

Hermosa Beach
Joint City Council and School Board Meeting
Partial Transcript
May 28, 2014

Run time 2 hrs 56 minutes

http://hermosabeach.granicus.com/MediaPlayer.php?view_id=6&clip_id=4169

Attendees: HBCSD Superintendent: Pat Escalante
HBCSD Board President: Patti Ackerman
Board member: Carleen Beste
Board member: Lisa Claypoole
Board member: Maggie Bove-Lamonica
Board member: Mary Campbell
HB City Council Mayor: Michael DiVirgilio
HB City Council member: Nanette Barragan
HB City Council member: Hany Fangary
HB City Council member: Carolyn Petty
HB City Council member: Pete Tucker
HB City Manager: Tom Bakaly
HB City Attorney: Michael Jenkins
Assistant to the City Manager: Diane Strickfaden

00:11:01

George Schmeltzer, former City Council member when Pier Avenue School was sold to the City of Hermosa Beach (1974 to 1978):

"275 Valley Drive. As probably the only person here who heard that same argument as the population was declining and we had to get out of that building [The Community Center?] because it was falling down on the kids"

INCORRECT STATEMENT: There is no evidence that Pier Avenue School was ever "falling down" on students. The appraisal done in 1975 described all areas of Pier Avenue School were in good condition and the building as being "physically sound". (TL-1975Dec9 PAS appraisal)

CORRECT INFORMATION: In the summer of 2015, nearly 37 years after HBCSD sold Pier Avenue School to the City of Hermosa Beach, two independent professional studies concluded that Pier Avenue School was seismically safe and in very good overall condition. Exhibit JM-1, JM-2

NOTE: The statements that Pier Avenue School is "falling down" and unsafe for students is a reoccurring fabrication that seems to have been developed by the cabal to try to discourage the community in considering district use of Pier Avenue School to temporarily relieve overcrowding. See also examples of this used by former school board members Greg Breen, Lance Widman, Jack Burns and HBCSD attorney Terry Tao.)

George Schmeltzer: *"Ah, to this point 30 or 40 years later I thought I could perhaps provide a little bit of perspective on what the city council did some 30+ years ago, ah, that brings us to this point."*

George Schmeltzer: "So in the 70's of course you know the school aged population was declining radically, ah, city council was blamed at the time for that. Our zoning law was presumably keeping people with families out of the district. Ah, we asked the consultants who were doing the, ah, the school aged population surveys at the time what the city could do to attract people and make sure that our population didn't decline. We were told that the best we could do was to ban birth control pills at the local pharmacies and that would have some impact on the, ah, population, but that there was nothing we were doing in terms of zoning that was actually causing the decline, so it seems it was quite natural [for the population] to go down. At the time, of course, people were, ah, population declining, Proposition 13,..."

COMPETING INFORMATION: Proposition 13 was passed by voters in June 1978. Exhibit JM-3 Prop 13 most likely did not affect school districts' income until at least a year after it was passed. HBCSD started the process of selling Pier Avenue School to the city in 1975, well before the effects of Proposition 13 would have impacted district finances. The Agreement for the Sale of Pier Avenue School was signed on February 28, 1978, more than three months before Proposition 13 was passed. At the time Pier Avenue School was sold to the city, nobody knew if Proposition 13 would pass three months later or how exactly it would affect district finances. **Therefore, Proposition 13 had nothing to do with the district selling Pier Avenue School to the city.** The statement by George Schmeltzer, Superintendent Pat Escalante ([Exhibit PE Sample Website History Write-up](#)) and HBCSD Attorney Terry Tao ([Exhibit TT Final May 31, 2016 Meeting at the 02:04:08 mark](#)) seems, again, to be a fabrication concocted by the cabal. Was this idea concocted to make it seem like the city was the rescuer of the school district by purchasing Pier Avenue School?

George Schmeltzer: "... a shortage of money,..."

COMPETING INFORMATION: What evidence is there that the school district sold Pier Avenue School to the city because of a "shortage of money"? **HBCSD sold Pier Avenue School to the city 40% below fair market value** ([TL-1975Dec9 PAS appraisal](#)) to ensure that the students would have use of the campus in the future when district enrollment exceeded 1,266 students. [Exhibit JM-4a](#) In the 1970s enrollment was dropping significantly as baby boomers graduated elementary school and move on to high school. In the 1986-1987 school year enrollment would drop to its all-time low of 620 students. [Exhibit JM-4](#) When Pier Avenue School was sold to the city in 1977-1978 with a lease provision, nobody knew how much enrollment would rise or fall in the future.

George Schmeltzer: "...ah, the city had to, ah, sit and deal, as you are here tonight, perhaps for the first time in many, many years, ah, to discuss exactly what could be done, ah, on the city's part and working with the school district to ensure that."

George Schmeltzer: "What people learned during that time was, they, that most of the parkland in the city was owned by the school district." (Including most of Valley Park; hence the concern over creating a 510-student campus at North School in which the soccer field at Valley Park would be potentially fence off to be used as playfields for students.) "Most people just saw it as municipal parkland, parks that the city used. Ah, we sat down and realized that there was a real challenge there, ah, because the district needed money," (Did HBCSD need money in the 1970s? Proposition 13 did not pass until three months AFTER HBCSD sold Pier Avenue School to the city of Hermosa Beach and probably did not take effect until at least a year after passing. The planning for the sale of Pier Avenue School started in January 1974, WELL BEFORE Proposition 13 passed in June 1978. In addition, HBCSD sold Pier Avenue School to the city 35% BELOW fair market price. If HBCSD needed the money, would they have sold Pier Avenue School below fair market price?)

CORRECT INFORMATION: The evidence shows that the reason HBCSD agreed to sell South School, Prospect Heights, and Pier Avenue School to the city was because of declining enrollment, NOT to finance the school district. Exhibit JM-4b In fact, it seems that the income from the sale of Pier Avenue School and South School was not used for general school expenses, but used to enlarge and renovate Valley and View schools to consolidate students into fewer campuses in the 1980s and early 1990s.

George Schmeltzer: *"...wanted to sell properties. The city knew they needed the money but didn't want to lose the property ..."*

COMPETING INFORMATION: It appears that the City of Hermosa Beach at first did not have sufficient funds to purchase Pier Avenue School from the school district. The only way the city could purchase Pier Avenue School was to get a Housing and Urban Development (HUD) grant from the federal government and have HBCSD sell Pier Avenue School to the city for substantially less than its fair market value. Exhibits: JM-4c, JM-4d.

NOTE: Was George Schmeltzer trying to make it seem as if the city was rescuing the district when in truth the district was trying to help the city by giving them use of Pier Avenue School while enrollment was low? HBCSD had expected it would be able to use Pier Avenue School when enrollment rose above 1,266, as stipulated in the Memorandum of Understanding, in a good faith sale of Pier Avenue School to the city. Exhibit JM-4h

George Schmeltzer: *"...so a variety of strategies were employed, ah, to try to ensure that that property stayed in the public domain. That it didn't become developed as private property. Ah, it was zoned open space to make it fairly restrictive on what could go there. Ah, community development block grant money was found to purchase the Community Center that I always thought was slated for a used car lot."*

COMPETING INFORMATION: As early as 1976 there is evidence of a school district and city joint Land Use Committee that was making recommendations to the city and the school district of what should be done with surplus district campuses. There is no evidence that Pier Avenue School would ever have been made into something like a used car lot as George Schmeltzer states. Exhibit JM-4e Again, it seems as if George Schmeltzer is trying to make it seem like the city was acting to save Pier Avenue School and "rescue" the school district. Maybe the truth was that HBCSD did not need Pier Avenue School at the time and the city wanted to use the campus, so HBCSD negotiated a contract where the city would use Pier Avenue School until a time when the district would need it back for students. Now, when HBCSD needed use of Pier Avenue School, the city was refusing to recognize that provision in the Agreement.

COMPETING INFORMATION: A lot of Hermosa residents were very upset about the school district selling Pier Avenue School to the city. Exhibit JM-4f

George Schmeltzer: *"Ah, South School, ah, was to be developed, ah, but through discussions like you're going to enter in tonight, the city council at the time and the school district allowed a small sliver of property on Monterey, I think, it is, to be developed as condominiums with the money going into the district's fund for, I believe, only capital improvements at the time."*

NOTE: It's interesting to compare George Schmeltzer's minimizing statements to Pat Escalante exaggerations. George Schmeltzer claims that the "district allowed a "small sliver" of property on Monterey to be developed as condominiums." Superintendent Pat Escalante at the 24:35 time mark states that "90 condominiums" were built on the "small sliver" of land that George Schmeltzer describes.

The truth appears to have been approximately 30 condominiums built on that “small sliver” of land along Monterey Blvd. [Exhibit JM-4g](#))

George Schmeltzer: “Ah, the same thing happened up at View where Harper, ah, Drive, or Harper Street was developed the back side of that property was allowed to be developed, money went into the district for that. And a variety of other things were done. Ah, at the time the city didn’t have the money to even clean up South Park, and now, not only is it one of the more widely used parks, ah you guys last night started talking that whole discussion about really developing a very nice facility down [there]. We like it the way it is, but the proposals are even better. So, I think it’s going to be great. Ah, I talked to a couple of the school board members and the city manager...”

00:14:34

Michael DiVirgilio, Hermosa Beach Mayor: “George, George, I’m not sure, I’m not sure you can hear it...”

George Schmeltzer: “I’m sorry...”

Michael DiVirgilio: “Time, just went the...”

George Schmeltzer: “Okay, I’ll try to wrap it up. I was trying to tell a longer story than I can get in three minutes. That, so I’ll do that, ah, but I believe its really important that the district and the city realize, ah, that in sitting and working together, this will not be an easy task. You can tell from the people that got up to speak that they are passionately held views on all of this. But it was just as difficult 40 years ago and the district and the city council was able to sit and work these things out and come up with a situation where it, at least you now have options, ah that you would not have had before.”

COMPETING INFORMATION: What are the options that we have now that we didn’t have before? Was one of the options George Schmeltzer was referring to, but does not disclose, the Memorandum of Understanding lease agreement for district use of classrooms, office and storage space when enrollment exceeded 1,266 students? [Exhibit JM-7](#)

George Schmeltzer: “I’m sure you will take the best steps going forward. ***If there’s anything I can do to acquaint you with what we had in mind back in those days, if it might influence you going forward, I’m available.***”

CORRECT INFORMATION: George Schmeltzer was not only a signer on the final version of the Agreement for the Sale and Purchase of Pier Avenue School, but he also voted to accept the Memorandum of Understanding (MOU) from the school district. The MOU was made binding when George Schmeltzer voted to have the city take out an escrow for Pier Avenue School following the directions in the Memorandum of Understanding, Article 3, thus making the MOU binding whether it was signed or not. See the City Council meeting minutes of June 14, 1977 and June 28, 1977. [Exhibit JM-7](#)

NOTE: Why didn’t George Schmeltzer disclose the lease agreement the city agreed to in the MOU to the public? He had many chances to do so over the years, but apparently never did disclose or confirm the lease agreement between the city and district for district use of classrooms, office and storage space at Pier Avenue School when district enrollment exceeds 1,266 students. He purports to remember the history of HBCSD and the city. **Why didn’t George Schmeltzer mention this very important information that could have immediately relieve district overcrowding, save taxpayers \$29 million dollars and five years to re-build North School?**

COMPETING INFORMATION: Former city council member at the time that Pier Avenue School was sold to the city, George Barks, wrote a letter to the editor in 2018 confirming that the city had agreed to allow the district use of Pier Avenue School for students in the future. [Exhibit 7a](#)

COMPETING INFORMATION: See also the discovery of the Memorandum of Understanding by a Facilities Planning and Advisory Committee (FPAC) member in September 2013. [Exhibit: Document uncovers details of about 1978 Pier Avenue School sale by Alana Garrigues, The Beach Reporter, November 20, 2013.](#) Why hadn't George Schmeltzer alerted School Board members, Superintendent Pat Escalante and the FPAC members about the Memorandum of Understanding prior to its discovery by a FPAC member?

