



## Fwd: StopBCHD.com Public Comment - All Listed Agencies - BCHD Acknowledges that it Keeps 74% of allcove Services Close to Home

Office of the City Clerk <cityclerk@lacity.org>

Mon, Aug 5, 2024 at 7:34 AM

To: City Clerk Council and Public Services <clerk.cps@lacity.org>

----- Forwarded message -----

From: **Stop BCHD** <stop.bchd@gmail.com>

Date: Sat, Aug 3, 2024 at 8:00 AM

Subject: StopBCHD.com Public Comment - All Listed Agencies - BCHD Acknowledges that it Keeps 74% of allcove Services Close to Home

To: <Mark.Ghaly@chhs.ca.gov>, info <info@lalafco.org>, Los Angeles County District Attorney's Office <info@da.lacounty.gov>, <info@allcove.org>, <media@ph.lacounty.gov>, <jared.goldman@chhs.ca.gov>, MHSOAC <MHSOAC@mhsoc.ca.gov>, Cc: Kevin Cody <kevin@easyreadernews.com>, <lisa.jacobs@scng.com>, Garth Meyer <gmeyer@easyreadernews.com>, <tevains@scng.com>, Eleanor Manzano <cityclerk@redondo.org>, <cityclerk@hermosabeach.gov>, <cityclerk@manhattanbeach.gov>, <msemenza@cityofgardena.org>, <marsha@cocosouthla.org>, <kbradshaw@carsonca.gov>, <CityClerk@lacity.org>, <cityclerk@lawndalecity.org>, <athompson@cityofinglewood.org>, <contactcityclerk@comptoncity.org>, <cityclerk@longbeach.gov>, <executiveoffice@bos.lacounty.gov>, <info@redondochamber.org>, <info@achd.org>, <mayor@lacity.gov>, <Toby.Ewing@mhsoc.ca.gov>, Jane Diehl <jane.diehl@bchd.org>, Noel Chun <noel.chun@bchd.org>, Michelle Bholat <michelle.bholat@bchd.org>, <martha.koo@bchd.org>, <HollyJMitchell@bos.lacounty.gov>, <Al.Muratsuchi@asm.ca.gov>

The CEO of BCHD has stated that BCHD's only obligation for allcove Beach Cities services to the greater LA County Service Planning Area 8 (SPA8) is to "**make services available**".

He went even further to declare that 74% of allcove services went to Manhattan Beach, Redondo Beach, Hermosa Beach and Torrance. Those 4 cities have an average annual household income of \$145,000 and are 41% non-White per Census data. The SPA8 communities that are designated as Disadvantaged and Healthcare Shortage Areas have an average annual household income of \$74,000 and are 81% non-White.

**DOES NO ONE SEE THE INEQUITY OF ALLOWING AN AFFLUENT HEALTH DISTRICT TO CLAIM A LARGE, DISADVANTAGED AREA IN ORDER TO GET FUNDING - AND THEN FOR THAT DISTRICT TO KEEP 74% OF THE SERVICES WITHIN 2 MILES FROM THEIR OFFICE?**

**ISN'T THE MHSOAC SUPPOSED TO ASSURE EQUITY? MAYBE NOT.**

The plain English interpretation of all this is that BCHD will build its allcove in a largely White, largely affluent area and invite the Disadvantaged Communities and Mental Healthcare Professional Shortage Areas, non-White, and low income youth to **come on down to the beach for services!**

Anyone who has taken the time to read the Mental Health Services Act, its legislative intent, or the evaluation documents for the funding that BCHD received would know that Mental HPSAs and Disadvantaged Communities are the main MHSA focus.

We are truly shocked that CEO Bakaly believes that it's acceptable to direct 74% of the allcove services (and funding?) to the area within 2 miles of his office.

How can anyone believe that the MHSOAC is doing its job allowing funds to be hoarded like BCHD is doing?

**We call on the Cities that are being shortchanged and the agencies with influence to bring EQUITY to allcove.**

From the EasyReaderNews of the South Bay:

Opponents to the BCHD bond have argued in letters to the editor and on social media, that the bond taxes Beach City residents for services, such as allcove's, that benefit non Beach Cities residents. ***Opponents also argue allcove's focus on Beach Cities youth diverts county mental health funds away from more needy South Bay communities***

In an interview last week, Bakaly responded to that criticism by noting 55% of the 8,000 youth visits to allcove have been from the Beach Cities youth since it opened 1.5 years ago. If Torrance is included the percentage of local youths is 74 percent. ***He (Bakaly) said allcove's services are also made available to greater South Bay youths because that is a requirement of its State funding.***

--

StopBCHD.com ([StopBCHD@gmail.com](mailto:StopBCHD@gmail.com)) is a Neighborhood Quality-of-Life Community concerned about the quality-of-life, health, and economic damages that BCHDs 110-foot above the street, 800,000 sqft commercial development will inflict for the next 50-100 years. Our neighborhoods have been burdened since 1960 by the failed South Bay Hospital project and have not received the benefit of the voter-approved acute care public hospital since 1984. Yet we still suffer 100% of the damages and we will suffer 100% of the damages of BCHDs proposal.



