# Title 247 WAC
# HEALTH CARE FACILITIES AUTHORITY

Chapters


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## Chapter 247-02 WAC
## ORGANIZATION, OPERATIONS AND PROCEDURES

WAC


247-02-010 Purpose.
247-02-020 Rules of interpretation.
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247-02-040 Description of organization.
247-02-050 Operations and procedures.


**WAC 247-02-010 Purpose.** The purpose of this chapter shall be to ensure compliance by the Washington health care facilities authority with the provisions of chapter 42.17 RCW (Initiative 276), and chapter 34.04 RCW. [Statutory Authority: RCW 70-.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-02-010, filed 9/26/79.]

**WAC 247-02-020 Rules of interpretation.** (1) All adjectives and adverbs, including but not limited to the words "adequate," "approved," "qualified," "reasonable," "reputable," "satisfactory," "sufficiently," and "suitable," as used in Title 247 WAC to qualify a person, procedure, process or otherwise shall be as determined by the authority or its designee.

(2) Where the word "shall" is used in Title 247 WAC, the subject rule or action to which the word relates is mandatory.

(3) Where the word "should" is used in Title 247 WAC, it indicates suggestion or recommendation but not a requirement.

(4) Where the word "may" is used in Title 247 WAC, the action or rule to which the word relates is permissive or discretionary.

(5) Words importing the singular number may also be applied to the plural of persons and things; words importing the plural may be applied to the singular; and words importing the masculine gender or relating to a man may also be extended to the feminine gender and be considered to relate equally to a woman. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-02-020, filed 9/26/79.]

**WAC 247-02-030 Definitions.** (1) "Act" means chapter 147, Laws of 1974 1st ex. sess., and chapter 70-.37 RCW.

(2) "Washington health care facilities authority" and "authority" each mean the corporate and politic public body created by the act and also refer to the staff and employees of the authority.

The terms defined in the act shall have the same meaning when used in Title 247 WAC. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-02-030, filed 9/26/79.]

**WAC 247-02-040 Description of organization.** (1) The authority is a public entity established under the provisions of chapter 70.37 RCW, which exercises essential governmental functions.

(2) Members. The authority consists of the governor; the lieutenant governor; the insurance commissioner; the chairman of the Washington state hospital commission; and one public member appointed by the governor on the basis of his or her interest or expertise in health care delivery, and confirmed by the senate for a term of four years. If the public office of any of the first four mentioned members is abolished, the resulting vacancy on the authority shall be filled by the officer who shall succeed substantially to the powers and duties thereof.

(3) Officers. The officers of the authority shall be a chairman, who shall be the governor, and a secretary. The secretary shall hold office for two years, or until his or her successor is later elected, and shall be elected by a majority vote of the members from among themselves. Whenever a vacancy occurs in the office of secretary, the members of the authority shall elect a successor who shall serve out the remaining term.

(4) Authority staff: The staff of the authority shall consist of an executive director and such other employees as are determined by the authority as necessary to fulfill its responsibilities and duties. The executive director shall be the chief administrative officer of the authority and subject to its direction. All other staff shall be under his or her supervision and direction. The executive director shall keep a record of the proceedings of the authority and, when required by the authority, shall sign notes, contracts and other instruments and affix thereto the seal of the authority. The executive director shall have custody of and be responsible for all moneys and securities of the authority and shall deposit all such moneys forthwith in such banks as the authority may designate from time to time.

*Provided, however,* That the secretary of the authority, elected from time to time, shall exercise the duties of

executive director specified in these rules until such time as an executive director is retained by the authority.

(5) Administrative office: The administrative office of the authority shall be located, until such time as an executive director and/or staff are retained by the authority, at 4300 Seattle–First National Bank Building, Seattle, WA 98154, which office shall be open each day for the transaction of business from 9:00 a.m. to 5:00 p.m. (Saturdays, Sundays and legal holidays excepted, and except for business relating to public records, which is governed by WAC 247–12–050).

(6) Address for communications: All communications with the authority, including but not limited to the submission of materials pertaining to its operations and these rules, requests for copies of the authority's decisions and other matters, until such time as an executive director and/or staff are retained by the authority, shall be addressed as follows: Washington Health Care Facilities Authority, 4300 Seattle–First National Bank Building, Seattle, WA 98154. [Statutory Authority: RCW 70.37.050. 79–10–101 (Order 2, Resolution 79–3), § 247–02–040, filed 9/26/79.]

