



MULTNOMAH COUNTY
Health Department
Headquarters

FAC-1 Amended Project Plan
Board Presentation

November 2015

Multnomah County HDHQ
Project Management Team

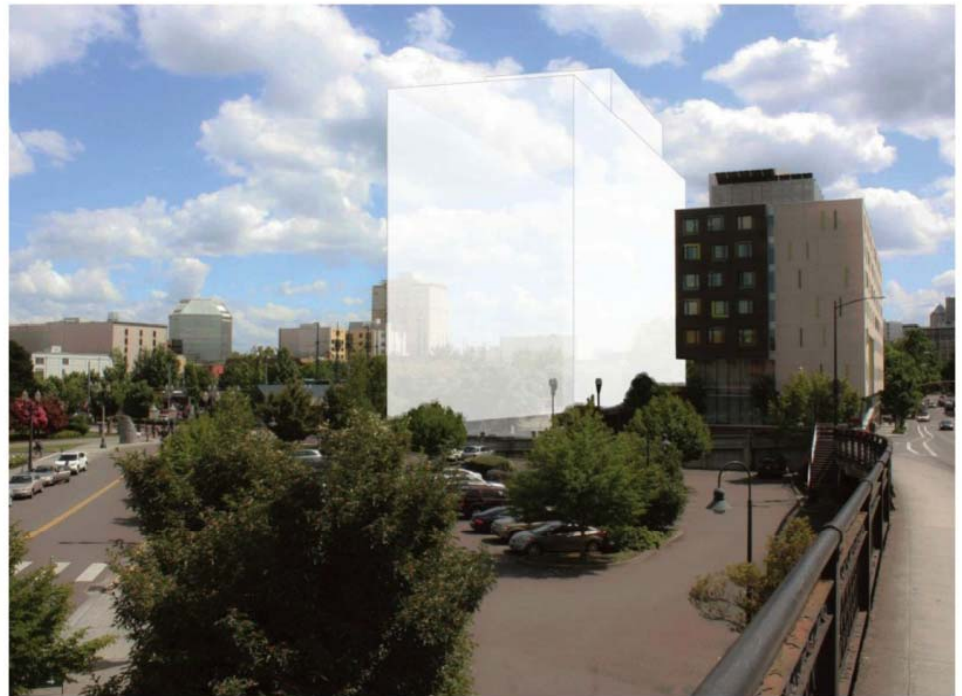
PURPOSE OF FAC-1 AMENDED PROJECT PLAN

- Revised Project Scope
- New Project Delivery Method
- Revised Project Management Team Structure
- Revised Building Program
- Revised Budget
- Revised Schedule
- Seek approval of FAC-1 Amended Project Plan, authorize Next Steps



PROJECT GOALS AND OBJECTIVES

- Replace the McCoy Building, one of the County's Low Performance properties per the Facilities Asset Strategic Plan II. McCoy has been identified for disposition for many years.
- Consolidate Health Department programs from McCoy and Lincoln buildings into a single modern facility to accommodate growth and increase operational efficiencies
- Provide an accessible, sustainable, long-term facility to deliver critical services to Multnomah County residents
- Build using durable, sensible materials and systems focused on low maintenance, energy efficiency and flexibility
- Aspire to meet LEED Gold, the Architecture 2030 Challenge, the 2009 Climate Action Plan, and the 1.5% for Solar Program
- Create a modest, yet flexible design – responsible use of funds with emphasis on performance and low maintenance



HEALTH DEPARTMENT MISSION AND OBJECTIVES

- Guided by its vision of *healthy people in healthy communities*, the MCHD promotes and protects the health of all Multnomah County residents.
- Critical public health functions include proactive approaches to reducing access and exposure among youths to harmful and addictive substances, environmental health protections and communicable disease surveillance.
- As the largest safety net provider of healthcare in Oregon, the MCHD serves 165,000 patients/yr. through 33 primary care, school-based, dental and specialty clinics.

