

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

RESOLUTION NO. 2015-118

Approving the FAC-1 Amended Project Plan and Authorizing the Schematic Design and Design Development Phases for the Health Department Headquarters 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. The County has searched for a replacement Health Department headquarters building for a number of years.
- b. In December of 2011, the Multnomah County Board of Commissioners 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 the Portland Housing Bureau to secure the site for the project – the proposal was submitted on December 21, 2011.
- c. In May 2012, the Multnomah County Board of Commissioners approved Resolution 2012-060: Authorizing the County Chair to Execute an Intergovernmental Agreement (with Exhibits A through G) (IGA) with Home Forward Defining Roles, Responsibilities and Process Pertaining to the Development of a New Headquarters for the Multnomah County Health Department on the Easterly Half of Block U, Adjacent to the Newly Opened Bud Clark Commons.
- d. In November 2012, the Multnomah County Board of Commissioners approved Resolution 2012-191: Authorizing County's Acquisition of the Easterly Half of Block U, Couch's Addition (the Property), from the Portland Housing Bureau 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 Multnomah County Board of Commissioners 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). 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.

- 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 of County Commissioners authorizing the completion of design development. Design Development was completed in June 2014. At the time, height restrictions for the Block U property limited development to six floors, which was insufficient to accommodate Health Department programs now at the McCoy and Lincoln buildings.
- h. 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.
- i. The County worked with 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 Building to the Property, consistent with the original Project goals.
- j. 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, Shiels 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.
- k. 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.

- l. 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.
- m. The revised scope, costs and schedule of the Project are outlined in the FAC-1 Amended Project Plan.

The Multnomah County Board of Commissioners Resolves:

1. Approval of the FAC-1 Amended Project Plan for the Multnomah County Health Department Headquarters Project.
2. Authorization for the Schematic Design and Design Development phases of the Project.

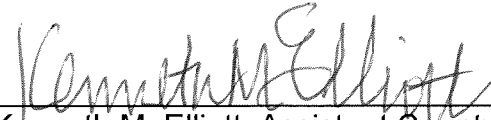
ADOPTED this 12th day of November 2015.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury, Chair

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

By 
Kenneth M. Elliott, Assistant County Attorney

SUBMITTED BY: Sherry Swackhamer, Department of County Assets Director