



Honorable Mayor and Members of the Hermosa Beach City Council

ECONOMIC DEVELOPMENT STRATEGY PROGRESS REPORT

(Community Development Director Carrie Tai)

Recommended Action:

Staff recommends City Council:

1. Receive a staff presentation; and
2. Receive and file the Economic Development Strategy Progress Report #4 **(Attachment 1)**.

Executive Summary:

The Economic Development Strategy was approved in 2022, with one of the action items being progress reports presented to the City Council biannually in January and July of each year. This is the fourth progress report on the Economic Development Strategy. The last update was presented to City Council at its February 27, 2024 meeting.

Background:

The Economic Development Strategy (**Attachment 2**) is the result of two years of collective efforts by the Economic Development Committee and the Stakeholders Advisory Working Group to identify Economic Development objectives and actions. For two years, the Economic Development Committee met monthly, and the 20-person Stakeholders Advisory Working Group met bimonthly, to explore and discuss Hermosa Beach business-related topics. An Economic and Market Study was also prepared to inform development of the Economic Development Strategy. At its July 12, 2022 meeting, City Council adopted the Economic Development Strategy.

The resulting Economic Development Strategy includes 30 strategic actions. They include proactive steps to enhance Hermosa Beach through beautification, strengthen the local economy, and provide an environment for the City's business partners to succeed as they serve the community. The City Council approval included 10 priorities for implementation in the first year ending June 30, 2023.

The Economic Development Strategy is a long-term plan, with strategic actions divided into short-term (1st year), mid-term (2–3 years) or long-term (3+ years) implementation. The actions are divided into five categories: Citywide Beautification; Downtown; Municipal Code Amendments; Business Outreach; and City Economic Development work program.

The Economic Development Strategy is the work plan for implementation, beginning with the identified action priorities.

The Economic Development Strategy identified a multi-disciplinary complement of City Departments (City Manager’s Office, Community Development, Public Works, Community Resources, Police Department, and Human Resources), the Chamber of Commerce, and professional subject matter experts. Implementation work was anticipated to be completed by staff, the Hermosa Beach Chamber of Commerce, and occasionally with contracted subject matter expert assistance.

The Economic Development Strategy also indicates that the prioritization and scope of the Strategic Actions do not consider staff capacity or competing workload demands. Staff ability to implement the strategy items is determined by available capacity. Staff capacity for the development of the Economic Development Strategy was, in part, made possible by the extended allowable hours of the Interim Senior Planner during the COVID-19 pandemic response. Once the COVID-19 emergency ended, the allowable hours returned to only accommodate daily workload such as long-range planning projects, customer service, and a limited business liaison role.

The Economic Development Strategy includes an action item for a City Council report twice annually to monitor progress, prioritize actions, and consider new opportunities. The report ensures City Council and the community are updated on Economic Development Strategy implementation and that priorities are identified each year.

At its February 27, 2024 meeting, City Council received Progress Report #3. Changing the prior format of providing updates by prioritization year, staff restructured the report so that all Economic Development Strategy items were listed, with their status. Staff identified that there is no funding or dedicated staff to implement programs, and that there is a substantial economic development benefit from existing City programs and projects. City Council received and filed Progress Report #3.

Past City Council, Commission, and Economic Development Committee Actions

Meeting Date	Description
March 4, 2020	A joint meeting of the City Council and Planning Commission was held to discuss a vision for the Downtown District, among other topics. At that meeting, it was suggested that a subcommittee be formed, comprised of two City Councilmembers and two Planning Commissioners to focus on Economic Development.
April 28, 2020	City Council selected Councilmembers Campbell and Deto to serve on the Downtown Economic Development Committee

Meeting Date	Description
	with Planning Commission Chairperson Peter Hoffman and Commissioner David Pedersen
June 1, 2020	Economic Development Committee held its first monthly meeting to begin work on short-term economic recovery goals and long-term Economic Development goals to benefit the Downtown and citywide business districts. At the first meeting, the Economic Development Committee determined that a Stakeholders Advisory Group should be formed to represent a variety of businesses and commercial districts.
September 28, 2021	City Council received a One-Year Progress Report on the Economic Development Committee and Economic Development Strategy initial actions approved.
May 2, 2022	Economic Development Committee held its final meeting, during which it approved the Economic Development Strategy.
July 12, 2022	City Council adopted Economic Development Strategy and First Year Implementation Priorities.
January 24, 2023	City Council received first progress report.
July 25, 2023	City Council received second progress report.
February 27, 2024	City Council received third progress report.

