



CITY OF HERMOSA BEACH

F A Q

What is the City of Hermosa Beach Public Safety/City Services Measure?

The City of Hermosa Beach Public Safety/City Services Measure is a 3/4¢ sales tax on the November 5, 2024 ballot that will take the City's sales tax rate from 9.5% to 10.25% and generate an estimated \$3 million each year of new revenue for City services. The Measure has a sunset clause 20 years from the effective date, or until ended by voters.

What is the purpose of the City of Hermosa Beach Public Safety/City Services Measure?

The purpose of the Measure is to protect the current and future financial stability of essential city services that serve residents and visitors to the City. The revenue generated by the Measure will allow the City to maintain and improve services including, but not limited to:



PUBLIC SAFETY

Maintaining 911 emergency response. Updating police technology to prevent crime from encroaching upon our neighborhoods and businesses



STREETS & SIDEWALKS

Repairing and maintaining local streets, sidewalks, and transportation infrastructure



PARK & BEACH PROTECTION

Maintaining clean & safe parks, equipment replacement, protecting beaches and coastal waters



EMERGENCY PREPAREDNESS

Preparing for/responding to storms and flooding



RETAINING & ATTRACTING LOCAL BUSINESSES

Keeping Pier Plaza and our business district safe and clean



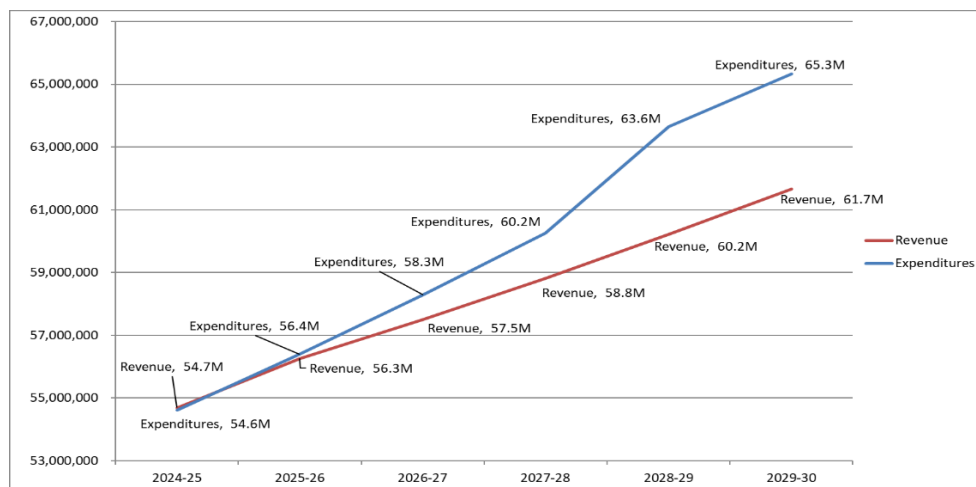
COMMUNITY IMPROVEMENT

Neighborhood and City infrastructure improvements & beautification

Well-maintained streets, public spaces, and essential services create a thriving environment for local businesses to succeed.

Why is this Measure being placed on the ballot now?

Like many organizations, the City of Hermosa Beach is experiencing financial challenges for a variety of reasons. In order to maintain the level of service expected by residents, ensure long-term fiscal sustainability, respond to evolving public service and public safety demands, and make progress toward funding of deferred capital needs, additional funds are necessary. The graph below shows that as each year passes, any revenue growth is being outpaced and absorbed by inflation and the increased costs of providing services to the community.



Will the revenue generated by this Measure stay in Hermosa Beach?