---

## Fwd: PUBLIC COMMENT - Oppose BCHD's \$30M Bond Proposition

---

Office of the City Clerk <cityclerk@lacity.org>

Mon, Aug 5, 2024 at 7:35 AM

To: City Clerk Council and Public Services <clerk.cps@lacity.org>

----- Forwarded message -----

From: **Stop BCHD** <stop.bchd@gmail.com>

Date: Sat, Aug 3, 2024 at 3:16 PM

Subject: PUBLIC COMMENT - Oppose BCHD's \$30M Bond Proposition

To: <Mark.Ghaly@chhs.ca.gov>, info <info@lalafco.org>, Los Angeles County District Attorney's Office <info@da.lacounty.gov>, <info@allcove.org>, <media@ph.lacounty.gov>, <jared.goldman@chhs.ca.gov>, MHSOAC <MHSOAC@mhsoac.ca.gov>, Cc: Kevin Cody <kevin@easyreadernews.com>, <lisa.jacobs@scng.com>, Garth Meyer <gmeyer@easyreadernews.com>, <tevains@scng.com>, Eleanor Manzano <cityclerk@redondo.org>, <cityclerk@hermosabeach.gov>, <cityclerk@manhattanbeach.gov>, <msemenza@cityofgardena.org>, <marsha@cocosouthla.org>, <kbradshaw@carsonca.gov>, <CityClerk@lacity.org>, <cityclerk@lawndalecity.org>, <athompson@cityofinglewood.org>, <contactcityclerk@comptoncity.org>, <cityclerk@longbeach.gov>, <executiveoffice@bos.lacounty.gov>, <info@redondochamber.org>, <info@achd.org>, <mayor@lacity.gov>, <Toby.Ewing@mhsoac.ca.gov>, Jane Diehl <jane.diehl@bchd.org>, Noel Chun <noel.chun@bchd.org>, Michelle Bholat <michelle.bholat@bchd.org>, <martha.koo@bchd.org>, <HollyJMitchell@bos.lacounty.gov>, <Al.Muratsuchi@asm.ca.gov>

Public Comment - all Boards, City Councils, Agencies

We received notice and official language of the BCHD Bond Measure for \$30M from LA County yesterday. As BCHD's outside counsel implied at the Planning Commission, BCHD's financial situation is precarious. Specifically the counsel stated that if BCHD is not allowed to violate the proposed Redondo Beach General Plan, that BCHD may well become financially insolvent. The video of the meeting will be available soon for your own review.

SPA8 Disadvantaged Communities and Areas of Mental Healthcare Provider Shortages are getting less than 15% of the allcove services. BCHD touts its 74% usage by the District and Torrance. That is de facto inequitable based on statistical analysis. SPA8 cities should be provided their fair share of allcove services and demand the allcove building be built in the population centroid of SPA8 and not 12 blocks from the beach, creating what seems to be an intentional barrier to communities of greater color and lower income than the District.

The analysis is attached and it is also a public comment to be entered into the record of each jurisdiction.

--

StopBCHD.com ([StopBCHD@gmail.com](mailto:StopBCHD@gmail.com)) is a Neighborhood Quality-of-Life Community concerned about the quality-of-life, health, and economic damages that BCHDs 110-foot above the street, 800,000 sqft commercial development will inflict for the next 50-100 years. Our neighborhoods have been burdened since 1960 by the failed South Bay Hospital project and have not received the benefit of the voter-approved acute care public hospital since 1984. Yet we still suffer 100% of the damages and we will suffer 100% of the damages of BCHDs proposal.

---

 **OPPOSE BCHD Bond Request 30M Analysis.pdf**  
266K

**BCHD BOND ISSUE OVERVIEW  
(Public Comment to all Agencies)**

**Official bond language provided to us by the LA County Election Coordination Unit:**

“BEACH CITIES HEALTH DISTRICT COMMUNITY HEALTH AND WELLNESS MEASURE: To complete construction of the allcove youth mental health center; install water/energy conservation systems; and remove outdated facilities to create approximately 2 acres of public outdoor space for youth/older adult community wellness programs, shall Beach Cities Health District’s measure authorizing \$30,000,000 in bonds, at legal rates, levying approximately \$3.00 per \$100,000 of assessed property valuation, generating approximately \$1,700,000 annually while bonds are outstanding, with financial accountability requirements, be adopted?”

