

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. 2016-070

Approving the FAC-1 Project Design and Construction Plan and Authorizing Development of the Construction Documents for the Health Department Headquarters (HDHQ) Project.

The Multnomah County Board of Commissioners Finds:

- a) The County Health Department is housed in the McCoy Building, an aging, retail building, in need of costly seismic upgrades and not well suited for provision of health services to the public. In August of 2010, the County and Home Forward studied the feasibility of relocating the McCoy Building functions to a new facility on the vacant, easterly portion of Block U at N.W. 6th & Hoyt (Property), adjacent to the newly opened Bud Clark Commons and currently owned by the Portland Housing Bureau (PHB).
- b) In December of 2011, the Board of County Commissioners (Board) approved Resolution 2011-141: FAC-1 Health Department Headquarters Preliminary Planning Proposal. Resolution 2011-141 directed the Health Department and Facilities to work with Home Forward to submit the proposal to PHB to secure the Property for the HDHQ Project. The proposal was submitted on December 21, 2011.
- c) In May 2012, the Board approved Resolution 2012-060: Authorizing the County Chair to Execute an Intergovernmental Agreement (IGA) with Home Forward for development of the HDHQ Project on the Property.
- d) In November 2012, the Board approved Resolution 2012-191: Authorizing acquisition of the Property from PHB through an Agreement for Disposition of Property (Disposition Agreement). By a First Amendment to the Disposition Agreement, dated June 25, 2014, the County and PHB agreed to extend the Closing Date for conveyance of the Property from June 30, 2014, to June 30, 2015, to provide additional time for the County to finish design and engineering of and obtaining entitlements for the Project.
- e) In November 2012, the Board also approved Resolution 2012-192: Authorizing an Intergovernmental Agreement (Grant Agreement) with the Portland Development Commission (PDC), accelerating PDC's grant to the County of Tax Increment from the River District Urban Renewal Area (URA).
- f) Pursuant to the IGA and with the County's approval and direction, Home Forward, as owner, and ZGF Architects (Architect) entered into an AIA B101 – 2007 Standard Form of Agreement, for the Project, on December 19, 2012 (Architectural Contract). Pursuant to the IGA and with the County's approval and direction, Home Forward, as owner, and JE Dunn Construction (Contractor) entered into an AIA A102 – 2007 Standard Form of Agreement between Owner and Contractor, for the Project, on July 16, 2013 (Construction Contract).
- g) In April 2014, a FAC-1 Project Plan was approved by the Board authorizing the completion of design development. Design Development was completed in June 2014. At the time, height restrictions for the Property limited development to six floors, which was insufficient to accommodate Health Department programs now at the McCoy and Lincoln buildings.

- h) As required by the URA, PDC made the Initial Payment to the County on or before June 30, 2014. By a First Amendment to the Grant Agreement, dated June 27, 2014, the County and PDC agreed to extend the deadline for the Final Payment from June 30, 2014, to June 30, 2015, to provide additional time for the County to finish design and engineering of and obtaining entitlements for the Project.
- i) On January 23, 2015, Home Forward and the County entered into a Termination and Release Agreement pertaining to the IGA (the Termination), and an Assignment and Assumption of Architectural and Construction Agreements, under which Home Forward assigned and the County assumed the owner's rights and obligations under the Architectural and Construction Contracts, pursuant to the terms and conditions of the Termination.
- j) The County worked with the City Bureau of Planning and Sustainability to develop a proposal for zoning map amendments to increase the base height limit on the Property from 75 feet to 105 feet and to make the Property eligible for FAR bonuses. The City of Portland Planning and Sustainability Commission recommended approval of the zoning map amendments following a public hearing on April 28, 2015, and the City Council approved the amendments on June 24, 2015. The combined effect of the amendments allows the County to relocate substantially all of the HDHQ programs from the McCoy and Lincoln Buildings to the Property, consistent with the original Project goals.
- k) The County recognized additional resources and expertise were needed for the delivery of the Project and issued a formal solicitation for owner's representative services. In April 2015, Shields Obletz Johnsen (SOJ) was selected through this competitive process to provide owner's representative and project management services. The County's Project Management Team, with SOJ as owner's representative, initiated an effort to confirm and re-evaluate the HDHQ building program and to prepare a FAC-1 Amended Project Plan incorporating Health Department program growth and the City-approved increase in site capacity.
- l) By a Second Amendment to the Disposition Agreement, dated June 30, 2015, the County and PHB agreed to extend the Closing Date for conveyance of the Property from June 30, 2015, to December 30, 2016, to provide additional time for the County to reprogram, redesign, reengineer and obtain City entitlements for an expanded Project on the Property, which are all required pre-conditions to the County's acquisition of the Property from PHB.
- m) By a Second Amendment to the Grant Agreement, dated June 30, 2015, the County and PDC agreed to extend the deadline for the Final Payment from June 30, 2015, to December 30, 2016, to provide additional time for the County to reprogram, redesign, reengineer and obtain City entitlements for an expanded Project on the Property, which are all required pre-conditions to the County's acquisition of the Property from PHB.
- n) Under the Disposition Agreement, the County is required to complete building design and City of Portland permitting (including PHB approval) prior to acquiring the Property. In addition, the County is obligated to obtain all PHB and City of Portland approvals and show funding capacity for the Project prior to accessing TIF funds under the Grant IGA with PDC.
- o) In November 2015, the Board adopted Resolution #2015-118: Approving the FAC-1 Amended Project Plan and authorizing the Schematic and Design Development Phases of the Project.

- p) The Project team, with Shiels Obletz Johnsen as Owner's Representative, has now completed the Schematic and Design Development phases of the Project.

The Multnomah County Board of Commissioners Resolves:

1. Approval of the FAC-1 Project Design and Construction Plan for the HDHQ Project.
2. Authorization for the Development of the Construction Documents for the HDHQ Project.

ADOPTED this 7th day of July, 2016.



**BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

Deborah Kafoury

Deborah Kafoury, Chair

REVIEWED:

JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By *Kenneth M. Elliott*
Kenneth M. Elliott, Assistant County Attorney

SUBMITTED BY: Sherry Swackhamer, Department of County Assets Director



MULTNOMAH COUNTY HEALTH DEPARTMENT HEADQUARTERS FAC-1 PROJECT DESIGN AND CONSTRUCTION

JULY 2016

PREPARED BY: Shiels Obletz Johnsen

IN CONJUNCTION WITH: Multnomah County Facilities & Property Management

Multnomah County Health Department

ZGF Architects

J.E. Dunn Construction



FAC-1 AMENDED PROJECT PLAN

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FAC-1 PROJECT DESIGN AND CONSTRUCTION EXECUTIVE SUMMARY

For over a decade, Multnomah County has sought opportunities to vacate the McCoy Building and relocate the Health Department (MCHD) to a facility that can flexibly accommodate a centralized headquarters and specialized services. The County has determined that the current McCoy Building inadequately meets its current and future operational needs, as it is in poor condition, was not originally designed to accommodate its current functions, and would require significant investment in upcoming years. The Block “U” project site provides a favorable location and significant financial assistance due to \$36.4 million in River District Tax Increment Funding in addition to the agreement to acquire the land at no cost from the City of Portland’s Housing Bureau.

The development capacity of Block “U” allowed a maximum building height of 75 feet, limiting development of about 96,000 GSF, less than required to fully accommodate the MCHD programs. The County worked with the City Bureau of Planning and Sustainability to explore greater development opportunity for this site. In June 2015, Zoning Map Amendments approved by the City of Portland increased the base height to 105 feet, with a maximum height available through FAR bonuses to 150 feet.

In November 2015, the FAC-1 Amended Project Plan described the transition from the former project plan to a newly-defined vision of a facility that provides the full program needs for an efficient and functional Health Department Headquarters. The Board Resolution 2015 - 118 authorized the Schematic Design and Design Development work among other project – related tasks. In February 2016, the Board approved Resolution 2016-011 to retain the name of the Multnomah County Health Department Headquarters after former Multnomah County Chair Gladys McCoy.