COMPETING INFORMATION: Why didn't George Schmeltzer make a public statement confirming or denying the validity of the Memorandum of Understanding in 2013 when the Facility Planning and Advisory Committee members were considering the Community Center to relieve overcrowding? [Exhibit: City attorney questions document in the Pier Avenue School sale by Alana Garrigues, The Beach Reporter, November 22, 2013.](#)

COMPETING INFORMATION: According to the article, [City considers private management for Hermosa Beach Community Theatre, November 1, 2016 by Michael Hixon, \(Exhibit JM-17\)](#), **less than six months after taxpayers passed the district's \$59 million dollar facilities bond based on misinformation supplied by the city and the school district**, city council members made plans to turn the Community Center theatre into a performing arts destination. City Council member Jeff Duclos is quoted saying that **"The city's vision of theatre when they took over in 1978 was that it would become a performing arts center."** The "city" in 1978 was George Schmeltzer and Lance Widman. Did George Schmeltzer and Lance Widman convince other city council members and staff to give misinformation to voters in order to achieve their desire for a performing arts center at the Hermosa Beach Community Center? Is that why the George Schmeltzer, Lance Widman and so many people inside the city **withheld correct information from the public about the classroom lease agreement with the school district?** Is that why building a gymnasium at Valley School was made the priority use of Measure J funds in 2002? To keep the school district out of the Community Center? Is that why the city helped HBCSD pass a \$59 million dollar facilities bond to build a brand-new and now unneeded 510 student campus at North School? Was building a brand-new campus at North School at the expense of taxpayers the quid pro quo for the district not exercising their rights to use classrooms at the Community Center to reduce overcrowding for HBCSD students and staff?

George Schmeltzer: *"I'll be glad to talk to you about it, and just keep the high, keep to the high road and look forward out 30-40 years for the kids that are here in Hermosa Beach. That's really the important thing. So, thanks a lot and sorry for going over."*

CORRECT INFORMATION: Only a year after finishing a brand new \$29 million dollar campus at North School, HBCSD enrollment has dropped below the 1,266 student enrollment level that would trigger district contractual use of the Community Center for students. All indications from the demographic information supplied by the California Department of Finance projects further declines in the birth rate through 2030. [Exhibit DI-26](#) See also Decision Insite demographic information.

00:15:38 Michael Divirgilio: *"Thank you."*

00:15:37 to 00:37:25 Various community members speak.

00:37:26 Michael DiVirgilio, Hermosa Beach Mayor: *"Madam clerk would you take us through item #2?"*

Diane Strickfaden, assistant to the City Manager: *"This is report on the joint efforts on the City of Hermosa Beach and the Hermosa Beach City School District **to provide support for top quality schools with the district.**" (How did the city and the school district provide top quality schools for the community? Was it to have the city and the school district lie to the community about the options so taxpayers would feel compelled to spend millions and wait five years for a brand-new, unneeded, 510 student campus at North School despite the facts?)*

Michael DiVirgilio: *"Who is going to start?"*

Pat Escalante, HBCSD Superintendent: *"I guess I am. First of all, I wanted to thank everyone for being here. It's very refreshing to have a lot of people in the audience, so we appreciate it, very, very much and thank you for joining us. (Does it really matter how many people comment in the audience about district plans? Is Superintendent Escalante just making this statement for effect, to come across as welcoming to other opinions and concerns? It seems that Superintendent Escalante and school board members already had their minds made up as to what the district facility decisions were regardless of the community concerns.) We know you had a late-night last night. So, um, we want to spend the time to go over, um, what we've been doing over the last several months and years actually to talk about the joint efforts of the community and the city, and the school district to address, um, not only the overcrowding issues at View and Valley school in the district, but also how the city can help to provide support to the school district, um, to ensure top quality schools. And I'll just say, we were just recognized at both View and Valley schools, distinguished schools. That's not just good for the school district, that is good for the community. And, um, it's important for us to remember those kinds of things that are some of the reasons why we are overcrowded in our schools. And I just like to correct that we're looking at nearly 500 students, um, overcrowded when you combine both View and Valley school, currently."*

COMPETEING INFORMATION: At the April 10, 2013 School Board meeting, Facility Planning and Advisory Committee (FPAC) chairperson, Monique Eshan, stated that the district was over capacity by 270 students. [Exhibit JM-20](#) Enrollment in the spring of 2013 was approximately 1,406 students. Enrollment in the spring of 2014 was approximately 1,429 students. [Exhibit DI-5](#)

COMPETING INFORMATION: According to the June 2014 Facility Master Plan, page 37, district capacity for Valley School including portable classrooms was listed as 1,050 students with actual Valley School enrollment at 948 students. On page 47, district capacity for View School was listed as 504 students with actual View School enrollment standing at 481 students. Therefore at June 2014 total district capacity for Valley and View schools was 1,554 students. Total district capacity of 1,554 student minus Spring 2014 enrollment of 1,429 equated to **125 ADDITIONAL/EXTRA student capacity available.** [Exhibit JM-21](#)

COMPETING INFORMATION: *Without* counting portable/interim classrooms, Valley School capacity was 930 students. Without counting portable/interim classrooms, View School capacity was 216 students. The 216 capacity figures for "permanent classrooms" did not include the three very nice very nice semi-permanent kindergarten classrooms. Total district capacity without portable classrooms was 1,146 students (930 + 216 = 1,146). **Not including the portable or semi-permanent classrooms, the district was over capacity by 283 students in 2014 NOT 500 students as stated by Superintendent Escalante in this joint, televised meeting.** This misinformation is repeated by School Board member Lisa Claypoole and Pat Escalante at the 01:27:26 time mark. [Exhibit JM-21](#)

CORRECT INFORMATION: In 2022, since the rebuilding of North School for 510 students and the additions to View School, district capacity is approximately 1,968 students with actual (Hermosa students only) district enrollment at only 1,200 students. As of 2022, HBCSD now has approximately **768 ADDITIONAL/EXTRA student capacity available.**

Pat Escalante, HBCSD Superintendent: "So, tonight in terms of, um, we have a compact group that works together, it is the mayor, and it is our school board president [Patti Ackerman], a representative from the [City] Council, a representative from the School Board, the City Manager and myself. And we meet during the year in order to talk about issues and concerns that we have, um, mutual interest in with the school district, within the city. Um, we have been meeting about the facilities since January of 2012." (Pat Escalante was hired as principal of Valley School in June 2011 and made HBCSD Superintendent in April 2012. See information on Pat Escalante.) "And, um, the focus of our compact meetings has been with regards to, um, facilities. And so, we met last week again to review the recent collaboration effort of the school district and the city to address the issues of overcrowding and to review opportunities for facility needs within the school district. Um, and so today's meeting we are going to go over some of the things that were discussed which was a joint statement regarding the use of the city properties by the school district. The recommendation of city properties for the current district offices, which, I don't know if you realize are located at Valley School. So the district offices are looking to move out to make more room for space for students because we're trying very hard to make these short-term adjustments, um, not on the back of the children. Um, we also want to do a summary tonight with regards to the architects and GKK, um, in their development with input from the community on a long-range master facilities plan and then we want to pivot into the 2015-2016, um, after school programming that the city runs a program, the district runs a program, so we want to explore how we can work smarter not harder, um in the future. And so, these are the things that we've been working on. Um, Tom [Bakaly, HB City Manager] did you have anything that you wanted to add to that part of it?"

00:40:50

Tom Bakaly, HB City Manager: "Sure, I'll jump in. Um, my name is Tom Bakaly. I'm the city manager of Hermosa Beach. I know all of you, but not a lot of the people in the audience. And, um, my son graduated last year from Valley [School] so, um, so I get it as far as the overcrowding. Not only professionally, but personally I am motivated to assist and help out and, ah, city council this year, um, I think for the first time, if not ever, certainly in a long time, identified as a high priority goal, ah, working with the school district, um, to support top quality schools. So we've got it up on the wall, the trick now is, of course, is to walk that talk. Council has identified, you know, areas that we would be looking at such as common goals, ah strategies, facility funding issues, school safety, solar opportunities, communications on school issues. So, I think what you have in front of you tonight is kind of our first step towards working on that. We have been, ah, using our communications person, um, with the schools, ah consistent with these goals here to work on a common statement or a joint statement between the school district. So, you have that before you tonight. I think one thing that's important is there is no action agenda items tonight. So, ah, some of the speakers mentioned that there would be action. There is no action agenda tonight. This is really just an opportunity to talk about some of the short-term solutions we've been working on, and talk about communications strategies, learn about the project, and then work on some long-term strategies. So, with that, I don't know if we want to talk a little bit more about some of the short-term strategies or what's your thoughts were on that?" [looking at Pat Escalante]

00:42:35

Pat Escalante, HBCSD Superintendent: "Sure, um, short-term strategies: just looking as I said about the district office at Valley School to find a different location within the city in order to, um, open up space at Valley School. And so there were two, um, well initially there was one, um, ah, opportunity that we wanted

to explore which is existing lease agreement at the Community Center, um, that outlined, um, specific uses of areas at the, um, Community Center for the possible use of offices. Um, in exploring that, working with Diane [Strickland, assistant to the city manager] who is the, um, well she's assistant to the City Manager, but she's also, um, oversees the Community Center, the um, relocation of the city, um, after school program. They have two classrooms at the Community Center that are currently used for after school care. If those classrooms are relocated to um, either the school sites, or down to South School, um, there would be two available rooms at the Community Center. The district needs a minimum of three rooms which we are currently using at South School as part of our after-school care. And so, um, the option at the Community Center that was offered to us doesn't meet our needs. Um, the two classrooms are not next to one another, it would be difficult for the public to find our offices, um, and they would, um, it would not be, um, you know, it wouldn't meet the needs of the district in terms of doing the district's business."

Pat Escalante, HBCSD Superintendent "So, looking at South School, there are four classrooms at South School, and when we called, and see, I'm an old timer too, so George, if your still here, you're not the only one. I know Pete's [Tucker] been around um so at South School, the um, that's not the school. I want to make sure everyone understands, the school is on Monterey [street], where those 90 condos are, that's where the school was, um, at the time the school [South School] was sold. It was charming, Spanish style, lovely. I wish it was here, um, but it's not. And so, the, at South Park there's four classrooms. Those four classrooms are currently being used by the city and by the school district. It's owned by the city. Um, the city has allowed us to run afterschool programs with no charge, um and we use three of those rooms. The, um, city has also transported our children from View, around 60 kids, down to the South Park building free of charge for quite a few years. And, um, and so looking at how we can accommodate the, um, district office, we looked at keeping the, um, children to 60 kids who were using those three classrooms at the South Park, we keep them up at View [School], we're not transporting, then we would have the ability to, um, save money on transportation for the city, but also the school district could, um, go into a building that's not used until 3 o'clock in the afternoon and by in large, until after school is out, for childcare program. And so, that is one of the things that we've been discussing about the district offices moving to the South Park, um, area, um as a possibility in terms of, um, finding a way in the short term to open up space at Valley School. Is there anything you want to add to that?" [directed at Tom Bakaly]

00:46:02

Tom Bakaly: "No, I was just, um, echo as someone relatively new to town, you know, and looking at that, it was, um, I don't know, maybe too simple, you know, so if we want to be sure, ah, you know we get every peoples input and have people look at, but, you know the city's currently paying, what?, like \$40 thousand dollars and change a month to transport, um, kids, um from South [Park], I'm sorry, from View [School] down to South [Park]. Um, what this would do is free up those transit funds and kids could stay there for after school, this would then be use, um, the district offices and would free up room at Valley [School]. So, um, when I first started looking at that it was like, ok, what are we missing? You know, can it be that simple? So hopefully it is, um, that something that we wanted to propose and see what your thoughts are. I think it's a win-win and, ah, it doesn't cost the city any more and it benefits the school district. So, when we look at collaboration, I think that's kind of the key. Um, I don't know, philosophy I use is, if the city's not harmed or it doesn't, don't, don't cost us any more, as they say in Utah [Tom Bakaly last worked as city manager in Park Lake City, Utah], you know, why wouldn't we look at doing that? And, um, so that's kind of what we're proposing in the short term. Wanted to see what your thoughts were on that. Its one that we are just continuing to flush out, but would hope that would be something that could be implemented as early as, um, the following, um, I believe week is what we are looking at. So, I don't know how you want to proceed if you guys have thoughts or comments about kind of that short term solution? Um, then we can get into some of the long-term

discussion.”

