

Dow Constantine King County Executive 401 Fifth Avenue, Suite 800 Seattle, WA 98104-1818 206-263-9600 Fax 206-296-0194 TTY Relay: 711 www.kingcounty.gov

January 21, 2025

The Honorable Girmay Zahilay Chair, King County Council Room 1200 C O U R T H O U S E

Dear Councilmember Zahilay:

This letter transmits a proposed Ordinance that, if enacted, will enable King County to sell surplus property located at 33431 13th Place S., Federal Way, Washington, to Healthpoint in support of the provision of King County operations and services.

This proposed Ordinance and attached Purchase and Sale Agreement (PSA) encompasses the sale, renovation, and continued joint use of the Federal Way Public Health Center (FWPHC) by Public Health-Seattle and King County (PHSKC) and Healthpoint (HP) to serve the south county area. PHSKC currently provides reproductive health, parent/child health services (Women Infants and Children program, First Steps program), and navigator services to marginalized, low-income, and underserved populations from this location.

Healthpoint is a community-based, community-supported, and community-governed network of non-profit health centers that use evidence-based care and are dedicated to providing expert, high-quality care to all who need it, regardless of circumstances. By selling the building to Healthpoint, entering into leaseback agreements, and recording a restrictive covenant to guarantee the future provision of health services, this agreement allows for HP and PHSKC to continue to provide uninterrupted service.

If approved, King County will transfer ownership of the facility to HP in exchange for HP's renovation of the building and a granting of free rent to the County for 10 (ten) years, among other financial considerations.

This transaction is unrelated to recent funding challenges for the Public Health Centers, as initial conversations contemplating this transaction began prior to the global COVID-19 pandemic, with progress slowed as a result of the pandemic.

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This transaction is recommended per the rationale and considerations provided in the attached property summary.

Thank you for your consideration of this proposed ordinance.

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If your staff have any questions, contact Drew Zimmerman, Acting Director, Facilities Management Division at 206-263-5935.

Sincerely,

Brenn Baddel

Dow Constantine King County Executive

cc: King County Councilmembers
<u>ATTN</u>: Stephanie Cirkovich, Chief of Staff, King County Council
Melani Hay, Clerk of the Council
Karan Gill, Chief of Staff, Office of the Executive
Penny Lipsou, Council Relations Director, Office of the Executive
Lorraine Patterson-Harris, County Administrative Officer, Department of Executive
Services (DES)
Drew Zimmerman, Acting Director, Facilities Management Division (FMD), DES
Dr. Faisal Kahn, Director, Public Health – Seattle & King County