

Projected Economic Impact of FIFA World Cup 2026™ County of Los Angeles Summer 2026

By
Roy Weinstein, Peter Quies, Ryan Smart, Jeremy De Gracia, and Joe Hale

Micronomics
Economic Research and Consulting

June 2023



**Projected Economic Impact of
FIFA World Cup 2026™
County of Los Angeles
Summer 2026**

Roy Weinstein, Peter Quies, Ryan Smart, Jeremy De Gracia, and Joe Hale
Micronomics
Long Beach, CA

I. Background

On June 16, 2022, FIFA selected Los Angeles as one of the host cities for the FIFA World Cup 2026™. The world governing body for soccer recognized the Los Angeles region's experience hosting the 1994 FIFA World Cup™ and 1999 FIFA Women's World Cup™, as well as the world-class infrastructure, vibrant communities, and rich soccer culture that sets Los Angeles apart.

In Los Angeles, the fundamental purpose of attracting and hosting major events is to deliver tangible, significant, and enduring benefits to the greater community. This includes ensuring that small and diverse businesses have direct procurement opportunities related to these events.

The Los Angeles World Cup Host Committee tasked Micronomics with evaluating the overall impact of this global sporting event on the Los Angeles region. The economic model we deployed assumes that Los Angeles is awarded eight games **which are expected to attract nearly 150,000 out-of-town visitors above the baseline that would otherwise be in Los Angeles during that time period.**

Based on our comprehensive analysis, we project the FIFA World Cup 2026™ will reap economic benefits far beyond any event held in recent years in Los Angeles. For example, we estimate the economic impact of the FIFA World Cup 2026™ will be two-thirds greater than the \$356 million delivered by Super Bowl LVI that was held at SoFi Stadium in 2022, with tax revenue projected to be more than double the \$17 million generated by the Super Bowl.

These larger impacts are due, in part, to the longer duration of event activities and the projected increase in international visitors who spend at higher levels. In all, our analysis found that the FIFA World Cup 2026™ will deliver nearly a quarter of a billion dollars in increased wages for employees in Southern California in industries that range from hotel and restaurants to retail, transportation, and entertainment.

Spending is projected to top \$594 million, with an estimated \$34.9 million of tax revenue generated for government entities in Los Angeles County. The most significant sources are the transient occupancy tax and the region's share of sales tax revenues. At the state level, we project a bump of \$22.3 million in tax revenue from the 2026 FIFA World Cup™ being held in Los Angeles.

Beyond the direct economic impacts during the 39-day FIFA World Cup 2026™, we also evaluated the value of media exposure and increased international tourism that Los Angeles can

expect in the future. Based on expected advertising rates and the amount of exposure Los Angeles is projected to receive, we project that the region will receive a boost of \$230.4 million in economic impact that translates into \$13.5 million of future local tax revenue.

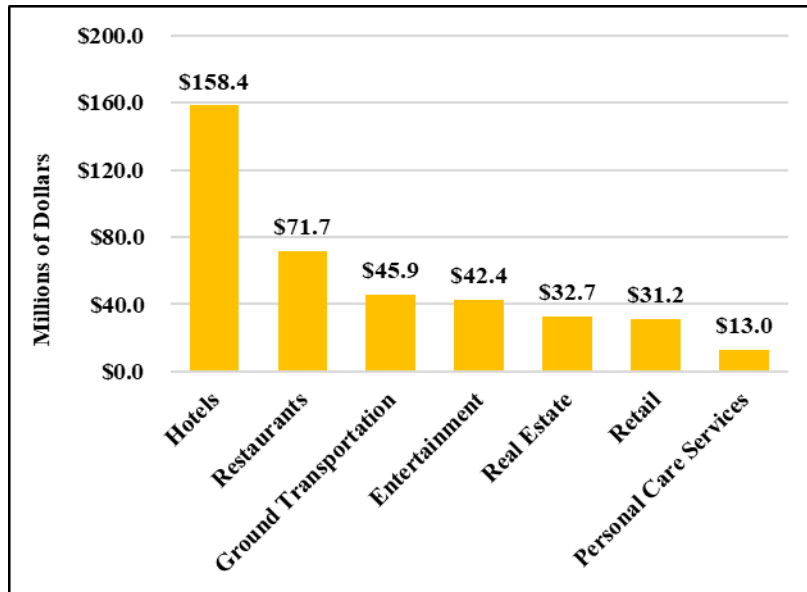
II. Economic Impact of the FIFA World Cup 2026™ on LA County

“...[T]he 2006 soccer World Cup was one of the greatest and economically important events in Germany.” – Wolfgang Maennig, Sports Economist¹

Summary of Economic Impacts from Hosting the FIFA World Cup 2026™

1. **\$594 million** economic impact to Los Angeles County, made up of:
 - i. \$343 million in direct spending by World Cup visitors; and
 - ii. \$251 million in follow-on spending.
2. **\$243.2 million** increase in wages paid associated with new jobs and longer working hours for existing employees in various industries.
3. **\$34.9 million** in tax revenue for Los Angeles County. Taxes will accrue to LA county and its cities’ general funds which can be used for social services, public safety, transportation, local community investments, etc.
4. **\$22.3 million** in additional tax revenue for the State of California.
5. **179,200** unique, out-of-town visitors, with **146,511** of those visitors representing an increase over expected baseline tourism.
6. Average spending of **\$2,350 per visitor**, with approximately half spent on lodging accommodations.
7. **329,650 room-nights** above and beyond baseline hotel occupancy over a four to five week period.
8. **\$230.4 million** in media value from increased future tourism.

Figure 1: Total Economic Impact on Selected Industries in LA County



III. Economic Impact in Detail

As a result of hosting eight matches for the FIFA World Cup 2026™, Los Angeles County will realize up to **\$594 million in total economic impact** (including \$343 million in increased direct spending by out-of-town visitors) and generate approximately **\$35 million in additional tax revenue that stays in LA County**; and **\$22 million in tax revenue to the State of California**. These economic benefits are associated with a **gain in wages of \$243.2 million**.

The City of Los Angeles is expected to realize a total economic impact of almost \$256 million, while the City of Inglewood, home of SoFi Stadium, will see an impact of over \$17 million.