**WAC 247–02–050 Operations and procedures.** (1) Uniform Procedure Rules: Practice and procedure in and before the authority are governed by the Uniform Procedural Rules codified in the Washington Administrative Code, WAC 1–08–005 through 1–08–590, as now or hereafter amended, which rules the authority adopts as its own, subject to any additional rules the authority may add from time to time. The authority reserves the right to make whatever determination is fair and equitable should any question not covered by its rules come before the authority, said determination to be in accordance with the spirit and intent of the law.

(2) Authority meetings: The meetings of the authority shall all be "special meetings" as that designation is applied in chapter 42.30 RCW. They may be called at any time and place by the chairman or a majority of the members of the authority. At least ten days' notice of all special meetings shall be given by delivering personally or by mail to each member a written notice specifying the time and place of the meeting and a copy of the agenda prepared by the executive director in consultation with the chairman, and by giving such notice to the public as may be required by law. If an emergency is deemed to exist, the chairman may shorten the notice period to not less than twenty–four hours. An executive session may be called by the chairman or by a majority of all members of the authority to consider the appointment, employment or dismissal of an officer or employee, and such other matters as are permitted by RCW 42.30.110.

(3) Quorum: Three members shall constitute a quorum, and the act of a majority of the members present at any meeting, if there is a quorum, shall be deemed the act of the authority except as specified hereafter in WAC 247–02–050(7).

(4) Chairman's voting rights: The chairman shall have the right to vote on all matters before the authority, just as any other authority member.

(5) Minutes of meetings: Minutes shall be kept of the proceedings of the authority.

(6) Rules of order: The authority shall generally follow Robert's Rules of Order , newly revised, in conducting its business meetings.

(7) Form of authority action: The authority may act on the basis of a motion except when authorizing issuance of bonds pursuant to WAC 247–16–070 and when adopting a plan and system of an applicant pursuant to WAC 247–16–080, and when otherwise taking official and formal action with respect to the creation of special funds and the issuance and sale of bonds for a project of a participant, in which case the authority shall act by resolution. Such resolutions shall be adopted upon the affirmative vote of a majority of the members of the authority and shall be signed by the chairman and attested by the secretary. Motions shall be adopted upon the affirmative vote of a majority of a quorum of members present at any meeting.

(8) Public participation in the meetings of the authority shall be as follows:

(a) Any person or organization wishing to make a formal presentation at a regularly scheduled meeting of the authority shall so notify the executive director in writing at least forty–eight hours prior to the time of the meeting.

(i) Such notification shall contain the name of the person, association, corporation or organization that desires to make a presentation; the address of such person and, if applicable, the address of the entity to be represented in the presentation; and the topic to be presented or discussed.

(ii) Permission to make a presentation to the authority shall be granted by the executive director as authorized by the authority.

(iii) Confirmation of permission to make a presentation to the authority shall be made, if at all possible, by the authority staff prior to the meeting of the authority and shall include the date and time of the meeting and time set for the formal presentation.

(b) The chairman of the authority shall have the discretion to recognize anyone in the audience who indicates in writing at the time of the meeting a desire to speak at such meeting, provided that remarks by any individual person shall be limited to five minutes unless a time extension is granted by the chairman. [Statutory Authority: RCW 70.37.050. 79–10–101 (Order 2, Resolution 79–3), § 247–02–050, filed 9/26/79.]

## Chapter 247–12 WAC
## PUBLIC RECORDS

WAC


247–12–010 Purpose.
247–12–020 Definitions.
247–12–030 Public records available.
247–12–040 Public records officer.
247–12–050 Office hours.
247–12–060 Requests for public records.
247–12–070 Copying.
247–12–080 Exemptions and denials of requested public records.
247–12–090 Review of denials of public records requests.

247-12-100 Protection of public records.
247-12-101 Records index.

**WAC 247-12-010 Purpose.** The purpose of this chapter shall be to ensure compliance by the Washington health care facilities authority with the provisions of RCW 42.17.250 through 42.17.340, dealing with public records. [Statutory Authority: RCW 70.37-.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-010, filed 9/26/79.]

**WAC 247-12-020 Definitions.** (1) "Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or propriety function prepared, owned, used or retained by any state or local agency, regardless of physical form or characteristics.

