



# LOCAL AGENCY FORMATION COMMISSION

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September 22, 2017

**To:** Sequoia Healthcare District  
 Peninsula Health Care District  
 County of San Mateo  
 Cities in San Mateo County  
 Other Interested Agencies

**Subject:** Adopted Municipal Service Review and Sphere of Influence Determinations and Sphere of Influence for the Sequoia Healthcare District and the Peninsula Health Care District

## Summary

On September 20, 2017, the San Mateo Local Agency Formation Commission (LAFCo) accepted the Final Municipal Service Review for Sequoia Healthcare District and Peninsula Health Care District, adopted determinations, and reaffirmed the spheres of influence for the Sequoia Healthcare District and the Peninsula Health Care District. The Commission took these actions after many months of preparation and circulation of the report and substantial written and public comment received at a noticed public hearing that was opened on May 17, and continued to July 19 and September 20, 2017. Attached please find the resolution and determinations for the health care districts. You can view the report and associated documents at [www.sanmateolafco.com](http://www.sanmateolafco.com).

## Purpose of Municipal Service Reviews and Sphere of Influence Updates

The State Legislature created LAFCos in each county of the State to regulate the boundaries of cities and special districts. LAFCos operate according to Government Code Sections 56000 and 57000 et seq. These government code sections establish LAFCos' authority to regulate boundaries by adopting State-mandated spheres of influence for each city and district and periodically preparing municipal service reviews and sphere of influence updates. A sphere of influence is the plan for probable physical boundaries and service areas of a local agency, city, or special district as determined by the Commission. Spheres can also designate a plan for future governance of a city or district. Cities and special districts cannot provide services outside their sphere of influence except in very limited circumstances.

## Spheres of Influence

The following summarizes the reaffirmed spheres of influence for the Sequoia Healthcare District and Peninsula Health Care District:

“Transitional Sphere of Influence,” recognizing the significant areas of the County excluded from both districts and the changing demand and economics of health care and hospital operation. The sphere designation also recognized that health care needs of all county residents may benefit from alternative organizational structures, boundaries and funding mechanisms including but not limited to dissolution, consolidation, expanded service areas and joint power agreements to include all of San Mateo County.

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**ALTERNATES:** VACANT, Special District ▪ HARVEY RARBACK, City ▪ SEPI RICHARDSON, Public ▪ DAVE PINE, County

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September 22, 2017

MSR and SOI Determinations for Health Care Districts

Page 2

The sphere designation recognizes the need to address excluded, medically underserved areas, including the City of East Palo Alto, Eastern Menlo Park, portions of San Bruno and South San Francisco, the City of Half Moon Bay, and unincorporated coastal communities, including Pescadero and La Honda. In reaffirming the spheres of influence, the Commission included a provision that the Districts and LAFCo staff engage the County of San Mateo and the affected cities to pursue the feasibility of expanding the boundaries of both Districts to include these underserved areas.

**Municipal Service Review Determinations**

LAFCo adopted determinations for each District include observations and recommendations in areas concerning, fiscal stability, accountability, and efficiencies. We recommend that the health care districts, the County, and affected cities share this information with your board or council and staff. Please feel free to contact me regarding the attached resolution and accompanying documents.

Sincerely,



Martha M. Poyatos  
Executive Officer

cc: LAFCo Commissioners