**Table 1: Economic Impacts to Los Angeles County
from Hosting Eight Games at the FIFA World Cup 2026™**

Description	Estimate
Direct Spending	\$343,361,620
Follow-On Impacts	\$250,956,782
Total Economic Impact	\$594,318,402
Tax Revenue to LA County	\$34,943,320
Tax Revenue to State of California	\$22,294,525
Gain in Wages Paid	\$243,157,485

Table 2: Total Economic Impact by City

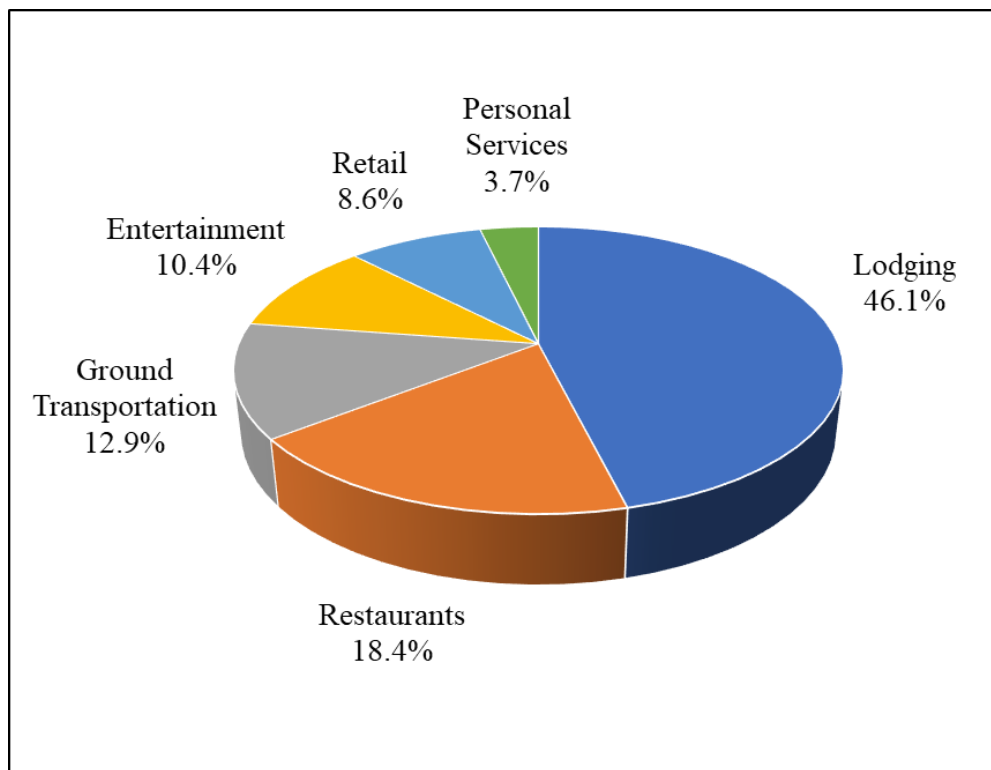
City	Total Economic Impact
LA City	\$255,589,921
Long Beach	49,132,728
Santa Monica	30,538,757
Torrance	24,119,127
Pasadena	23,422,546
Burbank	21,261,561
West Hollywood	20,802,450
Beverly Hills	19,425,119
El Segundo	19,535,939
Inglewood	17,533,268
Glendale	10,250,827
Culver City	9,134,714
Rest of LA County	93,571,447
Total	\$594,318,402

Direct Economic Impact of Hosting the FIFA World Cup 2026™

Direct economic impact is one of two components of total economic impact and consists of incremental spending directly attributable to out-of-town visitors attending FIFA World Cup 2026™ games in Los Angeles. We have quantified this impact at \$343 million. This spending also produces increases in local tax revenues and stimulates the regional work force.

Visitor expenditures in the local economy will include lodging (e.g., hotels or home shares), food and beverages, retail, transportation, and entertainment. A breakdown of anticipated visitor spending by category is shown in the chart below.

Figure 2: Direct Spending Excluding Airfare



World Cup fans typically spend more than average tourists. A study of the 2002 World Cup (hosted jointly by South Korea and Japan) found that the per-capita expenditures by foreign World Cup tourists were 1.8 times higher than that of ordinary foreign tourists.² The study also found that World Cup tourists spent over \$2,200 per person on accommodations, food and beverage, tour and transport, shopping, and culture and recreation.³

Direct beneficiaries of this increased spending include restaurants; transportation services such as taxis, Uber, Lyft, and limousines; hotels and hospitality service providers such as Airbnb; other entertainment venues, museums, and places of interest; and regional stores and malls, among

others. Recipients of visitor spending further add to regional benefits by creating additional tax revenues, a portion of which benefits Los Angeles County and its cities and local communities.

We utilize several variables to estimate the impacts of incremental visitor spending. Assuming Los Angeles is awarded eight games, **more than 179,000 out-of-town visitors for the FIFA World Cup are expected, with 146,511 being unique, incremental visitors after accounting for baseline tourism in Los Angeles.**⁴ In other words, our model excludes approximately 32,000 visitors who would otherwise come to LA County but-for the FIFA World Cup. Additionally, our model assumes that of these incremental out-of-town visitors, 90 percent will stay in hotels, motels, room shares, etc., which accounts for the possibility that some out-of-town visitors stay with friends and family. Visitors will spend an average of \$2,350 per person during their stay on lodging, food & beverages, transportation, retail, entertainment, etc.

The model projects average hotel room rates at \$480 per night and visitor daytime spending at \$230 per person per day (separate from lodging expenditures). The \$480 per night room rate represents an **increase over expected baseline room rates of \$227 per night** (an increase of 90 percent) meaning that not only will the FIFA World Cup generate approximately **330,000 incremental room nights above and beyond expected baseline tourism**, but those guests will spend approximately \$227 more per night over the expected baseline room rate. See Exhibit 1 and the table below for additional details.

Table 3: Direct Spending in Los Angeles County

Description	Estimate
Incremental Out-of-Town Visitors	146,511
Incremental Room Nights	329,650
Average Daily Hotel Rate	\$480
Spending per Visitor Ex-Lodging	\$1,150
Direct Spending	\$343,361,620

Follow-On Economic Impact of Hosting the FIFA World Cup 2026™

Follow-on spending is the second of our two components of total economic impact. We have quantified this impact at \$251 million. Economists recognize that additional income produces follow-on spending. When visitors come to Los Angeles for the World Cup they spend money at local restaurants, bars, retail shops, taxis and Ubers, movies and comedy shows, etc. Businesses

meet this demand by purchasing more goods and materials, hiring more workers or increasing worker hours, and so on. For example, to keep up with increased demand, a restaurant will purchase more supplies. These are *indirect* impacts. Surrounding businesses are boosted as newly hired servers spend their wages in the local economy. These are *induced* impacts. Indirect and induced impacts were measured using IMPLAN modeling software.⁵

We have estimated follow-on spending derived by recipients of the initial direct spending calculated above. The table below details the follow-on economic impact expected in LA County from hosting the FIFA World Cup 2026™. Total follow-on impact is composed of the indirect impact (e.g. restaurants with increased revenues purchase more ingredients and supplies) and induced impact (e.g. newly hired restaurant workers spend their wages locally).

