



**I. PARTIES**

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2 1. Plaintiff Hermosa Beach Taxpayers Group (“Plaintiff” or “the Group”)  
3 is an unincorporated association formed for the purpose of advocating for Hermosa  
4 Beach taxpayers, consisting of approximately two hundred and fifty Hermosa Beach  
5 property owners and residents as of the filing of this First Amended Complaint, many  
6 of whom own property within the geographical area of Defendant Hermosa Beach  
7 City School District, and have paid an ad valorem tax within at least the last fiscal and  
8 calendar tax years.. As of the filing of this First Amended Complaint, the Group is in  
9 the process of incorporating. Plaintiff has standing to bring this action pursuant to  
10 *Stanson v. Mott*, 17 Cal. 3d 206 (1976) and Code of Civil Procedure § 369.5.  
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14 2. On information and belief, Defendant Hermosa Beach City School  
15 District (the “District”) is a school district organized and existing under the laws of  
16 the State of California, within the County of Los Angeles. As of June 30, 2016, the  
17 District had 1,432 children from K-8<sup>th</sup> grades enrolled and revenues of \$14,231,566  
18 (as of June 30, 2016). The District is controlled by a School Board consisting of five  
19 members (“School Board”). For the purposes herein, the “District” includes all its  
20 departments, officers, superintendent, and appointed and elected representatives  
21 charged with the duties and obligations of ensuring, among other things, that all  
22 applicable federal, state, and local laws and regulations are fully and faithfully obeyed  
23 and implemented.  
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1 of North (“demolition plan”) and therefore, the District’s plan to use Measure S funds  
2 to do so would be illegal.

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4 6. The District, on information and belief, plans to destroy North before  
5 an Environmental Impact Report (“EIR”) can be completed, which also renders the  
6 plan illegal, at least until the EIR is finalized and the project formally approved by the  
7 District thereafter.

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9 7. The illegal demolition plan would be a waste of taxpayer funds  
10 prohibited by California Code of Civil Procedure § 526a because the District has two  
11 other better options, both of which would cost a small fraction of the \$36M that the  
12 demolition plan is currently expected to cost. The other options would also require  
13 less time, create fewer school-related traffic issues, and cause less environmental  
14 disruption to the sensitive coastal region.

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16 8. Specifically, according to the Sale and Purchase Agreement for Pier  
17 Avenue School and its exhibits, the District is entitled to lease classrooms, office and  
18 storage space in the centrally located Community Center, a building formerly used as a  
19 middle school (“Pier Avenue School” or “the Community Center”). The District  
20 could lease space just like any other community group, giving priority to Hermosa  
21 students, (at a cost of \$1/year).

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23 9. Alternatively, the District could renovate North. The most recent quote  
24 to do so was \$18M (2018 estimated prices), less than half the cost of the demolition  
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1 plan – even if the District does not apply for state *matching funds* for renovation, for  
2 which North is eligible.

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4 10. The District has repeatedly refused to seriously entertain either of these  
5 two excellent alternatives to demolition, and has given a multitude of unsupported  
6 and/or false reasons why neither would be feasible. The controversial and deceptive  
7 Measure S passed with a mere 193 votes to spare, and only after a number of illegal  
8 and unethical practices by the District during the campaign. Plaintiff should be  
9 awarded a temporary injunction preventing the District from harming North, and  
10 requiring the District to maintain North properly, until Plaintiff can prove that  
11 demolishing North would be an unwarranted waste of taxpayer funds and obtain a  
12 permanent injunction.  
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18 **III. BACKGROUND: HISTORY OF HERMOSA SCHOOLS**

19 **A. History of Hermosa Beach Schools**

20 11. The City of Hermosa Beach (“City”) was founded in 1907. Currently,  
21 approximately 19,616 residents call the city home. It is approximately one square mile  
22 along the beach, south of Manhattan Beach and north of Redondo Beach, and is  
23 slightly longer from north to south than from east to west. The Pacific Coast  
24 Highway (“PCH”) runs through part of the city from north to south, dividing the  
25 western and eastern portions of the city. Because of a much-used community “Green  
26 Belt” and a sand dune running parallel to PCH, there are basically four major  
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1 east/west feeder streets (Herondo/190<sup>th</sup>, 5<sup>th</sup> Street, Pier Avenue and Gould), the  
2 intersections of which are four way stops and become extremely backed up and  
3 unsafe during peak traffic usage. The remaining streets are mostly very narrow  
4 residential streets, many unable to accept two-way traffic. **Exhibit 2** (map of  
5 Hermosa showing its schools).  
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8 12. The original city planners intended the city to be a walking city, compact  
9 and readily accessible to pedestrians. In meeting the educational needs of its  
10 residents, the city built five elementary schools for younger children, grades K-6, at  
11 various locations in the city. Three of those elementary schools – North, View, and  
12 Valley – are still in use today. North School is located close to Valley Park in the  
13 northern part of the city and is very close to the beach, in a coastal zone. View and  
14 Valley Schools are both located in the middle of the north-south extremes of the city,  
15 but View is on the east side of PCH and Valley is on the west side of PCH. *See*  
16 **Exhibit 2**.  
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20 13. The City's middle school is Pier Avenue School originally built in 1911  
21 and wholly reconstructed in 1935 after the 1933 Long Beach earthquake. **Exhibit 3**  
22 (photos of Pier Avenue before and after the 1933 earthquake). Pier Avenue School is  
23 a 4.7 acre campus with excellent facilities for older children in grades 7-8, located in  
24 the heart of the city and accessed by two major feeder streets, Pier Avenue and Pacific  
25 Coast Highway. Pier Avenue School has 17 classrooms and can house 510 students.  
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27 It also contains a gymnasium, auditorium, six tennis courts and has plenty of room for  
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1 off street pick-up and drop-off of students. **Exhibit 4** (map of Pier Avenue School  
2 facilities). In addition, adjacent to Pier Avenue School is an excellent baseball  
3 diamond, soccer field, basketball courts and more tennis courts. Since 1978 Pier  
4 Avenue School has been used by the City of Hermosa Beach as a Community Center.  
5 Many of Pier Avenue School amenities as well as the adjacent baseball diamond and  
6 soccer field go unused or under-used during the school day and are mostly used by  
7 the community in the evenings and on weekends.

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11 14. The original city-school plan allowed nearly all schoolchildren to walk to  
12 a neighborhood school, as all children could get to an elementary school reasonably  
13 close to them without having to cross PCH, and children in seventh and eighth grades  
14 were able to walk or ride their bikes up to half a mile to Pier Avenue School each way,  
15 regardless of where they lived in Hermosa. This plan created almost no school-  
16 related traffic or parking issues, as virtually all of the children walked or rode bikes to  
17 school.  
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22 **B. Long Beach Earthquake and the Field Act**

23 15. In 1933, a severe earthquake struck Long Beach. Buildings throughout  
24 Southern California suffered millions of dollars' worth of damage, and 115 people  
25 died. Pier Avenue School and North School were both substantially destroyed.  
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27 16. In the aftermath of the 1933 Long Beach earthquake, the California  
28 legislature rushed to pass the Field Act just thirty days later, mandating that schools be

1 designed to withstand earthquakes better. Specifically, it required that earthquake  
2 forces be accounted for in the structural design of schools, and that school buildings  
3 be able to withstand lateral forces equal to 3% of the building's total mass. The Field  
4 Act also established the Division of the State Architect ("DSA"), which developed  
5 design standards and quality control procedures and oversaw school building  
6 construction. The Field Act also required that schools be designed by registered  
7 architects and engineers. Under the Field Act, school designs, plans, and  
8 specifications must be submitted to the State Architect for review prior to  
9 construction. **Exhibit 5** (California Education Code §§ 17280 and 17280.5). Since  
10 the Field Act's passage, "no school has collapsed due to a seismic event, and there has  
11 been no loss of life" (Seismic Safety Inventory of California Schools (November 15,  
12 2002, page 5). The Field Act's requirements still apply to all K-12 school and  
13 community college buildings in California. Field Act requirements are not required by  
14 law for other governmental and non-governmental buildings such as hospitals, office  
15 buildings and freeways structures. *See Exhibit 5*. A school built in compliance with  
16 the Field Act is still considered safe for school use today, structurally and  
17 seismologically speaking. *See id.*

### 26 **C. Renowned Architect Samuel Lunden's Reconstruction of North**

27 17. In 1934, Hermosa received \$117,000 from the State of California to  
28 rebuild its elementary schools. **Exhibit 6** (March 13, 1934 Los Angeles Times article

1 “School Repair Funds Arrive” and September 2, 1934 Los Angeles Times article  
2 “Awards Made of Contracts for New Work”). Hermosa undertook to rebuild North  
3 School for \$9,066, and retained contractors Johnson & Hansen. See **Exhibit 6**.

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5 18. Hermosa retained renowned local architect Samuel Lunden to work with  
6 Johnson & Hansen to rebuild North and Pier Avenue Schools. Samuel Lunden was a  
7 famous Southern California architect, known for his contributions to the Art Deco  
8 movement. He designed the USC Doheny Library, Lunden designed parts of the  
9 Biltmore Hotel, the interior of St. Vincent de Paul Church on Figueroa and Adams,  
10 and the iconic Pacific Stock Exchange building on Spring Street in downtown Los  
11 Angeles. He was one of twenty-five architects selected to help France rebuild after  
12 World War I. Lunden also very much contributed to the shaping of Hermosa Beach  
13 today by advocating for the new Pacific Coast Highway to pass through the city.  
14 Lunden’s career spanned seven decades, and his death was reported in both the Los  
15 Angeles Times and New York Times. **Exhibit 7** (June 16, 1995 Los Angeles Times  
16 article “Samuel E. Lunden; Veteran L.A. Architect”; June 18, 1995 New York Times  
17 article “Samuel E. Lunden, Architect, 97, Dies”; images of Pacific Stock Exchange  
18 and USC Doheney Memorial Library). Buildings designed by Lunden are considered  
19 by architectural historians and aficionados to be of major cultural and historical value.

