,791	83%	$195	$162	$15.37
2017	22,039	8,044,363	6,508,137	81%	$200	$162	$15.66
2018	23,480	8,570,146	7,002,512	82%	$202	$165	$16.10
2019	23,783	8,680,719	7,233,274	83%	$200	$167	$16.63
2020	21,726	7,929,852	3,186,754	40%	$163	$65	$17.13
2021	22,502	8,213,254	4,928,030	60%	$171	$103	$17.64
2022*	24,430	8,917,103	6,475,979	73%	$211	$153	$18.86

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*
**LA coverage expanded 150+ → 60+ rooms on Aug 12, 2022*

Los Angeles Hotel Supply Performance

Effective August 12, 2022, Los Angeles broadened coverage to hotels of 60 or more rooms — a supply base about 21 percent larger than the 150+ view. Across this fuller set the market has essentially plateaued: occupancy has stayed in a narrow low-70s band, and both ADR and RevPAR have moved sideways, with RevPAR slipping modestly from its 2023 level. Over the same span the hotel minimum wage rose 19 percent under the City's 2025 "Olympic Wage," which is scheduled to continue toward $30 by 2028.

MARKET PERFORMANCE (60+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2022*	29,509	10,770,751	7,741,161	72%	$215	$155	$18.86
2023	30,541	11,147,528	8,245,775	74%	$217	$160	$19.73
2024	30,770	11,230,997	8,279,433	74%	$213	$157	$20.32
2025	32,763	11,073,745	7,914,253	71%	$213	$152	$22.50

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*
**LA coverage shifted from 150+ to 60+ rooms on Aug 12, 2022*

Santa Monica Hotel Supply Performance

Santa Monica is the set's premium beachfront market, and its story is rate rather than volume. After the 2020 trough, ADR surged to a peak in 2022 — 16 percent above its pre-pandemic level — then softened each year since, pulling RevPAR down with it even as occupancy held steady in the low-70s. Santa Monica's hotel-worker minimum wage is tied by ordinance to the City of Los Angeles rate and took effect in 2015.

MARKET PERFORMANCE (ALL HOTELS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2016	3,809	1,390,428	1,164,024	84%	$331	$277	$15.37
2017	4,034	1,472,464	1,219,634	83%	$331	$274	$15.66
2018	4,085	1,490,953	1,254,802	84%	$340	$286	$16.10
2019	4,226	1,542,320	1,256,677	81%	$336	$274	$16.63
2020	3,880	1,416,356	575,210	41%	$256	$104	$17.13
2021	4,328	1,579,553	931,288	59%	$316	$187	$17.64
2022	4,338	1,583,517	1,179,635	74%	$391	$291	$18.86
2023	4,118	1,503,241	1,126,903	75%	$375	$281	$19.73
2024	4,082	1,489,947	1,128,680	76%	$355	$269	$20.32
2025	4,546	1,536,405	1,122,458	73%	$351	$257	$22.50

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*

Glendale Hotel Supply Performance

Unlike the coastal markets, Glendale is a supply-side growth story: average available rooms expanded 46 percent between 2019 and 2025, and demand kept pace, with room nights sold up 23 percent. That lifted occupancy back to its strongest level of the period and pushed both ADR and RevPAR above pre-pandemic — one of the few markets here to fully clear its 2019 benchmarks. Glendale's Hotel Worker Protection Ordinance took effect June 28, 2022 and mirrors the City of Los Angeles rate.

MARKET PERFORMANCE (60+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2019	1,227	448,010	369,392	82%	$163	$135	$12.00
2020	1,106	403,568	189,887	47%	$131	$62	$13.00
2021	1,499	547,161	341,323	62%	$151	$94	$14.00
2022*	1,519	554,431	369,609	67%	$184	$123	$18.86
2023	1,649	601,905	409,950	68%	$194	$132	$19.73
2024	1,661	606,300	410,343	68%	$192	$130	$20.32
2025	1,794	606,493	452,984	75%	$195	$145	$22.50

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*
**The policy officially started on June 28, 2022, and updates every year on July 1st*

Long Beach Hotel Supply Performance

Long Beach stands out for sustained rate growth — ADR climbed across the entire period to sit 27 percent above its 2019 level, carrying RevPAR higher even as occupancy eased in the last two years. The wage backdrop shifted sharply here: the voter-approved Measure N took effect in 2013 and lifted the 100+-room hotel wage gradually, until Measure RW jumped it 31 percent in 2024 — the point at which occupancy began to soften while ADR kept rising.

MARKET PERFORMANCE (100+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2016	4,656	1,699,293	1,315,134	77%	$158	$123	$14.07
2017	4,649	1,696,916	1,347,524	79%	$165	$131	$14.35
2018	4,759	1,737,092	1,375,804	79%	$163	$129	$14.64
2019	4,500	1,642,607	1,279,579	78%	$171	$133	$14.97
2020	3,889	1,419,480	664,236	47%	$143	$67	$15.47
2021	3,946	1,440,413	996,943	69%	$154	$106	$15.69
2022	4,146	1,513,340	1,163,178	77%	$188	$144	$16.73
2023	4,266	1,557,264	1,186,146	76%	$203	$154	$17.55
2024	4,363	1,592,535	1,183,417	74%	$208	$154	$23.00
2025	4,824	1,630,590	1,198,466	73%	$217	$160	$25.00

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*
**The minimum wage updates every year on July 1st*

West Hollywood Hotel Supply Performance

West Hollywood posted both the set's strongest pre-pandemic occupancy and its deepest downturn — the low-30s in 2020, the sharpest drop of any market here. The recovery has been rate-led: ADR spiked roughly 30 percent above its pre-pandemic level in 2022 before giving back much of that gain, while occupancy has returned only to around 70 percent. West Hollywood's hotel-worker minimum wage took effect January 1, 2022; earlier years reflect the California state minimum.

MARKET PERFORMANCE (ALL HOTELS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2016	1,848	674,359	580,447	86%	$302	$260	$10.00
2017	1,848	674,520	564,951	84%	$298	$250	$10.50
2018	1,964	716,977	583,349	81%	$298	$242	$11.00
2019	2,065	753,709	603,044	80%	$301	$241	$12.00
2020	1,791	653,544	235,442	36%	$283	$102	$13.00
2021	2,254	822,528	438,315	53%	$315	$168	$14.00
2022	2,321	847,144	586,996	69%	$392	$271	$18.35
2023	2,318	845,921	602,519	71%	$371	$264	$19.08
2024	2,310	843,150	608,326	72%	$358	$259	$19.61
2025	2,498	844,489	580,380	69%	$338	$232	$20.22

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*
**The ordinance began in 2022 with semi-annual increases*

Oakland Hotel Supply Performance

Oakland is the clear outlier: it is the only market here where occupancy, ADR, and RevPAR all remain below their 2019 levels, with RevPAR still down 28 percent. Demand has not returned — room nights sold are off 31 percent versus 2019 — and supply is now contracting, with average available rooms down 11 percent in 2025 alone. Oakland's hotel-worker minimum wage, Measure Z, took effect July 1, 2019.

MARKET PERFORMANCE (50+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2016	3,968	1,448,373	1,084,383	75%	$143	$107	
2017	4,232	1,544,622	1,178,710	76%	$143	$109	$10.50
2018	4,248	1,550,427	1,211,264	78%	$150	$117	$11.00
2019	4,282	1,562,925	1,182,274	76%	$158	$120	$20.00
2020	3,901	1,423,718	666,351	47%	$122	$57	$20.50
2021	3,835	1,399,794	843,820	60%	$118	$71	$20.50
2022	3,971	1,449,576	941,991	65%	$140	$91	$21.84
2023	4,373	1,596,221	987,334	62%	$143	$88	$23.15
2024	4,289	1,565,552	949,091	61%	$129	$78	$23.91
2025	3,826	1,293,316	812,686	63%	$137	$86	$24.48

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*

San Diego Hotel Supply Performance

San Diego's 150+ room hotels show one of the strongest recoveries in the set — ADR now sits about 26 percent above its 2019 level and RevPAR roughly 22 percent higher, with 2026 year-to-date running ahead again. Importantly, San Diego's Hospitality Minimum Wage Ordinance is the newest here, taking effect July 1, 2026, so the entire performance history shown predates the policy and serves as a clean pre-ordinance baseline.

LOCAL HOTEL PERFORMANCE (150+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2017	28,523	10,411,068	8,288,510	80%	$180	$144	$11.50
2018	28,778	10,503,796	8,554,227	81%	$186	$152	$11.50
2019	29,211	10,661,976	8,449,495	79%	$187	$148	$12.00
2020	25,759	9,402,068	3,915,139	42%	$153	$64	$13.00
2021	28,145	10,272,862	5,729,920	56%	$179	$100	$14.00
2022	28,068	10,244,946	7,451,804	73%	$223	$162	$15.00
2023	28,072	10,246,251	7,686,786	75%	$231	$173	$16.30
2024	28,075	10,247,284	7,845,415	77%	$235	$180	$16.85
2025	30,740	10,390,057	7,689,064	74%	$229	$170	$17.25
2026 YTD	15,308	5,174,052	4,020,259	78%	$234	$182	$19.00

Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*

SeaTac Hotel Supply Performance

SeaTac is an airport-anchored market with a largely fixed supply base, and its performance has settled modestly above pre-pandemic — ADR peaked about 16 percent over its 2019 level in 2023 and has held most of that gain, keeping RevPAR a few points above 2019 on low-70s occupancy. Notably, SeaTac carries the longest track record of any ordinance in the set: Proposition 1 took effect January 1, 2014, years ahead of the California cities.

