



Administrative Report

H.13., File # 25-0367

Meeting Date: 3/18/2025

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

TITLE

APPROVE THE BUSINESS LICENSE TAX WAIVER APPLICATION SUBMITTED BY PABLA MARKETING INC. 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 ITS HOLI & THE BEACH 2025 EVENT SCHEDULED FOR MARCH 29-30, 2025 AT THE SEASIDE LAGOON

EXECUTIVE SUMMARY

Pabla Marketing Inc. has applied to have the business license tax waived for the Holi & the Beach event which will be held at Seaside Lagoon on March 29-30, 2025. This is the third of three Holi events taking place at the Seaside Lagoon in March. On February 18, 2025 and March 11, 2025, the City Council approved business license waiver requests for the preceding two Holi events occurring at the Lagoon on March 5, 2025 and March 15, 2025 respectively. Pabla Marketing is paying full rental fees for use of the Lagoon, totaling roughly \$15,000.

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 Holi & the Beach 2025, vendors participating in the event would be subject to a projected tax of \$133 each to procure the appropriate Business License. Five vendors are named in the waiver application, including food vendors, 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. On March 11, 2025, the City Council approved a business license waiver for BIH, LLC, for a second Holi event taking place

March 15, 2025.

The attached Application for Waiver of Business License Tax submitted by Pabla Marketing on March 6, 2025 requests a waiver for itself as the organizer and its participating vendors. Pabla Marketing has listed that the event provides “local vendors an opportunity...to boost their awareness at this event, giving a nice boost to the local economy” and “benefits families, allowing them to engage in world cultures and be able to be around their loved ones” 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, the estimated total business license revenue that would go uncollected as a result of the approved waiver is \$665. It should be noted that Pabla Marketing Inc. is paying full rental fees for use of the Seaside Lagoon for the event, totaling roughly \$15,000.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Application - Waiver of Business License Tax - Pabla Marketing Inc. - Holi & the Beach 2025, planned for March 29-30, 2025