- 00:47:38 Michael DiVirgilio: *“Ok, lets see, any questions or comments from anybody? On the short-term solution? Council member Barragan?”* [Nanette Barragan, city council member]
- 00:47:46 Lisa Claypoole, school board member: *“I just have a quick question. Um, I actually love the idea and I think it sounds great, I guess my number one concern would be does that South School site have the, um, internet and wireless and technological capabilities to maintain our district office? That would be my initial question.*
- 00:48:09 Michael DiVirgilio: *“Yeah, we’d have to look into that.”*
Lisa Claypoole: *“That could provide some sort of cost need, and obviously there would be some renovating, so its not as simple as it sounded, but, that would be my concern.”*
- 00:48:22 [MD]: *“Fair enough. Council member [Nanette] Barragan do you have some comments?”*
Nanette Barragan, city council member: *“Um, I have a couple of questions, I’m not sure who to direct them to. But, um, how big is the current district office at the, um, Valley [School] location that you currently occupy?”*
Pat Escalante: *“We have five employees that are in the district office, um, and, so by moving out of that office we would be able to relocate this interior school office, up to where our offices are now, which would allow us to make some minor modifications to open up some space for classrooms and programs.”*
Nanette Barragan: *“So, what I’m trying to figure out is, um, roughly, almost like the square footage from that area to the new area at South Park, to see if you are going, how much space your freeing up and what you’re giving up space-wise. That’s where I’m, kind of, the questions I have.”*
[PE]: *“Well the area itself at South Park is, um less than the area,...”*
CORRECT INFOMRATION: This is another shamelessly INCORRECT statement by Superintendent Pat Escalante that is not corrected by school board members. The district offices at Valley School measured approximately 1,310 square feet. **The South Park space that the district offices would move into consists of four large classrooms of at least 960 square feet each for a total area of 3,840 square feet.** The four South School classrooms could have been used for kindergarten to reduce overcrowding at View School instead of being used for district offices. *...”and the configuration is more rigid at South Park, (Both spaces seem to be equally rigid, however, the space at South Park would be twice the size of the district office at Vallely School and with its own parking lot.) um, but it would allow for um, some reconfiguration of the school offices and would free up some space to run some programs. Um, we’re looking right now at, um, using, relocating a science lab, relocating possibly a computer lab, relocating the school office, which is also a safety and security, um, plus. And then also looking at the possibility we may need to put a middle school class, um, into the multi-purpose room.”*
- 00:50:05 [NB]: *“So, when you’re, say, relocating, are you telling um, relocating from where to where? Just so I’m clear.”*
[PE]: *“Well its just internal moving of programs and classrooms and so on, looking at whatever space is available.”*
[NB]: *“Okay, and so for people who have not been following this, and some who are new to it, then*

what's being proposed is taking, um, administration from Valley [School] and moving that to South [Park]?"

[PE]: *"That's correct."*

[NB]: *"There's no relocation of classrooms?"*

[PE]: *"No, the children wouldn't be moving, just the adults."*

[NB]: *"Is the South, um, Park, or South School, um, space usable for classrooms?"*

[PE]: *"No."*

[NB]: *"It could not be used for classrooms?"*

[PE]: *"No, no."*

This is an INCORRECT STATEMENT by Superintendent Escalante. The South Park classrooms can indeed be used by students. The classrooms were built to Field Act stringent earthquake safe specifications and so are deemed safe for students. (TL-CDE 17820.5 Field Act leased bldgs)

[NB]: *"Okay, thank you."*

[PE]: *"You're welcome."*

00:51:00

Michael DiVirgilio: *"Anyone else?"*

Mary Campbell, school board member: *"Pat, I know I've been privy to a lot more of the discussion, but I think it might be helpful for you to speak a little bit to what kind of a short-term solution that provides. Like, how satisfactory is it? What are some of the challenges around that as a short-term, it's certainly better than nothing, right? But, um, it might be helpful to have people hear your perspective. Ah, you know, that doesn't perfectly satisfy, obviously, a long-term solution. So, can you give any sense of what you're gaining by this option? The options being moving the administration office somewhere. And what that does for the students at Valley [School]."*

Pat Escalante: *"Well what we're gaining is the maintenance of what limited open space we have at Valley School. We are over, in, um, when View School was [re]opened which was in early 90's maybe or late 80's, when View School was [re]open, there was 760 children at Valley School. We're going to have a thousand there next year. So, what they did at 760 students, they peeled off almost, um, 200 students to take them to View [School], so there were only, you know, a very small number of kids at Valley School."*

COMPETING INFORMATION: In 2014/2015 school year, Valley School could accommodate 930 students at 30 students/classroom in 4th through 8th grade. District high enrollment was the 2014/2015 school year at 1,472 students. HBCSD enrollment has decreased every year since the high enrollment of 1,472 students. As of 2022 HBCSD enrollment is 1,200 Hermosa students and 80 students brought in from other school districts using interdistrict permits to increase district enrollment.

CORRECT INFORMATION: The June 2002 Facility Master Plan had recommended that HBCSD supply an additional 14 classrooms within 10 years. (Exhibit JM-24) In November 2002 taxpayers passed a \$13.9M facilities bond, Measure J. According to its bond description, Measure J was to finance modernization, supply additional classrooms and acquire property to expand HBCSD campuses. (Exhibit JM-25) HBCSD school board members Greg Breen, Lance Widman, Cathy McCurdy and others did not act to provide 14 classrooms ahead of the predicted increase in students as recommended in the 2002 Facility Master Plan. Instead, school board members spent \$11M to build a gymnasium, library and two replacement classrooms at Valley School from 2006 to 2009. (Exhibit JM-26) By September 2009 school board

members had spent \$19.5 million dollars on Measure J projects with no net new classrooms being built. From 2010 to 2018, Valley School and View School became severely overcrowded.

00:52:19

Pat Escalante: *"So, what we're doing by making this move is, um preserving open space. The other alternative would be what we did last year, which was, um, install six portable classrooms in the district to accommodate the influx that we had from the last couple of years. So, we could, we could, um, take up open space, but if, I would invite you to come to our school now and see the absolute challenge we have with trying to find room for children to eat, to have PE, to have recess, all within, you know, a school day. It's quite a challenge and to keep harmony. And we do have middle school students with third and fifth graders, so, that is really what our challenge is. It's not putting um, I personally will say, publicly, I would love to stay in my office. It's, it's really a nice office and its airconditioned. So, I would love to stay there, and I'd love to be with the kids, but I'd rather move than have to put more portables on to the campus [Valley School]..."*

COMPETING INFORMATION: Instead of HBCSD exercising their contractual rights to use classrooms, office and storage space at the Community Center or immediately renovating and using North School, school board members continued to add more portable classrooms to Valley and View schools creating extreme overcrowding. School board members and Superintendent Pat Escalante ignored the Memorandum of Understanding which outlined provisions for classrooms, office and storage space at Pier Avenue School when enrollment surpassed 1,266 students. The city agreed to and accepted the MOU in June 1977. Please see [Exhibit #4](#) and the district's grandfathered-in and seismically safe North School campus. The Community Center was also found to be a seismically safe building by John A. Martin and Associates in the summer of 2015. ([Exhibit #5](#))

[PE]: *"and I think that that's that's the direction that I've been um, you know, working on with the board."*

00:53:35

Michael DiVirgilio: *"Madam President?"*

Patti Ackerman, HBCSD School Board President: *"Um, I just wanted to add for those who have not visited the Valley campus, currently the administrative offices are immediately when you approach the front of the campus, which isn't ideal for security purposes. So, um, visitors to the campus actually have to walk on the campus and try to locate the office which is not keeping the safety of our students number one. This would allow not only for classrooms, moving, sorry Superintendent Escalante, off the campus, but it would allow us to bring the school office forward so that people before they entered the campus would actually have to check in to the office first, so the front office could allow an access point, and, you know, deny access to those, or allow access."*

COMPETING INFORMATION: In 2022, HBCSD moved the district offices from South Park to the brand-new campus at the former North School site (renamed Vistal School). Therefore the district offices at North School again create an unsafe situation for students as stated by School Board president Patti Ackerman.

Patti Ackerman: *"So it's actually a very positive thing as far as school safety after Sandy Hook, the tragedy there. This would, um, require people to actually check in at the office before they enter the campus which is a very good thing. Besides, the overcrowding and the freeing up some space."*

00:54:38 Michael DiVirgilio: "Okay, thank you. Councilman Fangary?"

Hany Fangary, city council member: "Thank you Mister Mayor. Um, I just wanted to, ah, raise the proposed, ah, improvements for South Park. It was before the city council yesterday, actually this morning, we were here at one-o'clock this morning, ah, we don't have a single person in the stands, so I'm sure none of you here was watching. I don't know if anyone was up at one-o'clock in the morning watching it, but one of the issues that was raised, ah, was parking. The South Park property parking is very limited. So, my question..., so, I have two, two questions or concerns for your consideration. One is, if there's five employees are these going to be five basically parking spaces out of the limited parking that South Park has that will be gone as a result of that relocation? And secondly, if the plan that we have approved yesterday proceeds and it proceeds quickly while this short-term solution is in place, is that going to impact you and your staff, um, throughout the construction schedule and the noise with the construction going on? Because I'm assuming the construction will be going at the same, in the daytime, during the same time that you guys are out there working."

00:55:43 Pat Escalante: "So we spoke about that at the compact meeting and yes, we will be taking five parking places. Um, I live in town, but I always want to have a car just in case there's an emergency, so, um, full disclosure, I'll be driving without having to put my seatbelt on, um, any, before the lady talks to me, um, and so, ah, just a little personal game I play with myself. Um, but having said that, um, with regards, look, we, you know, there's a saying that beggars can't be choosers, um, we, we understand that there's going to be construction, we understand that there's going to be activity there. It's more

toward the street than its back where we are [will be]. Um, it's a little different than building a house. I mean we are actually going to be seeing, um, construction that aligns with children and a future for the kids and, um, it'll bring a lot of big improvement to the areas, so, um, being towards the back of the property, it may be a little inconvenient, but we would work around that, we, we really don't have a lot of options." (smiling)

00:56:50 Michael DiVirgilio: "Anyone else?"

Pete Tucker, city council member: "Um, you talked about relocating to current offices at Valley [school]. Is that - how many - would that be to increase your student capacity or to reduce the classroom size that your assigned room to a different room? Is this to help reduce classroom size or to increase capacity at the school?"

Pat Escalante: "To increase capacity. Um, our classrooms, um, our class sizes. We have around 30 students in the classrooms. Other districts have more students [per classroom?], um, especially in the 4th through 8th grades. Um, our classrooms are not; we have these built-in, lovingly - 'caves' - that have been used as, um, instructional areas, centers in the past, um, and, so, the square footage and the kids are bigger so we're not able to put probably 32 in a classroom. But this is really to increase, um, the opportunity for space. We've brought programs into our district that address students with special needs who have formally been, um, getting their education outside the city. We want to bring our kids back to Hermosa."

COMPETING INFORMATION: At the height of the overcrowding within the district, school board members voted to bring students with special needs back to the district thus exacerbating the district's overcrowding. Prior to 2013, HBCSD had sent severely disabled students outside the district for

specialized teaching known as Special Day Classes (SDC), In Sept 2011, HBCSD reported 168 severely disabled students sent out for Special Day Classes. In Sept 2012, HBCSD reported 158 severely disabled students sent out for Special Day Classes. In Sept 2013 HBCSD started housing severely disabled students at Valley and View schools which apparently increased enrollment at district schools by 14.35% over 2012. Why would school board members choose to exacerbate district overcrowding at this time?

"We've been, um, very successful in doing that, and so our programs are growing in that regard, and we need the space."

