



**STATEMENT FROM THE CITY OF SAN PABLO REGARDING REAL ESTATE TRANSACTION  
WITH WEST CONTRA COSTA HEALTH CARE DISTRICT**

**San Pablo, Calif., (February 26, 2015)** - This week, the City of San Pablo authorized transmittal of revised deal points on a real estate transaction with the West Contra Costa Hospital District (WCCHD). Yesterday, the West Contra Costa Healthcare District Board of Directors unanimously accepted the City's revised deal points in an offer that provides a one-time cash purchase of \$7.5M dollars for a portion of WCCHCD held assets. These WCCHCD assets include: Medical Office Buildings located at 2023 and 2023A Vale Road; a residential unit at 2121 Vale Road; and a 2.53 acre parking lot located in the rear of the current hospital site.

A *Purchase and Sale Agreement* is being finalized between the City and WCCHCD to solidify the deal points. Once agreed to by both parties, the PSA will be considered for formal approval by the San Pablo City Council and the WCCHCD Board of Directors, both meetings will likely be scheduled next week.

Once finalized, this transaction will enable the hospital to stay open, and more importantly, provide critically needed services to both San Pablo and West Contra Costa County. The City is hopeful in the coming months that the infusion of dollars from this real estate transaction will provide the WCCHD additional time to develop a financial plan to address their long-term financial viability.

**"The City is fortunate to be in a position where we can provide one-time funding to DMC to keep it open as they explore other financial options," stated San Pablo Mayor Kathy Chao Rothberg. In the meantime, the City has played a pivotal role in preventing the imminent closure of DMC and the critical services they provide the residents of San Pablo and West County."**

Funding for the real estate transaction comes from a portion of taxable bond proceeds executed earlier this month by the City Council and Joint Powers Financing Authority for property acquisition as part of a larger bond financing portfolio which consists of \$15M in total funding available for City-wide capital and public improvement projects. According to the City, this transaction is a one-time event as there are no future plans to provide any additional rounds of financial assistance to the WCCHD.

**“San Pablo is able to provide a one-time financial contribution from our recent bond financing to fund a real property transaction to serve a vital community purpose,” stated San Pablo City Manager Matt Rodriguez. “Beyond our one-time investment, we are hopeful that DMC will find a bigger solution that will allow it to keep its emergency department and critical services viable for the long term.”**

The City’s investment is intended as a preemptive maneuver aimed at preventing a worse case scenario where DMC closes its doors. In such a scenario, the City’s immediate priority would be to work with both the county’s medical community and Contra Costa County Health Services in identifying a safety net for West Contra Costa’s residents who will be in critical need of a healthcare safety net.

**“A future DMC closure poses significant public health and safety impacts in West Contra Costa County, and a potential drain on local emergency public safety services.”stated Rodriguez.**

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