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Redondo Beach council gives major waterfront project green light

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A rendering of the northern half of CenterCal's proposed redevelopment. Photo property of CenterCal



A rendering of the southern half of CenterCal's proposed redevelopment. Photo property of CenterCal

The chambers of City Hall overflowed Tuesday night with Redondo Beach residents eager to air their opinions of the proposed revitalization of their city's waterfront area. Over 50 residents approached the podium to speak to the council, which voted 3-2 as the clock neared midnight to approve the preliminary designs rendered by El Segundo development firm CenterCal.

While the action was technically non-binding, in practice it does extend the city's agreement to work with CenterCal by two years, and effectively gives the design concept a green light.

Waterfront and economic development director Pete Carmichael said the potential change resulting from the project would mark a turning point in the waterfront's tumultuous history.

"This area has a long history and a place in the heart I think of many residents of Redondo and the greater South Bay area... this is going to be a significant revitalization," he said.

Tuesday's vote also kicks off an 18-month environmental review of the proposed project, which will consider its impact on the area and people who inhabit it. The review is likely to wrap up in August 2015; subsequently CenterCal will seek permits and entitlements and endeavor to sign a ground lease by 2016.

CenterCal aims to redevelop 460,000 square feet of oceanfront area; currently, commercial area comprises 150,000 square feet. It is a project that could cost upwards of \$300 million, and one that aims to restore the popularity and status that the Redondo Beach Pier and harbor enjoyed before it was devastated by disaster decades ago.

The pier and harbor once boasted annual visitor numbers comparable to those recorded at Disneyland and Universal Studios, according to Carmichael.

In 1988, a [fire](#) and storm ravaged the waterfront, which fell into decline. The council prioritized its revitalization in 2005. In 2010, voters passed [Measure G](#), a watershed initiative that rezoned the harbor area and allowed 400,000 square feet of additional development in the area.



A proposed park and fountain, which are likely to occupy the waterfront area. Photo property of CenterCal

Last year, the pier's biggest leasehold – the southernmost section – got a [million-dollar facelift](#), but today much of the harbor area still boasts dilapidated storefronts, rundown infrastructure, and relatively dismal visitor numbers. To proceed with a bigger and more transformational revitalization, the city last year [vetted and chose](#) CenterCal to be its development partner.

CenterCal proceeded to publicize and host eight public consultation meetings, at which residents were invited to discuss and draw their visions of a redeveloped waterfront. In March, CenterCal presented its [first set of drawings](#) to the council, and Tuesday, came to the table with an evolved set of renderings.

Thus far, CenterCal says it has invested nearly \$1 million in the scoping, consultation, and planning process. While the terms of the funding agreement have not been established, costs will be shared between the company and the city; Carmichael said the city is trying to balance its responsibility to achieve fair market rent with CenterCal's desire to make a 10 percent return on the finished product. CenterCal's primary investor is CalSTRS (California State Teachers' Retirement System), which has funded over \$2 billion worth of its projects during the last 10 years.



CenterCal is proposing a luxury hotel, good for "staycations," according to CEO Fred Bruning, in the southern section of the project. Photo property of CenterCal

CenterCal chief executive officer Fred Bruning said Tuesday night he has "never been more confident in a project," and explained its conceptual [features](#).

The south end accommodates largely retail and restaurant space, plus a park, and a luxury hotel. CenterCal envisions connecting this area to the northern half of the project with a road running from Torrance Blvd. to Harbor Dr. This is the single most controversial element of the project; many residents have complained about the pollution, noise, and traffic a two-lane road will generate in the pier area.

"The idea of a road has not been well received by some; they think there are going to be traffic issues and we understand that," Bruning said. He said the traffic studies conducted during the environmental review process will determine whether the road stays or goes, but did say it greatly enhances connectivity.

"I think that connectivity is important to make the two halves of the project feel like a whole," he said.

The northernmost piece will encompass retail space, a luxury theater, a park, broad walkways, a fountain, and a completely revamped Seaside Lagoon – open year-round at no cost, with a sandy shoreline for concerts, movies on the beach, and launching paddleboards and canoes. It will also feature a market hall where niche merchants “like cheese mongers and butchers” can sell fresh fare.

Bruning said CenterCal has already had over 50 inquiries from potential tenants, including the chief executive of the country’s largest movie theater operator.

“I’ve rarely worked on a project that had more tenant or user interest than this project,” he said.

Councilmember Bill Brand expressed concern about longtime tenants that might not be able to afford new rent rates.

“Our goal is to make a way for them to make an affordable transition and to do better business,” Bruning replied. “Captain Kidds, Kincaids, Quality Seafood are doing sales and volumes that can afford higher rents, but others are struggling even today, trying to make ends meet.

“My general feeling is the more traffic you get, the more customers, the more sales, the more rent you can afford.”



The proposed re-design of the waterfront area bordering Torrance Blvd. Photo property of CenterCal

As an aside, he said CenterCal has met with almost every tenant to discuss business models and the way forward.

Tuesday night, [Tony Trutanich](#) expressed concern that Old Tony’s does not appear on the design plan.

“[Old Tony’s is] 63 years old and what do we get for that? We get a month-to-month lease, as if to say were gonna let CenterCal decide what to do with Old Tony’s...I think we deserve a little bit more respect.”

Members of the public, many of whom spoke passionately and theatrically, were pretty evenly split on the design.

Chamber of Commerce representative Mike Morales voiced support for the project, and Cancer Support Community executive director Judith Opdahl, who has occupied a waterfront office under six different landlords, said she is confident CenterCal will be attentive to tenant needs.

Seascape residents protested the construction of buildings that will block their views, and chastised CenterCal for “beguiling” them with false promises.

Former councilmember Don Szerlip applauded CenterCal, opining that “a better choice [of developer] could not have been made.”

Some residents foresaw the project attracting “motorcycle gangs, drug dealers, unruly people, and drunk drivers,” as one man put it. A 13-year-old resident said the project is “taking away everything Redondo Beach stands for.”



A market hall for retailers of fresh foods and boutiques is being proposed for the Redondo Beach waterfront. Photo property of CenterCal

Some offered threatening scenarios – Barbara Epstein told the council to either choose a new developer or “ruin all that we enjoy about the pier and harbor” – and others, like Steve Goldstein, hailed it as a project that will “help turn us into a world-class destination once again, as we once were.”

Trinity Singer reprimanded her fellow residents for making “completely rude and inappropriate statements” to CenterCal, and affirmed the project as something that will enable Redondo Beach to “regain pride in an area that used to be a bright and shining star that’s become kinda a crumbling mess.”

Councilmember Matt Kilroy went to bat for CenterCal, noting that ultimately, some people in a community of nearly 70,000 were bound to be unhappy with any proposal.

“Quite frankly, there were ideas that were diametrically opposed to each other and then there were ideas that were variations of the same thing, and sooner or later CenterCal had to try to mold those into some kind of coherent plan,” he said.

Brand suggested the council hold off for three months, giving CenterCal time to conduct a feasibility study and financial analysis – in order to amass figures he felt were sorely lacking in Tuesday’s presentation – and sparked several rounds of audience applause.

But fellow councilmember Pat Aust cautioned people to calm down, as Tuesday’s decision was a first step in a protracted process.

“We’re moving at a snail’s pace now,” he said. “We’re moving at the speed of government, and let’s put that in its proper perspective. This is just a concept; it’s like a baby picture. It’s not what it’s going to look like when it’s done. [CenterCal] is putting a vision on paper. That doesn’t mean it’s the finished product.”



A view of the proposed boardwalk, which will replace the current configuration of the International Boardwalk.

Photo property of CenterCal