



**Date:** April 14, 2020

**To:** Honorable Mayor Garcia and Members of the City Council

**From:** Daryl Supernaw, Councilman, Fourth District

**Subject:** **Funding Repairs to Elevators at Community Hospital Long Beach**

---

**RECOMMENDATION:**

Increase appropriations in the General Fund Group in the Economic Development Department in the amount of \$250,000, offset by the Fourth Council District One-time District Priority Funds transferred from the General Fund Group in the Citywide Activities Department to support elevator repairs at Community Hospital of Long Beach; and

Decrease appropriations in the General Fund Group in the Citywide Activities Department by \$250,000 to offset a transfer to the Economic Development Department.

**DISCUSSION:**

Community Hospital Long Beach (Community Hospital) is a 158-bed, acute and psychiatric care hospital located at 1720 Termino Avenue in Long Beach. Although the 8.7 acre site is owned by the City of Long Beach, the City Council recently approved a long-term lease agreement with MWN Community Hospital, LLC (MWN) to (a) reopen the facility as an acute care hospital, and (b) complete construction repairs to comply with State seismic requirements. Since the execution of the long-term lease agreement, MWN has been making progress to achieve State approvals for licensing and seismic permitting.

On March 4, 2020, the City of Long Beach declared local health and city emergencies to strengthen the City's preparedness and ability to respond to COVID-19, commonly known as novel coronavirus. City Council ratified the declarations on March 10, 2020.

In response to the emergency declarations, leadership at MWN has offered to make Community Hospital available for COVID-19 emergency support to the regional area via a contract with the California Department of Public Health (CDPH), under the Emergency Services Act, Government Code section 8655 -8659, and Civil Code section 1714.5., which will allow Community Hospital to coordinate inpatient transfers during the emergency.

To prepare for patient transfers, MWN is required to expedite repairs and certifications at Community Hospital to handle the immediate workload anticipated for the COVID-19 response. Repairs include but are not limited to repairs to the elevators. The elevator

repair cost alone is estimated to be \$250,000. To support the effort to make the Community Hospital available for COVID-19, the Fourth Council District recommends allocating and transferring \$250,000 of its One-time District Priorities Funds to immediately complete the elevator work. The City will then perform the required repairs through a City contract even though it is technically the responsibility of MWN. The repairs are not associated with future use of the Hospital as an acute care hospital and are solely to provide funds to MWN in making the Community Hospital available as a COVID-19 patient transfer center to better protect regional health and safety. The City would be making these repairs effectively as an advance to MWN with the understanding that MWN and the City will work together to secure reimbursement to the City for these costs from the State or other sources. However, there is no assurance of reimbursement.

This matter was reviewed by Director of Financial Management John Gross, on April 3, 2020.

**FISCAL IMPACT:**

This recommendation provides One-time District Priority Funds to advance funds for COVID-19 related elevator repairs at Community Hospital of Long Beach. The total appropriation increase of \$250,000 in the General Fund Group in the Economic Development Department will be offset by a transfer of Fourth Council District One-time District Priority Funds from the General Fund Group in the Citywide Activities Department. The requested action is anticipated to require a minimal level of staff hours beyond the budgeted scope of duties and is expected to have minimal impact on existing City Council priorities. The funds will be regarded as permanently expended until and unless reimbursement occurs from MWN or other sources.