**From the Easy Reader News 8/1/24:**

<https://easyreadernews.com/bchd-board-bets-on-lucky-7-on-november-5-ballot/>

“Bakaly gave the following breakdown for uses of BCHD’s \$30 million Community Health and Wellness Measure:

- [1] \$9 million for completion of the new allcove facility, facing Beryl Avenue.
- [2] \$8 million to tear down the old hospital, at 514 Prospect Ave.
- [3] \$7 million to prepare the two-acre open space for exercise programs in the center of the BCHD campus.
- [4] \$6 million for parking and construction improvements.”

**Discussion:**

**[1]** BCHD received \$6.3M from the State from Mental Health Service Act (MHSA) funding to build an allcove youth services facility. BCHD has deemed the amount insufficient and as noted, BCHD desires \$9M in additional funding to complete the project.

<https://www.infrastructure.buildingcalhhs.com/bhcip-data-dashboards/round-4-data-dashboard/>

Acceptance of the \$6.3M by BCHD required that BCHD service the entire LA County Health Department Service Planning Area 8 (SPA8) that consists of 1.4M population total and that BCHD operate the allcove facility and services for a minimum of 30-years. BCHD conducted no financial analysis of the liability prior to acceptance according to BCHD’s response to a California Public Records Act (CPRA) request (Mon, Nov 13, 2023, 6:18 PM). In the same response, BCHD offered that it had operating funding of \$2M through June of 2026 and no further funding.

Because BCHD has no financial analysis of the cost to the District and taxpayers of a 30-year operation of allcove, we undertook a study to estimate the cost using BCHD data, trade association data, and federal data. Our analysis shows the liability to the District of the mandatory 30-year operation to be around \$175M. The analysis was conducted when BCHD was claiming the bond would include \$10M in allcove costs, so the estimate is approximately \$2.5M high based on the new estimate of \$9M above.

<https://www.stopbchd.com/post/update-allcove-s-mb-rb-hb-taxpayer-obligation-nears-175m-bchd-reveals-it-provides-free-overhead>

To date, BCHD has provided no 30-year cost estimate of the mandatory allcove building and services operation.

Additionally, the allcove funding requires servicing of all of SPA8. At present, BCHD is largely ignoring cities outside of the District and Torrance where 74% of allcove resources are consumed for about 10% of the SPA8 mandatory coverage population. CEO Bakaly provided the 74% local allcove services value in the Easy Reader (8/1/24) article cite above. We currently have an active complaint filed at the MHSOAC (oversight committee for funding) and have provided a detailed analysis of BCHD’s lack of servicing equity for SPA8. Our data is based on a document BCHD provided to us in late 2023.

SPA8	Population	HH Income < \$100K (2)	% Non-white > 70% (3)	Mental Health Professional Shortage Area ( HPSA) (4)	Disadvantaged Community SB 535 (5)	% of allcove Enrollment > 5% of TOTAL allcove program (6)
Athens	9,000	\$ 48,824	98.8%	1	1	0.0%
Carson	90,000	\$ 103,045	79.6%	1	1	1.0%
Gardena	60,000	\$ 75,443	81.3%	1	1	0.8%
Harbor City	25,000	\$ 80,245	92.0%	1	1	0.0%
Hawthorne	87,000	\$ 72,298	78.0%	1	1	4.6%
Inglewood	110,000	\$ 67,553	83.0%	1	1	3.4%
Rancho Dominguez	15,000	\$ 73,300	81.0%	1	1	0.0%
San Pedro	86,000	\$ 87,800	67.0%	1	1	1.0%
Avalon	3,700	\$ 89,131	59.7%	1		0.0%
Catalina Island	300			1		0.0%
Long Beach	467,000	\$ 78,995	73.0%	1		0.5%
Lawndale	33,000	\$ 76,213	84.0%		1	2.1%
Lennox	22,000	\$ 54,611	74.1%		1	0.0%
Wilmington	53,000	\$ 55,141	96.5%		1	0.0%
El Segundo	17,000	\$ 142,596	43.0%			0.5%
Hermosa	19,000	\$ 149,500	27.0%			6.4%
Manhattan	36,000	\$ 187,217	24.6%			8.2%
PVE	13,000	\$ 224,766	37.0%			0.9%
RPV	42,000	\$ 166,700	53.0%			2.3%
Redondo	67,000	\$ 134,500	44.0%			39.7%
Rolling Hills	1,500	\$ 250,003	20.0%			0.2%
RHE	8,000	\$ 179,917	34.2%			0.7%
Torrance	145,000	\$ 109,900	67.0%			16.5%
OTHER (out of SPA8, anonymous, unknown)						10.4%

