

Potential Health and Wellness Bond Measure

Q: What is the current state of the BCHD building at 514 North Prospect Avenue in Redondo Beach?

Our campus is home to a 63-year-old former hospital building located at 514 North Prospect Avenue. Over the years, the building has evolved its services to meet the health needs of the community, but escalating maintenance costs, as well as seismic and structural issues common with buildings built in the 1950s, mean that this building faces a critical inflection point and must be dealt with in short order. In addition, BCHD is underway in its plans to create a new, state-of-the-art building to house our growing student mental health program – allcove Beach Cities. This new building, slated to be built on the SW corner of Beryl Street and Flagler Lane, will enable BCHD to expand its programming and help more young people facing mental health challenges.

How does BCHD plan to address its aging facilities?

BCHD has been studying this issue since 2017. Safety is BCHD's primary concern, and since the cost of retrofitting the former hospital building to meet current seismic standards is not financially feasible, the District plans to demolish the building in 2027 and replace it with approximately two acres of public open space. This would enable BCHD to provide a wide range of outdoor healthy lifestyle programming that would benefit the community.

How does BCHD plan to pay for these improvements?

BCHD's Board is considering placing a general obligation bond issue on the November 5, 2024 ballot. The District has also received more than \$7 million to date in grants for construction of the allcove Beach Cities structure.

What specifically could the bond proceeds be used for?

- Safely demolish the old South Bay Hospital building that was built in the late 1950s and does not meet current seismic construction standards.
- Replace the building with approximately two acres of open space that will be used for outdoor health and wellness programs.
- Expand youth mental health services by completing a youth mental health center (allcove Beach Cities) with environmental and sustainability best practices.
- Add environmental upgrades (including solar, vehicle and bicycle charging stations, high performance building features/daylighting, high efficiency HVAC and electrical equipment and metering, sound barriers)

What could the bond proceeds NOT be used for?

- Employee salaries
- Employee benefits
- Operational or programming expenses
- Buildings/programming at off-site locations

In addition, proceeds from the bond could only be spent in the Beach Cities, and there would be a 5% cap on administrative costs.

How much would the bond cost homeowners?

The BCHD Board is considering a \$30 million bond issue, which would levy \$3.00 per \$100,000 of assessed value on residences in the three Beach Cities, generating \$1.7 million per year for the project.

How do we know bond proceeds would be spent to benefit the community?

Under the proposed bond measure, any funds from the bond will only be spent in the Beach Cities and there will be a 5% cap on administrative costs. The measure is subject to strict accountability requirements, ensuring that every dollar will be used to upgrade local health and wellness opportunities locally in the three beach cities. BCHD would be required to conduct annual independent performance and financial audits, submit the audits to the state, and make these audits publicly available. In addition, a citizens' oversight committee would be established to oversee and ensure accountability of bond expenditures.

When would the bond measure appear on the ballot?

No decisions have been made, but the BCHD Board is considering placing the bond issue on the November 5, 2024 ballot.