



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Ordinance 19117

Proposed No. 2020-0176.2

Sponsors McDermott, Dembowski and Kohl-Welles

1 AN ORDINANCE providing for the submission to the
2 qualified electors of King County, at a general election to
3 be held on November 3, 2020, of a proposition authorizing
4 the county to issue its general obligation bonds in the
5 aggregate principal amount of not to exceed
6 \$1,740,000,000 or so much thereof as may be issued under
7 the laws governing the indebtedness of counties, for the
8 purpose of providing funds to pay for public health, safety
9 and seismic improvements for Harborview Medical Center.

10 **STATEMENT OF FACTS:**

11 1. Harborview Medical Center facilities include a state licensed 413-bed
12 hospital owned by King County and operated by University of
13 Washington. The hospital is overseen by a 13-member Board of Trustees.
14 Harborview Medical Center is a comprehensive regional health care
15 facility providing specialized care for a broad spectrum of patients, the
16 control of illness and the promotion and restoration of health. Harborview
17 Medical Center is one of the nation's leading academic medical centers
18 and is the only Level 1 Trauma Center for adults and children serving a
19 four-state region that includes Alaska, Idaho, Montana and Washington.

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20 The hospital is maintained as a "public health and safety facility" as
21 defined in RCW 36.89.010. As such, the essential public health and safety
22 services provided by Harborview Medical Center are of benefit to all of
23 the residents of King County.

24 2. Harborview Medical Center is maintained as a public hospital by King
25 County to improve the health and well-being of the entire community and
26 to provide quality healthcare to the most vulnerable. The mission
27 population, as defined in Ordinance 18232, includes: the non-English
28 speaking poor; the uninsured or underinsured, victims of domestic
29 violence or sexual assault; people incarcerated in King County's jails;
30 people with mental illness or substance abuse problems, particularly those
31 treated involuntarily; people with sexually transmitted diseases; and those
32 who require specialized emergency, trauma or burn care.

33 3. Nearly 20 years ago, King County voters authorized the county to issue
34 \$193,130,000 in general obligation bonds to fund seismic and public
35 health and safety improvements for Harborview Medical Center. The
36 bond proceeds provided for: construction of an inpatient facility; a 14-
37 story medical office tower; demolition of seismically unsound buildings;
38 and limited renovations of some hospital spaces. The 2000 Harborview
39 Medical Center bonds will be largely paid off by 2024.

40 4. Over the past 20 years, the growth in population, and changes in
41 medical practice, equipment and technology, have resulted in the need for
42 upgrades to the facilities of Harborview Medical Center. Between

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43 December 2018 and January 2020, the Harborview leadership group, as
44 called for by Motion 15183, conducted analyses on the state of
45 Harborview Medical Center facilities, including the Pioneer Square Clinic,
46 which is part of the Harborview Medical Center owned by King County.

47 The Harborview leadership group was charged with making
48 recommendations on Harborview Medical Center's capital program to the
49 Capital Planning Oversight Committee, the Harborview Medical Center
50 Board of Trustees, the King County executive and the King County
51 council. The Harborview leadership group found that the aging
52 Harborview Medical Center physical plant limits the ability of Harborview
53 and King County to provide care and services to the residents of King
54 County and recommended improvements to the physical plant of
55 Harborview Medical Center.

56 5. A majority of Harborview Medical Center's facilities are aging and out
57 of date in terms of modern medical best practice standards for infection
58 control and privacy. Due to facility configuration, Harborview Medical
59 Center often operates at 100 percent capacity, and critical surge capacity
60 and emergency department capacity are limited. The majority of the
61 medical center's patient beds are in double patient rooms or multi patient
62 wards. On average, 50 patient beds per day cannot be used due to modern
63 infection control requirements for shared rooms. A new inpatient facility
64 would increase single bed capacity and enable Harborview Medical Center
65 to meet modern infection control and privacy standards. It would provide

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66 surge capacity for the hospital to effectively respond to a disaster or mass
67 casualty event.

68 6. Harborview Medical Center is the designated disaster control hospital
69 for the region. The Harborview Medical Center facilities include older
70 masonry buildings that would suffer significant damage during an
71 earthquake. Building collapse or inaccessibility of buildings after an
72 earthquake would negatively impact facility operations during a disaster
73 by limiting availability of services and posing life-safety risks to patients,
74 employees and visitors. Seismically stabilizing buildings allows the
75 facilities to continue to operate during an earthquake and protects patients,
76 employees and visitors to the campus.

