

City Council Meeting | January 27, 2026

Agenda Item	Name	Comment	Position	Attachment URL
<p>APPROVAL OF AN AGREEMENT WITH THE HERMOSA BEACH CHAMBER OF COMMERCE AND VISITORS BUREAU AND HERMOSA BEACH CHAMBER FOUNDATION FOR ITS SPECIAL EVENTS IN 2026 THROUGH 2028 - 26-CR-012</p>	<p>Steve Sanders</p>	<p>The Hb Chamber of Commerce continues to bleed money while at the same time giving themselves a raise.</p> <p>In the old days, the Hb Chamber of Commerce was so flush with cash they could loan out funds to help local businesses but now they're repeatedly asking the City of Hermosa for financial assistance.</p> <p>The recently released Tax Year 20204 IRS filings show that assets have declined by \$150k in a single year. They have a net loss of \$125k on operating activities & yet they paid themselves \$60k more than in 2023! A 31% pay increase from \$189k to \$249k!</p> <p>By all accounts, the Hb Chamber of Commerce is a financial failure.</p> <p>The Hb Chamber of Commerce VP of Finance recently resigned & now the past President/CEO is resigning.</p> <p>This year the Chamber asked the City for funds to assist with the St. Patrick's Day Parade & most likely next year they'll ask too. In FEB 2025, shortly after they signed a contract to conduct the St. Patrick's Parade, they asked the city for \$15,000. The city generously obliged offering a 0% loan but that wasn't good enough so they set up a GoFund type account as they wanted free money & not money they had to pay back. Also, at that meeting the President of the Chamber presented their 2025 schedule of events but there was not one number mentioned: nothing about increase or decrease in spectators, attendee's, etc from 2023 to 2024. The presentation was Middle School level at best. In the back of the room was a representative of a major business from an adjacent city who had a \$20,000 check & was prepared to present to the Chamber to cover the additional costs of the St. Patrick's Day Parade + \$5,000 more for promoting their business. But after hearing the poor presentation that Chamber made to the Council he said he didn't feel the Chamber was a worthy cause to donate \$20,000. I've attached 1 of 3 Tax forms as this system appears you can only attach 1 at a time. Thank you.</p>	<p>Against</p>	<p>https://pub-hermosabeach.escribemeetings.com/FileStream.aspx?DocumentId=53292</p>

APPROVAL OF AN AGREEMENT WITH THE HERMOSA BEACH CHAMBER OF COMMERCE AND VISITORS BUREAU AND HERMOSA BEACH CHAMBER FOUNDATION FOR ITS SPECIAL EVENTS IN 2026 THROUGH 2028 - 26-CR-012	Steve Sanders	Tax Form 2 of 3	Against	https://pub-hermosabeach.escribemeetings.com/FileStream.aspx?DocumentId=53293
APPROVAL OF AN AGREEMENT WITH THE HERMOSA BEACH CHAMBER OF COMMERCE AND VISITORS BUREAU AND HERMOSA BEACH CHAMBER FOUNDATION FOR ITS SPECIAL EVENTS IN 2026 THROUGH 2028 - 26-CR-012	Steve Sanders	Tax Form 3 of 3	Against	https://pub-hermosabeach.escribemeetings.com/FileStream.aspx?DocumentId=53294

PUBLIC COMMENT	tonyhiggins	<p>Interesting article on Mb employee salaries. It mentions City Manager Napolitano and looks at city salaries & total compensation in ways we might consider for a public hearing</p> <p>It also offers some interesting insights & recommendations.</p> <p>describe requires cut & paste of the url below.</p> <p>https://mbweekly.net/mb-weekly-01-22-2026/</p>	No Position	
<p>REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING</p>	MC Guerry	<p>I do not object to you taking this action, but what I really want is for you to eliminate the Land Value Recapture Fee everywhere. We need more housing units and this fee discourages new development.</p>	Against	

