

REVISED

AGN. NO. _____

MOTION BY SUPERVISOR LINDSEY P. HORVATH

April 7, 2026

Exploring the Expanded Use of Gladstones Trademarks Owned by County and Reinvesting in Coastal Access to Our Public Beaches

The County of Los Angeles (County) Department of Beaches & Harbors (DBH) manages and operates 18 public beaches, spread over 75 miles of the County’s coastline. DBH’s hardworking crew of just under 200 permanent staff are out on the sand 365 days a year, cleaning and grooming the beaches, providing clean and sanitary amenities for beachgoers, and performing maintenance and repairs of beach facilities and DBH’s specialized equipment, among many other duties. At Will Rogers State Beach in Pacific Palisades, DBH is also responsible for administering the Concession Agreement for Gladstones restaurant, located at 17300 Pacific Coast Highway (Gladstones). A beloved and iconic LA beachfront restaurant open since 1972, Gladstones was fortunate to emerge from the Palisades Fire earlier this year with minimal damage. It reopened in July on a limited basis while the fire damage is being repaired, and since that time, Gladstones has been more popular than ever, amid continuing fire recovery efforts in the surrounding

MOTION

MITCHELL _____

HORVATH _____

HAHN _____

BARGER _____

SOLIS _____

community.

In 2016, as part of negotiations with the then-concessionaire, the County obtained ownership and licensing rights of certain trademarks used at the Gladstones restaurant, including the location in Long Beach (pursuant to its own licensing agreement with the prior operator). In September 2022, the Board of Supervisors approved an agreement for the construction of a replacement restaurant on the existing Gladstones site in Pacific Palisades; however, once that restaurant is built, the County's trademarks should continue to be used in commerce.

As owner of the trademarks associated with the restaurant, the County now has an opportunity to expand its economic growth. In this era of extremely tight budgets and severe curtailments, the potential revenue these assets could generate is vital. It is therefore in the interest of the County and its residents that DBH be directed to explore potential future use of the Gladstones trademarks in commerce. Those potential future uses could include, among other things, licensing of the Gladstones name and trademarks for additional Gladstones locations and merchandise, as well as pop-up locations throughout the County and the region. This could include the retention of a broker or other outside vendor to assist DBH in marketing the trademarks for use by third parties.

Additionally, DBH has been approached by the operator of the Long Beach Gladstones about opening another location in San Diego. DBH and its counsel have been in negotiations regarding the terms of this potential use of the County's trademarks, which would result in another revenue stream to the County. It is in the County's interest to

authorize the Director to execute a licensing agreement or other agreement allowing for the use of the Gladstones trademarks at such location.

As steward of the County's beaches and Marina del Rey, DBH has unique opportunities to generate much-needed County revenue, including through use of the Gladstones trademarks. ~~Currently, however, there is no mechanism to ensure that any additional beach-derived revenue is reinvested in our beaches.~~

This Board has consistently affirmed the importance of our beaches as public spaces that should be accessible by all County residents. The 2025 draft OurCounty Sustainability Plan includes beach accessibility (Goal 6) and funding (Goal 12) as key priorities, directing County policymakers to make beaches, parks, and other public lands "more accessible and inclusive and... manage them carefully so that all residents may enjoy their benefits." The draft Plan further requires creativity around funding and budgeting to support its stated goals, including accessible public beaches.

Given the importance of the beaches as public spaces that provide heat relief, connection with nature and the water, recreation opportunities, and gathering spaces for residents from all over LA County, it is imperative that the revenue derived from our beach assets be reinvested into the County's beaches. The need for such investment is high; County beaches require ongoing care and maintenance of critical infrastructure like sewer laterals and existing septic systems, which require skilled and properly certified workers to perform. In addition, DBH is responsible for maintaining access roads that connect PCH to beach maintenance and lifeguarding facilities; because of their location, those roads are often impacted by severe storms and high tides. Maintenance of this

infrastructure ensures roads and services are available to the public and first responders.

Promotion of public beach access is a top priority of the Coastal Commission, which recently included, as part of its approval for a Coastal Development Permit for the Gladstones replacement restaurant project, a requirement that, "All monies collected by the County from the Parking Management Program shall be used by the County for public access and recreational improvements within County-operated areas of the coastal zone."

This approach aligns with County priorities of equitable access and sustainability and can be extended to all County beaches by establishing (in addition to the ~~fund~~ account required by the Coastal Commission) a Beaches Accumulative Capital Outlay ("ACO") fund. This new ACO category ~~would~~ will advance fund improvements, installments, upgrades, and repairs to critical infrastructure and facilities along the coast and capital improvements ~~the planning and implementation of coastal resilience strategies~~ at County-owned and managed beaches, similar to the ACO fund category established for Marina del Rey decades ago. ~~An ACO would also~~ Beaches may provide ongoing stable annual contributions to the Beaches ACO fund, through the County's annual budget process, including the ability for DBH to retain beach-generated fees to allocate beach-generated revenues to protect the coastline and enhance public access.