The Project Management Team (PMT) has completed the Schematic Design and Design Development phases. The FAC-1 Project Design and Construction provides the findings from that effort. The PMT is now fully prepared to initiate the final design phases of the project, and committed to delivering to the County a new facility guided by the established goals and objectives, at the lowest practical cost, and on schedule.

The project budget estimate including hard construction and soft costs, is a range of \$85M to \$95M. The preliminary project schedule targets the start of construction in early 2017, with completion and move-in early in 2019.

A Board Resolution has been prepared to seek approval of this FAC-1 Project Design and Construction and authorize the development of the Construction Documents for the Health Department Headquarters Project.

FAC-1 PROJECT DESIGN AND CONSTRUCTION

PART A - INTRODUCTION

Project Sponsors

Multnomah County Chair, Deborah Kafoury
Multnomah County Health Department (MCHD)

Project Stakeholders

Multnomah County Board of Commissioners
Multnomah County Facilities and Property Management
City of Portland Housing Bureau
Portland Development Commission

Statement of Need



McCoy Building

The Multnomah County Health Department (MCHD) works in partnership with the diverse communities it serves to promote and protect the health of the citizens of Multnomah County. Through its critical public health functions, the department serves all 748,000 county residents. It is also the largest safety net provider of health care in Oregon with 33 primary care, school-based, dental and specialty clinics.

With the adoption of the Affordable Care Act, the demand for the Health Department's clinical services has grown significantly. Clinics located in the current Health Department Headquarters facility face the complexity of having to serve more clients in spaces that have limited flexibility. The HIV clinic alone has doubled patient numbers from 700 to 1400. As the largest HIV clinic in the state, this clinic serves individuals who live in 20 of Oregon's 36 counties. Many of these patients are homeless, uninsured, have a mental illness diagnosis, and are dealing with substance abuse. For these individuals, the Health Department has become their final choice for treatment.

Currently, the MCHD administrative and clinical operations occupy the McCoy Building located at 426 SW Stark Street. The McCoy Building was built in 1923 as a retail and warehouse space. The County has determined that the building inadequately meets its current and future operational needs, as it is in poor condition, was not originally designed to accommodate its current functions, and would require significant investment in upcoming years. Other challenges include the fact that this facility is one of

the lowest performing buildings in the County's facilities portfolio. Asset assessment reveals a performance score of only 44 points out of a possible 80 in the Facility Asset Strategic Plan. In addition, the Condition Ratio of the building is over 150% - meaning the amount of investment required to upgrade current systems over the next 20 years is 1.5 times the value of the existing building. Finally, to renovate the building to make it flexible, functional, seismically viable and technologically useful would exceed that cost by at least double that amount and does not address the risk and uncertainty of the hidden conditions of the building.

For over a decade, Multnomah County has sought opportunities to vacate the McCoy Building and relocate the Health Department to a facility that can flexibly accommodate a centralized headquarters and its specialized services. The County analyzed a number of relocation and reconfiguration options before determining that the construction of a new building would be the most practical and cost effective option. The new headquarters would be constructed of systems and materials capable of at least 80 years of service.

Purpose of this FAC-1 Project Design & Construction

The approval of Amended Project Plan by Board Resolution 2015-118 authorized the project team to complete the Schematic Design and Design Development phases of the HDHQ project development. This Project Design & Construction captures the outcome of these efforts and requests authorization for the development of the Construction Documents.

Project Development History

In August of 2010, Multnomah County worked with Home Forward to consider the feasibility of relocating the McCoy Building functions to the vacant, easterly portion of Block U at N.W. 6th & Hoyt. The parcel is directly east of the Bud Clark Commons, and is owned by the City of Portland. Home Forward, formerly the Housing Authority of Portland (HAP) is a municipal corporation specializing in the development and management of low - income housing.

In December 2011 the Board of County Commissioners approved the Preliminary Planning Proposal in resolution 2011-141. In May 2012, the Board of County Commissioners approved the acquisition of the land from the Portland Housing Bureau in resolution 2012-191. Following this Resolution, the County partnered with Home Forward as developer who engaged ZGF Architects to perform building programming and schematic design, and JE Dunn to perform pre-construction cost estimating. In April 2014, a FAC-1 Project Plan was approved by the Board of County Commissioners, authorizing completion of the Design Development phase.

The Design Development phase of the design work was completed in June 2014. At the time, height limitations for the Block U property limited development to six floors, which was insufficient to accommodate all programs at the McCoy building. In January 2015, Multnomah County and Home Forward mutually agreed to terminate the IGA for development services for this project.

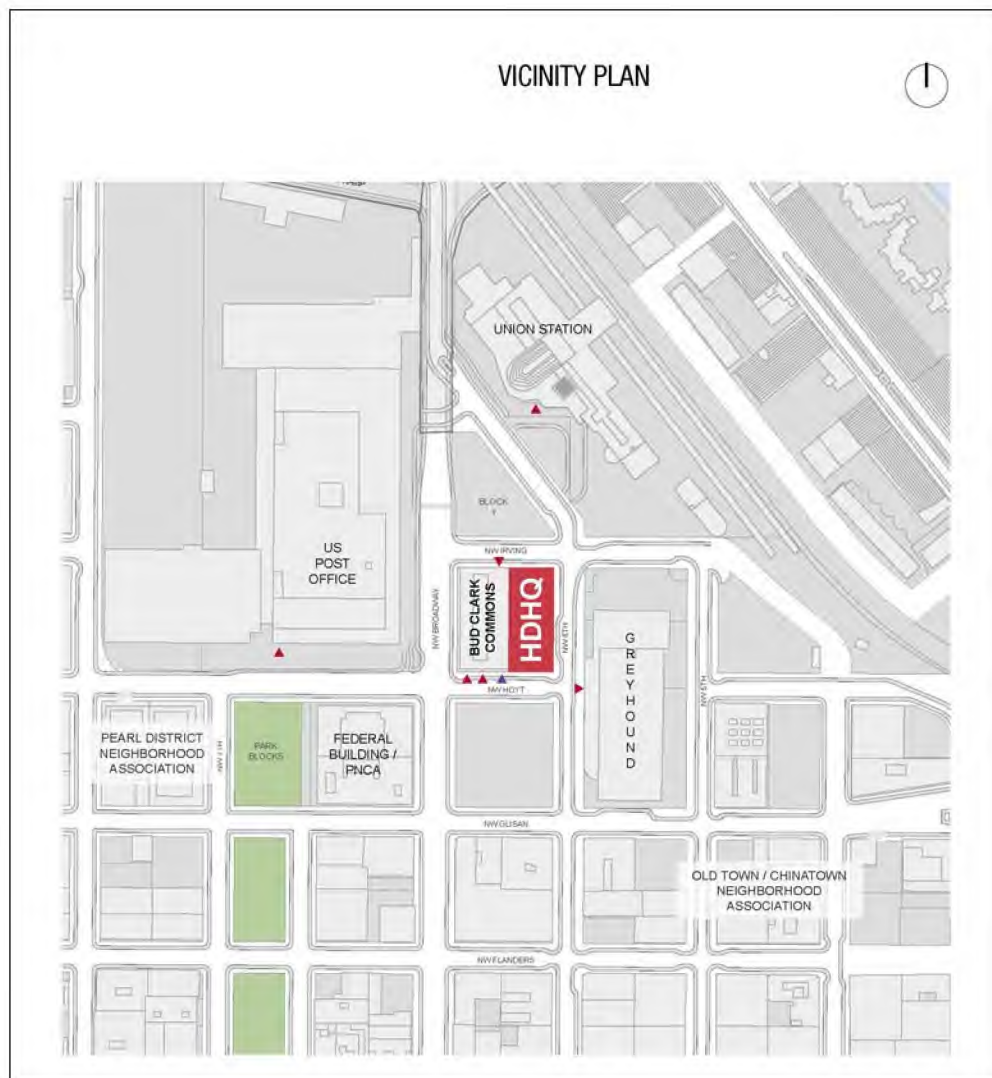
The termination provided the County the opportunity to reevaluate the Project strategy that could provide for growth and flexibility. The County initiated a process to explore development options, including seeking additional height limits on the Block U property, and consideration of other sites.

