



MULTNOMAH COUNTY
AGENDA PLACEMENT REQUEST (revised 09/22/08)

Board Clerk Use Only

Meeting Date: 09/22/09
Agenda Item #: B-1
Est. Start Time: 10:00 AM
Date Submitted: 09/17/09

Agenda Title: **Briefing on the East County Court Project**

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.

Requested Meeting Date: September 22, 2009 **Amount of Time Needed:** 90 minutes
Department: Non-Departmental **Division:** Chair Ted Wheeler
Contact(s): Peggidy Yates, Office of the Chair
Phone: 503.988.4878 **Ext.** X84878 **I/O Address:** 503/6
Judge Jean Maurer, Presiding Judge, Multnomah County Circuit Court; Mike Schrunk, Multnomah County District Attorney; Doug Bray, Multnomah County Circuit Court Administrator; Peggidy Coffman Yates, Office of the Chair; Doug Oblatz, Principal, Shiels Oblatz Johnsen; John Lindenthal, Facilities and Property Management Division
Presenter(s): Oblatz Johnsen; John Lindenthal, Facilities and Property Management Division

General Information

1. What action are you requesting from the Board?

None. This Briefing will provide the Board in-depth background and a current status report on a detailed proposal to develop a new Circuit Court site within East County ("East County Court").

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

There have been long-standing efforts by Multnomah County to address the needs of the Circuit Court within East County by providing "suitable and sufficient courtrooms, office and jury rooms" in Gresham/East County. The current Gresham Circuit Court is widely considered inadequate. This Briefing will detail a project to site and develop a new East County Courthouse.

3. Explain the fiscal impact (current year and ongoing).

There are no fiscal impacts to the County associated with this Briefing.

4. Explain any legal and/or policy issues involved.

There are no direct legal issues associated with this Briefing.

5. Explain any citizen and/or other government participation that has or will take place.

There has been a long history of public involvement in the East County Court process. This Briefing is a continuation of the public process associated with this issue.

Required Signature

**Elected Official or
Department/
Agency Director:**

TED WHEELER

Date: 09/17/09

Briefing for Multnomah County Board of Commissioners
September 22, 2009

EAST COUNTY COURTS

DEVELOPMENT UPDATE

Project Evolution

- Fall 2008: \$34-38M project (w/o land)
 - 70,000 sf building with 3 courts
 - Court support space
 - DA
 - MCSO
 - Gresham Police
 - ~300 parking spaces
- Fall 2009: \$17-21M Project (w/o land)
 - 35,000-40,000 sf building with 2-3 courts
 - Court support space
 - DA
 - Community Space
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Site Development

- 37,000-40,000 sf building = Max 74,000-80,000 sf site per zoning requirements
- Taco Bell remains
- Courts building located at 185th & Stark
- Partial construction of 185th south of Stark
- Provide for future dedication of 185th through the site; park on future R.O.W. in the interim
- 130-150 parking spaces
- Portion of site undeveloped; available for interim use (e.g., community garden) and future expansion of court facility and parking



SE Stark St

Stark Street

Wood Shop

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas

elev. 76 m

Jul 12, 2007

Google

Eye alt 394 m

45° 31' 05.56" N 122° 28' 19.75" W



Building Footprint

New Street

Taco Bell (to remain)

Secure Parking

Future Street

Public Parking

Future Development

Wood Shop (NIC)

East County Courts

Project Costs

**MULTNOMAH COUNTY - EAST COUNTY COURTS
COMPARISON OF CONCEPTUAL OPTIONS**

CONCEPTUAL DEVELOPMENT COST ESTIMATE

		OPTION							
		A		B		C		D	
Project Component	Cost/SF *	2 Courtrooms		2 Courtrooms + Shell for Future Courtroom		2 Courtrooms + Flexible Community Space/Future Courtroom		3 Courtrooms, including 1 for Flexible Community Use	
		Area	Cost	Area	Cost	Area	Cost	Area	Cost
Courtrooms	\$318	10,000	\$ 3,180,000	10,000	\$ 3,180,000	10,000	\$ 3,180,000	15,000	\$ 4,770,000
Phase 2 Courtroom Shell	\$186	0	0	5,000	930,000	0	0	0	0
Flexible Community Space	\$249	0	0	0	0	5,000	1,245,000	0	0
Court Support Space	\$265	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000
District Attorney	\$255	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000
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Building Efficiency Factor	\$212	6,250	1,325,000	7,500	1,590,000	7,500	1,590,000	7,500	1,590,000
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Contingencies	25%		<u>3,486,813</u>		<u>3,860,250</u>		<u>3,974,313</u>		<u>4,144,625</u>
TOTAL PROJECT COST			\$ 17,434,063		\$ 19,301,250		\$ 19,871,563		\$ 20,723,125

Source: Architectural Cost Consultants, Sept. 15, 2009

* Adjusted to June 2011 dollars

CONCEPTUAL OCCUPANCY COST ESTIMATE (YEAR 1)

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BOND AMOUNT		\$ 12,634,063	\$ 14,501,250	\$ 15,071,563	\$ 15,923,125
Interest Rate	5.50%				
Term	20				
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TOTAL ANNUAL OCCUPANCY COST		\$ 1,376,469	\$ 1,596,566	\$ 1,644,290	\$ 1,715,548
(-) Taco Bell Lease Income		(83,000)	(83,000)	(83,000)	(83,000)
(-) Existing Courthouse Lease & Expenses		(70,000)	(70,000)	(70,000)	(70,000)
(-) D.A. Lease Pmts. (from 8th & Kelly)		<u>(30,500)</u>	<u>(30,500)</u>	<u>(30,500)</u>	<u>(30,500)</u>
NET ANNUAL OCCUPANCY COST		\$ 1,192,969	\$ 1,413,066	\$ 1,460,790	\$ 1,532,048
NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

**MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009**

PROPERTY		PRIMARY CRITERIA						REMARKS
No.		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	TOTAL MET
	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:							Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1 for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1 for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1 for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1 for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1 for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1 for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1 Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1 for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1 for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0 for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0 for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1 for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0 for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1 for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1 for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0 for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1 for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0 for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1 for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0 for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0 for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, “flexible” courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Oblatz Johnsen, Inc.
Version 3.0 – 9/21/09



Multnomah County Oregon

Board of Commissioners & Agenda

connecting citizens with information and services

BOARD OF COMMISSIONERS

Ted Wheeler, Chair

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Portland, Or 97214

Phone: (503) 988-3308 FAX (503) 988-3093

Email: mult.chair@co.multnomah.or.us

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Judy Shprack, Commission Dist. 3

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Diane McKeel, Commission Dist. 4

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Link to watch live Thursday Board meetings on-line:

www2.co.multnomah.or.us/cc/live_broadcast.shtml Link for on-line agendas and agenda info:

www.co.multnomah.or.us/cc/agenda.shtml

Free public access to wireless internet M-F from 6 AM to 9 PM during meetings in the Boardroom

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SEPT. 21, 22 & 24, 2009 BOARD MEETINGS FASTLOOK AGENDA ITEMS

Pg 2	1:00 p.m. Monday Joint Meeting with Washington County to Fill a Vacancy in Legislative Assembly, State Representative, District 35
Pg 2	5:00 p.m. Monday Joint Meeting with City of Portland Relating to Annual Multnomah Youth Commission Reports and Activities
Pg 3	10:00 a.m. Tuesday Briefing on the East County Court Project
Pg 3	9:30 a.m. Thursday Resolution Confirming the Interim Designation for Multnomah County Sheriff, in the Event of a Vacancy
Pg 4	10:30 a.m. Thursday Proclaiming September 15th through October 15th, 2009 Latino Heritage Month
Pg 4	10:35 a.m. Thursday Public Hearing to Fill a Vacancy in Legislative Assembly, State Senate District 22

Thursday meetings of the Multnomah County Board of Commissioners are cable-cast live and taped and may be seen by Cable subscribers in Multnomah County at the following times:

(Portland & East County)

Thursday, 9:30 AM, (LIVE) Channel 30

Sunday, 11:00 AM Channel 30

(East County Only)

Saturday, 10:00 AM, Channel 29

Tuesday, 8:15 PM, Channel 29

Produced through MetroEast Community Media

(503) 667-8848, ext. 332 for further info

or: <http://www.metroeast.org>

Monday, September 21, 2009 - **1:00 PM**
Tigard City Library Community Room
13500 SW Hall Boulevard, Tigard, Oregon

WASHINGTON COUNTY/MULTNOMAH COUNTY
PUBLIC HEARING

JM-1 The Washington County Board of Commissioners and Multnomah County Board of Commissioners will meet at 1:00 p.m. on Monday, September 21, 2009 at the Tigard City Library Community Room, 13500 SW Hall Boulevard, Tigard. The purpose of this meeting is to conduct a public hearing to select a representative-designate from Democratic Precinct Committee approved nominees **Margaret Doherty, Dylan Hydes and Stephen D. Dunne**, to fill the vacancy in Legislative Assembly, State Representative, District 35 created by the resignation of Larry Galizio.

Monday, September 21, 2009 - **5:00 PM to 7:00 PM**
Multnomah Building, First Floor Commissioners Boardroom 100
501 SE Hawthorne Boulevard, Portland

CITY OF PORTLAND/MULTNOMAH COUNTY
JOINT MEETING

JM-2 The City of Portland Council and Multnomah County Board of Commissioners will meet at 5:00 p.m. on Monday, September 21, 2009 at the Multnomah Building, First Floor Commissioners Boardroom 100, 501 SE Hawthorne, Portland.

The purpose of this meeting consists of the annual Multnomah Youth Commission swearing-in ceremony as well as presentations to the Council and Board relating to Adoption of the Youth Engagement Manual and Portland youth as the primary tools to engage and support the role of children and youth in the decision making process in the City of Portland; recognition of the Youth Champion Award winners; Acceptance of the Multnomah Youth Commission's annual Youth Engagement Report; and recognition of the Multnomah Youth Commissioners for 2009/2010.

If you have any questions, please contact Multnomah County Commission on Children, Families and Community Interim Director Joshua Todd @ 86981 or Reese Lord, Education Strategies Youth Coordinator @ 503-823-4027.

Tuesday, September 22, 2009 - 10:00 AM
Multnomah Building, First Floor Commissioners Boardroom 100
501 SE Hawthorne Boulevard, Portland

BOARD BRIEFING

B-1 Briefing on the East County Court. Presented by Judge Jean Maurer, Presiding Judge, Multnomah County Circuit Court; Mike Schrunk, Multnomah County District Attorney; Doug Bray, Multnomah County Circuit Court Administrator; Peggidy Coffman Yates, Office of the Chair; Doug Oblatz, Principal, Shiels Oblatz Johnsen; and John Lindenthal, Facilities and Property Management Division. 90 MINUTES REQUESTED.

Thursday, September 24, 2009 - 9:30 AM
Multnomah Building, First Floor Commissioners Boardroom 100
501 SE Hawthorne Boulevard, Portland

REGULAR MEETING

CONSENT CALENDAR - 9:30 AM **NON-DEPARTMENTAL**

C-1 BUDGET MODIFICATION NOND-01, Reclassifying Four Positions in Emergency Management as Determined by the Class/Comp Unit of Central Human Resources

REGULAR AGENDA **PUBLIC COMMENT - 9:30 AM**

Opportunity for Public Comment on non-agenda matters. Testimony is limited to three minutes per person. Fill out a speaker form available in the Boardroom and turn it into the Board Clerk.

SHERIFF'S OFFICE - 9:30 AM

R-1 RESOLUTION Confirming the Interim Designation for Multnomah County Sheriff, in the Event of a Vacancy

DISTRICT ATTORNEY'S OFFICE – 9:35 AM

- R-2 BUDGET MODIFICATION DA-02 Appropriating \$114,928 from the American Recovery and Reinvestment Act: Edward Byrne Memorial Justice Assistance Grant

DEPARTMENT OF COMMUNITY SERVICES – 9:40 AM

- R-3 ORDER Canceling Multnomah County Land Sale Contract No. 15784 for Default in Payments and Performance of Covenants [rescheduled from 08/20/09]
- R-4 Multnomah County Sustainability Liaison Presentation. Presented by Kat West, Stuart Farmer, Percy Winters Jr., Jon Schrotzberger, Wes Stevens, Sherry Hall, Samantha Markowitz, Charlene Willett, Karen Garber, Dan Distler, Lt. Rachel Getman, Sam Peterson and Stan Johnson. 30 MINUTES REQUESTED.

NON-DEPARTMENTAL - 10:10 AM

- R-5 Administrative Review Update and Briefing. Presented by Jana McLellan, Chief Operating Officer; Carol M. Ford, Administrative Review Project Manager; and Bob Thomas, Facilities and Property Management Director. 20 MINUTES REQUESTED.
- R-6 PROCLAMATION Proclaiming September 15th through October 15th, 2009 Latino Heritage Month in Multnomah County Oregon
- R-7 Public Hearing and Board Appointment via RESOLUTION Filling a Vacancy in the Legislative Assembly, Oregon State Senate District 22 from Democratic Precinct Committee Approved Nominees **JoAnn Bowman, Karol Collymore and Chip Shields**, Created by the Resignation of Margaret Carter

BOARD COMMENT

Opportunity (as time allows) for Commissioners to provide informational comments to Board and public on non-agenda items of interest or to discuss legislative issues.

