



Staff Report

File #: REPORT 22-0125, Version: 1

**Honorable Mayor and Members of the Hermosa Beach City Council
Adjourned Regular Meeting of March 3, 2022**

**CONSIDERATION OF TAKING ACTION OR GIVING DIRECTION TO STAFF ON ITEMS FROM
THE REVENUE STUDY SESSION
(Finance Director Viki Copeland)**

Recommended Action:

Staff recommends City Council discuss the Revenue Study Session Discussion Items (**Attachment 2**) and provide staff direction.

Executive Summary:

The attached list of revenue sources (**Attachment 2**) reflects both City Council and staff suggested items for review. Status updates are provided in red for items that are already complete or are in progress. After receiving the staff presentation and discussing items at the Revenue Study Session, Council may choose to take action or provide staff direction at this Adjourned Meeting of the City Council.

Discussion:

An overview of the City's revenue sources and a list of discussion items was presented with the Revenue Study Session Slides (**Attachment 1**). The Revenue Study Session Discussion Items (**Attachment 2**) is a list of revenue sources reflecting both City Council and staff suggested items for review. At this time, some items are complete and others are in progress. A status update is included with the list of items and shown in red. The list is separated into the following sections:

1. Taxes;
2. Use of Property and User Fees; and
3. Other Funding Sources.

Staff recommends City Council consider the items and provide staff any desired direction at this Adjourned Meeting of the City Council.

General Plan Consistency:

This report and associated recommendation have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

Governance Element

Goal 1. A High degree of transparency and integrity in the decision-making process.

Policy:

- **1.6 Long-term consideration.** Prioritize decisions that provide long-term community benefit and discourage decisions that provide short-term community benefit but reduce long-term opportunities.

Goal 6. A broad-based and long-term economic development strategy for Hermosa Beach that supports existing businesses while attracting new business and tourism.

Policies:

- **6.1 Long-term economic development.** Support the development and implementation of long-term development strategies that seek to establish and keep new businesses and a strong middle class in Hermosa Beach over the decades to come.
- **6.3 Diversified Economy.** Encourage economic development strategies that allow the city to move beyond reliance on its two main industries - accommodation and food service and retail trade - and transform itself to a mature mix of economic activity and job opportunities.
- **6.7 Retail base.** Encourage economic development reflective of the character of Hermosa Beach with small and medium scale retail development within Hermosa Beach in order to create a stronger tax base and increase the City's tax revenue.

Fiscal Impact:

There is no fiscal impact associated with the recommended action. The fiscal impact of any individual item or direction would be provided upon return to City Council.

Attachments:

1. Revenue Study Session Slides
2. Revenue Study Session Discussion Items
3. Revenue Report for November 2021

Respectfully Submitted by: Viki Copeland, Finance Director

Approved: Suja Lowenthal, City Manager