<p>ADOPT A RESOLUTION APPROVING A PRECISE DEVELOPMENT PLAN AND LOT LINE ADJUSTMENT TO REMODEL AND ADD A THIRD STORY TO AN EXISTING COMMERCIAL BUILDING AT 901 HERMOSA AVENUE IN THE DOWNTOWN COMMERCIAL ZONE AND COASTAL ZONE - 26-CDD-011</p>	<p>Howard Lee</p>	<p>Monday, Jan 26, 2027</p> <p>Re: Missing Testimony from the 901 Hermosa Ave re-hearing to be in Council Jan 27, 2024</p> <p>To: Hermosa Beach Community Development Director Allison,</p> <p>Dear Director:</p> <p>Not necessarily of your making Ms Allison, however during the City Manager Suja Lowenthal era of the prior ~7 years, imv the Community Development Department since what I view as the unintended early retirement of former director Ken Robertson and the departure of many former employees of the department, and then the former City Clerk's imposition of imv the disastrous and amateurish eScribe agenda/minutes system in July of 2024, many staff reports of continued matters both from the Planning Commission to a future Planning Commission meeting, and then when reheard at the Council as in the case of the 901 Hermosa Avenue proposed-project (in both cases) FAILED to include all prior public testimony, both oral and via eComments, in some manner.</p> <p>Only a couple of emails seem to be included with the prior Staff report of the 901 Hermosa Avenue matter which are included only in its PDF. The prior eScribe links to the full item with also eScribes convoluted system of attachments and eComments are not present and it's probably because of the fact that eScribe provides no means to extract a direct link to an agenda's particular item, a MAJOR DEFICIENCY OF eScribe. You can only include a direct link to an eScribe full meetings agenda and then you must reference the item # within same. With regard to the 901 Hermosa Avenue applications Public Hearing, I and Laura Pena had submitted eComments for the November Planning Commission meeting on the matter, with and without attachments. Those comments were not included, as prior to eScribe they always had been in the Granicus days, for both the December continuation of that item in the Planning Commission, nor for tomorrow's January 27 re-hearing at the Council. Only a couple email comments were as mentioned.</p> <p>Would you review same and be sure to add as supplemental attachments the eComments of Laura Pena, and Howard Lee (with attachments) as made in the November meeting for the 901 Hermosa Avenue application thats being re-heard by the Council January 27, 2026. Also the link to the full eScribe videos should be included for review by the Council as to what went down in the two Planning</p>	<p>Against</p>	
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		<p>Commission meetings on the matter, including what the applicant and his representatives stated during same. I'm sorry that, in my view, you had to pick up all of the mess of the Community Development Department which in my view was entirely created by the absentee and arrogant/ignorant operation of Suja Lowenthal, the prior disastrous HB City Manager, again imv.</p> <p>Most Respectfully, Resident Howard Lee</p>		
<p>ADOPT A RESOLUTION APPROVING A PRECISE DEVELOPMENT PLAN AND LOT LINE ADJUSTMENT TO REMODEL AND ADD A THIRD STORY TO AN EXISTING COMMERCIAL BUILDING AT 901 HERMOSA AVENUE IN THE DOWNTOWN COMMERCIAL ZONE AND COASTAL ZONE - 26-CDD-011</p>	<p>Howard Lee month correction</p>	<p>In my following eComment/letter to Director Becker, submitted earlier, I mistakenly indicated the November Planning Commission meeting. I meant the October 21st Planning Commission meeting, when the 901 Hermosa Avenue application was first heard, prior to the commission continuing the matter to a date uncertain, which became December 16 in their commission.</p>	<p>Against</p>	