Table 4: Follow-On Economic Impact on Los Angeles County

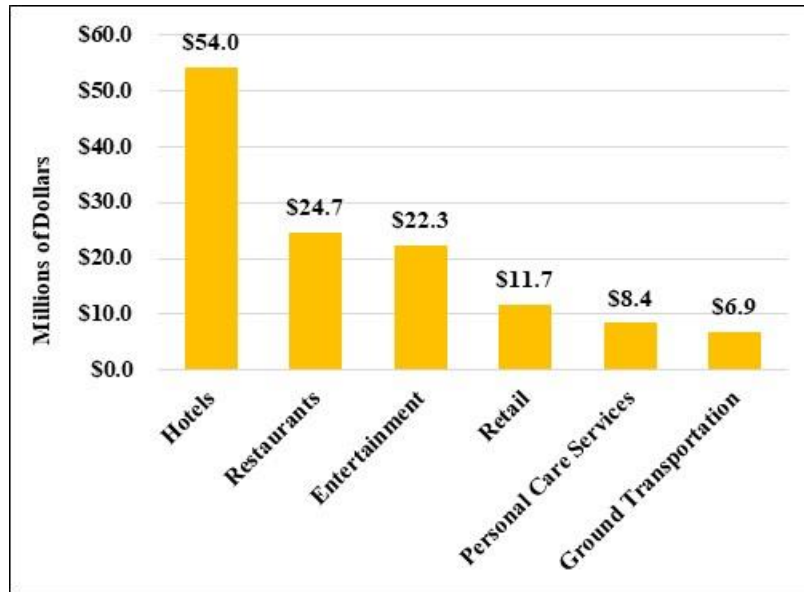
Description	Estimate
Indirect Impact	\$125,305,405
Induced Impact	\$125,651,376
Follow-On Impacts	\$250,956,782

IV. Gain in Wages Paid

Los Angeles County will see an increase in wages of approximately \$243 million in connection with hosting eight FIFA World Cup 2026™ games.

Increased wages due to the FIFA World Cup will be distributed across many industries in the LA area, including hospitality, restaurants and bars, retail, entertainment, and transportation, as well as health care, advertising, government, and others. Employment in the hotel industry in LA County is expected to see a gain of \$54 million stemming from a combination of new hires and increased hours for existing employees. Wages for restaurant employees are expected to increase by \$25 million. Anticipated wage increases for several industries are set forth in Figure 3 below.

Figure 3: Gain in Wages for Selected Industries in LA County



V. Increased Tax Revenue

The FIFA World Cup 2026™ will lead to an increase in tax revenue to Los Angeles County of approximately **\$34.9 million**, while the State of California will see a separate gain in tax revenue of over **\$22 million**.

Based on our model, approximately \$20.7 million of the \$34.9 million (nearly two-thirds) in taxes staying in LA county will be hotel occupancy taxes, also known as transient occupancy taxes, which are assessed on short term overnight stays at hotels, motels, and room shares such as Airbnb and Vrbo (“hotel tax”). Another \$6.1 million will result from sales and use taxes. The remaining \$8.2 million will come from sales and use taxes from follow-on spending in LA County.

Table 5: Increased Tax Revenue to LA County and the State of California

Description	Estimate
Hotel Tax	\$20,689,443
Direct Sales and Use Tax	\$6,051,128
Follow-On Sales and Use Tax	\$8,202,748
Tax Revenue to LA County	\$34,943,320
Tax Revenue to State of California	\$22,294,525

Some of the additional tax revenue in LA County will be offset by increased costs in city/county services, logistics, transportation, community engagement, and other obligations, but the net financial impact likely will be positive for LA County. Notably, governmental costs associated with hosting the tournament will generate income for local businesses and workers and lead to additional tax revenue. For example, police officers, EMTs, and firefighters working overtime during the World Cup may use some of their extra earnings to patronize local businesses, restaurants, entertainment venues, and souvenir shops. This generates additional sales and use taxes that ultimately flow back to local governments, which serves to partially offset some of the added public safety costs. Further, a portion of the additional incremental income taxes from these individuals will add to state and local government general funds.

The \$34.9 million in tax revenue will be distributed throughout LA County and its cities. For example, we estimate that the City of Los Angeles will gain more than \$15.6 million in tax revenue from an increased economic impact of \$256 million; the City of Inglewood will gain over \$1.1 million in tax revenue from an increased economic impact of \$17.5 million; Long Beach will gain more than \$2.8 million in tax revenue from an increased economic impact of \$49.1 million; and Santa Monica will gain nearly \$2 million in tax revenue from an increased economic impact of \$30.5 million. More information about the estimated breakdown for selected cities of increased tax revenues and economic impact from hosting the FIFA World Cup in LA County is available at Exhibits 1.1-1.3. Distribution of increased tax revenue by city is summarized in the table below.

Table 6: Distribution of Tax Revenue by City

City	Hotel Tax	Sales and Use Tax	Follow-On Tax	Total
LA City	\$9,526,797	\$2,602,321	\$3,527,637	\$15,656,755
Long Beach	1,700,550	500,251	678,127	2,878,928
Santa Monica	1,219,601	310,934	421,494	1,952,029
Torrance	706,365	245,572	332,891	1,284,828
Pasadena	755,185	238,480	323,277	1,316,941
Burbank	566,070	216,477	293,451	1,075,998
West Hollywood	692,308	211,803	287,114	1,191,225
Beverly Hills	724,047	197,779	268,104	1,189,931
El Segundo	624,152	198,908	269,634	1,092,694
Inglewood	723,552	178,517	241,993	1,144,062
Glendale	327,503	104,370	141,481	573,354
Culver City	340,485	93,006	126,077	559,568
Rest of LA County	2,782,827	952,710	1,291,468	5,027,004
Total	\$20,689,443	\$6,051,128	\$8,202,748	\$34,943,320

VI. FIFA World Cup 2026™ vs. Super Bowl LVI

Super Bowl LVI, which took place at SoFi Stadium in February 2022, involved a week of events. The game generated significant economic activity throughout the Los Angeles region. The FIFA World Cup 2026™ will have multiple games, more visitors (and more international tourists), and will be spread out over the course of several weeks. A comparison of the expected incremental economic impacts of Super Bowl LVI and FIFA World Cup 2026™ in Los Angeles County is below.

Table 7: Comparison of Duration and Economic Impacts from Super Bowl LVI and FIFA World Cup 2026™ in Los Angeles County⁶

Description	Super Bowl LVI	FIFA World Cup 2026™
Approximate Dates	Feb. 6 - Feb. 13, 2022	Jun. 11 - Jul. 19, 2026
Approximate Duration (Days)	8	39
Total Room Nights	187,500	329,650
Gain in Wages Paid	\$160M	\$243M
Overall Local Tax Revenue	\$17M	\$35M
Total Economic Impact	\$356M	\$594M

VII. Value of Media Exposure and Increased Future Tourism

Global media exposure of the World Cup is unparalleled.⁷ FIFA estimated that 1.5 billion viewers tuned in to the 2022 Final game alone.⁸ It is estimated that approximately 5 billion people engaged with the 2022 tournament across various media, platforms, and devices.⁹ Predictably, the World Cup generates more advertising revenue than any other event, with approximately \$3 billion spent worldwide during the 2018 World Cup, up from \$2.4 billion in 2014 and \$1.6 billion in 2010.¹⁰ Advertising slots are expensive, reflecting the tremendous value companies place on the power of World Cup exposure. During the 2018 World Cup, the average cost of a 30-second advertisement slot on Fox was \$437,707.¹¹

The FIFA World Cup also impacts how the rest of the world views the hosts. The Anholt Nation Brand Index, an annual survey which measures various aspects of a country including tourism, culture, governance, etc., showed a clear rise in international perception of Germany as a result of hosting the 2006 World Cup.¹² This likely will lead to long-term increases in international tourism to Los Angeles after the 2026 World Cup, and that brings more spending and a bump in incremental tax revenue to Los Angeles County and the cities that encompass it.