Discussion:

Staff evaluated all strategic action items of the Economic Development Strategy Report, as well as ongoing initiatives not identified in the Economic Development Strategy initially adopted in 2022. Staff observed numerous initiatives that further the City’s efforts in supporting the business community in improving the environment in which to do business.

The fourth progress report outlined below, and included as **Attachment 1**, incorporates all action items from the past two years and presents the entire Economic Development Strategy in a comprehensive way. This allows the community, City Council, and staff to focus on this effort in totality. The action items are presented in the following table in numerical order as identified in the Economic Development Strategy. The letter symbol (S, M, L) indicates whether the action item was to be initiated in the short-term (Year 1), mid-term (Year 2–3), or long-term (Year 3+). The table identifies prior actions and provides current updates. The table also identifies initiatives that do not currently have staff and funding resources.

**Economic Development Strategy—Implementation Priorities and Status
Progress Update #4 – July 2024**

	Strategic Action	February 2024 Progress Update	July 2024 Progress Update
1. (S)	Wayfinding Signs (CMO/PW)	<p>Prior Action(s): In May of 2022, the City issued an encroachment permit to the HB Chamber of Commerce and assisted in the installation and replacement of 40 removable floor decals on City sidewalks in the downtown area. The decals contain a QR code directing the public to the Truly Hermosa website which provides information regarding restaurants, shops, hotels, events, directional information, parking and encourages alternate transportation options.</p> <p>As part of the Capital Improvement Program (CIP) 111, staff is working with a designer on completing an inventory of existing wayfinding and gateway signage and the preliminary design of new signage and recommended locations. As part of this preliminary effort, the designer will identify future cost estimates for final design, fabrication, and installation, which will require additional funding as part of a future CIP.</p>	<p>Both City "Walk Your Bike" sticker decals (25) and the Chamber of Commerce-provided "Shop Eat Truly Hermosa" sticker decals (16) on the sidewalk in the downtown areas were replaced in May and June 2024.</p> <p>CIP 111 was reassigned to one of the new Senior Engineers and scheduled to resume in June 2024 per the revised Estimated Capital Improvement Program (CIP) Project Scheduled presented to City Council at the CIP Study Session on April 18, 2024. The tentative schedule shows completion of this preliminary design effort concluding in November 2024. The adopted budget for Fiscal Year 2024–25 identifies the next phase of the project under the Deferred and Unfunded Future Project list and would need to be considered for funding as part of a future budget cycle; CIP 111 is preliminary design only and does not include any funding for implementation.</p>
2. (L)	Façade Improvement Program for	There is currently no funding or staffing resources to initiate this item.	There is currently no funding or staffing resources to initiate this item.

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	commercial districts (CD)		
3. (S)	Beautification Program, including Gateway Entries and Corridors (CMO/CD/PW)	<p>Prior Action(s): At its March 28, 2023 meeting, City Council approved an agreement to allow the Hermosa Beach Chamber of Commerce to manage an annual street pole banner program. The seasonal banners provide the desired street view enhancements, create a sense of pride and City image on Pier Avenue and Hermosa Avenue corridors. Select banners feature and publicize community events to encourage tourism.</p> <p>There is a planned City gateway sign at the Skechers project at Longfellow Avenue and Pacific Coast Highway (PCH) to identify the entrance to Hermosa Beach from the north on PCH. The sign will feature the City’s new logo and adhere to the branding and style guidelines. The sign design is expected to inform the sign program along the City’s major corridors from the south and east.</p> <p>Public Works worked on a median project on Hermosa Avenue coming in from the South.</p>	<p>The street banner program continues to be managed by the Chamber of Commerce and provides timely and aesthetically pleasing event/community information.</p> <p>The planned City gateway sign at the Skechers project at Longfellow Avenue and PCH is scheduled for installation in July 2024.</p> <p>The installation of the permanent ring lights on the palm trees also included lights along the roof line of the Community Center and are in operation year-round.</p> <p>Public Works is currently in process of adding new drought tolerant landscaping along the center median of Gould Avenue that will enhance that gateway entrance to the City.</p> <p>The Chamber of Commerce conducted a site walk with local businesses and provided feedback for Pier Avenue between Hermosa Avenue and Manhattan Avenue. Public Works will schedule a follow-up walk with the Chamber to better understand the requests.</p>