PUBLIC COMMENT	tony	<p>Dear City Council</p> <p>Hermosa Beach's per capita police costs appear to be several times higher than the median California city and substantially above the state average. This needs to be considered.</p> <p>I welcome corrections but my understanding is that based on recent budget discussions and general fund allocations, Hermosa Beach dedicates approximately 50% to 60% of its general fund to police services.</p> <p>With a population around 19,500 residents and a total city operating budget of approximately \$53.6 million for the 2025-26 fiscal year, the per capita police spending can be estimated at roughly \$1,300 to \$1,600 per resident annually.</p> <p>I believe the California average police cost per capita is around \$700.</p> <p>If our costs are nearly double the statewide average we need to be clear on why.</p> <p>If it's in good-part because we are a tourist and bar town then a fair argument might be made that those that financially benefit from the most tourism and bar traffic should pay more for police services.</p> <p>More business funded downtown private security might be a fair tradeoff.</p> <p>If it's because we have too many chiefs and not enough Indians perhaps the city should look at partnering with Manhattan and/or Redondo.</p> <p>Care needs to be taken to ensure the downtown business district bars and tourism doesn't leave police enforcement in residential neighborhoods paying more & more for a shorter & shorter end of the stick.</p> <p>To that end the last comprehensive city business district(s) costs vs revenue analysis was in 2015 and it concluded that AT BEST it was a just breakeven on balance sheet. That's worthy of consideration and that makes it all the more important that the businesses-mix add not detract from what makes Hermosa special for our residents, our quality of life.</p> <p>And as we approach the city forecasted fiscal challenges (\$14 million in cumulative operating budget deficits by 2031 and \$150 million in unfunded capital projects by the same date it's high time we clearly understand whether the business district is a revenue or cost center for the city.</p> <p>2centtony</p>	No Position	
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REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING	Jonathan Edward David	Please find a letter from Upper Pier Property Owners, who want to see the program eliminated from all downtown lots - past planning commissions recommendation of only the 1-2 unit exemption.	Against	https://pub-hermosabeach.escribemeetings.com/FileStream.aspx?DocumentId=53295
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<p>REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING</p>	<p>Cammie Herbert</p>	<p>Mayor and Councilmembers, I know we are required to bring in housing. I support small scale mixed use development in our commercial zones. Ive even thought the city could consider having residential at its city yard and encouraging the Hermosa Pavilion to convert their empty spaces to some studios. However I do not support the Land Value Recapture program. There are no applications so It seems that the LVR is not only not creating housing, but stalling projects on small commercial lots. Which in turn seems to keep bringing us to higher density developments in residential neighborhoods. I hope you will consider: - removing 1-2 unit projects from the program -eliminating fees on small mixed use projects. Thank you for your time and consideration.</p>	<p>Against</p>	
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<p>APPROVAL OF AN AGREEMENT WITH THE HERMOSA BEACH CHAMBER OF COMMERCE AND VISITORS BUREAU AND HERMOSA BEACH CHAMBER FOUNDATION FOR ITS SPECIAL EVENTS IN 2026 THROUGH 2028 - 26-CR-012</p>	<p>Carolyn Petty</p>	<p>The purpose of a Chamber of Commerce is to advocate for businesses. Unfortunately, our Chamber is really just a Chamber of Events and now they cannot even run events. At this point, it is time to do the chamber (and its members) a favor and not renew the contract for events. The city can put the Fiesta out to bid, and that money can fund other city events.</p> <p>How many times has the council seen chamber board member(s) show up at a council meeting and provide thoughtful input? I dont believe I have ever seen board members take the time to attend meetings unless it was pertaining to their own business. Therein lies the problem. As long as the chamber has contractually obligated events as a continued distraction, they will never fulfill their mission and purpose. This is why you should not renew the contract not as a punishment, but to recognize that they need to focus on their mission.</p> <p>However if you waiver in this belief, please recognize that if an entity behaves irresponsible and reckless with their finances, the last thing a municipality should do is hand over taxpayer money to that entity, thus getting intertwined. You should already be aware of the chambers financial negligence, but for the benefit of everyone reading this, below is a brief listing of their problems:</p> <p>Since 2019 the chamber has been financially negligent and reckless in their decision making. The chamber has burned through nearly all of its working capital because the board and chamber president continue to assume that the city will serve as a financial backstop.</p> <p>The chamber had a significant cash balance at the beginning of 2019, but that money has been methodically drained. Chamber staff have been paid high salaries while at the same time, most of them had (have) other jobs leading most of us to question how much of their time is even dedicated to the chamber. That question is also easily answered by simply looking at how much contract labor has skyrocketed since 2019 because chamber staff no longer does this work, they merely pay someone else to do their work.</p> <p>Not only was staff given bonuses as the chamber lost money but money that should have accrued to the chamber was instead handed over to board members. It is well known that various board members have financially profited from their position on the board (beer garden at the fiesta), so again, it is no surprise that the chamber is running out of money and asking the city for financial support.</p>	<p>Against</p>	
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The chamber even ended the program that funded non profits who worked the beer garden at the Fiesta with that money going into the pocket of a board member. How can the city council disregard this? It is an affront to everyone who understands the importance of those non profits in our community. However, the board seems to have no concern about the impropriety of their actions.

It is also important to note that lower sponsorship money has been the direct result of the ineptitude of the chamber staff. One of the long time /sponsors was personally insulted and walked away. How many other sponsors left due to the attitude of chamber staff? Shouldnt they be held accountable for lost revenues not use this poor performance metric as a sympathy play to get money from the taxpayers?