We find it highly inequitable that BCHD has accepted MHSOAC funding for allcove for all of SPA8, yet services 74% HB/RB/MB/Torrance while cities with mental healthcare professional shortages and

disadvantaged community designations receive on 14% of allcove Beach Cities services. Bakaly explained in the same Easy Reader article that “allcove’s services are also made available to greater South Bay youths because that is a requirement of its State funding.” When a facility is built 12 blocks from the ocean in Redondo Beach and the overwhelming majority of the service area is miles to the east, it is clear that BCHD is not making any good faith effort to provide service to all of SPA8 and we have made that case.

Per the BCHD website ( <https://www.bchd.org/allcovebeachcities> ), “SPA8 includes: SPA 8 serves the communities of Athens, Avalon, Carson, Catalina Island, El Segundo, Gardena, Harbor City, Hawthorne, Inglewood, Lawndale, Lennox, Long Beach, Hermosa Beach, Manhattan Beach, Palos Verdes Estates, Rancho Dominguez, Rancho Palos Verdes, Redondo Beach, Rolling Hills, Rolling Hills Estates, San Pedro, Torrance, Wilmington and others.” Analysis using Census data shows that 91% of SPA8 is outside of the District.

We are concerned that BCHD is not faithfully executing its obligation to service SPA8 with allcove services and that the roughly \$175M liability for 30-year operation is unreasonable to be funded by the District and can result in bankruptcy or court ordered property tax assessments. BCHD intends to get more grants, however, undertaking a 30-year obligation of \$175M in order to gain \$6.3M in grant funds demonstrates the impact of the District’s lack of analysis.

As structured currently with 30-year operations requirements for LA County SPA8, allcove appears as a financial existential threat to the existence of the District due to its magnitude and lack of long term funding. According to BCHD ( [https://bchd.blob.core.windows.net/docs/bchd/finance/BCHD\\_ACFR\\_FY22-23%20Final.pdf](https://bchd.blob.core.windows.net/docs/bchd/finance/BCHD_ACFR_FY22-23%20Final.pdf) ) on page 76/90, the total asset value of the District is only \$55,810,959 or less than 1/3<sup>rd</sup> the liability faced with allcove Beach Cities.

**[2]** BCHD’s plan to demolish the hospital does not appear to be based on consultant facts, but rather, on forcing taxpayers to accept the costs in order to reduce the cost burden of PMB LLC, a 100% private company that BCHD has contracted with to build, own and operate an assisted living for up to 95 years on 3 acres of the campus.

BCHD’s first seismic consultant, Youssef Assoc., provided analysis stating that the building is similar to all other 1960/1970 buildings and in a sufficient earthquake, could collapse. However, they went on to be very clear that there is no requirement for any retrofit action at this time. “Best Practice” is to analyze the building (completed) and either retrofit or demolish as needed before the end of a 25-year continued use period. The slide below is provided from a BCHD Community Working Group presentation from 1/16/2018 by Youssef Assoc. and it clearly lays out the “best practice”.

# CITY OF LA and COUNTY OF LA ORDINANCES DO NOT APPLY INSIDE THE CITY OF REDONDO BEACH

## LA RETROFIT ORDINANCE

In October 2015 City of Los Angeles adopted -  
Mandatory Earthquake Hazard Reduction in Existing Concrete Buildings

### Compliance Timeline

- 3 years – Submit checklist to determine if building is subject to ordinance
- 10 years – Submit detailed evaluation
  - Comply w/ordinance requirements
  - Plans for seismic upgrade to comply w/ordinance
  - Plans for demolition
- 25 years – Complete all retrofit or demolition work

Ordinance represents "Best Practice"

City of Redondo Beach has not adopted ordinance, yet

Any seismic retrofit work for BCHD towers considered voluntary at this time



**Youssef states that if City of LA ordinance applied to BCHD, it would have 25 years to complete all retrofit or demolition!**

**City of Redondo has NO Seismic Ordinance**

**BCHD is electively demolishing the building – NO REQUIREMENT**

BCHD spent more taxpayer funding on additional opinions, probably to bolster the case for its desire to demolish the building. The second seismic firm, ImageCat LLC made a fuzzy statement about what it believes most commercial lenders and owners would find acceptable and reinforces that no prediction of magnitude, location or timing of earthquakes is possible. Had either Youssef or ImageCat deemed the building unsafe, then according to best practice, demolition or retrofit would have been REQUIRED. Neither made that statement or conclusion.

