



## Legislation Text

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Clerk 08/18/2004

AN ORDINANCE authorizing approval of an amendment to the Charter for the Pacific Hospital Preservation and Development Authority.

### STATEMENT OF FACTS:

1. The Pacific Hospital Preservation & Development Authority ("PHPDA") was created in August 1981 by the city of Seattle, under RCW 35.21.660, 35.21.670 and 35.21.730 through 35.21.755 and Seattle Municipal Code Chapter 3.110. Its charter was issued in August 1981.
2. The mayor of Seattle approves Public Development Authority ("PDA") Charter Amendment under Seattle Municipal Code 3.110.430. The mayor may approve or disapprove the amendment under Article XI PHPDA Charter.
3. An interlocal cooperation agreement between King County and the PHPDA was entered into on April 17, 1991, in accordance with King County Motion 8222. Under the terms of this agreement the King County executive and King County council must grant prior approval of material charter amendments to the PHPDA Charter. Material charter amendments are those that change Articles II - Limits on liability, IV - Purpose, V - Powers, VI - Limits and VII - County Executive appointment of one PHPDA Council member.
4. An interlocal cooperation agreement between King County and the city of Seattle was entered into on April 23, 1991, in accordance with King County Motion 8223 and Seattle Ordinance 115579. This agreement provides that the King County executive and the King County council must grant prior approval of PHPDA Charter amendments that would prevent the authority from

performing its obligations under the PHPDA-King County interlocal agreement, or that would eliminate the ability of the county executive to appoint one member of the PHPDA Council.

5. PHPDA Resolution 12-02, approved September 10, 2002, approved the third amendment to the PHPDA Charter, consistent with the changed function of the PHPDA contemplated by the reorganization and restructuring.

6. The PHPDA constituency, on October 24, 2002, voted two hundred forty-seven to twenty to approve the third amendment to the PHPDA Charter.

7. PHPDA Resolution 14-02, approved on December 10, 2002, reorganized the PHPDA business by transferring the assets and liabilities constituting its multispecialty group medical practice, which is "the Medical Practice," to a new nonprofit corporation created under RCW 24.03 that was granted 501(c)(3) status by the Internal Revenue Service, which is "Pacific Medical Centers."

8. The county, through the Seattle-King County department of public health, and the PHPDA finalized negotiations of a first amendment to the King County-PHPDA interlocal agreement, which was referred to the King County council for approval on June 8, 2004.

9. Completion of the King County-PHPDA interlocal agreement was seen as a precursor for consideration of amendments to the PHPDA Charter. Since the interlocal agreement amendment is completed and the audit issues addressed in same, the PHPDA third charter amendment may now be approved.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The attached Charter of the Pacific Hospital Preservation & Development Authority, as amended, is hereby approved.