00:58:09

Pete Tucker: *"My other question is, behind this building at South [Park] to the west, I believe there is a parking lot there."*

Pat Escalante: *"There is."*

Pete Tucker: *"I'm not sure the capacity, but I'd assume that's where staff would park and without bothering the capacity up at Valley Drive, by the new park, I mean by South Park. There's a large lot there and I know that there's at least probably, maybe, ten spots behind there?"*

Pat Escalante: *"There are."*

Pete Tucker: *"That would, I assume, your staff could use and your vendors and visitors."*

Pat Escalante: *"Yes, I don't have assigned parking now. I'm one of the many who scramble every morning and get there early, so that I can park, myself. Um, so, we're used to that. You know we're, um, we, many of us in the district office have ever lived, either lived or worked here for many, many, years, we know, we know the value of parking and we would not expect anything else other than to have to scramble like everybody else. "*

00:59:07

Pete Tucker: *"Ah, I just want to conclude I think it is very admirable that this board has decided that kids come first, and staff has said we'll go wherever we have to to make this work. Because I guess you have a very nice office now, but you know its about the kids, this board knows about it, your staff does, your teachers. So, I think that that really shows a commitment we have here."*

"Um, I've had two children go through that school district. I remember when we were selling school sites the population was only down to five to six hundred. My two sons are 39 and 37 now. We've gone through the system. In fact, I started to get involved in the community when we were selling school sites and we didn't think that was correct. We collected a couple of people, through the school board, one was Mary Lou Wiess [School Board member from ???] who wanted to fight that notion, but we lost that and, um luckily, we do have, still have South, part of South [School]. We have Valley [park] which the school district owns the majority of that property. But we've been caretaker of that, but it's been known for a long time. I think one time it really came to light when we had to figure out who was supposed to pay the water bill at Valley Park."

[PE]: *"I have that agreement."* (Interesting that Pat Escalante has knowledge of the water cost sharing agreement between the city and the school district for Valley Park, but apparently has no knowledge of the Memorandum of Understanding between the school district and the city contained in the Agreement for the Sale and Purchase of Pier Avenue School. See [Document uncovers details about 1978 Pier Avenue School sale](#) by Alana Garrigues, The Beach Reporter November 20, 2013) (TL-2013Nov20 Document uncovers details)

[PT]: "Yeah"

[PE]: (laughing)

Pete Tucker: "So it, you know it's a long history, but it is about children and, and, like I said, it's great that everyone is willing to make that sacrifice to move into the facility to make it a better place at, at Valley [School]. And I know that there's other problems at View [school], and of course later on, we'll hear the presentation at North [School], so I want to thank you. Mr. Mayor?"

01:00:56

Michael DiVirgilio: "Great. Mrs. Claypoole?"

Lisa Claypoole, school board member: "Yeah, I just wanted to speak to um, two things: Number one, I want to address, ah, Ms. Barragan's kind of question. I think what you've might have been asking is, how many classrooms are created by this move to South School? And I counted the science room, possibly science lab and computer lab and then smaller rooms for specialty programs which would free-up, would you say two to three classrooms on, like, could be created from this.

COMPETING INFORMATION: The area that the district offices would be vacating at Valley School is about 1,310 square feet. [Exhibit JM-12](#) See also Pat Escalante's comments at the 00:48:22 time mark in these transcripts.

"But I want the public to know, you know, on the shadow of a doubt this is merely a Band-Aid. It is something to get us through the pain that we are suffering right now with overcrowding. And I cannot tell you how awesome it is that you and your staff are willing to move to South Park. Because anybody who's been there, those rooms are not that great."

COMPETING INFORMATION: The district office would be using three large classrooms at South Park. Each classroom at South Park is at least 960 square feet for a total of 2,880 square feet. HBCSD spent \$132,726.95 to renovate South Park classrooms for the district offices. ([Exhibit JM-10a](#))

"But as a side note, the parking is awesome, and there are exactly ten spaces and anybody who has a child who knows the back secret parking lot at South Park doesn't tell anybody because you keep it for yourself. And that's where you guys will probably park. That's all I got.

Michael DiVirgilio: "Thank you. Councilmember Barragan?"

01:02:06

Nanette Barragan, city council member: "I'm just curious if, um, if View [School] can accommodate the after-school kids, why were we transporting them in the first place to South Park?"

Pat Escalante: "Um, you know, that's a good question, um, and, that's one of the things that we want to look at for the 2015-2016 school year. Um, it's one of those things that evolved. It appears that there have been, there's been a lot of patch working. Um, quick fixes, short-term fixes that have lingered beyond their expiration date probably. So, um, you know, there's, there have been agreements, there has been help, help both ways and so it's a good question and, um, it does impact us at View [school] because we will, um, have to re-, we're on a shoestring budget with our custodial staff and our maintenance and operations."

COMPETING INFORMATION: From 2013 to 2016 HBCSD withheld up to 25.9% of available funds from being spent on district expenses, students, staff and **plant operations**. (TL-2016Jun30 HBCSD reserves)

“So, um, they’re going to have to pivot, and they’re going to have to pitch in. We’re all pitching in. And so, um, its just the way it is. And the principal, when I talk to her about it, she was absolutely supportive and willing to make those adjustments, and, um, just trying to keep up and find a way, while we’re looking at a plan.”

01:03:20

Michael DiVirgilio: *“Any other questions or comments? I think you got some good feed back and it sounds like general favorability for the short-term stuff you shared, which, what talking about long-term property items now, facility items?”*

Pat Escalante: *“Me? Alright, so um, there’s been a lot of discussion and I think it’s Chris [Miller] who said something about 40 meetings that we’ve had. It’s actually been 45 [meetings] tonight. Um, not that, you know I’m aware of that, and I do have familiar faces of people who have been following this process, um, religiously, and I want to thank you giving up your Saturdays and every other day of the week, um to be a part of this discussion. And one of the comments that comes up over and over again, and I understand it, the board understands it, is why is it that the district cannot, um, utilize the use of the former Pier Avenue School, now known as the Community Center? And, um, the fact of the matter is that the City owns it, that property...”*

CORRECT INFORMATION: The City owns the Community Center, but **HBCSD has valid rights to use classrooms, office and storage space at the Community Center when enrollment exceeds 1,266 students. There is no expiration to this provision, it is based solely on district enrollment above 1,266 students.** (Exhibit JM-13)

“... and the City owns the South Park and the City owns Prospect Heights and the little parkettes up on, along Prospect, um, and so the board has, um, focused their efforts on what it is that they currently own. North School is one of the remaining properties that they [the school board] have to use, to per considerment, to consideration of redevelopment. But there has been a voice out there and I’ve heard it, um, I would assume that this City’s heard it, about this, these other options. And, um, so the, um, school district, um, had a, ah, a visitation by the State OPCS, which is the Office of Public School Construction, who came down and did an analysis of, um the Community Center, um, very appreciative of the City to allow us to have that take place. Um, considering that we don’t own the property...”

MISLEADING STATEMENT, CORRECT INFORMATION: The City owns the Community Center, but **HBCSD has valid rights to use classrooms, office and storage space at the Community Center when enrollment exceeds 1,266 students. There is no expiration to this provision, it is based solely on district enrollment above 1,266 students.** (Exhibit JM-13)

“... and there’s a report that’s located, that’s, um, available, not only online on the district website, but in our, um, packet that talks about, um, the ability to, to gain, to get, um, eligibility funding”

CLARIFYING INFORMATION: The Office of Public School Construction (OPSC) is an arm of the State Allocation Board that allocates funds to new construction and modernization projects. According to the OPSC March 2014 letter to Pat Escalante, Valley School is currently eligible for \$215,784 for modernization and HBCSD is eligible for \$242,320 for new construction. School districts can opt out of the additional

modernization or new construction funding, and so would not need to follow state Title 5 standards or OPSC requirements in order to be eligible for relatively meager state funding. Would it actually be cheaper for HBCSD (and taxpayers) to forego limited state funding and eligibility requirements when there is a cheaper and faster solution to house students by not applying for state funding? (TL-Title5, DSA and OPSC funding info) Why doesn't Superintendent Escalante give this information to city council members and the community? Why does Pat Escalante use the OPSC regulations as a way to disqualify district use of the Community Center for students?

...“in order to, um, to bring a property that we don't own up to the standards that the State would require for the housing and schooling of children...”

MISLEADING STATEMENT: This statement is misleading. According to the letter from the OPSC it doesn't matter if the district owns the property or not, as long as the property that they don't own can be leased to the school district. All available information confirms that the Community Center and North School would satisfy the safety standards required for the housing of students. (Exhibit JM-1, JM-2, JM-14) (JM-9a Title 5 STANDARDS wide discretion)

“... California has the most restrictive guidelines for building of schools and housing of students during the school day. ...”

COMPETING INFORMATION: This statement may be true for California versus the rest of the nation, but both the Community Center and North School already fall within the CDE safety guidelines for housing students. (Exhibit JM-14) The CDE does not require that school districts upgrade existing buildings to current Title 5 standards. Title 5 standards were adopted in 1993; if every school district was required to bring all buildings built before 1993 up to current Title 5 standards, it would cost taxpayers billions of dollars. Therefore Title 5 standards only apply to new construction projects.

“And that report also outlines that if the district has properties that they haven't fully developed, that, that is something that the district needs to consider...”

CORRECT INFORMATION: This is a **COMPLETELY FALSE STATEMENT** by Pat Escalante. The State OPSC report that Pat Escalante is referring to does not make any comments or judgments regarding district owned properties versus leased properties. It is believed that Pat Escalante is referring to Regulation Section 1859.22 (3)(A). Accordingly, North School IS a “fully developed” property and North School IS NOT another property that is available under a 40-year lease which would disqualify the Community Center as a leasing option. (Exhibit JM-9)

NOTE: Regulation section 1859.22 (b)(4) states: The term of the lease is (4) “at least 30 years if the lease is for real property owned by a government agency other than the Federal Government and the district has provided other evidence satisfactory to the Board that a shorter lease term is necessary.”

“...but it also says that in order for us to rent or lease or purchase back from you [the City of Hermosa Beach], um, the Community Center, that we would, it would have to be for forty years...”

MISLEADING AND INCORRECT STATEMENT: The correct information according to the OPSC letter is that HBCSD could lease the Community Center for 30 years: Section 1859.22, (4) “At least 30 years if the lease is for real property owned by a government agency other than the federal government and the

district has provided other evidence satisfactory to the Board that a shorter lease term is necessary.”
(Exhibit JM-9)

HBCSD has continued rights to lease classrooms, office and storage space at the Community Center as long as enrollment exceeds 1,266 students. There is no expiration date to this provision. In addition, HBCSD would probably not need to use the Community Center for the full 30 years. If HBCSD wants to apply for limited modernization funding, it just needs to be able to lease the Community Center for 30 years to qualify for funds from the State Allocation Board. It does not mean that HBCSD has to actually use the Community Center for the full 30 years.

ONLY six years after HBCSD passed the \$59 million dollar Measure S facilities bond in June 2016, enrollment at September 2021 had dropped below the 1,266 student threshold triggering district use of the Community Center classrooms per Article 4 of the Memorandum of Understanding. Therefore, HBCSD would only have needed to use the Community Center from 2010 (when district enrollment exceeded the 1,266 student threshold) until about 2021 (when district enrollment dropped below the 1,266 student threshold).

COMPETING INFORMATION: The OPSC letter also states that the district may re-open and establish modernization eligibility at North School if they intend to use the site for at least 5 years. One year after re-opening North School at a cost of \$29 million dollars, Hermosa student enrollment had dropped to 1,200. Since North School was rebuilt to accommodate 510 students and View School was expanded to house approximately 528 students, HBCSD now has additional UNUSED capacity for 768 more students. HBCSD does not need North School one year after it was built.

... “and, um, then if you meet a number of criteria there is the possibility of, um, getting funding for us to invest in a property that at this point we don’t own.”

MISLEADING AND INCORRECT STATEMENT: The statement: ... “then if you meet a number of criteria there is a possibility of getting funding” ... is misleading. Pat Escalante’s statement makes it seem as if there are additional criteria that must be met at the Community Center before the district could be eligible for funding from the state. That is not true. All HBCSD needs is a 30-year lease of the Community Center which by default it would have by enrollment exceeding 1,266 students. The OPSC letter also gives information in order to receive State funds for North School. (Exhibit JM-9)

COMPETING INFORMATION: If the renovation of the Community Center for HBCSD students is entirely funded by taxpayers without the use of very limited state supplemental funding from the OPSC, HBCSD does not need to follow either Title 5 design standards or OPSC requirements. (TL-Title5, DSA and OPSC funding info)

COMPETEING INFORMATION: The statement: ... “getting funding for us to invest in a property that at this point we don’t own.” Is misleading. Taxpayers are footing the bill, not HBCSD. Taxpayers would be investing in a multi-use property that both the City of Hermosa Beach and the Hermosa Beach School District use. If it is cheaper and quicker to invest in the Community Center rather than rebuilding North School for \$29M, that option should have been presented to taxpayers.

