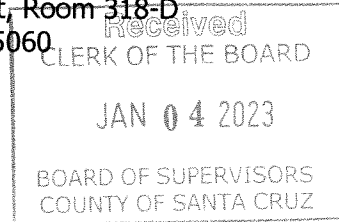


**Notice of Exemption**

To:  Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento CA 95814

From: (Public Agency)  
Santa Cruz Local Agency Formation Commission  
701 Ocean Street, Room 318-D  
Santa Cruz CA 95060

To:  Clerk of the Board  
County of Santa Cruz  
701 Ocean Street, Room 500  
Santa Cruz CA 95060



**Project Title:** "Pajaro Valley Health Care District Sphere of Influence Designation"

**Project Location:** The Pajaro Valley Health Care District is primarily located in unincorporated territory in two counties (Monterey and Santa Cruz). The District's jurisdictional boundary also encompasses the City of Watsonville.. A vicinity map depicting the water agencies' jurisdictional and sphere boundaries is attached (refer to **Attachment A**).

**Project Location City:** Watsonville **Project Location County:** Counties of Monterey and Santa Cruz

**Description of Nature, Purpose, and Beneficiaries of Project:** Senate Bill 418 was signed into law on February 4, 2022, resulting in the formation of the Pajaro Valley Health Care District. The District was formed to provide adequate governmental oversight to the Watsonville Community Hospital, which filed for Chapter 11 bankruptcy on December 21, 2021. A subsequent bill, Senate Bill 969, was also signed into law on July 1, 2022 to clearly outline LAFCO's purview over the newly formed district. Senate Bill 969 requires LAFCO to develop and determine a sphere of influence for the district within one year of the district's date of formation and conduct a municipal service review regarding the health care provision in the district by December 31, 2025 and by December 31 every five years thereafter. This project will establish a coterminous sphere boundary for the newly formed healthcare district.

**Name of Public Agency Approving Project:** Local Agency Formation Commission of Santa Cruz County. The LAFCO public hearing on this proposal is scheduled for 9:00 a.m. on January 4, 2023.

**Name of Person or Agency Carrying Out Project:** Santa Cruz Local Agency Formation Commission

**Exempt Status:** (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269 (b)(c));
- Categorical Exemption: State type and section number
- Statutory Exemptions: State code number
- Other: The activity is not a project subject to CEQA.

**Reason Why Project is Exempt:** The LAFCO action does not change the services or the planned service area of the City. There is no possibility that the activity may have a significant impact on the environment--State CEQA Guidelines Section 15061(b)(3).

