



Developer-Lessee Recommended for Beach Cities Health District's Campus Revitalization Project

***Proposed Residential Care for the Elderly facility to be part of modern campus that serves as
hub for preventive health***

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REDONDO BEACH (July 26, 2021) – As part of a rigorous selection process, a Beach Cities Health District (BCHD) subcommittee has recommended PMB LLC, a San Diego-based real estate developer & Watermark, a Tucson-based senior living operator, to build and operate a Residential Care for the Elderly (RCFE) facility at the BCHD Campus. The recommendation has been submitted to the district's Board of Directors for consideration at their meeting Wednesday night.

BCHD is in the midst of revitalizing its 60-year-old, 11-acre Redondo Beach campus, which will include the proposed 217-unit RCFE facility to provide assisted living and memory care.

"The RCFE will serve as a centerpiece for our campus, a modern, environmentally sustainable complex that will serve older adults, local youth and everybody in between," says BCHD CEO Tom Bakaly.

"Housing is a health need, and with Baby Boomers turning 66 years old by 2030, we're creating space for Beach Cities older adults to age gracefully while receiving assistance including healthcare, housing, and activities of daily life (ADLs). So, after a thorough review process with input from citizens, we've identified highly qualified senior living partners."

BCHD management and Cain Brothers, a healthcare investment banking firm, prepared a Request for Qualifications, a Request for Proposal and established a framework and schedule to solicit, evaluate and recommend qualified firms to develop and operate the proposed RCFE.

One of the key components of the process has been community participation. An RCFE Advisory Working Group (AWG) was formed as a subcommittee of BCHD's Property Committee. The AWG, comprised of three BCHD community members and four members of BCHD Management, provided public participation in the selection process by assisting with the evaluation of RFQ & RFP proposals and transaction structure and terms. The AWG was unanimous in their selection of PMB LLC & Watermark.

This recommendation next goes before the BCHD Board of Directors at Wednesday's meeting (July 27), when the process, scoring methods and results will be presented. The board will review the staff recommendation, then will consider finalizing the selection and terms of the deal at a special meeting to be scheduled for August.

The other finalists are: RhodesMoore Development, based in Cardiff; and Senior Resource Group, based in Solana Beach.

The energy-efficient, seismically compliant redeveloped campus will include a youth wellness center, out-patient programs that help people age in their homes, community activities ranging from Yoga to

cooking classes that promote preventive health, and two acres of green space and bike/walking paths replacing acres of asphalt.

The finance model for the campus revitalization is a public-private partnership, which utilizes private investments in public projects to bolster taxpayers' return on investment. This philosophy enabled BCHD to provide a \$3.01-to-\$1 return on investment for tax revenues received in fiscal year 2020-21.

The agenda and board packet for Wednesday's meeting is available at <https://www.bchd.org/board-directors-meetings>.

About Beach Cities Health District

Beach Cities Health District (BCHD) is a healthcare district focused on preventive health and serves the communities of Hermosa Beach, Manhattan Beach and Redondo Beach. Established in 1955 as a public agency, it offers an extensive range of dynamic health and wellness programs, with innovative services and facilities to promote health and prevent diseases across the lifespan. BCHD also operates AdventurePlex, a health and fitness facility where kids play their way to good health, and the Center for Health & Fitness, a comprehensive fitness center that is the only Medical Fitness Association-certified facility in California. BCHD was named the 2021 "Special District of the Year" by the Association of California Healthcare Districts. Visit www.bchd.org or call (310) 374-3426 for more information.

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