

Memo

To: Board Members
From: Christian Wallis
Date: September 12, 2024
Subject: Hospital Lease Ad Hoc (Special) Committee Minutes – **August 6, 2024**

The Committee met on Tuesday, August 6, 2024, at 10:10 a.m. Members of the public were able to participate by telephone, Zoom, or in-person at the Grossmont Healthcare District Conference Center, located at 9001 Wakarusa Street, La Mesa, CA.

Attendees: Director Gloria Chadwick, Chair
Director Randy Lenac, Member
Christian Wallis, Chief Executive Officer
Jeff Scott, General Counsel
Ryan Purdy, Sharp Grossmont Hospital

- A. Call to Order** – The meeting was called to order by Director Chadwick at approximately 10:00 a.m.
- B. Approval of Agenda** – The agenda was approved as posted.
- C. Public Comment** – There was no public comment.
- D. Reports/Discussion/Possible Action Items**
 - 1. Future Planning of Hospital Lease Agreement

Director Chadwick indicated that the ad hoc committee was meeting to discuss the process for potentially extending the current Lease of the Hospital with SharpHealthcare. Counsel Scott was asked to provide a report. Counsel Scott stated that the current Extended Lease was entered into in 2014 and would expire in May 2051. Counsel Scott noted that any new or extended lease would need to be placed on the ballot and would be subject to voter approval.

Counsel Scott explained that in anticipation of extending the 1991 Lease, the District sponsored legislation in 2006 that added 32126.3 to the Health & Safety Code and provided specific legislative authority to extend the 1991 Lease (subject to voter approval) to May 2051. Counsel Scott indicated that there were advantages to

obtaining legislative support for extending the current lease, similar to what was done in 2006.

Committee discussion followed on the advantages and timing of the District pursuing legislation to extend the current lease. There were several potential options to consider when pursuing next steps on the hospital lease. The Committee expressed interest in scheduling additional meetings to specifically discuss the process to support legislation to extend the current lease.

- E. Next Meeting** – *To be determined*
- F. Adjournment** – There being no further business, the meeting adjourned at approximately 11:00 a.m.