MARKET PERFORMANCE (100+ ROOMS)

Year	Annual Avg. Available Rooms	Available Room Nights	Room Nights Sold	Occupancy Rate	Average Daily Rate	RevPAR	Min. Wage
2016	2,274	830,010	674,124	81%	$116	$94	$15.24
2017	2,274	830,010	677,048	82%	$121	$99	$15.34
2018	2,519	919,557	720,048	78%	$126	$98	$15.64
2019	2,715	991,005	758,671	77%	$126	$96	$16.09
2020	2,897	1,057,405	500,213	47%	$88	$42	$16.34
2021	2,897	1,057,405	683,078	65%	$101	$65	$16.57
2022	2,898	1,057,618	786,726	74%	$137	$102	$17.54
2023	2,898	1,057,770	775,643	73%	$146	$107	$19.06
2024	2,898	1,057,770	783,403	74%	$145	$107	$19.71
2025	3,130	1,057,800	773,580	73%	$140	$102	$20.17

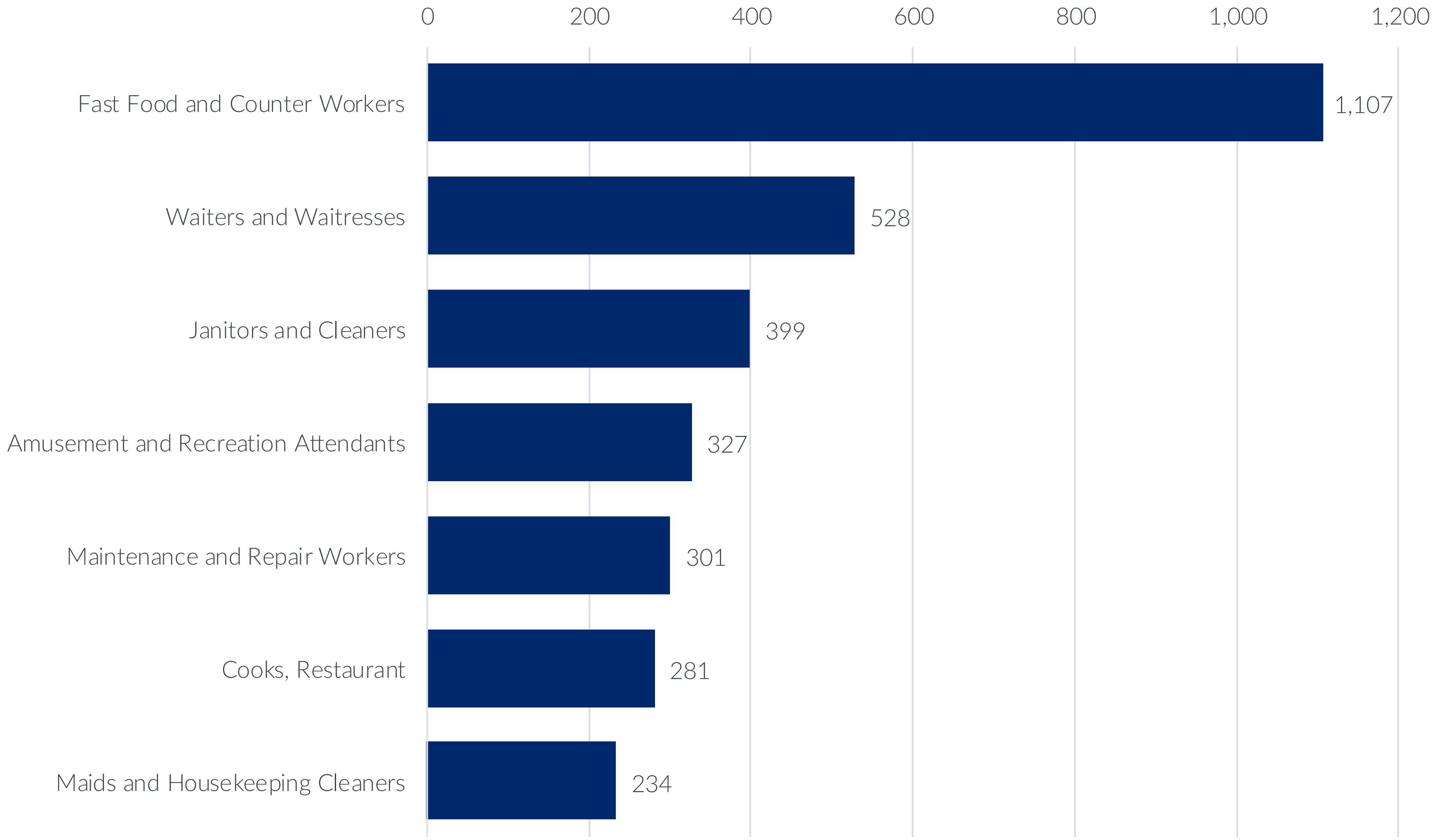
Source: STR
**Performance data includes a Composite Property to protect confidentiality, with results typically within 1 percent*
**SeaTac Proposition 1 took effect January 1, 2014; the wage adjusts annually for inflation*

Wages and Workforce Profile
Continued

Hiring Demand

Lightcast projects approximately 3,177 average annual openings across the following occupations between 2025 and 2030. Net employment growth accounts for only a small share of these openings, indicating that most hiring demand reflects the need to replace existing workers.

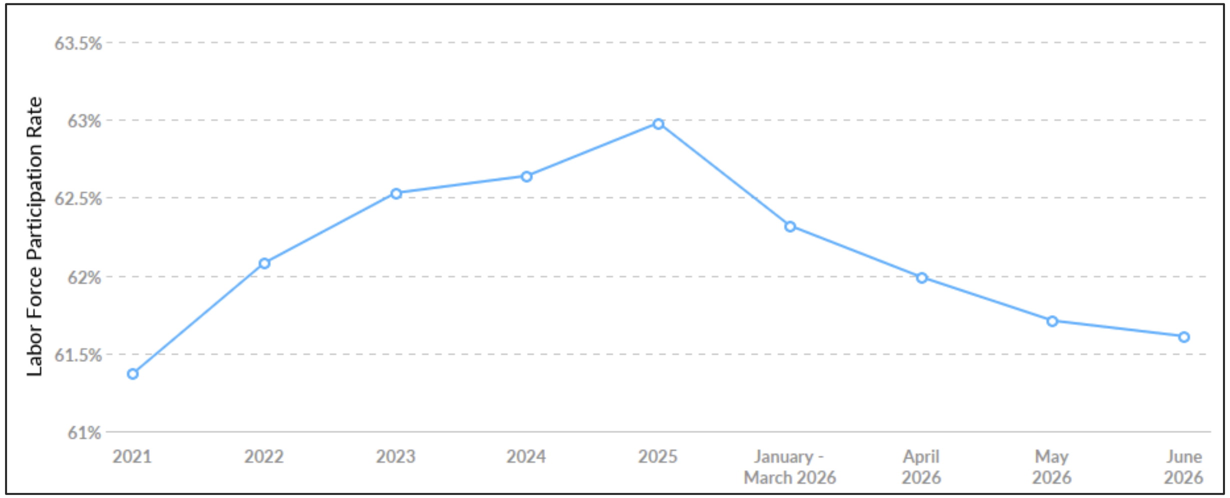
AVERAGE ANNUAL OPENINGS BY OCCUPATION



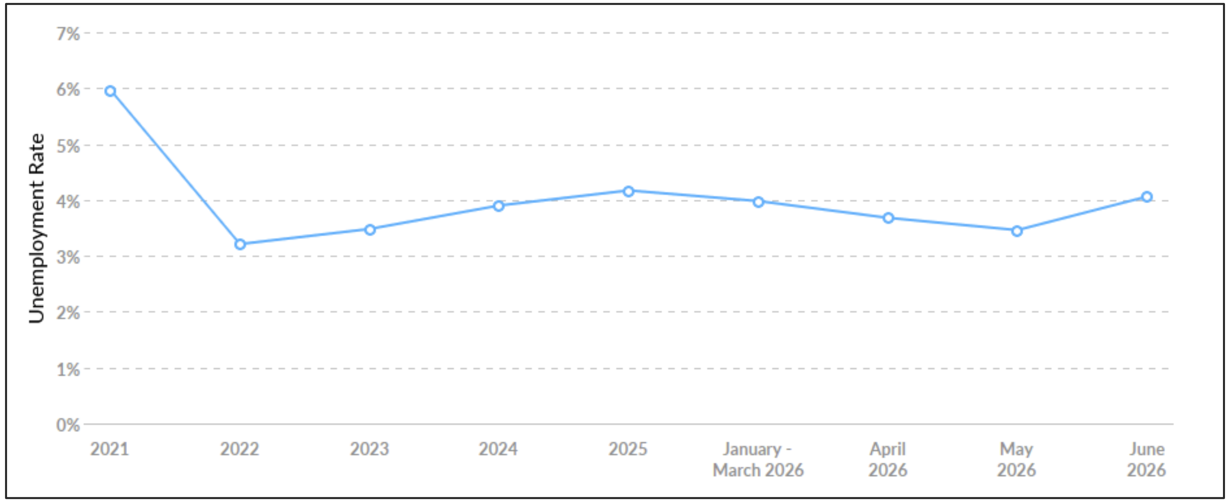
Source: Lightcast

Labor Force Participation and Unemployment

Labor Force



Unemployment



Source: Lightcast

Industries Affected by Tourism - Breakdown

Industry Sectors Affected by Tourism	Tourism Industry Ratio	Employment, Tourism Share	Employment, Total
Traveler accommodations	0.77	1,787	2,321
Vacation home rentals	0.03	25	843
Food services and drinking places	0.17	2,556	15,035
Air transportation services	0.79	3	4
Rail transportation services	0.04	1	15
Interurban charter bus transportation	0.69	36	52
Urban transit systems and other transportation	0.21	128	610
Taxi service	0.14	5	36
Scenic and sightseeing transportation services	0.93	23	24
Automotive equipment rental and leasing	0.51	86	168
Automotive repair services	0.06	29	483
Parking lots and garages	0.18	46	255
Travel arrangement and reservation services	0.95	771	811
Motion pictures and performing arts	0.08	165	2,060
Spectator sports	0.14	39	282
Participant sports	0.20	186	929
Gambling	0.27	12	44
All other recreation and entertainment	0.12	407	3,388
Industries producing nondurable PCE commodities	0.03	167	5,579
Wholesale trade and transportation services	0.02	396	19,792
Gasoline service stations	0.19	31	166
Retail trade services, excluding gasoline service stations	0.03	339	11,311
All other industries	0.00	0	222,556
Totals		**7,238**	**286,769**

SOC Codes Used for Wage Analysis

11-9051 — Food Service Managers

11-9072 — Entertainment and Recreation Managers

11-9081 — Lodging Managers

13-1121 — Meeting, Convention, and Event Planners

33-9032 — Security Guards

33-9092 — Lifeguards, Ski Patrol, and Other Recreational Protective Service Workers

35-1011 — Chefs and Head Cooks

35-1012 — First-Line Supervisors of Food Preparation and Serving Workers

35-2011 — Cooks, Fast Food

35-2014 — Cooks, Restaurant

35-2015 — Cooks, Short Order

35-2021 — Food Preparation Workers

35-3011 — Bartenders

37-2011 — Janitors and Cleaners

37-2012 — Maids and Housekeeping Cleaners

39-1014 — First-Line Supervisors of Entertainment and Recreation Workers

39-3031 — Ushers, Lobby Attendants, and Ticket Takers

39-3091 — Amusement and Recreation Attendants

39-6012 — Concierges

39-7018 — Tour and Travel Guides

41-3041 — Travel Agents

43-4081 — Hotel, Motel, and Resort Desk Clerks

49-9071 — Maintenance and Repair Workers, General

NAICS Codes Used for Wage Analysis

485310 – Taxi and Ridesharing Services

561510 – Travel Agencies

561520 – Tour Operators

561591 – Convention and Visitors Bureaus

561599 – All Other Travel Arrangement and Reservation Services

561920 – Convention and Trade Show Organizers

711310 – Promoters of Performing Arts, Sports, and Similar Events with Facilities

711320 – Promoters of Performing Arts, Sports, and Similar Events without Facilities

712130 – Zoos and Botanical Gardens

713110 – Amusement and Theme Parks

713910 – Golf Courses and Country Clubs

713940 – Fitness and Recreational Sports Centers

713990 – All Other Amusement and Recreation Industries

721110 – Hotels (except Casino Hotels) and Motels

721191 – Bed-and-Breakfast Inns

721199 – All Other Traveler Accommodation

722310 – Food Service Contractors

722320 – Caterers

722410 – Drinking Places (Alcoholic Beverages)

722511 – Full-Service Restaurants

722513 – Limited-Service Restaurants

Hospitality Wage Policy Case Studies

Case Study Evidence and Hunden's Role

Hunden reviewed studies, surveys, and market data from cities that have adopted or considered hospitality wage policies. These cities provide examples of how similar policies have been evaluated and what impacts have been reported or projected. The case studies examine hotel operations, employment, pricing, profitability, investment, and tax revenue.

