

Recommended Program Plan for Harborview Medical Center Health and Safety Improvements

Per Ordinance 19583

August 1, 2023



King County

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II. Executive Summary

Harborview Medical Center (HMC) is a 540-licensed bed hospital owned by King County and operated by University of Washington Medicine (UW Medicine) through a [Hospital Services Agreement](#) between King County and the University of Washington.^{1,2} The hospital is overseen by a 13-member Board of Trustees appointed by King County. HMC is one of the nation's leading academic medical centers and is the only adult and pediatric Level 1 Trauma Center serving a four-state region (Alaska, Idaho, Montana, and Washington).

Based on findings from the [2020 Harborview Leadership Group Report](#), the November 2020 ballot included a Proposition authorizing the County to issue \$1.74 billion in capital bonds to fund public health, safety, and seismic improvements for HMC.³ King County voters approved Proposition 1, the Harborview bond levy, with more than 76 percent of the vote.

In late 2022, King County requested that its HMC Bond Program project management consulting firm, Vanir, review and update the 2019 cost assumptions used to establish the HMC Bond Program.⁴ King County requested this review both as part of its planning for the next phases of the Bond work but also in light of the global COVID-19 pandemic and associated impacts to the supply chain and workforce.

Reflective of rising costs across the country post-pandemic, the Vanir team's review and resulting Cost Study report confirmed that the HMC Bond Program faces financial pressures from the impacts of inflation, labor, and supply chain challenges. The (initial) Vanir team Cost Study dated January 24, 2023, identified an estimated \$900 million gap between anticipated revenues and the updated cost of the Harborview Bond Program; the funding gap was updated from \$900 million to \$888 million in March.

On March 29, 2023, the King County Council passed Ordinance 19583 calling for a workgroup to develop and submit a Program Plan recommending health and safety improvements at the Harborview Medical Center that can be built within the amount of the bond revenues estimated to be available, with a report on its recommendation due to the Council on August 1.⁵ An Ordinance Workgroup (OWG) was established shortly after passage of the Ordinance, comprised of leaders from UW Medicine, Harborview's Board of Trustees, the King County Council, and the King County Executive's Office.

To deliver on its charge, the OWG was supported by a wide array of subject matter specialists from UW Medicine and King County, along with consultants from the Vanir team. It is estimated that combined,

¹ Ordinance 18232.

² Harborview's licensed number will increase by 40 to 540 when the Maleng Single Patient Bed Project is completed. The project will deliver up to 40 new single patient rooms by converting two floors in the Maleng Building into inpatient units. Bond funds are not used for the Maleng Project.

³ Ordinance 19117, <https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=4420195&GUID=EC4B4B66-6924-4FDC-BBDF-A8708840BC8D&Options=Advanced&Search=>

⁴ The Cost Study was conducted by Cumming, a subconsultant of Vanir, which part of the Vanir Team.

⁵ <https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=6038857&GUID=CFD56215-F3AB-4563-877E-519F3E9B58D0&Options=Advanced&Search=> accessed 6.28.23

more than 11,000 staff and consultant hours were expended to fulfill the requirements of Ordinance 19583 during the mid-March to August 1 timeframe.

Early in the OWG process, Trustees and UW Medicine leadership identified the construction of a new patient tower (new tower) as their main priority. As a group, the OWG coalesced around prioritizing additional single patient beds and a new tower, given Harborview's growing demand for beds and the expansion of its licensed bed numbers from 413 beds in 2020 to 500 beds in 2023 and 540 when the Maleng Single Patient Bed Project is completed.⁶ Harborview projects that, by 2031, it will need 684 beds and 740 by 2040.⁷ UW Medicine and Trustee OWG participants noted that single patient beds provide for better infection control, patient safety, and quality of care. Notably, the COVID-19 pandemic's impact on Harborview's projected need for increased bed capacity was unexpected and significant. As observed during a recent OWG tour, patient beds are in hallways and in conference rooms turned into makeshift wards, with no privacy, adversely impacting infection control.

In addition to prioritizing the building of a new tower, County representatives on the OWG confirmed that improving behavioral health services and meeting the needs of the mission population were its shared focus.

The OWG established a shared understanding that the work produced for the OWG would be conceptual and high level, serving as benchmarks, not final nor firm estimates due in part to many moving pieces and timelines which may impact costs.

At its June 23 meeting, the OWG unanimously supported a Harborview Bond Program Plan to be constructed with the available funds as authorized by Ordinance 19117. The recommended Program Plan has two key components: 1) construction of a new 10-story tower (base tower) with seven finished and three shelled floors and 2) expansion of County spaces. Data provided by the Vanir team shows that the two components can be built for the \$1.7 billion bond amount. The recommended Program Plan was determined by the OWG after considering the operational needs of Harborview and the shared priorities of King County, the Board of Trustees, and UW Medicine.

Subject matter experts from the Vanir team, Harborview, and King County identified five major areas that have the potential to impact the Program Plan's proposed square footage, cost, planned uses, and timelines. Factors that lengthen timelines, add costs, or are the result of regulatory requirements may impact execution of the recommended Program Plan. The factors are:

1. Further cost escalation;
2. City of Seattle regulatory processes and timelines;
3. Site limitations;
4. Supply chain interruptions; and
5. Hospital operational funding challenges.

⁶ The Maleng Single Patient Bed Project will deliver up to 40 new single patient rooms by converting two floors in the Maleng Building into inpatient units. Bond funds are not used for the Maleng Project.

⁷ Please see April 19, May 19, June 23 OWG meeting materials in Appendix D for more information on Harborview's needed bed capacity.

All hospitals in the state are struggling financially.⁸ Yet, Harborview's financial challenges are more severe and more severely impact the mission population due to the high volume of Medicaid and Medicare patients it serves - 70 percent of its total - and the fact that these programs have historically low reimbursement rates.⁹ As a public hospital, Harborview operates on a thin financial margin with tight reserves. These financial challenges are exacerbated by the broader healthcare system's inability to swiftly place people for whom a lower level of medical care is needed in a facility outside of Harborview.

The array of legally available funding options, including state and federal funds, County voter approved and councilmanic funding options, and philanthropy, is discussed in this report. Eight voter approved or councilmanic options available to raise additional funds are described, ranging from unlimited general obligation facility bonds to property tax levy lid lifts to establishing a Public Hospital District. Analysis of existing funding sources – the County's Crisis Care Centers Levy, the Mental Illness and Drug Dependency sales tax, along with public-private partnerships – is provided.

The Executive will continue to implement this bond funded capital improvement program in accordance with the adopted Hospital Services Agreement and all applicable laws and statutes. The implementation of the Program Plan will continue to comply with King County Code (KCC) Title 4A by following existing policies and procedures, monitored by the Office of Performance Strategy and Budget. Associated capital improvement programs created under KCC 4A.100.030 will be included in the six-year capital improvement program budgets proposed to the Council. Pursuant to KCC 4A.130, the Executive will submit to the Auditor's Office, in collaboration with the Harborview Board of Trustees and UW Medicine, risk scores utilizing the Auditor's Office Risk Scoring Tool.

Currently, the Harborview Bond Program Administrator provides a Bond Program status briefing at the regularly scheduled monthly Harborview Board of Trustee Capital Planning Oversight Committee (CPOC). The Facilities Management Division (FMD) Director and the Bond Program Administrator meet monthly with the King County Auditor's Office to provide a Bond Program status update. In the spirit of collaboration, information sharing, and partnership with UW Medicine, Harborview Trustees, the King County Council, and the King County Auditor's Office, the Executive expects that existing and new monitoring activities, including the newly requested monthly reports on the Bond Program, will enable early identification and discussion of instances where the Program Plan may need substantive alteration. In addition, the Executive will notify the Council by letter should the Program Plan components become impractical or require substantive changes. The letter will identify the issue, recommended next actions to address the needed change, and relevant timelines. The Executive's notification of proposed changes will provide the Council at least 30 days to consider and act on the proposal.

By leveraging existing forums, workgroup staff gathered feedback from as many of the mission population, labor, and First Hill neighborhood residents as feasible in the compressed timeframe. A total of eight virtual and in-person engagement sessions were held. Engagement themes generally echoed input received during the 2018-2020 Harborview Leadership Group (HLG) engagement process. A significant portion of the feedback received during engagement pertained to *services* rather than *facilities*.

⁸ Pfarr, T. (2023, March 27). *Year-end survey shows financial challenges continue for Washington's Hospitals*. Washington State Hospital Association. <https://www.wsha.org/articles/year-end-survey-shows-financial-challenges-continue-for-washingtons-hospitals/> accessed July 11, 2023

⁹ Medicaid/Medicare data provided by UW Medicine.

The OWG updated the Leadership Group (HLG) criteria, adding two additional criterion to reflect current needs: 1) *Increases bed capacity and space to meet current/future patient needs at HMC* which responds to the evolving capacity needs of Harborview and 2) *Improves utilities, infrastructure, and other key facility systems to enhance the campus' long-term resiliency* which responds to the need to improve the medical center's infrastructure and facility systems from the operational and environmental perspectives. The OWG reviewed the analytical criteria in its meetings. The results of applying the analytical criteria show that, as it did in the HLG process, not building a new tower would have a negative impact on each criteria area.

The OWG focused its work on identifying a Program Plan recommendation for Harborview Medical Center that best serves the mission population, the hospital, and community needs. Analysis conducted for the OWG process built on the work that the HLG did to vet facility options in 2018-2020, including considering equity and social justice (ESJ) criteria. As was the case with the HLG, the analysis conducted for the OWG reflects the following overarching equity finding that, "...the aging HMC physical plant limits the ability of HMC and King County to provide care and services to the mission population and residents of King County."¹⁰

During its work to meet the requirements of Ordinance 19583, the OWG recognized that a number of the 2020 HLG facility improvement recommendations could not be funded with the \$1.7 billion authorized by voters due to cost escalation. In addition, Harborview is requesting additional single patient beds beyond the number originally planned in the 2020 Bond. Given these factors, some elements of the HLG recommended Bond Program must be funded by other means to be achieved. In response, the OWG provided tiered prioritization of facility improvements to the Council and Executive should additional funds become available. The OWG Program Plan recommendation, along with the tiered components, address each improvement recommended in the 2020 HLG Report.

