

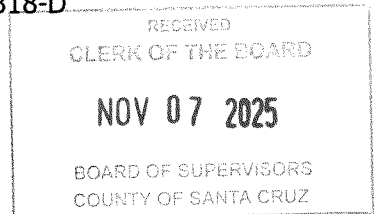
Notice of Exemption

44-11072025-166
138-25

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 Service and Sphere of Influence Review

Project Location: The healthcare district was formed in 2022 through special legislation in direct response to the Watsonville Community Hospital filing Chapter 11 bankruptcy on December 21, 2021. The District was created to safeguard essential health care services for the community by placing the hospital under a more accountable public governance structure. The District's service area encompasses 108 square miles between two counties: southern portion of Santa Cruz County (79.5 square miles) and northern portion of Monterey County (26.6 square miles). A vicinity map depicting the District's jurisdictional and sphere boundaries is attached (refer to **Attachment A**).

Project Location City: N/A

Project Location County: Santa Cruz County

Description of Nature, Purpose, and Beneficiaries of Project: The report is for use by the Local Agency Formation Commission in conducting a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that the Commission conduct periodic reviews and updates of spheres of influence of all cities and districts in Santa Cruz County (Government Code section 56425). It also requires LAFCO to conduct a review of municipal services before adopting sphere updates (Government Code section 56430). Santa Cruz LAFCO has prepared a municipal service review, and sphere of influence update for the District. The purpose of the report is to ensure the effectiveness and efficiency in the delivery of public services by the District, in accordance with the statutory requirements outlined in the Cortese-Knox-Hertzberg Act.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County. The LAFCO public hearing for this proposal is scheduled for 9:00 a.m. on November 5, 2025.

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.

THIS NOTICE HAS BEEN POSTED AT THE CLERK
OF THE BOARD OF SUPERVISORS OFFICE FOR A
PERIOD COMMENCING 11/7/2025
AND ENDING 12/12/2025

Reason Why Project is Exempt: The LAFCO action does not change the services or the planned service area of the County Service Area. 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: November 6, 2025

☒ Signed by Lead Agency