Hunden did not prepare or commission the underlying studies. This section presents each study's findings, methods, funding sources, and limitations without supporting a particular policy position. Actual results, survey responses, stakeholder estimates, and projections are clearly identified. The findings are intended to inform Irvine's decision-making and should not be treated as direct forecasts for the Irvine hotel market.

	ANAHEIM	SAN DIEGO	LOS ANGELES
PROPOSED MIN WAGE	$25/hr	$25/hr	$25/hr
DID MEASURE PASS?	✗	✓	✓
EFFECTIVE BY	**Did Not Pass** October 3, 2023	**July 1, 2026**	**July 1, 2026**

CASE STUDY #1

Anaheim

Anaheim Measure A (Proposed)

Anaheim is the only Orange County jurisdiction to put a hotel wage to a public vote. The City commissioned two studies before the election, and the measure failed, so those studies remain forecasts of something that never took effect.

WHAT MEASURE A WOULD HAVE DONE

BALLOT INITIATIVE

- UNITE HERE Local 11, a hotel workers' union, sponsored Measure A, which applied to workers at Anaheim hotels and large event centers.
- The measure would have established a $25 hourly minimum wage, with annual increases based on the greater of 3 percent or inflation.
- Housekeepers would have been limited to cleaning 3,500 square feet per workday at hotels with 60 or more rooms and 4,000 square feet at smaller hotels. If those limits were exceeded, the housekeeper would have received double pay for the day.
- The measure also included security devices for hotel employees and additional overtime pay requirements.

Source: City of Anaheim (Measure A newsflash); Ballotpedia (Oct. 2023 results).

66%
voted NO (34% Yes)

$25/hr
proposed wage floor

10/3/23
standalone special election

Projected Anaheim Convention Center Impact

According to Baker Tilly, Measure A was projected to move the Convention Center from roughly break-even to an **$8.6 million annual deficit.**

Labor expense increases 22.1 percent: Labor expense was projected to rise by $6.1 million, from $27.5 million to $33.6 million. This upper-end estimate includes direct wage and benefit costs, along with additional raises to preserve pay differences between employees and supervisors. Total operating expenditures would increase 13.9 percent, from $44.0 million to $50.1 million.

F&B contract revenue decreases 50 percent: The Convention Center's revenue from its Aramark F&B contract was projected to decline from $5.0 million to $2.5 million. This would reduce total operating revenue by 5.7 percent, from $43.9 million to $41.4 million.

Limited ability to recover costs: Existing convention contracts were signed years in advance, limiting near-term price adjustments. The report also found that additional price increases could weaken Anaheim's competitiveness for group business.

Broader City budget pressure: Because Anaheim's General Fund supports Convention Center finances, the projected $8.6 million shortfall could require additional City funding and reduce budget flexibility for other priorities. Baker Tilly expected these costs to increase over time but did not estimate specific service reductions.

WITHOUT MEASURE A

+$34K

Projected FY 2023/24 Net Income

WITH MEASURE A

–$8.56M

Projected FY 2023/24 Net Loss

*Pre-implementation Projection

Source: Baker Tilly, Anaheim Hotel and Event Center Initiative Impacts on the Anaheim Convention Center, June 8, 2023.

TOT & Investment Forecasts

Beacon Economics projected a near-term TOT increase due to higher rates, followed by slower long-term growth based on assumed reductions in hotel profitability and investment.

Higher costs would pressure rates and margins: The proposed $25 wage was approximately 35 percent above the average $18.50 wage for nonsupervisory hotel positions. Labor represented 35 to 50 percent of hotel variable costs. Beacon projected that hotels would raise room rates to recover part of the added costs, while costs not passed to guests would reduce margins.

Higher room rates would support near-term TOT: Anaheim's 15 percent TOT is applied to room revenue. Although higher rates were expected to reduce occupancy, Beacon projected that the occupancy decline would not fully offset the additional revenue generated by higher ADR.

Lower profitability could limit future investment: Beacon estimated that profitability at some hotels could decline by as much as 50 percent under the full initiative. Lower investor returns were expected to discourage hotel development and slow the growth of taxable room supply. As a result, Beacon projected long-term TOT growth could be 30 to 70 percent lower.

NEAR TERM TOT FORECAST

+$1.2M - $5.9M

TOT projection without Measure A

↓

FY 2027/28 FORECAST

–$4M

TOT projection with Measure A

*Pre-implementation Projection

Source: City of Anaheim (Measure A newsflash); Ballotpedia (Oct. 2023 results).

CASE STUDY #2

San Diego

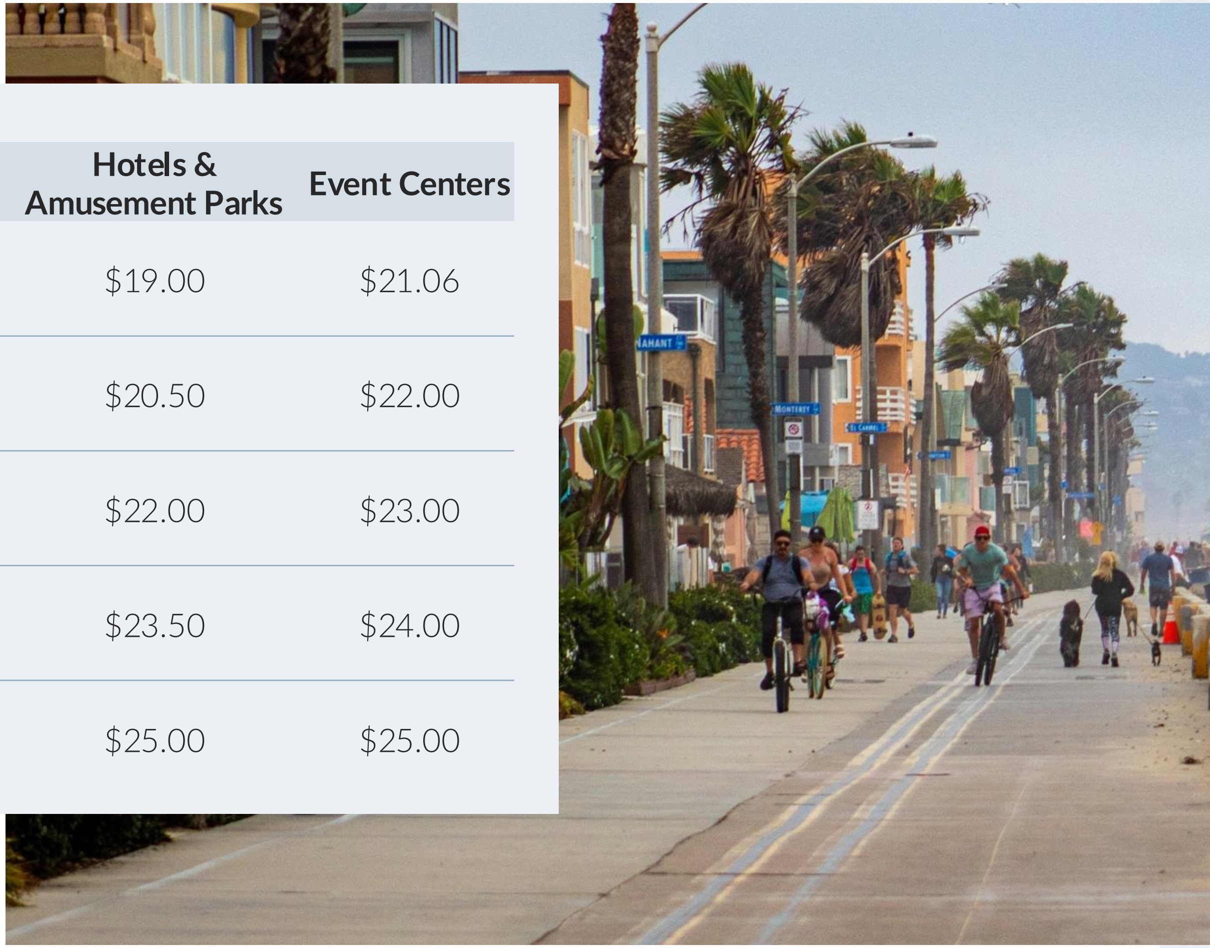
San Diego: Effective in 2026, Phasing to $25 by 2030

The final ordinance reaches $25 per hour by 2030, a more gradual schedule than the immediate $25 proposal evaluated by the Independent Budget Analyst (IBA).

WHAT THE ADOPTED ORDINANCE REQUIRES

- Applies to **hotels with at least 150 rooms**, event centers, amusement parks, and zoos. Covered on-site contractors and service providers are also included. A collective bargaining agreement may waive the wage requirement.
- The ordinance became effective **July 1, 2026**. Hotels and amusement parks began at **$19.00 per hour**, while event centers began at **$21.06 per hour.**
- Both wage schedules reach **$25.00 per hour in July 2030**, followed by annual adjustments based on inflation.

Effective Date	Hotels & Amusement Parks	Event Centers
Jul-26	$19.00	$21.06
Jul-27	$20.50	$22.00
Jul-28	$22.00	$23.00
Jul-29	$23.50	$24.00
Jul-30	$25.00	$25.00



Source: City of San Diego Office of the Independent Budget Analyst, Report 25-21

Potential Economic Impacts on San Diego Hotels

The IBA found no clear consensus on the net economic effects of an industry-specific minimum wage. It concluded that impacts would vary based on existing wage levels, hotel characteristics, ownership structure, implementation timing, and how employers respond.

HOW HOTELIERS SAID THEY WOULD RESPOND

Labor costs: Labor represented 24 to 50 percent of total hotel expenses. One large conference hotel estimated that wage compression could affect approximately 300 employees and cost $5 million to $6 million. This was a stakeholder estimate, not a market-wide projection.

Operating changes: Hotels identified potential reductions in positions, hiring, employee hours, housekeeping, F&B, and shuttle services. Other responses included additional automation and deferring nonessential renovations.

Pricing and competition: Room-rate increases were viewed as a last resort because higher prices could reduce occupancy and shift price-sensitive business to nearby Southern California markets and lower-cost national destinations.

MARKET & TOT CONSIDERATIONS

TOT relationship: Across the cities reviewed, the IBA found no clear correlation between hotel worker minimum wages and inflation-adjusted TOT. Tourism demand, broader economic conditions, inflation, and discretionary spending also influenced performance.