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	Strategic Action	February 2024 Progress Update	July 2024 Progress Update
		To increase the presence of the City during the holidays, City’s holiday décor was augmented with the enhancement of the streetlight pole decorations, expanded decorations at City Hall, and the installation of permanent ring lights on the palm trees located in the medians of Pier and Hermosa Avenues.	
4.	Beautification Awards (S) (CMO)	Prior Actions: At the State of the City Address event held October 27, 2022, the Mayor recognized the Sea Sprite for renovation and upgrades. Chamber of Commerce has indicated a desire to incorporate Beautification Awards possibly at State of the City or Best of Hermosa.	No additional update on this item.
5.	Consider Arts in Public Places Program (L)	There is currently no funding or staffing resources to initiate this item.	There is currently no funding or staffing resources to initiate this item. However, the recent utility box beautification and Skate Park art installation added original art in public spaces.
6.	Placemaking Community Forum (L)	There is currently no funding or staffing resources to initiate this item.	There is currently no funding or staffing resources to initiate this item.
7.	Placemaking Project Design (L)	There is currently no funding or staffing resources to initiate this item.	There is currently no funding or staffing resources to initiate this item.

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8. (S)	<p>Include Beautification-related projects in the City budget and CIP to add value and for residents and visitors to enjoy. (PW)</p>	<p>Prior Action(s): The City and South Bay Parkland Conservancy worked diligently to support the Leadership Hermosa class project “Hermosa Mariposa,” a native butterfly habitat restoration project on the Greenbelt. This project improves the appearance of the public space to enhance community quality of life and City image and attract visitors.</p> <p>In partnership with the City, the South Bay Parkland Conservancy has applied for funding from the Coastal Conservancy to enhance and expand Hermosa Mariposa.</p> <p>For Fiscal Year 2023-2024, the City Council has directed a “back to basics” approach with regard to Capital Improvement Programs, with the focus on critical infrastructure, deferred maintenance, and community serving facilities such as the Clark Building and park space.</p> <p>CIP 109 was created to enhance the aesthetics of utility boxes throughout the City. PW staff is actively working in coordination with a local artist collaborative to advance the installation of</p>	<p>CIP 109, created to enhance the aesthetics of utility boxes throughout the City is in progress and was. Public Works staff is actively working in coordination with a local artist collaborative to advance the installation of painted or wrapped art on utility boxes. The first art installation was completed in parking Lot A in early June.</p> <p>To celebrate the 25th anniversary of the Hermosa Skatepark, the City completed a maintenance and beautification project at the facility including design and installation of new signage provided by local artist collaborative. Three new artistic signs were unveiled at the June 8, 2024 celebration. In preparation, Public Works conducted extensive beautification work on the park including concrete repair, signage replacement, repainting of retaining walls, refreshment of pavement markings, and weed abatement. Public Works staff is also in process of repairing the fencing and the damaged wind screens.</p> <p>In cooperation with Hermosa Beach Little League, the playing surface at Clark Field Home Plate</p>

