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January 9, 2017

Ms. Courtney Coyle, Chair City of San Diego Historical Resources Board Members 1222 First Avenue, Fourth Floor San Diego, California 92101

Dear Chair Coyle and HRB Board Members:

Thank you for providing Sharp HealthCare with this opportunity to comment on the potential designation of the property located at 2001 Fourth Avenue (the "Property") in San Diego's Uptown community as a historical resource. For the reasons described below, Sharp HealthCare formally objects in whole and/or in part to the historic designation of any part of the Property, including most specifically, all or any part of the building or its building sections.

The Rees-Stealy Medical Group, now known as the Sharp Rees-Stealy Medical Group, Inc. (the "Medical Group") has a long history in San Diego, beginning its medical practice at the Property in 1926. When the Medical Group affiliated with Sharp HealthCare in 1985, Sharp HealthCare purchased the Property and began to operate the Property as one of its Sharp Rees-Stealy Medical Centers. Shortly after the affiliation, it became apparent the buildings on the Property were clinically obsolete and no longer able to adequately meet the needs of either the Medical Group or its patients. In fact, one of the goals of the Medical Group's affiliation with Sharp was to create a new medical center downtown to replace the Property.

Sharp HealthCare began the long process of looking for and ultimately building a new Sharp Rees-Stealy Medical Center site across the street and one block south of the Property at 300 Fir Street (the "New Clinic"). The New Clinic, a beautiful and important health center offering comprehensive and technologically advanced medical services to those living and working in San Diego, Gaslamp, East Village and Little Italy, opened in 2012, and all patient care services previously provided at the Property moved to the New Clinic.

SHARP ORGANIZATIONS

Sharp HealthCare Sharp Memorial Hospital Grossmont Hospital Corporation Sharp Chula Vista Medical Center Sharp Coronado Hospital and Healthcare Center Sharp Mesa Vista Hospital Sharp Mary Birch Hospital For Women and Newborns Sharp McDonald Center Sharp Rees-Stealy Medical Centers Sharp Health Plan Sharp HealthCare Foundation Grossmont Hospital Foundation Sharp HealthCare takes great pride in its history and greatly respects the enormous contributions and achievements the Medical Group and its founders, Dr. Clarence Rees and Dr. Clair Stealy, have made to advance the quality of medical research, care and health of San Diegans. When the New Clinic opened, we retained historic elements and dedicated a commemorative/interpretive History Wall in the New Clinic to celebrate and memorialize the vision and innovation of Drs. Rees and Stealy. The History Wall, open to the public, describes how the Medical Group and Sharp together have evolved and grown that vision into becoming one of the leading multispecialty medical centers in the country. We believe each of the more than 21 Sharp Rees-Stealy Medical Centers located throughout San Diego County reflect and celebrate this innovation and original vision of Drs. Rees and Stealy, a belief that has been validated by recognition of excellence in population health management from the federal Center for Medicare and Medicaid Services and conferring of "Elite" status by the California Association of Physician Groups.

Sharp HealthCare's history is entwined with San Diego's history and we appreciate the important work done by the Historical Resources Board to preserve these important reminders of our community's past. Sharp believes the best recognition of Drs. Rees and Stealy's contributions to medicine in San Diego is the New Clinic, as well as the many Sharp Rees-Stealy Medical Centers located across the County.

Finally, we have reviewed the *Historical Research Report for 2001 Fourth Avenue, San Diego, California, prepared by Brian F. Smith & Associates, Inc.* (Revised December 9, 2016). We concur with the history presented within this study. Sharp HealthCare does not believe that the Property is eligible for designation under any of the Historical Resources Board criteria.

Thank you for considering Sharp HealthCare's position. I am happy to provide additional information upon request.

Sincerely.

cc: Alan Bier, M.D., President, Sharp Rees-Stealy Medical Group, Inc.