(2) "Writing" means handwriting, typewriting, printing, photostating, photographing and every other means of recording any form of communication or representation, including letters, words, pictures, sounds or symbols, or any combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums and other documents.

(3) "Washington health care facilities authority" and "authority" each refers to that state agency described in WAC 247-02-030. [Statutory Authority: RCW 70.37-.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-020, filed 9/26/79.]

**WAC 247-12-030 Public records available.** All public records of the authority are deemed to be available for public inspection and copying pursuant to these rules, except as otherwise provided by RCW 42.17.310. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-030, filed 9/26/79.]

**WAC 247-12-040 Public records officer.** The authority's public records shall be under the charge of the public records officer designated by the executive director of the authority. The person so designated shall be located in the administrative office of the authority. The public records officer shall be responsible for implementing the authority's rules and regulations regarding release of public records, coordinating the staff of the authority in this regard and generally ensuring compliance by the staff with the public records disclosure requirements of chapter 42.17 RCW. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-040, filed 9/26/79.]

**WAC 247-12-050 Office hours.** Public records shall be available for inspection and copying from 9:00 a.m. to noon and from 1:00 p.m. to 4:00 p.m., Monday through Friday, excluding legal holidays. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-050, filed 9/26/79.]

**WAC 247-12-060 Requests for public records.** In accordance with the requirements of chapter 42.17 RCW that agencies prevent unreasonable invasion of privacy, that they protect public records from damage or disorganization and that they prevent excessive interference with essential functions of the agency, public records may be inspected or copied or copies of such records may be obtained by members of the public upon compliance with the following procedures:

(1) A request shall be made in writing upon a form prescribed by the authority, which form shall be available at its administrative office. The form shall be presented by the public records officer, or to any member of the authority's staff if the public records officer is not available, at the administrative office of the authority during the office hours specified in WAC 247-12-050. The request shall include the following information:

(a) The name of the person requesting the record;

(b) The time of day and calendar date on which the request was made;

(c) The nature of the request;

(d) If the matter requested is referenced within the current index maintained by the public records officer, a reference to the requested record as it is described in such current index;

(e) If the requested matter is not identifiable by reference to the authority's current index, an appropriate description of the record requested. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-060, filed 9/26/79.]

**WAC 247-12-070 Copying.** No fee shall be charged for the inspection of public records. The authority shall charge a fee of 25 cents per page of copy for providing copies of public records and for use of the authority's copying equipment. This charge is the amount necessary to reimburse the authority for its actual costs incident to such copying. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-070, filed 9/26/79.]

**WAC 247-12-080 Exemptions and denials of requested public records.** (1) The authority reserves the right to determine that a public record requested in accordance with the procedures outlined in WAC 247-12-060 is exempt under the provisions of RCW 42.17.310.

(2) In addition, pursuant to RCW 42.17.260, the authority reserves the right to delete identifying details when it makes available or publishes any public record in any cases when there is reason to believe that disclosure of such details would be an invasion of personal privacy protected by chapter 42.17 RCW. The public records officer will fully justify such deletion in writing.

(3) All denials of requests for public records must be accompanied by a written statement specifying the reason for authorizing the withholding of the record and a brief explanation of how the exemption applies to the record withheld. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-080, filed 9/26/79.]

**WAC 247-12-090 Review of denials of public records requests.** (1) Any person who objects to the denial of a request for a public record may petition for prompt

review of such decision by tendering a written request for review. The written request shall specifically refer to the written statement by the public records officer or other staff member which constituted or accompanied the denial.

(2) Immediately after receiving a written request for review of a decision denying a public record, the public records officer or other staff member denying the request shall refer it to the executive director of the authority. The executive director may request that a special meeting of the authority be called as soon as legally possible to review the denial. In any case, the request shall be returned with a final decision within two business days following the original denial.

(3) Administrative remedies shall not be considered exhausted until the authority has returned the petition with a decision or until the close of the second business day following denial of inspection, whichever occurs first. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-090, filed 9/26/79.]

**WAC 247-12-100 Protection of public records.** In order that public records maintained on the premises of the authority may be protected from damage or disorganization as required by chapter 42.17 RCW, the following procedures and practices are hereby instituted:

(1) Upon receipt of a request by a member of the public for a public record, the public records officer or the staff member in the authority's office receiving the request shall review the request for a public record and the requested public record to determine whether deletions from such record should be made or the request for such record should be denied pursuant to WAC 247-12-080.