The discussion of the ECC has had a long and challenging history.

I've been involved in the project for nearly 4 years – immediately after I was elected in May, 2006 I was approached by Commissioner Roberts staff and asked to help jump start the stalled process.

In June 2008 the BCC heard testimony from our facilities management group that the project was again stalling.

- the estimated cost had increased dramatically.
- economy deteriorated making it economically more challenging for jurisdictions to be able to afford ECJC concept.
- the presumed revenues to pay for it from property dispositions had not materialized the way the county originally expected
- There were changes in the partnership including a new Sheriff who was expressing interest in remaining in the Hansen Facility.

Immediately thereafter, I took over ^{WAS ASSIGNED BY BOARD MEMBER} leadership of the project.

- convened partners and asked them to re-evaluate ECJC concept.
- look for ways to scale proposal, be cost-effective.
- scalable concept that could be expanded to meet future needs.
- address any zoning, operational issues that existed.

I also made a decision to hire a project manager who was familiar with this type of project. Shiels, Oblatz, and Johnson was brought on board, and Peggidy Yates was assigned responsibility for coordinating the effort on behalf of the Chair's office.

Several different proposals were evaluated in several locations.

There have been dozens of meetings, discussions, council hearings, and staff briefings that have brought the process to where it is today. Commissioner McKeel has been highly active in this process since she took office earlier this year.

You are going to hear about a concept in Rockwood that I believe is the best approach for this project. This is a project based on partnership with the City of Gresham, the Courts, and the DA's office.

- Introduction /Recognition of
 - Judge Maurer Presiding Judge for Multnomah County Circuit Court
 - Mike Schrunck Multnomah County District Attorney
 - Doug Bray Multnomah County Court Administrator

Before We hear from staff, I would like to call on Commissioner McKeel.

Briefing for Multnomah County Board of Commissioners
September 22, 2009

**EAST COUNTY COURTS
*DEVELOPMENT UPDATE***

Project Evolution

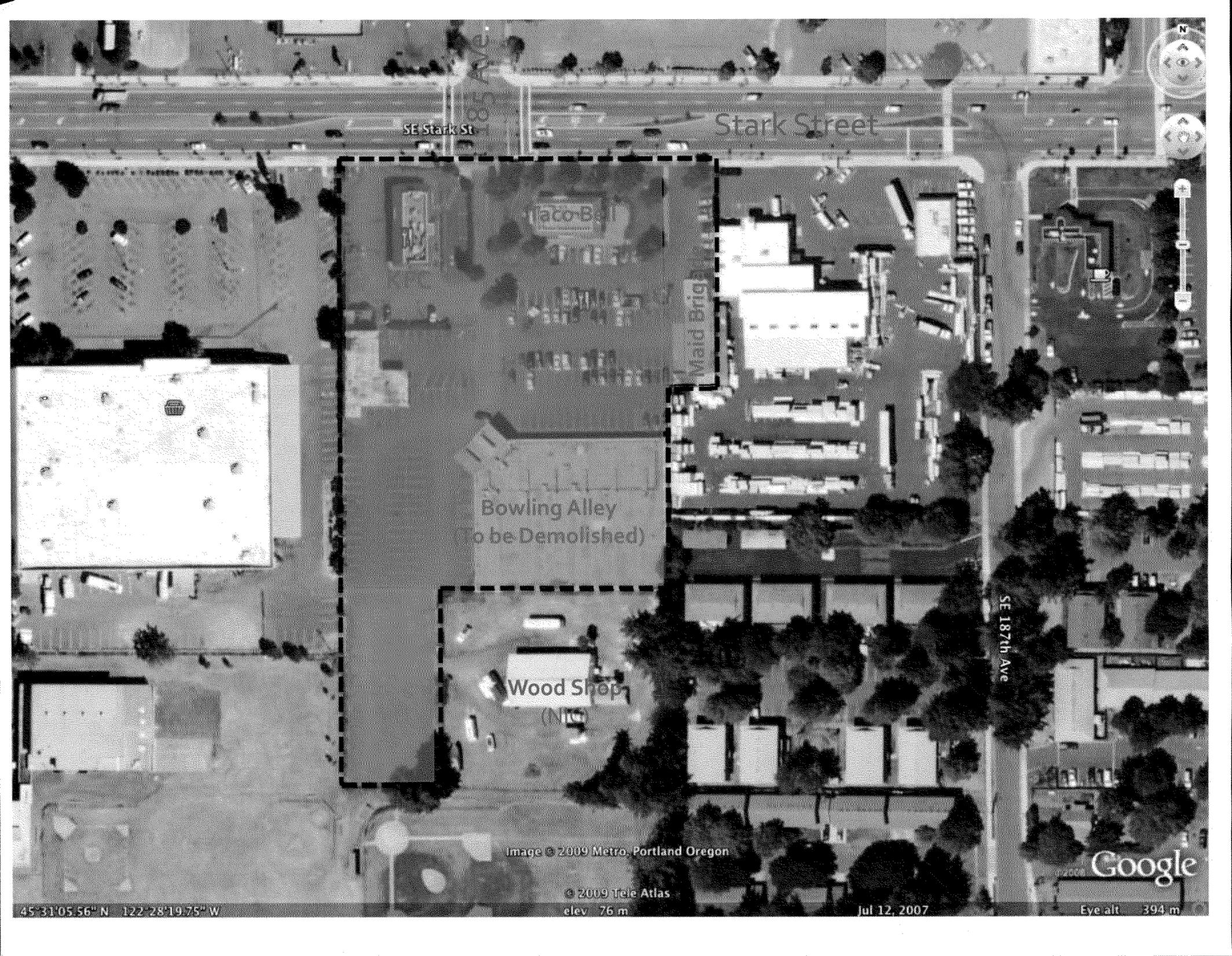
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East County Courts

Project Costs



SE Stark St

Stark Street

Jaco-Ball

Maid Brig

Bowling Alley
(to be Demolished)

Wood Shop
(NISC)

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas
elev 76 m

Jul 12, 2007

Google

45°31'05.56" N 122°28'19.75" W

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Building
Footprint

New Street

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(to remain)

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**MULTNOMAH COUNTY - EAST COUNTY COURTS
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NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077	Estimate Date: 15-Sep-09 Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11
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DIRECT CONSTRUCTION COST

Component	Area	\$ / SF	Total
MODIFIED PROGRAM Two completed courtrooms	39,466 sf	\$271.96 /sf	\$10,733,068
MODIFIED PROGRAM OPTION 1 One courtroom shelled	39,466 sf	\$255.16 /sf	10,070,068
MODIFIED PROGRAM OPTION 2 One courtroom space finished out as flexible community space	39,466 sf	\$263.22 /sf	10,388,308
<p>The above costs are for the building direct construction cost only and do not include site work outside of the building footprint.</p> <p>The above costs are in projected June 2011 dollars.</p>			

The above estimates are for direct construction cost only. They do not include furnishings & equipment, architect and engineer design fees, consultant fees, inspection and testing fees, plan check fees, hazardous material testing and removal, financing costs, nor any other normally associated development costs.

The above estimates assume a construction start date of: **01-Jun-11** If the start of construction is delayed beyond the date above, the estimates must be indexed at a rate of 4-6% per year compounded.

This is a probable cost estimate based on in-progress documentation provided by the architect. The actual bid documents will vary from this estimate due to document completion, detailing, specification, addendum, etc.. The estimator has no control over the cost or availability of labor, equipment, materials, over market conditions or Contractor's method of pricing, Contractor's construction logistics and scheduling. This estimate is formulated on the estimator's professional judgment and experience. The estimate makes no warranty, expressed or implied, that the quantities, bids or the negotiated cost of the Work will not vary from the Estimator's opinion of probable Construction cost.

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnson, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$300.00	\$4,254,900		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	256.37 /sf	\$10,117,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$318.24	\$4,513,598		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	271.96 /sf	\$10,733,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Oblatz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077		Estimate Date: 15-Sep-09 Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 1	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Shell Courtroom	5,000	sf	175.00	875,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	240.53 /sf	\$9,492,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Shell Courtroom	5,000	sf	185.64	928,200		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	255.16 /sf	\$10,070,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 2	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Community Space	5,000	sf	235.00	1,175,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	248.14 /sf	\$9,792,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Community Space	5,000	sf	249.29	1,246,440		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	263.22 /sf	\$10,388,308		JUNE 2011 DOLLARS

SOURCES

A. CONSTRUCTION COST

A.1 BUILDING COST

a. Comparables	approx. cost/sf - building only	date of estimate/bid	approx. cost/sf - inflated to mid 2009 (rounded)
Springfield, OR Justice Center	\$ 215	June 2007	\$ 240.00
Fresno Courthouse	\$220-\$240	June 2008	\$ 253.58
Texas Courthouse	\$ 263	June 2007	\$ 290.00
Clackamas Government Building	\$ 200	June 2007	\$ 220.00

Other Courts projects have ranged from \$260 - \$320/sf

it was agreed that Springfield Justice Center was the best comparable of this group

b. Inflation (estimated)

2006 - 2007	8%
2007 - 2008	6%
2008 - 2009	5%

c. Contingency (for Construction Cost)

Hoffman stated that it could be possible to achieve 5% if all conditions were favorable

HDR recommended 10%

Used 7.5% for the Programming Estimate

3. Estimated \$/sf for Building

Building Cost	\$ 240.00
Contingency	7.50% \$ 18.00
Target Building Cost (with inflation/contingency) rounded	
LEED Silver	\$ 260.00 /sf
LEED Gold	5% \$ 273.00 /sf

A.2 SITE COST

Areas provided by Emmons Architects based on a site plan S1, dated June 3, 2008

	\$/sf	Area	
Parking - Asphalt	12	70,400	\$ 844,800
Landscape (inc. parking islands)	5	74,800	\$ 374,000
Hardscape (sidewalks)	12	5400	\$ 64,800
Road	18	7300	\$ 131,400
offsite (sidewalks, roads)	18	5700	\$ 102,600
Utilities	Lump Sum		\$ 200,000
Fence for secure parking	Lump Sum		\$ 50,000
Site Building Demolition	Lump Sum		\$ 200,000
Total Site Construction Cost (rounded)			\$ 2,000,000

Site Prep included in the above costs/sf

B. SOFT COSTS

\$ 5,000,000

C. LAND COSTS

without contingency

\$ 5,000,000

the following costs are a result of the preliminary Programming Budgeting Meeting held June 3, 2008 attended by Multnomah County Facilities Project Management, HDR, Emmons Architects, Hoffman

Construction Company and Architectural Cost Consultants

This document represents preliminary draft budget numbers and preliminary program distribution for comparison purposes only. Numbers and program distribution are in process and need to be verified.

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

**MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009**

PROPERTY		PRIMARY CRITERIA							REMARKS
		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	TOTAL MET	
No.	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:								Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1	for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1	for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1	for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1	for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1	for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1	for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1	Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1	for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1	for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0	for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0	for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1	for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0	for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1	for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1	for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0	for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1	for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0	for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1	for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0	for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0	for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, “flexible” courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Obletz Johnsen, Inc.
Version 3.0 – 9/21/09

EAST COUNTY COURTS DEVELOPMENT UPDATE

**FAC-1 AMENDMENT
BRIEFING for the MULTNOMAH COUNTY
BOARD of COMMISSIONERS
SEPTEMBER 22, 2009**

Prepared jointly by Multnomah County Department of
Facilities & Property Management and
Shiels Obletz Johnsen, Inc.

EAST COUNTY COURTS

FAC – 1 AMENDMENT

County Board of Commissioner's Briefing - September 22, 2009

SUMMARY OF PROJECT HISTORY

In February 2007, Multnomah County F&PM presented the FAC-1 Project Plan for the East County Justice Center Project (ECJC). The Project Plan established a building program consisting of 3 to 4 Courts, DA space, Multnomah County Sheriff and Gresham Police. The plan was approved, and the architectural team of HDR and Emmons Architects was selected and contracted with to undertake programming and conceptual cost estimating. Hoffman Construction was also selected as the CM / GC and was engaged in pre-design assistance and cost estimating.

At the time of approval of the Project Plan, The ECJC had an anticipated cost of \$14,645,100 for hard construction, soft costs and FF&E. Land costs are not included in this figure. When programming was complete, the project cost jointly estimated by the Contractor and the Cost Consultants was found to be substantially higher than the approved budget figure. In June, 2008, the County solicited proposals to engage an independent project management consultant for the project.

In September 2008, SOJ, Inc. was retained by the County to provide project management services, and worked with the County, HDR and Emmons Architects to continue pre-design of the East County Justice Center Project. This work first focused on analysis of site development options for the Rockwood site, related entitlements, and consideration of other sites.

In late 2008, a potential alternative building site was identified on N.E. 8th Avenue in downtown Gresham, which is owned by the County. Site analysis was undertaken, which revealed that the option contained a number of positive features over the Rockwood site. A proposal to sell the Rockwood site to the City of Gresham with the understanding the facility would be built on the alternative 8th Avenue site was agreed to in principal by the County and the City of Gresham. Also during this period, due to changing economic conditions, and the Multnomah County Sheriff's Office determining they would prefer to remain at their Hansen Building Facility, the County considered the revision of the scope of the project to be reduced to only a courts facility with district attorney and support spaces.

