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City Clerk and City Manager,

Per.....

It is requested that this communication be placed on the agenda of the April 25, 2006 regular meeting of the Hermosa Beach City Council under 'Written Communications from the Public'. Thank You.

April 19, 2006

The Hermosa Beach City Council
City Manager, City Clerk, Director of Community Development, Directory of Public Works, City Attorney

Re: The city's selling of "In-Lieu", or "phantom", and presently non-existent parking spaces such that a business(s) can justify building and/or utilizing the amount of square footage they desire for a given use and thus qualify for a CUP(s) and/or other rights from the city.

Honorable Mayor, Members of the Hermosa Beach City Council, and other officials,

When presenting the following questions and thoughts to the Planning Commission April 18, 2006, the commission's chairperson suggested that I'd best submit these to the City Council.

It has been my understanding for many years that the central downtown area from Valley Drive, westward to the beach is very much deficient in parking due primarily from businesses which cater to many customers at the same time and whereby those businesses do not have sufficient parking on their own property.

It also is my understanding that except for some mental thought of parking structure construction, that there is absolutely no such parking structure(s), above or below ground, currently in any phase of planning and that such parking structure project(s) would require substantial planning, public hearings by the city, possibly by the county, and most likely by the Coastal Commission, not to mention significant amounts of money. And then the always potential of a vote by the people to even allow same.

Adding parking to an area such as the downtown, as by the construction of any kind of new parking, would by its very creation result in more traffic, more people, more transient activity, and more spillover into residential areas of such, and this would unquestionably be

even more controversial than it has been in the past.

Some of the businesses as located in older commercial buildings having little or no on-site parking have purchased "phantom" ,AKA "In-Lieu", non-existent parking spaces from the city for a one time fee of approximately \$12,500 for each such space so as to qualify for a CUP or other right to operate their business without providing sufficient on-site parking.

Now it appears that an all-new-construction hotel is to be built behind the "Beach Market" in the downtown area and is to qualify its parking requirements per our city codes, by also purchasing these "phantom" non-existent parking spaces at \$12,500 each.

Further it appears that an all-new-construction project is to be built on several lots on the south side of Pier Avenue near the now closed mortuary. This project is also proposing to qualify its need for parking by purchasing "phantom", non-existent, "In-Lieu" parking spaces at \$12,500 each.

The city seems to be acting irresponsibly by selling non-existent parking spaces such that businesses can appear to be meeting the city parking requirements. Would not the city potentially be liable if later these businesses fail due to lack of actual parking the city had sold them via these "In-Lieu", or "phantom", non-existent parking spaces, notwithstanding any disclaimers the city indicates to these businesses.

Further still, by selling non-existent "phantom", "In-Lieu" parking spaces, it appears that the city is actually compounding a severe parking problem for both current businesses and the surrounding residential areas, and may be doing so to then justify building multi-level above or below-ground parking structures at various locations in the downtown area so as to fix the problem the city's own actions made in the first place.

This is much like the concept whereby a less-than-honorable hypothetical developer desires to build something not desired by the local residents. The hypothetical developer might own or acquire some property and then let it degrade to the point that it presents such a nuisance to the area that when he submits the project he desires to be built on same, it can be justified that this will "be a great improvement over what is there". Not an honorable practice but one which has probably occurred many times in some parts of the country.

The quest by the city for business additions in many cases, without doing city cost/benefit analysis, may be resulting in business approvals which are costly for city services and in impacts to the quality of life while bringing little revenue to justify same.

The city would best stop selling "phantom", non-existing parking spaces to businesses until it can show it has excess parking spaces available to sell. Businesses should supply their own parking spaces on their own land. They need to build less square footage and more

parking. Homeowners do. Why shouldn't businesses, especially when they are building new out of the ground?

The city would best stop making a bad problem worse. There are no parking spaces to sell. It is not appropriate to sell something you don't have especially something that is actually in negative supply.

And what seems most unfortunate, these "In-Lieu" "phantom" spaces are being sold by the city at a bargain rate, probably less than one third their true value, with no annual value adjustment which recognizes their current true value, nor any requirement for businesses to keep paying additional maintenance amounts to maintain their ownership and use of such "phantom", "In-Lieu" spaces. If the city is supplying these parking spaces, and if they actually existed, would there not be ongoing costs to the city to maintain them?

Again, it appears the city has been acting irresponsibly by selling these "phantom", "In-Lieu", non-existent parking spaces in recent years. "In-Lieu" parking spaces were really designed to be used to assist businesses in older established buildings where no parking could be built, and in doing so to help encourage low impact businesses to the downtown which actually benefited the city revenue stream, the residents, and other businesses.

Thank you for your attention,

Howard Longacre

Hermosa Beach Resident