RESOLUTION NO. __

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, APPROVING A SALES TAX REVENUE SHARING AGREEMENT AND A SALES TAX SHARING IMPLEMENTATION AGREEMENT

THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, DOES RESOLVE AS FOLLOWS:

SECTION 1. RECITALS.

A. A sales and use tax generating operation is located on certain, improved real property physically located in both Hermosa Beach and Redondo Beach, with a portion of the property at the northeast corner of First Street and Pacific Coast Highway, commonly referred to as 26 Pacific Coast Highway in the City of Hermosa Beach and a portion of the property at the northeast corner of Anita Street and Pacific Coast Highway, commonly referred to as 900 N. Pacific Coast Highway in the City of Redondo Beach (collectively, the "Property").

B. The sales and use tax generating operation on the Property is conducted by Redondo Automotive, which conducts its business on, and requires the use of, the entire Property as a single entity so that sales and use tax activity is not limited to a single physical location.

C. California law permits cities to enter into contracts to apportion between them the revenue derived from any sales or use tax if the resolution proposing the agreement is approved by a two-thirds vote of the governing body of each jurisdiction that is a party to the contract.

D. In the public interest, the cities of Hermosa Beach and Redondo Beach desire to allocate and split all sales and use tax generated on the Property.

E. Redondo Automotive agrees with the allocation and splitting of the sales and use tax generated by Redondo Automotive on the Property.

SECTION 2. NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

A. <u>Approval of Recitals</u>. City Council hereby finds and determines that the foregoing recitals are true and correct and incorporated herein.

B. <u>Public Interest</u>. City Council hereby finds and determines that the allocation and splitting of the sales and use tax generated on the Property will serve the health, safety, and general welfare of both the cities of Hermosa Beach and

Redondo Beach, and their citizens, and will serve to strengthen the cities' land use and social structure between these cities

C.   <u>Approval of Sales Tax Revenue Sharing Agreement</u>. The Sales Tax Revenue Sharing Agreement is hereby approved, subject to minor conforming and clarifying changes recommended by the City Attorney. The Mayor is hereby authorized and directed, for and in the name and on behalf of the City, to execute the Sales Tax Revenue Sharing Agreement, and the City Clerk is hereby authorized to attest to such execution.

D.   <u>Approval of Sales Tax Sharing Implementation Agreement</u>. The Sales Tax Sharing Implementation Agreement is hereby approved, subject to minor conforming and clarifying changes recommended by the City Attorney. The Mayor is hereby authorized and directed, for and in the name and on behalf of the City, to execute the Sales Tax Sharing Implementation Agreement, and the City Clerk is hereby authorized to attest to such execution.

E.   The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

SECTION 3. Notice of the measures set forth in Section 2 shall be provided on the City's website and on the City's social media platforms.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make minutes of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting in which the same is passed and adopted.

PASSED, **APPROVED** and **ADOPTED** this __ day of _____, 2021.

_____
Mayor, City of Hermosa Beach

ATTEST: APPROVED AS TO FORM:

_____   _____
Eduardo Sarmiento - City Clerk   **Michael Jenkins - City Attorney**