INFLUENCES to PROGRAM and GROWTH:

- The Affordable Care Act provided healthcare access to individuals who had never before had insurance resulting in a soaring patient population.
- Clinics such as the McCoy HIV Clinic have had significant increases in number of patients.
- Clinical administration has increased to support the expanded community need for primary care.
- Mental Health and Addiction Services has become a part of the Health Department, requiring some co-located space in the HDHQ.



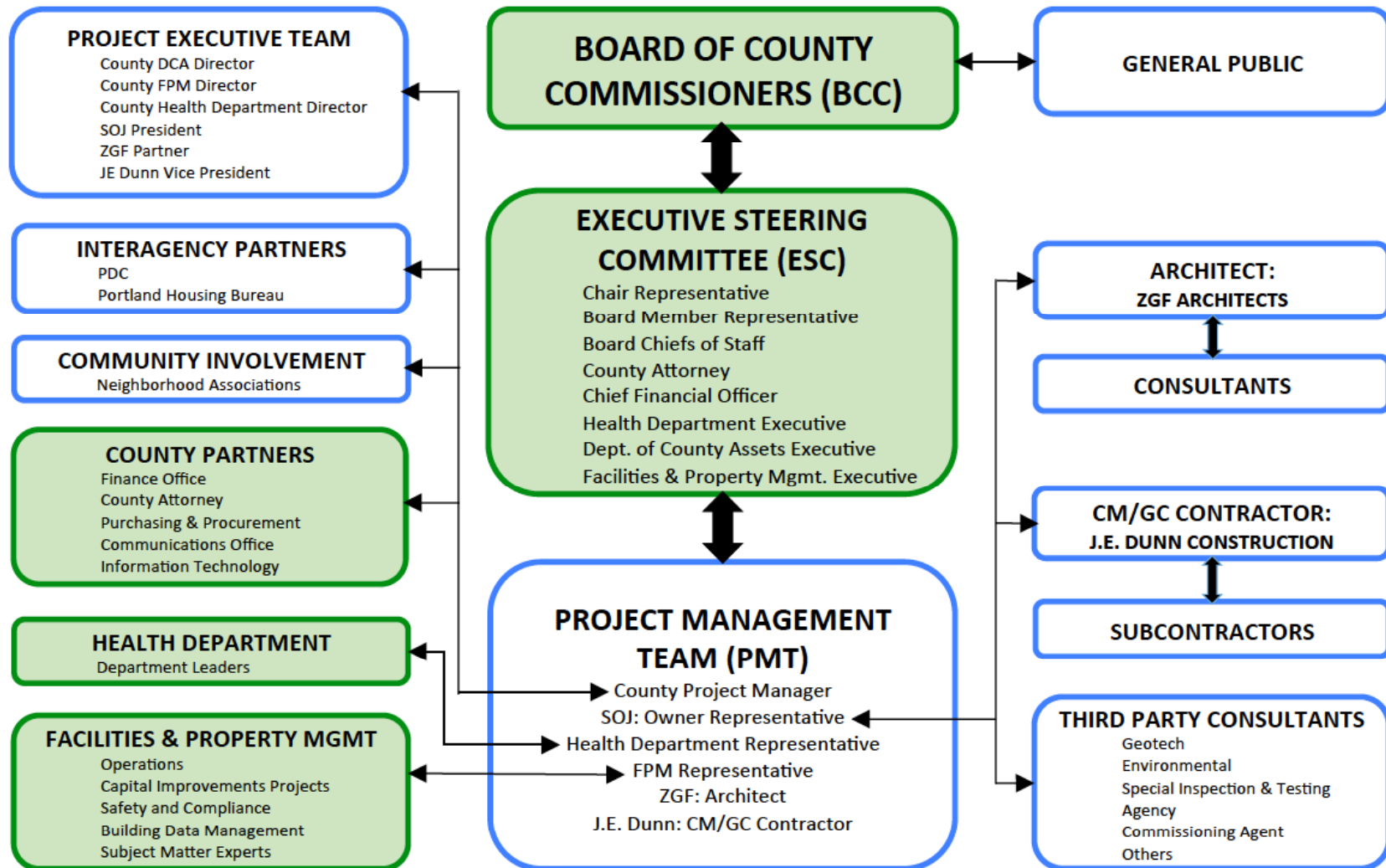
RECENT PROJECT DEVELOPMENTS

- PDC Tax Increment Financing (TIF) increased by \$9.5M for the project, bringing the total PDC contributions to \$36.4M.
- Building height allowance increased from 75' to 150' through the recent Zoning Map Amendment
- Maximum building size increased from 105,000 SF to 157,500 SF with Zoning Map Amendment
- Building Program revised to accommodate existing and future growth to programs in McCoy Bldg. and Lincoln Bldg. in a new 9 – story building*
- Development Options Analysis performed
- Project Management Team structure revised