(2) Only after a determination has been made that all or such portion of a public record as is not deleted may be inspected shall such public record or portion thereof be made available for inspection by a member of the public.

(3) Only the staff and members of the authority may open authority files to gain access to authority records for either authority business or to respond to a request for a public record.

(4) No public record of the authority may be taken from the premises of the authority by a member of the public.

(5) Public inspection of authority records shall be done only in such locations as are approved by the public records officer, which locations must provide an opportunity for authority staff members to ensure that no public record of the authority is damaged, destroyed, unreasonably disorganized or removed from its proper location or order by a member of the public.

(6) Public records of the authority may be copied only on the copying machines of the authority unless other arrangements are authorized by the public records officer. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-100, filed 9/26/79.]

**WAC 247-12-101 Records index.** (1) The authority has available to all persons a current index which provides identifying information as to the following records issued, adopted or promulgated since its inception:

(a) Final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;

(b) Those statements of policy and interpretations of policy statute and the constitution which have been adopted by the authority;

(c) Administrative staff manuals and instructions to staff that affect a member of the public;

(d) Planning policies and goals, and interim and final planning decisions;

(e) Factual staff reports and studies, factual consultants' reports and studies, scientific reports and studies, and reports or surveys, whether conducted by public employees or others; and

(f) Correspondence, and materials referred to therein, by and with the commission relating to any regulatory, supervisory or enforcement responsibilities of the authority whereby the authority determines, or opines upon, or is asked to determine or opine upon the rights of the state, the public, a subdivision of state government or any private party.

(2) The current index promulgated by the authority shall be available to all persons under the same rules and on the same conditions as are applied to public records available for inspection. [Statutory Authority: RCW 70-.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-12-101, filed 9/26/79.]

## Chapter 247-16 WAC
## PROCEDURES AND FEES FOR PREPARATION AND PROCESSING OF APPLICATIONS FOR AUTHORITY ASSISTANCE

WAC


247-16-010 Purpose.
247-16-020 Definitions.
247-16-030 Applications for financial assistance.
247-16-040 Fees.
247-16-050 Processing of application.
247-16-060 Priorities regarding applicant funding.
247-16-070 Authority action on applications.
247-16-080 Adoption of plan and system.


**WAC 247-16-010 Purpose.** The purpose of this chapter shall be to set forth the procedures pursuant to which the authority determines those hospitals to which the authority will give financial assistance. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-010, filed 9/26/79.]

**WAC 247-16-020 Definitions.** (1) "Applicant" means a participant which submits an application to the authority.

(2) "Application" means a formal request for the providing of bonds for the financing of a health care facility by the authority, in a format and containing such information as the authority shall specify in these rules or in the application instructions and which is signed and

sworn to by a representative designated by formal action of the applicant's governing board or equivalent. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-020, filed 9/26/79.]

**WAC 247-16-030 Applications for financial assistance.** Because the needs of hospitals in the state vary substantially, no application forms shall be provided by the authority. However, an applicant should furnish the following information to the authority, where applicable, with its request for financial assistance, and such other information as is deemed pertinent by the applicant or the executive director of the authority:

(1) Identification of applicant:

(a) Legal name and address of applicant;

(b) Names, titles and telephone numbers of chief executive officer, chief financial officer and person assigned responsibility for liaison with the authority;

(c) Names, addresses and telephone numbers of applicant's legal counsel, outside accounting firm and financial consultant or investment banking firm (if any);

(d) Description of applicant's legal structure (e.g., private nonprofit corporation, public district hospital). If private, describe type and ownership of stock, if any; how assets held and by whom; and attach copies of articles of incorporation or similar documentation;

(e) If applicant is a private hospital, attach a copy of IRS determination of 501(c)(3) status;

(f) Religious or other group affiliation, if any.

