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How Snapchat tech titans are harshing the mellow in Venice Beach By Rob Kuznia August 10, 2015



Harry Perry performs on the Venice Beach boardwalk. (Bonnie Jo Mount/The Washington Post)

LOS ANGELES — Venice Beach is where Arnold Schwarzenegger toned his muscles, the Dogtown skateboarders launched a lasting movement and Jim Morrison conceived the Doors. The Dude lived here in "The Big Lebowski."

For decades, Venice has been the epicenter of weird, a beachy paradise with a gothic twist, where carnival freaks, homeless hippies, yoga instructors and fanny-packed tourists blend into a milieu as colorful as its famous three-story murals.

Now, thanks to real estate speculators and a tech boom featuring the likes of <u>Google</u> and Snapchat, Venice's mellow charm is under siege.

"There are a lot of shenanigans going on to hyper-gentrify this area, almost make it a beachfront resort," said Laddie Williams, a third-generation Venice resident and community activist. "They are killing our community."

Is Venice losing its charming weirdness?



The mellow, bohemian appeal of the Venice neighborhood in Los Angeles is under siege, locals say, because of gentrification and a tech boom.

As skyrocketing real estate prices push longtime residents out of this oceanside district of Los Angeles, corporate chains are replacing funky shops, and tech geeks are emerging as a dominant part of the scene. Meanwhile, the area's already robust homeless population is rising, leading to controversial police crackdowns.

Similar trends are transforming much of coastal California. Across Los Angeles, middleclass home buyers are losing out to speculators who plunk down cash offers. And in San Francisco, median home prices have soared from \$700,000 to nearly \$1.1 million in three years, making it one of the least affordable cities in the world.

But in bohemian Venice, the shake-up has been particularly upsetting, especially since the arrival of Snapchat, the tech giant whose app enabling users to send each other disappearing photos and messages has proved irresistible to teens.



Snapchat's offices are just off the boardwalk in Venice Beach. (Bonnie Jo Mount/The Washington Post)

Snapchat's presence here has swollen from 14 employees to 200 in two years, expanding this spring into office buildings throughout the densely populated, three-square-mile hamlet. One building near the beach spans an entire block.

Among the dozens of tenants displaced by Snapchat was the Teen Project, a nonprofit organization that provides housing to homeless young adults.

"They shoved us right out and treated us like redheaded stepchildren," said founder Lauri Burns. A few months before the move, a Snapchat executive told her he had noticed one of her homeless clients sweeping the street with an old broom, so he offered to buy the organization a new one.

"You could have just slapped me in the face at that point," Burns said.

Slapped in the face is exactly how many Venetians are feeling by the tidal wave of new money. And the local tech boom, prompting "Silicon Beach" references around town, is just one source of it.



Abbot Kinney Boulevard. (Bonnie Jo Mount/The Washington Post)

The main thoroughfare in Venice, Abbot Kinney Boulevard, has been transformed from a funky lineup of artisan shops and antique stores to a ritzy outdoor mall of upscale corporate brands, such as Scotch & Soda, Hyden Yoo and Sofia Kaman Fine Jewels — the shop where Lindsay Lohan was caught stealing in 2011.

In a stunner last month, a piece of commercial property on the boulevard sold for \$44 million to a New York partnership, forcing the ejection of Hal's, a landmark bar and grill. Jaws had also dropped when the same property sold for \$20 million two years ago. "Pretty good flip," said Carol Tantau, owner of a handcrafted-jewelry store that was priced out of its home of 30 years by the earlier sale.

Residential bungalows are also being emptied and flipped to highflying investors, many from overseas. In five years, the median home price has surged from \$832,000 to \$1.4 million.

Rents have also skyrocketed. Intensifying the housing squeeze is Airbnb, the sharing-economy app that enables people to rent out houses and apartments to short-term visitors (i.e., tourists).

Venice is often called the biggest tourist attraction in Southern California next to Disneyland; it is also the No. 1 Airbnb spot in Los Angeles. About 12.5 percent of all housing units there have become Airbnb units, taking a sizable chunk off the market, according to the Los Angeles Alliance for a New Economy, a labor-supported advocacy group.

Tony Bill, a producer who shared an Academy Award in 1973 for "<u>The Sting</u>," wonders why anyone is surprised that beachfront property in one of the nation's largest cities would experience such growth. "It's like, what did you expect? How long did you expect that Venice would be a depressed, inexpensive, inactive haven for people who can't find a cheaper place to live?" said Bill, who owns one of the buildings that houses Snapchat.

"Venice is not known, and shouldn't be known, for its starving artists," Bill said. "It should be known for its accomplished artists. . . . If you're accomplished, you can afford to pay the rent."