*With one exception: the MHASD employees will remain in the Lincoln Building

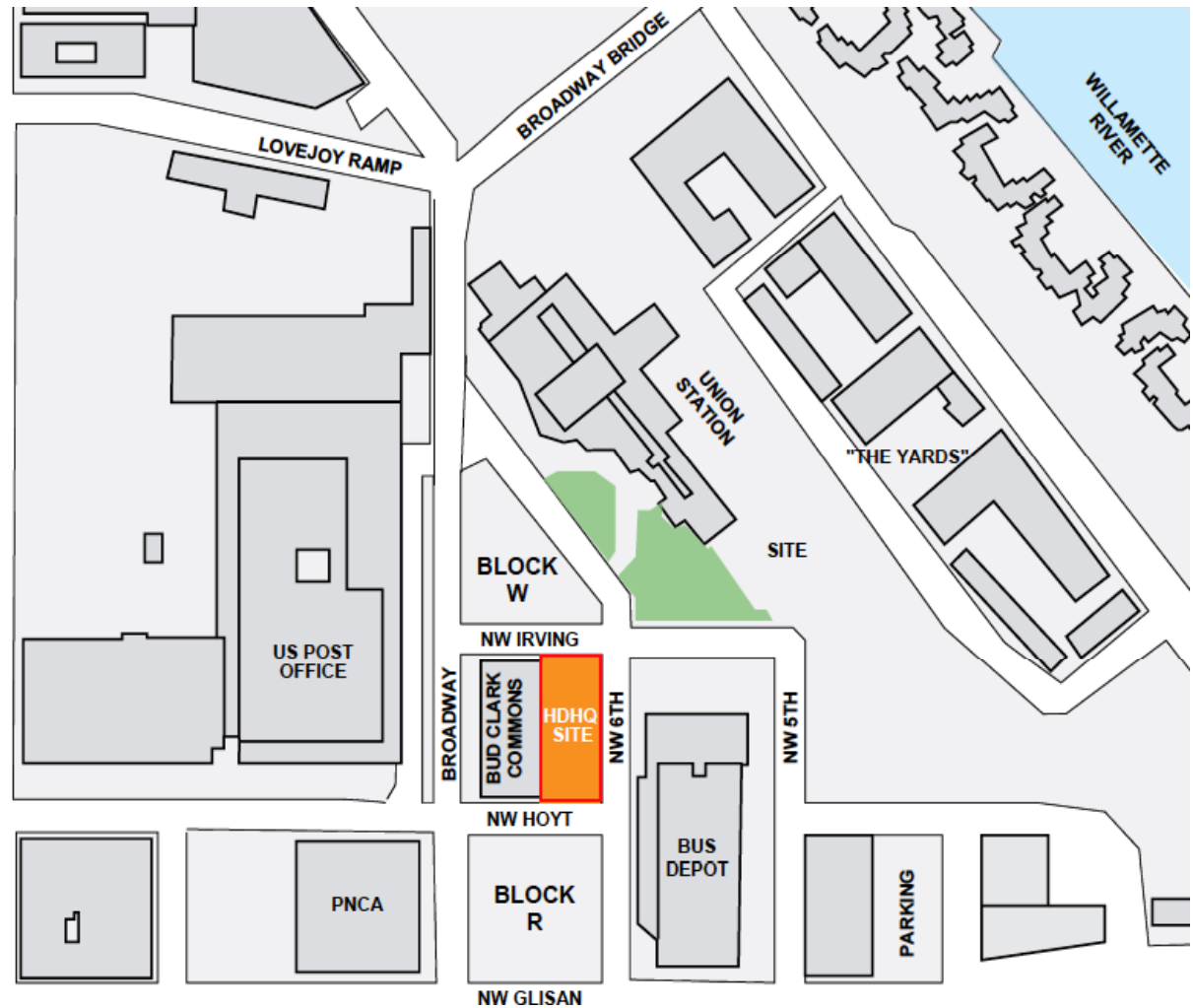


HDHQ PROJECT ORGANIZATION CHART



PROJECT SITE

- Easterly Portion of Block “U”, next to Bud Clark Commons
- River District Urban Renewal Area
- Portland Housing Bureau to convey property to County at no cost
- Location is transit – oriented and highly accessible