It is undisputed that Harborview Medical Center is an indispensable local, state, and inter-state public hospital providing access to excellent health care for the most vulnerable and marginalized populations. Its dedicated staff and providers continue to provide the highest quality care to patients despite outdated, inefficient, and run-down facilities.

The OWG confronted the very tough and multipronged challenges of a shrinking dollar, growing costs, and expansion of needs since the 2020 Harborview Leadership Group completed its work. Understanding that Harborview's mission and service to its mission population are paramount, and that each recommendation impacts the mission population in one way or another, the OWG identified a recommended Program Plan that maximizes what the \$1.74 billion can do now to serve the highest needs of the hospital and the County.

Each required element of Ordinance 19583 is described in this report. The information provided in this document is synthesized from OWG's discussions and recommendations, materials provided to the OWG, and supplementary information used to develop the materials for the OWG. This report has been reviewed by the members of the OWG and subject matter experts from King County, Harborview Medical Center, UW Medicine, and Vanir.

¹⁰ Harborview Leadership Group Report, pg. 4.

III. Background

Harborview Medical Center. Harborview Medical Center (HMC) is a 540-licensed bed hospital owned by King County and operated by University of Washington Medicine (UW Medicine) through a [Hospital Services Agreement](#) between King County and the University of Washington.^{11,12} The hospital is overseen by a 13-member Board of Trustees appointed by King County.

HMC is a comprehensive regional health care facility dedicated to providing specialized care for a broad spectrum of patients, the control of illness, and the promotion and restoration of health. Harborview is one of the nation's leading academic medical centers and is the only adult and pediatric Level 1 Trauma Center serving a four-state region (Alaska, Idaho, Montana, and Washington).

The medical center is home to a wide range of critical medical and behavioral health services, including state-of-the-art emergency medical services, general medicine and specialty clinics and centers of excellence in burn, neurosciences, ophthalmology, infectious disease, and rehab therapy. Harborview's mission ensures that the following patients and programs are given priority care:¹³

- Persons who are non-English speaking poor
- Persons who are uninsured or underinsured
- Persons who experience domestic violence
- Persons who experience sexual assault
- Persons incarcerated in King County's Jails
- Persons with mental illness, particularly those treated involuntarily
- Persons with substance abuse
- Persons with sexually transmitted diseases
- Persons who require specialized emergency care
- Persons who require trauma care
- Persons who require burn care



Services Offered at HMC. The Harborview campus facilities house a variety of services provided by UW Medicine and also by King County as highlighted below:

Behavioral Health: A variety of in- and out-patient behavioral health services, including psychiatric emergency services, outpatient clinics, and medication assisted treatment are provided at the HMC campus. In addition, King County's

¹¹ Ordinance 18232.

¹² Harborview's licensed number will increase by 40 to 540 when the Maleng Single Patient Bed Project is completed. The project will deliver up to 40 new single patient rooms by converting two floors in the Maleng Building into inpatient units. Bond funds are not used for the Maleng Project.

¹³ The County-approved mission statement is incorporated into the Hospital Services Agreement via Ordinance 18232.

Superior Court operates the Involuntary Treatment Court at Harborview.¹⁴

Trauma Response: As the only Level I Adult and Pediatric Trauma Center in Washington, HMC provides specialized comprehensive emergency services to patients throughout the region and serves as the disaster preparedness and disaster control hospital for Seattle and King County. It is also the only Level 1 Trauma Center serving a four-state region (Alaska, Idaho, Montana, and Washington).

International Medicine: HMC is unique in its offering of an International Medicine Clinic, providing primary care and mental health care services to adult refugees and immigrants. Staff speak a number of languages in addition to English, including Spanish, Amharic, Cantonese, Chao Jo, Mandarin, Hmong, Khmer, Laotian, Mien, Oromo, Somali, Tigrinya and Vietnamese; interpreter services are also available.

Emergency Management / Disaster Relief: The medical center is the regional emergency management command center during a natural disaster or major crisis event. The hospital is required to have flexible inpatient beds, operating capacity, and rapid response systems as needed for a crisis response.

Infection and Infectious Disease Control: HMC is at the forefront of containing and combating infectious diseases. Harborview is required to have clinical facilities and isolation room capacity to respond to emergency infectious disease outbreaks.

King County Clinics and Services: A number of King County's core public health services are located at Harborview, including the Tuberculosis (TB) Clinic, Sexual Health Clinic, the County's Public Health Lab, the Vital Statistics Office, and the King County Medical Examiner. King County operates a 24/7 homeless shelter at Harborview Hall in partnership with the Salvation Army.



Over time, Harborview's medical facilities have expanded and changed to meet the demands of a growing and diverse population, as well as advancements in the fields of patient care, research, medicine, and technology. King County has provided for such facility improvements and expansions through voter-approved financing, generally occurring every 15-20 years.

2018-2020 Harborview Leadership Group.

In 2018, [King County Motion 15183](#) created a planning process for a potential bond to support capital improvements at HMC. The Motion

called for the establishment of a leadership group, comprised of representatives from HMC

¹⁴ The Involuntary Treatment Act (ITA) Court at Harborview Medical Center handles petitions for court-ordered mental health treatment which is not part of a criminal case.

management, HMC Board of Trustees, University of Washington, labor, the First Neighborhood Association, the mission population served by HMC, the King County Council, and King County Executive Office, to identify hospital and community needs in the planning for a potential facilities bond for HMC.¹⁵ The Harborview Leadership Group (HLG) was charged with making recommendations on HMC's capital program to the Capital Planning Oversight Committee the HMC Board of Trustees, the County Executive, and the County Council.

The HLG met for 13 months between December 2018 and January 2020 to review facility needs as called for by Motion 15183. Supported by staff from HMC, UW Medicine, the King County Council, and the King County Executive's Office, the HLG reviewed data and information to come to its recommendation on size and scope of a potential bond for HMC.¹⁶

The County, with participation from HMC, engaged the architectural/space planning consulting firm of HDR to assist with options development and cost estimates to inform HLG's consideration of size and scope of a potential bond. A facilitation consultant, Christina Hulet Consulting, was contracted to support the HLG in meeting its charge. A stakeholder engagement process was deployed so that community priorities could be taken into consideration by the HLG in its deliberations.

The HLG Report states,

The medical center's facilities are aging and outdated in terms of modern medical best practice standards for infection control and privacy. The hospital operates at almost 100 percent capacity on a daily basis. Facility configuration and capacity constraints significantly impact hospital operations, resulting in virtually no vital surge capacity (ability to house more patients in the event of an emergency), no capacity for growth, and limited flexibility for hospital operations. The older structures on the campus have not been seismically upgraded and pose life safety risks during a major earthquake. In summary, the aging HMC physical plant limits the ability of HMC and King County to provide care and services to the mission population and residents of King County.¹⁷

The Executive transmitted the [Harborview Leadership Group Report](#) to the King County Council on April 7, 2020, with the following recommendations for a potential 2020 Bond Program as shown in Table 1.

¹⁵ List of Harborview Leadership Group members attached as Appendix B

¹⁶ Staff list is attached as Appendix C.

¹⁷ Harborview Leadership Group Report, pg. 4.

Table 1. Harborview Leadership Group Recommendations

Component Name	Component Description	2019 Estimated Cost* <i>*Subject to modification</i>
New Tower	Increase bed capacity; expand/modify ED; meet privacy and infection control standards; disaster prep; plant infrastructure	\$952M
New Behavioral Health Building	Existing behavioral health services/programs and Behavioral Health Institute services/programs	\$79M
Existing Hospital Space Renovations	Expand ITA court in most appropriate location; move/expand gamma knife; lab; Public Health TB, STD, MEO; nutrition, etc.	\$178M
Harborview Hall	Seismic upgrades; improve/modify space; create space for up to 150 respite beds; maintain enhanced homeless shelter in most appropriate location	\$108M
Center Tower	Seismic upgrades; improve and modify space for offices	\$248M
Pioneer Square Clinic	Seismic and code improvements; improve and modify space for medical clinic/office space	\$20M
East Clinic	Demolish East Clinic Building	\$9M
Site Improvements/ Other Costs	Site preparation; One Percent for Art; Project Labor Agreement; Project Management	\$146M
Total		\$1.74B

2020 Harborview Bond Ordinance. Ordinance 19117, adopted by the King County Council in June 2020, placed a proposition on the November 2020 ballot authorizing the County to issue \$1.74 billion in capital bonds to fund public health, safety, and seismic improvements for HMC.¹⁸ King County voters approved Proposition 1, the Harborview bond levy, with more than 76 percent of the vote.

2021-2023 Bond Program Planning and Execution. As reported in the Harborview Bond Program Status Reports ([June 2021](#), [December 2021](#), [December 2022](#)), the first two years after passage of Proposition 1 focused on financial planning, hiring staff, as well as identifying and launching the start-up elements for a massive multi-year, multi-phased Bond Program.

The first Bond Program employee, the Bond Program Administrator, was hired by the County in March 2021. The project management consultant contract was signed in February 2022 after a nine-month selection process. Harborview, UW Medicine, and County Bond Program staff frequently and regularly met to collaborate on program development, forming issue based work teams in addition to meeting for overall joint work items. In addition to ongoing work and planning involving King County, Harborview

¹⁸ Ordinance 19117, <https://mkcclegisearch.kingcounty.gov/LegislationDetail.aspx?ID=4420195&GUID=EC4B4B66-6924-4FDC-BBDF-A8708840BC8D&Options=Advanced&Search=>

Medical Center, and UW Medicine, five Bond Program Oversight Committee meetings were held between May 2021 and November 2022.¹⁹

2023 Harborview Bond Program Cost Study. In late 2022, King County requested that its HMC Bond Program project management consulting firm, Vanir, review and update the 2019 cost assumptions used to establish the HMC Bond Program.²⁰ King County requested this review both as part of its planning for the next phases of the Bond work but also in light of the global COVID-19 pandemic and associated impacts to the supply chain and workforce.

Reflective of rising costs across the country post-pandemic, the Vanir team’s review and resulting Cost Study report confirmed that the HMC Bond Program faces financial pressures from the impacts of inflation, labor, and supply chain challenges. The (initial) Vanir team Cost Study, dated January 24, 2023, identified an estimated \$900 million gap between anticipated revenues and updated cost of the Harborview Bond Program.