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26 19. Samuel Lunden submitted his design proposals for both North School  
27 and Pier Avenue School to the Division of the State Architect (“DSA”), which the  
28 DSA approved on October 18, 1934. **Exhibit 8** (Application No. 382 for

1 reconstruction of North School, filed 6/21/1934, listing Lunden as architect).  
2 Contractors Johnson and Hansen and an inspector filed their final reports in late  
3 1934; Lunden filed his final certified report on January 17, 1935; and a structural  
4 engineer filed his final report on September 19, 1935. *See Exhibit 8.* Lunden wrote  
5 that the North School project entailed constructing floors, roofs, interior and exterior  
6 walls – in other words, the entire building. *See Exhibit 8.* Lunden’s design for North  
7 School included over sixty pages of hand-typed design specifications and six pages of  
8 blueprints for the reconstruction of the four-classroom main building. Lunden was  
9 involved in the smallest details of the North School reconstruction. It was impossible  
10 for him not to impart his design sense and influence in its reconstruction. The  
11 exterior of the building was changed from red-brick neo-classical look to cement  
12 gunite in an art-deco style. Even a cursory review of a six-page excerpt of the plans  
13 shows that Lunden designed the whole building in detail, from basement to roof.  
14 **Exhibit 9** (six pages of architectural drawings for North School Reconstruction, each  
15 signed by Lunden).

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22 20. Based on these facts, no reasonable person would dispute that Lunden  
23 designed North School. Therefore, North is a historic architectural landmark and is  
24 culturally significant, although not officially designated as such at this time by any  
25 government agency. The District, knowing that a Lunden-designed building would be  
26 considered too precious to destroy, commissioned an “expert” to write a historic  
27 report – using taxpayer funds – for the sole purpose of disputing that Lunden  
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1 designed North. The conclusion of the “expert” was to attribute the design to  
2 someone else entirely, completely disregarding government documents that prove  
3 otherwise. Later, also during the Measure S campaign, the District’s attorney admitted  
4 that Lunden had indeed been the architect on the project but stated that Lunden had  
5 simply remodeled North, following the previous structurally unsafe design. Both  
6 claims are nonsense, and would require accepting the premise that a famous architect  
7 rebuilt a destroyed school using the same unsafe design that he knew had caused a  
8 total collapse. The DSA approved Lunden’s design in 1934 precisely because  
9 Lunden’s *new* design complied with the *new* school building codes, aimed at preventing  
10 future collapses.  
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16 **D. North’s Imminent Designation As Historic Resource**

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18 22. Ms. Debi Howell-Ardila is a senior architectural historian with the City of  
19 South Pasadena Cultural Heritage Commission. She is an expert on architectural  
20 history, specializing in Southern California schools, and completed an extensive study  
21 of schools that may be historic resources, commissioned by the Los Angeles Unified  
22 School District. Ms. Howell-Ardila toured North School for the purpose of  
23 determining whether it has any historical or cultural value. She concluded that North  
24 School is eligible for historic preservation as a “highly representative example of a  
25 1930’s school.” In her words, “It would be a shame and loss if this school were  
26 demolished. Its scale, design, and character tell a unique story about the history of  
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1 school design in Hermosa Beach and Southern California. If the building is  
2 demolished, you'll lose an important reflection of that history and story that can't be  
3 replaced." **Exhibit 11** (email from Debi Howell-Ardila).

5 23. Two Hermosa community members, one of whom is a member of the  
6 Hermosa Beach Historical Society and co-authored two books on the history of  
7 Hermosa Beach, have been corresponding with the California State Office of Historic  
8 Preservation for over a year with respect to obtaining an official designation of North  
9 School as a historic building worthy of preservation. **Exhibit 10** (correspondence  
10 between Chris Miller and Amy H. Crain, State Historian II). At this time, it is  
11 reasonable to assume that the building will be designated as historic within a short  
12 time if allowed to remain standing.  
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17 **E. Decline in Enrollment and Resulting Sale of Pier Avenue School**  
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19 24. For over forty years the school plan of multiple elementary schools and  
20 one centrally located middle school worked well for the city. Then, in the 1970's,  
21 enrollment began to decline. The District's short-sighted plan was to sell the 4.7 acre,  
22 centrally located, and extremely valuable Pier Avenue School to the City to be used as  
23 a community center, and to sell another K-5<sup>th</sup> grade campus, South School, in order  
24 to generate funds for the District. The District also gave large portions of its property  
25 to be used as city parks, Valley Park and South Park.  
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1           25. To ensure that once sold to the City, the Pier Avenue School campus  
2 would remained in the public domain, the District asked the City to rezone the  
3 property to be "open space" in November 1975. **Exhibit 13** (pages from  
4 10/14/1975 City Council meeting minutes re: reclassification of Pier Avenue School  
5 from C-2, general commercial, to O-S, open space; page from 11/25/1975 City  
6 Council meeting minutes re: introducing Ordinance to classify certain real property in  
7 the City as O-S; page from 12/9/1975 City Council meeting minutes, adopting  
8 Ordinance introduced at 11/25/1975 City Council meeting reclassifying 710 Pier  
9 Avenue from C-3 to O-S).

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13           26. The City Council as early as October 14, 1975 planned to eventually  
14 obtain the Pier Avenue School property. The rezoning of Pier Avenue School  
15 severely reduced the ability of the District to sell the 4.7 acres to another bidder. *See*  
16 **Exhibit 13**, p. 3 ("ACTION – to continue the subject public hearing... at the request  
17 of the [School Board] following their conceptual approval of disposing of the Pier  
18 Avenue site to the City of Hermosa Beach for a negotiated price..."). The day after  
19 the November 25, 1975 City Council meeting, local newspaper The Daily Breeze ran  
20 an article commenting that the rezoning moved the City closer to a purchase of the  
21 property, and it also "reduced chances of selling the property to outside interests."  
22 **Exhibit 14** (November 26, 1975 Daily Breeze Article, "Hermosa Closer to School  
23 Buy"). The City reiterated the Board's plan to sell the property in its minutes for the  
24 December 15, 1975 Council meeting. *See* **Exhibit 13**, p. 86.  
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1           27.    In December 1975, just a month after the rezoning, the District had Pier  
2 Avenue School appraised. It seems likely that the rezoning to open space would have  
3 significantly lowered the value of the property. The appraised value was \$1.1M – in  
4 light of the fact that the appraiser expected any purchaser to tear down Pier Avenue  
5 School and redevelop the site. **Exhibit 15** – (Appraisal letter from William S.  
6 Crosbie, M.A.I., C.R.E., and real estate appraiser: “I have concluded that the range of  
7 value for the [Pier Avenue School] property as of December 9, 1975 is \$1,100,000...  
8 which is my opinion of the current market value for the site to the most probable  
9 purchaser who will demolish the building and redevelop the site.”)  
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15 **F. The Sale And Purchase Agreement of Pier Avenue School**

16           28.    In 1977 the District finally formally offered the Pier Avenue School site  
17 to the City for \$650,000, well below fair market value. The City ultimately used a  
18 Federal Housing and Urban Development grant of \$275,000 to finance a portion of  
19 the sale, thus actually only paying a total of \$375,000 of City funds for a \$1.1M  
20 property. This was a good deal for the City, but for the District, it was not a good  
21 deal: the District gave up a prize property for a song. The District explained what  
22 would otherwise be a perplexing decision in a Memorandum of Understanding  
23 (“MOU”) attached as an exhibit to its Resolution of Intention to Offer for Sale and  
24 Prescribing the Terms Thereof, dated June 13, 1977 (Exhibit “G” to the Agreement,  
25 **Exhibit 16** to this Complaint). The MOU expressly states in Section 4.02 that a part  
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1 of the consideration for selling at a below market value price was the District's  
2 continued right to use the facilities down the road if needed. **Exhibit 16** (Purchase  
3 Agreement; *see* Exhibit "G" [Minutes of School Board meeting of June 13, 1977,  
4 Resolution of Intention to Sell, with attached Exhibit "B" the MOU]). The City  
5 agreed to that MOU at a City Council meeting on June 14, 1977, the day after the  
6 District publicly declared its intention to sell to the City in its resolution. **Exhibit 17**  
7 (minutes from City Council meeting dated 6/14/77). On June 22, 1977, the City and  
8 District completed the escrow for Pier Avenue School following the instructions in  
9 the MOU.

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13         29. Importantly, the MOU specified District use of one classroom at Pier  
14 Avenue School for every 28 students enrolled over total District enrollment of 1,266.  
15 The MOU and the legal description of the property which were attached to the  
16 District's resolution were incorporated into the Purchase Agreement as its Exhibit  
17 "G". The Purchase Agreement further specifically conditioned the transfer of Pier  
18 Avenue on the incorporation of all exhibits to the Purchase Agreement, including the  
19 MOU. *See* **Exhibit 16**, Article 5, Section 5.02; *see also* Exhibit's "I" and "J" to **Exhibit**  
20 **16**. That condition rendered every exhibit an indivisible part of the complete  
21 Purchase Agreement and all terms contained in each exhibit must be interpreted as a  
22 term in the contract. Any interpretation that disregarded terms contained in an  
23 exhibit to the Purchase Agreement would fly in the face of standard rules of contract  
24 interpretation.