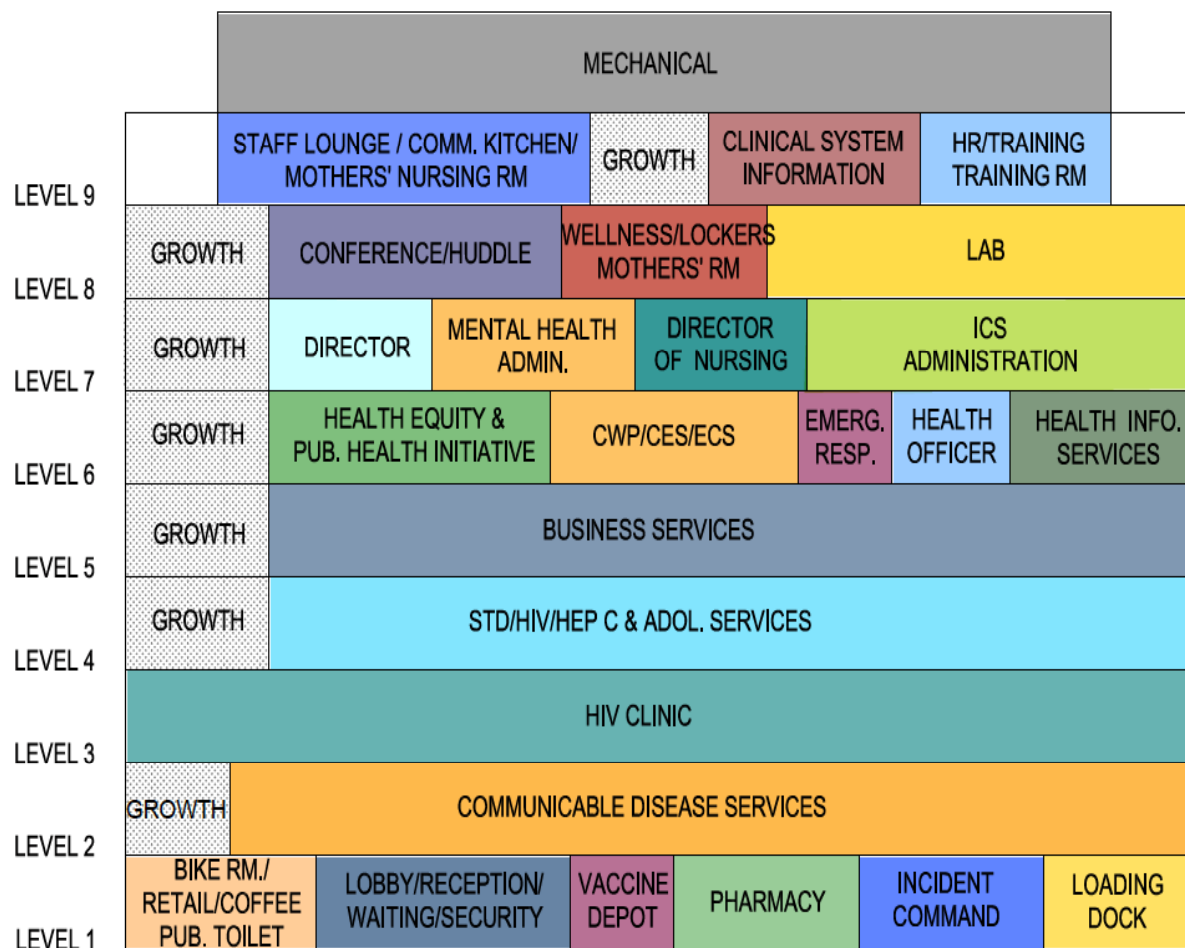


PROGRAMMING RESULTS

9-Story Facility, Approx. 157,000 s.f.

Test fit studies confirm:

- Accommodates all HD programs from McCoy Bldg. and Lincoln Bldg.*
- Provides space for modest growth at most floors
- Example blocking & stacking diagram illustrates possible configuration
- Except Mental Health & Addiction Services Division



CONCEPTUAL ESTIMATE PARAMETERS

- Project is still in pre-design stage – no drawings or detailed specifications
- Construction costs based on industry data for materials, systems and labor, not bids
- Estimate includes High-Rise requirements for fire life safety, power upgrades, etc.
- Estimate includes allowances for escalation assuming late 2016 GMP date
- Estimate includes contingencies for estimating, hidden conditions and changes

FUNDING SOURCES & USES, NET GENERAL FUND CONTRIBUTION		
Secured Sources & Uses	Low Est.	High Est.
Conceptual Estimate Range (late 2016 dollars):	\$85,000,000	\$95,000,000
PDC IGA 2012: River District Tax Increment Funds (TIF):	-\$26,900,000	-\$26,900,000
PDC IGA Amendment 2015: River District TIF:	-\$9,500,000	-\$9,500,000
Approved "One Time Only" Funds:	-\$5,400,000	-\$5,400,000
Subtotal including secured sources:	\$43,200,000	\$53,200,000
Anticipated Funding Sources		
Estimated McCoy Building Proceeds:	-\$5,000,000	-\$5,000,000
Estimated Health Department Contributions:	-\$7,000,000	-\$7,000,000
Net General Fund Contribution:	\$31,200,000	\$41,200,000