Potential timing of impacts: The IBA did not anticipate a major immediate decline in TOT. It identified a greater risk of slower or forgone future growth, particularly if higher costs weaken demand, reduce hotel reinvestment, or constrain hotel supply.

Source: City of San Diego Office of the Independent Budget Analyst, Report 25-21

Factors Shaping Hotel Impacts

The IBA found that the effects of a $25 per hour minimum wage would vary significantly by hotel size, location, service model, ownership structure, financial condition, existing wage levels, and collective bargaining status.

EXISTING WAGES AND COLLECTIVE BARGAINING

Current wages: The proposed $25 wage would not affect all hotels equally. Some hotels already paying near $25 would face limited direct increases, while hotels in other submarkets averaging about $21 would need to raise affected wages by roughly $4 per hour, creating a larger payroll impact.

Indirect payroll costs: Hotels already paying near $25 could face additional costs. Raising lower-paid employees to $25 would narrow the pay gap with supervisors and experienced staff, creating pressure to raise those wages as well.

Union contracts: Hotels with collective bargaining agreements may face less immediate disruption because wages and future increases are already negotiated and built into their budgets. One downtown hotel already paid room attendants $27 per hour, increasing to $34 over three years.

WORKER COVERAGE AND HOTEL RESPONSE

Tipped workers: Hotel stakeholders reported that servers, bartenders, banquet staff, bell staff, and shuttle drivers often earned $30 to $60 per hour or more when gratuities were included. California law does not allow tips to count toward the required minimum wage, meaning the full base wage increase would still apply.

Ownership structure: Investor-owned and professionally managed hotels often operate under annual profit targets, making them more likely to protect returns through staffing reductions, service cuts, higher prices, or lower capital spending. Owner-operated hotels may have more flexibility to accept lower short-term profits.

Potential offset: Higher wages could make hotel jobs easier to fill and retain in a competitive labor market, reducing turnover and creating a more stable workforce.

Source: City of San Diego Office of the Independent Budget Analyst, Report 25-21, Potential Economic Impacts of Implementing a Hospitality Worker Minimum Wage, June 18, 2025, pp. 2, 6–11, 16–19. Adopted schedule: San Diego Municipal Code ch. 3, art. 12, div. 1, effective July 1, 2026.

CASE STUDY #3

Los Angeles

Los Angeles Hotel Wage Policy

Effective July 1, 2026, covered hotel workers must receive a $25.00 cash wage and $4.25 per hour in qualifying health benefits or supplemental wages.

$25

Cash wage per hour

Scheduled to reach $30.00 in January 2030.

+ $4.25

Hourly health-benefit requirement

If qualifying benefits total less than $4.25 per hour, the difference must be paid as additional wages.

60+ / 50+ ROOMS

60+ rooms citywide
50+ rooms in the Airport Hospitality Enhancement Zone

About 150 hotels and 40,000+ rooms; extends to subcontractors on hotel premises.

ADOPTED WAGE SCHEDULE

Sep 2025	Jul 2026	Jul 2027	Jul 2028	Jul 2029	Jan 2030	After 2030
$22.50	$25.00	$25.50	$28.50	$29.00	$30.00	Annual CPI

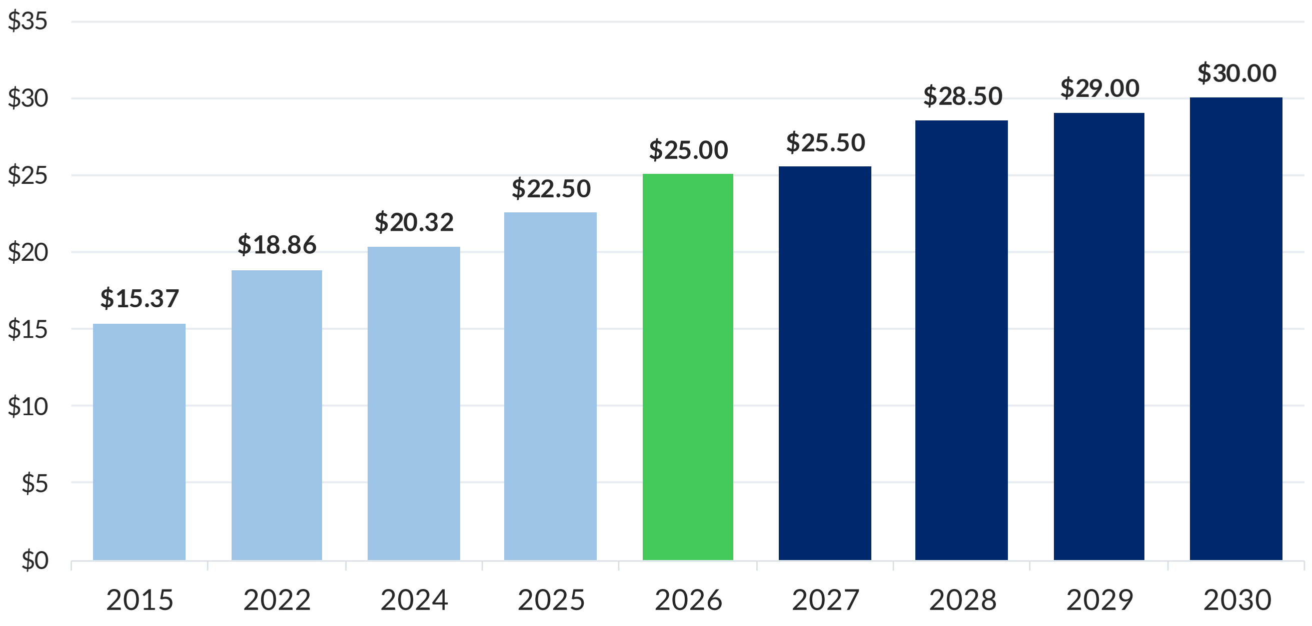
The health-benefit requirement is $4.25 per hour beginning July 2026 and $6.00 beginning July 2027, before becoming linked to the applicable airport-worker health-benefit rate in July 2028. Ordinance No. 188944 also amended the $30 cash wage from July 2028 to January 2030 and reduced the near-term health-benefit requirements. The studies that follow evaluated earlier versions of the policy.

Sources: City of Los Angeles Ordinance No. 188610; Office of Wage Standards, 2026 CHMWO Wage Chart with Health Benefit, rev. 05/27/2026; Council File 14-1371-S13.

Los Angeles Hotel Wage Policy Proposed in Stages

The policy began with larger hotels, expanded to smaller properties in 2022, and added a new wage and health -benefit schedule in 2025 that the City revised in 2026.

MANDATED CASH WAGE FOR COVERED HOTEL WORKERS



Sources: City of Los Angeles Ordinance Nos. 183241, 187565, 188610 and 188944; Office of Wage Standards; City Clerk referendum certification, September 8, 2025.

WHAT WAS PROPOSED AND WHAT PASSED

2014: City adopts the $15.37 hotel wage. It applies to hotels with at least 300 rooms in July 2015 and at least 150 rooms in July 2016.

August 2022: Coverage expands to hotels with at least 60 rooms; separate safety and housekeeping-workload requirements are added.

April 2023: Council proposes a $25 wage rising annually to $30 in 2028, together with expanded health benefits.

May–September 2025: Ordinance No. 188610 establishes a new wage and benefit schedule. A referendum petition is certified insufficient, and the $22.50 rate takes effect September 8.

May 2026: Ordinance No. 188944 revises the phase-in and moves the $30 wage from July 2028 to January 2030.

Projected Economic Gains

Berkeley Economic Advising & Research (BEAR)

The City of Los Angeles Office of the Chief Legislative Analyst commissioned BEAR to estimate the effects of a proposal that would raise the minimum wage to $25 in 2023 and by $1 annually to $30 in 2028, while expanding health care requirements.

PROJECTED 2028 IMPACTS

+6,319

Full-time equivalent jobs relative to baseline

+$694M

Net change in Los Angeles City GDP

+$154M

Increase in worker wage income within Los Angeles

+$15M

Increase in local government revenue

HOW THE MODEL PRODUCED NET GAINS

Higher business costs: Payroll costs increased 32 percent, prices increased 6 percent, Los Angeles City enterprises absorbed $227 million in costs, and consumer spending declined by $21 million.

Modeled income effect: BEAR projected $154 million in direct worker wage income and $541 million in indirect and induced income, contributing to a $694 million net increase in City GDP.

Local benefit capture: Because many affected workers live in Los Angeles, BEAR estimated that the City would retain approximately two-thirds of the resulting economic benefit.

PROJECTED WORKER IMPACT

Under the modeled Los Angeles proposal, minimum total hourly compensation for hotel workers without employer-provided health insurance was projected to increase 69 percent in the first year, from $19.73 to $33.35.

KEY ASSUMPTIONS & LIMITATIONS

BEAR assumed that improved productivity and employee retention would offset 20 percent of added payroll costs. It also modeled a 6 percent price increase over four years, with only a limited reduction in customer demand.

Sources: Berkeley Economic Advising and Research, Amending the Los Angeles Living Wage and Hotel Worker Minimum Wage Ordinances: An Economic Assessment, September 2024.

Hotel Operating Impacts

Oxford Economics

The Los Angeles Area Chamber of Commerce commissioned Oxford Economics in May 2023 to model the original proposal's potential hotel operating impacts.

HOTEL OPERATING IMPACT BY WAGE SCENARIO

Oxford projected housekeeping payroll to increase 160.8 percent at $25 and 189.4 percent at $30 relative to the prior Living Wage Ordinance baseline. These scenarios included the 2022 housekeeping-workload requirements.

EXPECTED OPERATING RESPONSES

Operator interviews indicated that hotels could reduce staffing and hours, scale back F&B outlets and services, raise banquet and catering prices, and defer maintenance and renovations.

HOTEL OPERATING IMPACT, $25/HR VS. $30/HR

Measure	At $25/hr	At $30/hr
ADR increase (rate pass-through)	+19.0%	+22.5%
Room demand loss	-15.0%	-17.2%
Total hotel payroll increase	+46.3%	+57.6%
Housekeeping payroll increase	+160.8%	+189.4%
Hotel capital spending loss	-$321M	-$342M

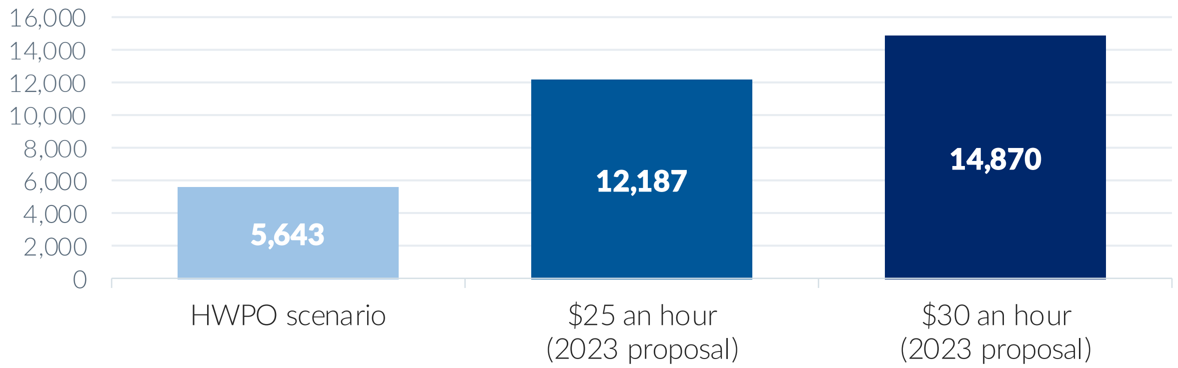
Source: Oxford Economics, Impacts of Proposed Increase in Minimum Wage for Hotels and LAX, prepared for the LA Area Chamber of Commerce, May 2023, pp. 17–22 (Section 4, Impact to Hotel Operations; Hotel Capital Spending). Relative to the ordinance then in force ($25/hr, $30/hr scenarios of the April 12, 2023 motion), not the ordinance as later adopted.