“So that was one consideration. The other is that, um, the um, Title 5 configurations are the ones that I was referring to earlier, this is Educational Code of Regulations, and again, I’d invite you to go to the

website, um, to take a look at what those codes are. But they are very, um, specific, there's, there's many of them. Um, there is children's safety, health and welfare is one of the most, um, valued components of school regulations. And what that means is that joint projects during the school day, the um, public and school children are to be separated. And so that would require, if we were to explore the Community Center [for district use] quite a commitment on the part of the city to, um, be willing to make that kind of, um, adjustment."

COMPETING INFORMATION: *"The other is that, um, the um, Title 5 configurations are the ones that I was referring to earlier, this is Education Code of Regulations, and again, I'd invite you to go to the website, um, to take a look at what those codes are. But they are very specific, there's, there's many of them. Um, there is children's safety, health and welfare is one of the most, um, valued components of school regulations."* Title 5 Education Codes standards pertain to NEW construction only, not to leased or existing school buildings and campuses. **Title 5 standards were adopted in 1993.** ([JM9a Title 5 standards wide discretion](#)) **The CDE does not force school districts to make all existing schools meet relatively new Title 5 standards.** Making all school districts responsible for bringing all their schools up to current Title 5 standards would cost taxpayers BILLIONS of dollars. However, earthquake safety is important. Both the Community Center and North School were built to stringent seismically safe specifications contained in the Field Act. ([TL-CDE Code 17280.5 Field Act](#))

COMPETING INFORMATION: If the renovation of the Community Center for HBCSD students is entirely funded by taxpayers without the use of very limited state supplemental funding from the OPSC, HBCSD does not need to follow either Title 5 design standards or OPSC requirements. ([TL-Title5, DSA and OPSC funding info](#))

COMPETING INFORMATION: *"And what that means is that joint projects during the school day, the um, public and school children are to be separated. And so that would require, if we were to explore the Community Center [for district use] quite a commitment on the part of the city to, um, be willing to make that kind of, um, adjustment."* This could be accomplished by the district using the Community Center from 8am until 4pm Monday through Friday and the City using the Community Center after 4pm Monday through Friday and all-day on Saturday and Sunday and all-day throughout the summer. Most Community Center classes now do not start until after school is over at 3pm because children are in school and are not able to attend community classes until after their school day. ([Exhibit JM-15](#)) It is possible for the City of Hermosa Beach to find other locations for the city's low-priority classes. (The Kawanis Club, Clark Building, South School classrooms, etc.)

NOTE: HBCSD and the City of Hermosa Beach have had a joint Use Agreement for city and district facilities since October 2008. ([TL-2008Oct City and District Joint Use Agreement](#))

NOTE: If there is another possible alternative to continuing to add more portable classrooms to existing campuses or spending \$29 million and taking five years to completely rebuild North School, school board members and city council members should have offered this alternative to voters, instead of denying it's possibility.

"Um, the other thing that we looked at was a conversation that evolved from our last compact meeting that was last year in September when we discussed, um, the Community Center as an option with regards to, um, housing temporarily school children. And, what, um, the board, ah, Diane, ah, presented

a report to you about the after-school program, and, um, some of the conclusions as to why the Community Center was not a viable option."

(COMPETING INFORMATION: See information on [Update on Proposed Expansion of P.A.R.K. After School Program, Tom Bakaly, City Manager, City of Hermosa Beach, October 8, 2013.](#)

There were multiple misleading statements made by City Manager Tom Bakaly in the Proposed Expansion of P.A.R.K. After School Program document. **ONE** example of misinformation in the Update on Proposed Expansion of P.A.R.K is: *"The deed restrictions indicates that programmed activities must be for recreational purposes."*

NOTE: This is an example of how the City of Hermosa Beach and HBCSD were working together to mislead the community and voters.

THIS IS AN MISLEADING STATEMENT FROM THE CITY MANAGER: City Manager Tom Bakaly statement makes it seem as though educational purposes are NOT an accepted use of the Community Center and that only recreational purposes are acceptable. The use of the Community Center for educational purposes is stipulated at least four times in the Agreement for Sale and Purchase of Real Property (aka Pier Avenue School): ([Exhibit PA-14](#)) Was City Manager Tom Bakaly intentionally lying to the public through the deceptive wording of his statement?

1.) [Article 9, Future Use of Property, 9.02 on page 8 of the Agreement for Sale and Purchase of Real Property \(Pier Avenue School\)](#) states:

"Its use shall not be for any purpose other than parks, recreational, open space, educational, or other community purposes."

2.) [The Grant Deed, Exhibit C](#) states:

"The conveyance is made and accepted upon the following expressed condition, restrictions and covenant which shall apply to and bind the lessees, grantees, successors and assigns of the parties: The property granted herein shall not be used for any purpose other than for park, recreational, open space, educational or other community purposes."

3.) [The Arbitration Agreement, Exhibit D, Article 4, 4.01a](#) states:

"It is the intent of the District and the City that the primary purpose of Pier Avenue School is for open space, park, recreational, educational, or other community purposes which purposes include activities which contribute to the cultural and recreational benefit of the community."

4.) [Letter from Hermosa Beach City Attorney, Exhibit J, dated January 20, 1978 \(page 3\):](#)

"The parties have entered into agreements limiting the future use of the property. This use is limited to parks, recreational, open space, educational, or other community purposes."

01:08:06

"And we had a discussion and then the council, ah, voted to approve and file that report. And so, we have looked at, um, the Community Center, we have discussed with the city the Community Center options, and, I mean with the city the Community Center options, the board has discussed it, um, in numerous, um, board meetings."

CORRECT INFORMATION: There have been no video-taped or televised public meetings regarding the use of the Community Center for HBCSD students. The only video-taped presentation regarding the Community Center was one week before the district's June 2016 \$59 million dollar Measure S bond vote by HBCSD attorney Terry Tao. The presentation was one hour of curated misinformation one week before

the bond vote at which the public was not allowed to ask questions. See [TT Final May 31, 2016 Meeting Transcript](#) with fact checking.

"And so today, what, um, Tom [Bakaly] and I wanted to do was to, to speak with you about your feelings about a joint, um, message, a joint statement about the work that this city and the school district has been doing together to explore these other options. Tom?"

01:08:53

Tom Bakaly: *"I think, um, Pat's covered it, you know we obviously have a lot of um, programs that occur in the Community Center. That's something that we came back and talked, um, with council about, um, in October. You have that staff report as part of your packet. We'd be happy to talk about, ah, the programs that are in there and the impacts there would be to those community programs, um, if that changed and where would those programs go?"*

COMPETING INFORMATION: Low-priority classes could be held in the Clark building, the Rotary building, the Kiwanis Club building, South Park classrooms, North School.

"I think that many of those are youth oriented. You know there's obviously afterschool programs, um, there's also, ah, karate classes, so the children are being served by the city owning the Community Center.

COMPETING INFORMATION: Most Community Center classes do not start until 3:30pm because children are not able to attend community classes until after their regular school day is over. The school district could use the Community Center from 8am until 3pm Monday through Friday and the City could use the Community Center after 4pm Monday through Friday and all-day on Saturday and Sunday and throughout the summer. ([Exhibit JM-15](#))

"It's not like it's a commercial activity. ..."

CORRECT INFORMATION: Commercial activities are not a permitted use of the Community Center according to the Sale and Purchase Agreement. Article 9, Future Use of Property, Section 9.02 states: ***"Its use shall not be for any purpose other than parks, recreational, open space, educational, or other community purposes."***

Article 9, Future Use of Property, Section 9.04 states: ***"The City and the District agree that in addition to the use of the property provided in Paragraphs 9.01, 9.02, and 9.03 ... except that the premises may not be committed for the purpose of an ongoing commercial enterprise, which is not a complementary enterprise to a permitted use."***

CORRECT INFORMATION: Hermosa Beach residents are supposed to be given priority use of the Community Center over other groups. Exhibit D, the Arbitration Agreement, Article 4d: ***"It is the intent of the parties that Hermosa Beach residents and property owners shall be given priority in use of the facilities."***

COMPETING INFORMATION: The adults with disabilities organization, ARC, use at least four rooms at the Community Center. **It is believed that most of the adults who attend ARC activities DO NOT reside in Hermosa Beach.** ([Exhibit JM-16](#))

"... but there also are adult uses there and so those would be, ah, large impacts that we would need to address as a city, um, if the change was warranted or wanted, ..."

COMPETING INFORMATION: According to the City of Hermosa Beach Recreation & Enrichment Programming for September 2022 to March 2023 (for example), the Community Center is **only used on Tuesdays mornings during the school year for Mommy & Me classes.** (Exhibit PA-21)

Mommy & Me classes can be held on Tuesday mornings at another city location such as the Clark Building, South Park classrooms, North School classrooms or the Rotary/Kiwanis Club buildings.)

All rooms at the Community Center may be in use at some point during the week, but they are definitely NOT used every day or all day. (Exhibit PA-21) According to the September 5, 2022 to March 19, 2023 HB Recreation & Enrichment Programming class catalog, the Community Center is definitely **NOT** "operated at capacity".

It doesn't matter how much the Community Center is used for city-run classes, the City of Hermosa Beach has a valid, **pre-existing Agreement** with the school district for the district to use classrooms, office and storage space at the Community Center when enrollment exceeds 1,266 students. HBCSD should automatically be given priority usage of the Community Center for students. (Exhibit PA-7)

Taxpayers should have been given true and accurate information in order to make an educated decision of how they want their money spent. It should not be up to the city and the school district to make that decision for taxpayers by giving them misinformation about their choices.

Michael DiVirgillio confirmed in an email dated July 9, 2014 that there is no prohibition that would prevent HBCSD use of classrooms at the Community Center. He states, however, that **neither the district nor the city are interested in considering district use of classrooms at the Community Center to immediately reduce overcrowding at HBCSD campuses and potentially save taxpayers millions from being spent on an expensive facilities bond.** (Exhibit JM-18)

By joining forces and constantly and consistently provide the community with misinformation, city council members and school board members would keep HBCSD students and staff in egregiously overcrowded conditions for years and compel the public into passing an unnecessary \$59 million dollar facilities bond.

"... and so, um, that's been our discussion to date." ...

COMPETING INFORMATION: Did the "discussion to date" between the city council members and school board members also include an unofficial agreement regarding the future use of the Community Center? **Please see: City considers private management for Hermosa Community Theatre** by Michael Hixon, November 1, 2016 (Exhibit JM-17) This meeting took place less than six months after the community passed a \$59 million dollar facilities bond so HBCSD could build a brand-new campus at North School. Is that why the City of Hermosa Beach refused to acknowledge the validity of the

Memorandum of Understanding for HBCSD students and staff? Was the quid pro quo for HBCSD a brand-new, and unneeded 510 student campus at North School at the expense of taxpayers?

COMPETING INFORMATION: According to [City of Hermosa Beach Request for Proposals for Programming and Management of the Hermosa Beach Community Theater \(RFP#:17-01 \(Exhibit JM-17a\)\)](#) It seems that city council members have big plans for the Community Center. ***“The city’s long-term goal for the Community Theater is to become a focal point for high quality, professional performing arts in Hermosa Beach and the South Bay...”*** .

COMPETING INFORMATION: According to statements made in [City considers private management for Hermosa Community Theatre](#) by Michael Hixon, November 1, 2016 ([Exhibit JM-17](#)) *“Councilmember Jeff Duclos said the city’s vision of the theater when they took over in 1978 was that it would become a performing arts center.”* Does this statement mean that the city of Hermosa Beach actually had no intention of sharing the Community Center with the school district despite the classroom and recreational lease provisions agreed to in 1978? Is that why the Memorandum of Understanding was missing from city and district copies of the Agreement for the Sale and Purchase of Pier Avenue School?

“... You know I think at the staff level, and if we met recently with the compact, ah, group, you know we want to support the school district and its facilities, um, want to support where they head in the future, be a partner.”