77 7. King County has a growing number of people experiencing unmet and
78 complex behavioral health needs, including substance use disorders. The
79 King County suicide rate has increased by an estimated 18 percent in the
80 last decade. Clinical space is at capacity in Harborview Medical Center
81 facilities. Untreated behavioral health conditions can result in increased
82 involvement in the justice system through repeated jail bookings, and use
83 of involuntary commitment, as well as homelessness. Increasing and
84 improving behavioral health spaces in the Harborview Medical Center
85 facilities would result in improved behavioral health care through
86 expanding space capacity and providing space for research and training on
87 behavioral health matters. The proposed bond measure would allow for
88 the expansion of addiction services by twenty percent and the integration

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89 of substance use disorder treatment with academic medicine through
90 fellowships aimed to increase positive outcomes through treatment.

91 8. Individuals who are homeless or marginally housed stay in the hospital
92 longer than clinically indicated because they have nowhere else to go to
93 receive lower-acuity medical and recuperative care. There is a very small
94 number of respite beds in King County, resulting in a need that exceeds
95 supply. The lack of medical respite beds increases morbidity and
96 mortality among homeless and marginally housed patients, as well as
97 acting as a bottleneck for discharge from emergency departments and
98 hospital beds.

99 9. To protect and advance the public health and safety services provided
100 at Harborview Medical Center facilities, including its role as the
101 designated disaster control hospital for the region, King County requires
102 public health, safety and seismic improvements to Harborview Medical
103 Center facilities, as further described in Attachment A to this ordinance
104 (collectively, "the Improvements").

105 10. The recommendations of the Harborview leadership group are the
106 basis of the Improvements. Harborview's Capital Planning Oversight
107 Committee approved of the Harborview leadership group
108 recommendations on February 14, 2020. The Harborview Board of
109 Trustees approved the Harborview leadership group recommendations on
110 February 27, 2020. The King County executive transmitted the
111 Harborview leadership group recommendations to the King County

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112 council on April 7, 2020.

113 11. Harborview Medical Center provides substantial economic benefit to
114 King County, employing over 4,450 individuals.

115 12. As illustrated by the 2020 pandemic COVID-19, there is a critical
116 need in King County for expanded medical facilities with greater capacity
117 for infectious disease control. The Improvements include facility
118 improvements that prioritize infection control through construction of
119 single patient rooms, modernized and expanded emergency department
120 and upgraded infrastructure.

121 13. Construction of the Improvements will create an estimated 7,700 jobs.
122 The construction is subject to King County's Master Community
123 Workforce Agreement approved by Ordinance 18672, which would create
124 an estimated 2,300 opportunities for apprenticeship and local hire.

125 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

126 **SECTION 1. Findings - Authorization of Capital Improvements.**

127 A. The county council hereby finds that all of the Harborview Medical Center
128 facilities in the county are a "public health and safety facility" as defined in RCW
129 36.89.010, and finds further that the essential public health and safety services provided
130 by this facility are of general benefit to all the residents of King County. To minimize
131 disruptions in the public health and safety service provided by Harborview Medical
132 Center, the county council therefore further finds that the best interests of all of the
133 residents of the county require the county undertake and finance public health, safety and
134 seismic improvements to Harborview Medical Center facilities, as further described on

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135 Attachment A to this ordinance and incorporated herein by this reference (collectively,
136 "the Improvements").

137 B. In accordance with RCW 36.89.040, the county council hereby finds and
138 declares that the proposition authorized to be submitted to the voters by this ordinance
139 and the Improvements authorized thereby and described in this ordinance have for their
140 object the furtherance and accomplishment of a system of public health and safety
141 facilities for the benefit of all the residents of King County and constitute a single
142 purpose.

143 C. The cost of all necessary design, engineering and other consulting services,
144 inspection and testing, administrative expenses including project administration and
145 election expenses, permitting and mitigation costs and the other costs incurred in
146 connection with the Improvements shall be deemed a part of the costs of the
147 Improvements.

148 D. The total estimated cost of the Improvements, including the cost of issuing
149 and selling the Bonds provided in this ordinance, is declared to be, as nearly as may be
150 determined, the amount of \$1,740,000,000.

151 E. The exact timing and specifications for projects included in the Improvements
152 shall be determined by the county.

153 F. If the county council determines that it has become impractical to acquire,
154 construct or equip any portion of the Improvements by reason of changed conditions, or
155 costs substantially in excess of the amount of the Bond proceeds or other funds estimated
156 to be available, the county shall not be required to acquire, construct or equip such
157 portions and may apply the Bond proceeds to other portions of the Improvements.

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158 G. If proceeds of the Bonds, plus other funds of the county legally available for
159 the Improvements, are insufficient to accomplish all of the Improvements, the county will
160 use the Bond proceeds and other available funds for those of the Improvements deemed
161 by the county council as most necessary and in the best interest of the county.

162 H. If all of the Improvements shall have been accomplished or duly provided for,
163 or those that are not accomplished or duly provided for are found to be impractical, the
164 county may apply the Bond proceeds or any portion thereof to the payment of principal
165 of and interest on the Bonds or to other capital improvements in furtherance of the public
166 health and safety system, as the council, by ordinance and in its discretion, shall
167 determine.