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		<p>Painted or wrapped art on utility boxes.</p>	<p>was replaced with artificial turf. This effort required coordination and completion of an Amendment to the existing Memorandum of Understanding between Hermosa Beach Little League and the City, design review, construction oversight and inspection by Public Works staff.</p> <p>In cooperation with Los Angeles County Beaches and Harbors, the City completed sand grading on the beach from Herondo Avenue to 14th Street. This effort required extensive coordination by Public Works staff with the County, adjacent residents and businesses, the Community Resources team, and the volleyball court users to ensure the project was completed in advance of the busy spring season. The work also required significant work by the City to remove and replace all impacted volleyball courts.</p>
<p>9. (S)</p>	<p>Work with Business Community to Explore Formation of a Downtown Business Improvement District (BID). (Chamber)</p>	<p>On May 3, 2023, the City and Chamber of Commerce coordinated a BID meeting, assisted by Civitas, a firm specializing in assisting in BID formation.</p> <p>The Chamber of Commerce is coordinating business and property-owner interest</p>	<p>The Chamber indicated that it is still pursuing a Tourism Improvement District.</p>

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		<p>following the informational meeting.</p> <p>Due to capacity and results of the business survey, the Chamber has indicated that it is not currently pursuing initiating a BID on behalf of downtown businesses. However, businesses could still seek to form if they wish. The Chamber is still pursuing a Tourism Improvement District.</p>	
10. (M)	<p>Focused Update of Downtown Revitalization Strategy, including Preservation of Downtown Retail and Restaurants and Other Active Uses on 1st Floor. (CMO/CD)</p>	<p>The City adopted the Downtown Core Revitalization Strategy on February 24, 2015. This Strategy, prepared by the ROMA Design Group, details the conditions of the Downtown Core while making suggestions for improvement. This document is relevant but must be updated to reflect changes in the downtown over the past eight years, namely the decrease in retail and increased desire for housing. There are currently no staffing resources or funding to initiate this update.</p> <p>As part of the City’s Housing Element, the City incorporated zoning changes to allow for inclusion of residential development above commercial uses in</p>	<p>The City recently secured the professional assistance of Lee Andrews to conduct a 12-month outreach phase of the Civic Facilities discussion. PLAN Hermosa, the City’s General Plan, identified the civic center as a catalyst for downtown revitalization strategies. Community support and interest in Civic Center investment is a means of downtown revitalization.</p> <p>In reviewing the City’s Housing Element-related zoning changes, California Housing and Community Development (HCD) identified guest parking for multi-family residential as a governmental constraint. The City Council recently approved a Zone Text Amendment eliminating guest parking requirement for development of</p>

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		<p>commercial districts, including Upper Pier Avenue. The City also altered zoning regulations to allow for three stories where two are currently allowed (but maintaining the same height limit) and updated parking standards to incentivize the development of smaller units by requiring fewer parking spaces.</p> <p>As part of the Zoning Code Update, staff is developing strategies to promote pedestrian-oriented uses on the ground floor by requiring added review of non-pedestrian uses.</p>	<p>three or more units, including in mixed use development. Mixed Use Development was identified as an improvement strategy for Downtown.</p> <p>In April 2024, City Council requested a discussion on a potentially prohibiting office uses on the ground floor of commercial areas. After discussion, City Council provided guidance that incentives should be included in the Zoning Text Amendment to encourage pedestrian-oriented uses on the ground floor in commercial districts.</p>
11. (S)	<p>Develop Identity/Vision for the Downtown (Objective: Incorporate City brand with marketing and future improvements). (CMO/PW)</p>	<p>Prior Action(s): In March 2023, the City formalized 37 street pole banner locations on Pier Avenue and Hermosa Avenue through an encroachment agreement with the Chamber of Commerce. The City also approved a licensing agreement to authorize the Chamber of Commerce to sell items bearing the City logo to promote the Hermosa Beach brand and to generate revenue to support tourism activities.</p>	<p>The street pole banner program and logo licensing agreements are ongoing.</p>
12. (S)	<p>Comprehensive Downtown Lighting</p>	<p>The estimated project schedule for CIP 621 was amended to begin Requests</p>	<p>The estimated project schedule for CIP 621 was changed as part of the FY 24–25 budget process</p>