The project was largely dormant through the first half of 2009. In mid-2009, after learning that the City of Gresham had decided not to move forward with an agreement to purchase the Rockwood property and agree to development of the 8th Avenue site, the County requested SOJ, Inc. to re-address the status of the project and to begin looking at options to develop a project of reduced scope at the original Rockwood site.

PURPOSE OF THIS FAC-1 AMENDMENT REQUEST

The scope reductions from the original concept of the East County Justice Center include deletion of the MCSO and Gresham Police. For basic programming square footage, this reduction revises the original 70,000 sq.ft. facility to approx. 40,000 sq.ft. As noted in Section IV – D – b of the FAC-1 Policy, should a project be revised in excess of 20% +/- in scope or square footage, it is deemed a "Significant Change" and requires approval of an amendment to the FAC-1.

The information provided in this FAC – 1 Amendment is intended to satisfactorily illustrate only the revisions from the original FAC-1 approval dated Feb. 22, 2007. That document is available separately for reference.

Following is an excerpt of the FAC-1 Policy requirements that pertains to the "Project Plan". Of the elements of the Project Plan below, only the elements shown in bold lettering are materially changed for this FAC – 1 Amendment.

C. Project Plan

1. Project Charter (no changes)
2. **Development Plan** (changes included herein)
 - Define Project Scope**
 - Outline of Project Team**
 - Comprehensive Schedule**
 - Estimates**
3. Siting Plan (no changes)
4. **Operational Funding** (changes included herein)
5. **Capital Funding** (changes included herein)

FAC – 1 AMENDMENTS:
PART C – 2: DEVELOPMENT PLAN

Define Project Scope:

The Feb. 22, 2007 Project Scope was:

Building Program:

Courtrooms, Court Support, District Attorney	36,000 s.f.
Multnomah Co. Sheriff	20,000 s.f.
Gresham Police	12,000 s.f.
County Information Technology	<u>2,000 s.f.</u>
TOTAL	70,000 s.f.

The Sept. 22, 2009 Project Scope is:

Building Program:

Courtrooms, Court Support, District Attorney	37,500 s.f.
Multnomah Co. Sheriff	0 s.f.
Gresham Police	0 s.f.
County Information Technology	<u>0 s.f.</u>
TOTAL	37,500 s.f.

Outline of Project Team:

The Feb. 22, 2007 Project Team was:

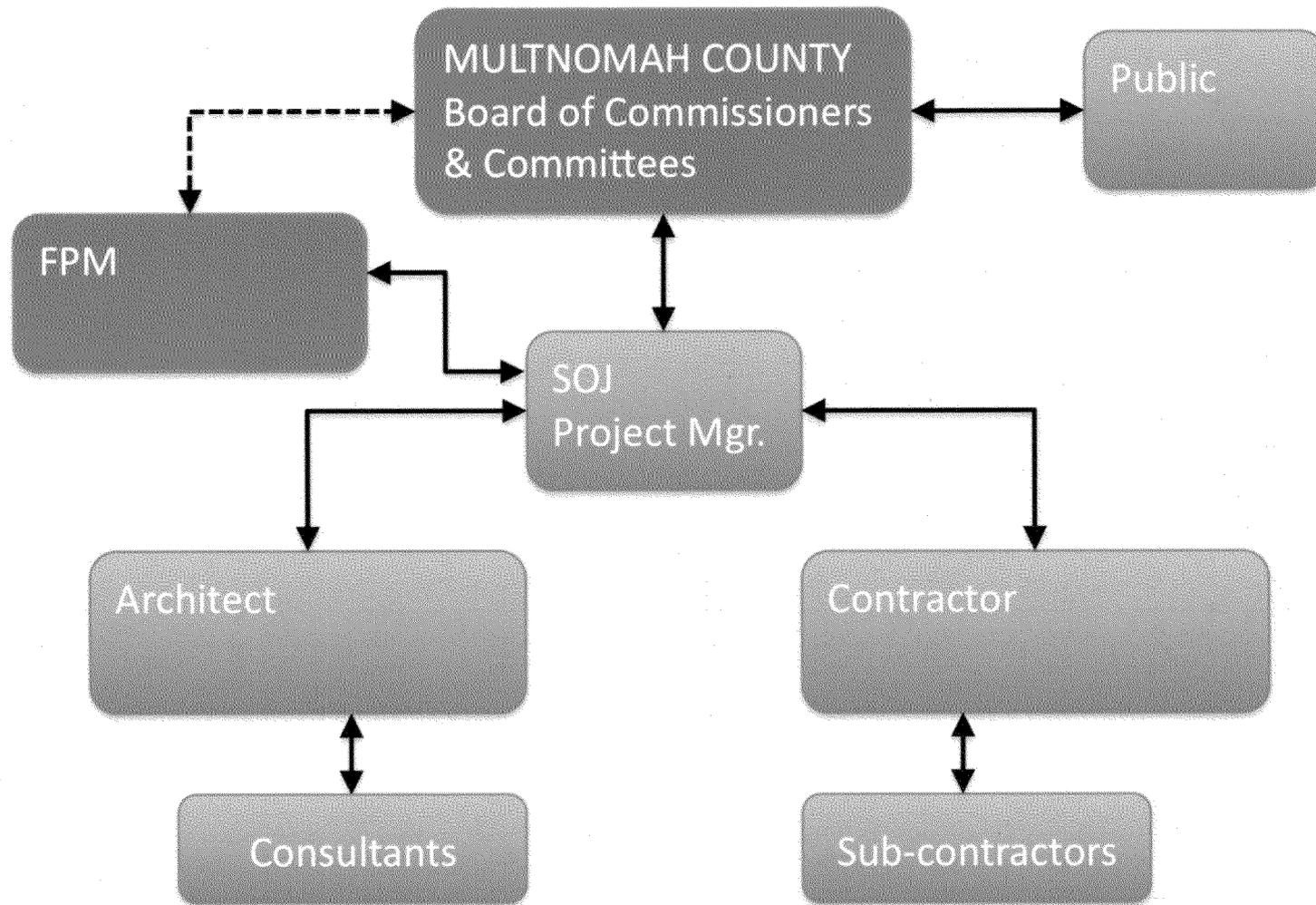
Multnomah County Board of Commissioners
Facilities & Property Management
HDR Architecture, Emmons Architects
Hoffman Construction

The Sept. 22, 2009 Project Team is:

Multnomah County Board of Commissioners
Facilities & Property Management
Shiels Oblatz Johnsen, Inc.
Architect to be determined
Pre-Construction Consultant (Contractor) to be determined
Construction Contractor to be determined

Project Management is to be provided primarily by Shiels Oblatz Johnsen, Inc., with support and direct communication with County F&PM. SOJ will be the primary contact for all other major team members, and will report directly to Chair Wheeler and the Board as necessary. F&PM, Risk Management, Contracting and Legal Departments will work with SOJ to integrate all County standards and administrative procedures into the Project. An organizational and communications chart follows:

EAST COUNTY COURTS ORG CHART



September 22, 2009

Comprehensive Schedule:

A preliminary list of major milestones and approximate dates follows:

Oct. 8, 2009: Approval of the Revised FAC-1
Oct. – Dec. 2009: Procurement of the Architect Team
Oct. '09 – Jan. 2010: Procurement of the Pre-Construction Contractor
Jan. '10 – Feb. '10: Programming
Jan. '10 – March '10: Schematic Design
April '10: Schematic Design Cost Estimate and MC Review and Approval
April '10 – July '10: Design Development
July '10 – Aug. '10: Design Development Cost Estimate and MC Review and Approval
Aug. '10 – Nov. '10: Construction Documents
September 2010: Request to Board for Approval to Construct the ECC
Sept. '10: Mid-Construction Documents Cost Estimate
Dec. '10 – Jan. 2011: Final Cost Estimate / Bidding / Contractor Contract Negotiations
Feb. 2011 – Feb. 2012: Construction
March, 2012: County Move-In and first cases.

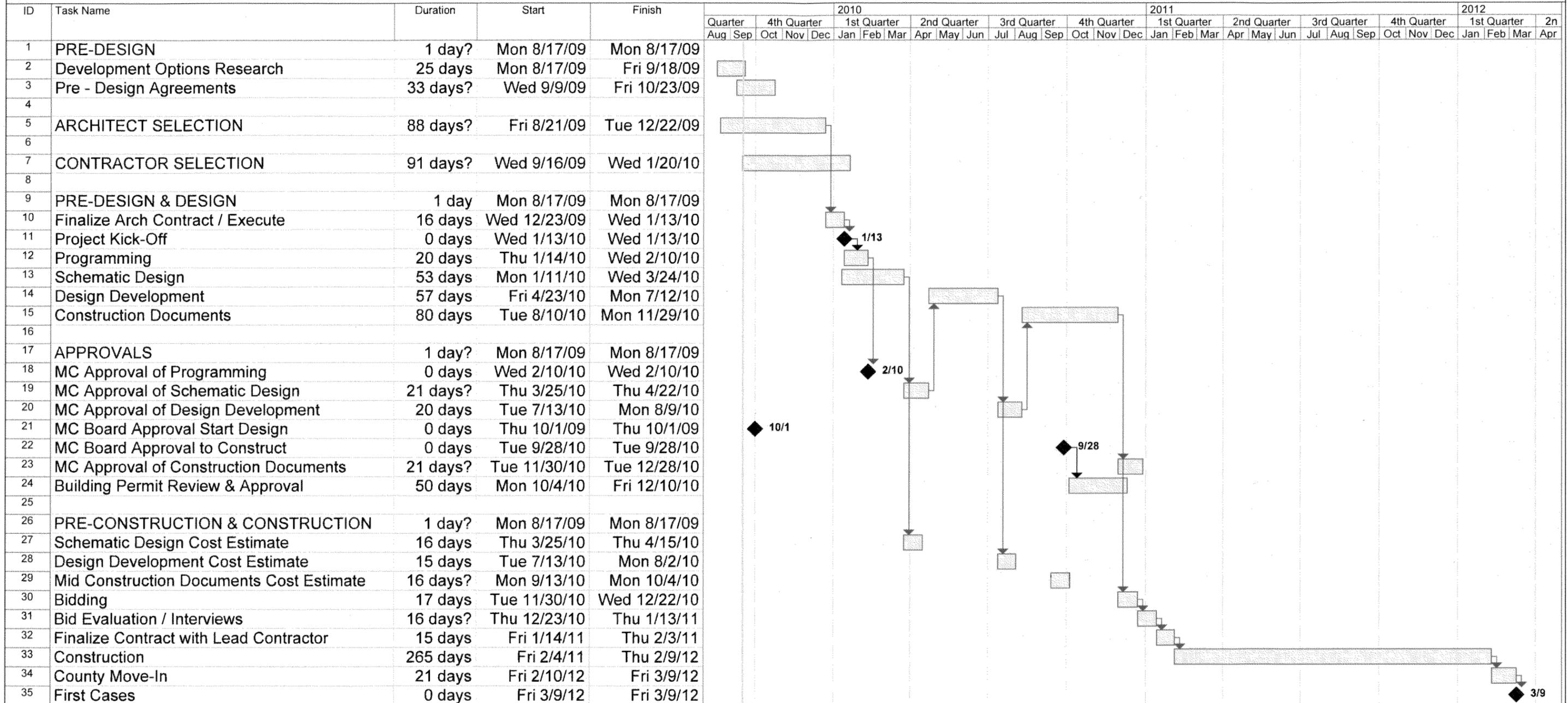
A Conceptual Overall Project (Bar-Chart) Schedule follows

Estimates: See subsequent documents

Operational Funding: See subsequent documents

Capital Funding: See subsequent documents

EAST COUNTY COURTS PROJECT
CONCEPTUAL OVERALL PROJECT SCHEDULE
 VERSION DATED SEPTEMBER 22, 2009



Project: ECC OVERALL PROJECT SC
 Date: Wed 9/16/09

Task: [Bar] Progress: [Bar] Summary: [Bar] External Tasks: [Bar] Deadline: [Arrow]

Split: [Dotted Bar] Milestone: [Diamond] Project Summary: [Bar] External Milestone: [Diamond]