Due to the positive impacts of hosting the 2022 World Cup, Qatar aimed to attract up to 6 million tourists per year through 2030.¹³ Data collected for the first two months of 2023 show that Qatar welcomed 730,000 visitors – a 347 percent increase over the prior year.¹⁴

One method of estimating the value of media exposure to the Los Angeles region relies on advertising exposure.¹⁵ Advertising is understood by economists as an investment, with a return expected to exceed the initial investment. Assuming Los Angeles receives 15 minutes of exposure during each game in Los Angeles, it would obtain at least \$133.1 million in value from media coverage over eight games (\$16.6 million per game).¹⁶ This figure is associated with increased

tourism and investment in Los Angeles County and its cities in the years following the World Cup and leads to increased future tax revenues. For example, the Visit California ad campaign estimated that each dollar it spent on advertising yielded a return of \$19 to California's general fund.¹⁷ At this rate, media exposure resulting from Los Angeles hosting eight FIFA World Cup 2026™ games would generate over \$2.5 billion for California's general fund. Assuming a return equal to the value of media exposure (\$133.1 million) suggests **the economic impact to LA County of increased future tourism stemming from media exposure at the FIFA World Cup will be \$230.4 million**, which results in approximately \$13.5 million of tax revenue staying in the county and its cities.¹⁸

VIII. Additional Impacts

FIFA Fan Festival™

Los Angeles will host the FIFA Fan Festival™, which will occur daily throughout the tournament. While the venue and other details are not yet finalized, it is expected to offer fans a chance to watch live broadcasts of games and partake in interactive physical and digital football gaming stations, explore exhibitions and sponsor activities, experience musical performances, and enjoy local and international foods and refreshments.¹⁹ During the 2022 World Cup, more than 1.8 million fans participated in the FIFA Fan Festival™.²⁰ This attraction will bring an influx of visitors beyond those who have tickets to matches at SoFi Stadium, and it will result in additional incremental spending and tax revenue in the local economy.

San Francisco Bay Area

Like Los Angeles and SoFi Stadium, the San Francisco Bay Area and Levi's Stadium (Santa Clara, CA) is expected to host up to eight FIFA World Cup 2026™ games. Levi's Stadium seats 68,500, just 1,500 seats shy of SoFi Stadium.²¹ If the number of matches is the same in Greater Los Angeles and the Bay Area, we would expect the number of out-of-town visitors, hotel room rates, and daily spending figures to be similar to our estimates for Los Angeles, implying that the economic impact and associated gain in tax revenue and employment will be significant.

2028 Olympic and Paralympic Games

Hosting the FIFA World Cup 2026™ will provide Los Angeles County the potential for future lessons learned as Los Angeles prepares to host additional major events, including the 2028 Olympic and Paralympic games. Los Angeles has a well-documented history of successfully hosting large events, and with every new major event, such as the 2026 World Cup, LA County, its cities, and its partners are able to refine and improve its planning and procedures in preparation for the next event.

Notes

- ¹ Maenning, Wolfgang, “One year later: A re-appraisal of the economics of the 2006 soccer World Cup,” IASE/NAASE Working Paper Series, Paper No. 07-25, July 2007, p. 17.
- ² Lee, Choong-Ki and Tracy Taylor, “Critical Reflections on the Economic Assessment of a Mega-Event: The Case of 2002 FIFA World Cup,” *Tourism Management* 26 (2005), Received February 27, 2003.
- ³ Lee, Choong-Ki and Tracy Taylor, “Critical Reflections on the Economic Assessment of a Mega-Event: The Case of 2002 FIFA World Cup,” *Tourism Management* 26 (2005), Received February 27, 2003.
- ⁴ We estimate that of the 179,200 out-of-town visitors will attend the FIFA World Cup 2026™, 146,511 will be incremental visitors attracted due to the World Cup and 32,689 visitors will displace tourists who otherwise would have visited LA but-for the World Cup. See Exhibit 1 for further details.

Excluded from the number of out-of-town visitors are team delegations and media members. In 2022, 2,593 media accreditations were issued by FIFA for the tournament. A massive multi-level media center was set up at the Qatar National Convention Center to provide connectivity, work space, and other resources for media members around the clock. While the length of trip and daytime expenditures by these added attendees can vary greatly, they are expected to spend more than fans on a per-person basis, as business travelers typically have higher expenses than leisure travelers. See:

“The FIFA World Cup Qatar 2022™ in numbers” (<https://digitalhub.fifa.com/m/546158158e52f1c9/original/The-FIFA-World-Cup-Qatar-2022-in-numbers.pdf>).

U.S. Travel Association, *Travel Forecast*, Fall 2022 (https://www.ustravel.org/sites/default/files/2022-11/us-travel-forecast_fall-2022.pdf).
- ⁵ IMPLAN data include detailed information specific to zip codes with respect to population, number of households, output (the value of industry production), employment (the annual average of full-time/part-time/seasonal jobs) and employee and proprietor compensation, among other things.

Application of IMPLAN modeling typically begins by measuring the direct effects of an initial round of expenditures, e.g., expenditures associated with hosting the World Cup in Los Angeles. These are referred to as “Direct Effects.” The IMPLAN model provides information regarding how the regional community has responded in the past to these types of impacts.

“Indirect Effects” reflect the impact that regional beneficiaries of visitor spending have through their own subsequent spending on regional goods and services. These impacts are calculated using IMPLAN modeling based on actual historic spending patterns in Los Angeles County.

“Induced Effects” reflect ultimate responses in the market as beneficiaries of direct and indirect income recirculate it through the regional economy. See IMPLAN website (<http://www.implan.com/>).
- ⁶ Figures for Super Bowl LVI represent the average of Micronomics’ low- and high-end scenarios.
- ⁷ Kranjec, Jastr, “FIFA World Cup 3.56 Billion Global Reach Beats Super Bowl and Olympics,” Box Score News, November 28, 2022 (<https://boxscorenews.com/fifa-world-cup-billion-global-reach-beats-super-bowl-and-olympics-p167498-297.htm>).

Adgate, Brad, “World Cup Finals Averaged Nearly 26 Million Viewers on Fox, Telemundo and Streaming,” *Forbes*, December 20, 2022 (<https://www.forbes.com/sites/bradadgate/2022/12/20/world-cup-finals-averaged-nearly-26-million-viewers-on-fox-telemundo-and-streaming/?sh=6a2aa4f69778>).
- ⁸ Summerscales, Robert, “FIFA World Cup Final Beat Super Bowl LVI By More than One BILLION Viewers in TV Ratings,” *SI*, January 18, 2023 (<https://www.si.com/fannation/soccer/futbol/news/how-fifa-world-cup-final-beat-super-bowl-lvi-in-tv-ratings>).
- ⁹ “One Month On: 5 Billion Engaged with the FIFA World Cup Qatar 2022™,” FIFA website, January 18, 2023 (<https://www.fifa.com/tournaments/mens/worldcup/qatar2022/news/one-month-on-5-billion-engaged-with-the-fifa-world-cup-qatar-2022-tm>).