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	Evaluation with Complete Photometric Study, Design and Installation (PW)	<p>for Proposal (RFP) development in May of 2024 through the adoption of the FY 23–24 budget. The advancement of this project remains contingent on staff availability and is tentatively anticipated to begin in Summer 2024. The current funding supports the preliminary design phase and additional funding will be necessary for final design and installation as part of a future CIP once the scope of work and costs are more clearly defined.</p> <p>The City replaced the string lights on nine palm trees along Pier Avenue and Hermosa Avenue with new ring lights for enhanced aesthetic, to provide a more permanent installation, and ease in maintenance. These more permanent fixtures were installed in December 2023 and will be used all year long and can change colors to fit all seasonal occasions.</p>	<p>with the start delayed until June 2026 due to the need to advance other high priority deferred maintenance, safety, and critical infrastructure projects in the CIP. The schedule for the start of this remains contingent of the completion of other high priority projects and staff availability with the project timeline to be revisited as part of the next budget cycle. The current funding supports the preliminary design phase only and additional funding will be necessary for final design and installation as part of a future CIP once the scope of work and costs are more clearly defined.</p> <p>During the interim period, the City replaced the string lighting on palm trees along Pier Avenue and Hermosa Avenue with new ring lights, as well as new lighting along the roofline of the Community Center, for enhanced aesthetic, to provide a more permanent installation, and ease in maintenance. These more permanent fixtures were installed in December 2023 and will be used all year long and can change colors.</p>
13. (L)	Introduce and Facilitate	In 2023, the City waived a total of \$241,967 amounting to \$10,155 in direct costs and	The City continues to support Special Events downtown. During this reporting period, the City's

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	Downtown Experiences (CMO / CR)	<p>\$231,812 in indirect costs. Fee waivers are approved through numerous avenues within the Special Events Permit Program:</p> <ul style="list-style-type: none"> • Fee Waiver Grant Program \$8,079 • Long-Term Agreements (allows for the ability to negotiate fees) \$78,307 • Chamber of Commerce Events \$139,140 • City as Supporting Partner for the Kevin Sousa Celebration of Life (events purely for community benefit) \$16,441 	support of the Los Angeles RAMs draft event was heralded as spotlighting Hermosa Beach and its beach-adjacent downtown.
14. (S)	Permanently Allow Outdoor Dining Areas and Lane Reconfigurations (PW/CMO)	<p>Prior Action(s): The City Council approved the lane configuration on April 25, 2023. The City Council adopted Municipal Code changes and associated fees for temporary outdoor dining areas to expand outdoor dining on public property and public rights-of-way. Specifications for outdoor dining areas in the on-street areas of the public rights-of-way were discussed in Summer 2023.</p> <p>The on-street outdoor dining guidelines are scheduled for approval by City Council in February 2024.</p>	Council approved guidelines for the on-street outdoor dining program in February 2024. Staff is currently finalizing a Coastal Development Permit to be submitted to the Coastal Commission in Summer 2024.

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15. (S)	Long-term Allowance of Outdoor Music in Business Locations (CD)	<p>The Community Development Department will evaluate and develop a program for this in conjunction with the Outdoor Dining Area program. This item remains pending. Businesses have temporarily been operating under the temporary COVID protocols, which were extended by the City Council.</p> <p>Staff assessed existing City regulations during Winter 2023 and observed that the City’s Noise Ordinance includes stringent regulations on music outdoors. Additional work and surveys are planned for Spring 2024 to identify updates needed to the Noise Ordinance. Staff has identified the possibility of businesses securing Sound Amplification permits to play music outdoor at business locations in a temporary manner.</p>	The on-street outdoor dining guidelines approved in February 2024 allow on-street dining areas to have music in the encroachment areas.
16. (M)	Program to Allow Outdoor Music in Public Spaces (CMO/CD)	There is currently no funding or staffing resources to initiate this item.	There is currently no funding or staffing resources to initiate this item.
17. (M)	Regular Communication with Key Property Owners to Encourage	In addition to responding to daily inquiries, the Community Development Department has held at least 10 meetings with existing or prospective	City staff conduct regular meetings with the Chamber of Commerce representatives, as well as any business owner(s) seeking support. During this

