



Sutter Health

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June 25, 2009

Facility Planning &
Development

2880 Gateway Oaks Dr.
Suite 220
Sacramento, CA 95833

Office of Statewide Health Planning and Development
Facility Development Division
Attn: Jerry Yee
400 R Street Room 200
Sacramento CA 95811

Dear Mr. Yee,

RE: Laurel Grove Hospital – Castro Valley – (ID 11306)

Sutter Health is pleased to submit an SB 1661 report on behalf of its Eden Medical Center (EMC) affiliate for its Laurel Grove Hospital facility. The main building of the facility carries an SPC-1 seismic performance rating, thus necessitating the submission of this report.

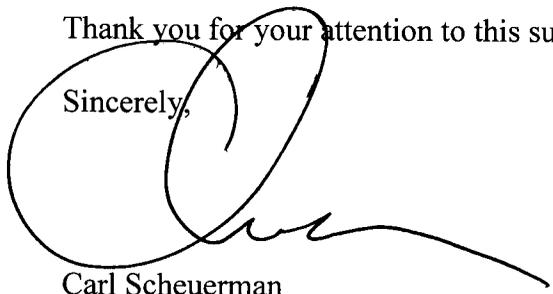
Laurel Grove Hospital will be closed for acute care service and demolished in 2010 as an element of construction of the new Sutter Medical Center, Castro Valley (SMCCV, ID 18180) which is anticipated to commence in 2009; however, one factor remains that could negatively influence Sutter Health's ability to meet this target:

- Land use entitlements have been granted for the SMCCV project by the County of Alameda; however, the appeal period has not expired. A legal challenge to the granting of entitlements could delay commencement of construction for an undeterminable period of time.

The existing hospital will be removed from acute care service and demolished subsequent to the completion of the replacement facility.

Thank you for your attention to this submission.

Sincerely,



Carl Scheuerman
Director, Regulatory Affairs

Enc: SB 1661 Report, ID 11306