In February 2023, each King County Councilmember, along with leadership from UW Medicine and the HMC Board of Trustees, received individual briefings on the expanded costs from executive staff. Digital copies of the Cost Study were also provided. On March 6, 2023, the King County Council’s Committee of the Whole received an initial briefing from King County Facilities Management Division (FMD) staff and the Vanir team Bond Program consultants. On March 7, 2023, as a result of analysis from the Auditor’s Office, the consultants updated the Cost Study. The funding gap was updated from \$900 million to \$888 million. The March 2023 Cost Study is in Appendix B.

Table 2. UPDATED Harborview Leadership Group Recommendations – March 2023²¹

Component Name	Component Description	2019 Estimated Cost	2023 Estimated Cost	Delta
New Tower	Increase bed capacity; expand/modify ED; meet privacy and infection control standards; disaster prep; plant infrastructure	\$952M	\$1.42B	(\$463M)
New Behavioral Health Building	Existing behavioral health services/programs and Behavioral Health Institute services/programs	\$79M	\$136M	(\$57M)

¹⁹ The Harborview Bond Oversight Committee was established between UW Medicine, Harborview Medical Center Board of Trustees, the Chair of the King County Council, and the Executive in 2021. It disbanded by mutual agreement of each entity in 2023 as the Board of Trustees Capital Planning Oversight Committee became the primary forum to discuss Bond Program business.

²⁰ The Cost Study was conducted by Cumming, a subconsultant of Vanir, which is part of the Vanir team.

²¹ From the March 7, 2023, Vanir Team Cost Study, pg. 3. See Appendix B.

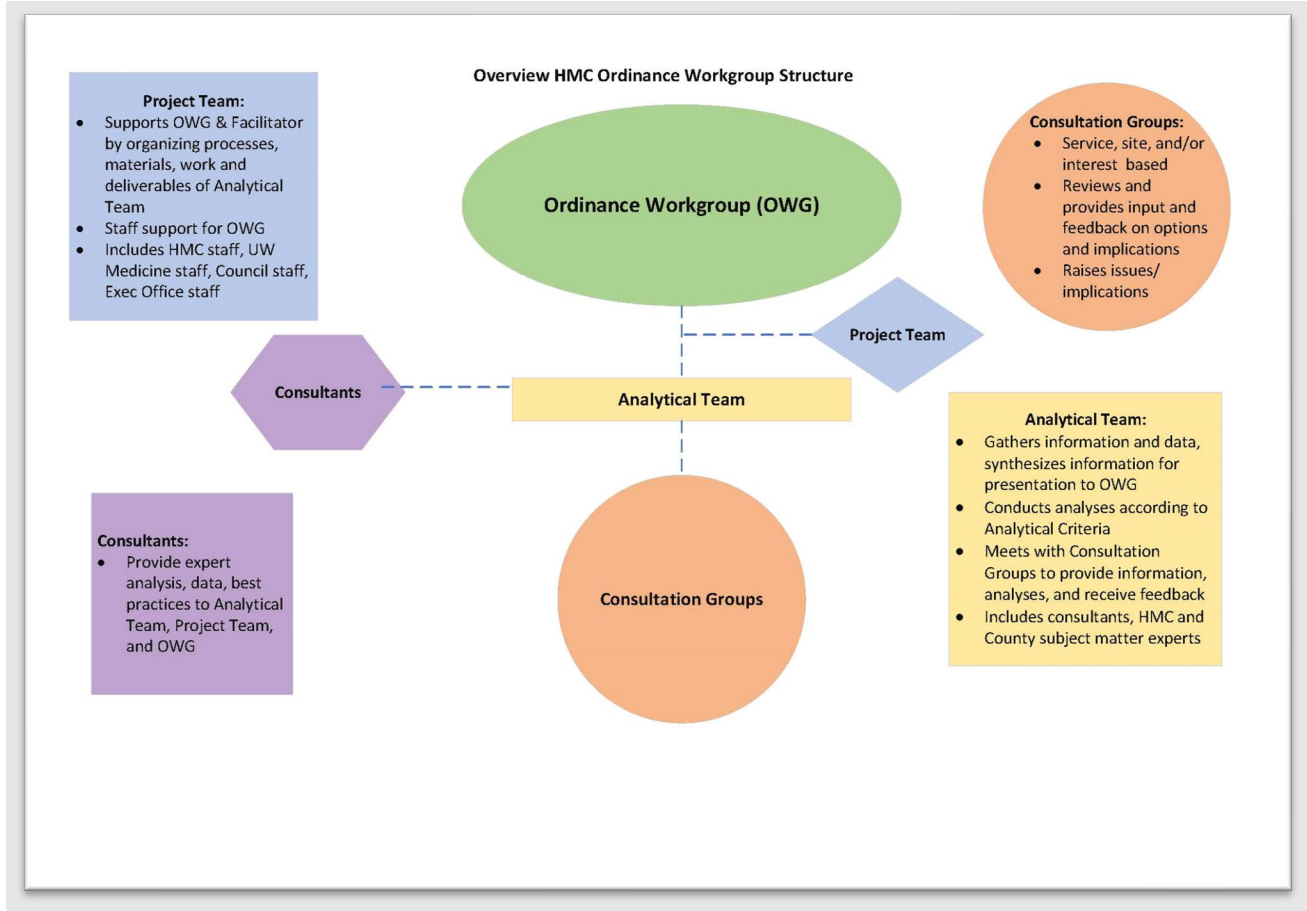
Component Name	Component Description	2019 Estimated Cost	2023 Estimated Cost	Delta
Existing Hospital Space Renovations	Expand ITA court in most appropriate location; move/expand gamma knife; lab; Public Health TB, STD, MEO; nutrition, etc.	\$178M	\$301M	(\$123M)
Harborview Hall	Seismic upgrades; improve/modify space; create space for up to 150 respite beds; maintain enhanced homeless shelter in most appropriate location	\$108M	\$163M	(\$55M)
Center Tower	Seismic upgrades; improve and modify space for offices	\$248M	\$318M	(\$70M)
Pioneer Square Clinic	Seismic and code improvements; improve and modify space for medical clinic/office space	\$20M	\$30M	(\$10M)
East Clinic	Demolish East Clinic Building	\$9M	\$12M	(\$3M)
Site Improvements/ Other Costs	Site preparation; One Percent for Art; Project Labor Agreement; Project Management	\$146M	\$254M	(\$108M)
Total		\$1.74B	\$2.63B	(\$889M)

Ordinance 19583 and Ordinance Workgroup. On March 29, 2023, the King County Council passed Ordinance 19583 calling for a workgroup to develop and submit a Program Plan recommending health and safety improvements at the Harborview Medical Center that can be built with the amount of the bond revenues estimated to be available.²² The Ordinance Workgroup (OWG) was established shortly after passage of the Ordinance, comprised of leaders from UW Medicine, Harborview’s Board of Trustees, the King County Council, and the King County Executive’s Office. Its first meeting was held on March 29.

Ordinance Timeline: The timeline assigned by the King County Council to bring the OWG together, engage a facilitator, gather information, conduct community engagement, complete its analysis, make its recommendations, and submit this report was just over 17 weeks. This timeline impacted various elements of the analysis, such as short cycle times between meetings to gather and refine information and ability to engage stakeholders.

²² Appendix A

Figure 1. Ordinance Workgroup Structure



OWG Structure: To accomplish the requirements of Ordinance 19583 in the timeline established by the Council, it was necessary to implement a clear project management structure and deliverables timeline. Figure 1 depicts the key roles and components of the OWG structure: the OWG, the Project Team, the Analytical Team, Consultants, and the Consultation Groups (note that Consultation Groups are also referred to as stakeholder groups in this report and supporting materials).

- The Project Team, comprised of leadership from UW Medicine, Harborview, Council staff, and the Executive Office together worked diligently with the facilitator to develop, manage, monitor, and deliver all elements of information to the OWG pursuant to Ordinance 15983. The team collaborated on every aspect of the OWG work, from reviewing deliverable materials, to problem solving all range of issues, to ensuring information was provided to OWG in the configuration requested, to ensuring agendas were publicly available, to scheduling meetings. Each Project Team member worked with their associated organizational OWG members, including Trustees, as needed to support the individual organizational needs as well as serve the overarching goals of the OWG. The Project Team helped organize the work and deliverables of the Analytical Team, ensuring the information needs of the OWG were met. The Project Team

served as the organizational backbone of the OWG meeting multiple times per week as the Project Team, with the Analytical Team, with individual members of the OWG, along with subject matter experts and consultants.

- The Analytical Team, comprised of staff subject matter specialists from King County, UW Medicine, and Harborview along with an array of the Vanir team’s consultant experts was the analytical engine of the OWG. Team members, each bringing their own deep knowledge of facilities, hospital operations, clinical practices, finance, contracting and policymaking, worked together to gather, review, update, and examine the necessary and requested information for the OWG. Team members participated in sub team groups focused on specific analytical questions, such as exploring financial tools or seismic code requirements, coming together as a broader group to review and discuss findings and conclusions. The Analytical Team developed and/or reviewed materials provided to the OWG. Members of the Project Team also served as part of the Analytical Team.

Aside from engaging a neutral facilitator as required by the Ordinance, no additional resources were utilized to fulfill the requirements of the Ordinance. Staff from King County’s Facilities Management Division, the Harborview Bond Program, the Office of Performance, Strategy, and Budget, and Executive Office, along with staff from Harborview Medical Center and UW Medicine, were redeployed to accomplish the requirements of the Ordinance. Close to 30 UW Medicine staff and King County staff, along with a cadre of consultants were involved in supporting the work called for by Ordinance 19583, requiring significant reprioritization of organizational work as staff were reassigned to this high priority project. It is estimated that combined, over 11,000 staff and consultant hours were expended to fulfill the requirements of Ordinance 19583 during the mid-March to August 1 timeframe.

Please see Appendix C for a roster of members of Project and Analytical Teams, along with consultants, who participated in the development or review of information provided to the OWG.

The OWG: The OWG convened its first meeting on March 29, 2023. It met as a group a total of eight times in the 12 weeks between March 29th and June 23rd. Christina Hulet Consulting provided facilitation services for the OWG meetings and assisted the OWG to achieve consensus on its recommended Harborview Bond Program Plan (Program Plan).

At its first meeting, the OWG:

- Reviewed and discussed its collective charge, processes, and decision-making approach;
- Discussed the shared understanding that the work produced for the OWG would be conceptual and high level, serving as benchmarks, not final nor firm estimates;²³
- Reviewed and updated the HLG analytical criteria it would use to guide its work (note: the analytical criteria is further discussed in section IV G.4.);
- Identified key assumptions; and
- Provided guidance to the Analytical Team.