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	Reinvestment and Provide Support as Needed. (CMO/CD)	property owners and representatives to discuss potential uses, improvements, new tenants, or possible conversion. During these meetings, staff describes a “road map” to desired direction.	period of notable retail space turnover, the City’s Planning staff has assisted prospective business owners and representatives to discuss potential uses.
18. (M)	Develop Business Visitation Program. (CMO/Chamber/PD/CD)	<p>Hermosa Beach Police Department hosts the Coffee with a Cop Program at specific businesses to increase visibility to the business and to foster community relationships.</p> <p>Chamber of Commerce launched “Walk N Talks,” a program to connect City elected and appointed officials with a variety of businesses.</p>	<p>Chamber of Commerce continued with “Walk N Talks,” a program to connect City elected and appointed officials with a variety of businesses. A second walk was continued in April 2024 of Lower Pier Avenue, resulting in beautification recommendations.</p> <p>In addition to the Coffee with a Cop program, the Police Department started What the Fuzz (WTF) meetings to create meaningful engagements with the community and businesses. WTF is not limited to businesses and could be done in any neighborhood or private residence. When scheduling WTF meetings, the Police Department requests the host suggest the best day and time and possible topics. The City has conducted multiple successful WTF meetings and plans to hold them monthly. Businesses are scheduled through all of 2024 and into 2025 and the department</p>

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			<p>continues to receive requests from businesses and other groups.</p> <p>City Council and City staff are invited to, and attend, ribbon cuttings and other events organized by the Hermosa Beach Chamber of Commerce.</p> <p>In April 2024, the City of Hermosa Beach co-hosted a Lunch and Learn for Hermosa Beach businesses to obtain information about how to prepare their business and employee for natural disasters.</p>
19. (M)	Annual Commercial Property Owner and Brokers Forum (CMO / Chamber)	There is currently no funding or staffing resources to initiate this item. However, staff continues to regularly dialogue with the Chamber of Commerce on opportunities to advance this.	City staff-initiated discussions with the Chamber of Commerce on this item.
20. (S)	Shop Local Program (CMO / Chamber)	Prior Action(s): A dedicated “Shop Hermosa” page was added to the City’s website, which features five reasons to shop hermosa, recent shop hermosa initiatives, and marketing tips for local businesses. Staff created the hashtag #ShopHermosa for City and business use and launched a new Summer 2023 shop local social media	The collaboration between the City and Chamber of Commerce on the Shop Local Program continues. A Summer 2024 shop local social media campaign aimed at the City’s 23,000 followers is forthcoming.

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		<p>campaign aimed at the City’s 23,000 followers.</p> <p>The City has participated and provided funding support for the Truly Hermosa Destination Guides produced bi-annually by the Hermosa Beach Chamber of Commerce. The print and online guide provides resources and information for visitors and residents.</p> <p>The Chamber meets regularly with the City’s social media team. In 2023, the City completed a summer shop local and a winter shop local campaigns on social media. The campaigns were promoted on Instagram, Facebook and X. The campaigns centered around these key messages:</p> <ol style="list-style-type: none"> 1. Communicate what makes Truly Hermosa with the businesses in the City. 2. Many business owners and employees are also our neighbors so shopping local means community involvement. 3. Shopping local nurtures our community. Local investment = community engagement 	

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		<p>To facilitate the downtown shopping experience, the City Council approved the 4-week 2023 complimentary holiday parking program from the day after Thanksgiving through December 25. The program traditionally includes commercial zone silver-post meters and offers complimentary parking in accordance with existing posted meter time limits. The estimated foregone meter revenue from this program is approximately \$143,577.</p>	
21. (S)	<p>Provide Hermosa Beach Business Information to Event Promoters to Encourage Use of Local Vendors and Distribution to Participants. (CR/Chamber)</p>	<p>Prior Action(s): Community Resources has added the following language to the Special Events Policy Guide: “Event producers will be required to detail positive economic impacts as a result of the event in the Special Event Application. Event producers should encourage use of local businesses to event staff, participants, and spectators. The Hermosa Beach Chamber of Commerce and Visitor Bureau’s business directory is available at www.trulyhermosa.com. Additionally, event producers should engage with local businesses to explore</p>	COMPLETED