Briefing for Multnomah County Board of Commissioners
September 22, 2009

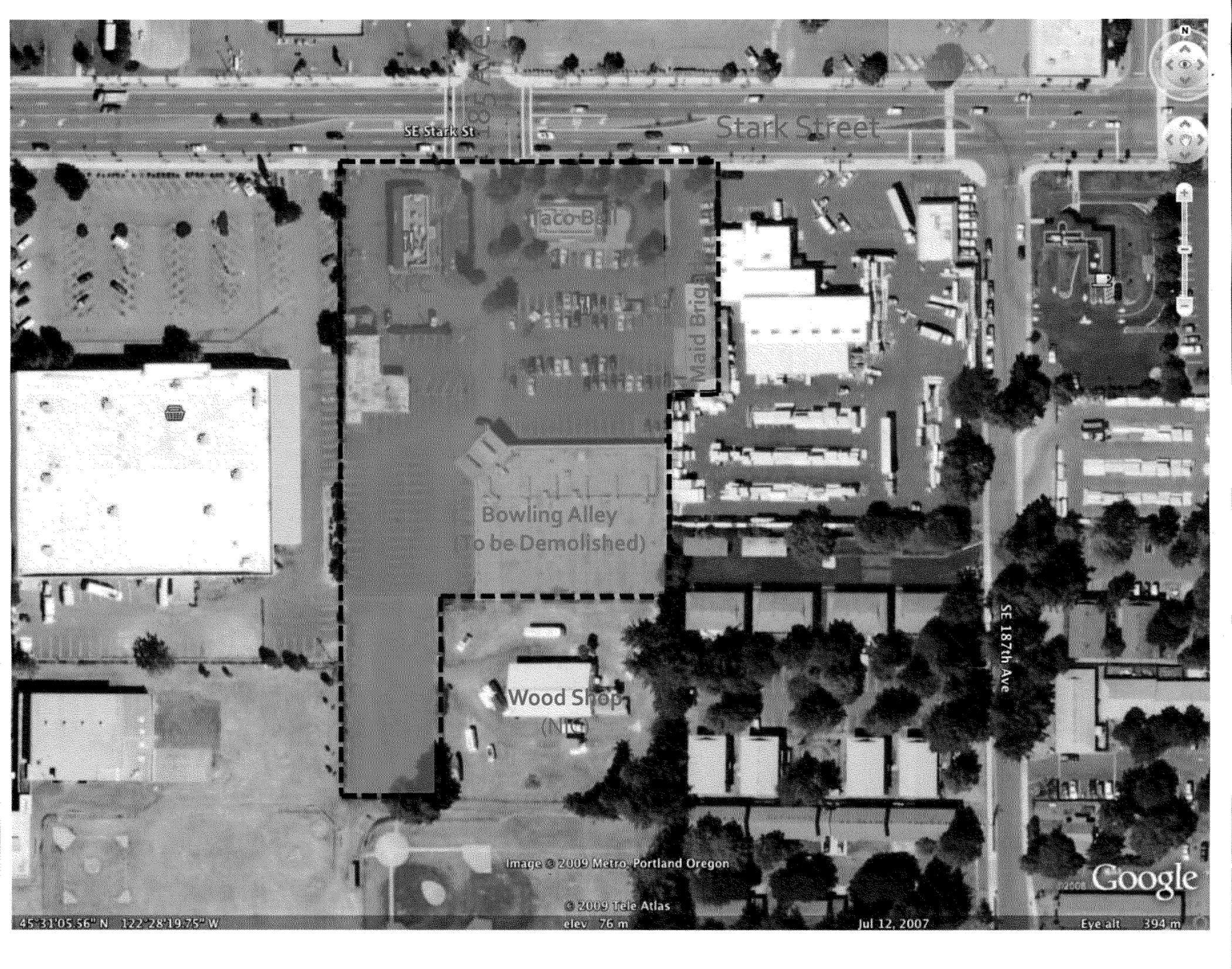
EAST COUNTY COURTS
DEVELOPMENT UPDATE

Project Evolution

- Fall 2008: \$34-38M project (w/o land)
 - 70,000 sf building with 3 courts
 - Court support space
 - DA
 - MCSO
 - Gresham Police
 - ~300 parking spaces
- Fall 2009: \$17-21M Project (w/o land)
 - 35,000-40,000 sf building with 2-3 courts
 - Court support space
 - DA
 - Community Space
 - 130-150 parking spaces

Site Development

- 37,000-40,000 sf building = Max 74,000-80,000 sf site per zoning requirements
- Taco Bell remains
- Courts building located at 185th & Stark
- Partial construction of 185th south of Stark
- Provide for future dedication of 185th through the site; park on future R.O.W. in the interim
- 130-150 parking spaces
- Portion of site undeveloped; available for interim use (e.g., community garden) and future expansion of court facility and parking



SE Stark St

Stark Street

Jaco-Ball

Maid Bridge

Bowling Alley
(to be Demolished)

Wood Shop
(NITE)

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas
elev 76 m

Jul 12, 2007

Google

45°31'05.56" N 122°28'19.75" W

Eye alt 394 m



Building Footprint

New Street

Taco Bell
(to remain)

Secure Parking

Future Development

Wood Shop
(NIC)

East County Courts

Project Costs

**MULTNOMAH COUNTY - EAST COUNTY COURTS
COMPARISON OF CONCEPTUAL OPTIONS**

CONCEPTUAL DEVELOPMENT COST ESTIMATE

Project Component		OPTION							
		A		B		C		D	
		2 Courtrooms		2 Courtrooms + Shell for Future Courtroom		2 Courtrooms + Flexible Community Space/Future Courtroom		3 Courtrooms, including 1 for Flexible Community Use	
Cost/SF *	Area	Cost	Area	Cost	Area	Cost	Area	Cost	
	\$318	10,000	\$ 3,180,000	10,000	\$ 3,180,000	10,000	\$ 3,180,000	15,000	\$ 4,770,000
Courtrooms									
Phase 2 Courtroom Shell	\$186	0	0	5,000	930,000	0	0	0	0
Flexible Community Space	\$249	0	0	0	0	5,000	1,245,000	0	0
Court Support Space	\$265	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000
District Attorney	\$255	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000
Building Support/Common Area	\$286	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800
Building Efficiency Factor	\$212	6,250	1,325,000	7,500	1,590,000	7,500	1,590,000	7,500	1,590,000
Subtotal Building Costs		31,250	\$ 8,507,800	37,500	\$ 9,702,800	37,500	\$ 10,017,800	37,500	\$ 10,362,800
Site Development			2,000,000		2,000,000		2,000,000		2,000,000
FF&E Allowance			650,000		650,000		700,000		900,000
Soft Costs	25%		2,789,450		3,088,200		3,179,450		3,315,700
Contingencies	25%		<u>3,486,813</u>		<u>3,860,250</u>		<u>3,974,313</u>		<u>4,144,625</u>
TOTAL PROJECT COST			\$ 17,434,063		\$ 19,301,250		\$ 19,871,563		\$ 20,723,125

Source: Architectural Cost Consultants, Sept. 15, 2009

* Adjusted to June 2011 dollars

CONCEPTUAL OCCUPANCY COST ESTIMATE (YEAR 1)

		OPTION			
		A	B	C	D
Occupancy Costs	Factor	2 Courtrooms	2 Courtrooms + Shell for Future Courtroom	2 Courtrooms + Flexible Community Space/Future Courtroom	3 Courtrooms, including 1 for Flexible Community Use
TOTAL PROJECT COST		\$ 17,434,063	\$ 19,301,250	\$ 19,871,563	\$ 20,723,125
(-) ECC Reserve Fund		(4,800,000)	(4,800,000)	(4,800,000)	(4,800,000)
BOND AMOUNT		\$ 12,634,063	\$ 14,501,250	\$ 15,071,563	\$ 15,923,125
Interest Rate	5.50%				
Term	20				
ANNUAL DEBT SERVICE		\$ 1,057,210	\$ 1,213,455	\$ 1,261,178	\$ 1,332,436
(+) Operating & Maintenance Expenses	\$ 8.00	237,500	285,000	285,000	285,000
(+) Asset Preservation Fee	\$ 2.75	81,759	98,111	98,111	98,111
TOTAL ANNUAL OCCUPANCY COST		\$ 1,376,469	\$ 1,596,566	\$ 1,644,290	\$ 1,715,548
(-) Taco Bell Lease Income		(83,000)	(83,000)	(83,000)	(83,000)
(-) Existing Courthouse Lease & Expenses		(70,000)	(70,000)	(70,000)	(70,000)
(-) D.A. Lease Pmts. (from 8th & Kelly)		(30,500)	(30,500)	(30,500)	(30,500)
NET ANNUAL OCCUPANCY COST		\$ 1,192,969	\$ 1,413,066	\$ 1,460,790	\$ 1,532,048
NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

Mult. Co. East Justice Center Gresham, Oregon Shiels Oblatz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>	Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA	Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110	Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489	Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077	Constr. Start: 01-Jun-11

DIRECT CONSTRUCTION COST

Component	Area	\$ / SF	Total
MODIFIED PROGRAM Two completed courtrooms	39,466 sf	\$271.96 /sf	\$10,733,068
MODIFIED PROGRAM OPTION 1 One courtroom shelled	39,466 sf	\$255.16 /sf	10,070,068
MODIFIED PROGRAM OPTION 2 One courtroom space finished out as flexible community space	39,466 sf	\$263.22 /sf	10,388,308
<p>The above costs are for the building direct construction cost only and do not include site work outside of the building footprint.</p> <p>The above costs are in projected June 2011 dollars.</p>			

The above estimates are for direct construction cost only. They do not include furnishings & equipment, architect and engineer design fees, consultant fees, inspection and testing fees, plan check fees, hazardous material testing and removal, financing costs, nor any other normally associated development costs.

The above estimates assume a construction start date of: **01-Jun-11** If the start of construction is delayed beyond the date above, the estimates must be indexed at a rate of 4-6% per year compounded.

This is a probable cost estimate based on in-progress documentation provided by the architect. The actual bid documents will vary from this estimate due to document completion, detailing, specification, addendum, etc.. The estimator has no control over the cost or availability of labor, equipment, materials, over market conditions or Contractor's method of pricing, Contractor's construction logistics and scheduling. This estimate is formulated on the estimators professional judgment and experience. The estimate makes no warranty, expressed or implied, that the quantities, bids or the negotiated cost of the Work will not vary from the Estimators opinion of probable Construction cost.

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
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	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$300.00	\$4,254,900		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	256.37 /sf	\$10,117,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$318.24	\$4,513,598		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	271.96 /sf	\$10,733,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 1	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Shell Courtroom	5,000	sf	175.00	875,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	240.53 /sf	\$9,492,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Shell Courtroom	5,000	sf	185.64	928,200		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	255.16 /sf	\$10,070,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 2	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Community Space	5,000	sf	235.00	1,175,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	248.14 /sf	\$9,792,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Community Space	5,000	sf	249.29	1,246,440		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	263.22 /sf	\$10,388,308		JUNE 2011 DOLLARS

SOURCES

A. CONSTRUCTION COST

A.1 BUILDING COST

a. Comparables	approx. cost/sf - building only	date of estimate/bid	approx. cost/sf - inflated to mid 2009 (rounded)
Springfield, OR Justice Center	\$ 215	June 2007	\$ 240.00
Fresno Courthouse	\$220-\$240	June 2008	\$ 253.58
Texas Courthouse	\$ 263	June 2007	\$ 290.00
Clackamas Government Building	\$ 200	June 2007	\$ 220.00

Other Courts projects have ranged from \$260 - \$320/sf

it was agreed that Springfield Justice Center was the best comparable of this group

b. Inflation (estimated)

2006 - 2007	8%
2007 - 2008	6%
2008 - 2009	5%

c. Contingency (for Construction Cost)

Hoffman stated that it could be possible to achieve 5% if all conditions were favorable

HDR recommended 10%

Used 7.5% for the Programming Estimate

3. Estimated \$/sf for Building

Building Cost	\$ 240.00
Contingency 7.50%	\$ 18.00
Target Building Cost (with inflation/contingency) rounded	
LEED Silver	\$ 260.00 /sf
LEED Gold 5%	\$ 273.00 /sf

A.2 SITE COST

Areas provided by Emmons Architects based on a site plan S1, dated June 3, 2008

	\$/sf	Area	
Parking - Asphalt	12	70,400	\$ 844,800
Landscape (inc. parking islands)	5	74,800	\$ 374,000
Hardscape (sidewalks)	12	5400	\$ 64,800
Road	18	7300	\$ 131,400
offsite (sidewalks, roads)	18	5700	\$ 102,600
Utilities	Lump Sum		\$ 200,000
Fence for secure parking	Lump Sum		\$ 50,000
Site Building Demolition	Lump Sum		\$ 200,000
Total Site Construction Cost (rounded)			\$ 2,000,000

Site Prep included in the above costs/sf

B. SOFT COSTS

\$ 5,000,000

C. LAND COSTS

without contingency

\$ 5,000,000

the following costs are a result of the preliminary Programming Budgeting Meeting held June 3, 2008 attended by Multnomah County Facilities Project Management, HDR, Emmons Architects, Hoffman

Construction Company and Architectural Cost Consultants

This document represents preliminary draft budget numbers and preliminary program distribution for comparison purposes only. Numbers and program distribution are in process and need to be verified.

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009

PROPERTY		PRIMARY CRITERIA						REMARKS	
No.		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	TOTAL MET	
	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:								Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1	for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1	for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1	for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1	for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1	for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1	for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1	Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1	for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1	for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0	for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0	for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1	for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0	for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1	for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1	for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0	for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1	for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0	for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1	for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0	for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0	for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, "flexible" courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Obletz Johnsen, Inc.
Version 3.0 – 9/21/09

EAST COUNTY COURTS DEVELOPMENT UPDATE

**FAC-1 AMENDMENT
BRIEFING for the MULTNOMAH COUNTY
BOARD of COMMISSIONERS
SEPTEMBER 22, 2009**

Prepared jointly by Multnomah County Department of
Facilities & Property Management and
Shiels Obletz Johnsen, Inc.