-
- ¹⁰ “World Cup Ad Spend Heading In New Directions,” Adskate website (<https://www.adskate.com/blogs/2022/12/14/world-cup-ad-spend-heading-in-new-directions/>).
- ¹¹ Galvan, Andrea, “A Look into the Advertising Business of the 2022 World Cup,” GlobalEDGE, Michigan State University, October 26, 2022 (<https://globaledge.msu.edu/blog/post/57181/a-look-into-the-advertising-business-of-the-2022-world-cup>).
- ¹² In 2007, following the World Cup, Germany rose to 1st place in a worldwide image comparison, up from 3rd place two years prior. Perceptions about German tourism, the German people, culture, heritage, investment opportunities, and governance all increased. See:
- Maenning, Wolfgang, “One year later: A re-appraisal of the economics of the 2006 soccer World Cup,” IASE/NAASE Working Paper Series, Paper No. 07-25, July 2007, pp. 15-17.
- “The 2006 FIFA World Cup and its effects on the image and economy of Germany,” Germany Tourism, p. 7.
- ¹³ “Qatar’s \$220 billion tourism boost, will it pay off?” Euro news, November 24, 2022 (<https://www.euronews.com/next/2022/11/23/qatars-220-billion-tourism-boost-will-it-pay-off>).
- ¹⁴ “Is tourism soaring in Qatar after World Cup 2022? Yes, there’s 347% increase,” Fast Company, March 29, 2023 (<https://fastcompany.com/news/is-tourism-soaring-in-qatar-after-world-cup-2022-yes-theres-347-increase/>).
- ¹⁵ This method of valuing media exposure is also known as Advertising Value Equivalency. See “Media – Value – Advertising Value Equivalency,” Event Impacts website (<https://www.eventimpacts.com/impact-types/media/content/media-value/intermediate-measures>).
- ¹⁶ Based on the cost of a 30-second advertisement on Fox during FIFA World Cup 2018™ of \$437,707, grown at a conservative 3 percent rate to 2026, resulting in \$554,474. (\$133.1 million = 0.25 hours of coverage per game x 8 games x 120 thirty-second segments x \$554,474 per thirty seconds.)
- ¹⁷ “Visit California - Domestic Advertising Total 2011 ROI Research Summary,” Prepared by Strategic Marketing & Research, Inc., March 2012, p. 14.
- ¹⁸ We have used software called Impact analysis for planning (“IMPLAN”) to measure these benefits. The analysis assumes the same multipliers used in the direct spending model. Specifically, a multiple of 1.73088187 (the ratio of direct spending to total output, see Exhibit 2) was used to estimate the total impact of future tourism due to media exposure, while a multiple of 0.101768275 (the ratio of total tax revenue that stays in LA County to direct spending, see Exhibit 2) was used to calculate tax revenue associated with future tourism.
- ¹⁹ <https://www.fifa.com/fifaplus/en/articles/fifa-fan-festival-tm-at-the-fifa-world-cup-qatar-2022-tm>.
- ²⁰ <https://www.fifa.com/tournaments/mens/worldcup/qatar2022/news/nearly-2-million-fans-from-across-the-world-enjoy-the-fifa-fan-festival-tm>.
- ²¹ “About Levi’s Stadium,” Levi’s Stadium website (<https://www.levisstadium.com/levis-stadium-events/>).

EXHIBIT 1

**ESTIMATED INCREASE IN SPENDING AND TAX REVENUE IN LA COUNTY
GENERATED BY FIFA WORLD CUP 2026™ OUT-OF-TOWN VISITORS IN JUNE & JULY 2026**

A. Visitor Spending on Lodging

1.	70,000	SoFi Stadium Capacity ¹	
2.	8	Estimated Number of Matches at SoFi Stadium	
3.	80%	Estimated Share of Out-of-Town Visitors per Match ²	
4.	90%	Estimated Share of Out-of-Town Visitors staying in Hotels, Motels, Room shares, etc. ²	
5.	2.5	Estimated Number of SoFi Stadium Matches Attended per Out-of-Town Visitor	
6.	179,200	Approximate Number of Out-of-Town Visitors in LA for World Cup	[Line 1 x Line 2 x Line 3 / Line 5]
7.	32,689	Approximate Number of Displaced Visitors due to World Cup ³	
8.	146,511	Approximate Incremental Out-of-Town Visitors in LA for World Cup ³	
9.	5	Estimated Average Length of Stay (Nights) by Visitors ⁴	
10.	2	Estimated Average of Two Visitors per Hotel Room	
11.	329,650	Total Incremental Room Nights	[Line 4 x Line 8 x Line 9 / Line 10]
12.	\$253	Projected Hotel ADR in LA County in 2026, no major event, based on annual inflation ⁵	
13.	90%	Estimated Increase to Hotel ADR during Major Event (supply and demand pressures) ⁶	
14.	\$480	Projected ADR in LA County during FIFA World Cup 2026™	[Line 12 x (Line 13 + 1)]
15.	\$158,232,000	Visitor Spending on Lodging due to FIFA World Cup 2026™	[Line 11 x Line 14]
16.	5.0% - 15.5%	Transient Occupancy Tax (Hotel Tax) Rates in LA County ⁷	
17.	\$20,689,443	Direct Tax Revenue to LA County from Visitor Spending on Lodging⁸ due to FIFA World Cup 2026™	Exhibit 1.1

B. Visitor Daytime Spending

18.	\$230	Average Daytime Spending Per Person Per Day ⁹	
19.	5	Estimated Average Length of Stay (Days) by Visitors	
20.	\$1,150	Daytime Spending Per Person	[Line 18 x Line 19]
21.	\$168,487,650	Incremental Visitor Daytime Spending	[Line 8 x Line 20]
22.	\$16,641,970	Increased Spending over Displaced Visitor Spending ¹⁰	[Line 7 x \$101.82 x Line 19]
23.	\$185,129,620	Visitor Daytime Spending	[Line 21 + Line 22]
24.	85%	Estimated Share of Daytime Spending Subject to Sales & Use Tax ¹¹	
25.	9.86%	Approximate Sales & Use Tax Rate in LA County ¹²	
26.	39%	Estimated Amount of Sales & Use Tax that Stays in LA County ¹³	
27.	\$6,051,128	Direct Tax Revenue that Stays in LA County, from Visitor Daytime Spending due to FIFA World Cup 2026™	[Lines 23 x 24 x 25 x 26]

C. Total

28.	\$343,361,620	Direct Visitor Spending due to FIFA World Cup 2026™	[Line 15 + Line 23]
29.	\$26,740,572	Direct Tax Revenue that Stays in LA County due to FIFA World Cup 2026™	[Line 17 + Line 27]

Notes/Sources: Model is intended to measure spending from visitors that is taxable.

