



Center for Health & Fitness Relocation Member Working Group June 10, 2025

Agenda

- Relocation Update
- BCHD Fundraising
- Rate Adjustments – Effective July 1, 2025



510 N. Prospect Avenue Lease

- BCHD Board of Directors approved the 510 Lease at their April 23 meeting.
- Center for Health & Fitness 5-Year Rental Costs (\$1.8M total, \$360,000 year)
- Center for Health & Fitness Tenant Improvement Costs (\$4M - \$5M)
- Options for Center for Health & Fitness Tenant Improvement Costs will be explored
- Request for Qualifications & Proposals for Architectural Services was released May 9



New Revenue Generation Strategies

Grants	Reimbursements & Fee Schedules	Health & Fitness Fees & Services	Charitable Giving & Fundraising
• <u>Local</u>: Collaborate with LA County Department of Mental Health and LA County Office of Education • <u>State</u>: Work with Central allcove team to leverage Behavioral Health Transformation funds • <u>Federal</u>: Pursue federal grants and Community Project Funding for capital investments • <u>Private</u>: Filed 501(c)3 paperwork for Beach Cities Health Foundation to be eligible and apply for grants from foundations/companies	• <u>Youth Services</u>: Support school districts in fee schedule reimbursement to cover services currently provided by school service agreements (\$600,000) • <u>Community Services</u>: Implement CalAim options for medical reimbursement for care management services • <u>allcove</u>: Apply to be a Department of Mental Health vendor at allcove • <u>allcove</u>: Explore billing commercial insurance	• Explore new service streams for additional revenue • Explore strategies to increase revenue for current services Member Working Group – Sustainability Brainstorm • Membership restructure • Annual fee increases • Specialty class fees • Resident vs. non-resident fees and access	• Launched allcove capital fundraising campaign • Transition fundraising platform • Solicited broader options for charitable giving strategies at Strategic Development ½ Day • Exploring viable options for charitable giving at the programming level

Charitable Giving Strategies

	CURRENT STRATEGY	POTENTIAL STRATEGIES (for operating budget)				
	Capital Campaign	Individual Giving	Corporate Giving	Foundation Giving	Targeted Appeals	Special Events
Definition	Raise one-time funds for capital projects that build organizational infrastructure for program delivery	Made by individual donors, often focusing on broad outreach to engage a large base of supporters	Financial or in-kind contributions from businesses that align with the organization's mission	Grants provided by private foundations through a competitive application process (often restricted to specific projects or initiatives)	Fundraising activities designed to generate revenue to deliver a specific program	Fundraising activities or gatherings designed to engage donors, raise awareness, and generate revenue
% of Goal	\$5-6M	40%	20%	20%	15%	5%
Avenues to explore	Major gifts – Individuals and Corporations	- One-time gifts - Recurring donations - Annual giving campaigns - Planned giving - Major gifts	- Sponsorships - Employee giving programs - Matching gifts	- Private foundation grants - Community foundation grants - Corporate Foundation grants	- Holiday Gift Bags - Beach Cities Volunteer Day - allcove Beach Cities - Community Services (older adults)	Community-based event (e.g., Fun Run, health fair)

Should we consider generating more revenue through charitable giving to meet our operational budget needs?

Partnerships & Innovation

Area	Description	For CHF
Innovation	Lead development and implementation of innovation strategy for BCHD health programs and initiatives to address evolving public health needs.	- Are there new programs that would be a good fit for CHF? - Is there technology that would make fitness more accessible for members?
	Explore, identify and integrate emerging technologies, tools and data analytics solutions into BCHD systems and practices to enhance service delivery and health outcomes.	
Partnership Development	Build strategic partnerships and identify opportunities for collaboration through a collective impact model approach.	- Are there new partners to consider in the new facility?
Policy Advocacy & Legislative Affairs	Influence public health decision-making, funding initiatives, and the allocation of resources to support innovative approaches to health.	- California's Plan on Aging, Medicare Advantage, Older Americans Act
Revenue Generation	Pursue grant opportunities, medical reimbursements and charitable giving strategies for innovation programming or current District programming and ensure its sustainability.	- What are ideas for revenue generation for both capital and operations?

Rate Adjustments



Why We're Making These Changes

Member Benefits

- **Sustained High-Quality Services** – Aligning our pricing and class structure with the market allows us to continue investing in top instructors, programs and new facility
- **Long-term Sustainability** – Changes help support a more sustainable funding model
- **Consistent Pricing** - This new structure promotes consistent pricing and helps balance the cost of delivering high-quality services to everyone.

Rate Adjustments – Effective July 1, 2025

Resident and Non-Resident

- This pricing structure reflects the way our community contributes to funding programs and facilities
- Residents are recognized through lower rates as their property taxes directly fund CHF and its amenities
- Non-residents are welcomed and valued, and pay a slightly higher fee since they do not contribute to BCHD funding through local property taxes

Senior-Specific Pricing

- Phasing out most senior-specific pricing, with the exception of Unlimited Membership
- Insurance-based members (e.g., SilverSneakers) make up 80% of membership
- Due to the significant demographic shift, maintaining a separate “Silver” pricing structure helps us create a consistent fee structure while supporting long-term financial sustainability

Market Aligned Pricing

- Necessary to support rising costs and the long-term sustainability of CHF

Rate Adjustments

Market Aligned Pricing

- Necessary to support rising costs and the long-term sustainability of CHF

<u>Membership Type</u>	<u>Current Monthly Fee</u>	<u>New Monthly Fee</u>	
		Resident	Non-Resident Rate
Insurance-Based Membership	\$0	\$0	\$0
Basic Membership	\$54	\$54	\$59
Silver Unlimited Yoga + Pilates Membership	\$63	\$79	\$87
Unlimited Membership	\$104	\$120	\$132
Virtual Membership	\$40	\$40	\$40
<u>Service Type Examples</u>		<u>New Fees</u>	
Personal Training (M1 50 min.)	\$76	\$77	\$85
Yoga (55 min.)	\$23.50	\$25.50	\$28
Mat Pilates (55 min.)	\$28.50	\$28.50	\$31
Massage (55 min.)	\$79	\$83	\$91



A Beach Cities Health District Program