Citywide Economic & Fiscal Impact

Oxford Economics

The study modeled the direct, indirect, and induced effects of reduced hotel and airport visitor spending and hotel construction under the April 2023 proposal.

PROJECTED ANNUAL CITYWIDE JOB LOSSES



Scenario definitions: The first scenario includes the 2022 Hotel Worker Protection Ordinance (HWPO). The $25 and $30 scenarios also include proposed hotel and airport wage and health benefit changes. All are measured against the prior Living Wage Ordinance baseline.

LOSSES EXTENDED BEYOND HOTELS

The projected job losses span the broader Los Angeles economy, not only the hotel industry. The $25 and $30 scenarios included 1,927 and 2,053 hotel construction jobs, respectively. Remaining losses were modeled across hospitality, retail, transportation, arts and recreation, and supplier industries.

Source: Oxford Economics, Economic Impact of City Council Motion (April 12, 2023) to Amend LWO and LA HWMO, May 2023

CITYWIDE LOSSES, $25 VS. $30 AN HOUR

Measure	At $25/hr	At $30/hr
Business sales	-$1,915M	-$2,326M
Visitor spending	-$846M	-$1,073M
Hotel construction spending	-$321M	-$342M
Wages & benefits (gross)	-$714M	-$865M
State & local tax revenue	-$138M	-$169M
of which local tax revenue	-$45M	-$55M

HIGHER ROOM RATES PARTLY OFFSET TOT LOSSES

Under the $30 scenario, fewer overnight visitors associated with reduced LAX passenger volume were projected to lower TOT by $7.8 million. Higher hotel room rates added $4.3 million in TOT, resulting in a net annual decline of $3.6 million. Total local tax revenue was projected to decline by $54.5 million, including lower property and other tax collections.

Project HERO: What the Survey Is

The February 2026 report provides early hotel management perspectives on operating conditions and planned responses following the September 2025 wage increase.

BACKGROUND

Sponsor: The Hotel Association of Los Angeles established Project HERO, the Hotel Education and Research Organization.

Research manager: Rove, a tourism data and advisory platform, managed the study and prepared the report.

Survey period: November 2025 through January 2026.

Survey sample: The survey was emailed to 239 hotels using HALA's contact list. Respondents were primarily general managers and human resources managers. Ninety-two hotels answered at least one question, and 76 provided employment impact data.

HOW TO READ THE FINDINGS: Participation was voluntary, so the results may not represent all covered hotels. Responses reflect hotel management reports and expectations. The study did not independently verify responses or isolate the ordinance from other market conditions, so it does not establish causation.

SURVEY REFLECTS THE PRIOR WAGE SCHEDULE

The survey was conducted before the City reduced the health benefit requirement and delayed the $30 wage from July 2028 to January 2030. Its forward-looking findings therefore reflect a larger and faster cost increase than the schedule now in effect.

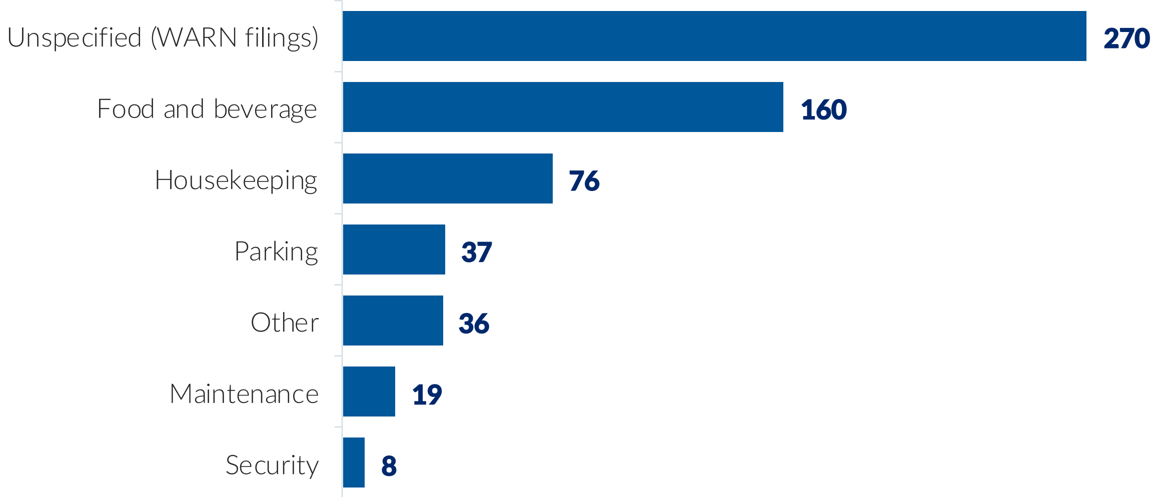
Sources: Project HERO/Rove, "Early Evidence of Economic and Employment Impacts from Los Angeles' Hotel Minimum Wage Ordinance," February 2026, pp. 4–5, 8, 21, Hotel Association of Los Angeles; City of Los Angeles Office of Wage Standards, CHMWO wage chart rev. 05/27/2026.

Reported Employment and Hour Reductions

Project HERO

Within six months of the September 2025 wage increase, Project HERO reported approximately 650 positions eliminated or at risk, equal to about 6 percent of the workforce reported by participating hotels.

POSITIONS ELIMINATED OR AT RISK BY DEPARTMENT



The published department counts total 606 and do not fully reconcile to the report's approximately 650-position headline. The 270 unspecified positions came from WARN filings rather than survey responses.

EXPECTED REDUCTIONS IN STAFF HOURS

- **62 percent** of responding hotels expected staff hours to decrease in 2026.
- Among those hotels, **75 percent** expected reductions of at least 10 percent.

BEYOND HOTEL PAYROLLS

- Hotels reported that **two-thirds** of contracted service providers planned to raise prices. Of that group, 46 percent expected increases of more than 25 percent.
- Hotels also reported that **one in five** providers planned to cancel its hotel contract.

KEY TAKEAWAY

Project HERO reported potential impacts beyond direct job losses, including fewer staff hours and higher costs or reduced availability of contracted hotel services. These findings reflect participating hotel managers' reports and expectations, not causal estimates.

Sources: Project HERO/Rove, February 2026, pp. 10–11 (survey of 239 covered hotels, 92 respondents, November 2025 to January 2026); Employment Policies Institute, June 2026, citing U.S. Bureau of Labor Statistics.

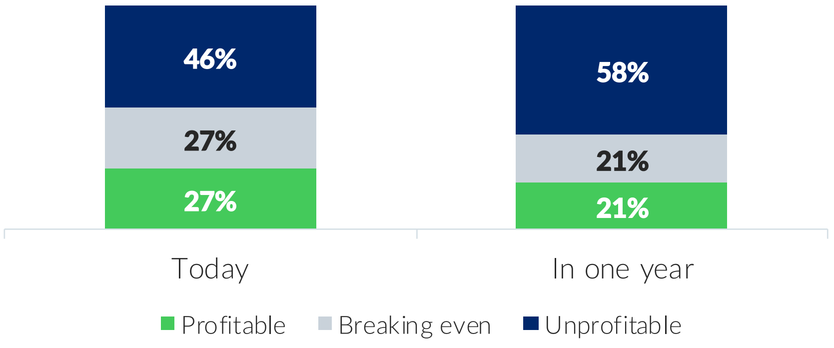
Reported Financial Pressure and Planned Responses

Project HERO

Responding hotels reported weak financial positions and planned to address higher labor costs through higher prices, reduced hours and services, automation, and outlet closures.

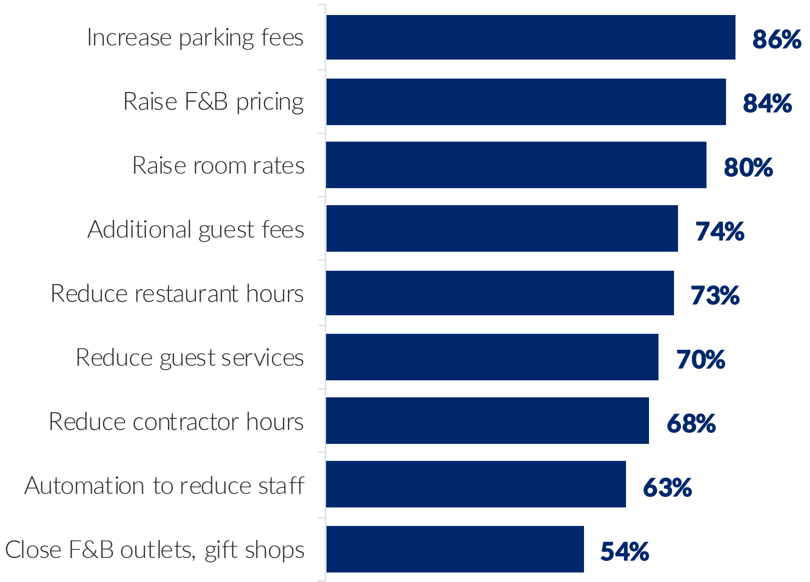
SELF-REPORTED FINANCIAL POSITION

SURVEY-REPORTED · 70+ HOTELS



More than **60 percent** of responding hotels expected operating margins to decline in 2026, including **48 percent** that expected a significant decline. Separately, **43 percent** reported that labor represented more than half of operating expenses.

LIKELY OPERATIONAL CHANGES TO OFFSET WAGE INCREASES



FOOD AND BEVERAGE

Respondents identified **14 hotel restaurants** that had closed or were expected to close in 2026.

HOTEL INVESTMENT

Among 62 responding hotels, **63 percent** reported that 2026 renovation, new construction, or property sale plans had been affected. Comments described delayed or canceled renovations and capital spending.

Sources: Project HERO/Rove, February 2026, pp. 12–14, 17–18 (survey of affected Los Angeles city hotels, November 2025). Food-service workforce estimate attributed to Berkeley Economic Advising and Research.