PROJECT FINANCING PLAN

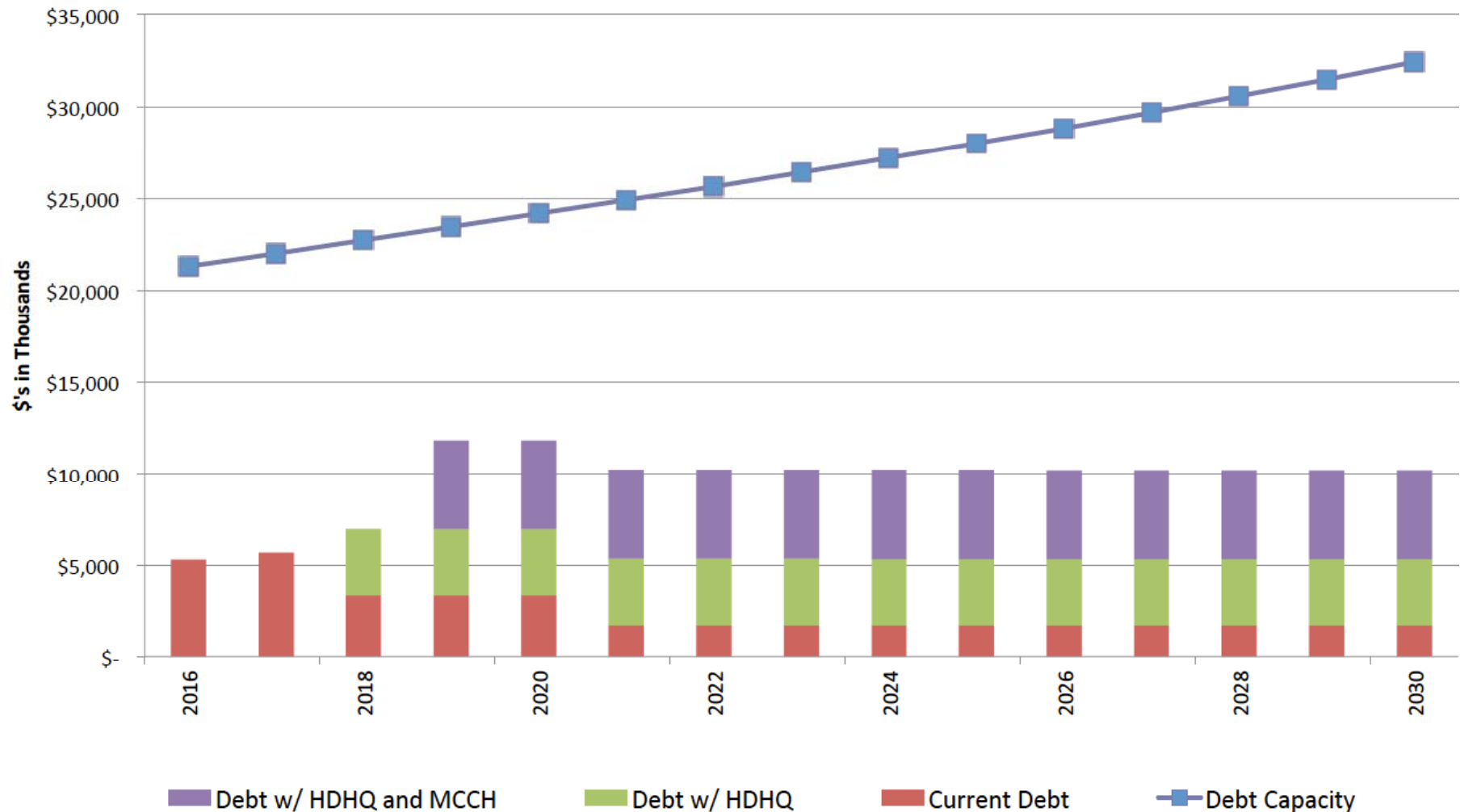
Provided by Multnomah County CFO

- The County has sufficient capacity, based on the *Financial & Budget Policies*
- An estimated \$12 million in anticipated real estate sale proceeds and Health Department contributions has been identified to mitigate the impact of the annual debt service on the General Fund.
- It is important to maintain debt capacity for other high priority capital projects. Given what is currently known about those projects there is adequate capacity to support them.
- The timing, and amount, of future borrowings will dictate how much the additional debt service will be in competition with other General Fund obligations.