Daytime spending represents total spending less lodging; this category includes spending on food and beverage,

transportation, shopping, other entertainment, etc.; excludes cost of tickets for FIFA World Cup 2026™ or other FIFA-related events.

¹ <https://www.latimes.com/sports/story/2022-02-11/sofi-stadium-parking-capacity-seat-map-and-more>.

² Two studies of previous World Cups (South Africa 2010 and Brazil 2014) showed that 40% to 52.3% of ticket sales were to foreign tourists, while the remaining share was sold to domestic tourists. It is reasonable to assume that a substantial share of "domestic tourists" are from out-of-town and would also bring in economic activity to host regions. Accordingly, it is assumed that approximately 80% of the attendees at SoFi Stadium World Cup matches will be from out-of-town (either international tourists or outside-of-LA-County tourists). See:

"Brazil's Rio celebrates World Cup tourism bonanza," Xinhua News Agency, July 15, 2014.

"South Africa economy: Cup winner?" EIU ViewsWire, July 7, 2010.

EXHIBIT 1

ESTIMATED INCREASE IN SPENDING AND TAX REVENUE IN LA COUNTY GENERATED BY FIFA WORLD CUP 2026™ OUT-OF-TOWN VISITORS IN JUNE & JULY 2026

A study on Super Bowl LII found that approximately 16 percent of overnight visitors stayed with friends and family. This model assumes that 10 percent of out-of-town visitors to the World Cup will stay with friends and family, as the share of foreign visitors is expected to be much higher at the World Cup than at the Super Bowl. See: *Rockport Analytics, SBLII intercept surveys, February 2018.*

³ Incremental visitors are estimated by subtracting an estimate of expected visitors during a non-World Cup summer (baseline overnight tourists) from an estimate of expected visitors during a World Cup summer. Specifically, incremental visitors estimated based on 2024 LA tourism estimates of 34.7 million overnight tourists per year, multiplied by 0.105555 years (i.e. June 11, 2026 to July 19, 2026, the expected duration of World Cup 2026™ in LA), which yields an expected baseline of overnight tourists in LA of 3,662,778. Based on data from 1995-2019, researchers from Stellenbosch University, South Africa and the University of the Balearic Islands, Spain estimated that mega-sport events lead to a 4 percent increase in tourism. Using this data, it is anticipated the World Cup will lead to an increase in LA overnight tourists of 146,511 (3,662,778 x 4 percent), meaning that 32,689 tourists will be displaced (i.e. tourists who avoid LA who otherwise would have visited, but for the World Cup). See: (i.e. tourists who avoid LA who otherwise would have visited, but for the World Cup). See: *Fourie, Johan, et al., "Mega-sport events and inbound tourism: New data, methods, and evidence," Tourism Management Perspectives, Vol. 43, July 2022.* "2022 SCVEFS - Los Angeles Update," *Los Angeles Tourism & Convention Board, March 22, 2022, p. 4* (<https://sgvpartnership.org/resources/Documents/LA%20Tourism%20-%20Bryan%20Churchill.pdf>).

⁴ Several studies of previous World Cups published average length of stay by fans to be 7 nights (Qatar), 9.5 days (Rio de Janeiro), 13 nights (Russia), and 18 days (South Africa). This model estimates an average of 5 days and 5 nights in LA (while the 2026 World Cup has multiple host cities, Los Angeles is expected to be a premiere destination that appeals to World Cup visitors). See: <https://www.reuters.com/lifestyle/sports/fans-book-90000-nightly-rooms-group-stage-qatar-world-cup-more-available-2022-11-09/> "Brazil's Rio celebrates World Cup tourism bonanza," *Xinhua News Agency, July 15, 2014.* <https://forwardkeys.com/russia-world-cup-latest-football-tourism-scores/> "South Africa economy: Cup winner?" *EIU ViewsWire, July 7, 2010.*

⁵ Hotel ADR in 2026 is forecasted based on ADR in LA County in August 2022 (\$208.70) and 5% annual inflation from 2023 to 2026, which equals approximately \$253. Note that year-over-year growth rate of ADRs in LA County from August 2021 to August 2022 reportedly was 12.8%, more than double our 5% annual inflation assumption. See: *Smith Travel Research, August 2022 Lodging Performance, LA County & Custom Regions.*

⁶ Major events like World Cups, Olympics, and Super Bowls lead to significant increases in hotel ADRs during the event. For example, studies have quoted hotel ADR price increases of 43% during the Summer Olympics in Atlanta, 141% during the Winter Olympics in Salt Lake City, a factor of 2 to 3 during the World Cup in South Africa, and 174% for Super Bowl LVII in Arizona. Therefore, a conservative 90% boost in hotel prices during the 2026 World Cup is used in this model. See: "Short-term hotel room price effects of sporting events", *Tourism Economics, 2021, Vol. 27(3).* *US hotel pricing trends part 1: events, festivals, and Super Bowl LVII, Market Insight, January 27, 2023.*

⁷ Transient occupancy tax (also referred to as hotel tax) rates vary throughout LA county. A few examples include the following: City of LA (14%), Inglewood (15.5%), Beverly Hills (14%), Santa Monica (15%), Culver City (14%), Pasadena (12.11%), and Unincorporated LA County (12%). See: <https://finance.lacity.org/transient-occupancy-tax-requirements;> <https://www.cityofinglewood.org/DocumentCenter/View/13538/TOT-Retum-Form-Fillable?bidId=:> <https://www.beverlyhills.org/cbhfiles/storage/files/15765257701395648458/FY22-23Taxes,Fees,andChargesBook.pdf;> <https://finance.smgov.net/fees-taxes/transient-occupancy-tax;> <https://www.culvercity.org/Services/Business-Resources/Taxes-Fees;> https://ww2.cityofpasadena.net/2022%20Agendas/May_16_22/AR%2012%20ATTACHMENT%20A.pdf; [https://ttc.lacounty.gov/tot/;](https://ttc.lacounty.gov/tot/) and *Transient Occupancy Tax Requirements, LA City website* (<https://finance.lacity.org/transient-occupancy-tax-requirements>). *Guide to Transient Occupancy Tax, City of Inglewood - Finance Department, p. 3.* Additional information is available at Exhibit 2.