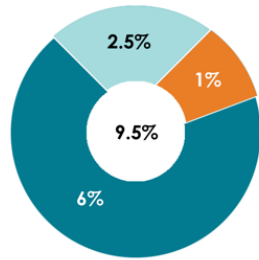
Yes, unlike the state, county, and special district sales taxes, all revenue generated by the City of Hermosa Beach Public Safety/City Services Measure will stay in Hermosa Beach; not one cent is allocated to the State or County. This year, of the \$36.1 million in sales tax revenue generated in the City of Hermosa Beach, \$22.8 million is expected to be sent to Sacramento and \$9.5 million to Los Angeles County and Districts. Of that \$36.1 million, only about \$3.8 million is returned to Hermosa Beach. If the City of Hermosa Beach Public Safety/City Services Measure passes, all of the new revenue generated will stay local and support the preservation of the City's existing quality of life services and allow the City to address critical needs.

BREAKDOWN OF YOUR CURRENT SALES TAX

TAX BREAKDOWN

OF \$1 PURCHASE WITH
CURRENT 9.5% RATE

HERMOSA BEACH
LOS ANGELES COUNTY
STATE OF CALIFORNIA



HERMOSA BEACH

\$3.8M

STATE

\$22.8M

LA COUNTY

\$9.5M

THIS YEAR,
HERMOSA
GENERATED
\$36.1 MILLION
IN SALES TAX
REVENUE

HERMOSA BEACH

\$6.8M

STATE

\$22.8M

LA COUNTY

\$9.5M

ADDITIONAL
LOCAL
REVENUE
WITH 10.25%
TAX RATE

Does the City of Hermosa Beach Public Safety/City Services Measure maintain fiscal accountability provisions?

Yes, fiscal accountability is required with the City of Hermosa Beach Public Safety/City Services Measure, including:

- Local control over funds – no funds could be taken by the State.
- All expenditures shall require public disclosure with oversight and audits.
- The Measure will continue to ensure visitors and shoppers from outside of Hermosa Beach pay their fair share for local city services.
- The Measure has a sunset clause 20 years from the effective date
- The Measure includes the formation of a Citizens Oversight Committee
- At any time, the Measure can be repealed by voters.

Are all purchases taxed?

No. The Hermosa Beach Public Safety/City Services Measure DOES NOT apply a sales tax to groceries, medicine, medical and dental services, rent, real estate, education, utilities, labor or personal services.

How much would the Measure cost shoppers?

IF APPROVED, THE MEASURE AMOUNTS TO...



LESS THAN ONE PENNY

PER \$1 SPENT

AND SEVEN-AND-A-HALF PENNIES

ON EVERY \$10 SPENT ON QUALIFYING PURCHASES

What steps has the City taken to balance the budget over the years (savings/cuts)?

Since the recession of 2008 and COVID-19, the City has undertaken a fiscally responsible approach over the years that saved money and protected essential City services, including the maintenance of its reserve funds at 20% of operating expenses. Some of the decisions made to protect and balance the budget included:

- The use of one-time funds to bridge the gaps in revenue
- Reducing expenditures
- Identifying additional revenues
- Deferring repairs and maintenance

What will happen if the Measure is not successful?

Without new revenue, by fiscal year 2028-29, the General Fund Reserves of \$10.6 million will likely be depleted. Failure to mitigate the future shortfall will impact the delivery of services and the growing need for investments in our streets, sidewalks, facilities, beaches, parks, and neighborhoods. Maintenance and improvement projects will continue to be deferred only making them more expensive in the future. Without an additional funding source, these shortfalls can negatively impact City services, including but not limited to reduction in staff, programs, and critical infrastructure needs, repairs, and maintenance.

How can I learn more about the City of Hermosa Beach Public Safety/City Services Measure?

The City is conducting outreach to educate residents and businesses about this revenue measure. If you have questions about the steps we're taking to secure Hermosa Beach's future, or would like a presentation to your organization, please feel free to contact us at 310-318-0239. Visit HermosaBeach.gov/MeasureHB for more information, including Report to City Council, Resolutions, Slide Presentation, and a downloadable Fact Sheet.

How can I register to vote or learn more about voting?

You may visit our City Clerk's website at HermosaBeach.gov/our-government/city-clerk/election-information or call (310) 318-0239. Register to vote at www.registertovote.ca.gov.