The County worked with the Bureau of Planning and Sustainability to explore options for greater development opportunity on the existing Block U project site.

In June 2015, the City of Portland approved a Zoning Map Amendment that, together with FAR bonuses, allows a maximum height of 150 feet, doubling the previous 75-foot limit, while maintaining the substantial financial benefits of the Tax Incremental Financing offered by the City of Portland.

The County, recognizing additional expertise and resources were needed for the delivery of this project, issued a formal solicitation for owner's representative services. In April 2015, Shields Obletz Johnsen was selected through this competitive process to provide owner's representative and project management services.

In November 2015, the FAC-1 Amended Project Plan described the transition from the former project plan to a newly-defined vision of a facility that provides the full program needs for an efficient and functional Health Department Headquarters. Board Resolution 2015 - 118 authorized the Schematic Design and Design Development phase. In February 2016, the Board of County Commissioners passed Resolution 2016-011 to retain the name of the Multnomah County Health Department Headquarters after former Multnomah County Chair Gladys McCoy.



Current Project Status

Over the past months, ZGF has led the effort to complete the Schematic Design and Design Development phases. The Design Review process was initiated with a Design Advice Request submittal and hearing on April 14th. The project team recently submitted the Design Review application to the City of Portland.

JE Dunn Construction performed multiple comprehensive construction estimates, including pricing from the subcontractor market. The PMT has collaborated extensively to resolve design and constructability issues while managing construction costs and other aspects such as sustainability and maintenance. Multnomah County Facilities staff participated throughout the development of the design and specifications for the various building systems and materials.

FAC-1 PROJECT DESIGN AND CONSTRUCTION

PART B - SUMMARY OF FINDINGS

Project Goals & Objectives

Strategic work sessions held in January 2013 established a “vision” for the project with a description of the qualitative goals, desires, and expectations. The project vision establishes guiding principles for the Multnomah County Health Department Headquarters project that will be used to inform and measure design decisions.

PROJECT MISSION

To provide the Multnomah County Health Department a permanent and sustainable location from which to deliver critical services to Multnomah County residents.

CHARACTER & QUALITY

Identity: Facility will reflect the prominence and importance of providing critical health services to the citizens of Multnomah County while reflecting fiscal responsibility to the taxpayers.

Art: Participation in the Percent for Arts Program at 2% of construction costs per Ordinance No. 1117

PERFORMANCE and SUSTAINABILITY

Operations: Use of durable, sensible materials and systems focused on low long-term operational cost, and a functional, efficient facility that is easy to maintain.

Longevity: The facility is intended to last at least 80 years, and designed with flexibility to accommodate the future needs and requirements of County programs.

Aspirational Sustainability Goals:

- Achieve a Leadership in Energy & Environmental Design (LEED) Gold Rating
- Meet the Architecture 2030 Challenge
- Meet 2009 Climate Action Plan
- 1.5% Green Energy Technology program

COMMUNITY BENEFITS

M/W/ESB Involvement: The County is seeking high level of participation from M/W/ESB businesses and organizations, and has identified an aspirational goal of 20% involvement of the value of construction, and for 20% of the total design fee.

Apprentice Involvement: The County is seeking a high level of participation from women and minority apprentices with an overall apprentice workforce goal of 20% in alignment with the County's Workforce Training and Hiring Program requirements.

NEIGHBORHOOD INVOLVEMENT COMMITTEE

The Neighborhood Involvement Committee convened in February 2016 to introduce the revised project scope and schedule. Invitees included key community stakeholders. The committee meets to maintain communication with the County, resolve problems and work together to improve safety and livability throughout the course of the project. Attendees of the first meeting included representatives from Greyhound, Union Station businesses, Pacific Northwest College of Art, Old Town Chinatown Community Association, Portland Patrol, Transition Projects Inc., Tri-Met, the Project Management Team, County leadership and the Health Department.

The committee met on June 24th to provide an update on the status of design work, the Design Review process, and the ground floor features to provide activation of the street level. Other subjects included the project schedule status, incorporation of public art, and the process for developing the Good Neighbor Agreement.

BOARD OF COMMISSIONERS and HEALTH DEPARTMENT LEADERSHIP QUALITATIVE and VISIONARY GOALS

This project vision provides guiding principles that are used to inform and measure design decisions.

Project Image:

- a. *Reflective of Multnomah County credibility*
- b. *"Brand" Multnomah County well*
- c. *Not over the top, a wise use of resources*
- d. *Easily accessible*
- e. *Inclusiveness as a Hallmark of Multnomah County Health Department*
- f. *Timeless design, yet innovative*
- g. *A good neighbor*
- h. *Sustainably designed, leading by example*

Building Character:

- a. *Welcoming, inviting*
- b. *Economical and high quality, a good value*

- c. *A healthy and healthful building*
- d. *Inspirational to both staff and clients, making all feel valued*
- e. *Safe*

Building Design:

- a. *Attractive*
- b. *Reflecting simplicity, functional utilitarianism + good aesthetics*
- c. *A well-functioning building, now and for 80 years*
- d. *Well lit, cheerful*
- e. *High indoor air quality*
- f. *Calming*
- g. *Flexible*
- h. *Forward thinking, technology astute*
- i. *Complementary to Bud Clark Commons*
- j. *Desirable outdoor terrace*

Project Description

The proposed building is a new headquarters facility for the Multnomah County Health Department. It is an approximately 157,000 gross square foot, nine-story structure located on Block U in the Old Town/Chinatown neighborhood.

The site is bounded to the north by NW Irving Street, to the east by NW 6th Avenue, to the south by NW Hoyt Street, and to the west by a property line in common with the Bud Clark Commons. The Portland bus station is to the east of the site and Union Station is located immediately northeast of the site. The light rail runs south to north on 6th Avenue.

The site is 200 feet in the north-south direction and 87'-6" feet in the east-west direction, for a maximum gross floor plate of 17,500 square feet. The proposed building will be built close to the property lines at all boundaries.

The building will have a public entry sequence focused on the intersection NW 6th Avenue and NW Hoyt Street. Major program areas at the ground floor include a public lobby, a pharmacy and waiting area, a potential lease space, loading and support spaces and workspaces that provide a critical public health function to Multnomah County's citizens.

The upper floors will include public clinics and associated support spaces as well as workplaces for the Health Department's administrative and public health functions. Vertical circulation, restrooms, break rooms, mechanical rooms, and other support spaces are concentrated on the west side of the floor plate to maximize the amount of active program spaces oriented to the south, east and north sides of the building.

The mission of the Health Department is "Healthy people in healthy communities." This project represents a significant opportunity for the County to represent this mission in the context of the central city. To that end, the building is designed as a simple but flexible and durable structure which engages the traditions of civic architecture in Portland and the unique architectural heritage of the district. The building massing is straightforward and compact: a rectangular masonry volume which fills out the zoning envelope on 6th, Hoyt and Irving. This volume is then given scale and order by vertically proportioned punched window openings. The upper level windows are scaled to help maximize interior daylighting, with deeply recessed windows associated with the workplace and individual functions and larger openings framing the more public spaces such as the waiting areas and conference rooms.

The exterior is designed to communicate the optimism and values associated with public health: the palette emphasizes transparency, with lightly toned, welcoming and familiar materials that root the building in the district. The principal building material will be a light brick masonry with trim elements detailed to respond to the different solar and view exposures on each elevation. At the ground floor the fenestration and enclosure elements are scaled to the public realm. Along NW 6th Avenue, tall precast masonry window frames allow passers-by to see into a long gallery space facing the street, at the south-east corner these frames 'lift up' and create a portico off the main entry. A canopy off the south side of the building helps to further emphasize this entry and provides weather protection from the principal vehicular drop-off area along NW Hoyt.

One of Multnomah County's primary goals for the project is to build an '80-year building', which is to say that the building will be flexible, adaptable and durable and also designed to possess a certain degree of timelessness, and respect for its future urban context. To that end, the building is structured similar to many of the historic and enduring masonry warehouse buildings in the district: it is organized by a simple square 32'-wide column grid for flexibility, floor-to-floor heights that allow systems to be

changed out with time, and durable exterior materials and regular patterned window openings that anticipate and support reconfigurations of the interior spaces.