(2) Project for which financial assistance is sought (if applicable):

(a) Amount and requested terms of repayment for financing sought;

(b) General description of project to be accomplished with authority financial assistance;

(c) Current status of planning for project and dates proposed for (i) completion of drawings for project, if necessary (attach copies if completed); (ii) filing of environmental impact statement, if necessary; (iii) entry into construction contract; and (iv) completion or occupancy;

(d) Recommendations of the appropriate regional health systems agency, and of the state hospital commission, or the current status of their respective reviews;

(e) Current status of certificate of need for project. If certificate has been issued, attach copy;

(f) Cost of project (including simple breakdown of costs of general construction, site work, utilities, equipment, land acquisition, architects' and other fees, contingency, interim interest, other);

(g) Sources of funds for payment of project costs and dates of expected receipt (assistance from authority, interim financing, grants, funds on hand, interest and profit on interim investment of construction funds, other);

(h) Amount of projected revenues to be derived from project, the sources of such revenues, when expected to begin, and a three-year projection;

(i) Feasibility studies on project, if any (attach copy if one has been completed);

(j) Proposed security for authority-issued bonds;

(k) Contracts or preliminary arrangements with planners, architects, consultants, investment banking firm, if any, regarding project.

(3) Debt to be refinanced with authority assistance (if applicable):

(a) Amount, date, maturity or maturities, interest rate or rates, prepayment penalties, if any, debt service and form of applicant's existing debt to be refinanced;

(b) Source of revenue for payment of existing debt, security for debt and rating, if any, assigned to debt instruments at time of debt issuance;

(c) Most recent decision and order of the state hospital commission on its annual review of the applicant's budget;

(d) Holder of debt (if ascertainable);

(e) Any negative debt service payment history;

(f) Proposed security for new authority-issued debt;

(g) Proposed date schedule for accomplishing debt refinancing.

(4) Finances of applicant:

(a) Audited (if audited) financial statements for past three years;

(b) Latest current financial statement;

(c) Current year's budget of revenues, expenses and capital expenditures;

(d) Projection of revenues, expenses, capital expenditures for next three-five years, including revenues and expenses of proposed project (if applicable);

(e) Description of long-term debts of applicant, if not already given above, including date incurred, by whom held, debt service schedule, interest rate, form of debt, source of revenues for repayment, security for repayment;

(f) Sources of hospital revenues (private patient, Medicare, Medicaid, welfare, Blue Cross, grants, etc.) and approximate dollar volumes and percentages of total revenues for each source in last three years.

(5) General:

(a) Pending or threatened litigation or administrative actions with potential of material adverse effect on applicant;

(b) Willingness and ability of applicant to convey all of the real and personal property of hospital or of the project to authority until bonds are retired, with reconveyance of said property to applicant thereafter for $10.00. If willing and able to convey, estimate of time to accomplish and any expected obstacles;

(c) Brief description of existing medical facilities, including number of beds, number of medical and other staff, categories of medical services offered, and laboratory and research facilities, if any;

(d) Brief description of hospital expansion plans, if any, in next ten years;

(e) Brief summary of statistics (last three years, if available) on percentage of bed occupancy and types and numbers of patients cared for (inpatient, outpatient, welfare, etc);

(f) Estimate of aggregate savings over the life of the proposed financing to be realized by applicant through authority financing by tax-exempt bonds as compared to

financing through taxable obligations. Specify interest assumptions on which savings calculations based;

(g) Describe means applicant proposes to use to ensure that savings from tax-exempt financing are passed on to patients of applicant. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-030, filed 9/26/79.]

**WAC 247-16-040 Fees.** (1) Authorization to charge fees: The authority, pursuant to RCW 70.37.090, shall require applicants to pay fees and charges to the authority to provide it with funds for investigations, financial feasibility studies, expenses of issuance and sale of bonds, and other charges for services provided by the authority in connection with projects undertaken, as well as the operating and administrative expenses of the authority. In accordance with this authorization, an applicant shall pay to the authority such fees and charges as are necessary to meet any and all expenses incurred by the authority in connection with the processing of the application of the applicant, together with an annual service fee to defray expenses of the authority in administering and servicing the financing provided to the applicant and other allocable expenses of the authority.

All of the costs and expenses of the authority shall be paid from such fees. No moneys of the state of Washington shall be expended for such purposes.

(2) Initial payment on fees and charges obligation: An applicant shall submit with its application an initial remittance of $7,500.00, to be credited against the fees and charges imposed or to be imposed by the authority on such applicant pursuant to this section. In addition, the application shall contain an appropriate legal commitment to indemnify the authority against any expenses or costs incurred by it in connection with the processing of the applicant's application and the completion of any project or plan and system subsequently approved and undertaken by the authority, as well as an annual service fee to defray expenses of the authority in administering and servicing the financing provided to the applicant and other allocable expenses of the authority, which annual fee shall be imposed so long as financing is being provided by the authority to the applicant.

