



## **Sunrise Senior Living Signs Letter of Intent with BCHD for Redevelopment of Redondo Beach Campus**

*Senior Residential Facilities become focus of campus redevelopment,  
with new amenities, supporting community health programs in the Beach Cities*

REDONDO BEACH, Calif. (March 20, 2026) -- Beach Cities Health District (BCHD) and Sunrise Senior Living (Sunrise) have signed a Letter of Intent to pursue a ground lease for the redevelopment of the former South Bay Hospital site at 514 North Prospect Avenue in Redondo Beach.

BCHD started to look at redeveloping the former South Bay Hospital site to address seismic safety concerns and to create a long-term, stable source of revenue to support its free and low-cost health programs and services for the community.

The proposed project includes new residential care facilities for the elderly (RCFE), offering up to 217 units of memory care, assisted living and independent living, along with a range of community-focused amenities, including publicly-accessible green space, a walking loop, wellness programming, a multi-purpose community room and more. Final project details will be determined as BCHD and Sunrise work toward finalizing the ground lease.

The process for BCHD's Letter of Intent with Sunrise began last November, when the BCHD Board granted CEO Tom Bakaly the authority to negotiate with three developers, with the goal of having a signed letter within six months.

Last year, BCHD established an Advisory Working Group, comprised of residents, staff and a BCHD Board Member, to review submissions, and they narrowed the original field of 12 submissions to the three finalists. A subsequent round of review and financial analysis by the working group was completed earlier this month, and deemed the Sunrise proposal to now be the best fit with BCHD's mission and the project's guiding pillars of health, livability and community, while also being seen as the most likely plan to succeed.

"The Advisory Working Group has spent many, many hours going through proposals and making sure they align with our criteria," said Bakaly. "They have worked hard to ensure the plan addresses the seismic issues with the current building, while being prepared to meet our community's health needs well into the future."

BCHD's plans for a ground lease model will keep the land publicly owned while partnering with Sunrise to bring a RCFE and other health-related services to its campus. This proven approach has successfully generated revenue for BCHD programs and services for 55 years, creating sustainable funding to support health and wellness programs and ensuring the campus continues to serve the community for years to come.

"Sunrise Senior Living is proud to have partnered with Beach Cities Health District for more than 25 years, and we're excited to continue building on that strong foundation," said Philip Kroskin, Head of Real Estate for Sunrise. "Together, we share a commitment to supporting healthier, more connected communities, and we look forward to expanding that impact through a thoughtfully designed environment that supports senior wellness and engagement."

Bakaly executed the non-binding Letter of Intent (LOI) with Sunrise on March 18. That LOI has an expiration date of May 29 of this year. The health district is preparing an addendum to the project's Environmental Impact Report (EIR) that summarizes the revised project in the context of the plan that was evaluated in the EIR, which was completed and approved in 2021. Since this revised project is smaller and shorter in duration than what was evaluated in the EIR, new or more severe environmental impacts are not expected.

The Letter of Intent with Sunrise will be an informational item at the next BCHD Board of Directors meeting on Wednesday, March 25 at 6:30 p.m.

At its May meeting, the BCHD Board is expected to formally review the LOI and consider approving a land lease agreement with Sunrise. If the lease agreement is approved, BCHD will provide Silverado – which currently operates a memory care facility on BCHD's campus – with one year's notice to vacate the building. As a condition of that notice and consistent with Silverado's current lease, there will be no lease payments paid by Silverado to BCHD for one year. This transition period is included in the lease to ensure families would have sufficient time to relocate should the lease end.

"We are proud of our partnership with Silverado over the 20 years and will continue to collaborate closely during this transition," said Bakaly. "Residents and their families will have a year to explore their options, and our Community Services team will be available to support Silverado residents through the process and serve as a resource for families."

**BCHD Campus Redevelopment Features:**

- The proposal reflects responsiveness to community feedback related to building height, density, open space and accessibility, while presenting a cohesive campus vision that connects new development with existing BCHD facilities and programs to enhance overall community benefit and accessibility.

- Sunrise has extensive experience as both a developer and operator of senior communities and is a partner with BCHD on Sunrise Hermosa Beach. Sunrise is also working on a new facility in Manhattan Beach and has an established community presence and local experience.

### **About Beach Cities Health District**

Beach Cities Health District (BCHD) is a healthcare special 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 allcove Beach Cities, a youth mental health center for ages 12-25, 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 one of just two Medical Fitness Association-certified facilities in California. Visit [www.bchd.org](http://www.bchd.org) or call (310) 374-3426 for more information.

### **About Sunrise Senior Living**

Founded in 1981, Sunrise Senior Living is credited with establishing the modern era of senior living. Each Sunrise community is dedicated to delivering a personalized approach to senior living where every aspect of the services and environment is built around the specific wants and needs of the individual seniors that call the community home. From purposefully created and thoughtful design, to engaging programming and lifestyle activities and best-in-class quality of care that evolves with the needs of each senior, Sunrise's industry-leading innovation is built upon its mission to champion quality of life for all seniors. Celebrating 40 years, Sunrise operates more than 240 communities in the United States and Canada serving more than 20,000 residents. With more than 20,000 highly trained team members, Sunrise offers a full range of personalized services, including independent living, assisted living, care for individuals with Alzheimer's and other forms of dementia, as well as nursing and rehabilitative services.

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