



Honorable Mayor and Members of the City Council

CONSIDERATION OF VENDOR SALES ON THE BEACH IN CONJUNCTION WITH A SPECIAL EVENT PERMIT

(Community Resources Director Lisa Nichols)

Recommended Action:

Staff recommends City Council approve the Parks, Recreation, and Community Resources Advisory Commission's recommendation to consider amendments to Hermosa Beach Municipal Code Chapter 12.20 Beach and Strand Regulations, 12.20.300 Solicitation to allow for the sale of prepared food, nonalcoholic beverages, and/or merchandise on the beach by vendors associated with an approved special event, and to establish a per-vendor daily fee with a discounted rate for Hermosa Beach-based businesses holding a valid City business license.

Executive Summary:

At its August 26, 2025 meeting, Councilmember Francois directed staff to prepare an item reviewing rules and regulations related to the sale of food, nonalcoholic and alcoholic beverages, and merchandise by vendors on the beach associated with approved volleyball tournaments. Mayor Saemann, Mayor Pro Tem Detoy, and Councilmembers Jackson and Keegan amended the request to include a review by the Parks, Recreation, and Community Resources Advisory Commission (Commission) and to expand the scope to any approved special event, not just volleyball tournaments.

At its January 6, 2026 meeting, the Commission reviewed the applicable provisions of the Hermosa Beach Municipal Code (HBMC) Chapter 12.20 and recommended City Council consider approval of amendments to Section 12.20.300 to allow for the sale of prepared food, nonalcoholic beverages, and/or merchandise on the beach by vendors associated with an approved special event and to implement a per-vendor daily fee, with a discounted rate for Hermosa Beach-based businesses holding a valid City business license.

Background:

HBMC Chapter 12.20, Beach and Strand Regulations, establishes rules governing the use and activities permitted on the beach and the Strand. These provisions are intended to preserve public access, safety, and enjoyment while maintaining City oversight of special events and commercial activity within these public spaces.

Under HBMC Section 12.20.300 Solicitation, only the event producer associated with a permitted special event may sell food, nonalcoholic beverages, and/or branded merchandise on the beach or Strand. No additional vendors are permitted to sell as part of an approved special event on the beach or Strand. Vendor sales may occur on other public property locations from vendors associated with a special event permit, other than the event producer themselves, and alcohol consumption and sales are also permissible in such areas.

The City also issues sidewalk vending permits through the Public Works Department; however, these permits do not authorize vending on the beach or Strand.

HBMC Section 12.20.040 Alcoholic Beverages – Violation – Penalty prohibits alcohol consumption on the beach and Strand without exception. As a result, the City currently has no mechanism to authorize alcohol sales, distribution, or consumption as part of an approved special event in these areas.

In recent years, event producers, particularly organizers of volleyball tournaments, have requested that the City revisit these regulations to allow vendor sales of food, non-alcoholic beverages, and merchandise beyond those offered by the event producer, and to permit the sale and consumption of alcoholic beverages, to improve the financial viability of special events.

Past Commission and Council Actions

Meeting Date	Description
City Council: August 26, 2025	City Council directed staff prepare an item for the Commission to review rules and regulations related to the sale of food, nonalcoholic/alcoholic beverages, and/or merchandise on the beach by vendors associated with a special event.
Parks, Recreation, and Community Resources Advisory Commission: January 6, 2026	Commission reviewed the applicable provisions of the HBMC Chapter 12.20 and recommended City Council approval of amendments to Section 12.20.300 to permit such sales by special event-associated vendors and to implement a per-vendor daily fee, with a discounted rate for Hermosa Beach-based businesses with a valid City business license.

Discussion:

Staff conducted research on the cities of Manhattan Beach and Redondo Beach’s Municipal Codes pertaining to sales of food, nonalcoholic/alcoholic beverages, and/or merchandise by vendors associated with an approved special event on the beach (**Attachment 1**).

The City of Hermosa Beach owns its beach and, therefore, has full jurisdiction over its use. As a result, Hermosa Beach is responsible for permitting, regulating, and managing

all activities occurring on the beach, including special events, vendor operations, recreational uses, and commercial activities. In contrast, the beaches in Manhattan Beach and Redondo Beach are owned and administered by Los Angeles (L.A.) County. Therefore, L.A. County handles permitting and oversight for beach-related activities in those jurisdictions.