1           30.    The MOU is also stamped with the same document number as the rest  
2 of the Purchase Agreement, further evidencing the parties' intention that the MOU be  
3 adopted as part of the Sale Agreement. The parties' contemporary intention to permit  
4 the District to re-enter Pier Avenue if enrollment later increased is just common  
5 sense, and was explicitly referenced as a justification for the vastly reduced purchase  
6 price. This MOU agreement was also a promise to the residents of Hermosa Beach  
7 that even though Pier Avenue School was being sold to  
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11           31.    In the lead-up to executing the final Agreement, the District and City  
12 held eight joint workshops on the terms of the Agreement over a period of four  
13 months. **Exhibit 18** (Minutes for workshops #1-8, dated from 10/26/1977 through  
14 1/1/1978). Both parties were sophisticated actors advised by counsel, and clearly had  
15 time to review and negotiate all terms, even holding workshops on them.  
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18           32.    The last Exhibit to be agreed upon in the workshops at the 11<sup>th</sup> hour  
19 was Exhibit "K". In addition to the MOU which specified District use of classrooms,  
20 Exhibit "K" added the provision for District use of the auditorium, gymnasium,  
21 tennis courts, showers and lockers for a period of 50 years which could be renewed.  
22 In information delivered to the community regarding the District's option to re-enter  
23 Pier Avenue School, both the City and the District have denounced the validity of the  
24 MOU lease agreement and cite Exhibit "K" as the only valid lease option the District  
25 is entitled to, even though both were explicitly incorporated into the Purchase  
26 Agreement.  
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1           33. No court has ruled that the MOU is not part of the Purchase  
2 Agreement. Nonetheless, the District has never directed its attorney to pursue its  
3 potential right to re-enter the property under the MOU, and has appeared to rely on a  
4 the legal advice of the City's attorney – an adversary in this matter – to conclude that  
5 it does not have such a right.  
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8 **G. The District's Current Right to Terminate the City's Ownership of Pier**  
9 **Avenue**

10           34. As part of the Purchase Agreement, the City agreed never to divest itself  
11 of, or rezone, the property. This was an important aspect of the decision of the  
12 District to sell Pier Avenue School to the City at all, and especially for below fair  
13 market value. The District made sure to specify in the Agreement that if the City  
14 violated that term, the District had the right to terminate the City's interest in the  
15 property. *See Exhibit 16* (Purchase Agreement: "In the event the City shall ever  
16 trade, sell, exchange, or rezone the property known as the Pier Avenue School... the  
17 District... shall have the power to terminate the City's right and possessory interest in  
18 and to the Pier Avenue School...").  
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23           35. However, later the City rezoned *and* sold a portion of the property to the  
24 South Bay Alano Club, thus violating the Agreement and entitling the District to  
25 terminate the City's interest in the property. **Exhibit 19** (School Board special  
26 workshop meeting minutes dated 4/6/1983, and Grant Deed transferring Parcel 4  
27 from the City to South Bay Alano Club).  
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1           36.    The District has never sought to terminate the City's interest in Pier  
2 Avenue, even though it has the clear right to do so under the Purchase Agreement.  
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4 This failure to collect a valuable asset to which the District is entitled constitutes  
5 taxpayer waste.

6           37.    California Code of Civil Procedure § 526a prohibits the waste of  
7 taxpayer funds. **Exhibit 20** (California Code of Civil Procedure § 526a). California  
8 courts have held that waste includes the failure to collect funds owed, as this is a  
9 constitutionally prohibited gift of public resources. *See Chiatello v. City and County of*  
10 *San Francisco*, 189 Cal. App. 4<sup>th</sup> 472, 482 (2010). The District's failure to capitalize on  
11 the MOU terms that entitled it to use or ownership of a school site is a  
12 constitutionally prohibited gift of public resources that belong to the District.  
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15           38.    Despite having the ability to either terminate the City's interest in Pier  
16 Avenue School entirely or simply negotiate in good faith with the City on behalf of  
17 the students to Hermosa Beach to use the property jointly with the community,  
18 neither the City nor the District has initiated a serious conversation regarding the site  
19 on behalf of students and taxpayers. Pier Avenue school is centrally located and easily  
20 accessible by major feeder streets and is 4.7 acres and 17 classrooms designed to  
21 function as a school. It has been evaluated for building code standards and found to  
22 be in good condition and not in need of retrofitting, in a geographically desirable area  
23 of the city. Such a property could be easily upgraded to be used as a school to relieve  
24 overcrowding if the District chose to do so. The cost to upgrade Pier Avenue was  
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1 recently estimated by the City of Hermosa Beach at only \$3M. It has been evaluated  
2 by the Office of Public School construction and has been deemed to be usable by the  
3 District and eligible for State matching funds for renovation if the District were to  
4 secure a 40 year lease from the City. The MOU specifies the use of classrooms in  
5 perpetuity if enrollment continues to exceed 1,266 students. This option was never  
6 explored by the District, nor presented to voters or committees tasked with evaluating  
7 the District's options.  
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12 **IV. RECENT ENROLLMENT HISTORY:**  
13 **FROM HISTORIC LOW TO RECORD HIGH, CRISIS AND OPTIONS**  
14 **FOR RELIEF**  
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16 39. In the 1980's, after disposing of three District schools, the District  
17 consolidated all grades at one campus, Valley School. **Exhibit 12** (December 27, 1984  
18 Easy Reader article, "Despite election reversals, HB presses on with one school  
19 plan").  
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21 40. History shows that enrollment is notoriously fickle in Hermosa Beach  
22 and is predicted to decrease, which will create another situation in which the District  
23 cannot afford the upkeep of its newly constructed and expanded properties. The  
24 birthrate in Los Angeles County is predicted to drop by 4% by 2019 and 20% by  
25 2040; Los Angeles County's K-12 enrollment is projected to decline by 7% through  
26 2025-2026, all numbers taken from the California Department of Finance.  
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1           41. In addition to expanding the District facilities to include an expensive  
2 rebuilding of North School with 17 classrooms, a kitchen and multipurpose room, the  
3 District also has plans to use its \$59M bond to make six temporary classrooms at  
4 View School into permanent classrooms even as enrollment is predicted to decline by  
5 88 students in 2018/2019 school year. As of June 2017, using only preliminary plans,  
6 the District's plans are already estimated to exceed \$66 million dollars. This expanded  
7 estimate does not include the cost to outfit the new classrooms, offices, and kitchens  
8 with furniture and supplies after they are built. Instead of spending \$36M of the  
9 \$66M projected cost to rebuild North School, the District could spend \$3M to  
10 renovate Pier Avenue and use it instead with far less traffic impact. **Exhibit 76** (a  
11 true and correct transcript of the May 10, 2017 Hermosa Beach City School District  
12 School Board meeting); **Exhibit 77** (a true and correct transcript of the June 28, 2017  
13 Hermosa Beach City School District School Board meeting).  
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20 **H. Subsequent Lease of North School**

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22           42. After the sale of Pier Avenue School in 1978, the District moved all  
23 students to the Valley School campus and closed the District's remaining two  
24 campuses, North School and View School. District enrollment stood at 620 students  
25 at the time.  
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27           43. The District made arrangements to rent out the North School  
28 premises. Most recently, Children's Journey and South Bay Adult School rented the

1 premises. **Exhibit 21** (Children’s Journey lease agreements for North School, the first  
2 being dated June 30, 2010 and later renewed in 2015, and photograph of Children’s  
3 Journey sign at North School); **Exhibit 22** (unsigned South Bay Adult School lease  
4 [on information and belief, this document was the operative agreement]). Both had  
5 preschool and daycare facilities and conducted afterschool programs that were highly  
6 sought after by new parents. **Exhibit 23** (Children’s Journey Fact Sheet and No on S  
7 campaign flyer). The day-care, preschool use has been a good fit for the  
8 neighborhood, since parents drop-off and pick up their children at varying times  
9 throughout the day, instead of all crowding into the neighborhood at once for drop-  
10 off in the morning and again for pick-up in the afternoon. Three hundred children  
11 used these facilities, 90% of which were Hermosa Beach residents. **Exhibit 23.** The  
12 District’s 2017 facility plans are to house at least 510 3<sup>rd</sup> and 4<sup>th</sup> grade students in less  
13 than three acres at a newly rebuilt North School campus, creating a traffic nightmare,  
14 serious risk to child pedestrians, and leaving nowhere for the preschool and daycare  
15 children to go.

21  
22 44. The District commissioned a woefully inadequate traffic study by  
23 Stevens Garland & Associates for the demolition and reconstruction of North. The  
24 study was only twenty pages; by contrast, traffic studies completed for Redondo  
25 Union High School and the Skechers project in Hermosa Beach were over 180 pages  
26 each. The Stevens Garland & Associates study reported that once the new school is  
27 constructed for 510 students, it will experience 117 *fewer* trips per day than it did while  
28

1 Children’s Journey ran a daycare for 300 children. This counter-intuitive and  
2 seemingly false assumption was not satisfactorily explained. It is unclear whether  
3  
4 Stevens Garland & Associates is licensed, bonded, or insured in any manner with any  
5 government agency, and their methodology and accountability is in serious question  
6 based on the study provided.  
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9 **I. Rising Enrollment and The District’s Failure to Deal With Overcrowding**

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11 45. The District reopened View School for Kindergarten through 2<sup>nd</sup> grade  
12 in 1993, due to rising enrollment. **Exhibit 24** (February 25, 1993 Easy Reader article  
13 “New superintendent explains needs for second Hermosa Beach school”). Valley  
14 School was then used as a 3<sup>rd</sup> grade through 8<sup>th</sup> grade campus.  
15

16 46. In September 2010 District total enrollment reached 1,303 students –  
17 more than 1,266, the number required to trigger use of Pier Avenue School  
18 classrooms per the MOU. **Exhibit 25** (School District’s 2015/2016 Enrollment  
19 Report, showing annual total enrollment from September 2002 through September  
20 2015). As of September 2012, District total enrollment reached 1,398, creating an  
21 overcrowding crisis at Valley School and View School. *See* **Exhibit 25**. The  
22 enrollment in 2012 triggered the District’s priority use of four classrooms, as well as  
23 office and storage space at Pier Avenue School, but the District never asked for them.  
24 Not only did the District never ask the City about making use of the MOU, it never  
25 even asked its own attorney what the MOU could do for the District. **Exhibit 26**  
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1 (November 22, 2013 Beach Reporter article, "City attorney questions document in  
2 Pier Avenue School sale").

3  
4 47. Even without the MOU, the District could easily have leased classrooms  
5 in the Community Center from the City, like other organizations do. The Disaster  
6 Preparedness Group, ARC (formerly known as the Group for Retarded Citizens), and  
7 Historical Society all lease space in the Community Center, and some of them pay  
8 only \$1 per year for the privilege. Neither the City nor the District have ever  
9 addressed publicly why community groups are considered higher priority than  
10 schoolchildren in need of classroom space in which to learn, or at least why the  
11 parties could not reach an agreement for the District to pay a reasonable rent to the  
12 City in exchange for an extended lease to house students there. In addition, the City  
13 is in possession of four classrooms at the old South School, old Prospect Heights  
14 School buildings and several other City buildings including the Clark building,  
15 Kiwanis and Rotary club building, the Community Services building (all within one  
16 square mile!) all of which could be used to reassign Community Center space usage  
17 during the day so that the District could use the Community Center in a joint-use  
18 effort with the City.

