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Public Invited to Review Draft Study of the Eden Township Healthcare District

A draft special study of the Eden Township Healthcare District (ETHD), also known as the Eden Health District, is now available for public review and comment on the website of the Alameda Local Agency Formation Commission (LAFCo), www.acgov.org/lafco. The special study reviews the services ETHD currently provides, its financial position including any future obligations, and a fiscal analysis of various governance options, including dissolution.

LAFCo will hold a special meeting on January 31, 2017 at 6 pm at the Castro Valley Library located at 3600 Norbridge Avenue, Castro Valley to accept public comments. Written comments may also be submitted online on the LAFCo website, or directly to Mona Palacios, LAFCo Executive Officer, at mona.palacios@acqov.org or via US Mail at: 1221 Oak Street, Room 555, Oakland, CA 94612. Comments submitted by February 3, 2017 will be considered in the development of the final draft of the study.

The process of developing the draft study included three public meetings held by LAFCo in October and November to allow constituents to express their views about the value of the Eden Township Healthcare District to the public; what, if any, specific needs and priorities the District should address; and whether the District's functions should continue to be provided by another entity.

ETHD was formed in 1948 to finance, construct and operate Eden Hospital in Castro Valley, but the District no longer owns and operates the hospital. Currently ETHD provides grant funding to health-related organizations, oversees its investment fund, and owns three office buildings where it leases office space to various healthcare providers. The District covers Eden Township, which includes the unincorporated areas of Ashland, Castro Valley, Cherryland, Fairview, and San Lorenzo, and the cities of Hayward and San Leandro. It collects no tax revenues, and derives its revenue from net income from its office buildings. More information about the district can be found at http://ethd.org/.

In recognition of the need for a more coordinated and efficient public service structure to support California's anticipated growth, the State Legislature established local agency formation commissions (LAFCos) in the mid-1960s. Among other duties, LAFCos are responsible for periodically reviewing the municipal services provided by local agencies under LAFCo jurisdiction. These service reviews, known as "Municipal Service Reviews" (MSRs), are intended to be an informational tool to help LAFCo, other agencies and the public better understand the municipal service structure. In 2013, Alameda LAFCo completed an MSR of ETHD which concluded that the District should continue in its current form.

Critics, including the Alameda County Grand Jury, have recently asserted that ETHD should be dissolved. Earlier this year, legislation was introduced in the State Assembly affecting the District including one bill signed into law (AB 2737) that imposes spending requirements on healthcare districts such as ETHD. At its July 2016 meeting, LAFCo approved a request from the City of Hayward to prepare a "Special Study" to help determine the future of ETHD.