The building will also support the County's commitment to sustainability through LEED Gold certification. The project aims to include high-performing mechanical systems, exterior sunshading and daylighting strategies, water efficient plumbing, storm-water filtration, and an extensive eco-roof among other features.

Building Program:

Program developed August 2015.

SERVICE AREA / DIVISION	Net Square Feet (NSF)	Grossing Factor ³	Square Footage (DGSF)	Number of Staff	Comments
DEPUTY DIRECTOR					
Emergency Preparedness and Response	2,114	1.40	2,960	3	
Director / Administrative Offices	1,288	1.40	1,803	6	
Health Department Shared Spaces	9,983	1.22	12,179	0	Conf rms, break rms, coffee stations, lactation, client stor
BUSINESS, FINANCIAL & QUALITY SERVICES					
Business Services	7,929	1.40	11,101	94	
Vaccine Depot (Immunization Storage)	433	1.10	476	0	
Mental Health and Addictions Contracts	752	1.40	1,053	6	Added program
COMMUNITY HEALTH SERVICES (CHS)					
CHS/CES/ECS	1,469	1.40	2,057	16	
STD/HIV/Hep C	8,236	1.50	12,354	60	SF includes waiting function
Communicable Disease Services	8,083	1.50	11,316	58	includes waiting / queuing function
Mental Health	752	1.40	1,053	6	
DIRECTOR OF NURSING PRACTICE					
Director of Nursing	944	1.40	1,322	8	
HEALTH OFFICER					
Health Officer/EMS/HPO	1,932	1.40	2,705	20	
HUMAN RESOURCES & WORKFORCE DEVELOPMENT					
Workforce Development (HR & Training)	3,244	1.40	4,542	27	
INTEGRATED CLINICAL SERVICES (ICS)					
Health Center Business Operation (Call Center)	0	1.40	0	0	
Health Information Services (Medical Records)	868	1.40	1,215	10	
Clinical System Information (Elec Health Records)	2,105	1.40	2,947	19	
ICS Administration	5,345	1.40	7,483	61	
Central Laboratory	4,684	1.40	6,558	10	
Pharmacy Administration	735	1.40	1,029	7	
Pharmacy	1,420	1.25	1,775	6	includes waiting/queuing function
HIV Clinic	9,237	1.50	12,932	50	Revised 7-30-2015 includes waiting / queuing
PUBLIC HEALTH & COMMUNITY INITIATIVES					
Public Health & Initiative	1,459	1.40	2,043	10	
Health Equity Initiative	1,564	1.40	2,190	18	
PUBLIC HEALTH					
Program Design & Evaluation Services (PDES)	0	1.40	0	0	Program maynot be located in the building
FACILITIES					
Lobby	440	1.10	484	2	Includes waiting, reception, security, ATM, coffee
Building Support ²			24,095	0	Includes building core support elements, i.e. restrooms, janitor, MEP rooms.
Growth Space			3,581	0	
SUBTOTAL			131,250	497	
Grossing Factor (DGSF to BGSF) ¹		1.18	23,625		includes circulation, shell, stairs and elev. shafts
BUILDING GROSS SQUARE FEET (BGSF)			154,875		

Project Estimate

The FAC-1 Amended Project Plan approved by the Board of County Commissioners in November 2015 identified the overall cost of the project, including expenses to date, to be within a range of \$85M - \$95M. A summary of the current estimate, based on the 50% Design Development construction estimate is provided below:

50% DD ESTIMATE SUMMARY		
Estimated GMP for Construction		\$61,300,000
MULTCO Construction (FFE, IT, Med Equip, Environmental, etc.)		\$12,700,000
Soft Costs (Permits, Fees, Consultants, RACC, 1.5% for Green Energy, etc.)		\$18,000,000
Total Estimate (includes \$12.1M in contingencies - 13.6%)		\$92,000,000

The updated sources and uses for overall project funding is provided below:

FUNDING SOURCES & USES, NET GENERAL FUND CONTRIBUTION			
Project Estimates:	Low Est.	High Est.	Current Est.
November 2015 Conceptual Estimate Range (late 2016 dollars):	\$85,000,000	\$95,000,000	
Current Estimate (late 2016 dollars):			\$92,000,000
Secured Sources & Uses:			
PDC IGA 2012: River District Tax Increment Funds (TIF):	-\$26,900,000	-\$26,900,000	-\$26,900,000
PDC IGA Amendment 2015: River District TIF:	-\$9,500,000	-\$9,500,000	-\$9,500,000
Approved "One Time Only" Funds (updated 03.15.16):	-\$6,400,000	-\$6,400,000	-\$6,400,000
Subtotal including secured sources:	\$42,200,000	\$52,200,000	\$49,200,000
Anticipated Funding Sources:			
Estimated McCoy Building Proceeds:	-\$5,000,000	-\$5,000,000	-\$5,000,000
Estimated Health Department Contributions:	-\$7,000,000	-\$7,000,000	-\$7,000,000
Net General Fund Contribution:	\$30,200,000	\$40,200,000	\$37,200,000

Budget Risks

The ongoing process of cost estimating by J.E. Dunn Construction has revealed several risk factors in the current local market that are influencing construction costs.

- **Market Saturation and Volatility:** The local construction market is experiencing recent increases in cost escalation of 1.0% to 1.5% per quarter by some estimates. The greater Portland region is experiencing an increase in major and mid-range projects of numerous types.
- **Workforce Shortages:** the busy construction market is straining the available skilled workforce. There is evidence that market booms outside the Portland area are also influencing labor availability.
- **Commodity prices:** Commodities prices remain relatively flat, with the exception of steel. There are reports of substantial price increases in the coming month related to drywall materials.

- **Design Review and Building Permit Schedule:** The Design Review approval is a critical path activity for the project schedule because it is required before submitting for permit. The Bureau of Development Services has a high workload for permit reviews due to the increased number of projects.

Budget Risk Mitigation

To address these risks, the Project Management Team is implementing the following approaches:

- **Contingency Management:** No contingency budgets for design and escalation have been used to this point. The project retains over \$12M or 13.6% in various contingencies in this estimate.
- **Outreach:** A dynamic outreach program is being maintained to garner interest in the project and assist subcontractors with information to maximize response during bidding.
- **Early Procurements:** Some commodities are being identified that could be bid earlier as the construction documents are developed. Elements such as elevators and structural steel packages are being considered.
- **Trade Partners:** Major subcontractors for mechanical, electrical, plumbing, fire protection, and others were selected through a qualifications process, and are providing design assist services during pre-construction. These sub-contractors will be placed under contract as soon as possible to hold pricing.
- **Coordination with City permitting:** The PMT is working closely with the City to understand processing time lines for Design Review and Building Permit procedures.
- **Accelerated Construction Start:** The PMT has engaged in preparation of construction documents in a two – step process to submit an Early Work Package consisting of foundations work, with a follow-up submission for the remainder of the project. Scheduling studies indicate this approach has potential for allowing some work to be contracted earlier to mitigate inflation. The analysis of this option is not yet complete, but the course of the design and construction documents phases have been established to support this option.

FAC-1 PROJECT DESIGN AND CONSTRUCTION

PART C - NEXT STEPS

Following is a brief description of the recommended "Next Steps" tasks to move the project forward. This list of tasks is followed with estimated costs and a proposed schedule to perform the tasks, culminating with a return to the Board of County Commissioners to request approval to execute an Amendment to the GMP and initiate construction of the Gladys McCoy Building.

Construction Documents

Complete production of the Construction Documents phase. This phase will finalize the fully detailed drawings and specifications. The documents are required to initiate building permit review and approval. The documents will establish the basis for competitive bidding of various trades and defines the scope of work required for a GMP amendment for construction.

Continue Board Briefings

The PMT will continue to report to the Board approximately every 60 days on status and progress of the project. In addition, the reports will include updates on activities associated with the Neighborhood Involvement Committee, the Regional Arts and Culture Council, and other interagency and County partners.

