KING COUNTY PUBLIC HOSPITAL DISTRICT NO. 2 KING COUNTY, WASHINGTON

RESOLUTION NO. 949-25

A RESOLUTION of the Commission of King County Public Hospital District No. 2, King County, Washington (EvergreenHealth), relating to its regular property tax levy; providing for the submission to the qualified electors of the District at a special election to be held on August 5, 2025, of a proposition authorizing the District to levy regular property taxes in excess of the limitations imposed by chapter 84.55 RCW; setting forth the text of the ballot proposition; directing proper District officials to take necessary actions; and providing for other properly related matters.

BE IT RESOLVED BY THE COMMISSION OF KING COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, KING COUNTY, WASHINGTON, as follows:

<u>Section 1. Findings.</u> The Commission (the "Commission") of King County Public Hospital District No. 2, King County, Washington (EvergreenHealth) (the "District"), hereby makes the following findings and determinations:

- (a) Under the provisions of RCW 70.44.060, public hospital districts are authorized to levy regular property taxes at a rate of up to 75 cents per \$1,000 of assessed value for purposes of operating and maintaining the hospital and health care facilities and services of the public hospital district.
- (b) In 2024, the District levied regular property taxes at the rate of 14 cents per \$1000 of assessed value.
- (c) RCW 84.55.010 and RCW 84.55.092 provide that the levy for a taxing district in any year shall be set so that the regular property taxes payable in the following year shall not exceed the "limit factor" multiplied by the amount of regular property taxes lawfully levied for such district in the highest of the three most recent years in which such taxes were levied for such district, or the highest amount that could have been levied in any year since 1985, plus an additional dollar amount calculated by multiplying the increase in assessed value in that district resulting from (i) new construction, (ii) increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, (iii) improvements to property, and (iv) any increase in the assessed value of state-assessed property by the regular property tax levy rate of that district for the preceding year.
- (d) RCW 84.55.005 provides that the limit factor for taxing districts with a population of greater than 10,000 in the calendar year prior to the assessment year is the lesser of 101% or one hundred percent plus inflation unless an increase greater than

this limit is approved by the voters of the district at an election provided by RCW 84.55.050.

- (e) Because the District's current levy rate is below its statutory maximum of 75 cents, an increase in the levy rate in amount greater than the applicable limit factor requires voter approval pursuant to the provisions of 84.55.050(1).
- (f) The Commission has determined that it is necessary and in the best interest of the residents of the District to seek voter approval for a regular property tax levy to provide additional operating and capital funds to support the delivery of hospital and other health care services to the District's residents and other persons served by the District.
- (g) The Commission has determined that it is essential and necessary for the public health, safety, and welfare of the District residents that the District levy a regular property tax at a rate of 50 cents per \$1000 of assessed value beginning in 2026.
- Section 2. Calling of Election. The Commission finds that it is in the best interests of the District to submit to the qualified voters of the District, at a special election on August 5, 2025, a proposition authorizing the District to levy regular property taxes in 2025 for collection in 2026 by an amount greater than otherwise permitted under chapter 84.55 RCW and to use the dollar amount of such levy in 2026 for the purpose of computing limitations for the District's levies in subsequent years. If this proposition is approved, the Commission will be authorized to adopt, in accordance with its regular budget process, a regular property tax levy as described in Section 3.
- <u>Section 3</u>. <u>Description of Ballot Proposition</u>. The Commission seeks voter approval under RCW 84.55.050(1) for a levy lid lift, as follows:
- (a) <u>Maximum Levy Rate Authorized for Levy in 2025 and Collection in 2026</u>. The proposition would authorize a maximum total regular levy rate of 50 cents per \$1,000 of assessed value for levy in 2025 and collection in 2026.
- (b) <u>Increase Authorized in Future Years</u>. The dollar amount of the maximum allowable levy under chapter 84.55 RCW levied in 2025 for collection in 2026 shall be used for the purpose of computing the limitations on levies in subsequent years under chapter 84.55 RCW.
- <u>Section 4</u>. <u>Ballot Proposition</u>. Pursuant to RCW 29A.36.071, the King County Prosecuting Attorney is requested to prepare the concise description of the aforesaid proposition in the form of a ballot title in substantially the following form:

KING COUNTY PUBLIC HOSPITAL DISTRICT NO. 2 KING COUNTY, WASHINGTON (EVERGREENHEALTH) PROPOSITION NO. 1

LEVY LID LIFT FOR HEALTH CARE SERVICES

The Commission of King County Public Hospital District No. 2, King County, Washington (EvergreenHealth) adopted Resolution No. 949-25 concerning the district's regular property tax levy. If approved, this proposition would provide additional operating and capital funds for EvergreenHealth to provide hospital and other healthcare services to its residents and other persons served by EvergreenHealth. It authorizes a maximum regular property levy rate for collection in 2026 of 50 cents per \$1,000 of assessed value. The 2026 levy amount will be used for the purpose of computing the limitations for levies in subsequent years. Should this proposition be:

| APPROVED | |
|----------|---|
| REJECTED | I |

<u>Section 5</u>. <u>Filing with Auditor</u>. The Chief Executive Officer and Superintendent of the District, or his designee, is authorized and directed (a) to present a certified copy of this resolution to the Auditors of King County, Washington, on or before May 2, 2025, and (b) to perform such other duties as are necessary or required by law to submit to the District's voters at the aforesaid election, for their approval or rejection, the proposition of whether or not the District should increase the levy rate as herein provided.

<u>Section 6</u>. <u>Notices</u>. For purposes of receiving notice of the exact language of the ballot title required by RCW 29A.36.080, the Commission hereby designates: (a) Jenny Churas, General Counsel (425-899-2646, JMChuras@evergreenhealthcare.org); and (b) special legal counsel, Foster Garvey PC (Brad Berg, 206-447-8970, brad.berg@foster.com) as the individuals to whom such notice should be provided. The General Counsel of the District and Chief Executive Officer of the District are each authorized individually to approve changes to the ballot title, if any, deemed necessary by the King County Auditor or the King County Prosecuting Attorney.

<u>Section 7</u>. <u>Severability</u>. If any provision of this resolution shall be declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be separable from the remaining provisions of this resolution and shall in no way affect the validity of the other provisions of this resolution, or of the levy or collection of the taxes.

<u>Section 8</u>. <u>Effective Date</u>. This resolution shall become effective immediately upon its adoption.

ADOPTED and APPROVED by the Commission of King County Public Hospital District No. 2, King County, Washington, at an open public meeting thereof, this 15th day of April, 2025, the following Commissioners being present and voting.

Virgil Snyder, Board Chair/Commissioner

Apr 15, 2025 8:21 PM PDT

Jeff Cashman, Commissioner

Jeff Cashman, Secretary/Commissioner Apr 15, 2025 7:39 PM PDT Robin Campbell. Commissioner

Robin Campbell, Commissioner Apr 15, 2025 8:36 PM PDT

Suzanne Greathouse, Commissioner

Suzanne Greathouse, Commissioner Apr 15, 2025 7:32 PM PDT

Chuck Pilcher, Commissioner

Chuck Pilcher, Commissioner Apr 15, 2025 7:58 PM PDT

Norman Seabrooks, Commissioner

Norman Seabrooks, Commissioner Apr 15, 2025 4:52 PM PDT

Nancy Stewart, Commissioner

Nancy Stewart, Commissioner Apr 15, 2025 7:32 PM PDT