When former board members / community members have expressed concerns which has happened numerous times over the years, those people have been ignored or silenced via threats. When a community member expressed concern about the actions of chamber board and staff, the board then used \$10,000 of member funds to fund a personal lawsuit by the chamber president against that community member. How is that not a clear warning to anyone who dares to criticize the chamber? Not only is this an inappropriate use of member funds, but it also demonstrates their complete lack of concern for governance. Another reason why no taxpayer funds should go this chamber.

The chamber has had an entire year to address the parade, and instead waited until the last minute, backing the council into a corner. Do not let them box you in please be the leaders that you are, force them to get back to their mission of advocacy. This is not a punishment, it is something that needs to be done.

<p>APPROVAL OF AN AGREEMENT WITH THE HERMOSA BEACH CHAMBER OF COMMERCE AND VISITORS BUREAU AND HERMOSA BEACH CHAMBER FOUNDATION FOR ITS SPECIAL EVENTS IN 2026 THROUGH 2028 - 26-CR-012</p>	<p>Cammie Herbert</p>	<p>Mayor and Councilmembers, The City, its businesses and its residents have said businesses need help. I think Special Events bring a large group of people to town. And we hope it will bring them back when they see how awesome it is. With the rising costs of running an event, The City cannot do these events alone, just as the Chamber cannot. Thanks for helping businesses!</p>	<p>For</p>	
<p>REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING</p>	<p>Elka Worner</p>	<p>Staff has spent hundreds of hours developing the citys Land Value Recapture Program, a policy designed to incentivize affordable housing. But since the ordinance went into effect in 2024, no one has submitted an affordable housing project or paid the LVR fee. Zero applications. Smart development in our commercial areas makes sense, especially for our Housing Element. I agree with the proposal set forth by the Planning Commission and am confident you will also take into consideration the position of the local property owners. Thank you.</p>	<p>No Position</p>	

<p>REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING</p>	<p>Laura Pena</p>	<p>Dear Mayor & City Council - After reviewing all the reports, data, and policy plan documents; I recommend an exemption for small downtown lots from our Land Value Recapture (LVR) Program. The evidence we now have from an economic, legal, and market based perspective shows that continuing to apply LVR to these parcels is no longer aligned with feasibility, and in fact has become a government imposed constraint under state housing law.</p> <p>I want to highlight guidance from the City's own consultant that is especially relevant today. In October 2023, Kosmont advised that the City should plan on revisiting the fee based on both market response relative to the intent of the LVR program. That guidance is difficult to ignore because the inputs underlying their analysis have shifted dramatically: construction costs are higher, financing is far more expensive, lender risk tolerance has declined, return expectations have increased, and broader economic uncertainty continues.</p> <p>Most importantly, the market response has been unequivocal. Since LVR was introduced, analyzed, adopted, and implemented, the City has seen zero applications, zero inquiries, and zero interest on small lots, the very properties relied upon in the Housing Element. When a consultant advises that fees should be revisited based on market response, and that response is complete silence, the conclusion is not ambiguous. The market has rejected the program.</p> <p>Under state housing law, a city may not maintain policies that render its Housing Element sites infeasible to develop. Doing so constitutes a government imposed constraint and is now among the clearest triggers for legal challenge under both HCD review and recent case law. The Redondo Beach appellate ruling reinforced this principle, making clear that cities may not rely on theoretical capacity or paper zoning where actual feasibility is blocked by local policy.</p> <p>Small commercial lots in our City, typically 3,000 to 5,000 square feet with 30-foot height limits are already difficult to develop. The addition of a significant fee did not capture value; it eliminated interest altogether. Because these parcels represent a meaningful share of our Housing Element inventory, the LVR fee is now impairing our compliance.</p> <p>A fee that produces zero projects, zero interest, and zero applications is not an incentive, it is a barrier. And under state law, that barrier constitutes a governmental constraint.</p>	<p>Against</p>	
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For these reasons, I respectfully recommend exempting small downtown lots from the Land Value Recapture fee and seriously considering removal of the program in its entirety. This approach aligns with current economic conditions, the Housing Elements requirement to avoid government imposed constraints, and the clear market evidence from the past several years.

If there is concern that LVR has not been in effect long enough to evaluate, that view overlooks the City's own Housing Element history. LVR was adopted in December 2021 and included from the outset of Housing Element discussions, long before the ordinance took effect in 2024. For nearly three years, property owners, architects, and lenders have been evaluating its feasibility impacts. The policy signal has been clear and the response has been consistent.

