

PROPOSED CITY OF ALAMEDA HEALTH CARE DISTRICT MEASURE

A MEASURE A: So that the Alameda Hospital may remain open and continue to provide emergency and other health-care services, shall the Local Agency Formation Commission of Alameda County's January 10, 2002 resolution, ordering the formation of the City of Alameda Health Care District in the territory described, subject to certain terms and conditions, including adding a \$13,000,000 appropriations limit, and authorizing the District to levy an annual special tax of up to \$298 per parcel or per possessory interest, to defray operating expenses and capital needs, all as more particularly described in the resolution, be approved?	YES
	NO

FULL TEXT OF MEASURE A

SPECIAL TAX FOR CITY OF ALAMEDA HEALTH CARE DISTRICT

So that the Alameda Hospital may remain open and continue to provide emergency and other healthcare services, shall the Local Agency Formation Commission of Alameda County's January 10, 2002 resolution, ordering the formation of the City of Alameda Health Care District in the territory described, subject to certain terms and conditions, including adding a \$13,000,000 appropriations limit, and authorizing the District to levy an annual special tax of up to \$298 per parcel or per possessory interest, to defray operating expenses and capital needs, all as more particularly described in the resolution, be approved?

The District shall establish an administrative review process in accordance with the law.

The revenues generated by the special tax will be used only for the specific purposes of repaying outstanding hospital indebtedness and defraying ongoing hospital general operating and capital improvement expenses.

The special tax will be deposited into a fund held by the Alameda County Treasurer.

The District shall cause to be filed an annual report with its Board of Directors, commencing not later than January 1, 2003, and annual thereafter, which report shall contain information regarding the amount of special tax revenue collected and expended as well as the status of projects funded with the proceeds of the special tax.

**ALAMEDA COUNTY LOCAL AGENCY FORMATION COMMISSION
IMPARTIAL ANALYSIS FOR THE PROPOSED FORMATION OF THE
CITY OF ALAMEDA HEALTH CARE DISTRICT AND
AUTHORIZATION FOR SPECIAL TAX LEVY**

State law allows for the formation of districts to provide hospital services and funding of those services through special taxes. California law requires that the formation of any hospital district be approved by the voters of the proposed district. California law also requires that a special tax be approved by two-thirds of voters cast in ballots on a proposed special tax measure.

This proposed measure, if approved, will result in the formation of The City of Alameda Health Care District (the District) and will authorize the District to impose and levy an annual special tax not to exceed \$298 per parcel or, in limited circumstances, per possessory interest (the special tax). Alameda Hospital, Inc., a non-profit corporation ("Alameda Hospital"), applied to the Alameda County Local Agency Formation Commission for the formation of the District. Alameda Hospital indicated that it is seeking to ensure continuing local access to emergency, acute care, and healthcare services to residents of the District and visitors to the area by proposing this measure. If the special tax is approved by the voters, the district would be required to use the tax proceeds to repay hospital indebtedness and to defray ongoing operating and capital improvement expenses of the District. Alameda Hospital intends to transfer the Hospital assets and liabilities to the District, including plant, property, equipment and all other tangible assets.

The Alameda County Local Agency Formation Commission approved the formation of the district on December 11, 2001 and January 10, 2002, subject to voter approval of both the formation of the District and the special tax. Thus, if this measure is not approved by two-thirds of all votes cast on the measure, the special tax will not be imposed, and the District will not be formed.

The District would be located in Alameda. The boundaries of the District would be coterminous with the City of Alameda. The land area of the District would be approximately 14,253 acres or 22.27 square miles. A five-member board of directors would govern the District. All members of the board would be directly elected by registered voters living in the District, except for the initial board of directors, which would be appointed by the Board of Supervisors according to State law. Any registered voter residing in the District would qualify to be a candidate for election to the board. The District would have all the powers provided in the Local Health Care District Law (Health & Safety Code Section 32000 *et seq.*) and would be subject to other applicable California laws.

s/LOU ANN TEXEIRA
Executive Officer
Alameda County Local
Agency Formation Commission

ARGUMENT IN FAVOR OF MEASURE A

Alameda Hospital has served our community for over 100 years. Through two world wars, the Great Depression, two major earthquakes and the closing of the Naval Air Station, Alameda Hospital has served generations of Alameda families in times of need.

Like many other hospitals around the country Alameda Hospital is facing an uncertain financial future. If Measure A does not pass, Alameda Hospital will close. Measure A does two things. First, it provides ongoing revenue to keep the hospital open. Second, it establishes a hospital district with a publicly elected board that will provide fiscal oversight to the Hospital.

Measure A is supported by a broad cross section of our community that includes firefighters, police, business leaders, community leaders and seniors. All of the money raised by Measure A is tax deductible and will stay in our community to benefit Alameda citizens.

If you are in doubt about Measure A, consider the following if Alameda Hospital closes:

- Victims of heart attacks and other emergencies will need to travel to Highland Hospital or other Oakland hospitals for emergency care, adding at least 20 critical minutes of travel.
- If a bridge or the Tube is closed for any reason, Alameda residents will be without access to emergency care.
- During a crisis like an earthquake or fire there will be NO local emergency care for Alameda residents.
- Alameda Hospital's Emergency Room serves more than 16,000 people every year. If the hospital closes these patients will have to go to other severely overcrowded hospitals in the area.

