Anne McIntosh Director of Community Development City of Manhattan Beach 1500 Highland Avenue Manhattan Beach, CA 90266

October 23<sup>rd</sup>, 2017

re: Blossom Spa 2405 N. Sepulveda Blvd Manhattan Beach, CA

Request for Hardship Exemption Ordinance 17-0020-U



On September 19<sup>th</sup>, 2017 the Manhattan Beach City Council adopted Ordinance 17-0020-U into the City Municipal Code. This Ordinance, as explained in its language was adopted to restrict the proliferation of Health Care Facilities currently being established along Sepulveda Boulevard.

Blossom Spa is an upscale salon which offers services typically found in a resort setting. The business emphasises services that cater to couples and small parties looking for a resort-like spa experience without the necessity of travel. The Spa offers a variety of massage modalities, and as such is deemed a medical use by City Code, but also offers other treatments like facials, eyelashes and waxing as well as including a retail component. The space at 2405 N. Sepulveda into which Blossom Spa is proposing to occupy, is roughly 1,350 square feet of an existing single story building. The building has held, and is parked for, both medical use and retail establishments. The proposed business is not a type nor certainly size of use identified as causing a threat to public health, safety and welfare by Ordinance 17-0020-U.

While the adoption of this ordinance could have an effect on larger Medical Office buildings and Urgent Care Centers by limiting their number or size, it's impact on the approval process of these types of buildings, if allowed, is minimal. As a percentage of the overall cost of creating one of these structures, the added cost of the Use Permit process is so small it borders on negligible. Additionally, when cosidering the amount of time necessary to obtain the requesite approvals necessary to begin construction for these new buildings, the addition of three to four months to the process to obtain a Use Permit is minimal. The same cannot be said for small tenant improvements to existing buildings. Typically, a new tenant may negotiate a few months rent free, during which time they are able to obtain permits and improve the space to meet their needs. Requiring a Use Permit could potentially more than double the amount of time necessary to obtain the required approvals. Were a potential tenant to approach a land owner with the request that the space be leased without rent until such a time as the lessee could obtain the Use Permit, then building permits and finally a period for build-out rent free, the owner would most likely deny that request. It would constitute an unacceptable risk. Additionally, the cost of the use permit can create a substantial impact on the overall cost of the build-out. These economic hardships often have the unwanted effect of those businesses needing to look elsewhere for acceptable locations. I recently went through the Use Permit process for a small tenant Improvement to create a Veterinary Hospital on Sepulveda Boulevard. The application was submitted on May 10<sup>th</sup> of this year and the Use Permit was approved by the Planning Commission at their July 26<sup>th</sup> hearing and then formally adopted at the expiration of the appeal period on August 10<sup>th</sup>. To determine what kind of neighborhood reaction there was likely to be to this project, I held a scoping meeting to which all the neighbors who would receive a notice of the public hearing were invited. No neighbors came to the meeting. In addition, I was the only person in the audience at the hearing. During that three month period, my client was paying rent on the space he was hoping to move into without even knowing whether his use would be granted. He entered his lease without knowing what the requirements were to open his business at that location. While that was his mistake, had he understood what he was headed towards he most likely would have found a different location. The added costs associated with obtaining the use permit amounted to almost 20% of his anticipated construction budget.

In light of the disproportionate economic burden which the requirement to obtain a Use Permit would levy against this proposed project, we formally request that a Hardship Exemption from compliance with the newly adopted Ordinance 17-0020-U be granted.

Thank you,

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attchmnt: Proposed Floor Plan



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