



North Sonoma County Healthcare District

To: Residents of Healdsburg, Windsor, Cloverdale and Geyserville

Re: North Sonoma County Healthcare District Parcel Tax

Date: October 2021

Dear Residents,

This memo is to address residents concern over the ongoing parcel tax funding North Sonoma County Healthcare District to be used by Healdsburg Hospital.

Healdsburg Hospital is a critical access hospital serving Northern Sonoma County with an emergency room, certified stroke program, and CT and MRI imaging services. Healdsburg Hospital serves residents across the district including Windsor, Healdsburg, Cloverdale, the County, and tourists. The hospital was not profitable, struggled to stay ahead of unfunded government mandates, and required large capital improvements including a multi-million-dollar seismic retrofit. To address the long-term sustainability of the hospital, the District Board embarked on a multi-year journey to find a strategic partner. In 2018 a non-denominational division of Providence St Joes was chosen as the best long-term partner for the district since the two organizations had aligned values, commitment to quality, and focus on the improving health access in the district.

In 2020 the district embarked on a series of community meetings and listening sessions and shared the terms of the negotiated transaction. Providence purchased Healdsburg Hospital and all of its assets and liabilities for \$5 million cash and \$10 million in secured community benefit spend, and in exchanged guaranteed to operate Healdsburg Hospital for a minimum of 30 years. This commitment guaranteed the capital upgrades required by government mandates and ensured that Healdsburg Hospital was to remain available for residents of the district with all services intact. The transaction was announced in summer of 2020 and put on the ballot as Measure BB for the November 4, 2020 election. Measure BB was approved by the voters by 86% voting yes. As per the terms of this transaction, the parcel tax is to continue to be assessed to the district residents, and then the district will forward the proceeds to Providence for use for the operations of Healdsburg Hospital. Without the parcel tax funding, Providence can terminate the relationship with the district and the hospital will close.

Providence created a new community board that has members of the community across the district represented, along with a district board member. This community board provides

oversight to Providence with regards to Healdsburg Hospital. The District Board also remains committed and focused on Providence oversight to ensure the transaction details are carried out to their full commitment and that quality and services remain intact.

The Northern Sonoma County Healthcare District Board members would be happy to talk about the specifics of the transaction should any resident have specific questions. In addition, all district meetings and transaction documents are public records and accessible on our website.

It is an honor to represent the health needs of our community members across the district.

Erin Gore
Board Member