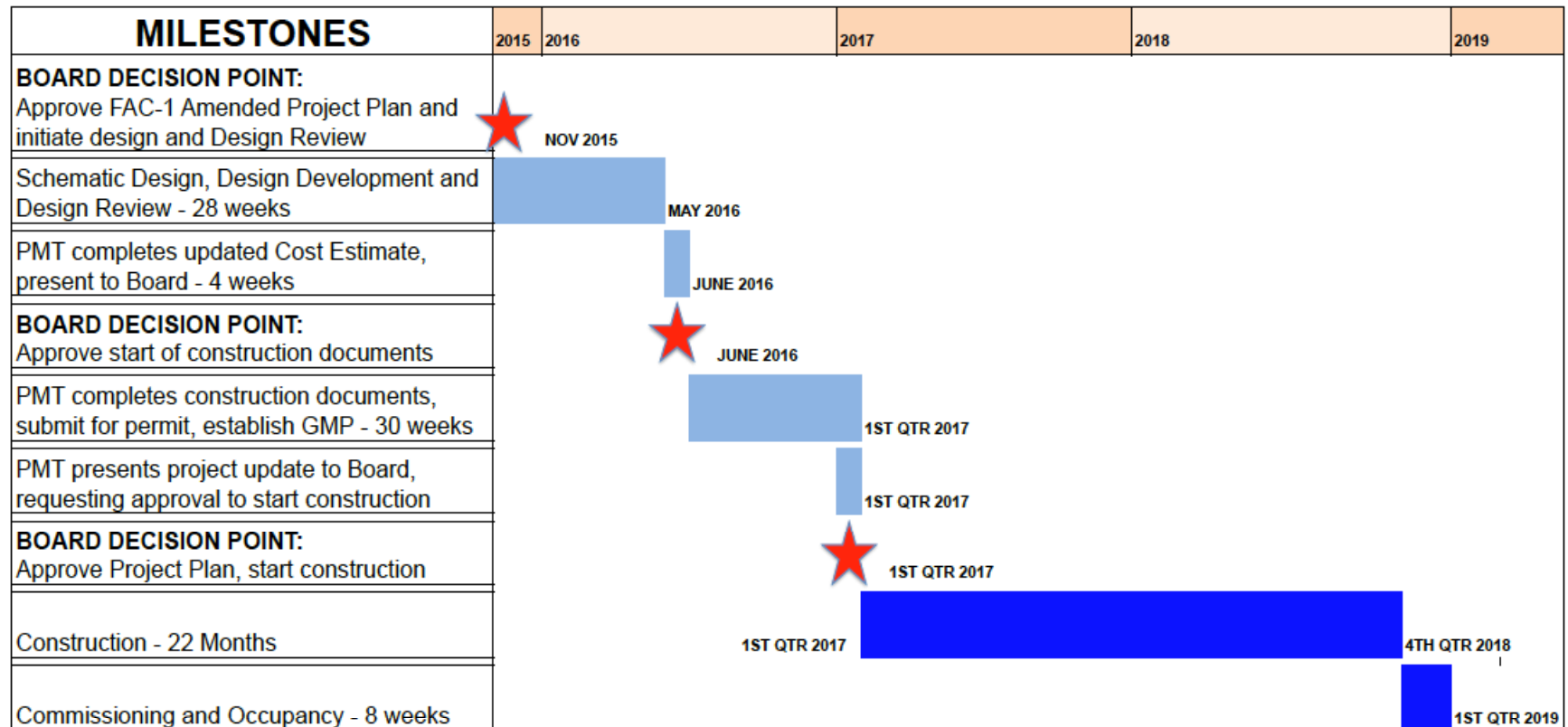


ESTIMATED COUNTY DEBT CAPACITY

W/ Additional Debt for HDHQ and Courthouse



PROPOSED PROJECT MILESTONE SCHEDULE



PROJECT UPDATE NOTES:

Executive Steering Committee Meetings to be held every month

Board Briefings to be held every two months



BOARD RESOLUTION / NEXT STEPS

BOARD RESOLUTION:

Resolution to approve the FAC-1 Amended Project Plan and authorize \$3.2M to perform Next Steps

NEXT STEPS:

- Request authorization to execute contract amendments with ZGF for design & construction documents and with JE Dunn for pre-construction services.
- Initiate Schematic Design & Design Development Phase AND Design Review Process
- Re-engage Community Involvement Process
- Establish Board briefings every 60 days to provide project updates
- Determine viability of early foundation work for Summer, 2016
- Continue exploring opportunities to accelerate schedule, lower risks, reduce costs
- Update Board on project status, estimate & schedule at end of Design Development stage





Questions?