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DESIGN & CONSTRUCTION DEPARTMENT



STANFORD
UNIVERSITY
MEDICAL CENTER

*Hospital & Clinics • School of Medicine
Lucile Salter Packard Children's Hospital*

June 25, 2009

Jerry Yee, SB 1661 Report Unit
Office of Statewide Health Planning and Development
Facilities Development Division
400 R Street, Suite 200
Sacramento, CA 95811-6213

Dear Jerry Yee:

This letter serves as clarification to the SB 1661 Facility Report #2 to which it is attached. Stanford Hospital and Clinics ("SHC") wishes to make you aware of two potential obstacles that could impact SHC's ability to meet the time frames set forth in the attached report. The first obstacle is that the current recession has had a negative impact on potential sources of funding for the planned construction described in the report, which could delay construction if economic conditions do not materially improve within the required time frame. Second, SHC's ability to commence construction depends upon receiving local land use entitlements and that, despite the best efforts of SHC to expedite the land use planning process, delays have been encountered and there is no assurance that the necessary entitlements will be received within a time frame that would allow construction to meet the attached time frames.

We are happy to provide more information should you wish us to do so.

A handwritten signature in black ink, appearing to read 'C. Villalva'.

Carlos Villalva
Director of Capital Projects
Stanford Hospital and Clinics