

December 5, 2001

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
December 11, 2001

COMMERCIAL BANNER PROGRAM - FIRST YEAR REPORT

Recommendation:

That the City Council accept this report and approve minor changes to the policy based on the operation of the program during its first year.

Background:

The City Council approved the commercial banner program for Hermosa Beach non-profits on December 12, 2000 for a two year period. During the past year a total of \$37,500 has been contributed to Hermosa Beach non-profits by commercial entities to display banners on Pacific Coast Highway at 1st Street and Aviation Blvd at Prospect. The non-profits participating in the program have been the Hermosa Beach Education Foundation \$25,000; Hermosa Beach Community Center Foundation/Playhouse \$7,500; and Aloha Days \$5,000.

A number of groups have expressed interest in participating in 2002. So far, these include Hermosa Beach Sister Cities Association; Hermosa Beach Firefighters Association; Hermosa Beach Friends of Library and the Hermosa Beach Educational Foundation.

Staff has suggested a few minor changes to the policy that the City Council adopted last year to make the program easier to administer. The existing policy is attached with the proposed changes shown in *bold italics*. The most notable changes are that the non-profit assign one of their members to be the staff contact and that they meet the deadline requirements for submittal of the completed application along with required fees and proof of the contribution by the advertiser.

A copy of the application and 2002 deadlines is attached for your information.

Respectfully submitted,

Stephen R. Burrell
City Manager

CITY OF HERMOSA BEACH COMMERCIAL BANNER POLICY

Hermosa Beach non-profit organizations providing benefits to the City as a whole may reserve banner space to sell banners to commercial advertisers for the purpose of fundraising. The non-profit organization must:

- a. Be a 501-(c) (3) tax exempt non-profit entity based in the City.
- b. Provide liability insurance naming the City as an additionally insured.
- c. ~~Reimburse the City the cost of installation and removal of the banner.~~ ***Pay the approved banner installation fee prior to the installation of the banner. The fee is required for each installation/removal, and applicant must meet application deadline as set forth on the banner permit.***
- d. Provide documentation demonstrating that it is receiving at least \$2500 per month from the advertisers. ***Provide copy of the check made out to non-profit organization is proof of acceptance.***
- e. Utilize the proceeds (exclusive of the cost of installation and removal) exclusively for charitable purposes, and certify that no commissions or rebates are being paid to any individual for any purpose, including soliciting advertisers.
- f. Include on the banner a statement to the effect that the non-profit organization named on the banner is the recipient of the advertising proceeds.
- g. ***Assign a member of the non-profit organization to be the City contact for all notifications, applications, banner layout and installation/removal issues.***

Commercial advertising fundraising banners are permitted only at PCH at 1st Street and Aviation Blvd near Prospect. The banner shall be no larger than 4' x 40' and 25% of the banner must display the name of the non-profit organization.

Non-profits may request approval to place advertising banners for one quarter per calendar year. If no other non-profit requests a particular quarter within one month prior to the initiation of that quarter, a non-profit may request consideration for additional quarters each calendar year.

12/5/01