DBH will pursue and secure funding for the proposed Beaches ACO, or any other necessary accounts, and through the County's annual ~~County~~ budgeting process, and submit budget requests will utilize said funding by systematically to propose a spending plan to allocate and manage capital outlays and setting aside resources for major

maintenance projects. Facilitating significant long-term investments in infrastructure will bolster environmental sustainability and community resilience, as well as timely response to emergency situations such as damage from severe storms, tides, and surf, as well as environmental crises that threaten marine life, such as the domoic acid event of this past summer. (Some of these efforts are outlined in DBH’s March 7, 2024, 120-day report back to this Board on “Protecting L.A. County’s Beaches From Coastal Erosion Through Beneficial Use of Sediment and by Deploying Living Shorelines” (Board Order No. 18, November 7, 2023)¹.) While an ACO fund currently exists for making repairs and replacements to public facilities and improvements in Marina del Rey, the new Beaches ACO fund will specifically target basic infrastructure needs (i.e. DBH’s three coastal resiliency demonstration projects at Zuma, Dockweiler, and Redondo Beaches). In addition to the Beaches ACO, an appropriate account/fund may also be considered to address the urgent environmental and strategic coastal management and maintenance challenges on our beaches, such as erosion and climate change_ ~~along with~~ This will enable DBH to continue to address planning and environmental projects along our County’s coastline, protecting public access to our beaches for future generations. The approach for the budget submission of an annual spending priority plan and allocation of funding provides the County flexibility to address new and emerging budget issues and needs for the most pressing county budget demands and requirements first before funding new programs for services.

¹ <https://file.lacounty.gov/SDSInter/bos/supdocs/185620.pdf>

I, THEREFORE, MOVE that the Board of Supervisors

1. Find that approval of the proposed actions does not constitute a project under the California Environmental Quality Act (CEQA), pursuant to Section 21065 of the Public Resources Code and Section 15378(b)(5) of the CEQA Guidelines, as these are administrative actions, involving the management of financial assets and do not result in direct or indirect physical changes to the environment.
2. Direct the Director of the Department of Beaches and Harbors (Director) to explore the potential use of the County's Gladstones trademarks to maximize revenue to the County and ensure the County's trademarks remain in use, including retention of a broker or other outside vendor to assist DBH in marketing the trademarks for use by third parties, and report back to the Board in six months with the results.
3. Authorize the Director to negotiate and execute an agreement with an operator of a potential new Gladstones location in San Diego for use of the Gladstones trademarks, subject to approval as to form by County Counsel, and concurrence with the Chief Executive Office, and provide an executed copy to the Board of Supervisors and Chief Executive Office.
4. Direct the Department of Beaches and Harbors to ~~work~~ collaborate with the Chief Executive Office and the Auditor-Controller to create determine and establish an appropriate ~~an interest-bearing~~ account ~~(known as the Will Rogers Beach Improvements Fund)~~ and to place net revenue generated from the Parking Management Program at the Gladstones replacement restaurant, per the ~~Coastal Commission's Special Condition 8 Development Permit,~~ into the account to be

used to enhance public access, and support timely maintenance of public-serving restrooms and other facilities at Will Rogers Beach.

5. ~~Approve for introduction~~ Direct County Counsel to return to the Board within 45 days with an ordinance for the Board's consideration amending Sections Chapter 4.16.020 and 4.16.150 of the Los Angeles County Code to include in the Accumulative Capital Outlay Fund a category to advance improvements, installments, upgrades, and repairs to critical infrastructure and facilities along the coast and capital improvements at beaches owned and/or managed by the County. planning and implementation of the Department of Beaches and Harbors' coastal resilience strategy, deferred/extraordinary maintenance of critical infrastructure and needed upgrades
6. Direct the Department of Beaches and Harbors to collaborate with the Chief Executive Office and the Auditor-Controller to establish a Beaches Accumulated Capital Outlay Fund for the purposes of capital improvement expenditures; and if necessary, identify and create any additional funds or accounts needed to support the planning and implementation of coastal resilience strategies, including setting aside resources for major maintenance projects.
7. Direct the Department of Beaches and Harbors to submit a budget request through the County's annual budget process, identifying collected and projected revenues, not limited to the Gladstone's trademark, beach concession, or beach advertising revenues, and to propose recommendations for the use of those funds in a spending priority plan for beach or coastal reinvestment activities and

programming at the County operated beaches.

- ~~6. Instruct the Chief Executive Office and the Department of Beaches and Harbors to allocate the following payments to the Beaches Accumulative Capital Outlay Fund:~~
- ~~a. All fees derived from the County's ownership of the Gladstones trademarks;~~
 - ~~b. All revenue derived from advertising on the beaches; and~~
 - ~~c. All revenue derived from beach concessions (not including those to be deposited into the Will Rogers Beach Improvements Fund), as allowed by law.~~

#

LH:rf