²³ This is due in part to many moving pieces and timelines that may impact actual costs.

During its subsequent meetings, the OWG received briefings from consultants and staff on a wide range of matters ranging from the planned Bond Program components identified by the HLG, to the landscape of Harborview's current needs, to various Bond Program scenarios. Each meeting included robust discussion between members as they scrutinized information, discussed organizational priorities and needs, and identified further analytical questions for staff and consultants to address. OWG members expressed that the work needed to be approached with creativity and flexibility.

Early in the OWG process, HMC Trustees and UW Medicine leadership identified building a new patient tower (new tower) as their main priority. As a group, the OWG coalesced around prioritizing additional single patient beds and a new tower given Harborview's growing demand for beds and the expansion of its licensed bed numbers from 413 beds in 2020 to 500 beds in 2023 and 540 when the Maleng Single Patient Bed Project is completed.²⁴ Harborview projects that by 2031, it will need 684 beds and 740 by 2040.²⁵ UW Medicine and Trustee, and OWG participants noted that single patient beds provide for better infection control, patient safety, and quality of care. Modernized spaces are required to meet code and regulatory requirements. Furthermore, modernized spaces enable the hospital to achieve greater operational efficiencies which would help Harborview to address its ongoing financial challenges.

The [2020 HLG Report](#) states,

*Harborview is constantly working to improve the hospital's operational efficiency and at the same time provide world class patient care to our mission population and the residents of King County. But no amount of operational improvements can overcome the existing bed capacity constraints that hospital staff have to manage on a daily basis. If there is no increase in patient rooms on the Harborview's campus, King County's population growth all but guarantees that the current bed capacity constraints will continue to be a major issue for decades to come.*²⁶

In addition to prioritizing the building of a new tower, County representatives on the OWG confirmed that improving behavioral health services and meeting the needs of the mission population were its shared focus. See Appendix D for OWG meeting materials and Appendix E for OWG meeting notes.

Report Methodology. The information provided in this document is synthesized from OWG's discussions and recommendations, materials provided to the OWG along with supplementary information used to develop the materials for the OWG. The report has been reviewed by the members of the OWG and subject matter experts from King County, Harborview Medical Center, UW Medicine, and Vanir.

As directed by Ordinance 19583, the OWG, through the members of the Analytical Team, provided consultation and input opportunities to inform a Harborview Bond Plan that best serves the public

²⁴ The Maleng Single Patient Bed Project will deliver up to 40 new single patient rooms by converting two floors in the Maleng Building into inpatient units. Bond funds are not used for the Maleng Project.

²⁵ Please see April 19, May 19, June 23 OWG meeting materials in Appendix D for more information on Harborview's needed bed capacity.

²⁶ Harborview Leadership Group Report Appendix F, pg. 5

interest. Eight engagement sessions were held in May, with more than 100 participants representing an array of experiences and needs, providing feedback to the OWG. Details of the engagement work is outlined in section IV, subsection G4 of this report and Appendix F.

IV. Ordinance 19583 Requirements

The requirements of Ordinance 19583 are addressed in detail in the sub sections below.

A. The workgroup shall develop a program plan that recommends those health and safety improvements at the Harborview Medical Center that can be built within the amount of the bond revenues estimated to be available and as authorized by Ordinance 19117

At its June 23 meeting, the Ordinance Work Group (OWG) unanimously supported a Harborview Bond Program Plan to be constructed with the available funds as authorized by Ordinance 19117. The recommended Program Plan has two key components: 1) construction of a new 10-story tower (base tower) with seven finished and three shelled floors and 2) expansion of County spaces. See subsection B.1. below for component details. Data provided by the Vanir team to the OWG via King County Facilities Management Division (FMD) and the Analytical Team shows that the two components can be built for the \$1.7 billion bond amount. See OWG meeting packets for June 9 and June 16 in Appendix D.

The recommended Program Plan was determined by the OWG after considering the operational needs of Harborview and the shared priorities of King County, the Board of Trustees, and UW Medicine. It was informed by 12 weeks of analysis, information, and discussion as reflected in the OWG meeting materials and meeting notes that are included as Appendices D and E to this report.

The OWG’s recommended Program Plan reflects the priorities of:

- Adding single patient room capacity in a new building;
- Increasing operating room (OR) and emergency department (ED) capacity;
- Expanding of behavioral health services through psychiatric emergency services (PES) and crisis stabilization unit (CSU);
- Providing for right-sizing of essential services (e.g., pharmacy, lab, clinical engineering, environmental services, kitchen);²⁷
- Achieving greater operational efficiencies for the hospital; and
- Expanding King County spaces (e.g., TB Clinic, Public Health Lab, Sexual Health Clinic, Medical Examiner’s Office, ITA Court).

B1. Describe each proposed component capital improvement project within the program plan

²⁷ In this context, “right-sizing” means updating the size and location of key services that are needed for a new patient tower and expanded ED. For example, an expanded ED and new beds require additional environmental services; more ORs require additional clinical engineering, etc.

As noted earlier in this document and in the OWG meetings, the information on the planned components is conceptual and subject to change. These are estimates based on data currently available. Further detailed space needs calculations and analysis will occur as part of the Bond Program phasing and sequencing. Changes may occur based on forecasted hospital volume projections along with items discussed in subsection B.2 below.

The specific components of the OWG’s recommended Program Plan are described below in Tables 3 and 4.

1. New Tower

Table 3. OWG Recommendation – New Tower

OWG Recommended New Tower Component	Description of Planned Component	Estimated Square Footage of Completed Component²⁸
Seven finished inpatient bed floors	<ul style="list-style-type: none"> Estimated minimum 224 beds 32 beds per floor x 7 floors = 224 new beds Usable upon completion 	34,000 sq ft / floor
Three shelled inpatient bed floors	<ul style="list-style-type: none"> Completed but unfinished floors Floors, windows, walls, some infrastructure (e.g., plumbing, HVAC) Will be completed as additional funds become available 	34,000 sq ft / floor
12 operating rooms (ORs)	<ul style="list-style-type: none"> Additional ORs Including perioperative support (e.g., post anesthesia care unit, prep/holding and OR support spaces) 	65,000 sq ft
Expanded single floor emergency department (ED)	<ul style="list-style-type: none"> Expanded ED with additional single patient treatment rooms and allowing for modern models of emergency care 	87,000 sq ft (includes PES & CSU)
Expanded Behavioral Health Services	<ul style="list-style-type: none"> Psychiatric Emergency Services (PES): renovated & expanded by up to six new single patient rooms New Crisis Stabilization Unit (CSU): 23-hour observation unit with approximately 18 recliner chairs and single patient quiet rooms 	
Observation Unit	<ul style="list-style-type: none"> For patients requiring less than a 24 hour stay for medical care 	20,000 sq ft

²⁸ These estimates are based on the data currently available. More detailed space needs calculations and analysis will be developed as part of the Bond program phasing and sequencing, and these numbers may change.

OWG Recommended New Tower Component	Description of Planned Component	Estimated Square Footage of Completed Component²⁸
Right-sized essential services	<ul style="list-style-type: none"> Pharmacy, lab, clinical engineering, environmental services, kitchen 	150,000 sq ft
Parking	<ul style="list-style-type: none"> Minimum 350 replacement parking spots for View Park Garage spots that will be lost to make room for new tower 	160,000 sq ft
Helicopter pads	<ul style="list-style-type: none"> Minimum two pads; potentially a third if feasible 	35,000 sq ft

2. Expansion of County Spaces - The original HLG recommendations included renovation of existing spaces, including renovation and expansion of County spaces. The OWG’s recommended Program Plan includes renovation and expansion of County spaces, as shown below in Table 4. These space expansions will occur in existing facilities.

Table 4. OWG Recommendation – County Space Expansion

OWG Recommended County Space Expansion Component	Description of Planned Component	Estimated Square Footage of Completed Component*
Involuntary Treatment Act (ITA) Court	<ul style="list-style-type: none"> Additional space for courtrooms, admin, attorney workspace, client areas, and public entry 	20,000
Medical Examiner’s Office (MEO)	<ul style="list-style-type: none"> Additional cooler space, offices, and education rooms 	36,300
Tuberculosis (TB) Clinic	<ul style="list-style-type: none"> Additional space for outreach, staff offices, and a conference room/break room 	11,000
Sexual Health Clinic	<ul style="list-style-type: none"> Additional clinic and office space 	22,000
Public Health Lab	<ul style="list-style-type: none"> TBD 	TBD

B2. Identify and describe those factors that could adversely impact the program plan's proposed square footage, cost, planned uses, and timelines

Subject matter experts from the Vanir team, Harborview, and King County have identified five major areas that have the potential to impact the Program Plan’s proposed square footage, cost, planned uses, and timelines. Factors that lengthen timelines, add costs, or are the result of regulatory requirements may impact execution of the recommended Program Plan.

One element noted in Table 5 below which requires additional context is the hospital’s operational funding challenges. All hospitals in the state are struggling financially.²⁹ Yet, Harborview’s financial challenges are more severe and more severely impact the mission population due to the high volume of Medicaid and Medicare patients it serves – 70 percent of its total – and the fact that these programs have historically low reimbursement rates.³⁰

As a public hospital, Harborview operates on a thin financial margin with tight reserves. These financial challenges are exacerbated by the broader healthcare system’s inability to swiftly place people for whom a lower level of medical care is needed in a facility outside of Harborview. These patients are known as “difficult to discharge.” Difficult to discharge patients are those who no longer need acute hospital levels of medical care but who remain at Harborview because there is no place to safely discharged them to lower levels of care. The difficult to discharge patients also compound the hospital’s bed capacity constraints because acute care beds are occupied by less acute patients. i

Table 5. Impacting Factors Table

Factor	Description
1. Further cost escalation	<ul style="list-style-type: none"> • Current cost estimates represent minimal design levels and thus have large uncertainties; cost estimating is fluid and evolves as projects move from conceptual to design to construction • Anticipated continued growth in construction costs • Extended time horizons risk further cost expansion
2. City of Seattle regulatory processes and timelines	<ul style="list-style-type: none"> • The City’s Major Institution Master Plan (MIMP) requirements for schools and hospitals establish the zoning rules that apply to the institution • Changes to HMC’s adopted MIMP are made through a prescribed, multi-step process involving the City Department of Neighborhoods (DON), Department of Construction and Inspections (SDCI), the City Hearing Examiner, and the City Council in a process that could take up to two years and potentially longer³¹ • The Seattle City Council has authority to revise Hearing Examiner decisions and/or attach conditions to HMC’s MIMP amendment, either of which could potentially involve open space, parking, transportation management, building height or other items, which in turn could result in increased costs and impacts to timeline • Seattle’s land use and permitting requirements may impact the height of the proposed new tower

²⁹ Pfarr, T. (2023, March 27). *Year-end survey shows financial challenges continue for Washington’s Hospitals*. Washington State Hospital Association. <https://www.wsha.org/articles/year-end-survey-shows-financial-challenges-continue-for-washingtons-hospitals/> accessed July 11, 2023

³⁰ Medicaid/Medicare data provided by UW Medicine.