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24 48. Instead, in 2012, the District dealt with overcrowding by partitioning the  
25 Valley School Multipurpose Room (MPR) into two classrooms. **Exhibit 27** (a true  
26 and correct transcript reflecting a portion of the May 31, 2016 Joint City Council and  
27 School Board meeting in which School Board Member Mary Campbell discusses  
28

1 student overcrowding and efforts to address it). In 2013, the District converted a  
2 music room at Valley School into a classroom, and partitioned the View School MPR  
3 into two classrooms. *See Exhibit 27*. In 2014, the District added two portable  
4 classrooms each to Valley and View. *See Exhibit 27*. In the 2015/2016 school year,  
5 the District added three portable classrooms and one portable restroom facility to the  
6 View School campus. *See Exhibit 27*.

9 49. In June 2014, District enrollment reached 1,433, thus entitling the  
10 District to priority use of 6 classrooms at Pier Avenue School according to the  
11 Purchase Agreement. *See Exhibit 25* (School District's 2015/2016 Enrollment  
12 Report).

15 50. In all, the District spent more than \$1 million on temporary classroom  
16 solutions – solutions which did nothing to relieve traffic and parking issues or the  
17 overcrowded playground and lunch areas at Valley and View. **Exhibit 28** (a true and  
18 correct summary of District expenditures on temporary solutions to overcrowding  
19 between 2012-2016). Yet, the District did not request the use of Pier Avenue School,  
20 nor did they make plans to reopen North School to District students to alleviate the  
21 overcrowding.  
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26 **J. District Manipulation of The Planning Committee**

27 51. In January 2013, the District convened the Facilities Planning and  
28 Advisory Committee (“FPAC”) and tasked them with recommending whether the

1 District should renovate North School, or completely rebuild North School, for  
2 district use. **Exhibit 29** (December 12, 2012 memo from Superintendent to Board  
3 recommending establishment of FPAC). The District did not ask the FPAC to look  
4 into any other options, such as leasing and renovating Pier Avenue.  
5

6           52. The District provided the FPAC with two price quotes from BCA  
7 Architects for renovation and new construction of North. The quote to renovate was  
8 \$10.9M and the quote to build new was a suspiciously inexpensive \$14.9M. **Exhibit**  
9 **30** (BCA Architects' estimates to renovate and rebuild North School). There was no  
10 second opinion sought or explanation for why the quote to build a brand new school  
11 was so low – barely more than the \$11M it had cost the District to build just a  
12 gymnasium ten years earlier (**Exhibit 31** [9/30/09 Bond Measure J Citizen's  
13 Oversight Committee Final Report]). The District's failure to question BCA's  
14 shockingly low quote to build an entire school was incredibly negligent, and its  
15 reliance on a "too good to be true" quote in deciding which course to follow  
16 necessarily leads to a waste of taxpayer funds if that decision is executed.  
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22           53. In an April 2013 meeting, the FPAC explicitly stated that renovations to  
23 North would meet the District's needs, but voted to build new instead based on the  
24 "too good to be true" price. **Exhibit 32** (a true and correct transcript of meeting  
25 minutes from April 10, 2013 School Board meeting). The FPAC did not make a  
26 determination that building new would be more cost effective than renovating – only  
27 a recommendation to build new based on comparing the two prices, which is a  
28

1 different inquiry. When GKK Architects, the winning bidder, provided a much more  
2 realistic and expensive quote of \$34M, the FPAC was never given the opportunity to  
3 reevaluate or re-vote.  
4

5 54. Some FPAC members asked if the use of other properties, such as Pier  
6 Avenue School, could be investigated. The School Board declined their request. One  
7 member of the FPAC felt the subject warranted further investigation, and did her  
8 own research. She located the officially stamped, recorded copy of the MOU, which  
9 had been mysteriously removed from the City's official copy of the Purchase  
10 Agreement. That member's efforts are the only reason anyone in the community now  
11 knows of the MOU's existence.  
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15 **K. The District's Resistance to Pier Avenue and Misinformation Campaign**

16 55. Many community members were interested in the possibility of re-  
17 entering Pier Avenue, but the District failed to pursue the new information, betraying  
18 its lack of interest in actually exploring the cost-effectiveness of various options. For  
19 example, the Hermosa Beach City Attorney circulated a letter disputing the MOU's  
20 validity. **Exhibit 26** (November 22, 2013 Beach Reporter article, "City attorney  
21 questions document in Pier Avenue School sale"); *see also* **Exhibit 33** (a true and  
22 correct transcript of May 28, 2014 Joint City/District Meeting, *see* pp. 4-5). The  
23 District never took steps to validate, confirm, or challenge the City's interpretation for  
24 itself.  
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1           56.    The District has continued to claim that the contract does not provide  
2 for the District’s use of Pier Avenue School to the present day, and has never allowed  
3 the FPAC to consider the costs or benefits of doing so. **Exhibit 34** (Emails from  
4 Monique Ehsan, FPAC chair, in mid-late 2014, in which she corrects a misstatement:  
5 “At a couple of meetings Pat brought up the Community Center and the fact that we  
6 don’t own it but we never had an FPAC discussion...”). The option of using Pier  
7 Avenue School was never explored, and the District has never presented that option  
8 to the voters of Hermosa.  
9

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12           57.    One longstanding argument against Pier Avenue was that it did not meet  
13 Title V requirements (California regulations pertaining to the design of school  
14 facilities). But the state Office of Public School Construction (“OPSC”) inspected  
15 both Pier Avenue and North Schools, and notified District Superintendent Patricia  
16 Escalante in March 2014 that both schools could be used by the District, and that  
17 both were eligible for State matching funds for renovation. **Exhibit 35** (OPSC letter  
18 dated March 26, 2014). No Title V violations were reported by the OPSC for either  
19 school. Yet the misperception persisted; even the City Manager wrote of Title V  
20 problems in a letter to the editor of the Easy Reader. **Exhibit 36** (Easy Reader News,  
21 Letter to Editor by Tom Bakaly [City Manager] dated October 9, 2014). The great  
22 irony is that the Title V “standards” that Pier Avenue School allegedly fails to comply  
23 with are not even mandatory: the regulations themselves state that exemptions may be  
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1 granted for any of the standards. Besides, North does not meet Title V standards to  
2 house 510 students, so the District itself is not concerned about Title V violations.

3  
4 58. Another argument about using Pier Avenue was the fact that the District  
5 does not own the facility; the argument is that money would be better invested in  
6 properties the District does own and can count on being able to use in the future.

7  
8 First, the Sales Agreement provides for the District to re-enter Pier Avenue. Second,  
9 the District is most likely obligated by law to re-possess the property entirely, based  
10 on the City's breaking the terms of the Agreement by selling and rezoning Lot #4.

11  
12 But even aside from these two strong arguments, the City already leases large amounts  
13 of space in the building to community groups for next to nothing. For example, the  
14 Historical Society rents 1500 square feet of space in Pier Avenue School (also known  
15 as the Community Center) for \$1 per year. **Exhibit 37** (January 1, 2014 list of  
16 Hermosa Beach Community Center [aka Pier Avenue School] tenants). The Hermosa  
17 Beach Arts Foundation rents space there, too, and obtained a fee waiver. The  
18 Disaster Preparedness Group also rents space in the building for \$1 per year. The  
19 City has never refused to lease space to the District, and there has never been any  
20 suggestion that the District could not secure a very long-term lease from the City to  
21 ensure that any repairs or renovations paid for by the District will benefit students for  
22 a long time to come.

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27 59. Another argument is that Pier Avenue School supposedly can only be  
28 used for recreational purposes. *See* **Exhibit 38** (Volume 1, No. 10 of HBCSD ~

1 Board Highlights newsletter, May 2014 edition). But the Purchase Agreement in fact  
2 provides, explicitly, that Pier Avenue can also be used for educational purposes. *See*  
3 **Exhibit 16**, Article 9, Section 9.02. And in fact, the Community Center is currently  
4 being leased for educational purposes, such as the S.T.A.R. Program, which is an  
5 educational program for kindergarteners. *See* **Exhibit 39** (2017-2018 school year  
6 S.T.A.R. brochure). Not only is the City using the Community Center for S.T.A.R.,  
7 but the City worked with the District on this effort, including to put up fencing so the  
8 children could have a play yard.  
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12 60. The City has claimed the District could not re-enter Pier Avenue School  
13 – only use the gymnasium, auditorium and showers and lockers on a limited basis,  
14 based solely on the Sale Agreement’s Exhibit “K”. **Exhibit 33** (a true and correct  
15 transcript of May 28, 2014 Joint City/District Meeting; *see* pp. 4-5). Because of the  
16 City’s self-serving interpretation of the Exhibits, it avoided the issue of re-entry or re-  
17 possession by offering the District three classrooms at another previously owned  
18 District property, South School. **Exhibit 40** (June 5, 2014 Beach Reporter article,  
19 “HBCSD considers administrative move to South Park”). The reality was that the  
20 District *already* had control over those three classrooms. **Exhibit 41** (October 8, 2013  
21 Update on Proposed Expansion; “Currently, all classrooms at South Park are at  
22 capacity. Of the four classrooms there, the School District uses three and the City  
23 uses one.”) The District subsequently spent more than \$100,000 renovating three  
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1 classrooms at South School to be used for temporary District offices. **Exhibit 42** (a  
2 true and correct summary of District expenditures renovating South School).  
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4 61. In mid-2014, a citizen asked the Hermosa Beach Mayor, Michael  
5 DiVirgilio, to take an official position as to whether the Purchase Agreement allowed  
6 for District use of classrooms and whether the City would lease classrooms to the  
7 District, as they did for multiple other groups. The mayor responded in an email  
8 dated July 9, 2014 that “The City is not aware of any prohibition that would prevent  
9 us from entertaining requests about the Community Center [Pier Avenue School]  
10 from the District... However, as you saw during our most recent joint meeting (May  
11 2014), neither the City nor the District are interested in considering the Community  
12 Center.” **Exhibit 43** (July 9, 2014 email from Mayor DiVirgilio attaching official  
13 letter response).  
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17 62. Another claimed concern is that renovating Pier Avenue classrooms for  
18 student use would be too costly. However, the District obtained a quote for less than  
19 \$3M to renovate Pier Avenue for school use, less than 10% of the \$34M cost to  
20 demolish and rebuild North. The most recent quote to renovate North was \$18M,  
21 less than half the cost to demolish and rebuild even before state matching funds, for  
22 which North is eligible, are considered.  
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26 **L. The District’s False Claims Of Cost-Prohibitive, Necessary Upgrades**