In summary, the following pertains to vendors associated with an approved special event:

- Hermosa Beach:
 - Beach or strand: Sales are limited exclusively to the event producer; no other vendors may conduct sales. The event producer must obtain a business license and insurance. Alcohol consumption and sales are prohibited.
 - Other public property locations: Vendors, other than just the event producer, may also conduct sales. Alcohol consumption and sales are permissible.
- Manhattan Beach:
 - Beach south of the Pier and the Pier: Vendor sales are permitted during major volleyball tournaments or other City Council-approved events. Each vendor must obtain a business license and insurance. Alcohol sales and/or consumption are permissible only with City Council approval and only at the Pier.
 - Other areas on the beach: Special events are subject to L.A. County Department of Beaches and Harbors permitting process. Vendor sales are permissible; alcohol consumption and sales are prohibited. The event producer must remit 15% of gross receipts to L.A. County for each vendor.
- Redondo Beach:
 - Public property locations other than the beach: Vendor sales are permitted at City-approved events and other locations consistent with special event permits. Alcohol sales and/or consumption may be allowed with City Council or City Manager approval.
 - Beach: Similar to Manhattan Beach, special events are subject to the L.A. County Department of Beaches and Harbors permitting process. Vendor sales are permissible; alcohol consumption and sales are prohibited. The event producer must remit 15% of gross receipts to L.A. County for each vendor.

Recommendations

At its January 6, 2026 meeting, staff recommended the Commission consider a recommendation to City Council modifications to HBMC Chapter 12.20 Beach and Strand Regulations, 12.20.300 Solicitation to allow for the sale of food, nonalcoholic beverages, and/or merchandise on the beach from vendors, other than the event producer, associated with an approved special event, and implementation of a per-vendor daily fee. Staff did not recommend modifying the HBMC to allow such sales on the Strand, as

vendor activity in that location would pose a public obstruction and impact pedestrian circulation.

This recommendation was made to support the financial viability and operational success of special events, consistent with requests from event producers in recent years. Allowing additional vendors on the beach under a controlled permitting framework provides event producers with greater flexibility to enhance event offerings, attract participants, and offset rising production costs. While such vendor activity may have secondary impacts on nearby establishments that offer similar goods, staff recommends a carefully controlled and limited allowance to balance the benefits of enhanced event viability with potential impacts on local businesses. Vendor activity would be restricted to the event footprint and subject to close City oversight through the special event permitting process, per-vendor fees, and other permit conditions.

The Commission supported staff's recommendation with the following modifications:

- to limit the sale of food from vendors associated with an approved special event to prepared food only, which is defined in HBMC as “food or beverage that is (1) ready to consume without any further food preparation, alteration or repackaging; and (2) prepared, provided, sold or served by a food provider using any cooking, packaging or food preparation technique”; and
- to provide a discounted rate to the per vendor daily fee for vendors that are Hermosa Beach–based businesses holding a valid City business license, further detailed in the ‘Per Vendor Daily Fee’ section of the staff report, which follows.

Per Vendor Daily Fee:

At its January 6, 2026, meeting staff also recommended replacing the Hermosa Beach business license requirement with a per-vendor daily fee of \$115 if the Commission was to support a recommendation to City Council allowing additional vendors on the beach in association with an approved special event. The Commission supported staff's recommendation regarding the per-vendor daily fee. A business license carries an annual fee and is processed through the Administrative Services Department, and an annual license/fee may not align with the limited and occasional nature of vendor sales through an approved special event. Requiring such for short-term or single-day event vendor participation could discourage vendors and result in additional administrative workload for the vendors, event producer, and staff.

The recommended fee was based on a review and averaging of comparable vendor fees and reduced business license fees charged by other California cities for vendors participating in approved special events, as shown in **Table 1**; the annual business license fees that would otherwise apply to vendors in Hermosa Beach, Manhattan Beach, and Redondo Beach, as shown in **Table 2**; and the City's current event co-sponsor fee, further discussed following Table 2. These comparisons support a mid-range daily vendor fee that balances cost recovery with regional consistency and fairness for short-term vendors.

The proposed per-vendor daily fee would be more cost-effective for event producers and associated vendors than the City’s annual business license fee. Additionally, this approach would allow the City to recover costs associated with staff review, approval, and monitoring of special event vendors while avoiding the burden of an annual business license for vendors. The fee would be charged to the event producer through the Community Resources Department and added to the final special event permit invoice. This maintains the current practice of consolidating all City special event-related fees within a single City department to improve efficiency, rather than requiring the event producer to navigate payments with multiple departments.

The per-vendor daily fee would also apply to vendors selling food, beverages, and/or merchandise at approved special events that do not take place on the beach. Currently, no City fee is associated with vendors operating at non-beach special event locations, and applying the per-vendor daily fee citywide ensures equitable cost recovery across all special event locations.