³¹ This work is in progress, with the City DON Implementation Advisory Committee meeting since February 2023. Staff work has been ongoing.

Factor	Description
	<ul style="list-style-type: none"> Construction and permitting are subject to the MIMP approval
3. Site limitations	<ul style="list-style-type: none"> The proposed site of the new tower is on a steep slope and requires the hillside and surrounding land to support a large multi-story building Limitations identified through geological analysis may result in a changed location, size, and/or cost of the new tower may be impacted, possibly resulting in a changed location, size, cost, or impacts to timeline Building in a 24/7 functional hospital environment may extend timelines and impact costs
4. Supply chain interruptions	<ul style="list-style-type: none"> The project requires steel, concrete, lumber, wiring, and piping Interruptions are caused by the ongoing consequences of the global pandemic along with geopolitical conflicts, inflation, climate change, and recessions; may also include availability of labor Supply chain interruptions for these and other items can increase cost and/or result in impacts to timeline
5. Hospital operational funding challenges	<ul style="list-style-type: none"> Growing costs, stagnant reimbursements, and bed capacity challenges are existential threats to Harborview’s ability to serve the mission population

B3. Include an estimated milestone completion timeline for the overall program

On February 24, 2023, the FMD Director and Harborview Bond Program Administrator briefed the Harborview Board of Trustees on the current working timeline for a new tower. Table 6 below is based on the information provided to the Harborview Board in February, with some additional information. See Appendix G for 2.24.23 Board of Trustees presentation materials.

Given the redeployment of County Bond Program staff and consulting resources from work on Bond planning activities to providing support to the OWG pursuant to the requirements of Ordinance 19583, this timeline remains in place. This schedule below is predicated on working with the City of Seattle to expedite its MIMP and permitting processes, particularly items denoted with * in Table 6, below. The Executive will leverage the full weight of his office to call on the City to accelerate its timelines.

The milestones below are comprised of many tasks and sub tasks. It is the County’s intention to work simultaneously on as many milestones as feasible, understanding that project delays may expand timelines and costs.

Table 6. Recommended OWG Program Plan Milestone Estimated Completion Timeframe

Milestone	Estimated Completion Timeframe
HMC MIMP major amendment application to City of Seattle	3Q 2023

City MIMP process (DON, SDCI, Hearing Examiner, City Council)	2Q 2024*
Issue new tower request for proposal (RFP)	3Q 2024
Notice to proceed	1Q 2025
Design and City permitting	2Q 2025-4Q 2025*
Begin construction	1Q 2026*
Occupy new tower	4Q 2028

It is not possible at this time to identify associated milestones or a timeline to complete the balance of the HLG recommended facility improvements that are not included in the OWG’s Program Plan, since funding of those items require King County to identify additional revenue. Updates to the timeline and Program Plan will be included in the monthly reports provided to the Council required by Ordinance 19583, to the Board’s CPOC at its monthly meetings, and to the Auditor’s Office at its monthly Bond Program meetings.

C. A description of other legally available funds proposed to support the workgroup’s program plan if under the workgroup’s program plan, bond revenues are insufficient to accomplish all the workgroup’s program plan components

As part of the OWG process, a staff team comprised of King County staff from the Office of Performance, Strategy and Budget (PSB), Office of the Executive, and the Council, along with staff from UW Medicine, worked together to gather and review data for this requirement. On May 5, 2023, the OWG received a briefing and written materials provided by the work team describing other legally available funds. The analyses provided to the OWG addressed state and federal funds, County voter approved and councilmanic funding options, and philanthropy. Tables 7, 8, and 9 below summarize the analysis that can be found in Appendix D, May 5 OWG meeting materials.

State and Federal Funding. Seeking funding from the state and federal governments recognizes that Harborview is a state and regional resource – particularly around trauma, pandemics, disaster management, and services to safety net/mission population. While it was not possible to identify explicit state or federal programs or dollars for this report, the analysis identified general opportunities. Table 7 summarizes state and federal funding opportunities identified by the work team.

Table 7. State and Federal Funding Opportunities

State/Federal Opportunity	Implications for Harborview Funding
State capital budget funding	<ul style="list-style-type: none"> Request funding through biennial state capital budget for some part of the Harborview project The size of the request would be informed by input from the Council, Executive, UW Medicine, the Governor’s Office, and legislators Subject to legislative negotiation, and final funding decisions and levels are not known until a final budget is passed One candidate for state funding would be funding of a standalone behavioral health services building which was

State/Federal Opportunity	Implications for Harborview Funding
	outlined in a predesign report funded by the State Legislature for a Behavioral Health Institute building
State sales tax exemption	<ul style="list-style-type: none"> • Sales and use taxes apply to most public works projects • King County could request to exempt the Harborview Bond Program from all or part of the 6.5 percent state sales tax • Would lower construction costs • Would reduce state sales tax revenues
State sales tax credit	<ul style="list-style-type: none"> • Pursue a bill in the state Legislature to authorize King County to enact a sales tax, credited against the state sales tax, with revenues dedicated to HMC construction
New state revenue tool	<ul style="list-style-type: none"> • Pursue a bill in the State Legislature to revise an existing revenue tool or provide the County with a new revenue tool, with revenues dedicated to Harborview
Land transfer from Washington State Department of Transportation (WSDOT)	<ul style="list-style-type: none"> • Ask the State to transfer land needed for the Harborview Bond Program that is owned by WSDOT to King County without cost (or at a de minimis price)³²
Federal capital support	<ul style="list-style-type: none"> • Engage the federal Congressional delegation to develop and explore funding opportunities, including direct capital funding, creation of new funding programs for which Harborview would be eligible, and/or support for Harborview in existing grant programs • Seek competitive grant funding through opportunities like the Bipartisan Infrastructure Law and the Inflation Reduction Act or future funding options

Philanthropy. King County could undertake fundraising for a facility/capital campaign. It could also offer naming rights of, or in, the facility. The County would likely need to obtain the services of a specialized fundraising consultant to develop a Harborview facilities campaign plan. The plan would need to include elements such as a feasibility study to help determine private funding project focus and revenue goal, as well as specific donor cultivation and engagement planning. Coordination between King County’s fundraising effort and UW Medicine Advancement would be necessary to address donor competition, and to ensure clarity of messaging between the two complementary fundraising efforts.

County staff developed the table below, which outlines eight voter approved or councilmanic options to raise additional funds for Harborview facility improvements.

³² King County is seeking to acquire approximately 57,000 square feet of Washington State Department of Transportation property west of Harborview Medical Center. Approximately 11,000 square feet is a current King County lease area containing sewer and other utilities. The remaining 35,000 square feet is needed to construct a perimeter roadway for circulation and possible future bulk oxygen storage associated with a new inpatient tower and other campus improvements.

Table 8. County Funding Tools

Financing Option	Rate & Estimated Revenue	Key Details	Bond Program Funding Implications
1. Unlimited General Obligation Facility Bonds (UTGO) RCW 36.89.040	<ul style="list-style-type: none"> Levy rate is calculated by the amount of debt issued each year \$900M issued in 3 tranches between 2027-2029 would require a levy rate of about 5.7¢/\$1,000 of assessed value (AV) for 20 years 	<ul style="list-style-type: none"> This is the tool used for the 2020 HMC Bond voter approved measure General election Capital purposes only 60 percent of previous general election turn out Not subject to the constitutional one percent growth limit No prorationing risk³³ 	<ul style="list-style-type: none"> Could potentially generate enough revenue to cover \$888M funding gap
2. Limited General Obligation Bonds (LTGO) RCW 39.36	<ul style="list-style-type: none"> Bonds backed by designated revenue can be issued \$25M in bonds would require annual revenue of about \$3M for 10 years to pay the debt service 	<ul style="list-style-type: none"> Councilmanic Need clear funding mechanism for debt service 	<ul style="list-style-type: none"> Could potentially fund parking garage (revenue source)
3. Single-Year Temporary Levy Lid Lift Property Tax RCW 84.55.050(1)	<ul style="list-style-type: none"> Single year increase in property tax levy A levy rate increase of \$0.10/\$1000 AV would generate \$80-85 million 	<ul style="list-style-type: none"> Voter approved by simple majority Special, primary, or general election May generate revenue for any purpose Prorationing risk for junior taxing districts if \$5.90 is exceeded 	<ul style="list-style-type: none"> Could potentially fund a component of the Bond program
4. Single-Year Permanent Levy Lid Lift Property Tax RCW 84.55.050(1)	<ul style="list-style-type: none"> Increase property tax levy rate by set amount first year and adjusted by one percent plus new construction A levy rate of \$0.10/\$1000 AV would generate \$80-85 million 	<ul style="list-style-type: none"> Voter approved by simple majority Special, primary, or general election May generate revenue for any purpose 	<ul style="list-style-type: none"> Could potentially fund a component of the Bond program

³³ “Prorationing” or compression of junior taxing districts occurs when either the \$10 constitutional limit or the \$5.90 statutory limit is exceeded and the county assessor must reduce the local levies to \$10 or \$5.90 according to the statutory formula found in RCW 84.52.010. Prorationing essentially establishes a levy hierarchy, and levies on the lowest rungs of the ladder are reduced or eliminated until the \$10 or \$5.90 limit is no longer exceeded. MRSC Revenue Guide for Washington Counties, March 2022, <https://mrsc.org/getmedia/4865001b-1f63-410a-a5ed-8d1ad8d752f3/Revenue-Guide-For-Washington-Counties.pdf.aspx?ext=.pdf> accessed 4.29.23.

