



Administrative Report

H.13., File # 25-0266

Meeting Date: 3/11/2025

To: MAYOR AND CITY COUNCIL
From: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

TITLE

APPROVE THE BUSINESS LICENSE TAX WAIVER APPLICATION SUBMITTED BY BIH, LLC REQUESTING AN EXEMPTION FROM COMPLIANCE WITH THE BUSINESS LICENSE TAX RATES ESTABLISHED IN REDONDO BEACH MUNICIPAL CODE SECTION 6-1.22, AS PER SECTION 6-1.08 OF THE REDONDO BEACH MUNICIPAL CODE, FOR THE HOLI BEACH FESTIVAL 2025 EVENT SCHEDULED FOR MARCH 15, 2025 AT THE SEASIDE LAGOON

EXECUTIVE SUMMARY

BIH, LLC has applied to have the business license tax waived for its "Holi Beach Festival 2025" event which will be held at Seaside Lagoon on March 15, 2025. This is the second of three Holi events taking place at the Seaside Lagoon in March. On February 18, 2025, the City Council approved a business license waiver request for a separate Holi event that occurred at the Lagoon on March 5, 2025. BIH is paying full rental fees for use of the Lagoon, totaling roughly \$16,000.

BACKGROUND

All entities conducting business within the City of Redondo Beach are required to comply with Section 6-1 of the Redondo Beach Municipal Code (RBMC) which establishes the process and fees associated with obtaining a Business License in the City of Redondo Beach.

Section 6-1.08(c) of the RBMC includes a means for entities to appeal to the City Council for a waiver exempting parties from payment of the appropriate tax associated with the business type. In the case of the Holi Beach Festival 2025, vendors participating in the event would be subject to a projected tax of \$133 each to procure the appropriate Business License. One vendor is named in the waiver application: a food vendor, from which the City will collect the required health permit documentation normally required.

Section 6-1.08(c) states, "Upon a written application to the Council, a person or organization may request an exemption from the business license requirements imposed by this chapter, and the Council may waive the provisions of this chapter if the Council finds and determines that the community benefit will be promoted by granting such an exemption."

On February 18, 2025, the City Council approved a business license waiver for H2O Events, LLC, for a similar event that took place at the Seaside Lagoon on March 5, 2025. The event proposed for a waiver in this report is organized by a separate entity - BIH, LLC - for an independent event on a different date.

The attached Application for Waiver of Business License Tax submitted by BIH, LLC on February 13, 2025 requests a waiver for itself as the organizer and one participating vendor. BIH, LLC has listed that the event provides “a unique and fun experience for the community” that “fosters a sense of connection, cultural appreciation, and social responsibility” among other community benefits described fully in the attached waiver application.

COORDINATION

This item was prepared in coordination with the Financial Services Department.

FISCAL IMPACT

The fiscal impact depends on the total number of vendors participating in the event. In this instance it would be equivalent to \$133 per waived entity, for an estimated total revenue waiver of approximately \$266. It should be noted that BIH, LLC is paying full rental fees for use of the Seaside Lagoon for the event, totaling roughly \$16,000.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Application - Waiver of Business License Tax - BIH, LLC - Holi Beach Festival 2025, Planned for March 15, 2025