

From: Scott Castle [mailto:scastle@vantageoncology.com]

Sent: Wed 5/23/2007 3:02 PM

To: samedgerton@aol.com; michaelkeegan@manhattanbread.com; jbrhbcc@aol.com; kit.bobko@gmail.com; peter@electpetertucker.com

Cc: UPAC; editor@tbrnews.com; news@easyreader.info

Subject: Letter re: Hermosa Upper Pier Development

Hermosa Councilmembers:

As an active resident of Hermosa Beach for nearly six years I would like to share with you my views on the development of the Upper Pier region. Part of what makes Hermosa and the entire Sand section of the South Bay so appealing is the fact that the area is "walk-able." Unlike most of Los Angeles, residents can park their cars and largely get around town without having to drive. The community, social and environmental benefits are tremendous.

Unfortunately, the ability to own property in areas that are "walk-able" in Hermosa is largely limited to those able to afford entire full and half lot properties. What results is a case of the "have's" and "have-not's." The "haves" own beautiful half and full lot residences and the "have-nots," who still desire all the attractive aspects of the sand section including its "walk-ability," are forced to resort to renting tired, older units.

I am a have-not.

Make no mistake, I am not complaining about my situation. I am a free-market capitalist and congratulate those fortunate individuals who acquired property prior to the most recent run-up in real estate prices. Where I grow frustrated, however, is in the fact that there is very little housing inventory available for purchase in the sand section that suits my purposes. I am a single, 34 year old finance professional with an advanced degree. I don't need, nor do I want, a three story half or full lot residence. And admittedly, I can't afford properties of this size. What interests me is a modern, well appointed roughly 1,000 square foot apartment with nice fixtures and amenities. But what are my options? The Appletree? The Commodore? Come on.

My friends and I often joke. We're the rising, new professional class finally getting to the point in our careers where we are being named junior partners at law firms, completing our surgical residencies, becoming part of executive teams at operating companies, etc. and yet we can't afford to live where we want. The issue isn't necessarily the fact that the sand section of the South Bay is incredibly expensive, the issue is that the only supply of inventory to buy in the sand section are large 3+ bedroom, 2,000+ square foot residences. Where are the options for the young professionals interested in owning modern, 1-2 bedroom apartments? There really aren't any. And that is where I believe you should provide some influence.

This situation is not good for the city. You have a segment of the real estate market that simply doesn't exist. My demographic is incredibly important to a city like Hermosa. We are the people that eat out at the local restaurants 4 – 6 nights a week. We are the people that enjoy having cocktails in a responsible, controlled fashion (unlike the riff-raff that shuttles into town). We are the people that are active in the arts and volunteer in our communities. But if we wish to own in the sand section of Hermosa, what are our options? El Segundo and other nearby communities are beginning to cater to us and if nothing is done, Hermosa will become a town with an uncomfortable mix of privileged owners and recent graduates who rent with no vested, long-term interest in the city. This dichotomy already exists to a degree and you as councilmembers should be concerned at the prospect of it becoming a defining element of Hermosa's social fabric.

Do not make the same mistake that was made with the Wilshire corridor. On an admittedly larger and somewhat different scale, the Wilshire Corridor had an opportunity to become its own thriving mini-

metropolis... nestled in the heart of LA... if only the local policymakers had designed the buildings as mixed-use. Similarly, how vibrant and active would the Pier be if all the same local shops were on the first floor and beautiful studio, 1 and 2 bedroom loft apartments were constructed on the two or three stories above them? And inhabiting these smaller residences would be the new, upcoming generation of Hermosa. You as councilmembers have an opportunity to help establish a sorely needed segment of the Hermosa real estate market. In so doing, you will support an important segment of your constituency; one that will eventually become the buyers and owners of the larger half and full lot residences in the years to come. This is what will mitigate a housing down-turn and will provide a thriving, upscale community capable of transitioning from generation to generation.

I urge you to make the Upper Pier mixed use and include residential units on the non-street floors. And to the extent you are looking for volunteers to be involved in the process of providing ideas and input, I would welcome the opportunity.

Regards,
Scott Castle
2124 Hermosa Ave. #5

Scott Castle
Vice President, Finance
Vantage Oncology, Inc.
880 Apollo Street, Suite 329
El Segundo, CA 90245

310-335-4012 (direct)
310-335-4099 (fax)
310-335-4000 (main)