Financing Option	Rate & Estimated Revenue	Key Details	Bond Program Funding Implications
	in the first year and future years are subject to the one percent growth limit	<ul style="list-style-type: none"> Prorating risk for junior taxing districts if \$5.90 is exceeded 	
5. Multi-Year Temporary Levy Lid Lift Property Tax RCW 84.55.050(2)	<ul style="list-style-type: none"> Increase property tax levy by set amount Following years based on limit factor set in ballot measure (e.g., 3 percent, Consumer Price Index - CPI) for up to five additional years. The final year's levy amount is used to calculate all future levies until the levy expires (e.g., 6 years) A levy rate of \$0.10/\$1000 AV would generate \$80-85 million the first year 	<ul style="list-style-type: none"> Voter approved by simple majority Primary or general election May generate revenue for any purpose Limited to 6 years, and can be renewed Supplanting restrictions Prorating risk for junior taxing districts if \$5.90 is exceeded 	<ul style="list-style-type: none"> Could potentially generate enough revenue to cover the \$888M funding gap at a rate of about \$0.15/\$1000 AV
6. Hospital Benefit Zones RCW 39.100	<ul style="list-style-type: none"> Increase in sales taxes generated within the benefit zone can be used to pay debt service for revenue bonds issued for capital improvements within the benefit zone 	<ul style="list-style-type: none"> Requires adoption of a hospital benefit zone Expected to be used to promote private development within the benefit zone Revenue based on increase in sales taxes due to increased private economic activity in the benefit zone 	<ul style="list-style-type: none"> Could potentially generate an additional \$2-3M in annual sales tax revenue which could support revenue bonds of about \$35-40M
7. Public Hospital District RCW 70.44	<ul style="list-style-type: none"> A levy rate of \$0.10/\$1000 AV would generate \$80-85 million in the first year 	<ul style="list-style-type: none"> Creation of district is voter-approved either upon call of County Council or petition by 10 percent of voters Special purpose district Broad powers to purchase, acquire, lease, maintain, and operate hospitals and other health care facilities Can be countywide, less, or more 	<ul style="list-style-type: none"> Could potentially generate enough revenue to cover the \$888M funding gap over ten years

Financing Option	Rate & Estimated Revenue	Key Details	Bond Program Funding Implications
		<ul style="list-style-type: none"> Prorating risk for junior taxing districts if \$5.90 is exceeded District may levy 50¢ and an additional 25¢/\$1,000 of AV 	
8. County Hospital Maintenance Property Tax RCW 36.62.090	<ul style="list-style-type: none"> A levy rate of \$0.10/\$1000 AV would generate \$80-85 million in the first year 	<ul style="list-style-type: none"> Councilmanic For maintenance only; capital improvement projects not allowed Prorating risk for junior taxing districts if \$5.90 is exceeded County may levy up to 50¢/\$1,000 of AV for maintenance Revision to statute needed by legislature to allow capital or other costs 	<ul style="list-style-type: none"> Not applicable to Bond Program due to maintenance use only

Finally, County staff reviewed existing funding opportunities to determine whether opportunities exist to leverage such tools or sources, summarized below in Table 9.

Table 9. Other Potential County Funding Sources

Other Potential County Funding Sources	Implications for Harborview Facility or Funding
<p>Crisis Care Centers Levy</p>	<ul style="list-style-type: none"> Initial models anticipate having the first Crisis Care Center (CCC) open in late 2026 at the earliest³⁴ Space for behavioral health services is a conceptual overlap between CCC and Harborview in terms of facility planning There may be an opportunity for the City, County, and Harborview to work together to explore whether Harborview could be a potential site for the central response zone, which is one of the four geographic subregions outlined in Ordinance 19572³⁵
<p>Mental Illness and Drug Dependency – MIDD Funds</p>	<ul style="list-style-type: none"> MIDD funds in the current biennium (2023-2024) are fully programmed Given the growing unmet needs for behavioral services in King County, it is unlikely that MIDD funding would be available to be allocated to help address the gap in funding for the Harborview Bond Program caused by cost escalation At times, MIDD programs generate minimal to moderate underspend of allocated dollars; in these instances, the funds are reprogrammed by the County as needed for MIDD-aligned services MIDD underspend funding levels would not rise to such levels necessary to help meaningfully impact HMC’s behavioral health space needs
<p>Public Private Partnerships – P3s</p>	<ul style="list-style-type: none"> Contractual agreements between a public agency and a private entity where the private entity takes on more risk and has greater flexibility than may be available under traditional public bidding requirements^{36,37} The most common P3 used by King County are 63-20 bonds that funded construction of Goat Hill Garage, the Chinook Building, and the Ninth and Jefferson Building The County’s experience with these buildings is mixed since the developer has a financial incentive to cut construction

³⁴ <https://kingcounty.gov/elected/executive/constantine/initiatives/crisis-care-centers.aspx#faq> accessed 4.29.23

³⁵ Ordinance 19572 lines 165-188.

³⁶ US Department of Transportation Federal Highway Administration, Center for Innovative Financing Support. Public Private Partnership Fact Sheet.

https://www.fhwa.dot.gov/ipd/fact_sheets/p3.aspx#:~:text=What%20are%20Public%2DPrivate%20Partnerships,taking%20on%20additional%20project%20risks. Accessed 4.29.23

³⁷ Fifty Years of 63-20 Financing, Pacifica Law Group, 2014. <https://www.pacificallawgroup.com/wp-content/uploads/2014/01/63-20-Article.pdf>. Accessed 4.29.23

Other Potential County Funding Sources	Implications for Harborview Facility or Funding
	<p>costs, which can result in higher operational and maintenance costs</p> <ul style="list-style-type: none"> • There is limited utility for 63-20 bonds on the HMC campus given the need for revenue generation to cover costs

D. Describe how the Executive, in collaboration with the Council, the Harborview board of trustees and UW Medicine, should implement the program so that the proposed component capital improvement projects within the program meet the requirements of K.C.C. 2.42.080.E. and K.C.C. Title 4A

The Executive will continue to implement this bond funded capital improvement program in accordance with the adopted Hospital Services Agreement and all applicable laws and statutes. Specifically, implementation of the Program Plan will continue to comply with King County Code (KCC) Title 4A by following existing policies and procedures, monitored by the Office of Performance Strategy and Budget. Associated capital improvement programs created under KCC 4A.100.030 will be included in the six-year capital improvement program budgets proposed to the Council. All necessary supporting data such as estimated project expenditures and anticipated project phases, will be included.

Pursuant to KCC 4A.130, the Executive will submit to the Auditor’s Office, in collaboration with the Harborview Board of Trustees and UW Medicine, risk scores utilizing the Auditor’s Office Risk Scoring Tool. This will be used to assess the relative risk of each of the projects for all projects with estimated completion costs of more than \$25 million and are within three years of baselining.³⁸ All projects recommended by the King County Auditor and designated by the Council will submit quarterly reporting on the progress of the project through completion.

Currently, the Harborview Bond Program Administrator provides a Bond Program status briefing at the regularly scheduled monthly Harborview Board of Trustee CPOC. The FMD Director and the Bond Program Administrator meet monthly with the King County Auditor’s Office to provide a Bond Program status update. In addition, Ordinance 19583 Section 2 directs the Executive to provide monthly status reports on the Harborview Bond Program Plan to the King County Council beginning in September 2023. The monthly reports will include, as required, “a description of risks including newly identified risks and realized risks since the preceding monthly report, with a focus on risks that may have significant impacts on the program plan scope, schedule, or budget.”³⁹

Lastly, the Harborview Bond Program will continue to work with the County staff who manage the County’s Bond program to ensure all bonds issued comply with the County’s debt management policy, adopted by the County Council in 2021.

³⁸ “Baselining” is defined as the clearly defined start of a project.

³⁹ Ordinance 19583 lines 149-151.

E. A recommended process by which the executive will notify council if planned components may become impractical during the remainder of the twenty-year bond and necessitate a substantive change to any of the planned components

In the spirit of collaboration, information sharing, and partnership with UW Medicine, Harborview Trustees, the King County Council, and the King County Auditor’s Office, the Executive expects that existing and new monitoring activities identified above will enable early identification and discussion of instances where the Program Plan may need substantive alteration.

The Executive will notify the Council by letter should the Program Plan components become impractical or should substantive changes be needed. The letter will identify the issue, recommended next actions to address the needed change, and relevant timelines. The Executive’s notification of proposed changes will provide the Council at least 30 days to consider and act on proposed changes.

The Executive will similarly notify the King County Council of changes to the Program Plan related to additional revenue, along with normal budgetary legislation necessary to appropriate any additional funds. Such changes will be provided in collaboration with UW Medicine and Harborview Trustees.

F. Include as attachments to it any available reports produced by county departments or contractors that the workgroup used in developing the program plan recommendations

Reports produced by County staff, Harborview staff, and consultants are included as appendices to this report along with materials provided to the OWG by those making public comment. Table 10 below provides a list of such materials and the corresponding Appendix.

Table 10. Materials Produced for OWG

Appendix B	March 2023 Vanir Team Cost Study
Appendix D	OWG Meeting Materials
Appendix E	OWG Meeting Notes
Appendix F	Engagement Feedback Summary
Appendix G	February 24, 2023, Harborview Board of Trustee Materials
Appendix H	Materials Distributed at OWG Meetings During Public Comment

Please note that the Appendices include other materials, as referenced throughout this report, in addition to the materials shown in Table 10.

G. Workgroup process requirements

This subsection covers items G.1-G.5, as identified below.

- **G.1. The workgroup shall be facilitated by a neutral party and produce the program plan**

Christina Hulet Consulting, a contracted facilitation consultant, provided facilitation services for the OWG to develop the Program Plan. Christina Hulet Consulting also provided facilitation services to the 2018-2020 HLG process.

- **G.1. The workgroup shall consist of ten members, including six members selected in the same representative apportionment as the capital planning oversight committee described in the 2016 hospital services agreement, as well as the following members:**
 - a. a member selected by the King County executive;*
 - b. a member selected by the King County council;*
 - c. a member selected by the Harborview board of trustees, and*
 - d. a member selected by UW Medicine.*

- **G.2. Workgroup members representing the council shall be appointed by the council chair.**
The following table identifies the OWG membership in accordance with the requirements of Ordinance 19583 G.1. and G.2.