01:10:06

Michael DiVirgilio: *“Anybody have any questions or comments about, about the long-term discussion? Councilman Barragan? Sorry.”*

Nanette Barragan: *“Sorry, can you tell me, um, you mentioned that there was a walk through that was done and there was a report, is that attachment too here? I’m trying to find out what the report concluded, like if there was a dollar amount on what it would take to, um, get the Community Center in compliance?”*

Pat Escalante: *“No. The, what it, the report, talks about specifically the Pier Avenue is the, um, it says deferred maintenance and annual apportionment on the top and its in your agenda, um, this is Hermosa Beach City School District Los Angeles County, and then in the back it just specifically calls out Pier Avenue Community Center.”*

MISLEADING STATEMENT: The term **‘calls out’** has a negative connotation that is not appropriate or correct in this discussion. The term ‘call out’ is defined as: “to publicly criticize or fault (someone)”. The OPSC did NOT specifically “call out” Pier Avenue Community Center in their letter. **The OPSC could care less whether the district decides to use Pier Avenue School or North School. Both are permissible venues for educating students.** In this case, the district **specifically** requested an OPSC evaluation **of both Pier Avenue School and North School.** **The OPSC is ONLY concerned with considerations for receiving State funds for modernization or new construction.** Using Pat Escalante’s language; on the last page of the letter the OPSC also specifically “calls out” North School.

[NB]: *“ Let me find the document, because I am trying to follow with you... it’s the technology, um...?”*

[MD]: *“I’m not certain we have that.”*

[NB]: *“I don’t think I have that either.”*

[PE]: *“You don’t have that here? Oh, my apologies.”*

[MD]: "Oh, is this it?"

01:11:11

[PE]: "Yes, oh, you have it in color." (laughing)

[MD]: "I got a color one. I don't know how I did that, but..."

[NB]: "Did we get a hard copy?"

[MD]: "Um, no I can"

[Someone?] "Here, there you go.

[NB]: "Looking at the document..."

[MD]: "It was attached to the agenda."

[TB]: "So it's going to be..."

[NB]: "Oh, it is on the agenda."

[TB]: "It's going to be an attachment."

Nanette Barragan: "Okay, I just want to make sure I'm looking at the right thing. Um, I guess what confusion is my; I thought that, um, the report would indicate, basically what needed to be done to get the facility up to date, so that we could use the Community Center. Is that not what occurred?"

Pat Escalante: "No, it was, it was, um, it was visited to, to look at the school facilities, um, program regulations that are required that if a school district is to receive modernization or new construction funding, a district must be located on real property owned or leased by the district. Um, the district could purchase or lease the site from the city of Hermosa Beach for a term of 30 or 40 years and there's a list of all the regulations that you would need to review. So, um, if you go down to 'b' where its talking about where the term of the lease the land is for which the district is requesting the funding at the time the approved application is accepted is one of the following, in then you'll find that it would have to be a 40-year lease for real property owned by a government agency other than the Federal government (**CORRECT INFORMATION:**), um 30 years if its for a real property owned by a governmental agency other than the Federal government and the district has certified to all of the following. One of which is that there are no other educationally adequate sites for new construction available under a 40-year lease. (**COMPETING INFORMATION:**) The other is that the cost per year to lease the real property for no less than 30-years is no greater than the cost per year to lease the real property for 40 years. (**CORRECT INFORMATION:**) And then it goes on to other caveats. (**CORRECT INFORMATION:**) Um, so, I, maybe what's missing in the discussion is the fact that if we, if you were to authorize the board to consider using the Community Center for classrooms, the, the, um, district doesn't have the funding to go in and make the necessary modifications, um needed, or required by the State. They would need, the district would have to secure funding through, um, whatever funds were available though the State." (**COMPETING INFORMATION:**)

01:13:52

Nanette Barragan: "Okay, so, I guess where my confusion, um, well, I'll have to say that I, um, not only heard public comment today, but I have heard from some members of the public on this, and, I'm disturbed to hear that, um, certain members of the Pac [FPAC – Facility Planning and Advisory Committee] were not allowed to present options and had the discussion. I wasn't at the meetings, so I don't know what occurred, but to have the members of committees that are, um, expressing this concern is, the concern to me, um, I, I did hear, um you indicate that the Community Center wasn't, um, since it's not owned by the school [district] that it wasn't an option that maybe wasn't looked at as much? Or something to that extent? Um, its my understanding that the Community Center was sold to the City for a significant discount, about half of the cost, is that correct?"

CORRECT INFORMATION: HBCSD sold Pier Avenue School to the city 40% below fair market value (TL-1975Dec9 PAS appraisal) to ensure that the students would have use of the campus in the future when district enrollment exceeded 1,266 students. Exhibit JM-4a In the 1970s enrollment was dropping significantly as baby boomers graduated elementary school and move on to high school. In the 1986-1987 school year enrollment would drop to its all-time low of 620 students. Exhibit JM-4 When Pier Avenue School was sold to the city in 1977-1978 with a lease provision, nobody knew how much enrollment would rise or fall in the future.

Pat Escalante: *"I don't know if it was exactly half, but there are rules and regulations that require that if a, um, ah, um, governmental property is um, sold, that has to be sold at a reduced price. That is, that's the law."*

CORRECT INFORMATION: The sale or lease of real property is governed by Article 4 of the Education Code, section #17464, which did not become effective until January 1, 1988. This provision was NOT in effect when Pier Avenue School was sold to the City in February 1978 and so does not apply to the Agreement for the Sale and Purchase of Pier Avenue School.

Nanette Barragan: *"Right, and I, I was, ah, and maybe I'm misinformed, that's why I'm asking these questions..."*

Pat Escalante: *"Yeah."*

Nanette Barragan: *"... that the, um, lease, rather the grant deed, has a provision that allows the school district to come back and repurchase the property, is that correct?" (This statement is NOT correct.)*

Pat Escalante: *"Probably, I would think so." (Superintendent Escalante is incorrect.)*

Nanette Barragan: *"At a reduced cost?"*

Pat Escalante: *"At, I'm not going to quote that, some of the leases say at fair market value, (This is incorrect information.) others, um, don't know, but you, yes, there is the option to repurchase..."*

CORRECT INFORMATION: There is NO option in the Agreement for the district to **repurchase** the Community Center. However according to the Right of Re-entry, Article 10 (page 9) of the Agreement the school district can cause to be filed a cause of action to cause the Pier Avenue School to revert back to the District if the Agreement is breached. Section 10.02 states: *"The rights granted herein are not intended to preclude the District or its successors in interest from enforcement of any rights in this Agreement by any other remedy available at law or at equity."* It seems obvious from the misinformation given by City Attorney Michael Jenkins, that the Pier Avenue School Agreement was indeed BREACHED by the City of Hermosa Beach by denying the district use of classrooms, office and storage space at the Community Center.

"... and there's also the option and to take back if the property isn't used for the conditions of the grant deed."

01:15:48 Nanette Barragan: *"So, um, from what I have heard, and I, please correct me if any of this is wrong, is that that's an option that hasn't really been considered? And I think that is some of the, um, the disappointment that I think I've heard."*

01:16:03 Pat Escalante: *"Uh huh."*

Nanette Barragan: "And that hasn't been fully vetted. So, I can understand, um, being that I'm one of the fiscally responsible folks that always looks at cost and how we do it efficiently, on whether that option was given enough, um, enough time and presentation in public to get comment and also, um, to have a discussion with the city to say what can we do about this? And I don't know if those discussions have occurred, um, if they have, I haven't been privy, um, to that. So, I would be interested in hearing, um, if the public hearing was conducted on it. Um, if there is communication and discussions right now between the city and the, um, school district on potentially working something out. Because as our city manager indicated, we have a high priority to work with the schools [district]."

[NB] I'll be the first one to tell you, when I moved into town one of the things that I looked at is where can I afford to have my kids go to public schools. Because I would rather put the money into a mortgage and be in an area where I can send my kids to school. So, it's, it's some, to me it's a little crazy that these are separate facilities, we don't really work together because as you mention, um, the value of my home is a lot to do with the school. One of the very first questions, um, in real estate is, how are the schools here?"

[NB] So, um, I would, I would hope that we would have this open door that the school board would come to the city and have the discussion, as opposed to say; 'well it's not our property so were not considering it'. And see if that's a viable option, um, see if it's a more, um, if its an option that's going to be um, more fiscally appropriate.

[NB] I've heard a lot of public comment today that people don't, their hesitation to support the North [School] project is because they don't feel that all the options have been exhausted and, um, I think that's a reasonable, ah, thing to hear, ah, so I, um, I would like to know if there's a number that assuming for a moment, that, um, the school [district] owned that property, what the costs involved are to get it up to speed and, so basically the public can compare to see, you know, what we are talking about dollars-wise, um, because either way, there's no funding, right, for North School either, so we have a problem when we are trying to say, well what are the options and how much is it going to cost us? And, um, that's, ah, hearing your comment on the Community Center I just want to make sure that we have this open dialogue, where the school board will come to the city and say, "hey, we haven't considered this option because we don't own it, but can we talk about this?"

01:19:16

Pat Escalante: "So, just real quick, quick, because I see this line up of people who want to speak..."

Michael DiVirgilio: [Unintelligible]

[PE]: "I'm sorry..."

[MD]: "Go ahead, I see a line-up too. I don't want to..."

Pat Escalante: "Alright, just, just, while that's sitting on the table. That dialog has happened and it has happened numerous times over the last several years."

COMPETING INFORMATION: If there were talks between the City Manager, City Councilman and the HBCSD Superintendent and School Board members, they were kept secret from the public.

[PE]: "We have gone to the city, the city has come back to us, and we've talked back and forth to explore these different, um, to explore the different options, so, if your asking that question, the answer is yes, we have been in discussion, we have gone to the city to explore that."

COMPETING INFORMATION: If there were talks between the City Manager, City Council members and the HBCSD Superintendent and School Board members, they were kept secret from the public.

"I know that the board wants to talk with you about all the reasons why they limited the options that they wanted to look at. And so, I'm going to yield to them."

01:20:01 Michael DiVirgilio: *"Okay, may I..., ah, Mike's been waving in my, before my eyes."*
Michael Jenkins, Hermosa Beach City Attorney: *"I just want to talk..."*
[MD]: He's the city attorney. Then I'm going to give it to Ms. Beste. Thank you."

01:20:05 Michael Jenkins: *"Thank you, ah, I just don't want that statement, councilmember Barragan, that you made on the table. You indicated that..."*

Michael DiVirgilio: *"A little louder..."*

Michael Jenkins: *"You stated that you thought the lease, or the, the deed, or the acquisition agreement allowed the district to re-purchase the Community Center from the city at a discounted price. That's not true."* **(CORRECT INFORMATION: This is a correct statement by Michael Jenkins.)**

Nanette Barragan: *"Okay. Um, can you maybe elaborate then, um, on the deed? Um, my understanding, I read it, but it's been about two months, and I didn't bring it here today, um, but I think when I read it, it sounded to me like the school district was giving up a good amount of money to sell it to the city and in exchange they were holding rights that they could come back if they needed the facility for schools, which sounds to me like what's happening now, so..."*

01:21:34 Michael Jenkins, Hermosa Beach City Attorney 1995-2022: [\(TL-2022Nov30 Attorney Jenkins retires\)](#) *"I just didn't want that to sit out there, um, without being contradicted, that there's no such provision. The city entered into a lease agreement with the district as a condition of the sale. And the lease provides that the district may use portions of the facility for certain specified purposes, the locker rooms, the gym, the auditorium, the tennis courts, on a limited basis for a limited number of days per year, but not for classrooms purposes and not for general, um, school purposes."*

COMPETING INFORMATION: Hermosa Beach City attorney Michael Jenkins is only reciting Exhibit 'K' in his statement to Councilperson Nanette Barragan. Exhibit 'K' He fails to also mention Article 4 of the Memorandum of Understanding, Exhibit G, which specifies HBCSD district use of classrooms, office and storage space at Pier Avenue School (aka the Community Center) when district enrollment surpasses 1,266 students. [PA-4a Exhibit 'B' MOU](#)

NOTE: As the taxpayer paid city attorney and city manager, it is believed that both Michael Jenkins and Tom Bakaly had read the entire Agreement for the Sale and Purchase of Real Property (aka Pier Avenue School) and all attached exhibits which included the Memorandum of Understanding. They should have also done their due diligence and consulted the available City Council minutes at the time the MOU was presented to the City of Hermosa Beach and leading up to the signing of the Agreement. When all the facts of the Agreement and attached exhibits are taken together it seems obvious that Michael Jenkins and Tom Bakaly absolutely mislead the community as to the leasing provision contained in the entire Agreement. [Exhibit TL-2018Apr5 LTTE George Barks](#) Did someone tell them to lie to the public about the facts of the Agreement? What about taxpayer paid HBCSD attorney Terry Tao and HBCSD Superintendent

Pat Escalante, why didn't they challenge the City's interpretation of the Pier Avenue School Agreement? Why was Councilperson Nanette Barragan the only council member to ask questions about the Agreement? What about the School Board members, did any of them ever read the entire Agreement and all the attached exhibits? Why didn't they ask any questions in public of the city attorney or the school district attorney regarding the provisions of the Agreement? Why didn't any of the school board members challenge the city's interpretation of the Agreement in public? Was the city's version of the Agreement and exhibits an unspoken quid pro quo between the City of Hermosa Beach and HBCSD in exchange for a brand-new unneeded campus at North School and the passage of a \$59M bond?

