

BLUE FOLDER ITEM

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

CITY COUNCIL MEETING MAY 13, 2025

J.1 PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

- **PUBLIC COMMUNICATION**

From: [Mark Nelson \(Home Gmail\)](#)
To: cityclerk@manhattanbeach.gov; cityclerk@hermosabeach.gov; [CityClerk](#); executiveoffice@bos.lacounty.gov; [Kevin Cody](#)
Subject: Public Comment - BCHD and its Surrogates Continue to Lie to District Taxpayers about the cost of ALLCOVE
Date: Monday, May 12, 2025 12:42:59 AM
Attachments: [image.png](#)

CAUTION: *Email is from an external source; **Stop, Look, and Think** before opening attachments or links.*

When BCHD applied for the \$6.3M grant for an ALLCOVE building, BCHD chose to expand the ALLCOVE service area beyond the District by 10-fold. Instead of the 120,000 residents of the beach ities, BCHD included 1.4M people in LA County SPA8 and accepted an unfunded, 30-year, District Taxpayer obligation to operate ALLCOVE for the 1.4M SPA8. We estimate that cost at \$170M across 30 years. (Note: We were forced to estimate the 30-year cost because BCHD did not compute the cost of the \$6.3M grant's operating requirements. I assume that we'd all agree to fire a City Manager that hid that sort of liability, right?)

<https://www.stopbchd.com/post/bchds-allcove-a-6-3m-grant-with-a-172m-cost>

EXCERPTS FROM BCHD's ALLCOVE CONSTRUCTION GRANT

PROGRAM FUNDING AGREEMENT

SUMMARY COVER SHEET

Program Funding

Agreement ID

7469-CA BHCIP-B4_209_Allcove-01

Contract Type:

Deliverable Based Program Funding Agreement

Period of Performance:

Effective Date through June 30, 2027

Consideration/Budget:

BHCIP Children and Youth (Round 4) Infrastructure Program Funding
Not to Exceed \$6,336,702.00

This Program Funding Agreement (the "Agreement") is entered into as of May 13, 2023 (the "Effective Date") by and between **ADVOCATES FOR HUMAN POTENTIAL, INC.**, a Massachusetts corporation, with offices located at **490-B Boston Post Road, Sudbury, MA 01776 ("AHP")**, and **Beach Cities Health District, formerly known as South Bay Hospital District, a governmental agency with offices at 514 N. Prospect Avenue, Redondo Beach, CA 90277-3040 ("Beach Cities Health District, formerly known as South Bay Hospital District, a governmental agency" or the "Sponsor")**. AHP and the Sponsor may be referred to separately as a "Party" or collectively as "Parties."

-Priority populations to be served are youth between the ages of 12-25 from Service-Planning Area 8, including 16 cities and communities of the city of Los Angeles. This population will receive mental and physical health resources, education and employment counseling, peer and family support, and substance use prevention programs. Service-Planning Area 8, in the 16 cities and communities of the City of Los Angeles, includes more than 1,000,000 people. Allcove Beach Cities will be able to provide services to those 12-25 years old, including 49% Latino population, followed by 26% white, 15% Asian, 8% African American and 2% other.

BHCIP, DHCS awards competitive grants to qualified entities to construct, acquire, and rehabilitate real estate assets to build new capacity or expand existing capacity for facilities that will operate for a minimum of thirty (30) years to provide short-term crisis stabilization, acute and subacute care, crisis residential, community-based mental health residential, substance use disorder residential, community-based and outpatient behavioral health services and other

<https://www.stopbchd.com/post/details-of-the-170m-bchd-district-taxpayer-liability-for-allcove-all-caused-by-bchd-accepted-a>

From: [Mark Nelson \(Home Gmail\)](#)
To: [CityClerk; cityclerk@manhattanbeach.gov](#); [City Council; cityclerk@hermosabeach.gov](#); [Kevin Cody; executiveoffice@bos.lacounty.gov](#)
Subject: Public Comment: Former Councilmember Pinzler Calls Out BCHDs Neighborhood-Destroying Commercial Real Estate Development Scheme
Date: Monday, May 12, 2025 1:21:44 AM

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On Local Government: Too much of a good thing

May 7, 2025

by Bob Pinzler

Over the last few months, the Beach Cities Health District (BCHD) has focused on obtaining approval of a floor area ratio (FAR) of 1.25 on its property on Prospect in Redondo Beach. This would enable it to build to a density level more than half again as much as already exists there.

Those opposed to building their assisted senior living project focused on the scale being too large for the property and the surrounding neighborhoods. Little did we know that the reason for seeking this density was not for the existing project but a new one, which was unknown to the public until this past week.

For months, many of us had speculated that the project BCHD had been flogging for years was being abandoned. Several options occurred to us. One that made sense was housing. That was the proposed project offered to the District Board last week.

However, a very substantial wrinkle was added to the housing concept: affordability. This is a smart political move for the District because who could oppose affordable housing for seniors?

Yet, there is a problem. By offering 100% affordable housing, as their consultant recommends, the District could take advantage of California law and obtain a density bonus of up to 80%. That would mean that if the Redondo Beach City Council approves a 1.25 FAR, it would allow a 2.25 FAR. That means that the District could build up to two and a quarter times the square footage of its entire property.

This would be by far the densest senior housing development in the City. And if that were not bad enough, it would provide a precedent for other public landowners, such as the School District, to monetize any of their potential surplus property.

As with all proposals offered by an entity that has been less than forthright with the public it serves, the details are critical to examine. For example, their consultant included what will likely be positioned as “open space” on the property. Yet, all the existing senior housing projects in Redondo Beach enforce limited access.

This makes sense as seniors are seeking affordability and safety. Thus, any “open space” will

likely be walled off from general public use. If it is not, then the residents will be unlikely to use it. To prove that case, look at Andrews Park, adjacent to Heritage Point in North Redondo. It has been underutilized for years, especially by the nearby senior residents, likely because of limited security.

The concept of affordable senior housing is a good one. But it must be built to a scale that considers the residential nature of the neighborhood.

BCHD, don't get greedy. ER

From: [Mark Nelson \(Home Gmail\)](#)
To: [Judy Rae](#)
Cc: [CityClerk](#)
Subject: The ALLCOVE Liability - Read the Contract
Date: Friday, May 9, 2025 2:25:25 AM

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Last week's letter by Dennis McLean seems to ignore inconvenient facts about the \$6M ALLCOVE grant that BCHD accepted and seeks to use. In plain English, BCHD's acceptance of the grant requires BCHD's taxpayers to operate ALLCOVE for 30 years minimum and the provides no funding for those 30 years. That's on the District, which means, the District taxpayers. Further, BCHD expanded the service area of ALLCOVE in the contract from the 120,000 population of the three cities that own BCHD to a population of 1.4 million from Long Beach to Avalon to El Segundo back to Long Beach. That means that only 9% of the service area of ALLCOVE is the District residents. So in true $1 + 1 = 2$ fashion, BCHD has accepted a \$6M grant that requires a 30-year expenditure by District taxpayers that is estimated at \$170M. So yes, there is a huge contingent liability to District taxpayers - the \$6M grant costs taxpayers \$170M across 30-years. All anyone, even including a CPA, has to do is read the funding agreement that BCHD executed.

Mark Nelson

Public Comment: City Council