Case Studies Implications

Stakeholder Benefits & Tradeoffs

	POTENTIAL BENEFITS		POTENTIAL TRADEOFFS	
EMPLOYEES	Higher wages can improve earnings and job quality.	Stronger compensation may help attract and retain workers.	Employers may respond with slower hiring, reduced hours, reduced workforce, or higher performance expectations.	
HOTEL OPERATORS	Better compensation may support recruitment, retention, and service consistency.	Lower turnover could reduce recurring hiring and training costs.	Higher recurring labor expenses can pressure operating margins.	Operators may have limited ability to fully pass costs through in room rates.
HOTEL OWNERS	A more stable workforce can support operations and guest experience.	Better service consistency may help sustain hotel performance over time.	Lower NOI can reduce cash flow available for ownership returns.	Less cash flow may limit funds for capital improvements and reinvestment.
DEVELOPERS	A more stable hospitality workforce can reduce staffing uncertainty for new projects.	Strong workforce conditions may support long-term operating stability.	Higher projected operating costs can make hotel projects harder to finance.	If expected returns weaken, new development may shift to more favorable markets.
INVESTORS	Hotels with stronger staffing stability may present lower operational risk.	Better workforce outcomes can support long-term property performance.	Rising operating costs may reduce investment returns or asset values.	Capital may increasingly favor competitive peer markets with stronger projected economics.
LOCAL MUNICIPALITY	Higher worker earnings can support household income and local economic activity.	Improved workforce stability may support tourism service quality.	If hotel competitiveness weakens, the market could face slower reinvestment and development.	Reduced demand capture or slower hotel growth could affect TOT growth.

Hotel Labor Costs & Operating Economics

POTENTIAL DOWNSTREAM EFFECTS

Higher Operating Costs

Higher wages can increase hotel operating costs, particularly in labor-intensive departments such as housekeeping, valet, bell services, and food service.

Pricing, Staffing & Demand

Hotels may respond to higher operating costs through a combination of room-rate increases, staffing adjustments, service changes, or lower operating margins.

Taxable Room Revenue (TOT)

Higher room rates can increase TOT collections if occupancy and room-night demand remain stable. However, if higher prices or other operating changes reduce demand, some of that potential revenue gain may be offset.

Reinvestment & Development

Operating performance affects the capital available for renovations and can also influence the attractiveness of future hotel development relative to competing markets.

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REQUEST FOR HOTEL IMPROVEMENT DISTRICT OPERATING COMMITTEE ACTION

MEETING DATE: SEPTEMBER 15, 2026

TITLE: HOTEL IMPROVEMENT DISTRICT CITY DIRECTED FUNDING FOR CULTURAL PROGRAMS

Karin Koch

Director of Economic Development

RECOMMENDED ACTION

Receive and file.

EXECUTIVE SUMMARY

At its regular meeting on July 21, 2026, the Hotel Improvement District (HID) Operating Committee requested that an agenda item be added at an upcoming meeting regarding HID assessment revenue designated for City of Irvine cultural programs ("City Directed Funding"). in particular, the legal basis for the funding allocation and the benefits of the funding to local hotels.

Available information indicates that the City Directed Funding, currently allocated to the Irvine Barclay Theatre, generates a limited number of overnight hotel room nights in Irvine. Further, legal review of the City Directed Funding by the City Attorney's Office concluded that the City may continue to allocate the City Directed portion of HID assessment revenues to the Barclay under the existing HID framework.

ANALYSIS

Background

The Irvine Hotel Improvement District (HID) was established in 2002 through City Council Resolution No. 02-152. On March 14, 2023, the Irvine City Council, at the request of Irvine hoteliers, passed Resolution 23-27 to modify City Council Resolution 02-152. Modifications to City Council Resolution 02-152 included making the City the fiscal agent for the HID to manage and distribute this funding at the direction of a HID Operating Committee.

Resolution No. 02-152 imposes a 2% hotel assessment applied to the cost of hotel or other lodging stays of less than 30 days, which is self-assessed and approved by Irvine hoteliers. Of the 2% assessment, 1.5% funds programs to attract and recruit business and tourism to Irvine ("HID Directed Funding"), and 0.5% funds City of Irvine cultural programs ("City Directed Funding"), as defined in Resolution No. 23-27. City Directed Funding, approximately $1.2 million in the most recent fiscal year, has historically been allocated to the Irvine Barclay Theatre. The City Directed Funding allocation is not comprehensive of total expenditures supporting cultural programs in the City.

At the March 17, 2026 HID Operating Committee meeting, the Committee members raised questions regarding the City Directed Funding, specifically the allocation amount and the impact on the number of overnight hotel stays. On May 19, 2026, the Committee received a presentation from the Barclay Theatre regarding its mission, funding, activities, events, audience reach, hotel partnerships and discounts, guest accommodations, and future plans. After the presentation, the HID Operating Committee requested additional information regarding Barclay Theatre's measurable impact on hotel occupancy and tourism.

At the July 21, 2026 HID Operating Committee meeting, the Committee requested staff to facilitate further discussion on the City Directed Funding specifically to provide available data on Barclay Theatre visitation related to overnight hotel stays, and conduct a legal review of the City Directed Funding portion of the HID assessment and whether or not this funding must provide a direct benefit to hotels in the Hotel Improvement District.

Barclay Visitation and Impact on Irvine Hotels

In response to the Committee's request for additional information, staff reviewed available data on Barclay visitation and its impact on overnight hotel activity. This review included direct outreach to the Irvine Barclay Theatre, Irvine hotels, and visitor-origin data prepared through Datafy, a tourism analytics platform that provides visitor insights based on location and travel-pattern information.

Irvine Barclay Theatre reported serving 53,162 households since the 2021–22 season, representing 49 states and the District of Columbia. Of those households, 68% were located in Orange County, 14% in Los Angeles County, 5% in Riverside County, 3% in San Diego County, and 3% in San Bernardino County. The information provided by the Barclay reflects the geographic distribution of households although it does not identify whether patrons stayed overnight in Irvine hotels.

Outreach to the Irvine hotel community identified fewer than 100 room nights associated with the Barclay from January 1, 2025, through June 30, 2026. This information reflects room nights identifiable by participating hotels as associated with the Barclay Theatre and may not capture patrons who independently booked accommodations without identifying an affiliation with the Theatre. Nevertheless, the available hotel data indicates limited trackable room-night activity associated with Barclay visitation.

Datafy visitor-location data provides additional context regarding the composition of the Barclay's audience. From January 1, 2025, through June 30, 2026, the analysis recorded approximately 100,796 visitor days associated with the Barclay. Approximately 99.9% of measured visitors originated within California. The analysis further classified approximately 97% of visitation as local and approximately 3% as non-local traveler visitation.

In sum, available data indicates that Barclay attendance is heavily concentrated among local and regional visitors, including those from Irvine and surrounding Southern California communities within driving distance. This visitation pattern, together with the limited number of identifiable hotel room nights associated with the Barclay, indicates that most Barclay visits do not generate overnight stays in Irvine hotels.

Legal Review of City Directed HID Funding

The City Attorney's Office reviewed the legal framework governing the City Directed Funding portion of the HID assessment, including whether subsequent changes in California law affect the City's ability to continue allocating the City Directed Funding portion to activities or programs that do not provide a direct benefit to the hotels in the Hotel Improvement District. The review considered both the original authorization of the City Directed Funding for cultural programming and the applicability of Proposition 26 to the current allocation.

The HID assessment was established by the City Council in 2002 through Resolution No. 02-152, which expressly authorized the 0.5% City Directed portion to fund local arts and cultural programming. Under the Irvine Municipal Code provisions in effect at the time, any challenge to the types of activities authorized for funding was required to be brought within 30 days of the City Council's action. No challenge was filed within that period. Accordingly, the City Attorney concluded that the underlying use of the City Directed portion for cultural programming is no longer subject to challenge on that basis.

The City Attorney also evaluated whether Proposition 26, adopted by California voters in 2010, affects the City's ability to allocate those funds specifically to the Barclay. Proposition 26 established additional constitutional requirements applicable to certain governmental charges, including requirements that benefits be provided to those paying the charge. Because the HID assessment was established in 2002, has not been increased or extended, and Proposition 26 does not apply retroactively to the assessment, the City Attorney concluded that the City may continue allocating the City Directed funding to the Barclay under the existing HID framework.

ALTERNATIVES CONSIDERED

Not applicable.

FINANCIAL IMPACT

None.