CORRECT INFORMATION: The MOU describing the district's lease agreement for classrooms was accepted by the City of Hermosa Beach at their city council meetings of June 14th, and 28th 1977. (PA5-HB CC Minutes June 14 1977 and PA5a-HB CC Minutes of June 28 1977) The MOU was made binding when the city council took out an escrow on Pier Avenue School following the instructions contained in Article 3 of the MOU. The city attorney at the time the Agreement was finalized confirmed the validity of the lease agreement between the city and the school district in a letter identified as Exhibit J included in the Agreement. (PA-7 Exhibit J City Attorney letter)

NOTE: If the original classrooms provisions of the MOU were changed by the City of Hermosa Beach, then the MOU was supposed to have been physically changed to reflect the change. * See Article 4, Section 4.11 states:

"Each and every provisions of law and each and every clause required by law to be inserted in this Agreement shall be deemed to be inserted herein and the Agreement shall be read and enforced as though they were included herein; and if for any reason such provisions are not inserted, or are not correctly stated, then upon application of either party this Agreement shall forthwith be physically amended to make such insertion or correction."

*No corrections or changes were made to the provisions for district use of classrooms, office and storage space when enrollment surpasses 1,266 students. The MOU stands as is.

NOTE: Article 5, Conditions to Precedent to Purchase, page 6:

"The City's duty to purchase the Pier Avenue School is conditioned upon the occurrence of all the following events:" Section 5.02: "The execution by the parties of all agreements attached hereto as exhibits"...

The MOU was included as a part of Exhibit G, therefore it too is a binding and sustaining part of the entire Agreement.

COMPETING INFORMATION: According to an email written by Hermosa Beach Mayor, Michael DiVirgilio, there was nothing that PROHIBITED the district from leasing rooms at the Community Center for use by the district. (PA-31 DiVirgilio's email re CC use by HBCSD) The city and the district decided NOT to use Community Center classrooms to help relieve overcrowding at district schools. Instead HBCSD wished to pass a \$59M dollar facilities bond to rebuild a grandfathered-in campus at North School and add more classrooms to View School, to handle a TEMPORARY spike in enrollment at HBCSD. HBCSD took approximately five years (2016 to 2021) to supply additional classrooms to relieve overcrowding at district

campuses. Students, staff, residents, and taxpayers all suffered because of the district and city's agreement not to use classrooms, office and storage space at the Community Center and to make low-priority community classes the priority over classrooms for HBCSD students.

01:21:36

Nanette Barragan: *"Okay, maybe that's a discussion you and I can have offline. It's just, it, logically, to me, doesn't sound; if I were the school [district] that I would say I can only use it for locker rooms and not classrooms because, well, that's the purpose I think I would need it back for if I had overcrowding and needed it back."*

CORRECT INFORMATION: Council member Nanette Barragan is correct in her assessment of the district's motivation to retain use of classrooms, office, and storage space at the Community Center. The district's lease is stated in the Memorandum of Understanding that was accepted by the city in June 1977. The MOU is a part of Exhibit G, The Resolution of Intention to Sell Real Property and Prescribing the Terms Thereof.

The LAST exhibit to be added to the entire Agreement was for district use of the recreational facilities at the Community Center including the gymnasium and auditorium. That is Exhibit K. It was negotiated six months after the city accepted the MOU outlining the district's future use of classroom. It was initially referred to as the Recreation Agreement before being added to the final Agreement as Exhibit K. Exhibit K was signed since it had not yet been executed by the city and the district to make it binding.

"So we can have that discussion offline and maybe that's a more productive way."

Michael Jenkins: *"Well, I don't know because, I'm just telling you what the documents say. So, it is what it is, it's not something that's subject to further interpretation."*

MISINFORMATION: City Attorney Michael Jenkins is (purposely?) misinforming the city council members the school board members AND the public with this statement.

Michael Jenkins: *"We don't, we own the facility, we're obligated to use it for community purposes, which we do. The school district has a lease with the city that allows it with certain limited, um, school purposes, which it may exercise if it wishes and the school district has a right to, ah, to a reversion of the property if the city were to NOT use it for the approved community purposes. So, if the city were, for example, to sell it [the Community Center] for commercial use or were to use it for nonapproved community purpose, the district does possess the right to a reversion of the property, but only under those circumstances."*

Michael DiVirgilio: *"Okay, ah, Ms. Beste."*

01:22:48

Carlene Beste, HBCSD School Board member: *"I just wanted to ask a clarifying question to council member Barragan. Were you suggesting that the school district purchase the Community Center for development of property when we already own property, in, at North School?"*

Nanette Barragan: *"No, I was, um, talking about, as far as the Community Center, my understanding was the school owned it and sold it to the city at a very cheap rate. I think at a very discounted rate. And in exchange, contracted to have rights to require it. That's my understanding."*

CORRECT INFORMATION: HBCSD sold Pier Avenue School to the city 40% below fair market value (TL-1975Dec9 PAS appraisal) to ensure that the students would have use of the campus in the future when district enrollment exceeded 1,266 students. Exhibit JM-4a In the 1970s enrollment was dropping significantly as baby boomers graduated elementary school and move on to high school. In the 1986-1987 school year enrollment would drop to its all-time low of 620 students. Exhibit JM-4 When Pier Avenue School was sold to the city in 1977-1978 with a lease provision, nobody knew how much enrollment would rise or fall in the future.

Carlene Beste: *"Right, but we would still have to... But in that scenario, we'd still have to put money into repurchasing a site and redeveloping a site when we already have property that we own."*

INCORRECT STATEMENT: HBCSD does not need to "repurchase" the Community Center, since it has valid contractual provisions to lease classrooms, office and storage space at the Community Center whenever enrollment exceeds 1,266 students.

Lisa Claypoole, HBCSD School Board member: *"At North..."*

Carlene Beste: *"Yeah, okay, that's, that's what I felt like you were asking. So, it felt like we were; it was being suggested that we acquire another piece of property when we already own one, that we have rights to develop. I guess is what I was trying to clarify."*

01:23:48

Nanette Barragan: *"Right, so, my, um, the question goes to presenting all options, so, at the end of the day, I don't know because I haven't done the math and I don't know what the logistics are, but, um, I think in one column you would have, um, current property at North and what it would cost, and then column two would be the Community Center and it would say something along the lines of acquire and how much it cost to upkeep and you would do the comparison of that. And I think one of the things it might do, is, it might just alleviate some of the concern from residents saying that at least they know what the options were, or, you know its going to cost the same amount."*

"It also alleviates the concern that I'm hearing from people and residents who live around the North School area, who are concerned about, um, building a facility there, and traffic and everything else that I've heard tonight, and I've been contacted. I mean, I know people who live near this facility and the first thing they

say is

what's going on? You know, I don't want a new school here and a lot of what I've heard here today, you can only have one car go down, you know, certain streets, and so, its, I've always taken the approach that you, the more you include the public, and you give them all the options, that at the end of day they feel better about making a decision and so sometimes if they don't have that information, they just feel a little more like they've been left out. And that's really where I'm getting at."

01:25:17

Carlene Beste: *"Okay, I just wanted to clarify, I feel like that, well first of all, my house is on that map, North School map, so I'm WELL aware of all the problems around there. Um, but ah, I, I just felt like you were suggesting, and I think all these options have been explored and we probably don't have time to rehash all of those here and now,*

COMPETING INFORMATION: Why hadn't HBCSD ever have a public meeting at which they "rehashed" the options? Not until one-week before the district's \$59M bond vote for Measure S did HBCSD have their attorney give an explanation of the options – almost of all of which were proved to be incorrect.

Please see May 31, 2016 Joint City and School District meeting with presentation by HBCSD Attorney Mr. Terry Tao.

"... but, um, I just felt like you were suggesting that we purchase another piece of property; invest money in purchasing another piece of property. Either way you look at it, you have to redevelop this, the site, whether it's a community center site or whatever, but we would have to invest additional dollars in purchasing another piece of property. So I just wanted to clarify what you were suggesting. Thank you, that's it."

01:25:57

Michael DiVirgilio: *"Ms. Claypoole, you have the..., I saw you..."*

Lisa Claypoole, HBCSD School Board member: *"I'm sorry, ah, I just want to speak to a couple of different issues I'm thinking about as we went through this. Number one, I want to thank the 13 people who came tonight to express their concerns and I feel like some of the people who spoke have felt like well the board and the schools and the city aren't listening, and I just want to address that and just a couple of other things. I just have a few comments."*

"Um, in the 1970s and 80s the school board of Hermosa Beach sold away our property. That didn't include anyone at this table. It didn't include anyone on that side [City council members and staff]. They sold away our property for good or for bad. That is the position that we are in. The beautiful sites that are there: South School, Prospect Heights aka Fort Lots of Fun, plus some more, plus the Pier Avenue School do not currently belong to this district."

CORRECT INFORMATION: The Hermosa Beach City School District has valid and subsisting leasing rights to classrooms, office and storage space at Pier Avenue School. [PA-4a Exhibit 'B' MOU](#)

"We do not write Ed Code in the State of California. We cannot wave our hand and make that Ed Code work so that we can use a property that is not school zoned property, i.e. the Community Center."

INCORRECT INFORMATION: What is "school zoned property"? No such requirement exists. The Community Center is situated on OPEN SPACE zoned property. In November 1975 the city changed the zoning around Pier Avenue School to Open Space to appease the Hermosa Beach School District so, when sold to the city, Pier Avenue School could not be used or sold for business interests by the city. ([Exhibit JM-9c](#))

COMPETING INFORMATION: According to a Title 5 Webinar transcript available on the CDE website, under the heading SLIDE 7: *"... Since 2000, the Title 5 regulations have been a FLEXIBLE and ADAPTABLE standard that allows communities to design schools based upon their own communities unique needs."*

From School Construction/Modernization Design Standards: *"Each local educational agency (LEA, i.e. school district) has wide discretion in developing school designs that meet the needs of its educational program and community." "Title 5 is structured to allow an LEA to vary from any standard if the LEA demonstrates to the CDE that student safety and educational appropriateness are not compromised."* by Fred Yeager, Assistant Division Director School Facilities and Transportation Services Division California Department of Education ([TL-Title 5, DSA and OPSC info](#))

Again, according to the Title 5 Webinar transcript available on the CDE website, under the heading SLIDE 7: ***“The exemption process allows a district to request from the Superintendent and exemption from ANY of the STANDARDS in Title 5 as long as they document that it does not compromise educational appropriateness or student safety. So again, that is something that allows districts to respond to their own community’s unique needs and design schools with flexibility that Title 5 provides.” “Charter schools are not subject to Title 5, unless they request funding through the State Allocation Board..., So charter schools, as we’ve seen, are located in any number of store fronts or in other buildings approved by the local building department.”*** by Fred Yeager, Assistant Division Director School Facilities and Transportation Services Division California Department of Education. [Exhibit JM-9b](#). In addition, HBCSD has no problem violating Title 5 Education Code standards when it suits them.

“We have a great community with awesome schools and amazing teachers and staff.”