The LVR program now sits at the intersection of rapidly evolving state housing law, including changes that explicitly protect small scale infill and mixed income development. When a local ordinance appears to conflict with that framework, and when the City's own analysis shows widespread infeasibility on small sites, the legal risk is no longer theoretical.

I encourage the Council to view reform of the LVR program not as a retreat from values, but as an act of responsible governance one that aligns local policy with state law, protects taxpayers, and reduces avoidable legal exposure while still advancing thoughtful, incremental housing in our commercial corridors.

I believe this Council wants to leave our City stronger, more resilient, and better aligned with the laws that govern us. Thoughtful reform is an opportunity to demonstrate stewardship, rebuild trust with small property owners, and direct staff to work collaboratively on incentives that genuinely support incremental, small-scale infill development. I am hopeful you will choose a path forward that reflects both our shared values and sound governance.

Thank you for your consideration.

Laura Pena

REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING	Michelle Crispin	See attached	Against	https://pub-hermosabeach.escribemeetings.com/FileStream.aspx?DocumentId=53296
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<p>REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING</p>	<p>adam malovani</p>	<p>Dear Mayor and Members of the City Council,</p> <p>I am a Hermosa Beach resident who cares deeply about preserving the character of our City. I do support thoughtful, small scale mixed-use development in our commercial zones, projects that add a few homes above shops, strengthen local businesses, and bring incremental, well-designed growth to our downtown without overwhelming it.</p> <p>I am concerned that the Land Value Recapture (LVR) program, as currently structured, is discouraging exactly the kind of modest mixed-use projects many residents support. Instead of producing housing, it appears to be stalling projects on small commercial lots and creating pressure for larger developments or future density shifts into residential neighborhoods.</p> <p>I believe our City should focus housing growth where it makes the most sense:</p> <p>In commercial areas Through small, incremental mixed-use, not large or disruptive projects</p> <p>For these reasons, I respectfully ask the Council to:</p> <p>Remove 12 unit projects from the LVR program Eliminate fees on small mixed-use projects Create incentives, not punitive fees that make projects infeasible</p> <p>Thoughtful mixed-use in our commercial districts can strengthen downtown, add housing gradually, and help protect the character of our neighborhoods. I urge you to course correct the LVR program so that the outcome remains possible.</p> <p>Thank you for listening and for considering a balanced approach that reflects how many residents feel.</p>	<p>For</p>	
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<p>REPORT ON PLANNING COMMISSIONS REVIEW OF LAND VALUE RECAPTURE ORDINANCE, AND ADOPT A RESOLUTION AMENDING THE CITY MASTER FEE SCHEDULE TO AMEND FEES FOR THE LAND VALUE RECAPTURE PROGRAM FOR AFFORDABLE HOUSING</p>	<p>Randy Balik</p>	<p>Hello City Council,</p> <p>I am a 30-year Hermosa Beach resident who cares deeply about preserving the character of our City, and this character we all speak of can be preserved even with some thoughtful, small scale mixed-use development in our commercial zones. Some seem to continue to be opposed to this even though such projects can add a few homes above shops, which would both strengthen local businesses, and be incremental in terms of well-designed growth to our downtown without overwhelming it.</p> <p>The Land Value Recapture (LVR) program, as currently structured, is discouraging what many of us residents support. The LVR program is literally stalling projects on small commercial lots and creating pressure for larger developments or future density shifts into residential neighborhoods. Such developments are the antithesis of "preserving" our Hb character.</p> <p>HB should focus housing growth where it makes the most sense, which does include the commercial areas, though small, incremental mixed-use, not large or disruptive projects</p> <p>For these reasons, I respectfully ask the Council to remove 12 unit projects from the LVR program, eliminate fees on small mixed-use projects, and create incentives, not punitive fees that make projects infeasible.</p> <p>Thoughtful mixed-use in our commercial districts can strengthen downtown, add housing gradually, and help protect the character of our neighborhoods. I urge you to course correct the LVR program so that the outcome remains possible. This balanced approach reflects how many residents feel. Thank you.</p>	<p>-</p>	
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<p>APPROVAL OF AN AGREEMENT WITH THE HERMOSA BEACH CHAMBER OF COMMERCE AND VISITORS BUREAU AND HERMOSA BEACH CHAMBER FOUNDATION FOR ITS SPECIAL EVENTS IN 2026 THROUGH 2028 - 26-CR-012</p>	<p>Ira Ellman</p>	<p>I favor the City subsidizing the St. Patricks' Day Parade due to increasing security costs. Any incremental sponsor money received should be used to cover the city's share first. In addition, I am against a second Fiesta (Labor Day Weekend). It has been excellent having this three day weekend free of the Fiesta takeover of downtown. One each year is enough.</p>	<p>For</p>	
<p>APPROVAL OF AN AGREEMENT WITH THE HERMOSA BEACH CHAMBER OF COMMERCE AND VISITORS BUREAU AND HERMOSA BEACH CHAMBER FOUNDATION FOR ITS SPECIAL EVENTS IN 2026 THROUGH 2028 - 26-CR-012</p>	<p>Kathleen Knoll</p>	<p>Dear Mayor Saemann and Council members, I'm writing in regard to the St. Patrick's Day Parade. I think we all agree this has become a wonderful tradition in the City of Hermosa Beach, and truly hope to see it continue this year. We are asking the City to help with some of the fees the Chamber has requested, as this event should be a partnership between the City and the Chamber. I am a current Chamber board member and I want to assure you that we are evaluating all events to ensure they align with our mission and are financially responsible. The Chamber is actively course-correcting past oversight. As Board members, we are volunteers like you who all care deeply about Hermosa Beach and its business community. Over the past several years, the Chamber took on many events when the City was no longer able to manage them, I believe this shift began when the city was dealing with the Macpherson lawsuit. This led to a very event-heavy model which is no longer sustainable. The Board is now hitting reset—streamlining operations, improving financial oversight, and recommitting to transparency. A review of event finances shows that rising costs like insurance, security, and barricades have significantly reduced net revenue, making it difficult for the Chamber to sustain these events on its own. Our hope is that the City will partner with us to help preserve important community traditions like the St. Patrick's Day Parade while supporting the long-term health of the Chamber and our local businesses. These events are good for our community and our businesses. Thank you for listening to my opinion on this matter. Sincerely, Kathy Knoll.</p>	<p>For</p>	