From ImageCat:

"The 'status quo' alternative presents no upfront (immediate) costs or loss of service and income to BCHD, such as those that would result from demolition or retrofit construction. However, this exposes BCHD to significant levels of risk in terms of building damage and downtime losses and potential liability for loss of life, should an earthquake occur. The building damage, downtime, and probability of collapse estimates with 10% probability of exceedance in the next 3 to 5 years are basically close to what would be expected, and deemed acceptable by most commercial lenders and institutional owners, from new buildings over a full lifetime (i.e., a 50-year exposure period).

At the present time, it is not possible to predict specific dates and locations of future earthquakes. The models of the United States Geological Survey (USGS) predict how frequently the ground will shake with any given level of intensity over the long term. In the USGS model, the probability of shaking levels that cause high levels of damage or structural collapse are time invariant, but the length of the exposure window affect the probability. Increasing the window of exposure means there is greater opportunity for a large earthquake to occur and damage the property. The change in probabilities is incremental, rather than dramatic."

**[2+3+4]** The \$21M in bond proceeds to be used by BCHD for demolition of the 514 N. Prospect Building, creation of green space from the resulting damages of demolition, and creation of more parking is a cost that was the responsibility of the developer, PMB LLC. BCHD's investment bankers (Cain Bros) were clear in every communication to the public that this was not a taxpayer cost. From the Cain Bros. presentation to BCHD of 9/28/2022. As can be seen, these \$21M in costs were represented to the public as developer tenant costs and NOT taxpayer costs. BCHD is simply attempting to shift the costs to taxpayers and provide a \$21M windfall to the developer, PMB LLC. Note that the only issue subject to change is the 2-acre green space, not the demolition or parking.

- BCHD will lease approximately 3-acres of land to PMB/Watermark Joint Venture ("Tenant") for an initial term of 65-years with two 15-year extensions
- Tenant will develop, own and maintain the RCFE Building consisting of approximately:
  - 240,000 sf licensed as an RCFE ("Facility"), and
  - 33,000 sf for BCHD allcove Youth Wellness, PACE and Community Services ("Landlord Designated Space")
- Tenant will also develop 2-acre open space lawn (prelim. and subject to change) and 86-surface parking spaces for the District on land that is not included in the Ground Lease
- Tenant will also be responsible for demolition of the 514 Building

**Conclusion – allcove \$9M Funding:**

Due to BCHD's lack of analysis, it entered into the allcove Beach Cities financial existential threat to the District. BCHD failed to recognize the vast magnitude of a 30-year "must operate" obligation without secure, long term funding. BCHD's funding for allcove expires in June 2026. The 30-year period does not begin until completion of the building. The grant was only \$6.3M.

Further, BCHD's lack of analysis of building costs led to BCHD accepting the \$6.3M funding that was clearly insufficient for BCHD's determined activity of building construction. If it were adequate, BCHD would not be seeking an additional \$9M from District taxpayers.

Since allcove is required to service Los Angeles County Department of Health Service Planning Area 8 (SPA8), it is required to service a 91% District non-resident service area. The obligation for the \$9M does not rest with District taxpayers.

**Conclusion – Demolition, Greenspace, Parking \$21M Funding:**

There is no imminent threat of collapse of damage to the 514 N Prospect Ave Hospital building. At least two seismic engineering firms have examined the building and neither determined it was imminently threatened – instead, the change in risk is incremental rather than dramatic. Further, Youssef Assoc. provided that "best practice" would allow 25 years continued use. ImageCat made statements about what "some" owners would consider reasonable and made the intuitively obvious statement that longer time periods afford a greater probability for an event, however, this cannot be forecasted.

The BCHD Board and Executives, the least qualified parties, have decided to demolish against “best practice”.

Even if demolition were required (it is not per “best practice”), the responsibility lies with the developer tenant of the massive BCHD proposed 100% private development on 3 acres of the Public site per the many Cain Bros. presentations on the topic. The development is being built for the expected use of 80% non-resident tenants by zip code of tenant origin according to BCHD’s consultant MDS’s study, and therefore it too is not the responsibility of District taxpayers. The obligation for the \$21M does not rest with District taxpayers.