Early Work Package

The PMT will continue to explore the viability of an accelerated construction start. Progress of the Design Review process will be considered, as well as other criteria. The PMT has adopted a schedule and approach to support an Early Work package. Planning continues for identifying commodities and bid packages that can be secured, such as structural steel, elevators, and work scopes being performed by trade partners already pre-qualified for the project. Preparation of an Early Work Package amendment to the GMP Contract will also be pursued.

Opportunities to accelerate schedule, lower risks, reduce costs

Opportunities for these goals will continue to be pursued. The principles have been made integral to the ongoing work of the PMT, and are being tracked and monitored on an ongoing basis.

Estimate of Next Steps Activities

Activities required to complete design, construction documents, building permit submittal and prepare the Guaranteed Maximum Price contract for construction prior to construction start:

Architecture and Consultant Fees	\$2,700,000
Pre-Construction & Design / Build Services	\$ 500,000
Multnomah County, Consultants Fees	\$ 860,000
Permit Fees, Systems Development Charges	\$3,100,000
Contingency	<u>\$ 540,000</u>
Total	\$7,700,000*

* Estimate does not include costs for early work package

Schedule for Next Steps Activities

Construction Documents:	July 2016 – Jan. 2017
Early Work Package Analysis:	Present – Oct. 2016
Present Project Plan for Construction:	March 2017

FAC-1 PROJECT DESIGN AND CONSTRUCTION

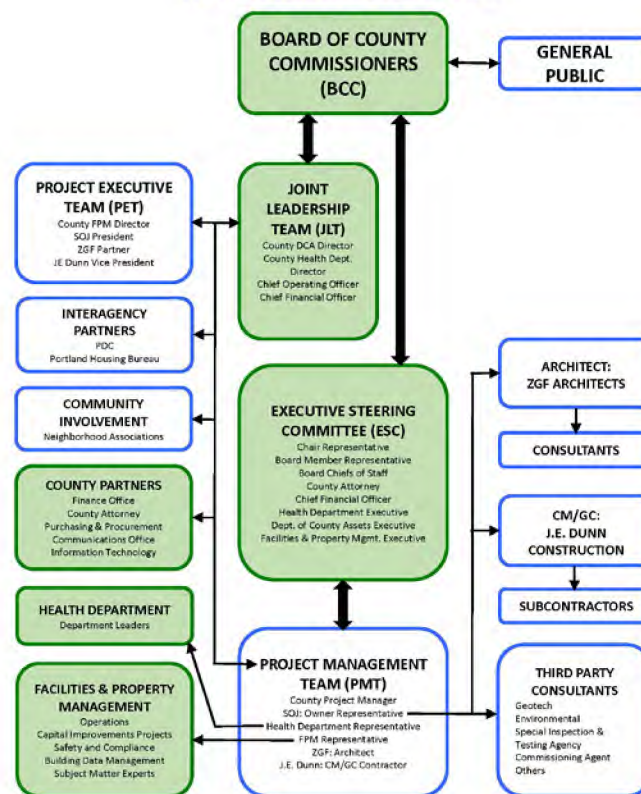
PART D – PROJECT MANAGEMENT

The Project Management Team (PMT)

The Project Management Team is responsible for the day-to-day detailed activities associated with the project, but is a part of a larger group of entities engaged in the common efforts to deliver a successful project to Multnomah County. The full organizational relationships are illustrated in the Org Chart on this page. The PMT includes representation from:

- Multnomah County Facilities and Property Management
- Multnomah County Health Department
- Shiels Obletz Johnsen, Owner Representative
- ZGF Architects, Architect
- JE Dunn Construction Company, CM/GC Contractor

HDHQ PROJECT ORG CHART



Project Communication and Reporting

BOARD OF COUNTY COMMISSIONERS (BCC)

The BCC is composed of the elected chair and four elected commissioners of Multnomah County. The BCC is the Project owner. The PMT will provide Board Briefings approximately every 60 days throughout the course of the project.

EXECUTIVE STEERING COMMITTEE (ESC)

The Executive Steering Committee is composed of Project Sponsors, Department Leadership and other Key County Stakeholders. This team meets monthly with PMT Representatives to review the status of the project development

JOINT LEADERSHIP TEAM (JLT)

The JLT is composed of the Chief Operating Officer, Chief Financial Officer, DCA and Health Department Directors to provide the PMT with direction on decisions that impact the delivery of the project. The JLT meets monthly.

PROJECT EXECUTIVE TEAM (PET)

This team consists of Executive Leadership representatives from the agencies and companies directly involved in the project. It provides executive level communication and guidance, and to monitor the overall progress and performance of the PMT and other partners as needed. The PET meets as needed.

TECHNICAL WORKING GROUPS (TWGs)

The County formed specialized TWGs composed of technical experts in specialized fields that will advise the PMT and the County on recommendations for specific issues. This may include County staff from the Multnomah County Health Department, Facilities Division, IT, Finance Department, and County Attorney. TWGs meet as needed.

PROJECT MANAGEMENT TEAM (PMT)

The Project Management Team is responsible for the day-to-day detailed activities associated with the project. These activities will be guided by a Project Management Plan that is founded on SOJ's principles of developing and engaging a management Process that is inclusive, transparent and protective of the County's best interests.

The Project Management Team's activities will be carefully monitored by the Owner Representative, regular meetings will be held with minutes to follow recording activities, progress, resolution of issues, identification of new issues, decisions required and status of the schedule and budget. The PMT meets weekly.

WEBPAGE

Multnomah County maintains a webpage for information about the project at:

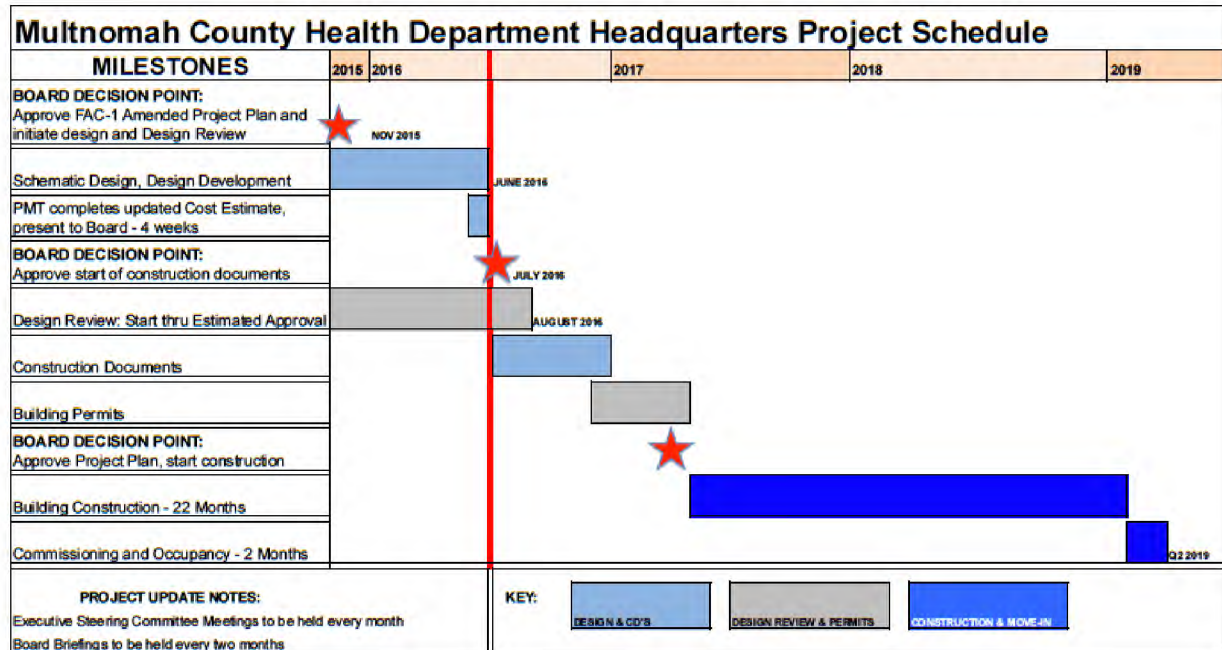
<https://multco.us/gladys-mccoy-health-department-headquarters>

M/W/ESB and Subcontracting Plan

JE Dunn is working in conjunction with Multnomah County and SOJ to develop and implement a project specific subcontracting plan. The plan will define a prescriptive bidding approach that ensures that the diversity goals for both JE Dunn and Multnomah County are met. The plan will be specific to MW/ESB participation and Work Force Training Goals associated with apprenticeship programs.