Bathing suits for sale along the Venice Beach boardwalk. (Bonnie Jo Mount/The Washington Post)

George Francisco, vice president of the Venice Chamber of Commerce, said growing pains are to be expected. "I think of it as a continuum," he said. "There were people who provided services for horses. Then the automobile came along. . . . Progress is a train. You can be on it, or you can be under it."

As a district of Los Angeles, Venice has no mayor, city council or police force. It has just one elected local official, Los Angeles City Councilman Mike Bonin. (Bonin, a Democrat, did not respond to requests for comment.)

Long a destination for dreamers and doers, Venice is no stranger to volatile cycles of boom and bust. In 1977, the Los Angeles Times published a piece with a headline that reads like it was written last week: "Venice, Calif. — is Bohemia Still Affordable?"

But the influx of wealth over the past two years has been a bigger steamroller, longtimers insist.

"Gentrification right now is on steroids," said Todd Darling, a member of the Venice Land Use and Planning Committee who argues that the district is essentially becoming a bank for investors from all over the world.

"People like to say the investors are Asian, but they could be from New York or Berlin," he said. "In any case, it's people who are not interested in living here. They are interested in an asset that holds value. That happens to be in Venice Beach, California, and it may just happen to cause the eviction of people who have lived there a long time."

Ballet instructor Angelina Meany and her husband were booted three years ago from the bungalow duplex they had rented for 18 years. It was sold to a partnership from South Africa. The eviction completely disrupted their lives.

They moved 30 miles south to Long Beach and tried commuting back to Venice. But the new arrangement did not take with Meany's husband. He departed for his native New York last year while Meany, 48, remained in the Los Angeles area. "It was devastating for both of us to have to make that choice," she said.

Rene Kraus, 60, had lived in his cottage for 27 years when he received an eviction notice a few months ago from the new owners, an investment group going by the oblique name "664 Sunset LLC."

"It's a bunch of doctors," said Kraus, a silversmith who makes belt buckles, rings and other "biker stuff." He is fighting the eviction in court.

And if he loses? "I got friends, got some money saved — I'll survive," he said. "But a lot of other people, they just disappear, dude."

Often, those people are artists. Sandy Bleifer, who helps organize a biannual tour of art studios called Venice ArtBlock, said her roster of artists had dwindled from 70 to 40 in a year. "We are an endangered species here," Bleifer said. "Tech companies [are] very nice for the economy, but artists are part of the Venice brand. If we lose our artists, what are we?"

Sometimes, the wealthy do stop to notice the people getting pushed out of their way. After its ouster by Snapchat, the Teen Project found itself homeless for four months, Burns said.

But then two often-demonized real estate moguls came to its assistance: Carl Lambert made arrangements not only to relocate the Teen Project to another beachside property but also to get its rent waived. And Tami Pardee gave the group \$17,000 after police shot and killed a 29-year-old homeless man on the Venice boardwalk in May, enabling the organization to find housing for 16 homeless youths.

Burns speaks highly of Lambert and Pardee. But she has no kind words for Snapchat, which she said has donated to her center precisely one computer and one vacuum cleaner (but no broom).

Snapchat executives declined a request for an interview. Via e-mail, they offered a bullet-point list of civic donations. "We love being in Venice and we strive to be great neighbors within the community where we live and work," the e-mail said.

Google has taken greater pains to fit in since its 2011 arrival. The company houses 600 employees in an iconic Venice building fronted by a massive sculpture in the shape of a pair of binoculars. Designed by architect Frank Gehry, the place is known, aptly enough, as the Binoculars Building.

Google hosts the annual Art Walk & Auctions, which showcase the work of local artists and benefit a free medical clinic, and has commissioned work from local artists for its offices. It has also donated 25 computers to the Teen Project.

Many longtime Venetians make no distinction between the two tech titans. "The locals hate Snapchat and Google," said Don Calhoun, 45, a guitar instructor in a Spinal Tap shirt who was hanging out at a boardwalk oxygen bar. Calhoun tries not to use Google, he said, adding: "I've been on Bing! I've been Binging away!"



Andrina Castro, 26, center, dances during a weekly drum circle on Venice Beach. (Bonnie Jo Mount/The Washington Post)

Still, Thomas Williams, site lead for Google's Los Angeles office, said he feels embraced by Venice. He recounted an interaction with a street performer on the boardwalk, a drummer named Ibrahim. "He just reached out and held both my hands, looked into my eyes and said, 'I want you to feel welcome,' "Williams said via e-mail. "We spoke for a little while and he invited me to a performance, but his goal was really just about wanting me to feel welcome in being here.

"Really cool. Really Venice."

Kuznia is a freelance writer.r