

June 9, 2026

The Honorable Patrick Ahrens
California State Assembly
1021 O Street, Suite
Sacramento, CA 95814

**RE: AB 2231 (Ahrens): California Environmental Quality Act: Hospital Projects
City of Santa Clara – Notice of Support**

Dear Assembly Member Ahrens,

On behalf of the City of Santa Clara, I am pleased to express our support for AB 2231 (Ahrens), which adopts a targeted and time-sensitive approach to advancing the development of critical health care infrastructure in California. While projects of this scale have important local implications, including impacts on infrastructure, public services, and long-term land use planning, AB 2231 preserves the City's role in evaluating the project through its local land use discretionary authority and does not predetermine the outcome of any City entitlement, fiscal, operational, or mitigation decision.

AB 2231 would provide a streamlined California Environmental Quality Act (CEQA) process for qualifying hospital construction projects in the Cities of Emeryville and Santa Clara and would require project applicants to meet defined labor standards, including the payment of prevailing wages and the use of a skilled and trained workforce. This measure responds to the urgent need to expedite hospital construction timelines in the face of anticipated federal health care funding reductions and increasing demand for medical services.

Delays associated with litigation and extended judicial review can impose significant project delays and undermine the feasibility of essential hospital projects. By establishing a streamlined CEQA review process, alongside strong labor protections, AB 2231 is intended to balance the need to accelerate project delivery with the goal of maintaining high-quality workforce standards.

Sutter Health's Santa Clara project represents a rare milestone, a net-new hospital for the State of California. At a time when many hospitals across the state are struggling and/or forced to reduce their services, this project will add entirely new inpatient and emergency services to one of California's fastest growing regions.

Santa Clara County currently has approximately 1.4 inpatient hospital beds per 1,000 residents, a level that reflects an already stressed patient access environment. As population growth and patient acuity continue to rise, the absence of new hospital capacity will further exacerbate challenges unless new facilities are brought online.

The Santa Clara campus is planned as a flagship medical hub, integrating acute inpatient care, emergency services, maternal health, and advanced specialty care in a coordinated setting. The hospital could reduce travel times, improve care coordination, and help relieve pressure on surrounding facilities that are already operating at or near capacity, subject to the City's independent review of the project and its potential impacts through the discretionary land use entitlement process and without limiting the City's authority to impose feasible conditions of approval, mitigation measures, community benefit agreement terms, or other requirements authorized by law. The hospital will not only serve Santa Clara County patients, but those from the broader region in addition to any complex patients that require hospital services.

Additionally, the Santa Clara campus will help retain the City's diverse employment base, invest in modern medical facilities, and help meet the demand for services required to support new residential development and the existing community.

AB 2231 reflects a thoughtful and pragmatic approach to addressing emerging challenges facing California's health care system. By enabling critical hospital projects to move forward more efficiently, the bill supports continued access to essential medical services, enhances regional capacity, and strengthens overall system resilience. At the same time, its focused geographic scope and clear labor requirements ensure that these benefits are achieved in a manner that remains consistent with broader public policy objectives, including workforce development and economic stability. The City's support for the bill reflects this policy objective, while recognizing the importance of preserving local authority to evaluate and address project-specific impacts as well as long-term operational and fiscal sustainability through its discretionary approvals and established implementation process. The City will continue to work in partnership with Sutter Health with the objective of ensuring the project is thoughtfully integrated into the community and implemented in a manner that supports long-term sustainability and addresses project-specific impacts.

For these reasons, the City of Santa Clara supports AB 2231 (Ahrens) and appreciates your leadership on this important issue, as well as your continued efforts to advance policies that strengthen California's health care infrastructure and support our communities.

Sincerely,

Lisa M. Gillmor
Mayor
City of Santa Clara