



Open Letter to Our Community from Martha Marsh and Christopher Dawes

Lucile Packard Children's Hospital and Stanford Hospital & Clinics are pleased to share with you our comprehensive proposal to the City of Palo Alto in relation to the Stanford Medical Center Renewal Project.

The proposal reflects the extensive input we have received over the past two years. Its total value to the community is estimated at \$142 million, including \$124 million in additional community benefits and \$18 million in fees and traffic mitigation measures.

The primary benefit the Hospitals provide to the community is excellent healthcare. In addition, we are proposing to fund new programs that will further enhance the health of Palo Alto residents and provide an economic stimulus to our community that will begin as soon as we start construction.

Highlights of the proposal include:

- **Traffic Reduction.** The Hospitals will purchase annual Caltrain Go Passes, which provide unlimited free rides, for all of their existing and new employees who work more than 20 hours per week, at an annual cost to the Hospitals of \$1.3 million. In addition, to expand the free Stanford Marguerite shuttle service, the Hospitals will pay \$2 million in capital costs plus \$450,000 per year in operating costs. When combined with other programs to mitigate traffic impacts, the total value of the proposed measures the Hospitals will provide to reduce vehicle trips over the life of the project is about \$90.4 million.
- **Affordable Housing Contribution.** Although the Hospitals are exempt from the City's housing impact requirements and are not required to pay a related impact fee, the proposal includes a contribution of \$23.1 million to the City's fund to support development of affordable housing in Palo Alto. This single contribution by the Hospitals is believed to be more than double the total amount collected in fees by the City of Palo Alto from commercial developers over the entire history of the program.
- **Community Health Contributions.** The Hospitals will provide \$4 million over 10 years for community health programs within the City of Palo Alto, working with a community advisory board that will be created to select the specific local nonprofits to receive the funds. Examples of potentially eligible recipients include Palo Alto schools, the Mayview Health Clinic, Avenidas, the Opportunity Health Center, and other organizations.

The Hospitals will also provide \$3 million to assist Palo Alto residents who have a self-payment responsibility that is greater than their financial means when they need inpatient or outpatient care at Packard or Stanford. This new, special funding for residents of Palo Alto is in addition to the Hospitals' existing charity care, which supports local residents and all other patients.

- **Pedestrian, Transit and Bicycle Connections.** To further encourage use of Caltrain, bus and other transit services and enhance pedestrian and bicycle connections between downtown Palo Alto and the Medical Center, the Hospitals will provide up to \$3.35 million for improvements to roadways, landscaping, pathways, transit stops and related infrastructure in areas linking El Camino Real, Welch and Quarry roads.

We feel that our proposal demonstrates a substantial commitment to the City of Palo Alto and its residents—a commitment above and beyond our ongoing efforts to provide the very best in patient care. It is critical that we move forward with the expansion and rebuilding of the Hospitals to ensure that our community has improved access to quality healthcare and the latest advances in medicine right here in Palo Alto.

Sincerely,

Martha H. Marsh
President and CEO
Stanford Hospital & Clinics

Christopher G. Dawes
President and CEO
Lucile Packard Children's Hospital