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FOR IMMEDIATE RELEASE

APPEALS COURT RULES IN FAVOR OF PENINSULA HEALTH CARE DISTRICT

Burlingame, CA, November 3, 2011: After more than five years of litigation, the California Court of Appeal has rejected, for the third time, suits filed by the Peninsula Guardians against the Peninsula Health Care District (PHCD) over the master lease agreement negotiated between the District and Mills Peninsula Hospital Services (MPHS). The Agreement, Measure V, was ratified in 2006 by voters, with a resounding 92 percent of the vote.

The Guardians, a small citizens “watchdog” group, filed suit in July 2006 to enjoin the Measure V election results; challenged the length of the 50-year District-MPHS Ground Lease; and claimed that the District had made illegal campaign expenditures by distributing newsletters and three postcards prior to the Measure V election. The Guardians continued to try to thwart the building of the new hospital, even though their claims were turned back at each legal juncture. (The new Mills-Peninsula Medical Center opened earlier this year.)

Over the last five years, the Superior Court and the Court of Appeal have consistently ruled in favor of the District, denying all of the Guardians’ claims as the suits moved through the court system.

Dr. Dan Ullyot, Chairman of the PHCD board of directors, said, “This is a victory for the District, the Hospital, and most importantly our residents who benefit from access to the new Mills-Peninsula Medical Center. The real issue here always was the Guardians’ opposition to building the new hospital. We are pleased that this issue is behind us, but also troubled by wasted resources that had to be put against what the courts have continually viewed as unwarranted claims.”

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Below is a summary of Peninsula Guardians' litigation against the District:

Summary

July-August 2006	Peninsula Guardians' effort to stop Measure V election is rejected by the Superior Court and Court of Appeal in July-August 2006 (first appeal).
Feb. 6, 2007	Peninsula Guardians' challenge to the Ground Lease rejected by the Superior Court.
May 2, 2007	Peninsula Guardians' claim that District public information materials violated the Government Code rejected by the Superior Court.
Sept. 30, 2008	Superior Court rulings on both the Ground Lease and the Government Code confirmed by the Court of Appeal (second appeal).
Oct. 21, 2011	California Court of Appeal rejects Peninsula Guardians' final claim – that the public information materials violated the California constitution – in October 2011 (third appeal).

About the Peninsula Health Care District:

Created by state legislation and launched by local voter approval in 1947, the Peninsula Health Care District serves the communities of San Bruno, Millbrae, Burlingame, Hillsborough, San Mateo and Foster City by responding to local priorities and allocating resources to programs and services that enhance the health of the District's residents. For more information, please visit www.peninsulahealthcaredistrict.org.

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