



Honorable Mayor and Members of the Hermosa Beach City Council

REVIEW OF DAY AT THE BEACH EVENTS' REQUEST FOR A NEW AGREEMENT FOR THE HERMOSA BEACH OPEN IN 2025 THROUGH 2027

CEQA: Review of Day at the Beach Events' request for a new agreement would be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15304. This would have negligible or no permanent effect on the environment.

(Community Resources Director Lisa Nichols)

Recommended Action:

Staff recommends City Council:

1. Receive and file the informational report of the comparing the terms of the approved Long-term Agreement (LTA) with Day at the Beach Events (DATBE) for the Hermosa Beach Open (HBO) from 2025 through 2027 with those of an alternative agreement structure requested by DATBE, in which the City would serve as the event owner; and
2. Provide direction to staff on next steps.

Executive Summary:

On February 25, 2025, City Council approved a standard Long-term Agreement (LTA) with DATBE for HBO through 2027. Subsequently, DATBE requested the City consider serving as the owner of the event, with DATBE as the producer. This report compares two potential agreement structures with Day at the Beach Events (DATBE) for the Hermosa Beach Open (HBO) tournament from 2025–2027. It outlines the distinctions between the approved LTA and the proposed event ownership structure, highlights key considerations, and seeks Council direction.

Background:

On September 10, 2024, the City Council authorized staff to initiate negotiations with DATBE for an LTA covering the HBO from 2025 through 2027. The resulting agreement was approved on February 25, 2025.

Subsequently, DATBE requested that the City consider owning the event while DATBE assumes the role of producer. On March 11, 2025, Councilmember Jackson, with Councilmember Detoj concurring, requested staff return with a future agenda item outlining the differences between the LTA and the proposed City-ownership model.

Past Council Actions

Meeting Date	Description
September 10, 2024	City Council approved the commencement of LTA negotiations with DATBE for the HBO Open in 2025 through 2027.
February 25, 2025	City Council approved an LTA with DATBE for the HBO Open in 2025 through 2027.

Discussion:

The Community Resources Department oversees special events on public property. The Special Events Policy Guide (**Attachment 1**) serves as a comprehensive document for event producers with information on the review and approval process, applicable fees, policies, and Hermosa Beach Municipal Code chapters and sections pertaining to special events.

The Special Events Policy Guide outlines the LTA Program, which allows organizations that meet the eligibility requirements to apply for an LTA to solidify its event dates for up to three years and eliminates the need for organizations to submit a special event application each year and participate in the annual review and approval process by the Parks, Recreation, and Community Resources Advisory Commission and City Council.

Long-Term Agreement Overview

LTAs provides up to three years of event approval, allowing producers to hold its event on public property. Under this model:

- The event producer controls event planning, staffing, marketing, and sponsorships.
- The City oversees permitting, safety, and operational compliance (e.g., site plans, traffic plans, ADA access, emergency response, waste management).
- The City ensures any additional required permits are secured such as an Amplified Sound Permit; Film/Still Photo Permit; County of Los Angeles Fire Department Permit; or Building and Safety Permit.

City-Owned Event Model

Under a City-ownership event model:

- The City controls the event format, marketing, staffing, and sponsorship.
- Examples include the Surfers Walk of Fame, Hermosa Beach Concert Series, Veterans Day Ceremony, and Sand Snowman Contest.

DATBE's request represents a hybrid approach, in which the City would own the HBO and DATBE would produce it—departing from typical City-owned event models.

Key Considerations for Alternative Agreement Structure

If the Council wishes to pursue this new structure, a separate agreement would be required. Key considerations include:

- **Financial Oversight:** The City would approve event-related revenues and expenses, including entry fees, sponsorships, and prize money, ensuring City records of the revenues and expenses associated with the event.
- **Sponsorship:** The City would review and approve all sponsorships to ensure they are aligned with the core values, mission, and vision of the City. Sponsorship recognition, including naming rights, would also require approval.
- **Marketing and Merchandise:** All materials would be subject to review for compliance with the City's branding guidelines to emphasize HBO as a City-owned event.
- **Competing Events:** Terms should address restrictions on DATBE hosting similar events near the HBO timeframe to protect the event's integrity.
- **VIP Section:** Terms should address restrictions on DATBE hosting similar events near the HBO timeframe to protect the event's integrity.

Timeline and Staff Capacity

Given the September 2025 event date, staff does not recommend pursuing this alternative agreement model for 2025 due to:

- The extensive negotiation required;
- Required review by the Parks, Recreation, and Community Resources Advisory Commission and City Council; and
- Staff workloads managing peak-season permitted events (Memorial Day–Labor Day) and planning of City-owned events, including:
 - Surfers Walk of Fame Weekend (April),
 - National Parks and Recreation Month partnership with LA Galaxy (July), and
 - Hermosa Beach Concert Series (September).

Fee Waiver Context

DATBE cited the need for fee waivers as a reason for requesting a City-owned event model. During LTA negotiations, DATBE requested a waiver of indirect costs, which was not granted. Historically, such waivers are reserved for nonprofit or long-standing community events.

Table 1 includes the event dates and the anticipated payable fees to the City annually per the LTA.

Table 1: Proposed Long-term Agreement Event Dates and Annual Fees

Organization	Event	Event Dates	Annual Fees Payable to the City
Day at the Beach	Hermosa Beach Open	September 2–September 7, 2025; September 8–September 13, 2026; and September 7–September 12, 2027	Direct Costs: \$207 plus Parking and City/Staff Services TBD Amplified Sound Permit \$207 Parking TBD City Staff/Services TBD <hr/> Indirect Costs: \$19,494 Daily Category III: \$3,700 x 5 event days = \$18,500 Daily Setup/Teardown: \$319 x 1 setup day x 2 locations = \$638 Event Co-Sponsor: \$356

Per the City’s current contract with the Chamber of Commerce, indirect costs are waived for major events like Fiesta Hermosa and the St. Patrick’s Day Parade, while direct costs (e.g., staffing, permits, inspections) are the Chamber’s responsibility. Direct costs include, but are not limited, to City staff time, resources, inspections, parking, or an Amplified Sound Permit. Through its event marketing, the Chamber recognizes this level of support from the City by including the City as a top-tier sponsor.

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

Parks and Open Space Element

Goal 3. Community parks and facilities encourage social activity and interaction.

Policies:

- **3.1 Community-friendly events.** Encourage, permit, and support community groups, nonprofit, or business organized events on City property that support physical activity, beach culture, and family-friendly social interactions.
- **3.2 Social and cultural events.** Design and program parks and open space to accommodate unique social and cultural events to foster connectedness and interaction.
- **3.3 Commercial use of facilities.** Regulate and enforce commercial use of City parks and open spaces to ensure activities do not impact general use and enjoyment.

Goal 8. Special events at the beach are balanced to support community recreation and economic development without restricting coastal access or impacting the community.

Policies:

- **8.3 Community-focused events.** Prioritize the approval of special events that enhance the sense of community, improve economic vitality, and foster a healthy environment and active.
- **8.4 Family-focused events.** Prioritize events that appeal to a wide segment of community members

Fiscal Impact:

There are no fiscal impacts associated with the recommended actions.

Attachment:

Special Events Policy Guide

Respectfully Submitted by: Lisa Nichols, Community Resources Director

Noted for Fiscal Impact: Brandon Walker, Administrative Services Director

Legal Review: Patrick Donegan, City Attorney

Reviewed by: Angela Crespi, Deputy City Manager

Approved: Suja Lowenthal, City Manager