REPORT PREPARED BY Charles Behnke, HID Sales Manager

ATTACHMENT Barclay Overall Visitation Data 2025-June 2026

Barclay Overall Visitation 2025-June 2026

Powered by DATAFY

ATTACHMENT

Barclay Overall Visitation 2025-June 2026

Report Filters

Geolocation

Dates: 1/1/25 - 6/30/26

In-State
Out-of-State

Distance: 0 mi - 3350 mi

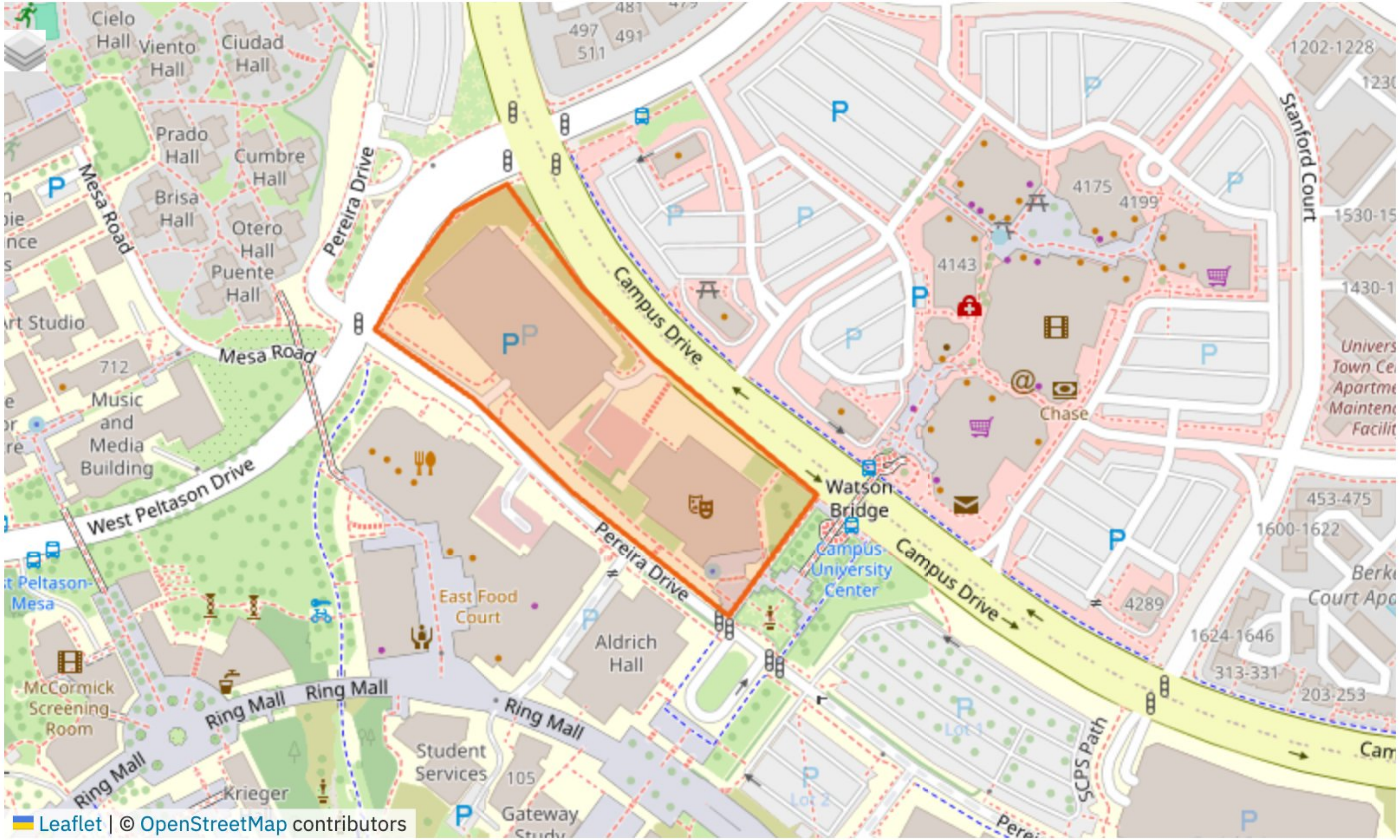
Regions: Inside Irvine Included

Clusters: All Included

POIs: Barclay Theatre Included

Selected POIs

Geolocation



Barclay Overall Visitation 2025-June 2026

Report Filters

Geolocation

Dates: 1/1/25 - 6/30/26

In-State

Out-of-State

Distance: 0 mi - 3350 mi

Regions: Inside Irvine Included

Clusters: All Included

POIs: Barclay Theatre Included

Geolocation

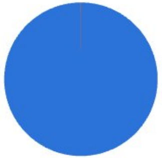
VISITOR DAYS

100,796 Days

In/Out of State Visitation

What is the visitor days split for in-state vs out-of-state?

Geolocation

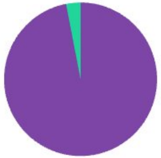


In-State	99.91%
Out-of-State	0.09%

Locals vs Visitors in Market

What is the visitation split for locals vs visitors by days?

Geolocation



Locals	96.96%
Visitors	3.04%

Geolocation estimates are generated from a statistical model which has been trained using historical behavior. The specific results are based on an observed sample of devices that met the specified filter settings.

DATAFY

Barclay Overall Visitation 2025-June 2026

Report Filters

- Geolocation
- Dates: 1/1/25 - 6/30/26
- In-State
- Out-of-State
- Distance: 0 mi - 3350 mi
- Regions: Inside Irvine Included
- Clusters: All Included
- POIs: Barclay Theatre Included

DMA Visitation

What markets are most visitors from?

Geolocation

DMA	Visitor Days
Los Angeles	96.49%
Bakersfield	0.26%
Atlanta	0.21%
Charlotte	0.21%
Seattle-Tacoma	0.21%
Tucson -Sierra Vista	0.21%
Houston	0.15%
Detroit	0.15%
Monterey-Salinas	0.15%
Philadelphia	0.10%

City Visitation

What markets are most visitors from?

Geolocation

City	Visitor Days
Irvine, CA	45.51%
Laguna Niguel, CA	3.81%
Anaheim, CA	3.33%
Lakewood, CA	2.86%
Newport Beach, CA	2.65%
Costa Mesa, CA	2.38%
Huntington Beach, CA	2.31%
San Clemente, CA	2.24%
Fullerton, CA	1.70%
Santa Ana, CA	1.56%

Geolocation estimates are generated from a statistical model which has been trained using historical behavior. The specific results are based on an observed sample of devices that met the specified filter settings.

Barclay Overall Visitation 2025-June 2026

Report Filters

Geolocation

Dates: 1/1/25 - 6/30/26

In-State

Out-of-State

Distance: 0 mi - 3350 mi

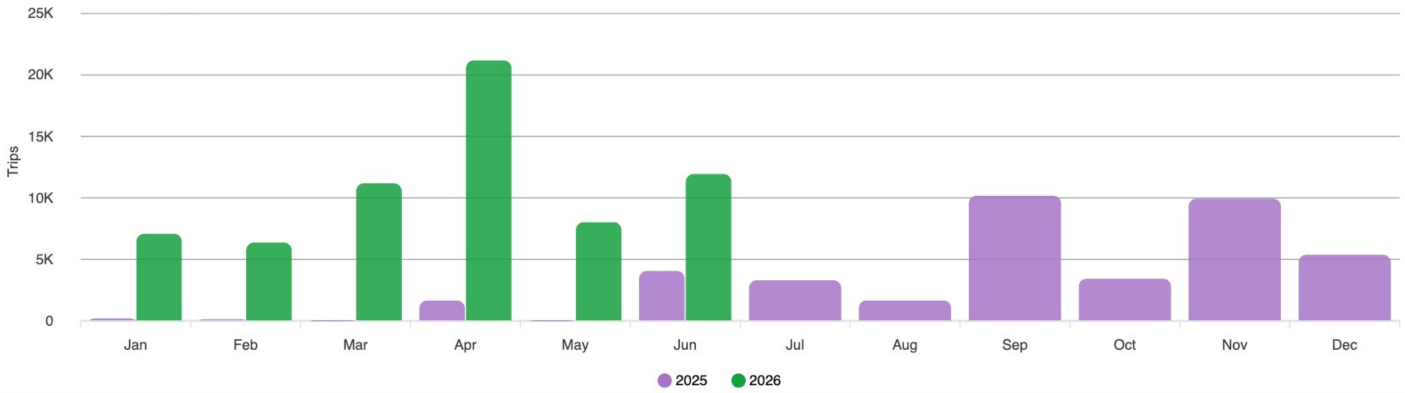
Regions: Inside Irvine Included

Clusters: All Included

POIs: Barclay Theatre Included

Trips by Month

What is my visitation over time?



Geolocation estimates are generated from a statistical model which has been trained using historical behavior. The specific results are based on an observed sample of devices that met the specified filter settings.

Barclay Overall Visitation 2025-June 2026

Report Filters

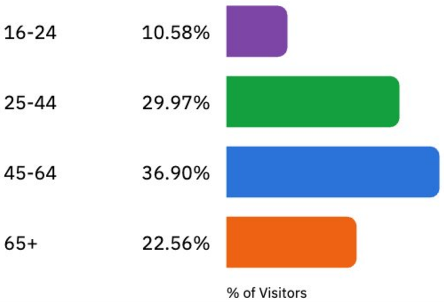
- Geolocation
- Dates: 1/1/25 - 6/30/26
- In-State
- Out-of-State
- Distance: 0 mi - 3350 mi
- Regions: Inside Irvine Included
- Clusters: All Included
- POIs: Barclay Theatre Included

Age

What is the age distribution of my visitors?

Geolocation

Top Age Range 45-64 **36.90%**

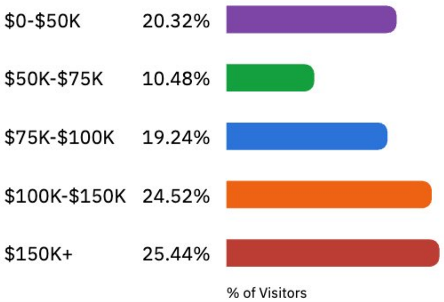


Income

What is the HH income distribution of my visitors?

Geolocation

Top Income Range $75K+ **69.20%**

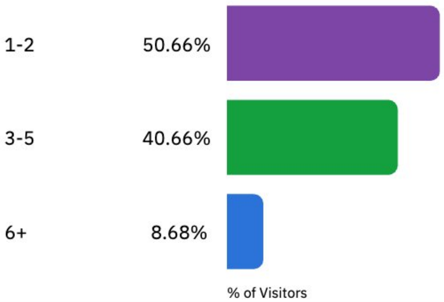


Household Size

What is the household size distribution of my visitors?

Geolocation

Top Household Range 1-2 **50.66%**



DATAFY

Filters Summary

Report Filters

Geolocation

Dates: 1/1/25 - 6/30/26

In-State

Out-of-State

Distance: 0 mi - 3350 mi

Regions: Inside Irvine Included

Clusters: All Included

POIs: Barclay Theatre Included

Glossary

Geolocation

Cluster : A group of points of interest (POIs). They could be based on factors like venue type or visitor purpose.

Share of Trips : Measures the presence of a particular market by the percentage of which it makes up the destination's total trips. For example: If your destination had a total of 80 trips, and 20 of those visitors came from New York, New York would have a 25% share of trips.

Share of Visitor Days : Measures the presence of a particular market by indicating the percentage of its individual visitor days compared to the total number of visitor days. For example, if visitors from San Francisco showed 20 visitor days out of a total of 80 visitor days, San Francisco witnessed a 25% share of visitor days.

Trips : The number of distinct trips by a visitor to a destination or POI. We calculate this using a combination of observation patterns and distance traveled. For example, if a visitor comes in-market Thursday - Sunday, it only counts as one trip. If they return later in the month, that is counted as a second trip.

Trip Length : Measures how long, in consecutive days, the visitor spent in the destination.

Unique Device : A unique mobile device used to gather an estimate of the unique/individual visitors to a given POI or cluster.

Visitor Days : An estimate of the number of daily visitors to a given POI or cluster of POIs. The daily estimate can be calculated based on whichever date range is selected by the users.

Demographics

Education : We can report on the education level of households into three categories: high school degree, bachelor's degree, and graduate degree.

Age : Age is calculated by aggregating and weighting the age groups of the known members of the household, based on the probability of someone in each age group being present in the household. For example, if the report shows 15% in the 65+ category, 15% of your visitors have someone 65+ in their household.

Ethnicity : Demographics like ethnicity are pulled from the household profile that the device is associated with, and classified based on the definitions provided by the U.S. Census Bureau.

Households with Children : Reports on the percentage of households that have someone under the age of 18 living in them.

Glossary

Census Demographics : We calculate the home zip code of the device and then link that user's demographics, social, housing, and economic characteristics by using data from the U.S. Census and American Community Survey.

REQUEST FOR HOTEL IMPROVEMENT DISTRICT OPERATING COMMITTEE ACTION

MEETING DATE: SEPTEMBER 15, 2026

TITLE: FISCAL YEAR 2026-27 HID DIRECTED FUNDING EXPENDITURE PLAN

Karin Koch

Director of Economic Development

RECOMMENDED ACTION

Approve the Fiscal Year 2026–27 HID Directed Funding Expenditure Plan for destination promotion activities.

EXECUTIVE SUMMARY

Pursuant to Resolution No. 23-27, one and one-half percent (1.5%) of the Hotel Improvement District (HID) assessment revenue, referred to as HID Directed Funding, is used to fund programs to attract and recruit business and tourism to Irvine, with expenditures made at the direction of the HID Operating Committee. The proposed Fiscal Year (FY) 2026–27 HID Sales and Marketing budget and plan includes activities intended to promote Irvine as a leisure, meetings, group, and sports destination, including advertising and media, public relations, industry partnerships, tradeshows, direct sales efforts, hotel promotions, and incentive programs.