**Lead Agency Contact Person:** Joe A. Serrano

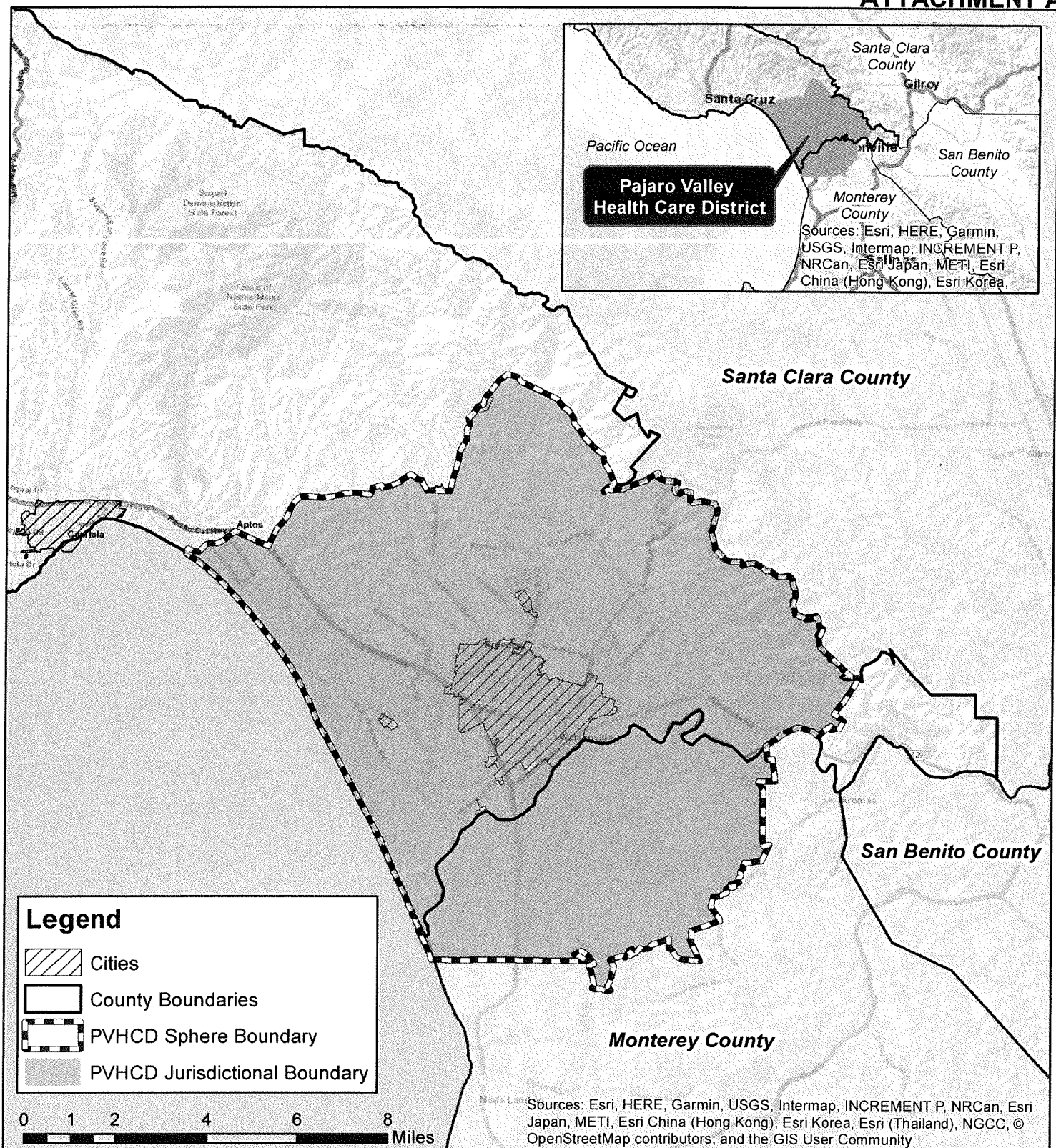
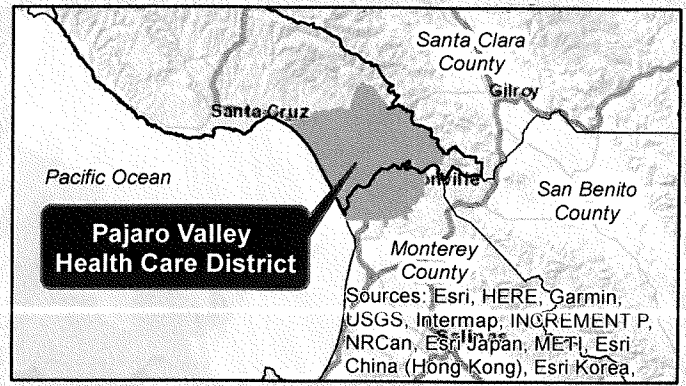
**Area Code/Phone Extension:** 831-454-2055

**Signature:**   
Joe A. Serrano, Executive Officer

**Date:** January 5, 2023

THIS NOTICE HAS BEEN POSTED AT THE CLERK  
OF THE BOARD OF SUPERVISORS OFFICE FOR A  
PERIOD COMMENCING 1/04/2023  
AND ENDING 2/04/2023

Signed by Lead Agency



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community

# Pajaro Valley Health Care District Jurisdictional and Sphere Boundaries

Original sphere adopted on January 4, 2023  
(in accordance with Senate Bill 969)



Map created by Santa Cruz LAFCO on 11-17-22

SORT ORDER: JEID

| JE ID.       | Date       | Description       | Second Reference | 2ndDt/PEID | Batch/ContNo | Prep/ACG | Hit/Tp         | CkNo/Views |
|--------------|------------|-------------------|------------------|------------|--------------|----------|----------------|------------|
| JV230661     | 01/04/2023 | CEQA NOE SA 22-18 |                  |            | JE516564     | LAF012   | N              |            |
| GL Account   |            | Org Key Title     | Object           | Desc /     |              |          |                | YNN        |
| JL Account   |            | Proj Key Title    | Object           | Desc       | Debit        | Credit   | Misc Last Rec. | Off. Note  |
| 702000-62856 |            | LAFCO             | SPECIAL          | MISC EXP   | 50.00        | 0.00     | NO 1 1         | NY         |
| 182000-40312 |            | CLERK OF THE BOA  | ENVIRONMENTAL    | FI         | 0.00         | 50.00    | NO 2 1         | NY         |
|              |            | JE TOTAL: Primary |                  |            | 50.00        | 50.00    |                |            |