GOOD SAMARITAN HOSPITAL – PATIENT CARE TOWER

MEMORANDUM OF UNDERSTANDING (MOU) - FINAL PERMIT PROCESSING

A. Purpose and Need

This Memorandum of Understanding ("MOU") is entered into by the City of Puyallup (the "City") and MultiCare Health System ("MultiCare").

- i. The City acknowledges the significant public benefits of the MultiCare Good Samaritan Hospital ("MGSH") campus Master Plan (the "Plan") and the new patient care tower project. The Plan and the project aim to provide critical healthcare services to the Puyallup community and the region, create and sustain employment and education opportunities in the healthcare field within the City, and generate essential sales, construction, and property taxes that are crucial to the City's revenues. The Plan and project will also implement appropriate measures to mitigate direct impacts of the development approved in the Plan.
- ii. MultiCare received Certificate of Need ("CON") approval for the new patient care tower and related enabling projects from the Washington State Department of Health ("DOH") in August 2023. Under that CON approval, MultiCare has two (2) years to commence construction on the work authorized by DOH under the CON. In other words, MultiCare has until August 2025 to commence construction of the tower or an enabling project to support tower construction.
- iii. MultiCare and the City are engaged in land use permitting for the Plan and associated environmental review ("EIS") processes that began in early 2023 and are ongoing.
- iv. The MOU is needed to provide a customized ministerial permitting pathway that supersedes typical City processes. Typically, final ministerial permits associated with a Master Plan and associated EIS would not be allowed to be submitted until the final EIS is issued and the Master Plan is adopted, per City permit submittal policies.
- v. Due to the complexity associated with the preparation of the EIS and the associated adoption of the Master Plan, completion of these processes is not expected until March 2025, leaving only a few months until the deadline for MultiCare to commence construction under the CON for review of permits, and full design and construction permitting for the patient care tower will require much longer design and review timelines by MultiCare's consultants and City staff. Even permits for early enabling work are conservatively expected to require six months of review time by City staff after submittal.
- vi. In order to review and approve the permit(s) for the new patient care tower or the associated enabling project, additional time is required to allow for advanced submittal of construction permits. This MOU aims to meet this requirement and establish a timeline for the ministerial permit process to ensure that the final construction permit documents

supporting the patient care tower and enabling project are prepared, reviewed and approved in a timely manner.

B. Project Schedule

EIS and Master Plan milestone targets:

- i. November 2024 Draft EIS Issuance
- ii. March 21, 2025 Final EIS Issuance
- iii. April 2025 Master Plan consideration by Council

MGSH Projects:

MultiCare has identified an enabling project, which involves a phased kitchen renovation, with the intent of satisfying its August 2025 deadline for commencement of construction under the CON. When available, MultiCare will provide its proposed construction schedule for said enabling project and will further endeavor to update the City regarding the building permitting process for the patient care tower and the remaining construction projects under the Plan. Upon receiving specific timeline information, the parties will collaborate to define anticipated submittal timelines and overall permit timing. When specific permit scheduling information is provided, the parties will mutually agree on whether the indemnified projects will fall within the scope and intent of this MOU.

C. Permit Submittal - Timing

This section establishes that the new patient care tower and associated enabling project improvement permit(s), may be submitted following the issuance of the draft EIS for the project. In a typical process, the final permits would not be allowed to be submitted until SEPA has concluded and a Master Plan is adopted, although there is no state law or code requirement for this process, it has been prior City practice and Department procedure.

Based on the current EIS project schedule (dated August 2024), the draft EIS is anticipated to be issued in November 2024. The EIS schedule has been previously delayed because of consultant workloads.

D. Review Timelines

This section establishes non-binding timelines for review and for resubmittal by the applicant. All permits submitted under this section are assumed to be the substantially complete, ready for construction design set. MultiCare may request a pre-application meeting with the City to review MultiCare's prospective permit submittals, including compliance with applicable codes and other matters relevant to the project and permit at issue.

- i. **First submittal review.** Review of first submittal of any permits for the patient care tower or associated enabling work 35 business days; if the first submittal relates to internal improvements to existing facilities 20 business days.
- ii. **Comment responses.** Redesign and response to comment by the applicant 20 business days.
- iii. Further submittal reviews. Review of any subsequent resubmittal(s) 15 business days.
- iv. **Meetings.** Collaboration meeting between the City and applicant to resolve any outstanding comments may be requested by the applicant and should occur no later than 10 business days following City's review of resubmittals.

E. Applicant/City Staff Coordination

This section establishes the need for coordination between City staff and MultiCare's design team.

The City acknowledges the need for expeditious review of permit submittals and is committed to this goal. If deemed necessary by the Parties based on the scope of the comments and status of the applicable project, City staff and MGSH's design team will convene a comment resolution meeting to inform the City of how issues will be resolved in subsequent resubmitted design documents and to discuss the adequacy of or other options for resolving issues.

[Signatures begin on following page]

Dated: October 22, 2024

Dated:___

Approved as to form:

Joseph 27 Beck 10/25/2024

Joseph N. Beck City Attorney

DocuSigned by:

MultiCare Health System

By: James G. Lee

Its: EVP Population Based Care and Chief

Financial Officer

City of Puyallup

DocuSigned by:

Steve kirkelie

By: Steve Kirkelie

Its: City Manager

Attest:

-DocuSigned by:

Dan Vessels Jr. 10/25/2024

Dan Vessels Jr. City Clerk

2024.10.10_Good Sam - City of Puyallup MOU

Final Audit Report 2024-10-22

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