The Subcontracting Plan will define multiple approaches to subcontractor procurement which includes Open/Competitive Bidding, Targeted/Select Bidder Lists, and RFP Best Value Selection. Each scope of work will be assigned to one of these procurement approaches to maximize diversity in the project. These scopes of work/bid packages will be clearly communicated to the subcontractor community to ensure participation.

Current Project Schedule:



FAC-1 PROJECT DESIGN AND CONSTRUCTION

PART E - EXHIBITS

EXHIBIT

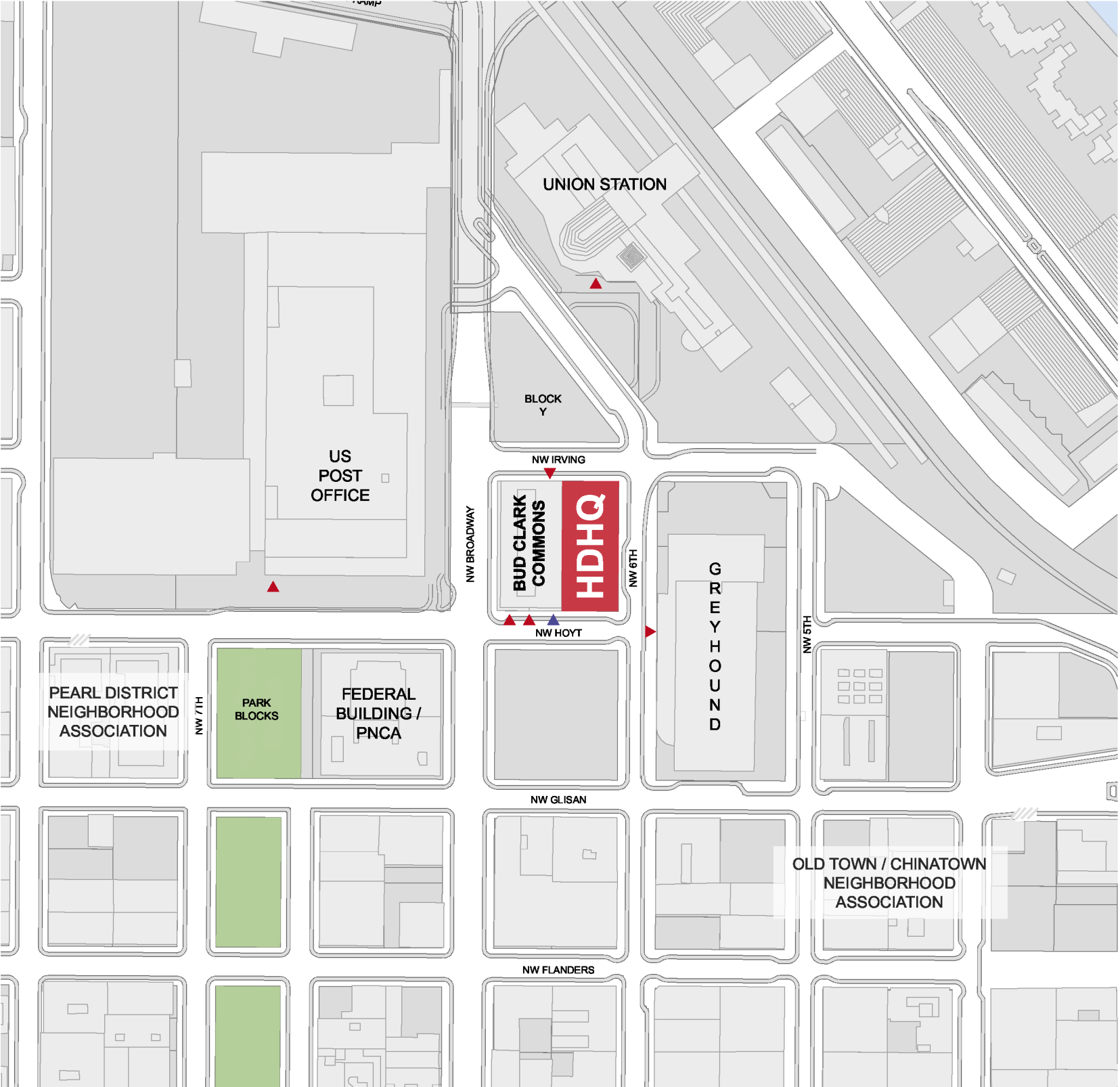
DRAWINGS & SELECTED ILLUSTRATIONS

MULTNOMAH COUNTY HEALTH DEPARTMENT HEADQUARTERS

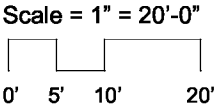


DESIGN REVIEW // LU 16-116592 DA // JUNE 14, 2016 // ZGF ARCHITECTS, LLP

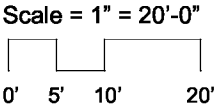
VICINITY PLAN



SITE PLAN

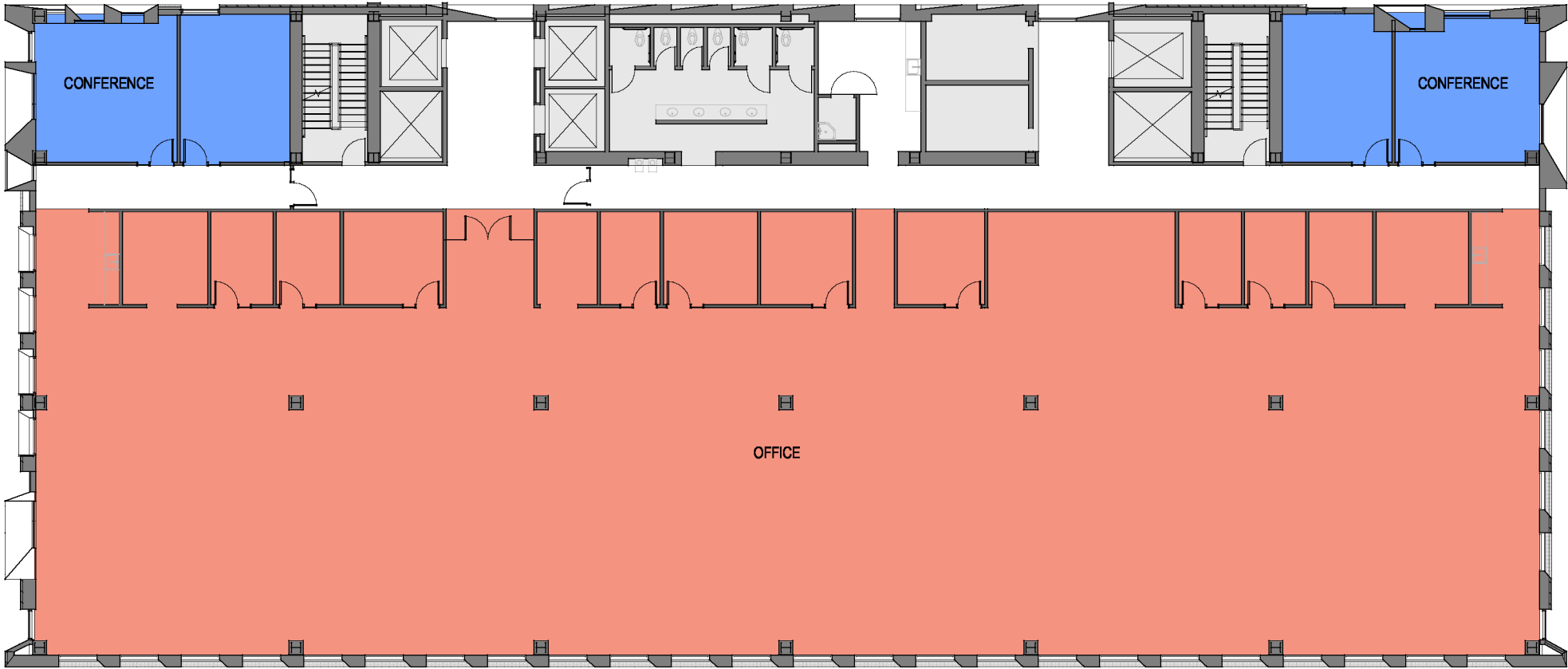
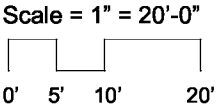