No one knows when a life-threatening emergency will strike. Today an ambulance can reach Alameda Hospital's Emergency Room in 4 or 5 minutes. Measure A ensures that Alameda Hospital's Emergency Room and other medical facilities will be there when you need them.

Please vote Yes.

s/WILMA CHAN

Assembly Member, 16th Assembly District

s/DENNIS JENNINGS

Emergency Services Coordinator

s/JEPHTHA BOONE, MD

Retired Primary Care Physician

s/ROSEMARY REILLY

Director, Alameda Meals on Wheels

s/WALT JACOBS

Realtor

REUTTAL TO ARGUMENT IN FAVOR OF MEASURE A

MEASURE A WILL NOT SOLVE THE PROBLEM.

The projected \$10 Million in losses minus \$6 Million in taxes equals a \$4 Million shortfall for this year. Future losses cannot be predicted. Losses are the reason hospitals close and districts continue to collect taxes.

Opposition to Measure A is supported by grassroots organizations who want to solve the problem. Threats of closure are not productive to finding solutions.

Look at the hospital's statement supporting Measure A. It speaks to the need for emergency facilities. Measure A is about paying for a 135 bed hospital that is severely under-utilized.

THERE ARE ALTERNATIVES

- In 2000, on average, 80 of the 135 beds were empty. New physicians are only part of the solution. The hospital needs better utilization of its space, including non-medical uses.
- Other hospitals employ several forms of fundraising. Kaiser applies for grants for additional funds. Childrens Hospital sells paper ducks. Perhaps an Alameda Hospital Thrift Shop?
- Alternative Funding Methods are available, featuring:
 - less cost per resident (less than \$15 per month)
 - discounted tax rate for fixed income residents
 - tax stops if hospital closes
 - goes down if hospital losses go down
 - totally controlled by Alameda residents
- There are ways to keep emergency services on the island and not pay for a 135 bed hospital that is only one-third occupied.
 - A reduced service hospital
 - Paramedics with "Expanded Scope of Practice"
 - multiple Urgent Care Facilities for minor injuries.

NOON A!

Citizens for Responsible Taxation and Financial Alternatives

s/JEFF CAMBRA, Chairman

s/JANET SCHAEFFER, Vice Chair

s/ELIZABETH RADFORD, Secretary

ARGUMENT AGAINST MEASURE A

Alameda Hospital cannot fill its 135 beds because the majority of residents go to other hospitals. Now, it is asking Alameda residents to pay for those empty beds with a tax it admits won't do the job.

The Hospital has been losing patients since 1989. All its efforts could not stop the continuing decline of patients. Last year, it lost \$3 Million while Alameda Medical Group was still sending patients to Alameda Hospital. This year the Hospital will lose \$10 Million as a result of AMG sending its patients to Kaiser-Oakland. A tax will not solve this problem.

The Hospital has cut services by closing Obstetrics and Transitional Care and continues to lose money. The Hospital has said, it needs \$10 Million in 2002. The parcel tax will generate only \$6 Million. The tax is not enough to save the hospital this year or in future years.

The creation of a hospital district will not ensure the hospital will stay open. There is no allowance for stopping the tax should the hospital close. If Alameda Hospital closes, the hospital district and the parcel tax remain.

In Pittsburg, Ca., the hospital is gone, and residents will continue to pay until 2014. In Sonoma, voters approved a hospital tax in 2000. The next year, the hospital returned again for a tax that was 5 times larger. Hospital districts are a great liability on the residents.

The question is not "Will the Hospital close if residents vote No on this measure?" The real question is "Will the Hospital STAY OPEN if residents vote yes? \$298. for the rest of your life is not a solution. VOTE NO ON MEASURE A.

Citizens for Responsible Taxation and Financial Alternatives

s/JEFF CAMBRA, Chairman

s/JANET SCHAEFFER, Vice Chair

s/ELIZABETH RADFORD, Secretary

REBUTTAL TO ARGUMENT AGAINST MEASURE A

Measure A opponents deliberately mislead voters with inaccurate, untruthful statements.

Here are the facts:

Alameda Hospital will close if Measure A does not pass.

If Alameda Hospital closes there will be no local emergency care for Alameda residents. Ambulances and emergency vehicles will have no choice but to take patients to hospitals in Oakland or Berkeley.

The opponents incorrectly and untruthfully state that the tax will remain if Alameda Hospital closes. The truth is that if there is no hospital there is no tax. Pure and simple.

Opponents allege that the parcel tax is not enough to keep the hospital open, yet offer no solutions to keep the hospital open.

The hospital will remain open only if Measure A passes and will close if the opponents succeed with their campaign of misinformation.

Alameda firefighters, police and emergency medical technicians who understand the importance of local access to emergency medical care, all strongly support this measure.

Senior citizens who are most vulnerable to loss of emergency services on the island also support Measure A.

Even doctors and health care workers at Kaiser Permanente endorse this measure, saying that the closure of Alameda Hospital will trigger a health care crisis in our county.

