Local Ballot Measure: CC

Measure CC
Petaluma Health Care District

Measure Question
To assure continued operation of Petaluma Valley Hospital as an acute care hospital with 24/7 walk-in basic emergency care for a minimum of 20 years, shall the Petaluma Health Care District enter into an agreement to sell Petaluma Valley Hospital to NorCal HealthConnect, LLC, a secular affiliate of Providence St. Joseph Health, for $52.6 million, per the terms approved by Resolution 20-05 adopted August 6, 2020?

What Your Vote Means

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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</thead>
<tbody>
<tr>
<td>A &quot;yes&quot; vote on Measure CC will allow District to proceed to sell substantially all of its assets to NorCal.</td>
<td>A &quot;no&quot; vote on Measure CC will prohibit the District from proceeding with the sale.</td>
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For and Against Measure CC

<table>
<thead>
<tr>
<th>FOR</th>
<th>AGAINST</th>
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<tbody>
<tr>
<td>Rajina Ranade MD</td>
<td>No argument was submitted against Measure CC</td>
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<tr>
<td>Board-Certified Physician, Petaluman</td>
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<tr>
<td>Carol Ann Libarle</td>
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<tr>
<td>4th Generation Petaluma Resident</td>
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<tr>
<td>Alicia Hansel</td>
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<tr>
<td>Local Business Owner, Parent</td>
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<td>Abraham Solar</td>
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<tr>
<td>Director of Hispanic Ministry</td>
<td></td>
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<td>PETALUMA AREA CHAMBER OF COMMERCE</td>
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<tr>
<td>Kevin Jones, President</td>
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# Local Ballot Measure: CC

Arguments and rebuttals are the opinions of the authors. They are printed exactly as submitted, including errors.

## County Counsel’s Impartial Analysis of Measure CC

The Board of Directors (Board) of the Petaluma Health Care District (District) has called a special election to seek voter approval to sell Petaluma Valley Hospital, an acute care facility located at 400 North McDowell Boulevard, in Petaluma, California, together with all buildings situated thereon, and the land and personal property used in its operation and the related business assets (“Hospital”), to NorCal HealthConnect, LLC (NorCal). Said sale of District’s assets is for the purposes of assuring that the Hospital and emergency services and other health care services will continue to be provided to District residents.

District is a local public health care district organized under the Health Care District Law, found at Health and Safety Code section 32000 and following (Health Care District Law). Section 32121(p)(1) of said law authorizes District to “transfer, at fair market value, any part of its assets to one or more corporations to operate and maintain the assets.” For the purposes of the law, “fair market value” must be determined by a qualified independent consultant’s appraisal.

The Board, by resolution, must submit a measure to the voters of the District seeking approval of the transfer before District may proceed to transfer 50% or more of its assets to a private party. Measure CC implements the requirement to seek voter approval.

According to the Resolution, District and NorCal have agreed to the terms of a purchase as outlined in a Term Sheet presented to the Board at its August 4, 2020 meeting. The Term Sheet provides for a purchase price of $52,600,000 and requires NorCal to maintain a full-time acute care licensed hospital with 24/7 walk in basic emergency care at the Hospital for a minimum of 20 years after the sale closes. The Term Sheet further provides for Western HealthConnect to guaranty NorCal’s obligations under the asset purchase agreement and related agreements. As required by Section 32121(p), VMG Health, an expert on valuation of acute care facilities, independently appraised District’s assets and determined that the $52,600,000 purchase price represents fair market value for the Hospital. A copy of said appraisal is available for review at District offices located at 1425 N McDowell Boulevard, Suite 103, Petaluma, California.

A “yes” vote on Measure CC will allow District to proceed to sell substantially all of its assets to NorCal.

A “no” vote on Measure CC will prohibit the District from proceeding with the sale.

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### Argument in Favor of Measure CC

Measure CC ends years of uncertainty regarding the future of Petaluma Valley Hospital and ensures our community hospital, including southern Sonoma County’s only emergency room, remains open for at least 20 more years. A no vote on this measure puts the hospital’s future at risk.

Measure CC lays the foundation for a more sustainable future for the hospital by approving the terms of an agreement between the Petaluma Health Care District and NorCal HealthConnect, LLC, a secular affiliate of Providence St. Joseph Health, to acquire the hospital and its assets for $52.6 million dollars – funds to improve the health of southern Sonoma County residents by investing in services and programs that address our region’s most challenging community health priorities. Measure CC will not result in any increase in taxes.

As part of their commitment to continue offering quality care, all health care services offered by the hospital today, including its emergency department, will continue for at least 20 years as part of the agreement, with the exception of OB services, which will be preserved for at least five years after the transaction closes.

Additional safeguards ensure all employees an opportunity to continue their employment and maintains local representation on the Hospital’s new community board.

Measure CC provides the stability residents need during a medical emergency. The hospital will not only serve Santa Rosa Memorial Hospital patients, but also accept Kaiser patients who can stay close to home during a medical emergency instead of driving to Santa Rosa.

Amidst increasing uncertainty for community hospitals Measure CC is the most viable path forward to guarantee our acute care hospital and emergency room remains open for at least 20 more years, while providing the Petaluma Health Care District with resources to meet southern Sonoma County’s health care needs.

Yes on Measure CC!

YesonCCPetaluma.com

s/ Rajina Ranadive MD  
Board-Certified Physician, Petaluman  
4th Generation Petaluma Resident

s/ Alicia Hansel  
Local Business Owner, Parent  
Director of Hispanic Ministry

PETALUMA AREA CHAMBER OF COMMERCE  
s/ Kevin Jones, President

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### Argument in Favor of Measure CC

No argument was submitted against Measure CC.

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The above statement is an impartial analysis of Measure CC. If you desire a copy of the ordinance or measure, please contact the district elections official’s office at (707) 285-2143, ext. 130 and a copy will be mailed at no cost to you.