LEVEL 2-4 PLAN
Typical Upper Clinical Floor



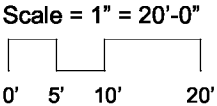
LEVEL 2-4	
Typ. Floor Area	17,320 SF
<div></div> Clinic / Clinic Waiting	6,180 SF
<div></div> Clinic Admin.	6,112 SF
<div></div> Conference	707 SF
<div></div> Service	1,939 SF











LEVEL 5-8 PLAN
Typical Upper Office Floor



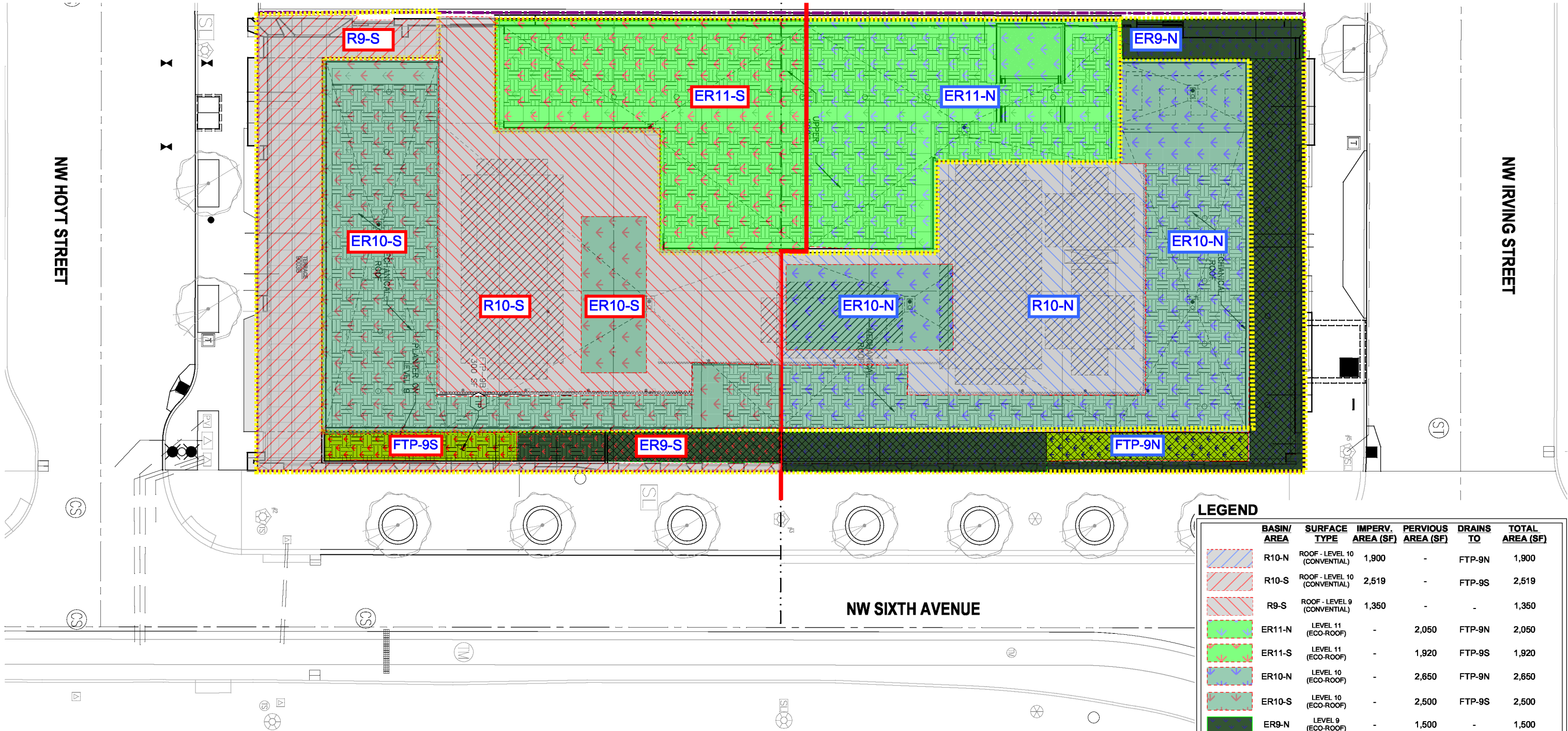
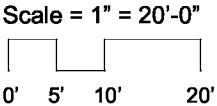
LEVEL 5-8	
Typ. Floor Area	17,320 SF
Open Office	11,473 SF
Conference	1,332 SF
Service	1,939 SF

LEVEL 9 PLAN



LEVEL 9		
Typ. Floor Area		13,653 SF
	Open Office	5,334 SF
	Multi-Purpose Room	1,019 SF
	Break Room	1,557 SF
	Locker Rooms	912 SF
	Conference	965 SF
	Service	1,939 SF
LEVEL 9 E EXTERIOR		
Floor Area		2,839 SF
	Terrace	996 SF
	Storm Water Planter	319 SF
	Vegetated Eco-Roof	1,117 SF
	Pavers	407 SF

STORMWATER PLAN
Post-Developed



LEGEND

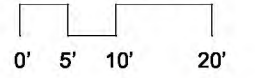
BASIN/ AREA	SURFACE TYPE	IMPERV. AREA (SF)	PERVIOUS AREA (SF)	DRAINS TO	TOTAL AREA (SF)
R10-N	ROOF - LEVEL 10 (CONVENTIONAL)	1,900	-	FTP-9N	1,900
R10-S	ROOF - LEVEL 10 (CONVENTIONAL)	2,519	-	FTP-9S	2,519
R9-S	ROOF - LEVEL 9 (CONVENTIONAL)	1,350	-	-	1,350
ER11-N	LEVEL 11 (ECO-ROOF)	-	2,050	FTP-9N	2,050
ER11-S	LEVEL 11 (ECO-ROOF)	-	1,920	FTP-9S	1,920
ER10-N	LEVEL 10 (ECO-ROOF)	-	2,650	FTP-9N	2,650
ER10-S	LEVEL 10 (ECO-ROOF)	-	2,500	FTP-9S	2,500
ER9-N	LEVEL 9 (ECO-ROOF)	-	1,500	-	1,500
ER9-S	LEVEL 9 (ECO-ROOF)	-	730	-	730
FTP-N	STORMWATER FLOW-THROUGH PLANTER	-	210	-	210
FTP-S	STORMWATER FLOW-THROUGH PLANTER	-	200	-	200
		5,770 SF TOTAL IMPERV.	11,760 SF TOTAL PERV.	17,530 SF TOTAL AREA	

EAST ELEVATION MATERIALS

BRICK	41%
METAL PANEL	8%
GLASS	35%
TILE PANEL	3%
PRECAST CONCRETE	7%
BOX RIBBED METAL	6%

EAST ELEVATION

Scale = 1" = 20'-0"

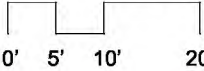


SOUTH ELEVATION MATERIALS

BRICK	32%
METAL PANEL	10%
GLASS	27%
TILE PANEL	16%
PRECAST CONCRETE	7%
BOX RIBBED METAL	8%

SOUTH ELEVATION

Scale = 1" = 20'-0"