COMPETING INFORMATION: In 2014 HBCSD students and staff worked under severely overcrowded conditions. In 2010, enrollment exceeded 1,266 students. According to the lease agreement between the city and the school district HBCSD was entitled to lease from the city classrooms, office and storage space at the Community Center at a reasonable rent when district enrollment exceeded 1,266 students. It seems as if none of the superintendents, nor anyone on the School Board had knowledge of this fact.

CORRECT INFORMATION: Since 2010, school board members were well aware of overcrowding at district schools. Why did school board members wait until 2013 to investigate solutions to district overcrowding? What were school board members waiting for? Pat Escalante? **Please see [Lie #20](#):** Misleading the public that Pat Escalante was well qualified to be a superintendent. **[Lie #21](#):** Claiming that Pat Escalante was qualified to be superintendent and that she had decided to apply for the superintendent position at HBCSD on her own.

COMPETING INFORMATION: **With 30 years of experience as a superintendent and presumably lots of experience with school facility decisions, why didn’t HBCSD School Board members have Dr. Newlin start the facilities process for HBCSD from at least 2009?** Why wait until Pat Escalante who had absolutely NO superintendent experience was made superintendent in 2012 before starting a process to examine district facilities? Why not investigate options and make plans for expansion *before* being faced with a crisis? Was the reason Dr. Newlin didn’t get involved with district facilities because Dr. Newlin cared about his reputation and didn’t want to be caught lying for the cabal? **Or was the reason school board members ignored overcrowding until it became a crisis, because the cabal was waiting for the overcrowding to become a crisis so they could use it to pressure the community into passing an unnecessarily expensive facilities bond?**

CORRECT INFORMATION: In 2014 HBCSD had cash reserves of more than \$2 million or 20.2% of General Fund (the district’s checking account) expenditures. In 2015 HBCSD had cash reserves of almost \$3 million or 25.5% of General Fund expenditures. HBCSD is only required to hold 3% in reserves. School Board members withheld almost \$2 million to \$3 million of available funds from being spent to improve district campuses and to educate students. [Exhibit JM-10a](#)

CORRECT INFORMATION: School board members choose to continue to overcrowd district schools by spending \$1.1 million to purchase temporary overcrowding solutions instead of renovating North School or the Community Center to quickly relieve overcrowding. Instead, school board members kept students

and staff in egregiously overcrowded conditions while they held out for a brand new campus at North School. [Exhibit JM-10](#)

"People want to live here. Our property value are through the roof. Families now want to live here. I would think that the people of this community and, I know the people of this community would prefer families than the 30 something drunks that stumble around on the Pier on Saturday nights...."

COMPETING INFORMATION: According to the California Department of Finance which tracks California cities population, from 2014 to 2022, the city of Hermosa Beach has lost 697 residents. [Exhibit DI-3](#)

01:27:26

[Lisa Claypoole]: *"Someone asked "what's the rush?". The rush is we are over capacity by, pardon me, is the number 500 students?"*

[Pat Escalante]: *"Almost."*

COMPETEING INFORMATION: At the April 10, 2013 School Board meeting, Facility Planning and Advisory Committee (FPAC) chairperson, Monique Eshan, stated that the district was over capacity by 270 students. [Exhibit JM-20](#) Enrollment in the spring of 2013 was approximately 1,406 students. Enrollment in the spring of 2014 was approximately 1,429 students. [Exhibit DI-5](#)

COMPETING INFORMATION: According to the June 2014 Facility Master Plan, page 37, district capacity for Valley School, including portable classrooms, was listed as 1,050 students with actual Valley School enrollment at 948 students. On page 47, district capacity for View School was listed as 504 students with actual View School enrollment standing at 481 students. Therefore at June 2014 total district capacity for Valley and View schools was 1,554 students. Total district capacity of 1,554 student minus Spring 2014 enrollment of 1,429 equated to 125 ADDITIONAL/EXTRA student capacity available. [Exhibit JM-21](#)

COMPETING INFORMATION: Without counting portable/interim classrooms, Valley School capacity was 930 students. Without counting portable/interim classrooms, View School capacity was 216 students. The 216 capacity figures for "permanent classrooms" did not include the three very nice very nice semi-permanent kindergarten classrooms. Total district capacity without portable classrooms was 1,146 students (930 + 216 = 1,146). Not including the portable or semi-permanent classrooms, the district was over capacity by 283 students in 2014 NOT 500 students as stated by Lisa Claypoole and Pat Escalante. [Exhibit JM-21](#)

CORRECT INFORMATION: In 2022, since the rebuilding of North School for 510 students and the additions to View School, district capacity is approximately 1,968 students with actual district enrollment at only 1,200 students. As of 2022, HBCSD now has approximately 768 ADDITIONAL/EXTRA student capacity available.

[Lisa Claypoole]: *"Almost 500 students. There is no rush. We are behind the eight ball. We are trying to come up with a solution. Our students need classrooms. Our teachers need teaching space. We're overcrowded."*

COMPETING INFORMATION: Instead of choosing to either quickly renovate either the Community Center or North School for students, school board members chose to rebuild North School over a five-year period at a cost of \$29 million dollars.

COMPETING INFORMATION: The Community Center is NOT in the Coastal Zone and would not have required Coastal Commission permission to renovate. North School was grandfathered-in as a district campus. Just like View School in HBCSD, Robinson School in MBUSD or Richmond Street Elementary School in El Segundo Unified School District, North School could have been quickly and cheaply renovated for HBCSD students. [Exhibit JM-22](#) Both the Community Center and North School are seismically safe as is for students.

[Lisa Claypoole]: *"...More children are coming if the State law mandates transitional kindergarten. hundreds more will come..."*

COMPETEING INFORMATION: Usually the State make allowances for school districts to ramp up for additional students with classrooms and hiring additional teachers.

[Lisa Claypoole]: *"We need a place to put them. We don't pass the State law. The State law defines what we can and cannot be used as a school. South School cannot be a school. Pier Avenue School cannot be a school..."*

MISINFORMATION: This public statement by School Board member Lisa Claypoole about Pier Avenue School is INCORRECT. The aforementioned letter by the Office of Public School Construction (OPSC) confirms that Pier Avenue School can be used by the district for students. The OPSC letter only applies to the possible allocations of State funds for modernization at Pier Avenue School and modernization or new construction at North School. [Exhibit JM-23](#) Neither Superintendent Pat Escalante nor other school board members correct her statement. As Michael Jenkins says to Nanette Barragan, the school district is allowing an incorrect statement to stay "on the table." [See City Attorney's statement to City Council member Nanette Barragan at 01:20:05.](#)

"... Fort Lots of Fun can not be a school, the Time Warner building can't be a school and North School in its current state and situation can not be a school..."

MISINFORMATION: This public statement by School Board member Lisa Claypoole about North School is INCORRECT. North School is grandfathered-in as a district school; therefore it can be used by the district as is. HBCSD had done only the bare minimum to maintain North School for years and it needs to be renovated. North School was built to CDE earthquake safe specifications (The Field Act) and all buildings and renovations have been overseen by the Department of State Architects for safety. Neither Superintendent Pat Escalante nor other school board members correct Lisa Claypoole's statement.

[Lisa Claypoole]: *"Please know, community members that came here, we're not trying to impact Myrtle Avenue and make everybody who live there unhappy by building a school. And I take issue with the notion of and the restatement over and over of paving over a park. The park is own by the school district."*

CORRECT INFORMATION: HBCSD does indeed own a large portion of Valley Park. In fact, Valley Park was originally used as the play fields for North School. The North School site, without using the portion of Valley Park as playfields, is about 2.5 acres. The brand-new \$29 million-dollar North School campus was deemed to be only 27% of the recommended size for 425 students by the CDE. The CDE's determination that the 2.5 acre North School was only 27% of the recommended size for 425 student did NOT take into account that the NEW North School campus was built to house 510 students not 425 students.

At any time in the future, School Board members can vote to use Valley Park as the playfields for North School and fence off the majority of the park for student use. In addition, at any time School Board members could decide to place 510 students or more at North School to optimize the brand-new campus. In that case the North School residents would be severely impacted AND very likely, Valley Park soccer field would be fenced off to be used by the school district for North School.

Since a future, new school board can justify anything the school district wants to do, the district's plans to build a brand-new North School campus now would forever threaten Valley Park, forever threaten to create traffic and congestion of the narrow, residential streets in the area and threaten to create day-long noise nuisance for the densely packed neighborhood homes in the area. School Board members could have understood this sentiment by residents if they had spent any time trying to understand the neighborhood's objections to creating a 510 student commuter school at North School.

Another objection to rebuilding North School for 510 students at a cost of \$29 million dollars was the belief that the current enrollment surge could be temporary. The district's enrollment projections by Decision Insite were suspect. See information on Decision Insite. When this suggestion was made to school board member Maggie Bove LaMonica, she summarily dismissed the notion out of hand. In fact, when North School was finally opened in April 2021, district enrollment had dropped to 1,200 Hermosa students, sixty-six students below the required enrollment threshold of 1,266 students which would trigger district contractual use of the Community Center.

School board members could have helped alleviate residents concerns by performing a true investigation of the pros and cons of using Pier Avenue School for district use and make plans to renovate the campus at North School instead of demolishing and rebuilding the campus while expanding View School. Although school board members and Pat Escalante claimed that the investigations had taken place, there is no public record of the topics covered and compared and the pros and cons of each. **It was recognized by many members of the community that school board members, Superintendent Pat Escalante and City Manager Tom Bakaly, among others, were giving Hermosa Beach residents highly slanted or incorrect information about the facility choices.** See also [Lie #13](#): Misinformation and misleading information and misinformation regarding district use of the Community Center contained in the October 2023 update on Proposed Expansion of P.A.R.K. After School Program by the City of Hermosa Beach. [Lie #14](#): Misinformation and misleading information in the Recommendations for the May 2014 Joint Meeting of the Governing Board of HBCSD and the HB City Council. [Lie #15](#): Misinformation and misleading information and misinformation regarding district use of the Community Center contained in the May 2014 School Board Highlights sent to school parents. [Lie #39](#): Misinformation and misleading statements contained in the History of the Sale of Pier Avenue School to the City of Hermosa Beach by Superintendent Pat Escalante. [Lie #16](#): Rampant misinformation and misleading information told by HBCSD attorney Terry Tao with collusion by Superintendent Pat Escalante and School Board members in a videotaped and televised presentation one week before the district's \$59M bond vote. [Lie #17](#): Misinforming the public regarding HBCSD use of North School AS IS. [Lie #18](#): Misinforming the public as to the historical facts and value of the circa 1934 North School in Pam Daly's Historic Resource Assessment of North School.

CORRECT INFORMATION: The area of Valley Park alongside Gould Avenue and Morningside Drive that was to be made into an approximately 60-car parking lot with pick-up and drop off lanes is owned by the City of Hermosa Beach. Although the city and the school district had continually claimed that the city and

the district cannot swap properties or gift properties to each other, it is assumed that the city would have had to construct a parking lot on city property along the corner of Gould Avenue and Morningside Drive to be a parking lot for North School that taxpayers would have paid for too.

[Lisa Claypoole]: *"...And I was completely wrong when two months ago I stood up at that desk and I expressed concerns to the GKK Works people about where that building would be sat. And I apologized the following month because I went to Valley Park and I walked out to the edge of the soccer field and up to the embankment where the tree and the rocks are for anybody who hasn't been there recently, and that is where the school will sit. It won't sit on the soccer field. It won't be paving over all of Valley Park. Valley Park is not going to go away. But I beg of you to know and understand that the people at this table and the city council side, in the city official side and in the school board side are not trying to waste taxpayer dollars and create a problem that doesn't exist. It is a very real problem..."*

COMPETING INFORMATION: There was no question from most residents that the district had a very real problem of overcrowding. What was at issue was school board members, city council members, Superintendent Escalante, City Manager Tom Bakaly and HB City Attorney Michael Jenkins either NOT investigating the actual lease provisions of the Agreement for the Sale and Purchase of Pier Avenue School and/or not agreeing to a public discussion of the pros and cons of renovating the Community Center or North School for district use over completely demolishing and rebuilding North School for \$29 million dollars over five years.

[Lisa Claypoole]: *"... We all want what's better for our kids. It will be inconvenient to build a building at North School, but we have to do something. Could we please listen to what GKK Works, that what we came here to do."*

01:27:50