

02/25/20 AGENDA, ITEM 5a - CONSIDERATION OF TEXT AMENDMENT TO THE M-1 LIGHT MANUFACTURING ZONE INCLUDING A LIMITED EVENT PERMIT FOR CYPRESS DISTRICT BUSINESSES SUPPLEMENTAL LETTER SUBMITTED BY JED SANFORD TO THE CITY COUNCIL ON 2/25/20 AT 2:36 P.M.

February 25, 2020

Hermosa Beach City Council

RE: Project TA 19-1

To Councilmember Deto & Councilmember Fangary:

I reach out to both of you in hopes that you will bring some much-needed transparency and integrity to our City government in Hermosa Beach. With a Mayor, a City Councilmember and a City Attorney who appear to only work for themselves and a small group of political allies, our City leadership has deteriorated to an embarrassing level of political favoritism, selective enforcement and behind-the-scenes dealings. Too often there is a disturbing pattern of City Council and Commissioner actions selectively enforcing laws and circumventing transparent government through back channel, non-public communications. Our businesses and community deserve better, and confidence in fair and open process needs to be re-instilled in our community.

If a picture is worth a thousand words, perhaps none is more telling about the self dealings in Hermosa Beach than the painting advertising the Mayor and her husband's business that hold the privilege of hanging in our City Council's chambers. Tonight you will consider yet another round of a convoluted and privileged processes designed to legitimize this same illegal business by approving an unprecedented zone wide-amendment allowing for 3,600 events over a two year period within the Cypress District. Behind the carefully curated façade of a "groundswell support" you'll find Shockboxx and its political allies. What you won't find are lines of the true commercial business owners that have quietly and successfully worked for decades in the M-1 zone now in desperate need of emergency "event permits".

The Mayor and her husband's business has been allowed to build without permits, and open without required parking, inspections, in a zone that does not allow the use, operate without a business licenses for nearly two years, give away alcohol, and hold events without permits. Where else in the City could these things occur in the City and the business be allowed to remain open? More directly – do anyone believe this same thing could occur on Pier Plaza?

And I ask you, what business after all that would be awarded the "Emerging Leaders Award" at a City Council meeting, promoted on the City's social media platform, and have its products hung on the walls of our City Council Chambers? This sends a very clear message to our community that rules are enforced selectively based on who is in favor. Somehow, the City Attorney fails to see the difference between businesses that go through all of the required processes before operating and a business caught operating illegally years after being open.

The reality is that by allowing Shockboxx Gallery to operate illegally as the only for-profit retail art gallery in zone, the City has given the owners a monopoly by preventing law abiding business owners from the option to legally open a competing business and participating in the economy. The City's indifference to these illegal activities kept rents depressed and gave Shockboxx and similar businesses an economic advantage to not pay the cost prohibitive fees and permits required of everyone else. And while events at Shockboxx spilled out into the street on a weekly basis, our neighboring business was incessantly policed in attempt to cite our business for members jogging outside, there-by violating a provision of the M-1 code that "all uses shall be conducted wholly within a building enclosed on all sides...". This exact provision that was improperly weaponized to gin up a public nuisance was intentionally ignored for Shockboxx.

As an entrepreneur, I have respect for those who venture a new business and support the passion Shockboxx has put into creating something they feel deeply about. But there are many other business owners that put the same love, effort, and financial resources into businesses that are not politically tied or favored and have to operate by a totally different – *and wildly more expensive* - set of standards.

In closing, if you want to give Shockboxx Gallery the right to operate an art gallery, sell retail, allow event space, classes, that is your prerogative. The business should however go through the zoning application process that we all are required to do and is appropriate for this situation. I will show up and support that, but not this. I am a supporter of less regulation, more open markets, and that opportunities should be make available to all. There is no question that most experienced operators find operating in Hermosa a burdensome process that often makes the risk not worth the venture.

What I believe none of us should continue to do is quietly allowing our City to abuse the power entrusted to them.

Sincerely,

Jed Sanford

Hermosa Business Owner