Workgroup Member	Organization/Designation	Requirement
April Putney	King County Deputy County Executive	Exec CPOC Seat
Dwight Dively	Budget Director, King County Office of Performance, Strategy and Budget	Selected by King County Executive (a)
Joe McDermott	King County Councilmember, District 8	Council CPOC Seat
Claudia Balducci	King County Councilmember, District 6	Selected and appointed by King County Council (b)
Steffanie Fain	President, Harborview Board of Trustees, District 7	Trustee CPOC Seat
Clayton Lewis	Harborview Trustee, District 5	Trustee CPOC Seat
David McDonald	Harborview Trustee, District 4	Selected by Harborview Board of Trustees (c)
Sommer Kleweno-Walley	Chief Executive Officer, Harborview Medical Center	UW Medicine CPOC Seat
Jacque Cabe	Chief Financial Officer, UW Medicine	UW Medicine CPOC Seat
Cynthia Dold	President of Hospital Systems, UW Medicine	Selected by UW Medicine (d)

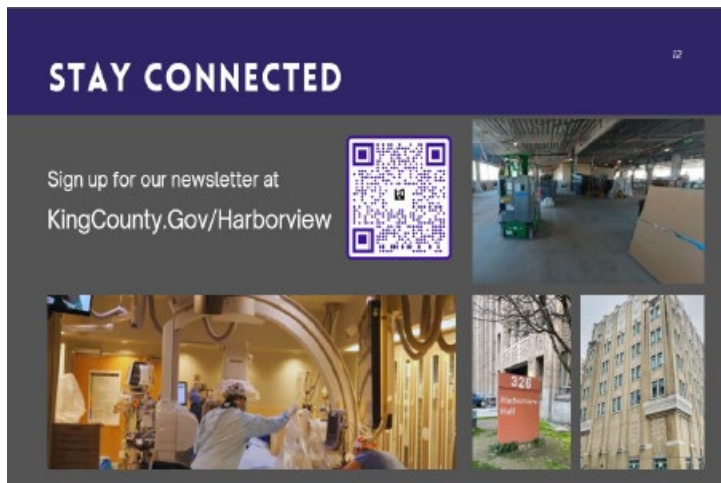
- **G.3. Staff to members of the workgroup may attend meetings of the workgroup and provide support to the workgroup.**

Staff of the representative organizations attended OWG meetings and provided information and support to the Workgroup, as described in the Background section. See OWG meeting notes, Appendix E for details.

- **G.4. The workgroup shall consult with and provide meaningful opportunities for input from labor organizations that represent Harborview employees, residents of the First Hill neighborhood, members of the Harborview mission population, and any other constituent entities the workgroup determines would help inform a Harborview bond plan that best serves the public interest. The**

mission population of Harborview is defined by Exhibit 2 to the 2016 hospital services agreement as the non-English-speaking poor, the uninsured and underinsured, people who experience domestic violence and or sexual assault, incarcerated people in King County's jails, people with behavioral health illnesses, particularly those treated involuntarily, people with sexually transmitted diseases and individuals who require specialized emergency care, trauma care and severe burn care.

By leveraging existing forums, workgroup staff gathered feedback from as many of the mission population, labor, and First Hill neighborhood residents as feasible in the compressed timeframe. In addition to participating in existing forums, workgroup staff held two specific topical meetings: one on the Pioneer Square Clinic and one with Harborview’s labor organizations. A total of eight engagement sessions were held.



Each group was briefed on the Harborview Bond Program. The briefing included Bond Program background information, timeline, program goals, information on cost escalation, and the requirements of Ordinance 19583 (Appendix A). Notably, the majority of the forums tapped for engagement for the OWG had hosted feedback sessions held during the 2018-2020 HLG engagement process, so many participants were familiar with the Harborview Bond Program. In addition to seeking input and feedback, opportunities for further input

into the Bond Program and next actions were specifically highlighted during the engagement sessions. Most engagements included King County and Harborview staff.

A total of eight virtual and in-person engagements were held, as listed below in Table 11. Groups/Forums marked with * participated in 2018-2020 HLG engagement processes.

Table 11. Ordinance Workgroup Engagement Meetings

Group/Forum	Purpose	Meeting Date
* King County Immigrant and Refugee Commission	Advisory body to the County Executive, County Council, and all other County agencies, departments, and divisions regarding issues, programs, policies, and legislation impacting immigrant and refugee communities	5.2.23
* Healthcare for the Homeless Network Governance Council	Advisory body to the Healthcare for the Homeless Network Governance Council comprised of individuals with expertise around needs and issues impacting homeless services environment or lived experience	5.3.23

Group/Forum	Purpose	Meeting Date
Community Advisory Group		
* First Hill Improvement Association Urban Design and Public Space Committee	The Association is the Voice of First Hill and forum for advocacy and discussion on neighborhood issues affecting the neighborhood; the Committee monitors and provides feedback on projects in the community	5.3.23
* King County Behavioral Health Advisory Board	Reviews services in the public behavioral health system and provides feedback	5.4.23
Pioneer Square Clinic Meeting	Standalone meeting comprised of representatives from Pioneer Square Clinic, Downtown Emergency Service Center, Harborview Medical Center, Public Health – Seattle & King County, King County Facilities Management Division, King County Executive Office, and consultants	5.10.23
Yesler Terrace Community Council ⁴⁰	A meeting with residents of the Yesler Terrace community, and property managers from the Seattle Housing Authority. The Yesler community is adjacent to Harborview and is a diverse community.	5.17.23
Implementation Advisory Committee (IAC)	Harborview Medical Center has an IAC as part of the City of Seattle’s MIMP process. The IAC represents the interests of the institution, the surrounding neighborhood, and the City of Seattle. Members include residents and property owners of First Hill and neighboring communities, community leaders, and representatives from the City of Seattle, King County, and Harborview Medical Center	5.18.23
*Harborview Labor Partners	Standalone meeting comprised of representatives from SEIU 925, SEIU 1199, Washington Federation of State Employees (WFSE), King County Facilities Management Division, and Executive Office	5.24.23

Stakeholder Engagement Summary. Engagement themes generally echoed input received during the 2018-2020 HLG engagement process. A significant portion of the feedback received during engagement pertained to *services* rather than *facilities*, like the 2018-2020 HLG engagement process. Key themes generated during the OWG engagement included:

- More and better behavioral health facilities and resources are vital
- Infection control and privacy are concerns
- Respite care beds are crucial and should be expanded
- Pioneer Square Clinic provides essential services to vulnerable, neighborhood-specific population
- Accessibility and wayfinding are community priorities
- Patient and employee safety is essential

⁴⁰ Translated materials were provided in Amharic, Chinese, Somali, Spanish, Tigrinya, and Vietnamese.

Most groups had questions on how the County will close the funding gap and address Harborview's many facility issues.

Examples of specific feedback provided during the engagement sessions are provided below.

- Expand and focus on philanthropy
- Opportunity for HMC and County's Crisis Care Centers work
- Don't build super fancy and expensive building
- Lobby US Congress and Washington State Legislature for additional funds
- Turn Harborview Hall into long-term care facility
- Lack of space for some services means lack of privacy
- Not nurturing environments
- Having Emergency Department as a welcoming space would help
- Need dedicated open space for behavioral health patients to be physically active
- Need meditation/prayer spaces for families, patients, and staff
- Construction can make it seem like the hospital is closed; make sure signs are posted
- Transportation is a barrier
- Need emergency room accessibility and environment that reduces stress
- East Clinic water is unsafe; either too cold or too hot; elevator can't be fixed; it's a gross space to work and see clients in
- Walk in and street front behavioral health services are critical
- Co-locating behavioral health programs that folks are familiar with and comfortable with is important
- Fears that behavioral health services will be cut
- Respite reduces stress on the rest of the hospital
- Harborview main campus cannot absorb Pioneer Square Clinic services
- Respite saves costs and gets people out of the facility
- Due to limited bed space, Respite must choose between housing either a chemo patient or hospice patient

Public comment periods were provided at OWG's decision making meetings as noted in publicly available agendas for its June 16 and June 23 meetings. All public comments provided at the OWG meetings related to the need to expand the Respite Program. Please see Appendix F for a summary of feedback gathered from the engagement sessions and Appendix H for materials distributed to the OWG by those making public comments.

- ***G.5. The workgroup shall be guided by the analytical criteria used by the Harborview leadership group and set out in Appendix D to its April 1, 2020, recommendation report.***

The HLG established analytical criteria to guide and inform its decision making. The OWG updated the HLG criteria, adding two additional criteria under *Area 2 Service and Operational Impact*.

- *Increases bed capacity and space to meet current/future patient needs at HMC* responds to the evolving capacity needs of Harborview, reflecting the importance of increased bed capacity and space to meet current and future patient needs at Harborview.
- *Improves utilities, infrastructure, and other key facility systems to enhance the campus' long-term resiliency* responds to the need to improve the medical center's utilities, infrastructure, and facility systems from the operational and environmental perspectives and enhance the campus' long-term resiliency.

The staff Analytical Team conducted criteria analysis in its work for the OWG. OWG reviewed the analytical criteria for the base tower package (see meeting packets in Appendix D). The “base tower package” refers to the recommended Program Plan, described in subsections A and B above, that includes a 10-story inpatient tower and expanded County spaces.

The analytical criteria for the base tower shown in Table 12 below essentially reflects the analytical criteria analysis for the HLG, modified with 2023 OWG criteria. It shows that no change, in this case, not building a new tower, would not meet each area's criteria along with the newly added 2023 criteria. Notably, the OWG heard that Harborview's need for infection control and single patient rooms has only become more significant in 2023, following the COVID-19 pandemic.⁴¹

Table 12. Updated Analytical Criteria for Recommended Program Plan – Base Tower

	Does not meet criteria
	Meets criteria

Criteria Area	No Action	Base Tower Package
Area 1: People Impact		
Mission population		
Patients and clients		
Labor and employees		
Neighbors and community		
Area 2: Service/Operational Impact		
Delivery of emergency services		
Addresses facility deficiencies and needs		
Supports innovation, best practices, and/or new models of care		
Increases bed capacity and space to meet current/future patient needs at HMC (new)		

⁴¹ Please see April 19, May 19, June 23 OWG meeting materials in Appendix D for more information on Harborview's needed bed capacity.