27 63. For years, the Board of Trustees, District employees and City officials  
28 claimed that Pier Avenue School needed expensive seismic upgrades in order to be

1 allowed to be used as a school by the State of California. In 2003, a concerned citizen  
2 hired David Breiholtz, a structural engineer who literally wrote the California building  
3 code, to do a physical walk-through of Pier Avenue to verify if that claim was true.  
4 Breiholtz scoffed at the idea that the school was dangerous, stated that Pier Avenue  
5 School had been built using the same techniques and materials as Hoover Dam, and  
6 wrote a letter confirming that the school did not need to be retrofitted at all. **Exhibit**  
7 **44** (July 30, 2003 letter from David Breiholtz: “There are no requirements for seismic  
8 upgrades of school buildings at this time.”). Breiholtz said Pier Avenue would be the  
9 last building in Hermosa to come down if there were a major disaster.  
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13           64. After Breiholtz’ report, the City designated Pier Avenue as the City’s  
14 headquarters in the event of a disaster and instructed the Hermosa Beach Disaster  
15 Service Workers to meet at Pier Avenue School in the event of a disaster. Yet, the  
16 longstanding rumors that it was unsafe for school children persisted even though the  
17 City had no concerns in offering after school classes in the building to those very  
18 same children. Of course, the building is perfectly safe – recently, the City Manager  
19 stated it was “built essentially to withstand nuclear bomb blasts and so [it] can  
20 withstand earthquakes.” **Exhibit 45** (a true and correct transcript of a portion of May  
21 4, 2016 Hermosa Beach City Council Meeting).  
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26           65. On February 10, 2015, the *City* held a Council meeting at which one of  
27 the items on the agenda was whether to expend *City* funds to evaluate City facilities  
28 for school use, including the Community Center (aka Pier Avenue School). **Exhibit**

1 46 (February 10, 2015 City Council meeting agenda and attachment). The District  
2 Superintendent attended the meeting. The City Councilmembers declined to fund the  
3 inspection of Pier Avenue, citing the Superintendent's personal request that they not  
4 do so.  
5

6 66. Finally, a few months later on June 11, 2015, as a part of the City's  
7 assessment of City-owned buildings for their updated Master Plan, the City hired John  
8 A. Martin & Associates, Inc. to perform an inspection and assessment of Pier  
9 Avenue School's structural integrity. John Martin and Associates found that Pier  
10 Avenue was designed "remarkably well" and only needed limited seismic retrofit in  
11 the auditorium and gymnasium buildings; the existing classrooms were deemed safe.  
12 **Exhibit 47** (Executive Summary of Martin & Associates Report). Martin &  
13 Associates stated that a structural seismic retrofit to address any deficiencies in the  
14 auditorium would be "feasible" and estimated a cost of \$2 million to retro-fit the Pier  
15 Avenue School auditorium and \$300,000 to retrofit the gymnasium. *See Exhibit 47.*  
16 The classrooms were deemed earthquake safe without need of retrofit, confirming  
17 Breiholtz' assessment ten years earlier. *Id.* However, even with this professional  
18 positive assessment of the seismic integrity of Pier Avenue School, during the  
19 Measure S campaign nobody from either the District or the campaign informed voters  
20 that it was safe for District use.  
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22 67. The City also retained another company, CivilSource, to prepare a  
23 second assessment of Pier Avenue School/the Community Center relating to any  
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1 needed building repairs, which CivilSource estimated at less than \$300,000 because  
2 the building was in such good condition. **Exhibit 48** (CivilSource 2015 Building &  
3 Facilities Condition Assessment).  
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5 68. The District never compared, or allowed an investigation of the pros and  
6 cons of, the estimated cost of: (1) spending \$36 million to demolish and reconstruct  
7 North School for a projected 510 3<sup>rd</sup> and 4<sup>th</sup> grade students on traffic and residents;  
8 (2) renovating North School for continued use as an affordable community located  
9 preschool and after-school service; (3) renovating North School for 350 3<sup>rd</sup> and 4<sup>th</sup>  
10 grade students; and (4) renovating Pier Avenue School as an excellent middle school  
11 facility for 400-510 students during the day and a joint-use facility for the City on  
12 weekends and afterschool hours. Such a comparison would have been common-  
13 sense, but those options were not explored. More importantly for purposes of this  
14 Complaint, the District never compared all costs to renovate North with all costs to  
15 build North all over again.  
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20 69. As of January 1, 2017, there is no difference between state building  
21 requirements for public buildings versus school buildings. California Education Code  
22 § 17280.5 states that any building that was built to Field Act specification is deemed to  
23 be safe for use by school children. *See* **Exhibit 5** (Education Code § 17280.5). Both  
24 North School and Pier Avenue School were built to Field Act specifications.  
25  
26 Therefore, the fact that Pier Avenue is being used by children afterschool proves that  
27 it could also be used by children for school. Yet, the District claimed Pier Avenue  
28

1 was unsafe for use by schoolchildren (while conceding it was safe for afterschool use  
2 by those same children). **Exhibit 49** (email between School Board Member Jack  
3 Burns and community member, stating “We explored the Community Center as an  
4 alternate site. Unfortunately, while it meets Building Code Standards it is not Ed  
5 Code compliant and would require substantial upgrades to be utilized as a school  
6 site.” *See* p. 2). There was never any evidence to support such a distinction, and the  
7 District never based their decision to rebuild on any such evidence.  
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#### 12 **M. The District’s Failure To Maintain Its Existing Assets**

13 70. Children’s Journey, a private organization that rented North School until  
14 June 30, 2017 (with an extension to August 15, 2017), paid the District approximately  
15 \$230,000 rent per year as of 2014. *See* **Exhibit 21**. Yet, the District performed only  
16 minimal maintenance on North School, one of the District’s assets that taxpayers  
17 expected the District to carefully maintain and steward. **Exhibit 50** (a true and  
18 correct summary of purchase orders greater than \$500 on North School maintenance  
19 expenses from 2008-2016). The District later promoted Measure S by pointing out  
20 how outdated North’s systems were. **Exhibit 51** (photographs of “antique” fixtures  
21 at North, used by District to “show just how old the site [North] is.”)  
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26 71. The District minimally maintained all schools, while constantly crying  
27 poor to taxpayers regarding district finances. In 2006, the District had a Reserve  
28 Fund of 4.5%, which was more than the state-mandated 3%. **Exhibit 52** (Schedule

1 of Financial Trends and Analysis for the Year Ended June 30, 2008; Schedule of  
2 Financial Trends and Analysis for the Year Ended June 30, 2015). By 2015, the  
3  
4 District had amassed a 25.5% Reserve Fund of almost \$3M. **Exhibit 52.** This was  
5 despite spending more than \$1M on short-term classroom solutions, of which a  
6  
7 portion could have been used to renovate North School or Pier Avenue School for  
8 student use. **Exhibit 28** (a true and correct summary of District expenditures on  
9 temporary solutions to overcrowding between 2012-2016).

10  
11 72. The District routinely complains that its schools are outdated and falling  
12 apart as justification to build a brand-new North School. Had the District used its  
13 some of its \$3M Reserve fund, or any of the \$2M+ in rent received from Children's  
14 Journey over the last ten years, to maintain and update North, the school would be in  
15 excellent condition today.  
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19 **N. Measure S, And Illegal Expenditures of District Funds to Promote It**

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21 73. In the fall of 2015, the District proposed school bond Measure S, which  
22 asked for \$59,000,000. **Exhibit 53** (full text of Measure S). With interest, the  
23 estimated total cost is \$127,000,000. *See* **Exhibit 53** (Full Text of Measure S).  
24

25 74. California Education Code § 7054 makes it a crime for school districts to  
26 spend public funds to promote the passage of a school bond. **Exhibit 55** (California  
27 Education Code § 7054). California courts have, however, held that districts are  
28 permitted to expend taxpayer funds in order to present the taxpayers with a "fair

1 presentation” of facts to permit an informed decision on the vote. *Stanson v. Mott*, 17  
2 Cal. 3d 206 (1976). In order to pass Measure S, the District illegally expended and  
3 wasted public funds on campaigning for Measure S in violation of § 7054.  
4

5 75. Plaintiff is aware of the following violations of § 7054: the District  
6 retained Isom Advisors, a division of Urban Futures (**Exhibit 56** [District contract  
7 with Isom Advisors]);<sup>1</sup> TPRC Communications, a social media company (**Exhibit 57**  
8 [District contract with TPRC Communications]);<sup>2</sup> and Decision Insite, a  
9 demographics firm (**Exhibit 59** [Decision Insite demographic projection performed  
10 in June 2015] and **Exhibit 60** [Decision Insite demographic projection performed in  
11 September 2016]).  
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14  
15 Isom Advisors

16 76. The District has paid Isom at least \$27,500; on information and belief,  
17 much more. Isom’s fee for each series of bonds sold is \$75,000. **Exhibit 56** Section  
18 (1)(a)(iii). The District anticipates three series of bonds. This fee, on information and  
19 belief, is vastly inflated at least in part to account for Isom’s pre-election services –  
20 that is, campaigning to pass Measure S.  
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25 \_\_\_\_\_  
26 <sup>1</sup> On information and belief, a signed copy of this contract exists and is or was operative at  
27 all relevant times to this Complaint.

28 <sup>2</sup> On information and belief, a signed copy of this contract exists and is or was operative at  
all relevant times to this Complaint.