168 **SECTION 2. Authorization of Bonds.**

169 A. For the purpose of providing part of the moneys necessary to pay costs of the
170 Improvements, together with incidental costs and costs related to the issuance and sale of
171 the Bonds, including capitalized interest, the county shall issue and sell its unlimited tax
172 general obligation Bonds in the aggregate principal amount of not to exceed
173 \$1,740,000,000. The Bonds shall be issued in an amount not exceeding the amount
174 approved by the qualified electors of the county or exceeding the amount permitted by
175 the constitution and laws of the state of Washington. The balance, if any, of the cost of
176 the Improvements shall be paid out of any money that the county now has or may later
177 have on hand that is legally available for such purpose.

178 B. The Bonds to be issued shall be issued in such amounts and at such time or
179 times as found necessary and advisable by the county council. The Bonds may be issued
180 in one or more series and shall bear interest payable at a rate or rates not to exceed the

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181 maximum rate permitted by law at the time the Bonds are sold. Any series of Bonds shall
182 mature in such amounts at such times within a maximum term of 20 years from the date
183 of issue of the series, but may mature at an earlier date or dates as authorized by the
184 county council and as provided by law. The exact date, form, terms, options of
185 redemption, maturities and conditions of sale of the Bonds shall be as hereafter fixed by
186 ordinance of the county council passed for such purpose. The Bonds shall be general
187 obligations of the county and, unless paid from other sources, both principal of and
188 interest on the Bonds shall be payable out of annual tax levies to be made upon all the
189 taxable property within the county without limitation as to rate or amount and in excess
190 of any constitutional or statutory tax limitations. After voter approval of the Bond
191 proposition and in anticipation of the issuance of the Bonds, the county may issue short
192 term obligations as authorized by chapter 39.50 RCW. Proceeds of the Bonds may be
193 used to redeem and retire short term obligations or to reimburse the county for
194 expenditures previously made for the Improvements.

195 **SECTION 3. Bonds Election.**

196 The clerk of the council shall certify the following proposition to the director of
197 elections, in substantially the following form, with such additions, deletions or
198 modifications as may be required by the prosecuting attorney:

199 KING COUNTY PROPOSITION NO. ____

200 HARBORVIEW MEDICAL CENTER

201 HEALTH AND SAFETY IMPROVEMENT BONDS - \$1,740,000,000

202 The Metropolitan King County Council has passed Ordinance _____

203 concerning this proposition to issue Harborview Medical Center

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204 improvement bonds. This proposition would authorize King County to
205 make public health, safety and seismic improvements to Harborview
206 Medical Center facilities, including construction of new buildings,
207 renovation and upgrading of existing facilities and demolition of existing
208 buildings, and to issue \$1,740,000,000 of general obligation bonds
209 maturing within a maximum of 20 years to pay for such improvements and
210 to levy property taxes annually in excess of regular property tax levies to
211 repay such bonds, all as provided in Ordinance _____. Should the
212 proposition be:

213 Approved

214 Rejected

215 **SECTION 4. Severability.** In the event one or more of the provisions of
216 this ordinance shall for any reason be held to be invalid, such invalidity shall not
217 affect or invalidate any other provision of this ordinance or the Bonds, and this
218 ordinance and the Bonds shall be construed and enforced as if the invalid
219 provision is separable from and was not contained in this ordinance. Any

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220 provision that shall for any reason be invalid shall be deemed to be in effect to the
221 extent permitted by law.
222

Ordinance 19117 was introduced on 4/28/2020 and passed as amended by the Metropolitan King County Council on 6/23/2020, by the following vote:

Yes: 9 - Ms. Balducci, Mr. Dembowski, Mr. Dunn, Ms. Kohl-Welles, Ms. Lambert, Mr. McDermott, Mr. Upthegrove, Mr. von Reichbauer and Mr. Zahilay

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

DocuSigned by:
Claudia Balducci
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Claudia Balducci, Chair

ATTEST:

DocuSigned by:
Melani Pedroza
8DE1BB375AD3422...

Melani Pedroza, Clerk of the Council

APPROVED this 8 day of July, 2020.
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DocuSigned by:
Dow Constantine
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Dow Constantine, County Executive

Attachments: A. Health and Safety Improvements for Harborview Medical Center, dated June 23, 2020

ATTACHMENT A

Health and Safety Improvements for Harborview Medical Center

- New construction and renovation of existing buildings to provide for: increasing critical health care capacity; updating and expanding infection control capability; and expanding capacity for behavioral health services, including facilities for substance use disorder and mental health treatment.
- Renovation, retrofitting, and improvements to existing buildings to increase seismic stability.
- Upgrade of mechanical, electrical, way finding, and other building and physical plant systems.
- Street improvements, landscaping, and mitigation required in connection with the above improvements.
- Demolition of buildings.