EAST COUNTY COURTS

FAC – 1 AMENDMENT

County Board of Commissioner's Briefing - September 22, 2009

SUMMARY OF PROJECT HISTORY

In February 2007, Multnomah County F&PM presented the FAC-1 Project Plan for the East County Justice Center Project (ECJC). The Project Plan established a building program consisting of 3 to 4 Courts, DA space, Multnomah County Sheriff and Gresham Police. The plan was approved, and the architectural team of HDR and Emmons Architects was selected and contracted with to undertake programming and conceptual cost estimating. Hoffman Construction was also selected as the CM / GC and was engaged in pre-design assistance and cost estimating.

At the time of approval of the Project Plan, The ECJC had an anticipated cost of \$14,645,100 for hard construction, soft costs and FF&E. Land costs are not included in this figure. When programming was complete, the project cost jointly estimated by the Contractor and the Cost Consultants was found to be substantially higher than the approved budget figure. In June, 2008, the County solicited proposals to engage an independent project management consultant for the project.

In September 2008, SOJ, Inc. was retained by the County to provide project management services, and worked with the County, HDR and Emmons Architects to continue pre-design of the East County Justice Center Project. This work first focused on analysis of site development options for the Rockwood site, related entitlements, and consideration of other sites.

In late 2008, a potential alternative building site was identified on N.E. 8th Avenue in downtown Gresham, which is owned by the County. Site analysis was undertaken, which revealed that the option contained a number of positive features over the Rockwood site. A proposal to sell the Rockwood site to the City of Gresham with the understanding the facility would be built on the alternative 8th Avenue site was agreed to in principal by the County and the City of Gresham. Also during this period, due to changing economic conditions, and the Multnomah Count Sheriff's Office determining they would prefer to remain at their Hansen Building Facility, the County considered the revision of the scope of the project to be reduced to only a courts facility with district attorney and support spaces.

The project was largely dormant through the first half of 2009. In mid-2009, after learning that the City of Gresham had decided not to move forward with an agreement to purchase the Rockwood property and agree to development of the 8th Avenue site, the County requested SOJ, Inc. to re-address the status of the project and to begin looking at options to develop a project of reduced scope at the original Rockwood site.

PURPOSE OF THIS FAC-1 AMENDMENT REQUEST

The scope reductions from the original concept of the East County Justice Center include deletion of the MCSO and Gresham Police. For basic programming square footage, this reduction revises the original 70,000 sq.ft. facility to approx. 40,000 sq.ft. As noted in Section IV – D – b of the FAC-1 Policy, should a project be revised in excess of 20% +/- in scope or square footage, it is deemed a “Significant Change” and requires approval of an amendment to the FAC-1.

The information provided in this FAC – 1 Amendment is intended to satisfactorily illustrate only the revisions from the original FAC-1 approval dated Feb. 22, 2007. That document is available separately for reference.

Following is an excerpt of the FAC-1 Policy requirements that pertains to the “Project Plan”. Of the elements of the Project Plan below, only the elements shown in bold lettering are materially changed for this FAC – 1 Amendment.

C. Project Plan

1. Project Charter (no changes)
2. **Development Plan** (changes included herein)
 - Define Project Scope**
 - Outline of Project Team**
 - Comprehensive Schedule**
 - Estimates**
3. Siting Plan (no changes)
4. **Operational Funding** (changes included herein)
5. **Capital Funding** (changes included herein)

FAC – 1 AMENDMENTS:
PART C – 2: DEVELOPMENT PLAN

Define Project Scope:

The Feb. 22, 2007 Project Scope was:

Building Program:

Courtrooms, Court Support, District Attorney	36,000 s.f.
Multnomah Co. Sheriff	20,000 s.f.
Gresham Police	12,000 s.f.
County Information Technology	<u>2,000 s.f.</u>
TOTAL	70,000 s.f.

The Sept. 22, 2009 Project Scope is:

Building Program:

Courtrooms, Co. Support, District Attorney	37,500 s.f.
Multnomah Co. Sheriff	0 s.f.
Gresham Police	0 s.f.
County Information Technology	<u>0 s.f.</u>
TOTAL	37,500 s.f.

Outline of Project Team:

The Feb. 22, 2007 Project Team was:

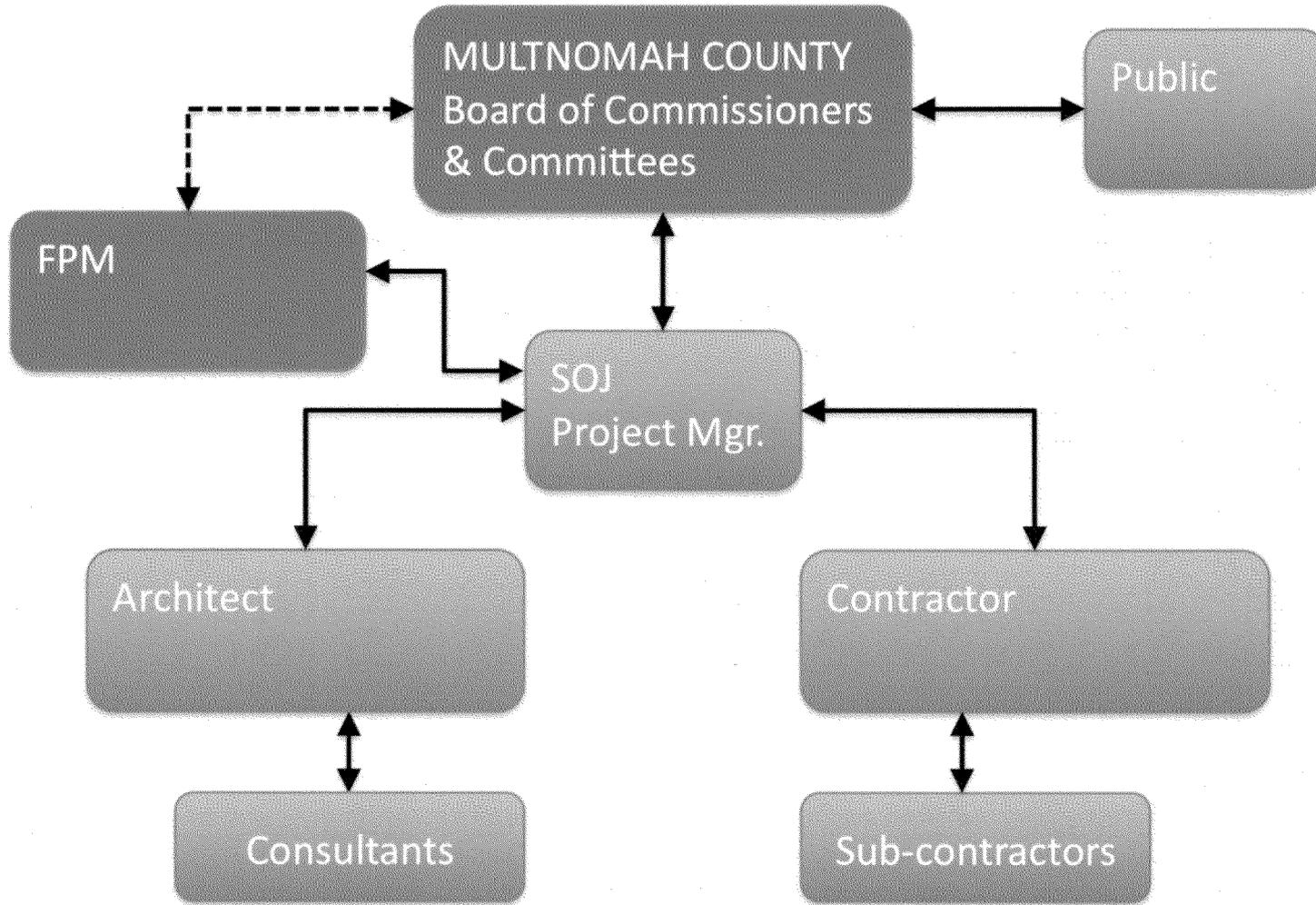
Multnomah County Board of Commissioners
Facilities & Property Management
HDR Architecture, Emmons Architects
Hoffman Construction

The Sept. 22, 2009 Project Team is:

Multnomah County Board of Commissioners
Facilities & Property Management
Shiels Oblatz Johnsen, Inc.
Architect to be determined
Pre-Construction Consultant (Contractor) to be determined
Construction Contractor to be determined

Project Management is to be provided primarily by Shiels Oblatz Johnsen, Inc., with support and direct communication with County F&PM. SOJ will be the primary contact for all other major team members, and will report directly to Chair Wheeler and the Board as necessary. F&PM, Risk Management, Contracting and Legal Departments will work with SOJ to integrate all County standards and administrative procedures into the Project. An organizational and communications chart follows:

EAST COUNTY COURTS ORG CHART



September 22, 2009

Comprehensive Schedule:

A preliminary list of major milestones and approximate dates follows:

Oct. 8, 2009: Approval of the Revised FAC-1
Oct. – Dec. 2009: Procurement of the Architect Team
Oct. '09 – Jan. 2010: Procurement of the Pre-Construction Contractor
Jan. '10 – Feb. '10: Programming
Jan. '10 – March '10: Schematic Design
April '10: Schematic Design Cost Estimate and MC Review and Approval
April '10 – July '10: Design Development
July '10 – Aug. '10: Design Development Cost Estimate and MC Review and Approval
Aug. '10 – Nov. '10: Construction Documents
September 2010: Request to Board for Approval to Construct the ECC
Sept. '10: Mid-Construction Documents Cost Estimate
Dec. '10 – Jan. 2011: Final Cost Estimate / Bidding / Contractor Contract Negotiations
Feb. 2011 – Feb. 2012: Construction
March, 2012: County Move-In and first cases.

A Conceptual Overall Project (Bar-Chart) Schedule follows

Estimates: See subsequent documents

Operational Funding: See subsequent documents

Capital Funding: See subsequent documents

Briefing for Multnomah County Board of Commissioners
September 22, 2009

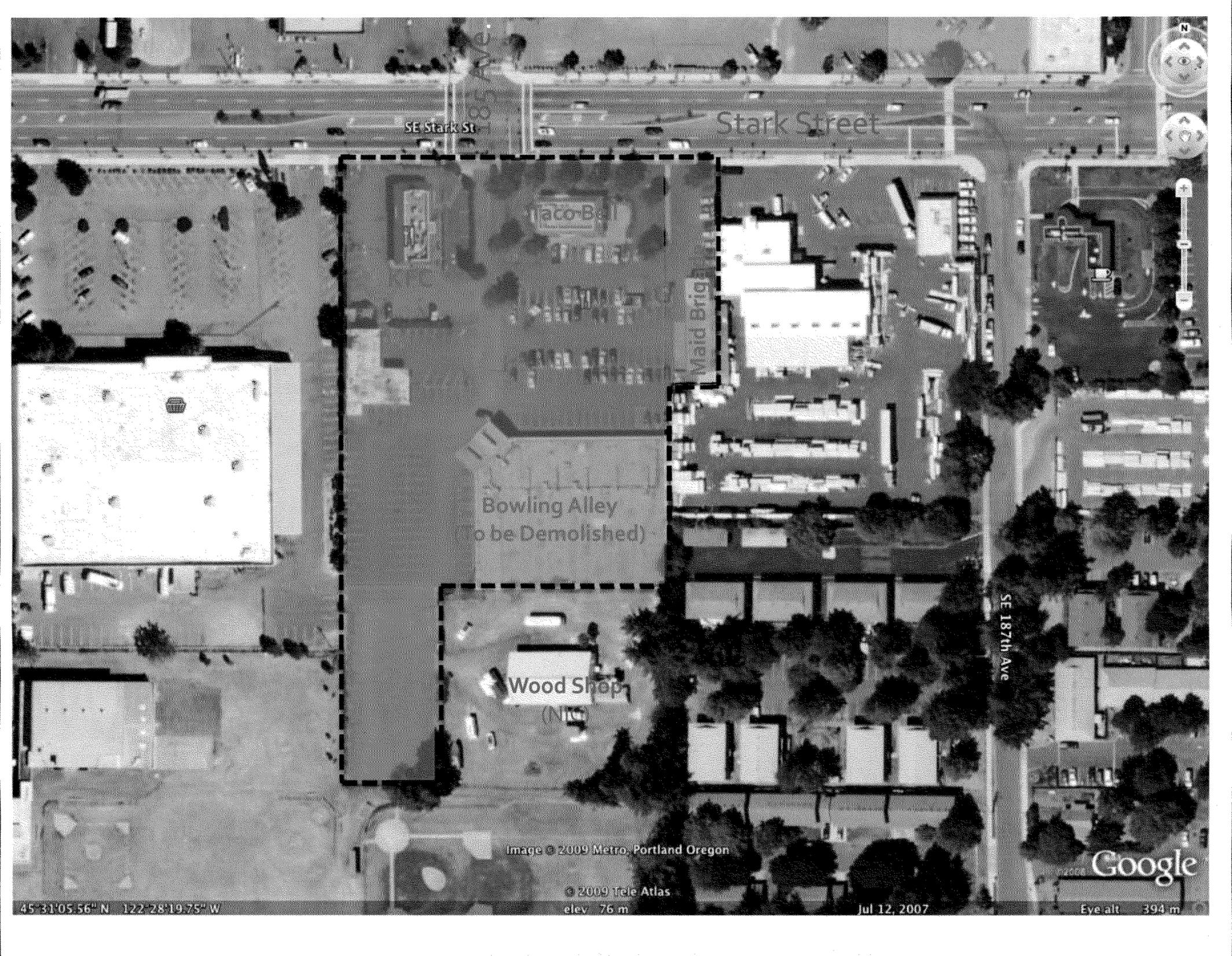
EAST COUNTY COURTS *DEVELOPMENT UPDATE*

Project Evolution

- Fall 2008: \$34-38M project (w/o land)
 - 70,000 sf building with 3 courts
 - Court support space
 - DA
 - MCSO
 - Gresham Police
 - ~300 parking spaces
- Fall 2009: \$17-21M Project (w/o land)
 - 35,000-40,000 sf building with 2-3 courts
 - Court support space
 - DA
 - Community Space
 - 130-150 parking spaces

