



HERMOSA BEACH  
CHAMBER OF COMMERCE  
AND VISITORS BUREAU

March 12, 2019

Mayor Armato and the Hermosa Beach City Council,

On behalf of the Hermosa Beach Chamber of Commerce, we would like to provide the following input and comments relating to the Sidewalk Vending Ordinance presented as part of the March 12, 2019 city council meeting.

Senate Bill 946, which allows for sidewalk vending, is detrimental to our local businesses and community. It allows for unfair competition, has the potential to create health and safety issues and will most likely result in a drain on city resources with minimal enforcement provisions afforded to our community. Contrary to what is presented in the staff report, we feel strongly that this is not consistent with our General Plan for the following reasons:

1. Creative economy – sidewalk vending is not the caliber of products that benefit our neighborhood and should not be considered creative.
2. Pop up shops and Retail base – sidewalk vendors do not pay rent which will result in unfair competition to our retailers. Our retailers already must contend with rising rents, high labor and food costs, higher fees as well as the onslaught of competition from online retailers. This is one more nail in the coffin for brick and mortar businesses and we are disappointed that our state legislature prioritizes sidewalk vendors ahead of local businesses that provide employment and pay taxes that accrue back to Hermosa Beach. Notably, we have little to no recourse to ensure that sidewalk vendors will collect and remit sales tax which will come to Hermosa Beach.
3. Compatibility of uses – sidewalk vending is clearly not a compatible use for our sidewalks and public right of way. Particularly as it relates to food carts, there are minimal ways to ensure that vendors comply with health regulations unless the city chooses to dedicate a code enforcement officer to monitor sidewalk vendors' activity.
4. Safe public right of ways – clearly another concern, as these vendors will be pushing their carts or roving on our streets hawking their merchandise.

*We ask that you reword this in the staff report to correctly indicate that street vending is inconsistent with our general plan, ensuring complete transparency for our businesses and community. This is not a benefit to our community, but an obligation imposed upon us by the state legislature.*

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We would also like to provide input to the ordinance as follows:

### **Section 1 Findings**

D. Regulating sidewalk vending will **not** encourage entrepreneurship and orderly commerce and protection of public safety and welfare. It will detriment our local brick and mortar businesses, has the potential to create safety issues with carts roving through our residential neighborhoods hawking their wares and will be a drain on city code enforcement officials. *We ask that you reword this paragraph to accurately reflect the realities of sidewalk vending.*

K. We request that sidewalk vendor restriction extends to 8th street and to Upper Pier Avenue.

### **12.38.030 Restricted Vending Locations**

A. This language is confusing, which is not good for an ordinance because it can lead to various interpretations. Does this mean that sidewalk vendors may NOT operate in alleys, streets without sidewalks and parking structures? If so, we feel it is best to reword this paragraph for clarity.

We recommend the Pierhead is specifically noted as a restricted area. This is a sensitive circulation area and should never be obstructed by sidewalk vendors, particularly to ensure safety vehicles have unfettered access to the Lifeguard station.

We also recommend that due to the crowded nature of the plaza, street vendors be prohibited within 500 feet of Pier Plaza. Precedent has already been set with the City of Los Angeles which has banned street vendors in close proximity to various venues in Los Angeles.

If you are unwilling to do this, please consider the following alternative:

We strongly recommend that the number of permits on Pier Plaza be limited to the allowable number of vendor carts based upon the square footage. We also recommend vendors are spaced 300 feet (vs 200 feet) apart due to the density of pedestrian traffic, to ensure access for safety vehicles. If the number of permits is not capped, we foresee a code enforcement challenge, with the potential for **numerous** vendors showing up, competing for space. That could lead to safety issues for everyone as vendors jockey for position. Code enforcement would then have to play referee, putting themselves in a potentially unsafe situation with unhappy street vendors.

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We also request that the street vendors maintain a clearance of 25 feet away from businesses on the Plaza inclusive of dining patio space. This is also important because at times customers are either in line or awaiting a table. Street vendors should not be permitted to intrude on them or the diners eating on the patio.

Also, for retailers on the plaza, it can be intimidating and intrusive for a street vendor to have the ability to block the pathway to a storefront entrance.

Additionally, due to the high volume of special events in the summer, we recommend that there be “black out days” clearly stated upon permit issuance, with permit revocation as the consequence for operating during those days. Historically, summertime special events in Hermosa Beach draw large crowds. Street vendors operating during those times will exacerbate pedestrian circulation problems. However, it is likely that these vendors will be tempted to operate during those times – as an example, during high profile volleyball events. If consequences are not enforced, the ordinance loses its legitimacy.

C. We request 10th street is replaced with 8th street. We also see the same density issue relating to Upper Pier Avenue and request this area be categorized in the same manner.

I. We offer an opinion that it is not reasonable to mandate that notice given is to sidewalk vendors as their very nature is that of being a transient, roving individual. One cannot predict what sidewalk vendors will show up in our community – with or without a permit. Hence, sidewalk vendors should not be put in the same category as a bricks and mortar establishment.

A special event operator should not be burdened with identifying the various vendors who may show up in close proximity to their event. Hence, this places an extremely unfair burden and cost to the special event operator. This is why providing “black out days” in advance is proposed as a more efficient alternative.

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#### **12.38.040 Application Procedure**

B. 7 & 8. Would you please clarify if Hermosa Police Department will be running a background check on all applicants? If so, this cost should be included in the fee assessed to the applicant. If the \$325 fee is exclusive of this cost, the fee should be reconsidered.

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### **12.38.090 Operating Requirements**

C. Hours of operation – we feel this should be consistent with Section 3, which is 7pm and 9am.

### **12.38.130 Penalties**

D. If a sidewalk vendor has been assessed a citation, it is unfair to waive the fine. The city has incurred cost and should be reimbursed. This opportunity is not afforded to our local businesses when subjected to a fine – why should a roving sidewalk vendor be granted an advantage over local businesses? We feel this gives preferential treatment unjustly to these individuals who are not benefiting our community.

Given the serious nature of allowing sidewalk vendors into our community and the subsequent impact on our bricks and mortar businesses, we ask that you do not introduce this ordinance on first reading. We ask that all questions are answered, thoughtful discussion is provided, and that the ordinance **returns once the business community has had the opportunity to provide input**. Our first viewing of this item was on March 7th in the evening. The chamber executive board has been discussing this since Thursday evening, but due to many unanswered questions, we have not reached out to our chamber members for input. We feel that the input of the business community is critical in shaping this ordinance. We respectfully request the benefit of additional time for review and discussion.

Thank you very much.

The Hermosa Beach Chamber of Commerce