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**Kosmont Companies**  
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**Kosmont Realty Corporation**  
Project Financing & Brokerage

**California Golden Fund**  
Approved EB-5 Regional Center

**RPM Mortgage “Think & Drink” – Happy Hour, June 24, 2013**



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## Good things happening in the South Bay:

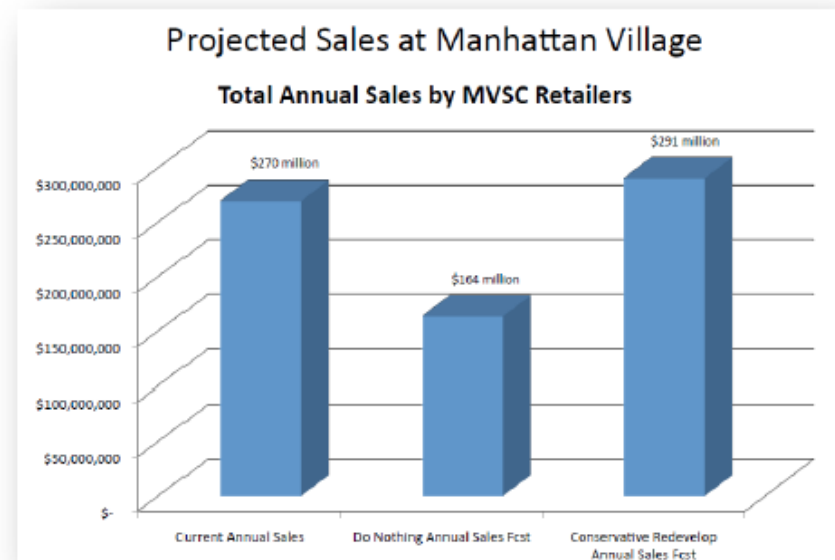
- **Manhattan Village Mall Renovation**
  - \$115M to be invested in 3 Phases – PC hearing this week
- **Marine Avenue Hotels Development**
  - Two marquis brand hotels – \$60M under construction
- **Redondo Beach Waterfront Revitalization**
  - ~\$300M ocean front retail & hotel, public amenities
- **Redondo Beach Shade Hotel (former Red Onion Site)**
  - 45 room luxury boutique hotel/restaurant/event center

# Major South Bay Projects



# Manhattan Village Mall Renovation Highlights

- Reallocate current space to make it more efficient
- Update center and add 60,000sf to offer the most current retail/restaurant trends
- Increase sales tax revenue
- Stay competitive, minimize leakage to competitive centers
- Create convenient, covered parking near entrances
- Improved entrance/exits to the center
- Streamlined traffic patterns for easy-in, easy-out



# Current Shopping Center







# Refreshing Existing Center

## Anticipated enhancements to the center include:

- Additions of enhanced stores and dining
- Enhanced mall entrances
- Improved seating areas
- Updated water features
- Roadway improvements at Marine and Cedar



# The Village Shops



1. Reflect the beach town setting in a retail resort environment.
2. Feature a fresh collection of contemporary, unique-to-market and family-oriented shops and restaurants in an open-air, lifestyle experience.
3. Modern & Convenient Features & Amenities



# The Village Shops



## Features include:

- Central Plaza
- Family-friendly environment
- Pet-friendly areas
- Quaint, cozy ambiance
- Lush gardens & landscapes
- Water Features



## Amenities include:

- Pedestrian friendly walkways
- Bike friendly amenities & paths
- Convenient parking
- Covered Parking
- Valet Parking
- Family Restrooms

# The Village Shops North Shops



# Village Shops Convenient Parking



# Macy's Consolidation (Phase 2)



# Macy's Consolidation Highlights

- Macy's Women's location will expand approximately 50,000-sf
- Macy's will enhance its merchandise mix and add more product offerings and brand choices
- New entrances will be created to connect to the new parking decks
- The new parking decks will provide more convenient, covered parking for shoppers



# Gateway at the Northwest Corner (Phase 3)





# Gateway at the Northwest Corner Highlights

## Gateway Entrance Plan will be designed to:

- Create better visibility and curb appeal for branding Manhattan Beach and Manhattan Village
- Provide easier access and create a connection from Rosecrans Avenue to the entire property
- Add additional retail and restaurants at the gateway corner



# **Marine Avenue Hotels**

## **I-405 & Marine Avenue**

# Redondo Beach Marine Avenue Hotel Project

- City owns strip of property "aka" as former mini golf site
- Developer with control of mini golf property proposed development of two hotels
- Given finance market, developer could not secure financing to develop the hotels
- City interested in project due to potential tax revenue



# Marine Avenue Hotels



- Kosmont helped City to structure a debt service backstop funded w/ TOT & Prop. Tax generated by the project
- ~\$40 million financing secured for ~\$60 million project
- 172 room Residence Inn, 147 room Hilton Garden Inn
- City funds only used if a shortfall from hotel operations, must be repaid under most circumstances
- Vacant Gateway Site improved with >100 new jobs
- Hotels will generate ~\$2 million / year in TOT for City
- Hotels currently under construction, open by Q3 2014

# **Redondo Beach Waterfront Revitalization**

## **Redondo Beach Pier & Harbor**

# Existing Waterfront Area



# Redondo Beach Waterfront Revitalization

- Existing improvements antiquated and disconnected
- Redondo Beach's aging waterfront increasingly struggles to compete with neighboring South Bay cities to the north
- City explored ways to revitalize the pier, boardwalk and surrounding properties
- Kosmont delivered Asset Plan in 2008



# Redondo Beach Waterfront Revitalization



- Kosmont worked to help the City reacquire Pier Plaza and International Boardwalk leaseholds, enter into option on Redondo Beach Marina – 15+ Acres of waterfront property
- City completed selection process to identify potential development partner for redevelopment of aggregated properties
- CenterCal selected, now working with City to establish program



# Current Concept Plan



# Redondo Beach Waterfront Revitalization

- \$250 million public/private project
- More than 300,000 square feet of new retail and restaurant space
- More than 40,000 square feet of new office space
- New 120 room boutique waterfront hotel
- Reconstruction of existing parking structure and new parking structure - ~2,500 parking stalls
- Reconfiguration of Seaside Lagoon
- Pedestrian bridge and circulation improvements

# Current Concept



# Current Concept



VIEW 1



VIEW 2



# **Redondo Beach Shade Hotel**

## **Redondo Beach Harbor**

# Redondo Beach Shade Hotel

- ~39,000 square foot, 45 Room Boutique Hotel
- New restaurant & lounge, water features, meeting room
- Harbor front location adjacent to Cheesecake Factory
- In plan check, expected to open in 2014
- Approximately ~\$21 million cost



# Shade Renderings



1. Renaissance in key retail, hotel and waterfront projects
2. Major Private Investments (approximate)
  - Manhattan Beach Mall - \$115 Million
  - Marine Avenue Hotels - \$ 60 Million
  - Redondo Beach Waterfront Revitalization - \$200 Million
  - Redondo Beach Shade Hotel - \$21 Million
3. South Bay centerpiece projects developed largely through Public Private Partnerships:

Redondo Beach Waterfront Revitalization game changer in coastal facilities

  - South Bay center for tourism and locals
  - Requires public investment of \$60 - \$100 Million
  - Decision is July 30– then EIR begins – 2018/19 delivery