Site Development

- 37,000-40,000 sf building = Max 74,000-80,000 sf site per zoning requirements
- Taco Bell remains
- Courts building located at 185th & Stark
- Partial construction of 185th south of Stark
- Provide for future dedication of 185th through the site; park on future R.O.W. in the interim
- 130-150 parking spaces
- Portion of site undeveloped; available for interim use (e.g., community garden) and future expansion of court facility and parking



SE Stark St

Stark Street

Jaco-Ball

Maid Brigade

Bowling Alley
(to be Demolished)

Wood Shop
(NLS)

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas
elev. 76 m

Jul 12, 2007

Google

45°31'05.56" N 122°28'19.75" W

Eye alt 394 m



Building
Footprint

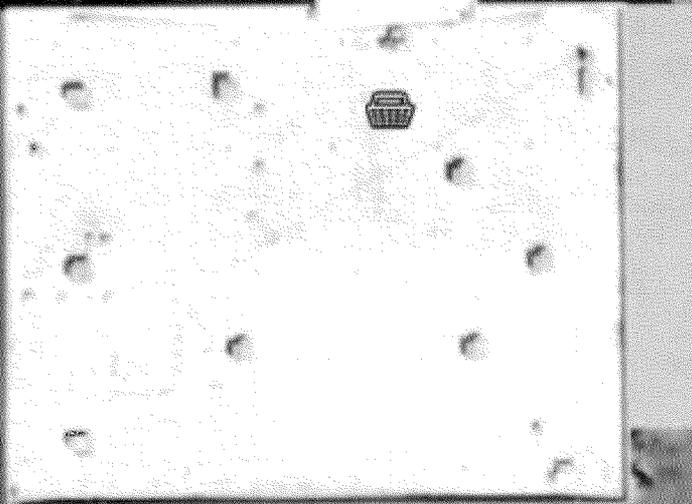
New Street

Taco Bell
(to remain)

Secure
Parking

Future
Development

Wood Shop
(NIC)



East County Courts

Project Costs

**MULTNOMAH COUNTY - EAST COUNTY COURTS
COMPARISON OF CONCEPTUAL OPTIONS**

CONCEPTUAL DEVELOPMENT COST ESTIMATE

		OPTION							
		A		B		C		D	
Project Component	Cost/SF *	2 Courtrooms		2 Courtrooms + Shell for Future Courtroom		2 Courtrooms + Flexible Community Space/Future Courtroom		3 Courtrooms, including 1 for Flexible Community Use	
		Area	Cost	Area	Cost	Area	Cost	Area	Cost
Courtrooms	\$318	10,000	\$ 3,180,000	10,000	\$ 3,180,000	10,000	\$ 3,180,000	15,000	\$ 4,770,000
Phase 2 Courtroom Shell	\$186	0	0	5,000	930,000	0	0	0	0
Flexible Community Space	\$249	0	0	0	0	5,000	1,245,000	0	0
Court Support Space	\$265	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000
District Attorney	\$255	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000
Building Support/Common Area	\$286	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800
Building Efficiency Factor	\$212	6,250	1,325,000	7,500	1,590,000	7,500	1,590,000	7,500	1,590,000
Subtotal Building Costs		31,250	\$ 8,507,800	37,500	\$ 9,702,800	37,500	\$ 10,017,800	37,500	\$ 10,362,800
Site Development			2,000,000		2,000,000		2,000,000		2,000,000
FF&E Allowance			650,000		650,000		700,000		900,000
Soft Costs	25%		2,789,450		3,088,200		3,179,450		3,315,700
Contingencies	25%		3,486,813		3,860,250		3,974,313		4,144,625
TOTAL PROJECT COST			\$ 17,434,063		\$ 19,301,250		\$ 19,871,563		\$ 20,723,125

Source: Architectural Cost Consultants, Sept. 15, 2009

* Adjusted to June 2011 dollars

CONCEPTUAL OCCUPANCY COST ESTIMATE (YEAR 1)

		OPTION			
		A	B	C	D
Occupancy Costs	Factor	2 Courtrooms	2 Courtrooms + Shell for Future Courtroom	2 Courtrooms + Flexible Community Space/Future Courtroom	3 Courtrooms, including 1 for Flexible Community Use
TOTAL PROJECT COST		\$ 17,434,063	\$ 19,301,250	\$ 19,871,563	\$ 20,723,125
(-) ECC Reserve Fund		<u>(4,800,000)</u>	<u>(4,800,000)</u>	<u>(4,800,000)</u>	<u>(4,800,000)</u>
BOND AMOUNT		\$ 12,634,063	\$ 14,501,250	\$ 15,071,563	\$ 15,923,125
Interest Rate	5.50%				
Term	20				
ANNUAL DEBT SERVICE		\$ 1,057,210	\$ 1,213,455	\$ 1,261,178	\$ 1,332,436
(+) Operating & Maintenance Expenses	\$ 8.00	237,500	285,000	285,000	285,000
(+) Asset Preservation Fee	\$ 2.75	<u>81,759</u>	<u>98,111</u>	<u>98,111</u>	<u>98,111</u>
TOTAL ANNUAL OCCUPANCY COST		\$ 1,376,469	\$ 1,596,566	\$ 1,644,290	\$ 1,715,548
(-) Taco Bell Lease Income		<u>(83,000)</u>	<u>(83,000)</u>	<u>(83,000)</u>	<u>(83,000)</u>
(-) Existing Courthouse Lease & Expenses		<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>
(-) D.A. Lease Pmts. (from 8th & Kelly)		<u>(30,500)</u>	<u>(30,500)</u>	<u>(30,500)</u>	<u>(30,500)</u>
NET ANNUAL OCCUPANCY COST		\$ 1,192,969	\$ 1,413,066	\$ 1,460,790	\$ 1,532,048
NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077		Estimate Date: 15-Sep-09
			Document Date: 15-Sep-09
			Print Date: 15-Sep-09
			Print Time: 10:45 AM
			Constr. Start: 01-Jun-11

DIRECT CONSTRUCTION COST

Component	Area	\$ / SF	Total
MODIFIED PROGRAM Two completed courtrooms	39,466 sf	\$271.96 /sf	\$10,733,068
MODIFIED PROGRAM OPTION 1 One courtroom shelled	39,466 sf	\$255.16 /sf	10,070,068
MODIFIED PROGRAM OPTION 2 One courtroom space finished out as flexible community space	39,466 sf	\$263.22 /sf	10,388,308
<p>The above costs are for the building direct construction cost only and do not include site work outside of the building footprint.</p> <p>The above costs are in projected June 2011 dollars.</p>			

The above estimates are for direct construction cost only. They do not include furnishings & equipment, architect and engineer design fees, consultant fees, inspection and testing fees, plan check fees, hazardous material testing and removal, financing costs, nor any other normally associated development costs.

The above estimates assume a construction start date of: **01-Jun-11** If the start of construction is delayed beyond the date above, the estimates must be indexed at a rate of 4-6% per year compounded.

This is a probable cost estimate based on in-progress documentation provided by the architect. The actual bid documents will vary from this estimate due to document completion, detailing, specification, addendum, etc.. The estimator has no control over the cost or availability of labor, equipment, materials, over market conditions or Contractor's method of pricing, Contractor's construction logistics and scheduling. This estimate is formulated on the estimator's professional judgment and experience. The estimate makes no warranty, expressed or implied, that the quantities, bids or the negotiated cost of the Work will not vary from the Estimator's opinion of probable Construction cost.

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$300.00	\$4,254,900		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	256.37 /sf	\$10,117,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$318.24	\$4,513,598		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	271.96 /sf	\$10,733,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077		Estimate Date: 15-Sep-09 Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 1	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Shell Courtroom	5,000	sf	175.00	875,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	240.53 /sf	\$9,492,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Shell Courtroom	5,000	sf	185.64	928,200		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	255.16 /sf	\$10,070,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 2	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Community Space	5,000	sf	235.00	1,175,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	248.14 /sf	\$9,792,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Community Space	5,000	sf	249.29	1,246,440		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	263.22 /sf	\$10,388,308		JUNE 2011 DOLLARS

SOURCES

A. CONSTRUCTION COST

A.1 BUILDING COST

a. Comparables	approx. cost/sf - building only	date of estimate/bid	approx. cost/sf - inflated to mid 2009 (rounded)
Springfield, OR Justice Center	\$ 215	June 2007	\$ 240.00
Fresno Courthouse	\$220-\$240	June 2008	\$ 253.58
Texas Courthouse	\$ 263	June 2007	\$ 290.00
Clackamas Government Building	\$ 200	June 2007	\$ 220.00

Other Courts projects have ranged from \$260 - \$320/sf

it was agreed that Springfield Justice Center was the best comparable of this group

b. Inflation (estimated)

2006 - 2007	8%
2007 - 2008	6%
2008 - 2009	5%

c. Contingency (for Construction Cost)

Hoffman stated that it could be possible to achieve 5% if all conditions were favorable

HDR recommended 10%

Used 7.5% for the Programming Estimate

3. Estimated \$/sf for Building

Building Cost	\$ 240.00
Contingency 7.50%	\$ 18.00
Target Building Cost (with inflation/contingency) rounded	
LEED Silver	\$ 260.00 /sf
LEED Gold 5%	\$ 273.00 /sf

A.2 SITE COST

Areas provided by Emmons Architects based on a site plan S1, dated June 3, 2008

	\$/sf	Area	
Parking - Asphalt	12	70,400	\$ 844,800
Landscape (inc. parking islands)	5	74,800	\$ 374,000
Hardscape (sidewalks)	12	5400	\$ 64,800
Road	18	7300	\$ 131,400
offsite (sidewalks, roads)	18	5700	\$ 102,600
Utilities	Lump Sum		\$ 200,000
Fence for secure parking	Lump Sum		\$ 50,000
Site Building Demolition	Lump Sum		\$ 200,000
Total Site Construction Cost (rounded)			\$ 2,000,000

Site Prep included in the above costs/sf

B. SOFT COSTS

\$ 5,000,000

C. LAND COSTS

without contingency

\$ 5,000,000

the following costs are a result of the preliminary Programming Budgeting Meeting held June 3, 2008 attended by Multnomah County Facilities Project Management, HDR, Emmons Architects, Hoffman

Construction Company and Architectural Cost Consultants

This document represents preliminary draft budget numbers and preliminary program distribution for comparison purposes only. Numbers and program distribution are in process and need to be verified.

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009

PROPERTY		PRIMARY CRITERIA						REMARKS
		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	
No.	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:							Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1 for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1 for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1 for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1 for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1 for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1 for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1 Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1 for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1 for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0 for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0 for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1 for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0 for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1 for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1 for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0 for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1 for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0 for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1 for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0 for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0 for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, "flexible" courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Obletz Johnsen, Inc.
Version 3.0 – 9/21/09

EAST COUNTY COURTS DEVELOPMENT UPDATE

**FAC-1 AMENDMENT
BRIEFING for the MULTNOMAH COUNTY
BOARD of COMMISSIONERS
SEPTEMBER 22, 2009**

Prepared jointly by Multnomah County Department of
Facilities & Property Management and
Shiels Obletz Johnsen, Inc.

EAST COUNTY COURTS

FAC – 1 AMENDMENT

County Board of Commissioner's Briefing - September 22, 2009

SUMMARY OF PROJECT HISTORY

In February 2007, Multnomah County F&PM presented the FAC-1 Project Plan for the East County Justice Center Project (ECJC). The Project Plan established a building program consisting of 3 to 4 Courts, DA space, Multnomah County Sheriff and Gresham Police. The plan was approved, and the architectural team of HDR and Emmons Architects was selected and contracted with to undertake programming and conceptual cost estimating. Hoffman Construction was also selected as the CM / GC and was engaged in pre-design assistance and cost estimating.

At the time of approval of the Project Plan, The ECJC had an anticipated cost of \$14,645,100 for hard construction, soft costs and FF&E. Land costs are not included in this figure. When programming was complete, the project cost jointly estimated by the Contractor and the Cost Consultants was found to be substantially higher than the approved budget figure. In June, 2008, the County solicited proposals to engage an independent project management consultant for the project.

In September 2008, SOJ, Inc. was retained by the County to provide project management services, and worked with the County, HDR and Emmons Architects to continue pre-design of the East County Justice Center Project. This work first focused on analysis of site development options for the Rockwood site, related entitlements, and consideration of other sites.