1           77. Isom’s website states, under its “School Bond Election Services” tab,  
2 that it will work with “the local campaign committee” to implement a “proven  
3 strategy to win the election.” **Exhibit 61** (screenshot of Isom’s website).<sup>3</sup>  
4

5           78. The District cannot legally spend public funds to assist its own school  
6 bond campaign. Therefore, Isom – a paid District advisor – could not coordinate  
7 with representatives of the campaign like the Yes on S campaign chair, Michael  
8 Collins, or Lawrence Fox (a paid political consultant for Yes on S). The Yes  
9 campaign could not legally have access to Isom’s expertise on passing bond measures  
10 – and in fact, neither could the District, since it was ultimately paying for that  
11 expertise in the form of inflated bond-sale service fees.  
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15           79. Disregarding ethics and the law, Isom repeatedly communicated directly  
16 with District Superintendent Pat Escalante on strategies to pass the bond, including  
17 advising her on when to push for so-called “informational” (in other words,  
18 promotional) meetings about Measure S (**Exhibit 62** [March 30, 2016 emails between  
19 Escalante and Isom]) and what words to use in responses to questions about other  
20 Measure S financial impacts and issues (**Exhibit 63** [March 28, 2016 emails between  
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23 <sup>3</sup> On January 26, 2016, former California Attorney General Kamala Harris issued Opinion  
24 13-304 opining that school districts violate California law when they compensate bond firms  
25 for pre-election campaign activities, even if there is no item specifically naming those  
26 services. In other words, “if the firm’s fee for bond-sale services are inflated to account for  
27 its pre-election services and the district fails to take reasonable steps to ensure the fee was  
28 not inflated, then we believe the arrangement is illegal.”

1 Escalante, Collins, and Isom]). Escalante, Isom, Collins, and Fox, routinely  
2 cooperated, shared information, and strategized together (**Exhibit 64** [March 27, 2016  
3 emails between Escalante, Fox, Collins, and Isom]). Jon Isom even *helped write the*  
4 *rebuttal argument in favor of Measure S*. **Exhibit 65** (March 26, 2016 emails between  
5 Collins, Escalante, Fox, and Isom). Isom was responsible for the District's mailer to  
6 all registered voters in the District – coordinating again with Fox, Collins, and  
7 Escalante. **Exhibit 66** (April 22, 2016 email from Isom to Fox, Collins, and  
8 Escalante: "We have completed the District FAQ mailer and are sending it to the  
9 printer. Can you send us a mailing list so we can forward it to the printer. I'm fine  
10 with all registered voters in the District... Do you have an opinion on the target  
11 audience?"). The District paid Isom to help pass Measure S – not to provide a "fair  
12 presentation of the facts," as required by *Stanson v. Mott*. Therefore, the District  
13 illegally coordinated with Isom Advisors and the Yes campaign in violation of  
14 Education Code § 7054.

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20 80. The District had no respect for the idea that its officials should only  
21 support the Yes campaign by acting individually, on their own time, in their capacity  
22 as private citizens. As an example, View School starts classes at 8:30 a.m. The  
23 District Superintendent, Escalante, instructed "Sylvia," the View School principal, to  
24 interrupt teacher Tracy Robinson's class at 8:41 a.m. on Monday March 28, 2016 in  
25 order to get her signature on the Yes on S rebuttal argument – clear campaigning  
26 activity, and clearly during school hours, and clearly using her authority as  
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1 Superintendent to order employees to act – therefore illegal. **Exhibit 67** (March 28,  
2 2016 email from Escalante to Tracy Robinson with attachment).  
3

4 TPRC Communications

5 81. In addition, the District retained TPRC Communications to conduct a  
6 social media campaign, which would have been perfectly legal except that the purpose  
7 of the campaign was to urge the passage of Measure S, which is illegal per Education  
8 Code § 7054. **Exhibit 68** (November 2014 email from TPRC Communications to  
9 District employee, stating “As discussed, had I been involved as a consultant to pilot  
10 the district’s social media efforts, [a failed school bond measure] would have easily  
11 passed on election day...” and that TPRC’s services would “better [position] the  
12 district to prevail in any future measures”).  
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16 82. The District paid TPRC Communications \$2000 per month from March  
17 1, 2016 through June 30, 2016 – in other words, leading up to the June 7, 2016 vote  
18 on Measure S. The majority of posts were designed to imply that defeat of Measure S  
19 would be unacceptable and permit the Hermosa schools to continue to be  
20 “overcrowded, outdated, and underfunded.” **Exhibit 69** (sample Facebook posts by  
21 the District after hiring TPRC). The remaining posts mostly invited Hermosans to  
22 District-sponsored meetings about Measure S (where only pro-S information was  
23 presented), or to register to vote.  
24  
25  
26

27 83. TPRC Communications specifically told the public that Measure S was a  
28 comprehensive plan to address “overcrowded” schools in Hermosa. *See* **Exhibit 69**,

1 p. 1. But none of their Facebook posts addressed the fact that the Measure S plan to  
2 place 510 third and fourth graders at North School violates the Department of  
3 Education acreage requirements for schools. The Department of Education requires  
4 4.8 acres for schools with up to 450 third graders, or 8.9 acres for up to 450 fourth  
5 graders. **Exhibit 70** (California Department of Education Guide to School Site  
6 Analysis and Development)<sup>4</sup>. The fact that TPRC failed to present this objective fact  
7 that the Measure S plan would lead to overcrowding, yet repeatedly described  
8 Measure S as a plan to address overcrowding, precludes an interpretation that the  
9 District's funds were spent to provide voters with a "balanced presentation of facts."<sup>5</sup>  
10  
11  
12

13 84. The District even purchased the web domain VoteMeasureS.com –  
14 obviously a pro-S name – and redirected visitors to their website's Measure S page.  
15 That page contained the argument *in favor of*, but not against, Measure S, as well as a  
16 link to a page titled "Why We Need [Measure S]". No arguments or facts against  
17 Measure S were presented on this website. **Exhibit 71** (Measure S page of District  
18  
19  
20

21 \_\_\_\_\_  
22 <sup>4</sup> Figures are quoted from the "CSR" (Class Size Reduction) recommendations because the District  
23 uses CSR.

24 <sup>5</sup> One of the reasons the District gave as to why Pier Avenue School could not pass a Title V  
25 inspection was that Pier Avenue School – a far larger campus than North – allegedly didn't have  
26 enough acreage to meet the Department of Education requirements. But the much smaller North's  
27 insufficient acreage was, apparently, not going to be a problem.  
28

1 website) (see last page, where the Argument in Favor is posted, but not the Argument  
2 Against).

3  
4 Decision Insite

5 85. The District also hired a demographics enrollment projection firm,  
6 Decision Insite, to project enrollment figures over the coming years. The first  
7 projection for Hermosa Beach City School District was presented in January 2013 to  
8 the Facilities Planning and Advisory committee. That report predicted that there  
9 would be a 5.8% increase in the amount of families and a 7% increase in the amount  
10 of school-aged children in Hermosa Beach by 2020. The FPAC based their 2013  
11 facility recommendation to the District on this information.  
12  
13  
14

15 86. In May 2015, Decision Insite provided another enrollment report, as the  
16 District was beginning to execute its plan to place Measure S on the ballot. The May  
17 2015 report showed a “Conservative” estimate of rising enrollment at an average of  
18 .75% increase per year for the years 2016-2019. **Exhibit 59** (Decision Insite’s 2015  
19 Composite TK-12 Forecast, labeled “conservative study”). After Measure S passed in  
20 June 2016, the same firm, Decision Insite, updated the projection at the District’s  
21 request in November 2016. That estimate showed a decrease of enrollment every year  
22 for the same years, averaging 3.5% decline! **Exhibit 60** (Decision Insite 2016 Chart  
23 of Enrollment History and Five Year Projection).  
24  
25  
26

27 87. Another way to state this information is that Decision Insite projected a  
28 total District enrollment of 1543 by 2019 *before* the bond passed, and only 1237

1 enrolled by 2019 *after* the bond passed – a difference of more than 300 children, or  
2 20-25%! *See Exhibits 59 and 60.*

3  
4 88. The two reports – 2015 and 2016 – did not even agree on data that was  
5 *historical* for both reports. The pre-bond projection, dated May 2015, should have had  
6 the benefit of accurate enrollment numbers for every year prior to 2015, and relatively  
7 accurate numbers for 2015 since they were already mid-way through the year. The  
8 post-bond projection, dated November 2016, likewise should have had access to the  
9 exact same (accurate) enrollment numbers for every year prior to 2015. Yet, the two  
10 reports differ *every year*, with pre-bond enrollment projections consistently higher than  
11 post-bond projections. For example, the pre-bond projection showed 2011  
12 enrollment at 1,321; the post-bond projection showed five less children that year  
13 (1,316), when Decision Insite should have used the exact same historical information  
14 for both projections. *See Exhibits 59 and 60.* In 2012, 2013, and 2014, the same  
15 pattern held: the pre-bond projection showed higher enrollment than the post-bond  
16 projection. *Id.* By 2015, the same year the first projection was issued, the difference  
17 had exploded to ***one hundred children***: the June 2015 projection showed 1533  
18 children enrolled in 2015, which was one hundred more children than the 1433  
19 children that the 2016 report showed! *Id.*

20  
21  
22 89. There is no good explanation for a June 2015 projection that shows 100  
23 more enrolled in 2015 than were actually enrolled. In June 2015, Decision Insite  
24 would have known that the District had – at most – 1433 children. To project 1533  
25  
26  
27  
28

1 enrollment for 2015, Decision Insite would have had to make the absurd prediction  
2 that the District was on the verge of the most sudden and dramatic increase in  
3 enrollment ever experienced – one hundred extra students suddenly appearing in a  
4 single enrollment season. Since that did not happen, it is clear that Decision Insite  
5 had no reliable justification to believe that such a massive increase was imminent, but  
6 they made the prediction anyway.  
7

9       90. On information and belief, the District paid Decision Insite to show  
10 high enrollment and high projected future enrollment when the bond was being  
11 debated and voted on, so that a Yes vote would seem more necessary to voters. On  
12 information and belief, the District communicated directly or indirectly to Decision  
13 Insite that they wanted to see a projection that showed projected future increases, and  
14 Decision Insite obliged.  
15

