

**CITY OF HERMOSA BEACH**  
**RESOLUTION NO. RES-24-XXXX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH AUTHORIZING EXAMINATION OF SALES AND USE TAX RECORDS AND DETERMINING THE RESOLUTION IS NOT A PROJECT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)**

**WHEREAS**, pursuant to Ordinance Number N.S. 479, the City of Hermosa Beach entered into a contract with the California Department of Tax and Fee Administration (“Department”) to perform all functions incident to the administration and collection of sales and use taxes; and

**WHEREAS**, the City Council of the City of Hermosa Beach deems it desirable and necessary for authorized officers, employees and representatives of the City to examine confidential sales and use tax records of the Department pertaining to sales and use taxes collected by the Department for the City pursuant to that contract; and

**WHEREAS**, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales and use tax records of the Department.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH HEREBY RESOLVES AS FOLLOWS:**

**Section 1.** That the City Manager and Administrative Services Director, or other officer or employee of the City designated in writing by the City Manager to the California Department of Tax and Fee Administration is hereby appointed to represent the City with authority to examine sales and use tax records of the Department pertaining to sales and use taxes collected for the City by the Department pursuant to the contract between the City and the Department.

**Section 2.** The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales and use taxes by the Department pursuant to that contract.

**Section 3.** That Hinderliter de Llamas & Associates is hereby designated to examine the sales and use tax records of the Department pertaining to sales and use taxes collected for the City by the Department. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the City and the Hinderliter de Llamas & Associates:

- a) has an existing contract with the City to examine those sales and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information;
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and
- d) is prohibited by that contract from retaining the information contained in, or derived from those sales and use tax records, after that contract has expired.

**Section 4.** The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales and use taxes by the Department pursuant to the contract between the City and the Department.

**Section 5.** This Resolution is not a project under the California Environmental Quality Act pursuant to CEQA Guidelines section 15378 (b)(5) as the Resolution is an organization or administrative activity of the City that will not result in direct or indirect physical changes in the environment.

**Section 6.** This resolution takes effect immediately and that the City Clerk shall certify to the passage and adoption of this resolution; shall cause the same to be entered among the original resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which time same is passed and adopted.

**Section 7.** That this resolution supersedes all prior resolutions of the City Council of the City of Hermosa Beach adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

**INTRODUCED, APPROVED, and ADOPTED** on this 12<sup>th</sup> day of November, 2024.

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Mayor Dean Francois

**PRESIDENT** of the City Council and **MAYOR** of the City of Hermosa Beach, CA

**ATTEST:**

**APPROVED AS TO FORM:**

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Myra Maravilla  
City Clerk

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Patrick Donegan  
City Attorney