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2024

Do not enter social security numbers on this form as it may be made public.

Open to Public Inspection

Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

A For the 2024 calendar year, or tax year beginning , 2024, and ending , 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization **HERMOSA BEACH CHAMBER OF COMMERCE AND VISTORS BURE** Employer identification number **95-1450397**
 Doing business as
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite **E Telephone number**
120 PIER AVE **(310) 376-0951**
 City or town, state or province, country, and ZIP or foreign postal code
HERMOSA BEACH, CA 90254

F Name and address of principal officer: **DAVE DAVIS**
 Same as C above

H(a) Is this a group return for subsidiaries? Yes No
H(b) Are all subsidiaries included? Yes No
 If "No," attach a list. See instructions
H(c) Group exemption number

G Gross receipts \$ **1,169,600**

I Tax-exempt status: 501(c)(3) 501(c) (**6**) (insert no.) 4947(a)(1) or 527

J Website: **N/A**

K Form of organization: Corporation Trust Association Other **L** Year of formation: **1966** **M** State of legal domicile: **CA**

Part I Summary

1 Briefly describe the organization's mission or most significant activities: **SEE LINE A BELOW**

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets.

3 Number of voting members of the governing body (Part VI, line 1a)	3	15
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	15
5 Total number of individuals employed in calendar year 2024 (Part V, line 2a)	5	6
6 Total number of volunteers (estimate if necessary)	6	
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
7b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	24,737	29,043
9 Program service revenue (Part VIII, line 2g)	106,051	109,755
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,684	51
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	330,226	244,167
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	462,698	383,016
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0
14 Benefits paid to or for members (Part IX, column (A), line 4)		0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	189,789	249,348
16a Professional fundraising fees (Part IX, column (A), line 11e)		0
b Total fundraising expenses (Part IX, column (D), line 25)	27,407	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	273,130	258,918
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	462,919	508,266
19 Revenue less expenses. Subtract line 18 from line 12	(221)	(125,250)

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	411,319	314,893
21 Total liabilities (Part X, line 26)	27,591	79,009
22 Net assets or fund balances. Subtract line 21 from line 20	383,728	235,884

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
MICHELLE CRISPIN
 Signature of officer _____ Date _____
MICHELLE CRISPIN, PRESIDENT CEO
 Type or print name and title