The cost of this measure is about \$24 per month, less than the cost of your cable bill, and is tax deductible.

A "no" vote is a vote to close Alameda Hospital. A "yes" vote is a vote to keep Alameda Hospital and Emergency Room open. Please vote YES.

s/ALICE CHALLENGER, MD, Retired Physician

s/JIM FRANZ, Chaim Iman, Alameda Services Collaborative

s/MOIRA FOSSUM, Past President, Alameda Chamber of Commerce

s/MICHAEL GORMAN, Vice Chair, Bank of Alameda

s/NICK CABRAL, West End Resident

RESOLUTION NO. 2002-02

RESOLUTION OF LOCAL AGENCY FORMATION COMMISSION OF ALAMEDA COUNTY ORDERING FORMATION OF THE CITY OF ALAMEDA HEALTH CARE DISTRICT SUBJECT TO SPECIFIED CONDITIONS OF APPROVAL, CALLING A SPECIAL ELECTION UPON THE QUESTION OF APPROVING FORMATION OF THE DISTRICT AND AUTHORIZING THE DISTRICT TO IMPOSE AND LEVY A SPECIAL TAX, AND CONSOLIDATING THE ELECTION WITH ANY OTHER ELECTION HELD ON THE SAME DATE IN TERRITORY THAT IS THE SAME OR IN PART THE SAME

RESOLVED, that the Alameda County Local Agency Formation Commission ("Commission") hereby certifies and finds as follows:

SECTION I PROCEDURAL HISTORY

- 1.1 A registered voter petition ("petition") was filed with the Commission requesting formation of the City of Alameda Health Care District ("proposed district"). The formation petition was filed pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act"), commencing with Section 56000 of the Government Code, the Local Health Care District Law commencing with Section 32000 of the California Health and Safety Code ("Local Health Care District Law"), the District Organization Act commencing with Section 58000 of the California Government Code ("District Organization Act"), and the Local, Special, Vacancy and Consolidated Elections Law commencing with Section 10400 of the California Elections Code ("Elections Code").
- 1.2 After conducting required proceedings on the formation petition, the Commission adopted Resolution No. 01-15, a copy of which is attached hereto as Appendix "A" and incorporated herein by this reference, approving formation of the proposed district and establishing a sphere of influence for the proposed district. Resolution No. 01-15 directed that protest proceedings for formation of the proposed district be undertaken by the Commission in compliance with Resolution No. 01-15 and the provisions of the CKH Act, the Local Health Care District Law, and the District Organization Act, as appropriate.
- 1.3 The Commission conducted a duly noticed public hearing on January 10, 2002 regarding formation of the proposed district, establishment of an appropriations limit for the proposed district, and the proposed imposition and levy of a special tax measure on behalf of the proposed district. At the hearing, all interested persons were given the opportunity to hear and be heard, and all oral and written testimony and evidence presented or filed, including written protests against formation of the proposed district and written requests for exclusion of land from or inclusion of land in the proposed district, were received by the Commission. After the close of the hearing, the Commission considered the value of written protests against

filed purposes upon approval of two-thirds of the electorate, in the measure.

- 1.4 The Commission has reviewed and considered this resolution and hereby finds that it accurately sets forth the intentions of the Commission with respect to the formation of the proposed district, establishment of an appropriate limit for the proposed district, and proposed imposition and levy of a special tax on behalf of the proposed district.

SECTION II CEQA COMPLIANCE

- 2.1 The Commission found the application to be Categorically Exempt under the California Environmental Quality Act (CEQA), as there is no possibility of a significant effect on the environment. Therefore, the activity is not subject to CEQA. The Commission finds that there have been no changes to the project or its circumstances, and that no new information has become available which would require the preparation of a subsequent environmental document, or an addendum for the project.

SECTION III FORMATION OF PROPOSED DISTRICT

- 3.1 The actions taken by the Commission herein with respect to the formation of the proposed district are solely pursuant to the CKH Act, the Local Health Care District Law, and the District Organization Act, as appropriate.
- 3.2 The value of the written protests against formation of the proposed district filed with and not withdrawn is less than one-half of the total assessed value of real property in the proposed district. Therefore, no majority protest exists under the applicable law.
- 3.3 No existing land was excluded from and no new land was included in the proposed district.
- 3.4 The purpose for the formation of the proposed district, as set forth in Resolution No. 01-15, is to ensure local access to emergency, acute care and other health care services for residents and visitors of the proposed district.
- 3.5 Formation of the proposed district shall be contingent upon voter approval, at the same election as formation, of a special tax to assist the proposed district in meeting the costs of providing emergency, acute care, and other medical services, and operating and improving property of the proposed district.
- 3.6 Based on the findings in Sections 3.1 through 3.5 above, and the record of these proceedings, the Commission finds that it is appropriate to order formation of the proposed district, subject to concurrent approval by the voters in the proposed district of formation of the proposed district and approval of the special tax measure.