In late 2008, a potential alternative building site was identified on N.E. 8th Avenue in downtown Gresham, which is owned by the County. Site analysis was undertaken, which revealed that the option contained a number of positive features over the Rockwood site. A proposal to sell the Rockwood site to the City of Gresham with the understanding the facility would be built on the alternative 8th Avenue site was agreed to in principal by the County and the City of Gresham. Also during this period, due to changing economic conditions, and the Multnomah County Sheriff's Office determining they would prefer to remain at their Hansen Building Facility, the County considered the revision of the scope of the project to be reduced to only a courts facility with district attorney and support spaces.

The project was largely dormant through the first half of 2009. In mid-2009, after learning that the City of Gresham had decided not to move forward with an agreement to purchase the Rockwood property and agree to development of the 8th Avenue site, the County requested SOJ, Inc. to re-address the status of the project and to begin looking at options to develop a project of reduced scope at the original Rockwood site.

PURPOSE OF THIS FAC-1 AMENDMENT REQUEST

The scope reductions from the original concept of the East County Justice Center include deletion of the MCSO and Gresham Police. For basic programming square footage, this reduction revises the original 70,000 sq.ft. facility to approx. 40,000 sq.ft. As noted in Section IV – D – b of the FAC-1 Policy, should a project be revised in excess of 20% +/- in scope or square footage, it is deemed a “Significant Change” and requires approval of an amendment to the FAC-1.

The information provided in this FAC – 1 Amendment is intended to satisfactorily illustrate only the revisions from the original FAC-1 approval dated Feb. 22, 2007. That document is available separately for reference.

Following is an excerpt of the FAC-1 Policy requirements that pertains to the “Project Plan”. Of the elements of the Project Plan below, only the elements shown in bold lettering are materially changed for this FAC – 1 Amendment.

C. Project Plan

1. Project Charter (no changes)
2. **Development Plan** (changes included herein)
 - Define Project Scope**
 - Outline of Project Team**
 - Comprehensive Schedule**
 - Estimates**
3. Siting Plan (no changes)
4. **Operational Funding** (changes included herein)
5. **Capital Funding** (changes included herein)

FAC – 1 AMENDMENTS:
PART C – 2: DEVELOPMENT PLAN

Define Project Scope:

The Feb. 22, 2007 Project Scope was:

Building Program:

Courtrooms, Court Support, District Attorney	36,000 s.f.
Multnomah Co. Sheriff	20,000 s.f.
Gresham Police	12,000 s.f.
County Information Technology	<u>2,000 s.f.</u>
TOTAL	70,000 s.f.

The Sept. 22, 2009 Project Scope is:

Building Program:

Courtrooms, Court Support, District Attorney	37,500 s.f.
Multnomah Co. Sheriff	0 s.f.
Gresham Police	0 s.f.
County Information Technology	<u>0 s.f.</u>
TOTAL	37,500 s.f.

Outline of Project Team:

The Feb. 22, 2007 Project Team was:

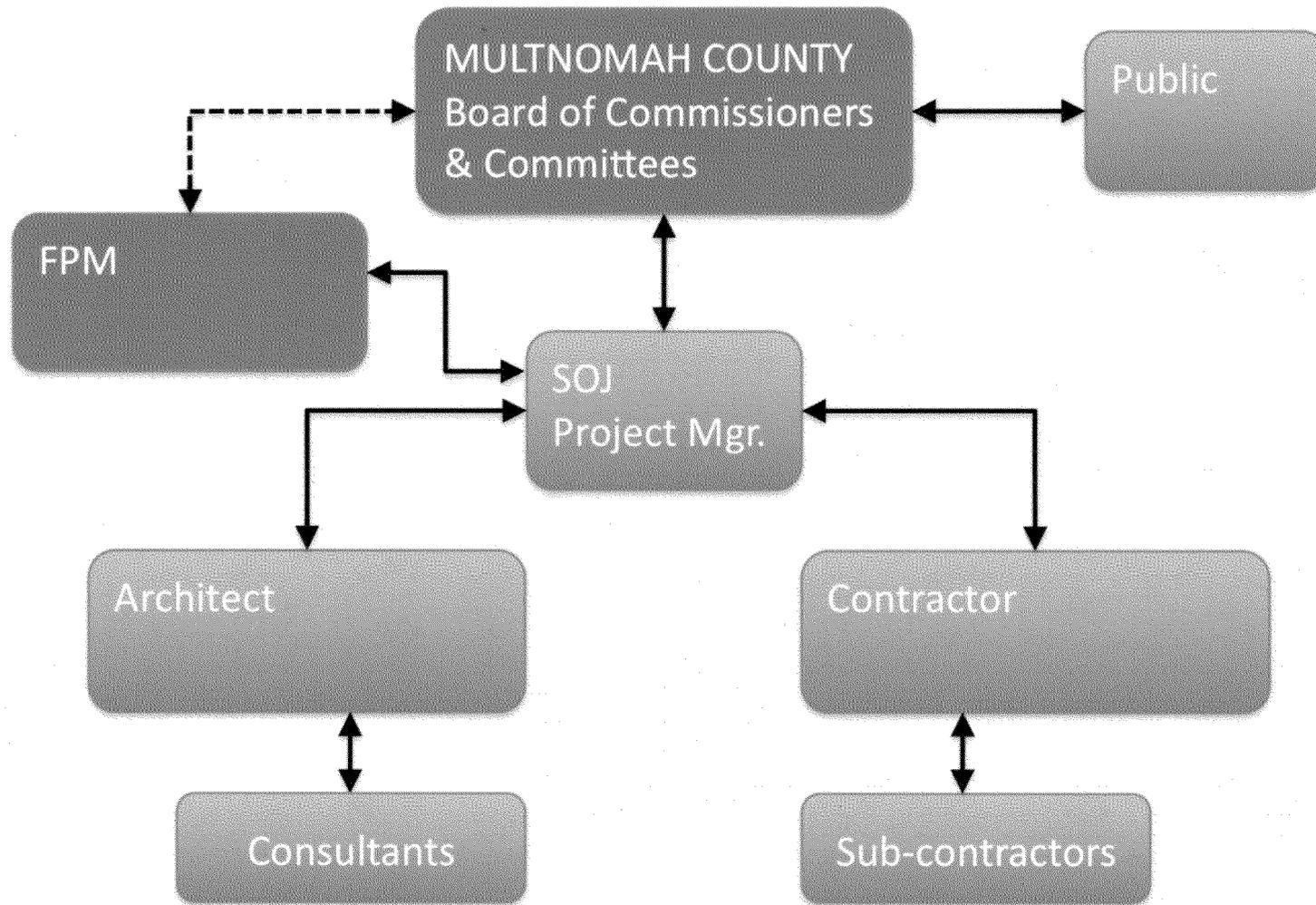
Multnomah County Board of Commissioners
Facilities & Property Management
HDR Architecture, Emmons Architects
Hoffman Construction

The Sept. 22, 2009 Project Team is:

Multnomah County Board of Commissioners
Facilities & Property Management
Shiels Oblatz Johnsen, Inc.
Architect to be determined
Pre-Construction Consultant (Contractor) to be determined
Construction Contractor to be determined

Project Management is to be provided primarily by Shiels Oblatz Johnsen, Inc., with support and direct communication with County F&PM. SOJ will be the primary contact for all other major team members, and will report directly to Chair Wheeler and the Board as necessary. F&PM, Risk Management, Contracting and Legal Departments will work with SOJ to integrate all County standards and administrative procedures into the Project. An organizational and communications chart follows:

EAST COUNTY COURTS ORG CHART



September 22, 2009

Comprehensive Schedule:

A preliminary list of major milestones and approximate dates follows:

Oct. 8, 2009: Approval of the Revised FAC-1
Oct. – Dec. 2009: Procurement of the Architect Team
Oct. '09 – Jan. 2010: Procurement of the Pre-Construction Contractor
Jan. '10 – Feb. '10: Programming
Jan. '10 – March '10: Schematic Design
April '10: Schematic Design Cost Estimate and MC Review and Approval
April '10 – July '10: Design Development
July '10 – Aug. '10: Design Development Cost Estimate and MC Review and Approval
Aug. '10 – Nov. '10: Construction Documents
September 2010: Request to Board for Approval to Construct the ECC
Sept. '10: Mid-Construction Documents Cost Estimate
Dec. '10 – Jan. 2011: Final Cost Estimate / Bidding / Contractor Contract Negotiations
Feb. 2011 – Feb. 2012: Construction
March, 2012: County Move-In and first cases.

A Conceptual Overall Project (Bar-Chart) Schedule follows

Estimates: See subsequent documents

Operational Funding: See subsequent documents

Capital Funding: See subsequent documents

Briefing for Multnomah County Board of Commissioners
September 22, 2009

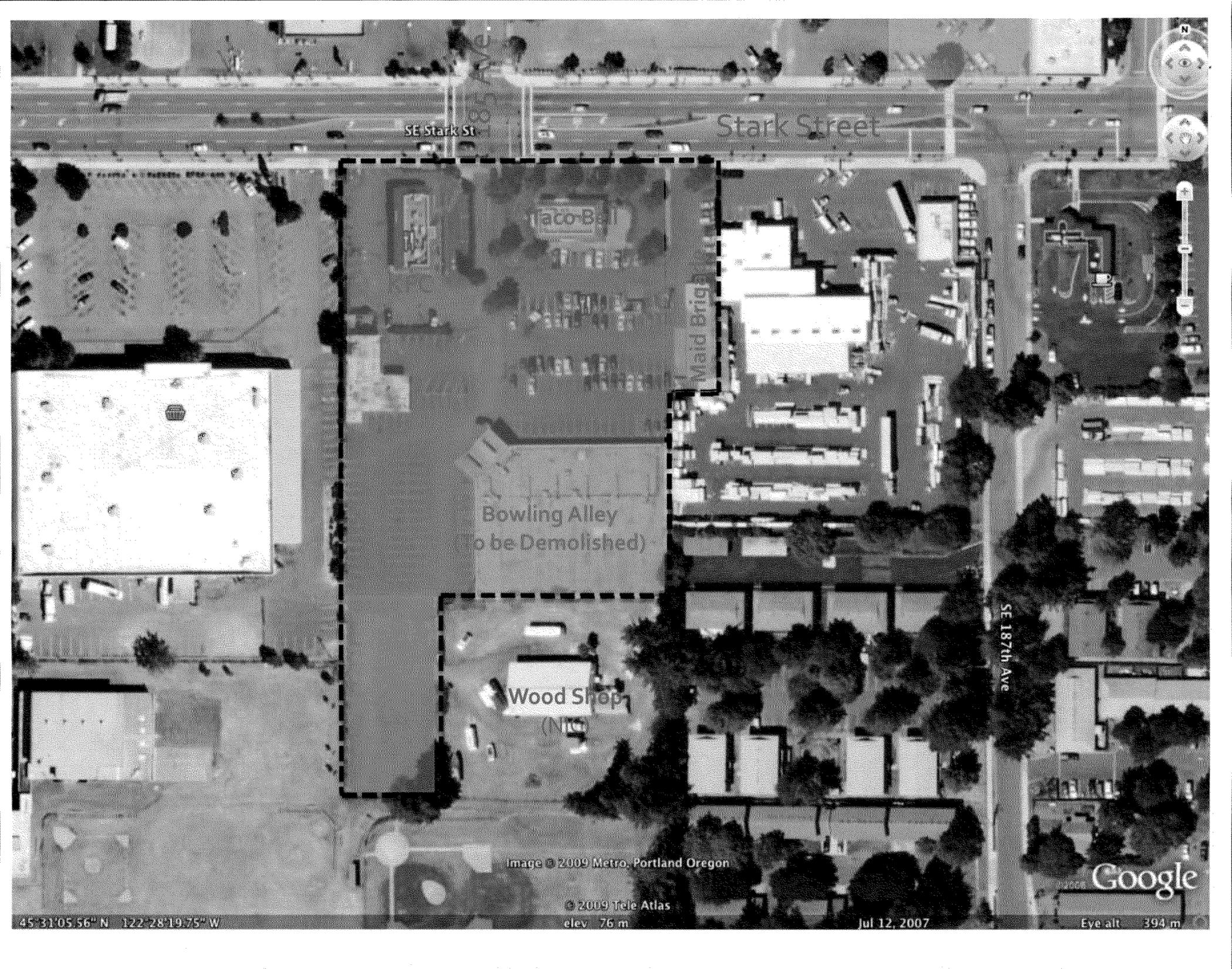
EAST COUNTY COURTS
DEVELOPMENT UPDATE

Project Evolution

- Fall 2008: \$34-38M project (w/o land)
 - 70,000 sf building with 3 courts
 - Court support space
 - DA
 - MCSO
 - Gresham Police
 - ~300 parking spaces
- Fall 2009: \$17-21M Project (w/o land)
 - 35,000-40,000 sf building with 2-3 courts
 - Court support space
 - DA
 - Community Space
 - 130-150 parking spaces

Site Development

- 37,000-40,000 sf building = Max 74,000-80,000 sf site per zoning requirements
- Taco Bell remains
- Courts building located at 185th & Stark
- Partial construction of 185th south of Stark
- Provide for future dedication of 185th through the site; park on future R.O.W. in the interim
- 130-150 parking spaces
- Portion of site undeveloped; available for interim use (e.g., community garden) and future expansion of court facility and parking



SE Stark St

Stark Street

Taco Bell

Maid Brigham

Bowling Alley
(to be Demolished)

Wood Shop
(N/A)

