

To: Mayor Edwin M. Lee and Members of the San Francisco Board of Supervisors

From: Member Groups and Allies of San Franciscans for Healthcare, Housing, Jobs, and Justice

Date: February 7, 2013

Re: Sutter/CPMC Development Proposal

Dear Mayor Lee and Members of the Board of Supervisors,

The mediation process initiated to address the deficiencies of Sutter/CPMC's development proposal for new hospital campuses on Cathedral Hill and at St. Luke's is near complete, with a revised plan scheduled to be brought before the Board of Supervisors on January 29.

As the date for your consideration of a revised plan draws near, we, the undersigned member groups and allies of San Franciscans for Healthcare, Housing, Jobs, and Justice, wish to reiterate the basic standards we believe any Sutter/CPMC development proposal must meet in order to serve the best interests of San Francisco residents and to merit your support.

In our view, any successful development proposal must ensure that:

- Sutter/CPMC provides its fair share of charitable care proportional to the performance of the City's other
 private non-profit hospitals, including appropriate levels of support for San Francisco's network of
 community health clinics and the growing number of Medi-Cal managed care consumers they will serve
 under healthcare reform;
- Sutter/CPMC builds and operates a strong and sustainable St. Luke's that attracts an improved payer mix, while also replacing the key services being discontinued there;
- Sutter/CPMC joins San Francisco's other private non-profit hospitals in agreeing to charge the same prices
 for both in-network and out-of-network patients covered by the City's Health Service System, and limiting
 price increases to the rate of medical inflation;
- Sutter/CPMC commits to steps that will enable it to reach a goal of 50% local hires, parallel to that of the City's First Source Ordinance;
- Sutter/CPMC provides at least \$8.5 million for a Workforce Development Fund, parallel to the Lennar Corporation's commitment for a development project with fewer permanent jobs and fewer workforce development challenges to meet in filling them;
- Sutter/CPMC's total housing contribution is consistent with both major housing policies relevant to the proposed project – the housing element of the General Plan and the housing requirement of the Van Ness

Special Use District – and is reduced only to the extent that CPMC increases its commitment to local hiring for permanent jobs and thereby decreases the affordable housing demand that will be created by the project;

- Sutter/CPMC commits no less than 80% of its total housing contribution to affordable housing production, and no more than 20% to down payment assistance;
- Sutter/CPMC's down payment assistance contribution goes into the city's existing down payment assistance loan program and access to it is not be limited to CPMC employees;
- The Cathedral Hill hospital campus is sufficiently downsized, the number of parking spaces there sufficiently reduced, and Sutter/CPMC's transportation demand management program sufficiently enhanced to adequately mitigate the negative traffic, transit, pedestrian safety, noise, and air quality impacts of the proposed project on the surrounding neighborhoods, while the project also makes long needed streetscape and pedestrian improvements.

Finally, we believe it equally critical that Sutter/CPMC establish constructive relationships with all of the unions representing its workforce, and achieve labor peace by settling collective bargaining agreements that embody the healthcare industry's best job standards, including transfer rights with retraining assistance and income security for its incumbent employees, and respect for of all its employees' rights to choose a union without interference.

Sincerely,

San Franciscans for Healthcare, Housing, Jobs & Justice

Alliance of Californians for Community Empowerment (ACCE)

American Federation of Teachers (AFT 2121)

Bernal Heights Neighborhood Center (BHNC)

California Nurses Association (CNA)

Cathedral Hill Neighbors Association

Chinese Progressive Association (CPA)

Coleman Advocates for Children & Youth.

Community Housing Partnership (CHP)

Council of Community Housing Organizations (CCHO)

District 5 Action

Dolores Street Community Services

Filipino Community Center (FCC)

Jacob Moody Executive Director, Bayview Hunters Point Neighborhood Foundation*

Jobs With Justice - San Francisco

Tenderloin Neighborhood Development Corporation (TNDC)

National Union of Healthcare Workers (NUHW)

Older Woman's League (OWL) -SF Political Advocacy Committee

Pride At Work - San Francisco

San Francisco Gray Panthers

San Francisco Neighborhood Network

SEIU 1021

Senior Disability Action (SDA)

Sierra Club - San Francisco

South of Market Community Action Network (SOMCAN)

UNITE HERE Local 2

United Educators of San Francisco Local 61 (UESF 61)

^{* (}for ID purposes only)