SECTION IV IMPOSITION AND LEVY OF SPECIAL TAX

- 4.1 Section 4 of Article XIII A of the California Constitution and Government Code sections 50075 et seq. and 53730.1 authorize a health care district, following notice and public hearing, to impose and levy a special tax for speci-

- 4.2 The Commission is authorized by Government Code section 50077 to act on behalf of the proposed district to propose the imposition and levy of a special tax.
- 4.3 The imposition and levy of a special tax ("the 2002 Parcel Tax" or "the Tax") for the proposed district would be for the specific purposes enumerated in the full text of the ballot measure set forth in Appendix "B," attached hereto and incorporated herein by this reference.
- 4.4 Based on the findings in Sections 4.1 through 4.3 above, the record of these proceedings, the Commission finds that it is appropriate for the Commission to propose adoption of the 2002 Parcel Tax on behalf of the proposed district and to call for a special election within the proposed district on the question of whether the tax shall be imposed and levied by the proposed district for the purposes set forth herein.

NOW, THEREFORE, based on the foregoing certifications and findings and the record of these proceedings, the Commission hereby determines and orders as follows:

1. The foregoing certifications and findings are true and correct, and are supported by substantial evidence in the record.
2. That the formation of the proposed district is hereby ordered ("the order of the formation"), subject to concurrent approval at the same election by the voters in the proposed district of the order of formation and the 2002 Parcel Tax.
3. The formation of the proposed district shall include the establishment of the sphere of influence for the proposed district as specified in Resolution No. 01-15.
4. The terms and conditions of the formation of the proposed district shall be the terms and conditions specified in Resolution No. 01-15.
 - (a) The name of the proposed district shall be the City of Alameda Health Care District.
 - (b) The boundaries of the proposed district shall be as described in Exhibit A of Resolution No. 01-15.
 - (c) The proposed District shall be governed by a five (5) member board of directors, each of whom shall be a registered voter residing in the proposed District and whose term shall be four years, with the exception of the first board. The first board of directors shall be appointed, upon formation of the proposed District, by the Alameda County Board of Supervisors. Upon appointment, the first board of directors shall, by lot, designate two members who shall leave office when their successors take office pursuant to Elections Code section 10554, and three members shall leave office two years thereafter. Thereafter, the board of directors shall be elected at large from throughout the proposed District.
 - (d) The proposed District shall not provide ambulance service to the territory without coordination and the consent of other ambulance ser-

services providers in the area.

- (e) Formation of the proposed District shall be contingent upon voter approval, at the same election as formation, of a parcel and possessory interest tax not to exceed \$298 per parcel and possessory interest per year, it being understood that Government Code section 077 authorizes the Commission to call a special election on the tax on behalf of the proposed District. The purpose of the tax shall be to assist the proposed District in meeting the costs of providing emergency, acute care and other healthcare services, and operating and improving property of the proposed District. The question submitted at the election with respect to formation of the proposed district shall include, with matters set forth in Government Code sections 57133(k), 57134 and 57135, a statement of this condition of formation.
 - (f) The appropriations limit for the proposed district shall be \$13,000,000.00.
 - (g) The proposed District shall utilize the regular assessment roll of the county.
 - (h) The effective date for formation of the proposed district shall be July 1, 2002.
5. The Commission proposes the imposition and levy of the 2002 Parcel Tax.
 6. The Parcel Tax shall take effect as of July 1, 2002, and shall be assessed against each taxable parcel of land and each possessory interest as described in Appendix "B" within the proposed district.
 7. As of July 1, 2002, and thereafter, as set forth in an agreement between the proposed District and the County, the 2002 Parcel Tax shall be collected by the Alameda County Tax Collector at the same time and along with the general ad valorem taxes collected by the Tax Collector. The tax shall be subject to the same penalties as general ad valorem taxes. The Tax and penalties shall bear interest at the same rate as the rate for unpaid ad valorem property taxes until paid.
 8. A special election is hereby called for Tuesday, April 9, 2002 in the territory included within the proposed district. At the election, the question of whether the order of formation and the 2002 Parcel Tax shall be approved, shall be submitted to the voters of the proposed district in the following manner:
 - (a) There shall be included on the ballot to be marked by the voters of the proposed district, in addition to any other matters required by law, ballot language in the following form:

"So that the Alameda Hospital may remain open and continue to provide emergency and other healthcare services, shall the Local Agency Formation Commission of Alameda County's January 10, 2002 resolution ordering the formation of the City of Alameda Health Care District in the territory described, subject to certain terms and conditions,

including adding a \$13,000,000 appropriations limit, and authorizing the District to levy an annual special tax of up to \$298 per parcel or per possessory interest, to defray operating expenses and capital needs, all as more particularly described in the resolution, be approved?"

