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To: [City Clerk](#); [City Council](#)
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Subject: City Council Meeting Written Communications -pls acknowledge
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December 5, 2023

Dear City Council
Dear City Manager

Re: Nov 29 Civic Center Session

I would like to recap the 29 Nov Civic Center Study Session. Sadly, my first impression was it as much of a sales job and it was a study session.

Consider the 2016 Civic Center Study said:

“The existing City Hall was built in the 1960's and then renovated in 2000.

Of the existing facilities studied, City Hall could serve the City for another 50 years if renovated and expanded to meeting current staffing and service levels”.

Why does the Council think our current City Manager who allowed the rapid decay of our City Hall and has had 5 years and 3 different Public Works Directors to turn things around and deliver projects on-time on-budget and fix deferred maintenance problems is the right person to lead a massive infrastructure now?

I welcome evidence to the contrary but when you look at projects from the Clark Building to the Parks Restrooms, from the delayed & over budget City Yard project to the purchase of four Police Cruiser EVs that recently came in 90% over budget, from our delayed Housing Plan to our delayed coastal commission plan our City Manager has not demonstrated she is up to the job.

I don't see how the Council could possibly think she is the right person to bring a massive Civic Center project in on-time and on-budget.

Let's take a hard look at the facts.

Mr. Fullerton said the 2016 study concluded that there had been \$4,000,000 in deferred maintenance and that amounted to \$7,000,000 in today's dollars but because we missed the 2016-2023 maintenance window, renovation and expansion of City Hall is no longer an economically viable.

Another way of looking at this is that years of prioritizing other projects and **intentionally** deferring building maintenance costs has essentially forced the taxpayers hands and now City Hall replacement is the only option.

We are also told there is between \$5 million - \$13 million dollars of Civic Center (old building) deferred maintenance costs that won't be included in Mr. Fullerton's \$80-

\$120 million estimated Civic Center project budget because maintenance costs on old buildings are too difficult to estimate. Huh?

Add to this the fact that \$30 million for the proposed new Ardmore underground parking facility was not included in Mr Fullerton's \$80-\$120 million estimate and you can see we are well on our way to a \$165 million Civic Center project.

Then we have a fairly large parks masterplan and improvements hanging over our budgetary heads.

Mr. Fullerton says the goal is a [massive] so called cost neutral P3 City facilities project.

That's certainly the city managers goal.

Mr. Fullerton also suggests a Public Private Partnership (P3) plan using community center site to build a new library, a new police station and a new 2 story city hall and new underground parking facility is the best way forward.

He also notes this is likely the most expensive option,

He suggests the way forward is to use the existing library, city hall and base 3 (dog pound) properties to fund the massive project costs by either selling off this real estate or committing it to long term public/private leases for a large new hotel; as if selling or committing city property to long term leases wasn't a real and significant cost.

Mr Fullerton implied there was a community consensus around a new "signature" City Hall AND a new large hotel but he presented no evidence.

Are we to believe a signature city hall will revitalized the downtown business community?

I think nearly everyone agrees that selling off scarce Hermosa Beach property should only be done if there is an overwhelming reason to do so.

Moreover, large scale long term private sector leases come with significant opportunity costs.

These opportunity costs must be carefully evaluated. P3 is not free or cost neutral.

At this point, before our extremely small city invests 100s of millions of dollars and set a direction for the next 70 years we need to first ask do Hermosa, Manhattan and Redondo Beach all need signature city halls, libraries and police departments.

Is our long future joining forces in a Public (P1) Partnership with Manhattan and Redondo

Beach to reduce our small city's large overhead costs? It's a fair question, no?

Mr Fullerton cited 5 cities where he claimed Public Private partnerships had been used successfully to implement cost neutral Civic Center projects: San Diego, Long Beach, Newport Beach, Torrance and Garden Grove.

Although P3 certainly warrants a look the evidence that these projects were successful or scale well to Hermosa Beach with its scarce land resources was sketchy at best. Much more evidence is needed.

And one of Mr. Fullerton's examples, Newport Beach has been bedeviled with city hall cost overruns and project delays.

Moreover, the need for a large hotel is not clear. The city has a new 30 bed hotel on Hermosa Ave another ~15 bed hotel planned for South Hermosa and has allowed short term rentals in the downtown area.

Large scale long term private sector leases of scarce Hermosa Beach real estate also come with huge opportunity costs.

Councilman Massey said in an attempt to excuse the questionable City Managers deferred City Hall maintenance choices:

We have aging facilities in the city like many local governments, Torrance, Burbank, Garden Grove as was mentioned. But just about every city has a ton of deferred maintenance, a ton of aging infrastructure.

How do statements like this promote accountability?

One thing is clear no matter what path we choose going forward, the Civic Center community engagement process must be **resident-centric** and not stacked with staff or non-resident business owners.

Clearly Fullerton Consulting Group should NOT be chosen to lead the community engagement process nor should Councilman Massey or Jackson be chosen to sit on the Community Engagement Committee

They have already put the cart before the horse and shown their hand in favor of Option A.

Anthony Higgins.