*Provided, however,* That the initial applicants whose applications are used for purposes of testing in court the constitutionality of the act shall pay such fees as are necessary to defray all expenses of the authority in processing such applications and conducting such court test. The amount or amounts of such fees and the time or times and the manner in which such fees are to be paid shall be determined by the secretary of the authority, elected from time to time. Such initial applicants shall provide to the authority an appropriate legal commitment to indemnify the authority against such expenses. If such court test is successful and financing is provided by the authority pursuant to such initial applications, the authority may waive the levy of annual service fees upon such applicants.

(3) Refund of excess fees: The authority will refund any surplus fees paid or deposited by an applicant or participant which exceed the actual application-processing expenses and authority-determined pro rata administrative and operating costs of the authority. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-040, filed 9/26/79.]

**WAC 247-16-050 Processing of application.** An application will be reviewed by the executive director and such authority staff as he or she determines. Upon completion of authority staff analysis and recommendations, such staff analysis and recommendations and the application shall be presented to the authority for appropriate action. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-050, filed 9/26/79.]

**WAC 247-16-060 Priorities regarding applicant funding.** The authority may establish and revise priorities for the providing of assistance to applicants based on criteria which best effectuate the purposes of the act, including but not limited to:

(1) Determinations of area-wide needs for additional or improved health care facilities;

(2) Determinations regarding public benefit and good; and

(3) Determinations regarding the reasonable expectations that the project can be funded on terms satisfactory to the authority. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-060, filed 9/26/79.]

**WAC 247-16-070 Authority action on applications.** (1) The authority shall meet to review and consider the staff analysis and recommendations and the application.

(2) The authority may approve an application and its proposed plan or system and adopt a resolution authorizing the issuance of bonds for the requested financing where it determines:

(a) It is necessary or advisable for the benefit of the public health for the authority to provide financing for the proposed project;

(b) The applicant can reasonably be expected to achieve successful completion of the health care facilities to be financed by the authority;

(c) The proposed project and the issuance of bonds by the authority for such project are economically feasible and can be undertaken on terms economically satisfactory to the authority;

(d) The proposed health care facility, if completed as described in the application, will carry out the purposes and policies of the act;

(e) The applicant has satisfied the authority that substantially all of the savings realized by the applicant from the availability of financing through tax-exempt bonds, as contrasted to financing through taxable debt, will be passed on by the applicant to its patients;

(f) The applicant has reasonably satisfied the requirements of the act and these regulations; and

(g) Other criteria that the authority has determined are appropriate factors in its decision-making process have been met.

(3) The authority may approve an application and its proposed plan or system and a bond resolution on a conditional basis where the criteria of WAC 247-16-070(2) have been met and pending satisfaction of such other conditions or requirements as the authority shall determine to be reasonable and necessary in order to carry out the purposes, policies and requirements of the act and these regulations. The applicant shall be notified in writing of such conditions or requirements, which may include, but need not be limited to, the amendment of an application, plan, or system or proposed bond resolution in order to meet the availability of funds, changes in costs, or other purposes or circumstances which may enhance the ability of the authority or the applicant to complete the project or better serve the purposes and policies of the act. Upon the satisfaction of such additional conditions or requirements, the application shall be deemed approved pursuant to WAC 247-16-070(2).

(4) The authority may also deny an application; in such event, it shall notify the applicant of such action, specifying in writing the reasons for its denial. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-070, filed 9/26/79.]

**WAC 247-16-080 Adoption of plan and system.** If the authority approves an application for the financing of a health care facility pursuant to WAC 247-16-070(2), it shall:

(1) Work out and finalize, in cooperation with the participant, a project plan or system and the agreements and contracts to be entered into in order to carry out the purposes and policies of the act, including contracts with respect to construction, financing, maintenance, operation and management;

(2) Adopt a system and plan therefor and declare the estimated cost thereof, as near as may be, including as part of such cost funds necessary for the expenses incurred in the financing, as well as in the construction or purchase or other acquisition, or in connection with the rental or other payment for the use thereof, interest during construction, reserve funds and any funds necessary for initial start-up costs; and

(3) Sell and issue its bonds for the purposes of the proposed plan or system pursuant to the resolution authorizing such bonds. [Statutory Authority: RCW 70.37.050. 79-10-101 (Order 2, Resolution 79-3), § 247-16-080, filed 9/26/79.]