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		<p>partnership, and promotional opportunities.”</p> <p>Additionally, the Chamber of Commerce worked with the Community Resources Department to email all event producers to offer the services of the Chamber, which in turn, supports the local businesses.</p> <p>[COMPLETED]</p>	
22. (M)	Retail Attraction Program for Competitive, Strengthened Retail (CMO/Chamber /CD)	There is currently no funding or staffing resources to initiate this item.	There is currently no funding or staffing resources to initiate this item.
23. (S)	Partnership with Chamber of Commerce to Enhance Visitors Bureau to Develop And Promote the Hermosa Beach Brand and Provide Visitor Resources (CMO/Chamber)	<p>The City has participated and provided funding support for the Truly Hermosa Destination Guides produced bi-annually by the Hermosa Beach Chamber of Commerce. The print and online guide provides resources and information for visitors and residents.</p> <p>The City approved an agreement with the Hermosa Beach Chamber of Commerce to authorize the sale of souvenirs and decorative items bearing the City logo to promote the Hermosa Beach brand and to generate</p>	The agreement with the Hermosa Beach Chamber of Commerce to allow for the sale of souvenirs and decorative items bearing the City logo to promote the Hermosa Beach brand and to generate revenue to support tourism activities remains in place.

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		revenue to support tourism activities. This agreement remains in place.	
24. (M)	Periodic Community Survey to Determine What Types of Shops or Goods Are Desired and Residents to Drive out of Town to Patronize (CMO/ Chamber)	There is currently no funding or staffing resources to initiate this item.	There is currently no funding or staffing resources to initiate this item.
25. (M)	Explore Music Events and Activities to Celebrate Hermosa Beach Music History and Provide Musical Experiences for Community and Visitors. (CMO/CR/ Chamber)	The City FY 2023–2024 budget allocated funds to relaunch the concerts on the beach with the City serving as host and event coordinators. Funds were reallocated to FY 24–25 given the timing of concerts. The Hermosa Beach Concert Series will take place on the two concerts on the beach in 2024, south of the Pier, on the two Sundays following Labor Day weekend, September 8, 2024 and September 15, 2024. The title of the event is general, not specific to a location (such as beach concerts, for example) so there are opportunities to consider expanding the	The Hermosa Beach Concert Series will take place on the two concerts on the beach in 2024, south of the Pier, on the two Sundays following Labor Day weekend, September 8, 2024 and September 15, 2024. The title of the event is general, not specific to a location (such as beach concerts, for example) so there are opportunities to consider expanding the concerts, such as to the parks in the off-season.

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		concerts, such as to the parks in the off-season.	
26. (M)	Development Assistance Committee/ Development Review Committee (CD)	<p>During 2023, the City stabilized the Community Development Department staff by securing a permanent Director, who recruited for and filled the Building Official/Code Enforcement Manager and Planning Manager positions.</p> <p>The Department is in the process of convening regular development review meetings internally as well as dialoguing with external stakeholders for preliminary meetings to ensure that development projects progress efficiently.</p>	The department convenes bi-weekly development review meetings internally to identify project requirements early in the process. The requirements are conveyed to applicants, which frequently are business owners, so they can decide how to proceed.
27. (M)	Provide Customer Service Training to All City Staff to Build on Culture of Excellent Customer Service. (CMO)	The City migrated to the California Joint Powers Insurance Authority (CJPIA) in 2023, making available training programs that once were costly and a logistical challenge. CJPIA features a robust training curriculum, including customer service training, that will enable the City to offer training to staff while taking advantage of the cost-effectiveness secured by CJPIA.	<p>In May of 2024, the City facilitated in-person customer service training for all City employees. The training will be offered again in the future for new employees.</p> <p>The training focused on understanding the needs of the customer while balancing staff morale and workload.</p>
28. (L)	Continuous improvements to streamline	The newly-stabilized staff in the Community Development Department (see #26) has	In May 2024, the Community Development Department secured an additional plan review