⁸ See Exhibit 1.1

⁹ Using 2018 LA tourism spending figures, it is calculated that overnight tourists spent approximately \$105 per person per day in daytime spending if they are assumed to stay (on average) 4 days; 3 nights; 2 people per room. See: *Los Angeles 2018 Tourism Quick Facts, Los Angeles Tourism & Convention Board.* Conservatively assuming that this tourism spending figure stays constant until 2022, it is then projected to grow at an annual rate of 5% (due to inflationary pressure) from 2023 to 2026, which results in 2026 LA tourism spending of approximately \$128.18 per person per day. Finally, a study of the 2002 World Cup in South Korea and Japan found that World Cup foreign tourist expenditures were "1.8 times as much as that of ordinary foreign tourists." Other studies of major events show that visitors spend significantly more money than typical visitors. For example, a study of the 2017 Super Bowl found that typical Texas tourists spent about \$130/day while Super Bowl visitors spent an average of \$502/day (i.e., 286% increase in spending at major events). Multiplying 1.8 (the more conservative multiplier above) by \$128.18 per person per day yields approximately \$230 daytime spending per person per day in LA County during the FIFA World Cup 2026™. See: *Lee, Choong-Ki and Tracy Taylor, "Critical Reflections on the Economic Impact Assessment of a Mega-Event: The Case of 2002 FIFA World Cup," Tourism Management 26 (2005), Received February 27, 2003.* *McGill, Kenneth and Jon Gray, "The Economic Impact of Super Bowl LI on Greater Houston," Rockport Analytics, May 2017, p. 5.*

[#] Although 32,689 visitors will be displaced by World Cup visitors, it is anticipated that these World Cup visitors will spend \$101.82 more per day

EXHIBIT 1

ESTIMATED INCREASE IN SPENDING AND TAX REVENUE IN LA COUNTY GENERATED BY FIFA WORLD CUP 2026™ OUT-OF-TOWN VISITORS IN JUNE & JULY 2026

than displaced visitors, who would have spent \$128.18 per day (\$101.82 per day = \$230 per day - \$128.18 per day). See footnote 9 above.

A portion of daytime spending likely is not subject to sales/use tax. One example is entertainment tickets (e.g. movie theaters or amusement parks). According to economic impact studies of two recent Super Bowls, entertainment accounts for approximately 13% to 29% of total spending less lodging. Therefore, it is assumed that approximately 15% of daytime spending is not subject to sales/use tax.

9.86% is the average sales/use tax rate in the following cities in LA County: Los Angeles City (9.5%), Inglewood (10%), Santa Monica (10.25%), Hawthorne (10.25%), Culver City (10.25%), Beverly Hills (9.5%), Mar Vista (9.5%), Long Beach (10.25%), Redondo Beach (9.5%), Torrance (10%), and El Segundo (9.5%). See:
California City & County Sales & Use Tax Rates (Effective April 1, 2023) (<https://www.cdtfa.ca.gov/taxes-and-fees/rates.aspx>).

The average sales/use tax rate in selected LA County cities is 9.86% (see note above). Approximately 6% goes to the State of California. This leaves an estimated 3.86 percent locally for LA County and/or its cities, or roughly 39 percent of the total (3.86% [LA County and its cities] ÷ 9.86% [total] = 39% of the total sales/use tax stays in the county and/or its cities). See, for example:
"All About California Sales Tax," Smart Asset website, March 18, 2021 (<https://smartasset.com/taxes/california-sales-tax>).

EXHIBIT 1.1

**DISTRIBUTION OF HOTEL TAX
GENERATED BY FIFA WORLD CUP 2026™ VISITORS**

Location	Hotel Rooms ¹	Percent of		Total Hotel Taxes ³
	(Count)	Total	Hotel Tax Rate ²	(Dollars)
(1)	(2)	(3)	(4)	(5)
1. LA City	32,289	43.0%	14.00%	\$9,526,797
2. Long Beach	6,207	8.3%	13.00%	1,700,550
3. Santa Monica	3,858	5.1%	15.00%	1,219,601
4. Torrance	3,047	4.1%	11.00%	706,365
5. Pasadena	2,959	3.9%	12.11%	755,185
6. Burbank	2,686	3.6%	10.00%	566,070
7. West Hollywood	2,628	3.5%	12.50%	692,308
8. Beverly Hills	2,454	3.3%	14.00%	724,047
9. El Segundo	2,468	3.3%	12.00%	624,152
10. Inglewood	2,215	3.0%	15.50%	723,552
11. Marina Del Rey	1,887	2.5%	12.00%	477,219
12. Redondo Beach	1,515	2.0%	12.00%	383,141
13. Glendale	1,295	1.7%	12.00%	327,503
14. Hawthorne	1,179	1.6%	12.00%	298,167
15. Culver City	1,154	1.5%	14.00%	340,485
16. Manhattan Beach	965	1.3%	12.00%	244,047
17. Universal City	956	1.3%	12.00%	241,771
18. Gardena	941	1.3%	11.00%	218,146
19. Carson	703	0.9%	9.00%	133,341
20. Rancho Palos Verdes	563	0.7%	10.00%	118,651
21. Monterey Park	561	0.7%	12.00%	141,876
22. Hermosa Beach	444	0.6%	12.00%	112,287
23. South Gate	431	0.6%	8.00%	72,666
24. Montebello	338	0.5%	10.00%	71,233
25. Compton	330	0.4%	7.50%	52,160
26. Lawndale	289	0.4%	9.00%	54,816
27. Alhambra	215	0.3%	12.00%	54,373
28. Malibu	168	0.2%	15.00%	53,109
29. Lomita	129	0.2%	10.00%	27,187
30. Lakewood	108	0.1%	8.00%	18,209
31. Huntington Park	99	0.1%	5.00%	10,432
32. Total				\$20,689,443

EXHIBIT 1.1
DISTRIBUTION OF HOTEL TAX
GENERATED BY FIFA WORLD CUP 2026™ VISITORS

Notes: ¹ STR Data as of July 31, 2018.

² Hotel tax rate for cities with data available is assumed to be 12%, the rate for unincorporated LA county.
See:

<https://finance.lacity.org/transient-occupancy-tax-requirements>;

<https://www.cityofinglewood.org/DocumentCenter/View/13538/TOT-Return-Form-Fillable?bidId=>;

<https://www.beverlyhills.org/cbhfiles/storage/files/15765257701395648458/FY22-23Taxes,Fees,andChargesBook.pdf>;

<https://finance.smgov.net/fees-taxes/transient-occupancy-tax>;

<https://www.culvercity.org/Services/Business-Resources/Taxes-Fees>;

https://ww2.cityofpasadena.net/2022%20Agendas/May_16_22/AR%2012%20ATTACHMENT%20A.pdf;

<https://tc.lacounty.gov/tot/>; and

https://www.sco.ca.gov/Files-ARD-Local/LocRep/2020-21_Cities_TOT.pdf

³ Total hotel taxes at Column (5) calculated by multiplying Line 14 from Exhibit 1 by Columns (3) and (4).