Paid Preparer Use Only

Preparer's name Kim Barry	Preparer's signature _____	Date 11-04-2025	Check <input checked="" type="checkbox"/> if PTIN self-employed	PTIN XXXXXXXXXX
Firm's name Kimberly Barry CPA	Firm's EIN		Phone no.	
Firm's address 700 Torrance Blvd Suite C Redondo Beach CA 90277			310-316-1772	

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1 FIESTA HB (event type)	(b) Event #2 FIESTA HB (event type)	(c) Other events 5 (total number)	(d) Total events (add col. (a) through col. (c))	
Revenue	1	Gross receipts	711,494	172,309	125,000	1,008,803
	2	Less: Contributions				
	3	Gross income (line 1 minus line 2)	711,494	172,309	125,000	1,008,803
Direct Expenses	4	Cash prizes				
	5	Noncash prizes				
	6	Rent/facility costs				
	7	Food and beverages				
	8	Entertainment				
	9	Other direct expenses	593,162	176,722	16,700	786,584
	10	Direct expense summary. Add lines 4 through 9 in column (d)				786,584
	11	Net income summary. Subtract line 10 from line 3, column (d)				222,219

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
	7	Direct expense summary. Add lines 2 through 5 in column (d)			
	8	Net gaming income summary. Subtract line 7 from line 1, column (d)			

9 Enter the state(s) in which the organization conducts gaming activities:
 a Is the organization licensed to conduct gaming activities in each of these states? Yes No
 b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? Yes No
 b If "Yes," explain: _____

Part IV Business Transactions Involving Interested Persons

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

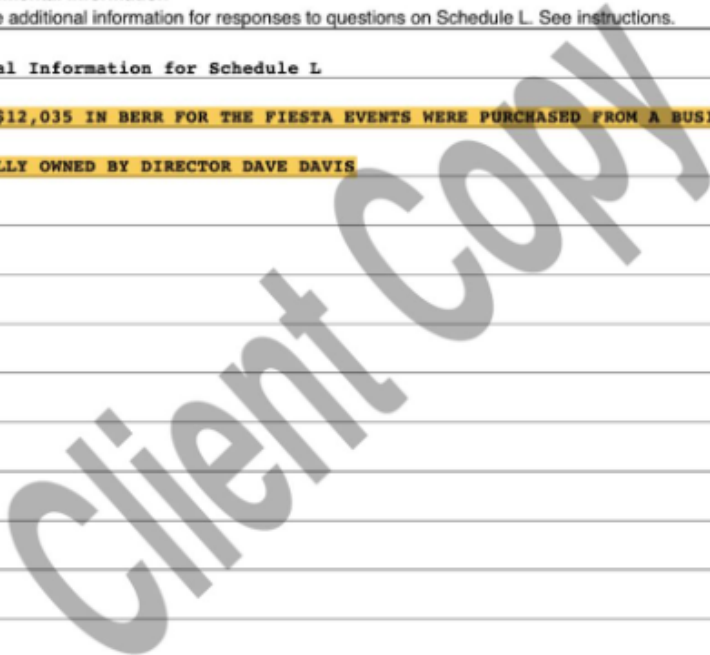
(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) DAVE DAVIS	VENDOR	12,035	PROVIDE BEER FOR EVENT		X
(2)					
(3)					
(4)					
(5)					

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L. See instructions.

01. Supplemental Information for Schedule L

APPROXIMATELY \$12,035 IN BEER FOR THE FIESTA EVENTS WERE PURCHASED FROM A BUSINESS ENTITY THAT IS PARTIALLY OWNED BY DIRECTOR DAVE DAVIS



Hermosa Beach City Council
1315 Valley Drive
Hermosa Beach, CA 90254

Subject: Request for Removal of Upper-Pier Housing Element Sites from Land Value Recapture Program

Dear Mayor and Councilmembers,

As long-standing local commercial property owners, we represent a majority portion of the Upper-Pier downtown housing-element sites. We have been deeply invested in the success of Hermosa Beach for many decades. Our businesses and properties are part of the fabric of this community, and we are committed to its economic vitality and future growth.

The Upper-Pier corridor serves as a critical gateway to our downtown, and we strongly believe it holds the key to fostering the kind of investment and energy needed to enhance the resilience of our entire downtown area. However, despite our willingness to invest in mixed-use development that aligns with the city's goals, economic and regulatory realities—particularly development standards and the Land Value Recapture Program—have created significant barriers to progress.