The Committee received a presentation on the draft FY 2026–27 HID Sales and Marketing budget and plan on May 19, 2026. On July 21, 2026, the Committee formally recommended that the City Council authorize the City Manager, or designee, to allocate $200,000 from the fund balance of City Directed Funding to the HID Sales and Marketing budget. The complete FY 2026–27 HID budget is now presented for review and approval.

ANALYSIS

Background

Pursuant to Resolution No. 23-27, expenditures of HID Directed Funding are made at the direction of the HID Operating Committee, subject to the limitations and requirements established by the resolution. The Committee is charged with directing the distribution of HID Directed Funding and identifying programs designed to promote tourism and attract, recruit, and retain businesses in Irvine.

At its May 19, 2026, meeting, staff presented the draft FY 2026–27 HID Sales and Marketing budget and plan to the Committee. The draft budget included projected HID revenues and proposed expenditures for destination sales and marketing activities. The Committee discussed the proposed budget and expenditures, including administrative cost allocations, reserve funds, and the reduction in hotel promotional funding due to increased personnel and administrative costs.

During its discussion, the Committee recommended allocating $200,000 from the City Directed Funding portion of the HID fund balance on a one-time basis to offset the FY 2026–27 HID Sales and Marketing budget difference. On July 21, 2026, the Committee unanimously approved the recommended action to “Recommend the City Council authorize the City Manager, or designee, to allocate $200,000 from the fund balance of the City Directed (18%) portion of Hotel Improvement District (HID) revenue to the HID Sales and Marketing budget.”

The complete FY 2026–27 HID budget, incorporating the Committee’s prior direction, is now presented for formal review and approval. Approval will establish the Committee’s direction for the expenditure of HID Directed Funding for FY 2026–27.

<u>Fiscal Year 2026–27 HID Directed Funding Expenditure Plan</u>

For Fiscal Year 2026-27, the total HID projected revenue is as follows:

FY 2026-27 HID Revenue	**Amount**
HID Total Revenue (Total 2% assessment)	**$5,076,891**
HID City Directed Funding for Cultural Program (0.5% of 2%)	**$1,271,638**
HID Directed Funding (1.5% of 2%)	**$3,805,253**
City Administration Cost (18% of HID Total Revenue)	
City Administration Cost - Budget	$453,277
City Administration Cost – Reserves	$417,255
HID Staff Salaries and Benefits	$870,988
HID Sales and Marketing Plan	$2,063,733

For Fiscal Year 2026–27, approximately $3.81 million in assessment revenue is allocated to HID Directed Funding. The proposed budget funds HID staffing and sales and marketing activities, including advertising and media, public relations, meeting-planner partnerships, research and technology, industry outreach, tradeshows, hotel promotional activities, and incentive programs.

Consistent with the Committee’s May 19, 2026, direction and subsequent July 21, 2026, recommended action, the proposed HID Sales and Marketing Plan budget does not include the Committee’s request for the additional $200,000 allocation from the fund balance of the City Directed Funding pending City Council approval. The additional funding is incorporated into the proposed FY 2026–27 Sales and Marketing expenditures.

For Fiscal Year 2026–27, approximately $3.81 million in assessment revenue is allocated to HID Directed Funding.

HID Directed Funding (1.5% of 2%)	**$3,805,253**
City Administration Cost (18% of HID Total Revenue)	

City Administration Cost - Budget (18% of HID Total Revenue)	$453,277
City Administration Cost – Reserves	$417,255
HID Staff Salaries and Benefits	$870,988
HID Sales and Marketing Plan	$2,063,733

HID Staff Salaries and Benefits

The FY 2026-2027 staffing plan includes 4 full-time positions including 1 HID Administrator, 2 HID Sales Managers, 1 Senior HID Sales Specialist, and 1 Digital Content Specialist (vacant) with salaries and benefits totaling $870,988.

Sales and Marketing Activities

Fiscal Year 2026–27 Sales and Marketing activities are focused on promoting Irvine to leisure travelers, meeting and event planners, group business, and sports organizations. Activities include paid digital and targeted advertising, public relations, direct sales and industry outreach, meeting-planner partnerships, tradeshow participation, research and technology platforms, hotel promotional activities, and incentive programs.

Digital marketing efforts include paid search, display, social media, video, and other targeted advertising. Meeting and group sales efforts include partnerships with Cvent, ConferenceDirect, HelmsBriscoe, and HPN to increase Irvine's exposure to meeting planners and generate opportunities for Irvine hotels.

Destination Irvine will also participate in industry tradeshows and sales events to engage meeting, group, and sports planners and provide opportunities for Irvine hotel partners to participate in destination sales efforts. Additional activities include public relations and media outreach, tourism research, industry memberships and partnerships, hotel promotional funding, and incentive programs supporting group, citywide, sports, and business transient opportunities.

The proposed Fiscal Year 2026–27 Sales and Marketing Plan expenditures are summarized below:

FY 2026-27 HID Sales and Marketing Plan	Amount
Marketing Services	
General Marketing Services	$357,480
Paid advertising	
Paid Advertising - Expedia	$400,000
Paid Advertising - Misc. (Google Ads, Facebook, YouTube)	$225,000
Public Relations - Uniquely Driven	$225,600
Software	
Cvent	$59,722
Research/Data Platforms (DataFy and STR)	$55,000
Outside Services (CrowdRiff, UGC)	$10,000
Customer Relation Management (IDSS)	$9,931

Industry Outreach	
Tradeshows	$180,000
Memberships and Partnerships	$115,000
Destination Irvine Collateral/Giveaways	$25,000
Irvine Hotel Promotions	
Hotel Promotion Plan	$196,000
Business Transient Incentive	$5,000
Destination Irvine Incentive Fund (large groups)	$200,000
TOTAL:	**$2,063,733**
Additional allocation to Hotel Promotion Plan pending City Council approval (not included in total)	$200,000
REVISED TOTAL:	**$2,263,733**

ALTERNATIVES CONSIDERED

The Committee may provide alternative direction regarding the Fiscal Year 2026–27 Sales and Marketing activities and associated expenditures funded by HID Directed Funding.

FINANCIAL IMPACT

There is no financial impact associated with the recommended action. The recommended action provides direction on the allocation of HID Directed Funding within the existing budget.

REPORT PREPARED BY Irena Phillips, Executive Assistant II
Charles Behnke, HID Sales Manager

ATTACHMENTS None

MINUTES

HOTEL IMPROVEMENT DISTRICT
OPERATING COMMITTEE
REGULAR MEETING

July 21, 2026
8:30 a.m.

Irvine Civic Center
L102
1 Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER

The regular meeting of the Hotel Improvement District Operating Committee was called to order at 8:32 a.m. on July 21, 2026, at Irvine Civic Center, 1 Civic Center Plaza, Room L102, Irvine, California; Chair Liu presiding.

ROLL CALL

Present:	5	Chair:	Melinda Liu
		Vice Chair:	Sid Ramani
		Committee Member:	Pete Carmichael
		Committee Member:	Marina Dutton
		Committee Member:	Yuni Hunter
Absent:	2	Committee Member:	Sean Crumby
		Committee Member:	Brandon Parole

PLEDGE OF ALLEGIANCE

Committee Member Dutton led the Pledge of Allegiance.

PRESENTATIONS

1. Hotel Improvement District Program Director's Report

Misty Bond, Executive Director, and Dave Lucey, Director of Sales, presented an update on Hotel Improvement District performance, sales and marketing activities, and tourism initiatives.

Committee discussion included: Requests to establish a competitive set of comparable nearby cities, excluding beach cities, to benchmark Irvine's hotel performance; assess the impact of major Irvine events on hotel stays, visitation, and spending; increase direct hotel bookings, evaluate the performance of trade shows; and strengthen coordination with Irvine's sports and entertainment venues. The Committee also discussed the Irvine Barclay Theatre, including room nights and return on investment, and whether the 0.5% assessment currently directed to the Barclay could potentially be used for other programs or activities that generate a greater return for Irvine hotels.

Director Koch confirmed staff would return with an analysis of the 0.5% assessment for City Directed cultural programs, review available data, and a legal review of the allowable uses of the funds. A special meeting would be scheduled within 45 days for further discussion.

There were no public comments received.

By consensus of the members present (Committee Members Crumby and Parole absent), received and filed.

2. Office of Economic Development Presentation

Hillary Ahluwalia, Assistant to the City Manager, presented an update on the City's Office of Economic Development and implementation of the Economic Development Blueprint.

Committee discussion included: opportunities to connect Innovation Center companies and activities with Irvine hotels, restaurants, and other hospitality businesses; hotel site visits and partnerships; attracting businesses and visitors from neighboring cities; and encouraging overnight stays in Irvine.

There were no public comments received.

By consensus of the members present (Committee Members Crumby and Parole absent), received and filed.

3. Uniquely Driven Presentation

Angela Yazzolino, Public Relations Account Coordinator with Uniquely Driven, provided an update on Destination Irvine's public relations and media activities for the fourth quarter of Fiscal Year 2025–26.

There were no public comments received.

By consensus of the members present (Committee Members Crumby and Parole absent), received and filed.

PUBLIC COMMENTS – NON-AGENDIZED ITEMS

There were no public comments received.

ACCOUNCEMENTS/COMMITTEE REPORTS

There were no announcements or committee reports.

CONSENT CALENDAR

4. MINUTES

There were no public comments received.

ACTION:
Moved by Committee Member Carmichael, seconded by Chair Liu, and unanimously carried by all members present (Committee Members Crumby and Parole absent) to:

Approve the minutes of a regular meeting of the Hotel Improvement District Operating Committee held on May 19, 2026.

COMMITTEE BUSINESS

5. HOTEL IMPROVEMENT DISTRICT (HID) FY 2026-27 SALES AND MARKETING BUDGET ADJUSTMENT

Misty Bond, HID Program Administrator, presented the proposed Fiscal Year 2026–27 HID Sales and Marketing budget, reflecting a $328,407 reduction from FY 2025-26 and a one-time allocation of $200,000 from the fund balance of the City-directed 18% portion of HID revenue.

Vice Chair Ramani requested clarification on whether the $200,000 allocation was from the current or a prior fiscal year and how the funding is being used within Sales and Marketing.

There were no public comments received.

ACTION:
Moved by Committee Member Dutton, seconded by Chair Liu, and unanimously carried by all members present (Committee Members Crumby and Parole absent) to:

Recommend the City Council authorize the City Manager, or designee, to allocate $200,000 from the fund balance of the city directed (18%) portion of Hotel Improvement District (HID) revenue to the HID Sales and Marketing budget.

ADJOURNMENT

Moved by Chair Liu, seconded by Vice Chair Ramani, and unanimously carried by those members present (Committee Members Crumby and Parole absent) to adjourn the regular meeting at 10:07 a.m.

MELINDA LIU
CHAIR

KARIN KOCH
DIRECTOR OF ECONOMIC DEVELOPMENT

ERICKA LOZADA
RECORDING SECRETARY

DATE APPROVED