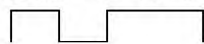


NORTH ELEVATION MATERIALS

BRICK	29%
METAL PANEL	18%
GLASS	27%
TILE PANEL	14%
PRECAST CONCRETE	5%
BOX RIBBED METAL	5%
METAL COIL DOOR	2%

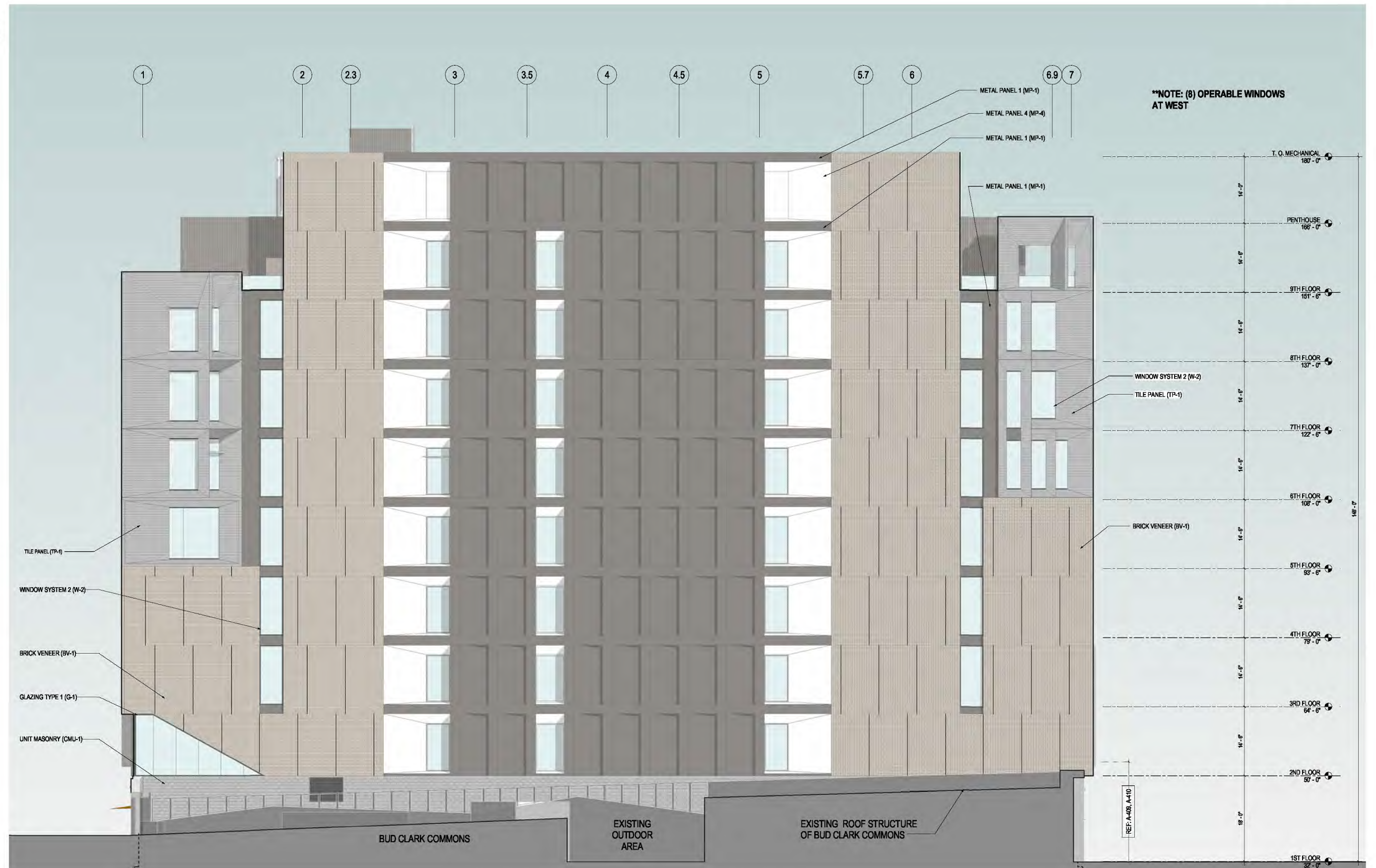
NORTH ELEVATION

Scale = 1" = 20'-0"



BRICK	30%
METAL PANEL	41%
GLASS	10%
TILE PANEL	7%
CONCRETE MASONRY	12%

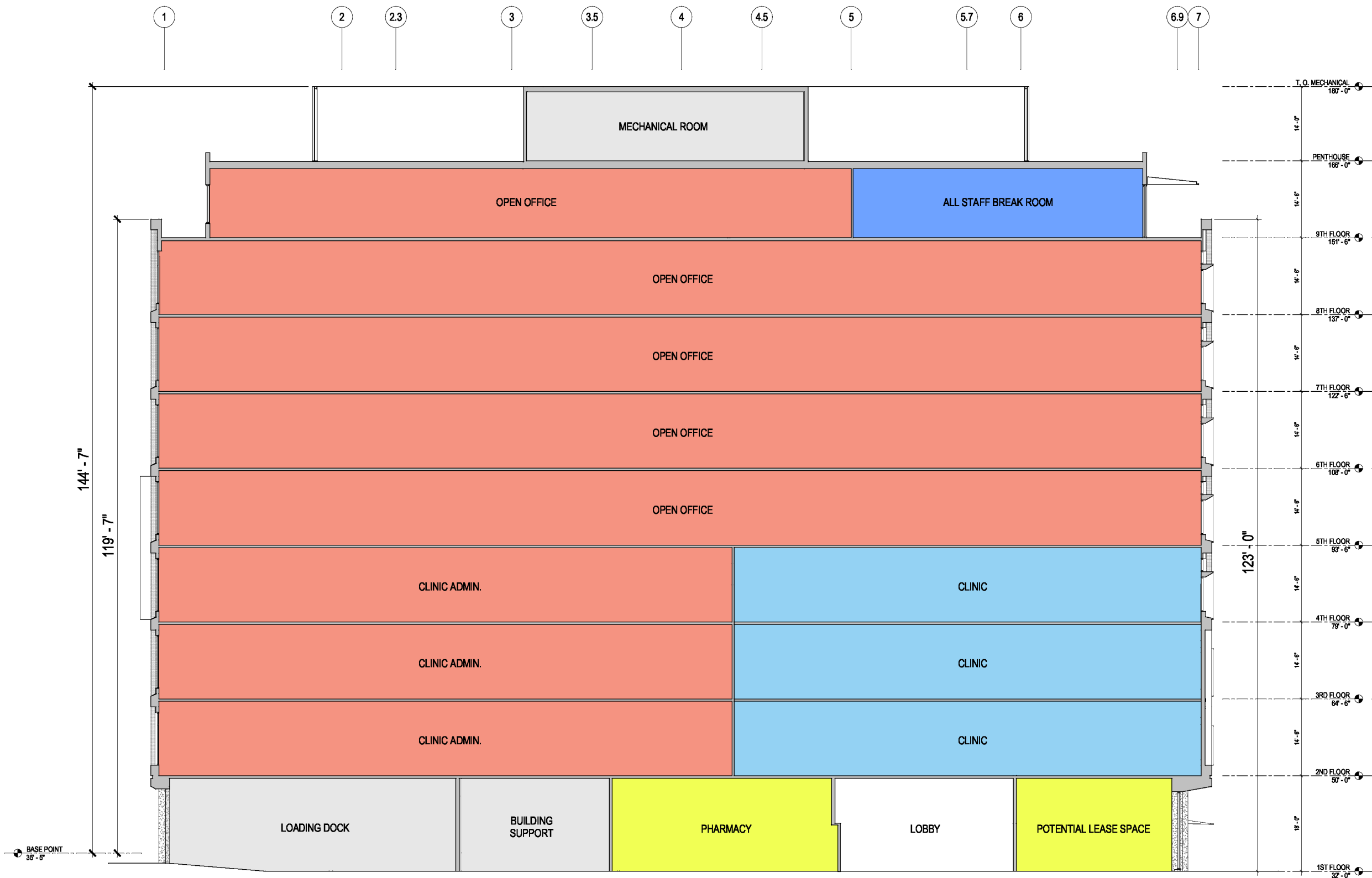
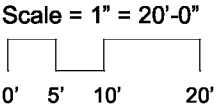
WEST ELEVATION



East-West



BUILDING SECTION
North-South



RENDERINGS
 NW 6th Avenue Looking North



RENDERINGS

Broadway Bridge Looking South



RENDERINGS



Night Rendering along NW 6th Ave.



NW Irving Gallery Entry + Loading Dock



NW Irving Staff Entry and Loading + BCC Courtyard