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	processes and reduce approval times for permit processes. (CD)	enabled the Department to begin assessing and implementing process improvements to reduce timing associated with permit processes. Some of these processes include revised application and checklist, review of plan review workflows, and communications protocols.	firm to meet plan review volume and complexity. The department also updated application forms and handouts and changed internal protocols to funnel communications to group emails for more comprehensive coverage and response assignment.
29. (S)	Continue Staff Member Assigned as Business Liaison. (CMO)	The City designated Doug Krauss as Business Liaison in August 2023. [COMPLETED]	COMPLETE
30.	Regular City Council Review	Ongoing	Ongoing

General Plan Consistency:

PLAN Hermosa, the City’s General Plan, was adopted by the City Council in August 2017. The Economic Development Strategy supports several PLAN Hermosa goals and policies listed below.

Governance Element

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 economic development strategies that seek to

establish and keep new businesses and a strong middle class in Hermosa Beach over the decades to come.

- **6.2 Regional presence.** Encourage economic development strategies that will make Hermosa Beach a driving force and jobs center behind the regional economy of the South Bay region.
- **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.
- **6.4 Business support.** Support the Chamber of Commerce, retailers, tourist service businesses, artists, and other agencies to develop an aggressive marketing strategy with implementation procedures.
- **6.5 Creative economy.** Prioritize strategies that will create an economy full of diverse talents, trades and goods for the City. For long lasting economic success, a range of services, arts, entertainment and retail should be supported on all scales of the City’s economy.
- **6.6 Pop-up shops.** Develop plans and programs for underutilized spaces, such as vacant buildings, utility corridors, parkways, etc., for temporary retail, restaurant, and community promoting uses.
- **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.

Land Use Element

Goal 1. Create a sustainable urban form and land use patterns that support a robust economy and high quality of life for residents.

Policies:

- **1.1 Diverse and distributed land use patterns.** Strive to maintain the fundamental pattern of existing land uses, preserving residential neighborhoods, while providing for enhancement of corridors and districts in order to improve community activity and identity.
- **1.4 Diverse commercial areas.** Promote the development of diversified and unique commercial districts with locally owned businesses and job- or revenue-generating uses.
- **1.5 Balance resident and visitor needs.** Ensure land uses and businesses provide for the needs of residents as well as visitors.
- **1.8 Respond to unique characteristics.** Enhance the unique character and identity of the City’s neighborhoods, districts and corridors through land use and design decisions. Allow policies and programs to be focused on each unique character area of the City.

Goal 3. A series of unique, destination-oriented districts throughout Hermosa Beach.

Policies

- **3.1 Unique districts.** Encourage the development of local and citywide districts and centers that address different community needs and market sectors and complement surrounding neighborhoods.
- **3.3 Diverse retail and office centers.** Provide incentives to transform existing single-use commercial properties that are accessible into retail destinations by adding a diversity of uses, providing new pedestrian connections to adjacent residential areas, reducing the visual prominence of parking lots, making the centers more pedestrian-friendly and enhancing the definitions and character of street frontage and associated streetscapes.
- **3.4 Emerging employment sectors.** Strive to create districts that support increased employment activity, particularly for growing or emerging economic sectors.
- **3.5 Compact office formats.** New employment uses should be designed in a compact format with minimal front setbacks from the street, typical lease spans of 40 feet or less, and where feasible, combined with other commercial uses.

Fiscal Impact:

There is no fiscal impact associated with recommended action to receive and file the Economic Development Strategy progress report.

Attachments:

1. Economic Development Strategy Progress Report #4
2. [Link to Economic Development Strategy](#)
3. [Link to Economic and Market Study Update \(2021\)](#)
4. [Link to Downtown Core Revitalization Strategy \(2015\)](#)

Respectfully Submitted by: Carrie Tai, Community Development Director

Concur: Paul LeBaron, Police Chief

Concur: Angela Crespi, Deputy City Manager

Concur: Joe SanClemente, Public Works Director

Concur: Lisa Nichols, Community Resources Manager

Concur: Doug Krauss, Environmental Programs Manager

Noted for Fiscal Impact: Viki Copeland, Administrative Services Director

Approved: Suja Lowenthal, City Manager