- (b) The ballot to be used at the election shall be both as to form and matters contained therein such as may be required by law. On the ballot, in addition to any other printed matter required by law, opposite the question(s) to be voted upon and to its right, the words "yes" and "no" shall be printed on a separate line(s) with voting squares.
 - (c) The full text of the ballot measure for the 2002 Parcel Tax shall read as set forth in Appendix "B". The Commission requests that the full text of the ballot measure be printed in the ballot pamphlet.
 - (d) The Registrar of Voters is hereby authorized, instructed, and directed to provide and furnish any and all official ballots, notices, printed matter, and all supplies, equipment and paraphernalia that may be necessary to properly and lawfully conduct the election.
 - (e) The Registrar of Voters is hereby further directed to take the necessary and appropriate actions to provide the necessary election officers, polling places, and voting precincts for the election.
 - (f) The polls for the election shall be open during the hours required by law, and the election shall be held and conducted as provided by law.
 - (g) Notice of time and place of holding the election, together with any other notices required by law, shall be given by the Registrar of Voters.
 - (h) Arguments for and against the question may be, and other analyses provided for by law shall be, submitted in accordance with the law.
 - (i) The election shall be consolidated with any other election held on the same date in territory that is the same or in part the same.
 - (j) The canvass of ballots cast at the election shall be conducted in accordance with the law.
9. If a majority of votes cast upon the question set forth in subparagraph (a) of paragraph 8 are in favor of formation of the proposed district, and only if two-thirds majority of votes cast upon the question set forth in subparagraph (b) of paragraph 8 are in favor of the 2002 Parcel Tax, the Commission shall adopt a resolution confirming the order of formation contained in this resolution.
 10. If a majority of votes cast upon the question set forth in subparagraph (a) of paragraph 8 are against formation of the proposed district, or if less than two-thirds majority of votes cast upon the question set forth in subparagraph (b) of paragraph 8 are in favor of the 2002 Parcel Tax, then in either such case the Commission shall adopt a resolution terminating the proceedings.
 11. The Executive Officer and her designees are hereby authorized and directed to execute and deliver any documents and to perform all acts necessary to place the measures set forth in paragraph 8 on the ballot, including making any revisions, corrections, or alterations to the language of the ballot mea-

to comply with requirements of law and election officials.

- 12. The Executive Officer of the Commission is directed to transmit certified copies of this resolution to the Alameda County Registrar of Voters and the Clerk of the Alameda County Board of Supervisors.
- 13. The Executive Officer is designated as custodian of the documents and other materials that constitute the record of the proceedings upon which the Commission's decision is herein levied. These documents may be found at the Alameda County LAFCo Office, 1221 Oak Street, Room 555 Oakland CA 94612.
- 14. Although LAFCo finds that the original petition met all statutory requirements, at the request of the applicant, LAFCo orders that the applicant shall be required to prepare a new petition containing the language of the ballot as described in this order, and shall have such petition circulated for signature to the residents of the proposed district, and shall submit signatures supporting such new petition to the County Registrar of Voters on or before March 15, 2002, and shall thereafter obtain certification from said County Registrar of Voters, attesting that applicant has received the requisite number of signatures from such new petition as would have been required to support the original petition. In the event that such requisite number of signatures are not so obtained and certified, the application shall be deemed withdrawn and said measure shall not be submitted to the voters.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Commission on the 10th day of January, 2002, City of Alameda City Hall, City Council Chambers, located at 2263 Santa Clara Avenue, Alameda, California on the motion made by Commissioner Crowle, seconded by Commissioner Butler, and duly carried.

Ayes: 7 (Commissioners Butler, Crowle, Foukes, Lockhart, Miley, Pico and Steele)

Noes: 0

Abstention: 0

Approved as to Form by:

s/Brian Washington
LAFCo Legal Counsel

CERTIFICATION:

I hereby certify that the foregoing is a correct copy of a resolution adopted by the Local Agency Formation Commission of Alameda County, California.

Attest:

s/Lou Ann Texeira, Executive Officer

RESOLUTION NO. 01-15
RESOLUTION OF LOCAL AGENCY FORMATION COMMISSION OF
ALAMEDA COUNTY APPROVING THE FORMATION
OF THE CITY OF ALAMEDA HEALTH CARE DISTRICT AND
ESTABLISHING A SPHERE OF INFLUENCE FOR THE DISTRICT
RESOLVED, that the Alameda County Local Agency Formation
 Commission ("Commission") hereby certifies and finds as follows:

I. PROCEDURAL HISTORY

- 1.0 David D. O'Neill, Dennis Pagones and John Carper M.D. filed a registered voter petition ("petition") with the Executive Officer of the Commission ("Executive Officer") on October 24, 2001, requesting formation of the City of Alameda Health Care District ("proposed district") pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act"), commencing with Section 56000 of the Government Code, the Local Health Care District Law commencing with Section 32000 of the California Health and Safety Code ("Local Health Care District Law"), the District Organization Act commencing with Section 58000 of the California Government Code ("District Organization Act"), and the Local, Special, Vacancy and Consolidated Elections Law commencing with Section 10400 of the California Elections Code ("Elections Code").
- 1.1 After receiving the petition, the Executive Officer requested the Registrar of Voters to determine the number of registered voters residing within the proposed District and the number of valid signatures on the petition. Upon receipt of that information on October 30, 2001, the Executive Officer determined that the petition met the signature requirements set forth in the Local Health Care District Law for local health care district formation petitions and on November 16, 2001 issued the Certificate of Filing.
- 1.2 The Executive Officer worked with LAFCo planning staff and legal counsel to review the application and prepare a report, including recommendations, noting that LAFCo of Alameda County, as lead agency, found the application to be Categorically Exempt under the California Environmental Quality Act (CEQA).
- 1.3 The Executive Officer set formation of the proposed District for hearing and gave published notice thereof, as provided in the CKH Act.
- 1.4 The Executive Officer prepared a report analyzing and recommending approval of formation of the proposed District. The Executive Officer furnished copies of said report to all persons entitled to copies under the CKH Act.