The City Progress reports reveal a complete lack of movement on our downtown's Housing Element sites, and as long as these sites remain subject to Land Value Recapture, we fear this stagnation trend will continue. The added financial burden discourages small-scale projects that could otherwise bring much-needed housing and vibrancy to our community.

Moreover, we do not want to see Upper-Pier change hands to large developers whose projects could alter the unique character of our town. As long-standing local business owners, we are the best custodians of this important downtown gateway. We are committed to responsible, thoughtful development that enhances Hermosa Beach while preserving its small-town charm.

We support the Hermosa City Council's desire to remove small-development from the Land Value Recapture program and respectfully request removing all **Upper-Pier lots from the Land Value Recapture program**. They are all suitable for small, mixed-use development that could open the door for meaningful reinvestment while still retaining our community character and broader planning objectives.

We appreciate your time and consideration and look forward to working together to ensure a prosperous future for Hermosa Beach.

Sincerely,

Mike Granis (US Postal Office, Hermosa Professional Building, Miss Bee's Tutoring, Skin Medix)
Albro Lundy (Baker, Burton & Lundy, The Source, Redwood Pizza)
Chris Bredenson (Rockefeller, State Farm, The Bike Shop, Door to Door Cleaners)

Peter Nolan (338 Pier Ave – 404 Pier Ave)
Ed Hart (Maximus Salon)
Brian and Brea (Hook & Plow, Breck & Brix)
Jon David (Pier Medical Aesthetics)
Mike Daneshmand (Mimosa Salon)
Mark Kernan (Uncorked, Off-Set Coffee, Fritto Misto)



HERMOSA BEACH
CHAMBER *of* COMMERCE
and VISITORS BUREAU

November 17, 2025

City of Hermosa Beach
1315 Valley Drive
Hermosa Beach CA 90254

RE: Mixed-use and Land Value Recapture

Dear City Council and Mayor:

The Hermosa Beach Chamber of Commerce and Visitors Bureau supports mixed-use development as a strategy to strengthen downtown vitality, enhance foot traffic, and attract private investment into our commercial corridors throughout the year. However, since the Land Value Recapture (LVR) Program was adopted in 2023, no mixed-use applications have been submitted on the small downtown lots subject to the fee. This lack of investment underscores that the program, as currently structured, has created a barrier to redevelopment rather than an incentive.

These small parcels face physical and financial limitations that make new construction challenging even before the fee is applied. Even a reduced LVR fee would continue to make these projects infeasible. Smaller sites cannot offset the cost through economies of scale or density bonuses, nor can they blend affordable and market-rate units to balance returns. As a result, the program has stalled all reinvestment interest in these small commercial lots.

Both Manhattan Beach and Redondo Beach do not impose a Land Value Recapture fee on mixed-use development, placing our City at a competitive disadvantage when it comes to attracting investment and achieving long-term revitalization goals.

To better align the City's housing, economic development, and sustainability objectives, the Chamber respectfully recommends that the City:

1. Exempt Small Downtown Lots from the LVR fee entirely.

a. This exemption recognizes the unique physical and financial constraints of our City's small downtown lots, which cannot utilize density bonuses or achieve the scale needed to make development feasible.

b. It also aligns with City Council's recent direction to the Planning Commission to exempt our small downtown commercial lots from an LVR fee.

2. Streamline the Review Process for small mixed-use projects by allowing qualifying proposals to undergo Administrative Review.

a. Expediting approvals for small, low-impact projects would reduce costs and delays, making these developments more achievable.

b. Streamlining is consistent with the City's Economic Development Strategy #28, which emphasizes increasing certainty and reducing approval times through improved efficiency. c. This approach would promote reinvestment while maintaining appropriate design oversight

Together, these actions would strike the right balance, protecting public interests while unlocking the potential of small lots that have remained underutilized for years.

The Chamber appreciates the City's continued collaboration in fostering downtown revitalization while preserving our City's character and local business base. By exempting small lots and streamlining their review, our City can remove barriers to progress, encourage local reinvestment, and demonstrate leadership in practical, community-based economic development

Thank you for your consideration and continued partnership with our business community.

Thank you for your consideration,

Board of Directors
Hermosa Beach Chamber of Commerce & Visitors Bureau