

**BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA  
RESOLUTION NO. 2024-\_\_\_\_\_**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LAKE  
DECLARING ITS INTENTION TO FORM THE LAKE COUNTY HOSPITAL  
IMPROVEMENT DISTRICT AND SETTING THE DATE AND TIME FOR A PUBLIC  
HEARING AND GIVING NOTICE THEREFOR.**

WHEREAS, the Property and Business Improvement Law of 1994, Streets and Highways Code § 36600 et seq. ("District Law"), authorizes Lake County ("County") to establish business improvement districts; and

WHEREAS, the proposed district will provide specific benefits to assessed businesses located in the County and licensed as general acute care hospitals by the California Department of Public Health; and

WHEREAS, Sutter Lakeside Hospital and Adventist Health Clear Lake (Hospitals) are non-profit hospitals that provides a substantial amount of unreimbursed care, including inpatient treatment and services, to Medi-Cal patients in Lake County; and

WHEREAS, the Property and Business Improvement District Law of 1994, California Streets and Highways Code sections 36600-36671 (PBID Law), authorizes the County to establish a property and business improvement district for the purpose of specific benefits to the Hospitals by providing additional resources to support the Hospital's provision of healthcare services to low-income and needy members of the community; and

WHEREAS, the California Medicaid program is funded jointly by the federal and state governments; the federal portion, also referred to as Federal Financial Participation (FFP), is calculated on the basis of a formula specified in the Social Security Act; and

WHEREAS, subject to federal requirements, the State of California Department of Health Care Services (DHCS) may use "broad based health care- related taxes," sometimes referred to as "provider taxes," to cover the non-federal share of Medicaid expenditures, which is then used to calculate the FFP; and

WHEREAS, qualifying funds from public agencies, such as the County of Lake, that are paid to the DHCS may be considered in calculating the non-federal share in claiming FFP; and

WHEREAS, increasing the FFP will increase the total amount available for Medi-Cal reimbursement to the Hospitals; the resulting Medi-Cal reimbursement amount

1 is expected to be twice greater than the Lake County Hospital Improvement  
2 District itself; and

3 WHEREAS, owners of the Hospitals that will pay one hundred percent  
4 (100%) of the assessment under the district supported this action by signing  
5 petitions in favor of the formation of the district by the Board for a five-year term  
6 beginning on July 1, 2024 and ending on June 30, 2029; and

7 WHEREAS, the County has prepared a draft Management District Plan  
8 ("Plan"), which sets forth the boundary of the proposed district, a service plan  
9 and budget, and a proposed means of direct governance by the County's  
10 Board of Supervisors ("Board"); and

11 WHEREAS, the total amount of the proposed assessment for the District's initial year  
12 (2024) is approximately \$15,300,000.00 based on a 6% assessment on Medi-Cal net  
13 patient revenue at Sutter Lakeside Hospital and Clear Lake Adventist Health; and

14 WHEREAS, the boundary of the proposed district encompasses the city of  
15 Clearlake; and

16 WHEREAS, the County will request consent from the city of Clearlake to form  
17 the proposed district that encompass its respective jurisdiction, as required  
18 by § 36620.5 of the District Law; and

19 WHEREAS, the County will mail notices on or before \_\_\_\_\_ regarding the  
20 upcoming public meeting, which will not be held until at least ten (10) days  
21 after the notice is mailed, during which owners of the Hospitals can comment;  
22 and

23 WHEREAS, the County will hold a public hearing at least forty-five (45) days after  
24 the County mails notice; and

25 WHEREAS, if the Board finds that there is not a majority protest against  
26 formation of the proposed district, the Board may adopt a Resolution of  
27 Formation after concluding the public hearing;

28 NOW, THEREFORE BE IT RESOLVED by the Board of Supervisors, County of Lake, State  
of California That:

The Board finds that the Hospitals that will pay one hundred percent (100%) of the  
assessment proposed in the Plan have signed and submitted petitions in support of  
the formation of the district.

1 The Board accepts the petitions and adopts this Resolution of Intention to  
2 establish the district and to levy an assessment on Hospitals in accordance with  
3 the District Law.

4 The Board finds that the Plan satisfies all requirements of§ 36622 of the District Law.

5 The Board declares its intention to establish the district and to levy and collect  
6 assessments on the Hospitals pursuant to the District Law under the following  
7 terms:

8 The district shall include all Hospitals located within the County, and the  
9 boundary of the district shall be coextensive with the boundary of the County, as  
10 shown in the map attached as Exhibit A.

11 The name of the district shall be Lake County Hospital Improvement District  
12 ("LCHID").

13 The County will set an annual assessment rate.

14 The assessments levied for the LCHID shall be applied toward providing  
15 additional resources to support the hospitals' provision of healthcare services to  
16 low-income and needy members of the community, as described in the Plan.

17 Funds remaining at the end of any year may be returned to the businesses  
18 assessed under the LCHID or used in subsequent years in which LCHID  
19 assessments are levied as long as they are used consistent with the requirements  
20 of this resolution and the Plan.

21 The proposed LCHID will have a five- (5-) year term, beginning July 1, 2024,  
22 through June 30, 2029, unless renewed pursuant to Streets and Highways  
23 Code§ 36660.

24 Bonds shall not be issued.

25 The time and place for the public meeting to hear testimony on establishing the  
26 LCHID and levying assessments are set for \_\_\_\_\_, at or as soon  
27 thereafter as the matter may be heard, at the County Board Chambers located at  
28 255 North Forbes Street, Lakeport, CA 95453.

The time and place for the public hearing to establish the LCHID and levy of  
assessments are set for, \_\_\_\_\_, at \_\_\_\_\_, or as soon thereafter as the matter may be  
heard at the Board Chambers located at 255 North Forbes Street, Lakeport, CA  
95453.

1 The Clerk of the Board is directed to provide written notice to the Hospitals of the  
2 date and time of the meeting and hearing, and to provide that notice as required by  
3 Streets and Highways Code § 36623, no later than \_\_\_\_\_.

4 At the public meeting and hearing the testimony of all interested persons for or  
5 against the establishment of the LCHID may be received.

6 If at the conclusion of the public hearing, there are of record written protests by the  
7 owners of the Hospitals that will pay more than fifty percent (50%) of the estimated total  
8 assessment of the entire LCHID, no further proceedings to establish the LCHID shall  
9 occur for a period of one year.

10 The complete Plan is on file with the Clerk of the Board and may be reviewed upon  
11 request.

12 This resolution shall take effect immediately upon its adoption by the Board of  
13 Supervisors.

14 THIS RESOLUTION WAS PASSED and ADOPTED by the Board of Supervisors of the  
15 County of Lake at a regular meeting thereof on \_\_\_\_\_, 2024, by  
16 the following vote:

17 AYES:

18 NOES:

19 ABSENT OR NOT VOTING:

20 ATTEST: Susan Parker  
21 Clerk of the Board

22 By: \_\_\_\_\_  
23 Deputy

\_\_\_\_\_  
Chair of the Board of Supervisors

24 APPROVED AS TO FORM:  
25 LLOYD GUINTIVANO  
26 County Counsel

AUDITOR REVIEW:  
JENAVIVE HERRINGTON  
Auditor-Controller

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