17       91. The District paid Decision Insite for the 2015 and 2016 projections,  
18 constituting illegal campaign expenditures. **Exhibit 72** (Decision Insite Invoices).  
19

20       92. After the District's illegal campaign expenditures, Hermosa voters  
21 passed Measure S by a mere 340 votes on June 7, 2016.  
22

23  
24 **O. The Misleading Bond Language of Measure S**  
25

26       93. The text of Measure S, attached to this Complaint as **Exhibit 53**, was  
27 deliberately written to obscure the true objective of the District to demolish historic  
28 buildings at the North School. The first paragraph reads, "To reduce student

1 overcrowding and make safety, security, and health improvements; **construct,**  
2 **renovate, modernize and equip** classrooms and facilities at North, Valley and View  
3 Schools; replace or repair roofs; provide technology improvements for students; and  
4 upgrade or replace outdated electrical, plumbing, heating and air conditioning systems,  
5 shall Hermosa Beach City School District issue \$59,000,000 of bonds at legal interest  
6 rates, and have an independent citizens' oversight committee with no money for  
7 administrative salaries or taken by the state?" (Emphasis added.)  
8  
9

10  
11 94. The rest of the bond language provides that the funds will go for the  
12 following purposes, which are highlighted and bolded in the original text:

13 a) "Renovate and Modernize Existing Classrooms and Buildings" (listing a  
14 number of items to be renovated or modernized)

15  
16 b) "Renovate, Modernize and Construct Safety and Security  
17 Improvements," including fire safety systems, security systems, emergency  
18 communication systems, lighting, school entry and access areas, locks, parking and  
19 transportation areas, and fencing.  
20

21  
22 c) "Renovate, Modernize and Construct Basic Infrastructure and Utilities,"  
23 including roofs, site and building plumbing, sewer, gas, electrical, water, storm  
24 drainage, heating, ventilation and air conditioning systems, energy efficiency and water  
25 conservation improvements."  
26  
27  
28

1 d) "Construct, Renovate, and Modernize Specialty Classrooms for  
2 technology, computers, science, library, art and performing arts, including the  
3 acquisition and installation of furnishings and equipment for such uses."

5 e) "Construct New Classrooms, including removing portable classrooms  
6 and constructing, furnishing and equipping permanent classrooms."

8 f) "Construct or Modernize Multipurpose, Administration and Support  
9 Facilities," including space for administration, maintenance, operations, and  
10 performing arts uses, restrooms, and disability access improvements.

12 g) "Renovate, Modernize and Construct Landscape or Hardscape  
13 Improvements," listing various hardscape and parking projects.

15 h) "Renovate, Modernize and Construct Food Service Improvements"

16 95. None of the verbs used in the main text of Measure S imply destruction  
17 or demolition of anything. The only place Measure S mentions that the funds may be  
18 used to destroy or demolish any facility is in the middle of a long paragraph on page  
19 two, which states: "Projects may also include the costs of demolition and  
20 reconstruction of existing facilities currently scheduled for modernization, if the  
21 Board of Education determines that such an approach would be a more cost-effective  
22 solution."

26 96. At the time Measure S was presented to voters, the District had not  
27 "scheduled" North School for "modernization." Therefore Measure S funds may not  
28

1 be used to demolish North School, since it was not an “existing facility [then]  
2 scheduled for modernization.”

3  
4 97. The District has never determined that demolition and reconstruction of  
5 North, at a cost of \$36M (possibly even more now, given unforeseen escalation costs),  
6 is more cost-effective than spending \$3M to renovate Pier Avenue School or \$6M to  
7 renovate North School, the two alternatives identified in this Complaint. To  
8 determine that destruction and reconstruction would be more cost-effective, the  
9 District would have to identify the amount of anticipated savings, which would only  
10 be realized through demolition and new construction, and which are equal to or  
11 greater than the price difference between the demolition plan and the alternatives.  
12  
13  
14

15 98. The first alternative is to lease and renovate Pier Avenue. Given that the  
16 District could lease Pier Avenue School from the City<sup>6</sup> at a market rent of \$1 per year,  
17 and the combined cost to repair and retrofit the entire facility was recently estimated  
18 at less than \$4M, the District would have to identify future anticipated savings of over  
19  
20

21 \_\_\_\_\_  
22 <sup>6</sup> The District may argue that it cannot lease classrooms from the City. However, the City has never  
23 said the District cannot lease classrooms; in fact, it has explicitly conceded that the City sees no  
24 problem with doing so. The District has never sought to learn the price at which the City would be  
25 willing to lease classrooms to the District. Should the City decide to charge more than \$1/year, the  
26 District and the City should explain why the community’s schoolchildren do not have the same or  
27 greater priority as other residents – and why renovations and retrofit services to the Community  
28 Center valued at \$3M+ are not sufficient reason to lease space to the District until such time as  
enrollment declines again and the space is no longer needed.

1 \$30M to make the \$34M demolition and new construction plan “a more cost effective  
2 solution.”

3  
4 99. The most recent estimate to renovate North was \$6M. **Exhibit 78**  
5 (renovation estimate submitted by Juge Company, Inc.). This estimate came from  
6 independent contractors who have renovated over 80 schools in the Los Angeles area.  
7  
8 To determine that demolition and new construction is “a more cost-effective  
9 solution,” the District would have to anticipate future additional savings of over  
10 \$30M. No such savings have ever been identified. Therefore, demolition and  
11 reconstruction of North is not “a more cost-effective solution” than renovation.  
12

13 100. Realistically, renovation is almost always a more cost-effective solution  
14 than demolition and new construction. Everyone has heard of house “flipping,” a  
15 common business model in which an investor buys an old home and then adds on to  
16 it or remodels it in order to sell for a high price. There is no such business model of  
17 destroying old properties to build the same one brand new for a reason: it’s not cost  
18 effective. Measure S’ statement that the District would demolish only if it was more  
19 cost effective unfairly and deceptively led voters to expect that the District would  
20 exhibit sensitivity to cost first and foremost in making decisions about how to use  
21 bond money, and that barring unforeseen circumstances, the District would use the  
22 money to remodel North, View, and Valley. Voters were not adequately informed  
23 that the District planned to simply follow its own preferences in deciding whether to  
24 renovate or demolish and build new.  
25  
26  
27  
28

1 101. California Proposition 39 passed in 2000 and allows school districts to  
2 pass bond measures with only 55% of the vote instead of 66.67%. However, Prop 39  
3 also requires districts to provide voters with greater specificity: Prop 39 was intended  
4 to “ensure that before they vote, voters will be given a list of specific projects their  
5 bond money will be used for.”  
6  
7

8 102. The District failed to conduct any sort of objective analysis to determine  
9 whether a solution was “cost effective”. Numerous guidelines for this process exist,  
10 put out by a variety of sources, and are readily accessible online. For example,  
11 [http://www.facilitiesnet.com/educationalfacilities/article/School-Choice-Build-New-  
12 or-Not-Facilities-Management-Educational-Facilities-Feature--2639](http://www.facilitiesnet.com/educationalfacilities/article/School-Choice-Build-New-or-Not-Facilities-Management-Educational-Facilities-Feature--2639) (“Generally,  
13 schools built in the 1950s or earlier have impressive architectural character and often  
14 are fixtures in their neighborhoods. They are structurally sound and can accommodate  
15 new systems. In addition, there is often strong sentiment to keep them in some  
16 form.”)  
17  
18  
19

20 [http://online.tarleton.edu/ACEF/RenovateSchoolFacilities201418/RenovateS  
21 choolFacilities201418\\_print.html](http://online.tarleton.edu/ACEF/RenovateSchoolFacilities201418/RenovateS) (Identifying a number of factors to consider  
22 in deciding whether to renovate a school or demolish and build new.)  
23

24 <http://www.brainspaces.com/cefpi/article-cefpi-efp-v38i2-ay.pdf> (Identifying  
25 factors to consider such as “1) the physical building, 2) its educational adequacy  
26 (both current and future), 3) operational issues (both short and long-term), 4)  
27 expansion needs & opportunities, 5) aesthetic considerations, 6) historical and  
28

1 community significance, 7) safety/security, 8) accessibility, and 9)  
2 sustainability.”)

3  
4 <https://webspm.com/articles/2004/07/01/renovation-vs-new->

5 [construction.aspx](https://webspm.com/articles/2004/07/01/renovation-vs-new-construction.aspx) (Discussing the pros and cons of renovation vs. new

6 construction, and noting that Massachusetts adopted a policy of choosing to

7 build new if the cost of remodeling exceeds 2/3 of the cost to build new.)

8  
9 <http://www.phmc.state.pa.us/portal/communities/school->

10 [preservation/files/21st\\_century\\_educations.pdf](http://www.phmc.state.pa.us/portal/communities/school-preservation/files/21st_century_educations.pdf) (Discussing advantages of

11 renovating historic schools and arguing that they can provide a 21<sup>st</sup> century

12 education.)

13  
14  
15 103. At a minimum, an objective analysis of the cost effectiveness of

16 renovations v. new construction should include a review of comparable projects

17 completed in the vicinity. Newport Beach, adjacent to Hermosa Beach, remodeled its

18 historic Newport Beach Elementary school, originally constructed in the 1930's, with

19 hard costs totaling only \$4.1M in 2002. **Exhibit 74** (list of hard costs for Newport

20 Beach Elementary renovations). Nearby El Segundo remodeled its historic middle

21 school and Richmond Street Elementary (also believed to be in 2002) at a cost of only

22 \$4.8M and \$5.3M, respectively. **Exhibit 75** (email from El Segundo Superintendent

23 detailing costs of renovations). Those schools were also originally constructed in the

24 1930's. The neighboring City of Torrance chose to remodel 29 of its 30 schools,

25 offering a number of examples from which to draw. Before taking irreversible steps

1 to destroy North, the District should engage in a serious, good-faith effort to create  
2 an accurate comparison of the costs.

