

RESOLUTION NO. _____ (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AUTHORIZING CONTRIBUTION IN THE AMOUNT OF \$130,000 TOWARD THE ACQUISITION OR OPERATION OF WATSONVILLE COMMUNITY HOSPITAL CONTINGENT UPON THE PÁJARO VALLEY HEALTHCARE DISTRICT PROJECT BEING SELECTED AS THE SUCCESSFUL BIDDER FOR PUBLIC OWNERSHIP; AUTHORIZING THE CITY MANAGER PRO TEMPORE TO EXECUTE ALL NECESSARY DOCUMENTS TO EFFECTUATE THIS CONTRIBUTION; AND AUTHORIZING BUDGET APPROPRIATION OF \$130,000 FROM THE GENERAL FUND (0150)

WHEREAS, on July 23, 2021, the Pájaro Valley Healthcare District Project, a non-profit corporation, was formed; and

WHEREAS, Healthcare Districts are California special districts created to build and operate hospitals and other care facilities and services in underserved areas; and

WHEREAS, the mission of Pájaro Valley Healthcare District Project (PVHDP), is to ensure the communities it serves have the high quality and sustainable healthcare services they need by placing local healthcare resources in the hands of the people; and

WHEREAS, on November 9, 2021, the City Council adopted Resolution No. 306-21 (CM) supporting the establishment of the Pájaro Valley Healthcare District Project; and

WHEREAS, Senator John Laird authored urgency legislation, Senate Bill 418, to preserve access to healthcare for Pájaro Valley residents by forming a healthcare district and allowing the return to public ownership of Watsonville Community Hospital; and

WHEREAS, on January 19, 2022, SB 418 received unanimous bipartisan support in Assembly Local Government Committee, the bill is now being considered in the Senate Committee on Government and Finance; and

WHEREAS, on January 20, 2022, the Council, by motion, authorized a letter of support for SB 418; and

WHEREAS, District formation will allow PVHDP to submit a bid in bankruptcy court for the purchase of Watsonville Community Hospital; and

WHEREAS, if PVHDP is the successful bidder, the contribution in the amount of \$130,000 will be used to acquire or operate Watsonville Community Hospital in its initial months under public ownership.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

1. That the City Council hereby authorizes a contribution in the amount of \$130,000 toward the acquisition or operation of Watsonville Community Hospital. This authorization is contingent upon the Pájaro Valley Healthcare District Project being identified as the successful bidder for ownership of Watsonville Community Hospital.

2. That the City Manager Pro Tempore is hereby authorized and directed to execute all documents necessary to effectuate this contribution for and on behalf of the City of Watsonville, in a form approved by the City Attorney.

3. That the budget appropriation of \$130,000 from the General Fund (0150) is hereby authorized.