- 1.5 • The Commission conducted a duly noticed public hearing on formation of the proposed District on December 11, 2001 ("hearing"). At the hearing, all interested parties were given the opportunity to hear, and be heard, and all oral and written testimony and evidence presented or filed was received and considered by the Commission. After close of the hearing, the Commission considered the formation of the proposed District and sphere of influence, and approved formation of the proposed District, subject to the terms and conditions of approval specified herein.
- 1.6 The Commission has reviewed and considered this resolution and hereby finds that it accurately sets forth the intentions of the Commission with respect to formation of the proposed District.

II. CEOA COMPLIANCE

2.0 The Executive Officer worked with LAFCo planning staff and legal counsel to review the application and prepare a report, including recommendations, noting that LAFCo of Alameda County, as lead agency, found the application to be Categorical Exempt under the California Environmental Quality Act (CEQA), as there is no possibility of a significant effect on the environment. Therefore, the activity is not subject to CEQA. The Commission finds that the Categorical Exemption is an adequate document. Further, the Commission finds that the proposed District formation will result in no possibility of a significant effect on the environment. The Commission also finds that formation of proposed District is exempt from the environmental document filing fee otherwise required by the Department of Fish and Game under Title 14, California Code of Regulations, section 711.4.

III. CORTESE-KNOX-HERTZBERG ACT COMPLIANCE

- 3.0 Formation of the proposed District is consistent with the intent of the CKH Act, including, but not limited to, the policies set forth in Government Code sections 56001, 56301 and 56377. The Commission finds that existing agencies could be unable to provide the services to be provided by the proposed District in a more efficient and accountable manner than the proposed District. The existing non-profit agency that owns and operates Alameda Hospital does not have the financial resources to maintain services at their current levels. Approval of formation of the proposed District and the associated special tax would enable a new local agency to provide needed services in an efficient and accountable manner. The Commission further finds that reorganization with other local agencies providing related services would not be feasible at this time.
- 3.1 The Commission finds that there is a growing population and a need for emergency, acute care and other medical services in the City of Alameda. The Commission further finds that without the formation of the proposed District, the availability of such services in the City of Alameda will decrease or disappear altogether. The Commission further finds that the formation of the proposed District is consistent with the general and specific plans and spheres of influence of the affected local agencies.

- 3.2 The Commission has reviewed and concurs with the business plan for the proposed District. The plan indicates that the District's initial operational financing would be from receivables from Alameda Hospital's prior operations with new revenues from current business. The business plan further indicates that in subsequent fiscal periods, the proposed District would use special tax revenues to restore eliminated services or establish new ones.
- 3.3 The purpose of the proposed District is to ensure local access to emergency, acute care and other medical services for residents and visitors of the proposed District. The proposed District would perform such services by acquiring and ensuring the continued operation of Alameda Hospital.
- 3.4 The proposed District's boundaries would be coterminous with the City of Alameda. The residents of the City of Alameda would be subject to the special tax for the proposed District. The proposed District would not affect the ambulance services currently provided to the City of Alameda.
- 3.5 The proposed District has 37,728 registered voters residing within its proposed boundaries. The territory within the proposed District is, therefore, inhabited territory, as defined in Government Code section 56046.
- 3.6 The Commission makes the following findings with respect to the establishment of the sphere of influence for the proposed District that is coterminous with the proposed boundaries of the District:
- The proposed District would have no authority over land use; and its plan to provide local access to emergency, acute care and other medical services for the residents and visitors of the proposed District through the continued operation of Alameda Hospital would not be growth-inducing. Any change in land use of property owned by the proposed District would require approval and environmental review by the appropriate land use agency. No impact to agriculture or open space lands is anticipated.
 - The formation of the proposed District and imposition of the associated special tax would be for the purpose of ensuring continued operation of Alameda Hospital. Retention of Alameda Hospital in the City of Alameda would help ensure acceptable levels of emergency, acute care and other medical services for the residents and visitors of the proposed District.
 - Retention of Alameda Hospital by the proposed District would maintain public facilities and adequate delivery of public services. Closing Alameda Hospital would negatively affect the provision of service because this is the only such facility in the City of Alameda.
 - Formation of the District would be in response to the petition.

IV. DISTRICT ORGANIZATION ACT

- 4.0 The District Organization Act requires two public hearings, a preliminary hearing and a final hearing, by the supervising authority for the formation of a local health care district. Pursuant to Government Code section 56100, the Commission finds that the Commission is the "supervising authority" for the purposes of formation of the proposed District. The Commission further finds that the Commission's hearing on December 11, 2001, serves as the "preliminary hearing" under the District Organization Act for formation of the proposed District. The Commission further finds that the notice given pursuant

to CKH Act for the Commission's hearing on December 11, 2001, provided sufficient notice to satisfy the requirements of the District Organization Act for the preliminary hearing on the proposed District. The Commission further finds that the "final hearing" required by the District Organization Act for formation of the proposed District will be conducted by the Commission in accordance with the notice and procedural requirements of the District Organization Act.