Table 1: California Cities Special Event Vendor Fees

City	Description
Carmel	\$10-\$30 per vendor per day (serves as business license fee)
Imperial Beach	\$15-\$24 per vendor per day plus \$10 business license fee
Long Beach	\$70.10 per vendor per day
Paso Robles	\$10-\$30 per vendor per day (serves as business license fee)

Table 2: Hermosa Beach, Manhattan Beach, Redondo Beach Annual Business License Fees

City	Description
Hermosa Beach	\$239
Manhattan Beach	Cost to be determined - annual business license tax, paid in advance for the time period of March 1 through the last day of February. Some businesses are subject to a flat business license tax, while most are assessed a base tax plus an additional amount calculated as a percentage of the business’s gross receipts from the prior calendar year. New businesses may initially pay the tax based on estimated gross receipts, which is subsequently adjusted after the first year to reflect actual gross receipts.
Redondo Beach	Redondo Beach-based businesses: \$103 Out of city businesses: \$133

Lastly, the City currently charges an event co-sponsor fee of \$368 for sponsors listed as presenting sponsors in the event title or marketing materials, or when a sponsor uses public property outside the event footprint. At its January 6, 2026 meeting, Staff recommended the Commission make a recommendation to City Council eliminating this fee when a sponsor is providing monetary support only. However, if a sponsor intends to sell food, nonalcoholic beverages, and/or merchandise, staff recommends applying the per-vendor daily fee in place of the co-sponsor fee. The Commission did not have any concerns with this recommendation.

As the Commission recommended a discounted rate to the per vendor daily fee for vendors that are Hermosa Beach-based businesses holding a valid City business license, staff's recommendation would be to provide a 25% discount, resulting in a \$86.25 per vendor daily fee for such businesses.

Vendor Requirements:

If City Council approves allowing additional vendors on the beach under an approved special event, the event producer would be required to provide insurance coverage that includes all vendors associated with the event, rather than requiring each individual vendor to submit separate insurance to the City. In addition to the City's requirements, outlined in the Special Event Policy Guide, the coverage must include product liability coverage for food, beverages, or merchandise sold by vendors. This approach ensures all activities are properly insured while streamlining the process and assigning responsibility to the event producer.

Additionally, language would need to be incorporated into the Special Event Policy Guide and HBMC specifying that the event producer is fully responsible for all vendors operating within the approved event footprint. The event producer shall ensure that only vendors pre-approved by the City operate within the approved event footprint.

The presence of any unpermitted vendor within the approved event footprint shall constitute a violation attributable to the event producer and may result in the issuance of fines, and violations of this provision may impact the approval of future events.

Alcohol Consumption/Sales:

The Commission does not recommend any modifications to Chapter 12.20 Beach and Strand Regulations, Section 12.20.040 Alcoholic Beverages – Violation – Penalty to allow for exceptions for alcohol consumption or sales on the beach in association with an approved special event.

The Hermosa Beach Police Department has provided input regarding the potential allowance of alcohol at special events held on the beach. Their assessment indicates that permitting alcohol would require secured, fenced-off areas with monitored access points. Any event permitting alcohol will also require a combination of private security and

assigned police officers on an overtime basis. An event producer may propose a comprehensive private security plan for review and approval by the Police Department; however, such a plan would not eliminate the need for assigned officers. Officers assigned to these events would not be pulled from routine patrol, which could adversely impact overall public safety. The fenced areas would be necessary to clearly delineate where alcohol consumption is permitted and to avoid any implication that alcohol is allowed elsewhere on the beach. Incorporating fenced-off areas into an event footprint could require review and approval by the California Coastal Commission, resulting in additional permit processing time. All associated costs of these requirements would be the responsibility of the event producer. Each event would be reviewed on a case-by-case basis to determine how many police officers and/or security officers would be needed

Alcohol use at special events held on the beach also increases the City's exposure to liability related to injuries, accidents, and alcohol-related incidents, even when event producers carry insurance. A majority of the City's approved special events are held on the beach. Managing these risks could result in higher insurance requirements and may still result in claims involving the City.

Special events involving alcohol at the beach may lead to increased police reports and incidents, as alcohol consumption is often associated with behaviors that may escalate conflicts or disturbances. Alcohol use at beach events may also contribute to increased litter and related environmental impacts. Additionally, such events may negatively affect nearby neighborhoods through increased noise, disorderly conduct, and post-event loitering beyond the approved event footprint and hours.

The sale and service of alcohol also requires specialized training, including the ability to verify valid identification and recognize signs of intoxication. Advances in counterfeit identification have made detection more difficult, and staff working special events may not have the same level of training or experience as full-time bar and restaurant employees. This raises concerns regarding the potential for overservice or service to minors.

Next Steps

If City Council approves the aforementioned recommendations, staff would prepare such code amendments and the addition of such a fee to the City's Master Fee Schedule for City Council review through a public hearing.

Fiscal Impact:

Implementation of a \$115 per vendor per day fee, with a discounted rate of \$86.25 for Hermosa Beach-based businesses with a valid City business license, is expected to generate additional revenue for the City to offset staff time and administrative costs associated with reviewing, approving, and monitoring special event vendors. The total

revenue generated would vary depending on the number of vendors participating in each approved event.

Attachment:

Best Practice Research re: Special Event Vendors in Manhattan Beach and Redondo Beach

Respectfully Submitted by: Lisa Nichols, Community Resources Director

Concur: Police Chief, Landon Phillips

Noted for Fiscal Impact: Henry Chao, Finance Manager

Concur: Brandon Walker, Administrative Services Director

Approved: Steve Napolitano, City Manager