3  
4 104. In addition, as of the latest Decision Insite demographic report and page  
5 3 of the School District Criteria and Standards Review Form 01CS for the 2016-2017  
6 July 1 Budget, the District is reporting enrollment of 1,341, or 88 less students for the  
7 2018-2019 school year. The District cannot fairly determine that new construction is  
8 more cost effective than renovation without considering the new projections of  
9 declining enrollment, which will reduce the District's need for classroom space.  
10  
11

12 105. Based on the explicit text of Measure S, "Bond proceeds shall be  
13 expended only for the specific purpose identified herein." The North School was  
14 never identified specifically as a target for demolition within Measure S, and based on  
15 the text of Measure S, voters were not adequately informed that the District already  
16 planned to demolish *any* facilities, much less the historic North School.  
17  
18

19 106. As of the filing of this First Amended Complaint, Plaintiff believes the  
20 District is currently expending funds, including architect fees, construction manager  
21 fees, and other expenses, to execute its illegal plan to demolish the historic buildings  
22 at North. Although the District is currently in the process of completing an  
23 Environmental Impact Report, the District cannot legally demolish North regardless  
24 of what the environmental impact of demolition is or is not determined to be. The  
25 District filed a Notice of Preparation of EIR that describes the project as follows:  
26  
27  
28

"The project is the reconstruction of the North School property and entails

1 demolishing the existing structures onsite, extending the site footprint eastward over  
2 an approximately 0.5-acre vegetated slope, construction of new school facilities, and  
3  
4 reopening the property to accommodate a maximum enrollment capacity of 510  
5 students. A surface parking lot with 46 stalls would be developed in the western  
6  
7 portion of the campus, and vehicle access would be provided from 25<sup>th</sup> and 26<sup>th</sup>  
8 Streets. A two-story classroom building is proposed along 25<sup>th</sup> Street, and a  
9  
10 multipurpose building is proposed along 26<sup>th</sup> Street near Morningside Drive. An  
11  
12 asphalt playground would be developed between the two buildings, and a natural turf  
13  
14 field would be installed in the eastern portion of the campus. Construction is  
15  
16 proposed to begin July 2017 and end August 2019...” **Exhibit 73** (Notice Of  
17  
18 Preparation of EIR re: North School Reconstruction).

19  
20 107. On information and belief, the District is using funds from Measure S to  
21  
22 pay for architects, construction managers and related expenses, all of which are being  
23  
24 used solely to advance the plan of demolishing and rebuilding North School – not  
25  
26 exploring any other option. **Exhibit 79** (SVA Architects contract) and **Exhibit 80**  
27  
28 (Bernards construction management contract). This is an illegal waste of public  
funds, because Measure S funds cannot be legally used for purposes relating to  
demolishing North, *even if* the EIR approves such a plan.

V. CLAIMS

**FIRST CLAIM FOR DECLARATORY AND INJUNCTIVE RELIEF**

**(Violation of California Code of Civil Procedure § 526a)**

**(Against Defendant Hermosa Beach City School District)**

108. Plaintiff realleges and incorporates by reference herein each and every allegation set forth in paragraphs 1 through 107.

109. Plaintiff, as an unincorporated association of property owners and taxpayers of Hermosa Beach within the geographical area of the District, and having paid ad valorem taxes within at least the last fiscal and calendar tax years, has standing to sue under California Code of Civil Procedure §§ 369.5, 526a and *Stanson v. Mott*.

110. The District's use of Measure S funds is legally contingent on the District's use of those funds only for projects specifically identified in the text of the measure.

111. On information and belief, the District intends to begin demolition of the North School, using Measure S funds that were titled, presented, advertised, and specifically described for the modernization and renovation of the North School, rather than its destruction. Demolition of the North School was not specifically listed anywhere in the text of Measure S. The District's plan therefore necessitates the illegal expenditure of public funds on a project not specifically identified in the bond measure.

1           112. The District's plan is not only illegal, it is wasteful in the extreme, as it  
2 contemplates spending at least \$36M on a brand-new school for 510 students, when  
3 the District has conceded that renovations (at a cost of \$6M) would also meet its  
4 needs, and new projections concede that enrollment is likely to decline by the time  
5 construction is finished.  
6

7  
8           113. The District has never "scheduled" North School for "modernization,"  
9 and therefore cannot claim to have adequately informed the voters of its intentions,  
10 since the bond measure only provided for demolition of facilities "currently scheduled  
11 for modernization" as of June 7, 2016. Nor did the District ever compare the current  
12 projected cost of renovation of North to the current projected cost of new  
13 construction, and therefore cannot claim to have made a determination that building  
14 new would be more cost-effective, as required by the language of the bond measure.  
15 Plaintiff is entitled to an injunction preventing the District from using Measure S  
16 funds to harm or demolish existing North School facilities, or otherwise undermine  
17 the North School property's value, and requiring them to perform ordinary  
18 maintenance on the taxpayer-owned property, including standard repairs and  
19 landscaping to preserve the property in its current state until a final decision is  
20 reached as to how to use the property.  
21  
22  
23  
24  
25

26           114. Moreover, the District has never exercised its contractual right to lease  
27 space at Pier Avenue School nor to collect Pier Avenue School from the possession  
28 of the City, triggered by the City's sale of Lot 4 to the Alano Club in 1995. This

1 ongoing failure constitutes a constitutionally prohibited gift of public resources from  
2 the District to the City, and constitutes waste under California Code of Civil  
3 Procedure § 526a. Plaintiff is entitled to an injunction requiring the District to take all  
4 necessary steps to attempt in good faith to retake possession of Pier Avenue School,  
5 as it is entitled to do.  
6

7  
8 115. Plaintiff is beneficially interested in the issuance of a declaration of law  
9 and injunction by virtue of the proposition of facts and law set forth herein.  
10

11 116. Plaintiff has a clear, present and beneficial right to the proper  
12 performance by Defendants of their duties and obligations of ensuring, among other  
13 things, that all applicable federal, state, and local laws and regulations are fully and  
14 faithfully obeyed and implemented.  
15

16 117. Plaintiff is also entitled to a declaration that any contract the District  
17 entered into with the purpose and intent of promoting Measure S is void as illegal,  
18 and restraining the District from making further payments to vendors in payment for  
19 services designed to increase the likelihood of the passage of Measure S.  
20

21  
22 118. The declaratory relief sought in this Complaint is proper to delineate and  
23 clarify the Parties' rights and liabilities. Without the grant of declaratory relief, the  
24 granting of an injunction, and/or the issuance of a writ of mandate, Defendants will  
25 continue to waste taxpayer funds, and irrevocably destroy historic buildings at the  
26 North School, resulting in great and irreparable harm to Plaintiff and the residents  
27  
28

1 and taxpayers of Hermosa Beach on behalf of whom this public interest litigation is  
2 being brought.

3  
4 119. Plaintiff has no plain, speedy, or adequate remedy in the ordinary course  
5 of the law other than the relief sought within this Complaint.

6  
7  
8 **SECOND CLAIM FOR DECLARATORY AND INJUNCTIVE RELIEF**

9 **(Violation of California Education Code § 15284)**

10 **(Against All Defendants)**

11  
12 120. Plaintiff realleges and incorporates by reference herein each and every  
13 allegation set forth in paragraphs 1 through 119.

14  
15 121. Plaintiff, as an unincorporated association of citizens and taxpayers of  
16 Hermosa Beach residing in the school district who have paid ad valorem taxes on real  
17 property within the school district within at least the last fiscal and calendar tax years,  
18 have standing to sue under California Education Code § 15284.

19  
20 122. Plaintiff is beneficially interested in the issuance of a declaration of law  
21 and injunction by virtue of the proposition of facts and law set forth herein.

22  
23 123. Plaintiff has a clear, present and beneficial right to the proper  
24 performance by Defendants of their duties and obligations of ensuring, among other  
25 things, that all applicable federal, state, and local laws and regulations are fully and  
26 faithfully obeyed and implemented.  
27  
28

1           124. Plaintiff has no plain, speedy, or adequate remedy in the ordinary course  
2 of the law other than the relief sought within this Complaint.

3  
4           125. The declaratory relief sought in this Complaint is proper to delineate and  
5 clarify the Parties' rights and liabilities. Without the grant of declaratory relief, the  
6 granting of an injunction, and/or the issuance of a writ of mandate, Defendants will  
7 continue to waste taxpayer funds, and irrevocably destroy historic buildings at the  
8 North School, resulting in great and irreparable harm to Plaintiff and the residents  
9 and taxpayers of Hermosa Beach on behalf of whom this public interest litigation is  
10 being brought.  
11  
12

13           126. On information and belief, Defendants have already expended funds to  
14 further the demolition of North School without further public hearings, using  
15 Measure S funds that were titled, presented, advertised, and specifically described for  
16 the modernization and renovation of the North School, rather than its destruction.  
17 Demolition of the North School was not specifically listed anywhere in the text of  
18 Measure S, nor was it reasonably inferable from the text of Measure S.  
19  
20

21           127. Measure S only informed the taxpayers that the bond funds could go  
22 towards demolition or destruction of existing facilities under specific circumstances  
23 which have not been met and which cannot be met. Therefore, as a matter of law, the  
24 voters could not have been adequately informed as to the possibility that North  
25 School would be destroyed and completely replaced using Measure S funds.  
26  
27  
28



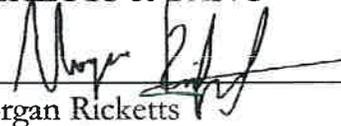
1 North School to prevent great and irreparable harm to Plaintiffs and the  
2 residents and taxpayers of Hermosa Beach on behalf of whom this public  
3 interest litigation is being brought, and to preserve Plaintiffs' and the public's  
4 rights to judicial review;  
5

6 3. That Plaintiff be awarded his reasonable costs incurred in this action, including  
7 attorneys' fees under California Code of Civil Procedure § 1021.5 for this  
8 matter brought in the public interest;  
9

10 4. Award such other and further relief as the Court may deem just and  
11 appropriate.  
12

13  
14  
15 DATED: September 27, 2017

RICKETTS & YANG

  
Morgan Ricketts

Attorney for Plaintiff Hermosa Beach  
Taxpayers Group

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VII. DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury.

DATED: September 27, 2017

RICKETTS & YANG



By:

\_\_\_\_\_  
Morgan Ricketts  
Attorneys for Plaintiff Hermosa Beach  
Taxpayers Group