NOW, THEREFORE, based on the foregoing certifications and findings and the record of these proceedings, the Commission hereby determines and orders as follows:

1. The foregoing certifications and findings are true and correct, and are supported by substantial evidence in the record.
2. The categorical Exemption in accordance with the provisions of CEQA and the State CEQA Guidelines is an adequate document. The proposed District formation will result in no possibility of a significant effect on the environment. The Executive Officer is directed to file a Notice of Exemption in accordance with CEQA. The Executive Officer is further directed to execute a fee for the California Department of Fish and Game environmental filing fee.
3. Formation of the proposed District is approved, subject to the following terms and conditions:
 - (a) The name of the proposed District shall be the *City of Alameda Health Care District*.
 - (b) The boundaries of the proposed District shall be as described in Exhibit A attached and are subject to correction of Final Maps and Description as may be required by the County Surveyor.
 - (c) The proposed District shall be governed by a five (5) member board of directors, each of whom shall be a registered voter residing in the proposed District and whose term shall be four years, with the exception of the first board. The first board of directors shall be appointed, upon formation of the proposed District, by the Alameda County Board of Supervisors. Upon appointment, the first board of directors shall, by lot, designate two members who shall leave office when their successors take office pursuant to Elections Code section 10554, and three members shall leave office two years thereafter. Thereafter, the board of directors shall be elected at large throughout the proposed District.
 - (d) The proposed District shall not provide ambulance service to the territory without coordination and the consent of other ambulance service providers in the area.
 - (e) Formation of the proposed District shall be contingent upon voter approval, at the same election as formation, of a parcel and possessory interest tax not to exceed \$298 per parcel and possessory interest per year, it being understood that Government Code section 50077 authorizes the Commission to call a special election on the tax on behalf of the proposed district. The purpose of the tax shall be to assist the proposed District in meeting the costs of providing emergency, acute care and other medical

services, and operating and improving property of the proposed District. The question submitted at the election with respect to formation of the proposed District shall include, with matters set forth in Government Code sections 57133(k), 57134 and 57135, a statement of financial condition on formation.

- (f) The appropriations limit for the proposed District shall be \$13 million.
 - (g) The proposed District shall utilize the regular assessment roll of the County.
 - (h) The effective date for formation of the proposed District shall be July 1, 2002.
 - (i) The applicant, Alameda Hospital, and LAFCo shall enter into an agreement providing for the applicant to indemnify LAFCo against any expenses arising from any legal actions challenging the proposed formation of the hospital district.
4. The sphere of influence of the proposed District shall be coterminous with the proposed boundaries of the District.
 5. Formation of the proposed District is assigned the following short-form designation: "Formation of the City of Alameda Health Care District."
 6. The Commission shall initiate and conduct protest proceedings for the formation of the proposed District in compliance with this resolution and the provisions of the CKH Act, the Local Health Care District Law, and the District Organization Act, as appropriate.
 7. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by law.
 8. The Executive Officer is designated as custodian of the documents and other materials that constitute the record of the proceedings upon which the Commission's decision is herein levied. These documents may be found at the Alameda County LAFCo Office, 1221 Oak Street, Room 555, Oakland, CA 94612.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Commission on the 11th day of December, 2001, at 7051 Dublin Boulevard, Dublin, California on the motion made by Commissioner Miley, seconded by Commissioner Haggerty, and duly carried.

Ayes: Commissioners Butler, Crowle, Haggerty, Miley and Morrisson - 5

Noes: 0

Abstention: 0

Approved as to Form by:

s/Brian Washington
LAFCo Legal Counsel

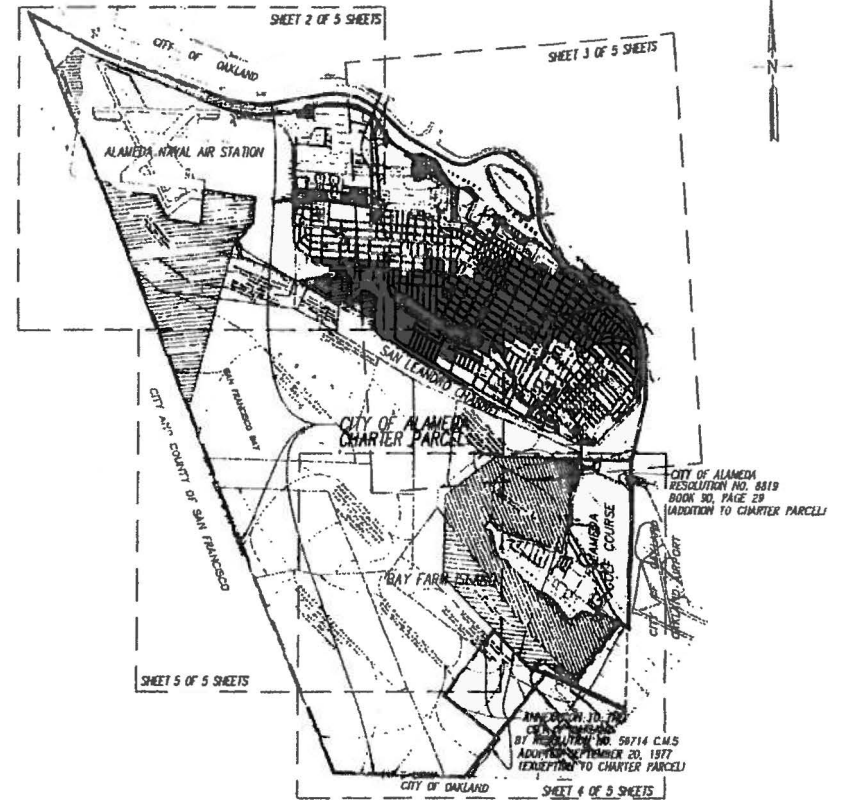
CERTIFICATION

I hereby certify that the foregoing is a correct copy of a resolution adopted by the Local Agency Formation Commission of Alameda County, California.

Attest:

Silou Ann Teixeira, Executive Officer

**EXHIBIT A
CITY OF ALAMEDA
HEALTH CARE DISTRICT
Parcel located in Alameda Township, Alameda County, California**



Being the parcel described in the original Charter of the City of Alameda, taken from a certified copy of the original Charter on file with the City Clerk, City of Alameda and the following described parcel:

Being that parcel described in the deed recorded in Reel 5199 Image 234, said deed describes the parcel to the City of Alameda shown on City of Alameda Annexation by Resolution No. 8819 filed in Book 90 at Page 29, Series 77-255491 Official Records of Alameda County.

Excepting therefrom the following described parcels:

1) Being that parcel described in the deed recorded in Book 8121 Page 301, said deed describes the parcel annexed to the City of Oakland by Ordinance No. 4986

under Annexation of Uninhabited Territory Act of 1939, and filed in Book 40 at Page 57, on August 17, 1956 Official Records of Alameda County.

2) Being that parcel described in the deed recorded in Reel 5188 Image 560, said deed describes the parcel annexed to the City of Oakland by Resolution No. 56714 adopted September 20, 1977 under Annexation of Uninhabited Territory Act of 1939, and filed in Book 90 at Page 22, on December 21, 1977 Official Records of Alameda County.

Being more particularly described as follows:

Beginning at the intersection of the centerline of the Tidal Channel with the northerly prolongation of the westerly line of Park Street;

thence easterly along the northerly line of said original Charter parcel, said northerly line being the center line of the Tidal Canal, Brooklyn Channel and San Antonio estuary to the southwestly line of said Charter parcel, said southwestly line also being the southwestly line of the County of Alameda;

thence along last said southwestly line to the southerly line of said original Charter parcel, said southerly line being the westerly prolongation of the line dividing Township 2 South, Range 4 West from Township 3 South, Range 4 West, Mount Diablo Base and Meridian, said line also being the northerly line of the City of Oakland;

thence easterly along said southerly line to the general westerly line of the City of Oakland Annexation by Ordinance No. 4986 and filed in Book 40 of Maps at Page 57 on August 17, 1956;

thence along last said southerly line and Township line, northeasterly along last said general westerly line, to the general westerly line of the said City of Oakland Annexation, by Resolution No. 56714 adopted September 20, 1977 and filed in Series 7 -250717 on December 21, 1977;

thence along said general westerly line (Ordinance No. 4986) and northwesterly, northeasterly, southeasterly, northeasterly and southeasterly along last said annexation (Resolution No. 56714) to the easterly line of said original Charter of the City of Alameda, said line dividing Sections 29 and 30 of said Township 2 South, Range 3 West, Mount Diablo Base and Meridian;

thence along said annexation (Resolution No. 56714) northerly along said easterly line to the most southerly corner of the said annexation to the City of Alameda, by Resolution No. 8819, filed in Book 90 at Page 29;

thence along said easterly line and along the easterly and northerly lines of last said annexation to the easterly line of the original Charter of the City of Alameda and the line dividing Sections 19 and 20 of said Township 2 South, Range 3 West, Mount Diablo Base and Meridian;

thence along last said annexation, northerly along last said lines to the northeast corner of Lot I of said Section 19;

thence leaving last said corner of Lot I, northeasterly to the center of the United States Tidal Channel, referred to in the original Charter of the City of Alameda as the "Tidal Canal as established by the United States Harbor Line Survey on one thousand nine hundred ten (1910);

thence along the centerline of said channel northerly and northerly to the Point of Beginning.

Containing 14,252.8 acres, more or less.

References to the existing boundaries of the City of Alameda are primary calls. Any bearings or distances referred to herein are not as a result of a field survey and should be only considered secondary.

Boundary line of territory is shown on the map of City of Alameda Health Care District adopted by LAFCo Resolution No. _____ on the _____ day of _____, 2002. Said map was certified by the County Surveyor on the 10th day of January, 2002.

This description conforms to the requirements of the Alameda County Local Agency Formation Commission.

s/Donald J. LaBelle, Director of Public Works
County of Alameda
s/Russell Reid Penland, Jr., County Surveyor
L. S. #5726, Expires 12/31/03