Criteria Area	No Action	Base Tower Package
Improves utilities, infrastructure, and other key facility systems to enhance the campus' long-term resiliency (new)		
Area 3: Equity and Social Justice		
Service models that promote equity		
Influenced by community priorities		
Addresses Determinants of Equity		
Access to healthcare and improved health outcomes		
Area 4: Fiscal/Financial Impact		
The long-term financial position of Harborview and King County		
Existing facilities		
Opportunities for other funding		

- ***G.6. The workgroup shall conduct and include a robust analysis of the impacts of the program plan on equity and social justice from the analytical criteria.***

The OWG focused its work on identifying a Program Plan recommendation for Harborview Medical Center that best serves the mission population, the hospital, and community needs. Analysis conducted for the OWG process built on the work that the HLG did to vet facility options in 2018-2020, including considering equity and social justice (ESJ) criteria. As was the case with the HLG, the analysis conducted for the OWG reflects the following overarching equity finding that, “...the aging HMC physical plant limits the ability of HMC and King County to provide care and services to the mission population and residents of King County.”⁴²

Leveraging community engagement conducted with representatives of the mission population and other key stakeholders, analysis provided to the OWG recognized that meeting the operational needs of the hospital furthers access to health services, one of the County’s determinants of equity.⁴³ In addressing Harborview’s bed capacity issues and more efficient use of space, the OWG’s Program Plan recommendation directly influences improved health outcomes for patients and communities because if Harborview is unable to provide beds due to lack of space or reduce services due to financial constraints, marginalized community members will be the most impacted.⁴⁴

Unfortunately, due to cost escalation, some elements of the HLG recommended facility improvements must be funded by other means to be achieved. For example, the Respite Program facility at Harborview

⁴² Harborview Leadership Group Report, pg. 4.

⁴³ <https://kingcounty.gov/~media/elected/executive/equity-socialjustice/DeterminantsofEquityPoster.ashx?la=en>

⁴⁴ Based on data provided by UW Medicine that people on Medicaid and Medicare are 70 percent of Harborview’s patient mix.

Hall and Pioneer Square Clinic renovations, both serving the most vulnerable populations, are unable to be funded within existing bond revenues if a new tower is built. At the same time, the hospital has expressed that its greatest need is expanding single patient bed capacity, along with an expanded ED, PES, and CSU. The hospital's needs for single patient beds cannot be addressed within existing bond revenues if the Respite Program and Pioneer Square Clinic are renovated. The new tower provided for in the OWG's recommended Program Plan sees new beds brought on line along with expanded emergency services. Similarly, critical expansion of the Medical Examiner's Office, ITA Court, and the Sexual Health Clinic respond to community and County needs and are provided for in the OWG's recommended Program Plan, while seismic renovation of the Center Tower and demolition of the East Clinic require funding outside of limited Bond Program revenues.

The OWG strove to balance a myriad of extreme facility needs and evolving service needs alongside a shrinking dollar. Its work on suggested priorities for new funds, detailed below in section V reflect the group's commitment to achieving the work and outcomes initially envisioned in the recommendations of the HLG. Its recommended Program Plan enables Harborview and King County to continue serving the mission and historically marginalized populations with vital services.

H. The workgroup shall meet with the county council's committee of the whole to present the workgroup's program plan no later than July 31, 2023

The Committee of the Whole presentation on the OWG's Program plan was provided on July 19, 2023.

V. Additional Findings

During its work to meet the requirements of Ordinance 19583, the OWG recognized that a number of the 2020 HLG facility improvement recommendations are unable to be funded with the \$1.7 billion authorized by voters due to cost escalation. In addition, Harborview is requesting additional single patient beds beyond the number originally planned in the 2020 Bond due to growing and projected single patient room demand and the ability for the hospital to meet needed vital surge capacity, while addressing the difficult to discharge issue.

Additional beds would assist Harborview to manage costs with more efficient space and improve access for patients requiring acute care. As identified above, the COVID pandemic's impact on Harborview's projected need for increased bed capacity was unexpected and significant. As noted earlier in this report, Harborview's licensed bed numbers have increased since passage of the bond measure by voters in 2020. In 2020 HMC was licensed for 413 beds; as of 2023, it is now licensed for 540 beds, with projections of 684 needed beds by 2031 and 740 by 2040.⁴⁵

Given these factors and unmet needs, some elements of the HLG recommended Bond Program must be funded by means other than current bond revenue to be achieved. In response, the OWG agreed on a tiered prioritization of facility improvements provided to the Executive and the Council should additional

⁴⁵ Harborview's licensed number will increase by 40 to 540 when the Maleng Single Patient Bed Project is completed. Notably, Bond funds are not used for the Maleng Project.

funds become available. The OWG Program Plan recommendation, along with the tiered components, address each improvement recommended in the 2020 HLG Report.

The OWG identified two tiers of prioritization, informed by the operational needs of Harborview and the shared priorities of King County, the Board of Trustees, and UW Medicine described below in Table 13. Please note that some components have more than one option. Please also note that the estimated costs or range of costs may be modified as the result of new information or further cost escalation.

Table 13. Suggested Priorities with Additional Funding

Tier	Component Summary	Description	Estimated Cost/Range* <i>*Subject to modification</i>
First Tier	A. Build four additional shelled inpatient floors in a larger tower	<ul style="list-style-type: none"> • Build a larger 14 story tower instead of 10 story base tower • Provides additional single patient room capacity • Possible if funding is identified before August 2025 	<ul style="list-style-type: none"> • \$80M for four shelled floors • Additional \$72M to finish four shelled floors
	B. Finish the three shelled inpatient floors in the base new tower	<ul style="list-style-type: none"> • Finish three shelled inpatient floors in 10 story base tower • Provides additional single patient room capacity 	<ul style="list-style-type: none"> • \$54M
	C. Expand outpatient behavioral health space in new or existing space	<ul style="list-style-type: none"> • Build a new building OR renovate Pat Steel building • Expand outpatient behavioral health services/ programs spaces, including Behavioral Health Institute • Co-locate behavioral health services and programs, including Behavioral Health Institute, in new or remodeled space 	<ul style="list-style-type: none"> • \$250M new building • \$130M to renovate
	D. Renovation or adaptive reuse of Harborview Hall	<ul style="list-style-type: none"> • Address life safety and seismic issues • Provide space for up to 150 respite beds and office space • Maintain enhanced homeless shelter in most appropriate location 	<ul style="list-style-type: none"> • \$170M adaptive reuse • \$80M partial renovation • \$320M full renovation

Tier	Component Summary	Description	Estimated Cost/Range* <i>*Subject to modification</i>
Second Tier	E. Address life safety and seismic issues and increase space in Center Tower	<ul style="list-style-type: none"> Address life safety and seismic issues Improve and modernize space for offices 	<ul style="list-style-type: none"> Costs TBD*
	F. Address life safety and seismic issues and improve clinical operations at Pioneer Square Clinic	<ul style="list-style-type: none"> Renovate existing space OR relocate Address life safety and seismic issues Improve clinical operations 	<ul style="list-style-type: none"> \$30M to renovate \$9M+Market to relocate
	G. Address life safety and seismic issues with East Clinic	<ul style="list-style-type: none"> Address life safety and seismic issues Demo or mothball 	<ul style="list-style-type: none"> \$12M to demolish TBD mothball cost*

*Costs noted as "TBD" will be shared in upcoming monthly reports to the Council as they are identified.

Please see Appendix I for a side-by-side comparison of the 2020 HGL recommendations, the 2023 OWG Program Plan recommendation, and the OWG’s additional findings regarding suggested tiering of improvements should additional funds be identified. This Appendix aims to connect the dots from the 2020 HLG recommendations, to the 2023 recommended OWG Program Plan, to the OWG’s suggested prioritized tiers should additional revenue become available.

Please note that should additional revenue be identified, the Executive will update the Program Plan as identified in subsections D and E in collaboration with UW Medicine and Harborview’s Trustees.

VI. Conclusion

It is undisputed that Harborview Medical Center is an indispensable local, state, and inter-state public hospital providing access to excellent health care for the most vulnerable and marginalized populations. Its dedicated staff and providers continue to provide the highest quality care to patients in outdated, inefficient, and run-down facilities.

In 2020, the Harborview Leadership Group recognized Harborview facility limitations and recommended a number of improvements for the medical center. The voters of King County agreed, approving pay for an array of health and safety upgrades at Harborview. While the unforeseen economic impacts COVID-19 and resulting cost escalation have made Harborview’s 2020 envisioned facility upgrades infeasible to accommodate within existing bond revenues, the clear commitment of King County and UW Medicine’s leaders, along with Harborview’s Trustees, to again join together to support the only level 1 adult and pediatric trauma center in a four-state region is clear in the work of the OWG over the last several months.

The OWG established by Ordinance 19583 has completed its task with the submittal of this report. It has developed a recommended Program Plan for the 2020 Harborview bond to support facility and infrastructure improvements at Harborview Medical Center that can be built within the amount of the

bond revenues estimated to be available and as authorized by Ordinance 19117. The OWG, comprised of the representatives enumerated in Ordinance 19583, developed the recommended Program Plan along with additional findings to support the King County Executive and King County Council in funding bond program components should additional funding become available.

The OWG confronted the very tough and multipronged challenges of a shrinking dollar, growing costs, and expansion of needs since the 2020 Harborview Leadership Group completed its work. Understanding that Harborview's mission and serving mission population are paramount, and that each recommendation impacts the mission population in one way or another, the OWG identified a recommended Program Plan that maximizes what the \$1.74 billion can do now to serve the highest needs of the hospital and the County. Furthermore, the OWG recognized that pressing facility needs remained unfunded. In response, this report includes additional guidance that the OWG provided to the County as to the order in which unfunded facility needs could be addressed should new funds become available.

The Executive remains committed to collaboration and sharing Bond Program information through expanded monthly reports transmitted to the Council, along with leveraging and expanding the existing monthly reporting provided to the Board's CPOC and to the Auditor's Office. As noted in this report, the Executive expects that existing and new monitoring activities will enable early identification and discussion of instances where the Program Plan may need substantive alteration. Finally, the Executive commits to notifying the Council by letter should the Program Plan components become impractical or should substantive changes be needed. The Executive's notification of proposed changes will provide the Council at least 30 days to consider and act on proposed changes. The Executive will transmit the first of the monthly reports required by Ordinance 19583 by September 29, 2023, and then each month for the life of the bond program.

VII. Appendices