EXHIBIT 1.2

DISTRIBUTION OF SALES AND USE TAX GENERATED BY FIFA WORLD CUP 2026™ VISITORS

Location	Share of Sales and Use Tax	Total Sales and Use Tax ¹
(1)	(Percent)	(Dollars)
1. LA City	43.0%	\$2,602,321
2. Long Beach	8.3%	500,251
3. Santa Monica	5.1%	310,934
4. Torrance	4.1%	245,572
5. Pasadena	3.9%	238,480
6. Burbank	3.6%	216,477
7. West Hollywood	3.5%	211,803
8. Beverly Hills	3.3%	197,779
9. El Segundo	3.3%	198,908
10. Inglewood	3.0%	178,517
11. Marina Del Rey	2.5%	152,082
12. Redondo Beach	2.0%	122,101
13. Glendale	1.7%	104,370
14. Hawthorne	1.6%	95,021
15. Culver City	1.5%	93,006
16. Manhattan Beach	1.3%	77,774
17. Universal City	1.3%	77,049
18. Gardena	1.3%	75,840
19. Carson	0.9%	56,658
20. Rancho Palos Verdes	0.7%	45,375
21. Monterey Park	0.7%	45,214
22. Hermosa Beach	0.6%	35,784
23. South Gate	0.6%	34,736
24. Montebello	0.5%	27,241
25. Compton	0.4%	26,596
26. Lawndale	0.4%	23,292
27. Alhambra	0.3%	17,328
28. Malibu	0.2%	13,540
29. Lomita	0.2%	10,397
30. Lakewood	0.1%	8,704
31. Huntington Park	0.1%	7,979
32. Total		\$6,051,128

EXHIBIT 1.2

DISTRIBUTION OF SALES AND USE TAX GENERATED BY FIFA WORLD CUP 2026™ VISITORS

Note: ¹ Total sales and use tax for each location calculated by multiplying total overall sales and use taxes by the estimated share of sales and use taxes for each location, based on the share of hotel rooms for each location.

EXHIBIT 1.3

DISTRIBUTION OF FOLLOW-ON TAX GENERATED BY FIFA WORLD CUP 2026™ VISITORS

Location	Share of Follow-On Tax	Total Follow- On Tax ¹
(1)	(Percent)	(Dollars)
(1)	(2)	(3)
1. LA City	43.0%	\$3,527,637
2. Long Beach	8.3%	678,127
3. Santa Monica	5.1%	421,494
4. Torrance	4.1%	332,891
5. Pasadena	3.9%	323,277
6. Burbank	3.6%	293,451
7. West Hollywood	3.5%	287,114
8. Beverly Hills	3.3%	268,104
9. El Segundo	3.3%	269,634
10. Inglewood	3.0%	241,993
11. Marina Del Rey	2.5%	206,158
12. Redondo Beach	2.0%	165,517
13. Glendale	1.7%	141,481
14. Hawthorne	1.6%	128,808
15. Culver City	1.5%	126,077
16. Manhattan Beach	1.3%	105,428
17. Universal City	1.3%	104,445
18. Gardena	1.3%	102,806
19. Carson	0.9%	76,804
20. Rancho Palos Verdes	0.7%	61,509
21. Monterey Park	0.7%	61,290
22. Hermosa Beach	0.6%	48,508
23. South Gate	0.6%	47,088
24. Montebello	0.5%	36,927
25. Compton	0.4%	36,053
26. Lawndale	0.4%	31,574
27. Alhambra	0.3%	23,489
28. Malibu	0.2%	18,354
29. Lomita	0.2%	14,094
30. Lakewood	0.1%	11,799
31. Huntington Park	0.1%	10,816
32. Total		\$8,202,748

EXHIBIT 1.3

DISTRIBUTION OF FOLLOW-ON TAX GENERATED BY FIFA WORLD CUP 2026™ VISITORS

Note: ¹ Total follow-on tax for each location calculated by multiplying total overall follow-on taxes by the estimated share of taxes for each location, based on the share of hotel rooms.

EXHIBIT 2

**TOTAL IMPACTS - ESTIMATED ECONOMIC OUTPUT AND
TAX REVENUE THAT STAYS IN LA COUNTY
GENERATED BY FIFA WORLD CUP 2026™ VISITORS IN JUNE-JULY 2026**

Description	Economic Impact			Tax Revenue that Stays in LA County		
	Direct Visitor Spending	Follow-On Impact	Total Output	Direct	Estimated Follow-On *	Total
(Dollars)						
(1)	(2)	(3)	(2) + (3) (4)	(5)	(6)	(5) + (6) (7)
1. 8-Game Model	\$343,361,620	\$250,956,782	\$594,318,402	\$26,740,572	\$8,202,748	\$34,943,320

Notes: According to IMPLAN, output represents the value of industry production. In IMPLAN these are annual production estimates for the year of the data set and are in producer prices. As an example, in the manufacturing sector, output would be sales plus or minus change in inventory.

In IMPLAN, additional spending (i.e. lodging and daytime spending, excluding event tickets) is the direct output.

Indirect output is an estimate of secondary increases in spending on goods and services by firms that experience direct gains.

Induced output is an estimate of secondary increases in spending by households containing employees of firms that experienced direct and indirect gains.

* It is assumed that 85 percent of follow-on spending/output is subject to sales and use taxes (approximately 9.86% in LA County), which is the same percentage used for daytime spending. It is also assumed that approximately 39% of sales and use tax revenue stays in LA County. The remaining 61% goes to the State of California, and those amounts are not included in these calculations. See Exhibit 1 for additional details.

Sources: Exhibit 1 and IMPLAN Software.

EXHIBIT 3

**TOTAL IMPACTS - ESTIMATED ECONOMIC OUTPUT AND OTHER GAINS IN LA COUNTY
GENERATED BY FIFA WORLD CUP 2026™ VISITORS IN JUNE-JULY 2026**

Description	Variables			Economic Impact and Other Gains			Associated Gain in Annual Equivalent Jobs ⁴
	Out-of- Town Visitors	Daytime Spending Per Person Per Day	Avg. Hotel Room Rate per Night	Total Output ¹	Total Labor Income ²	Total Value Added ³	
	(Count)	(Dollars)			(Count)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. 8-Game Model	179,200	\$230	\$480	\$594,318,402	\$243,157,485	\$378,882,047	4,730

Notes: ¹ According to IMPLAN, output represents the value of industry production. In IMPLAN these are annual production estimates for the year of the data set and are in producer prices. As an example, in the manufacturing sector, output would be sales plus or minus change in inventory.

In IMPLAN, additional spending (i.e. lodging and daytime spending, excluding event tickets) is the direct output.

Indirect output is an estimate of secondary increases in spending on goods and services by firms that experience direct gains.

Induced output is an estimate of secondary increases in spending by households containing employees of firms that experienced direct and indirect gains.

² IMPLAN defines this as all forms of employment income, including employee compensation (wages and benefits) and proprietor income.

³ IMPLAN defines this as the aggregation of employee compensation, proprietor income, other property income (e.g. corporate profits, rent, interest), and taxes on production and imports net of subsidy (excludes payroll taxes and corporate income tax; includes sales taxes, excise taxes, fees, fines, licenses, and property tax).

⁴ IMPLAN defines this as annual average full-time/part-time/seasonal jobs. This includes both wage and salary workers and proprietors.

Another way to interpret this is additional jobs (full/part/seasonal) that will last one year, stemming from hosting the FIFA World Cup 2026.

Sources: Exhibits 1 and 2 and IMPLAN Software.