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas
elev. 76 m

Jul 12, 2007

Google

45°31'05.56" N 122°28'19.75" W

Eye alt 394 m



Building
Footprint

New Street

Taco Bell
(to remain)

Secure
Parking

Future
Development

Wood Shop
(NIC)

East County Courts

Project Costs

**MULTNOMAH COUNTY - EAST COUNTY COURTS
COMPARISON OF CONCEPTUAL OPTIONS**

CONCEPTUAL DEVELOPMENT COST ESTIMATE

Project Component		OPTION							
		A		B		C		D	
		2 Courtrooms		2 Courtrooms + Shell for Future Courtroom		2 Courtrooms + Flexible Community Space/Future Courtroom		3 Courtrooms, including 1 for Flexible Community Use	
Cost/SF *	Area	Cost	Area	Cost	Area	Cost	Area	Cost	
	\$318	10,000	\$ 3,180,000	10,000	\$ 3,180,000	10,000	\$ 3,180,000	15,000	\$ 4,770,000
Phase 2 Courtroom Shell	\$186	0	0	5,000	930,000	0	0	0	0
Flexible Community Space	\$249	0	0	0	0	5,000	1,245,000	0	0
Court Support Space	\$265	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000
District Attorney	\$255	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000
Building Support/Common Area	\$286	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800
Building Efficiency Factor	\$212	6,250	1,325,000	7,500	1,590,000	7,500	1,590,000	7,500	1,590,000
Subtotal Building Costs		31,250	\$ 8,507,800	37,500	\$ 9,702,800	37,500	\$ 10,017,800	37,500	\$ 10,362,800
Site Development			2,000,000		2,000,000		2,000,000		2,000,000
FF&E Allowance			650,000		650,000		700,000		900,000
Soft Costs	25%		2,789,450		3,088,200		3,179,450		3,315,700
Contingencies	25%		3,486,813		3,860,250		3,974,313		4,144,625
TOTAL PROJECT COST			\$ 17,434,063		\$ 19,301,250		\$ 19,871,563		\$ 20,723,125

Source: Architectural Cost Consultants, Sept. 15, 2009

* Adjusted to June 2011 dollars

CONCEPTUAL OCCUPANCY COST ESTIMATE (YEAR 1)

		OPTION			
		A	B	C	D
Occupancy Costs	Factor	2 Courtrooms	2 Courtrooms + Shell for Future Courtroom	2 Courtrooms + Flexible Community Space/Future Courtroom	3 Courtrooms, including 1 for Flexible Community Use
TOTAL PROJECT COST		\$ 17,434,063	\$ 19,301,250	\$ 19,871,563	\$ 20,723,125
(-) ECC Reserve Fund		(4,800,000)	(4,800,000)	(4,800,000)	(4,800,000)
BOND AMOUNT		\$ 12,634,063	\$ 14,501,250	\$ 15,071,563	\$ 15,923,125
Interest Rate	5.50%				
Term	20				
ANNUAL DEBT SERVICE		\$ 1,057,210	\$ 1,213,455	\$ 1,261,178	\$ 1,332,436
(+) Operating & Maintenance Expenses	\$ 8.00	237,500	285,000	285,000	285,000
(+) Asset Preservation Fee	\$ 2.75	81,759	98,111	98,111	98,111
TOTAL ANNUAL OCCUPANCY COST		\$ 1,376,469	\$ 1,596,566	\$ 1,644,290	\$ 1,715,548
(-) Taco Bell Lease Income		(83,000)	(83,000)	(83,000)	(83,000)
(-) Existing Courthouse Lease & Expenses		(70,000)	(70,000)	(70,000)	(70,000)
(-) D.A. Lease Pmts. (from 8th & Kelly)		(30,500)	(30,500)	(30,500)	(30,500)
NET ANNUAL OCCUPANCY COST		\$ 1,192,969	\$ 1,413,066	\$ 1,460,790	\$ 1,532,048
NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077	Estimate Date: 15-Sep-09 Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11
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DIRECT CONSTRUCTION COST

Component	Area	\$/SF	Total
MODIFIED PROGRAM Two completed courtrooms	39,466 sf	\$271.96 /sf	\$10,733,068
MODIFIED PROGRAM OPTION 1 One courtroom shelled	39,466 sf	\$255.16 /sf	10,070,068
MODIFIED PROGRAM OPTION 2 One courtroom space finished out as flexible community space	39,466 sf	\$263.22 /sf	10,388,308
<p>The above costs are for the building direct construction cost only and do not include site work outside of the building footprint.</p> <p>The above costs are in projected June 2011 dollars.</p>			

The above estimates are for direct construction cost only. They do not include furnishings & equipment, architect and engineer design fees, consultant fees, inspection and testing fees, plan check fees, hazardous material testing and removal, financing costs, nor any other normally associated development costs.

The above estimates assume a construction start date of: **01-Jun-11** If the start of construction is delayed beyond the date above, the estimates must be indexed at a rate of 4-6% per year compounded.

This is a probable cost estimate based on in-progress documentation provided by the architect. The actual bid documents will vary from this estimate due to document completion, detailing, specification, addendum, etc.. The estimator has no control over the cost or availability of labor, equipment, materials, over market conditions or Contractor's method of pricing, Contractor's construction logistics and scheduling. This estimate is formulated on the estimators professional judgment and experience. The estimate makes no warranty, expressed or implied, that the quantities, bids or the negotiated cost of the Work will not vary from the Estimators opinion of probable Construction cost.

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$300.00	\$4,254,900		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor.(75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	256.37 /sf	\$10,117,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$318.24	\$4,513,598		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	271.96 /sf	\$10,733,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077		Estimate Date: 15-Sep-09 Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 1	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Shell Courtroom	5,000	sf	175.00	875,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	240.53 /sf	\$9,492,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Shell Courtroom	5,000	sf	185.64	928,200		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	255.16 /sf	\$10,070,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 2	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Community Space	5,000	sf	235.00	1,175,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	248.14 /sf	\$9,792,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Community Space	5,000	sf	249.29	1,246,440		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	263.22 /sf	\$10,388,308		JUNE 2011 DOLLARS

SOURCES

A. CONSTRUCTION COST

A.1 BUILDING COST

a. Comparables	approx. cost/sf - building only	date of estimate/bid	approx. cost/sf - inflated to mid 2009 (rounded)
Springfield, OR Justice Center	\$ 215	June 2007	\$ 240.00
Fresno Courthouse	\$220-\$240	June 2008	\$ 253.58
Texas Courthouse	\$ 263	June 2007	\$ 290.00
Clackamas Government Building	\$ 200	June 2007	\$ 220.00

Other Courts projects have ranged from \$260 - \$320/sf

it was agreed that Springfield Justice Center was the best comparable of this group

b. Inflation (estimated)

2006 - 2007	8%
2007 - 2008	6%
2008 - 2009	5%

c. Contingency (for Construction Cost)

Hoffman stated that it could be possible to achieve 5% if all conditions were favorable

HDR recommended 10%

Used 7.5% for the Programming Estimate

3. Estimated \$/sf for Building

Building Cost	\$ 240.00
Contingency 7.50%	\$ 18.00
Target Building Cost (with inflation/contingency) rounded	
LEED Silver	\$ 260.00 /sf
LEED Gold 5%	\$ 273.00 /sf

A.2 SITE COST

Areas provided by Emmons Architects based on a site plan S1, dated June 3, 2008

	\$/sf	Area	
Parking - Asphalt	12	70,400	\$ 844,800
Landscape (inc. parking islands)	5	74,800	\$ 374,000
Hardscape (sidewalks)	12	5400	\$ 64,800
Road	18	7300	\$ 131,400
offsite (sidewalks, roads)	18	5700	\$ 102,600
Utilities	Lump Sum		\$ 200,000
Fence for secure parking	Lump Sum		\$ 50,000
Site Building Demolition	Lump Sum		\$ 200,000
Total Site Construction Cost (rounded)			\$ 2,000,000

Site Prep included in the above costs/sf

B. SOFT COSTS

\$ 5,000,000

C. LAND COSTS

without contingency

\$ 5,000,000

the following costs are a result of the preliminary Programming Budgeting Meeting held June 3, 2008 attended by Multnomah County Facilities Project Management, HDR, Emmons Architects, Hoffman

Construction Company and Architectural Cost Consultants

This document represents preliminary draft budget numbers and preliminary program distribution for comparison purposes only. Numbers and program distribution are in process and need to be verified.

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

**MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009**

PROPERTY		PRIMARY CRITERIA							REMARKS
		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	TOTAL MET	
No.	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:								Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1	for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1	for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1	for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1	for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1	for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1	for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1	Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1	for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1	for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0	for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0	for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1	for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0	for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1	for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1	for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0	for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1	for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0	for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1	for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0	for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0	for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, "flexible" courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Oblatz Johnsen, Inc.
Version 3.0 – 9/21/09

EAST COUNTY COURTS DEVELOPMENT UPDATE

**FAC-1 AMENDMENT
BRIEFING for the MULTNOMAH COUNTY
BOARD of COMMISSIONERS
SEPTEMBER 22, 2009**

Prepared jointly by Multnomah County Department of
Facilities & Property Management and
Shiels Obletz Johnsen, Inc.

EAST COUNTY COURTS FAC – 1 AMENDMENT

County Board of Commissioner's Briefing - September 22, 2009

SUMMARY OF PROJECT HISTORY

In February 2007, Multnomah County F&PM presented the FAC-1 Project Plan for the East County Justice Center Project (ECJC). The Project Plan established a building program consisting of 3 to 4 Courts, DA space, Multnomah County Sheriff and Gresham Police. The plan was approved, and the architectural team of HDR and Emmons Architects was selected and contracted with to undertake programming and conceptual cost estimating. Hoffman Construction was also selected as the CM / GC and was engaged in pre-design assistance and cost estimating.

At the time of approval of the Project Plan, The ECJC had an anticipated cost of \$14,645,100 for hard construction, soft costs and FF&E. Land costs are not included in this figure. When programming was complete, the project cost jointly estimated by the Contractor and the Cost Consultants was found to be substantially higher than the approved budget figure. In June, 2008, the County solicited proposals to engage an independent project management consultant for the project.

In September 2008, SOJ, Inc. was retained by the County to provide project management services, and worked with the County, HDR and Emmons Architects to continue pre-design of the East County Justice Center Project. This work first focused on analysis of site development options for the Rockwood site, related entitlements, and consideration of other sites.

In late 2008, a potential alternative building site was identified on N.E. 8th Avenue in downtown Gresham, which is owned by the County. Site analysis was undertaken, which revealed that the option contained a number of positive features over the Rockwood site. A proposal to sell the Rockwood site to the City of Gresham with the understanding the facility would be built on the alternative 8th Avenue site was agreed to in principal by the County and the City of Gresham. Also during this period, due to changing economic conditions, and the Multnomah County Sheriff's Office determining they would prefer to remain at their Hansen Building Facility, the County considered the revision of the scope of the project to be reduced to only a courts facility with district attorney and support spaces.

The project was largely dormant through the first half of 2009. In mid-2009, after learning that the City of Gresham had decided not to move forward with an agreement to purchase the Rockwood property and agree to development of the 8th Avenue site, the County requested SOJ, Inc. to re-address the status of the project and to begin looking at options to develop a project of reduced scope at the original Rockwood site.

PURPOSE OF THIS FAC-1 AMENDMENT REQUEST

The scope reductions from the original concept of the East County Justice Center include deletion of the MCSO and Gresham Police. For basic programming square footage, this reduction revises the original 70,000 sq.ft. facility to approx. 40,000 sq.ft. As noted in Section IV – D – b of the FAC-1 Policy, should a project be revised in excess of 20% +/- in scope or square footage, it is deemed a "Significant Change" and requires approval of an amendment to the FAC-1.

The information provided in this FAC – 1 Amendment is intended to satisfactorily illustrate only the revisions from the original FAC-1 approval dated Feb. 22, 2007. That document is available separately for reference.

Following is an excerpt of the FAC-1 Policy requirements that pertains to the "Project Plan". Of the elements of the Project Plan below, only the elements shown in bold lettering are materially changed for this FAC – 1 Amendment.

C. Project Plan

1. Project Charter (no changes)
2. **Development Plan** (changes included herein)
 - Define Project Scope**
 - Outline of Project Team**
 - Comprehensive Schedule**
 - Estimates**
3. Siting Plan (no changes)
4. **Operational Funding** (changes included herein)
5. **Capital Funding** (changes included herein)

FAC – 1 AMENDMENTS:
PART C – 2: DEVELOPMENT PLAN

Define Project Scope:

The Feb. 22, 2007 Project Scope was:

Building Program:

Courtrooms, Court Support, District Attorney	36,000 s.f.
Multnomah Co. Sheriff	20,000 s.f.
Gresham Police	12,000 s.f.
County Information Technology	<u>2,000 s.f.</u>
TOTAL	70,000 s.f.

The Sept. 22, 2009 Project Scope is:

Building Program:

Courtrooms, Court Support, District Attorney	37,500 s.f.
Multnomah Co. Sheriff	0 s.f.
Gresham Police	0 s.f.
County Information Technology	<u>0 s.f.</u>
TOTAL	37,500 s.f.

Outline of Project Team:

The Feb. 22, 2007 Project Team was:

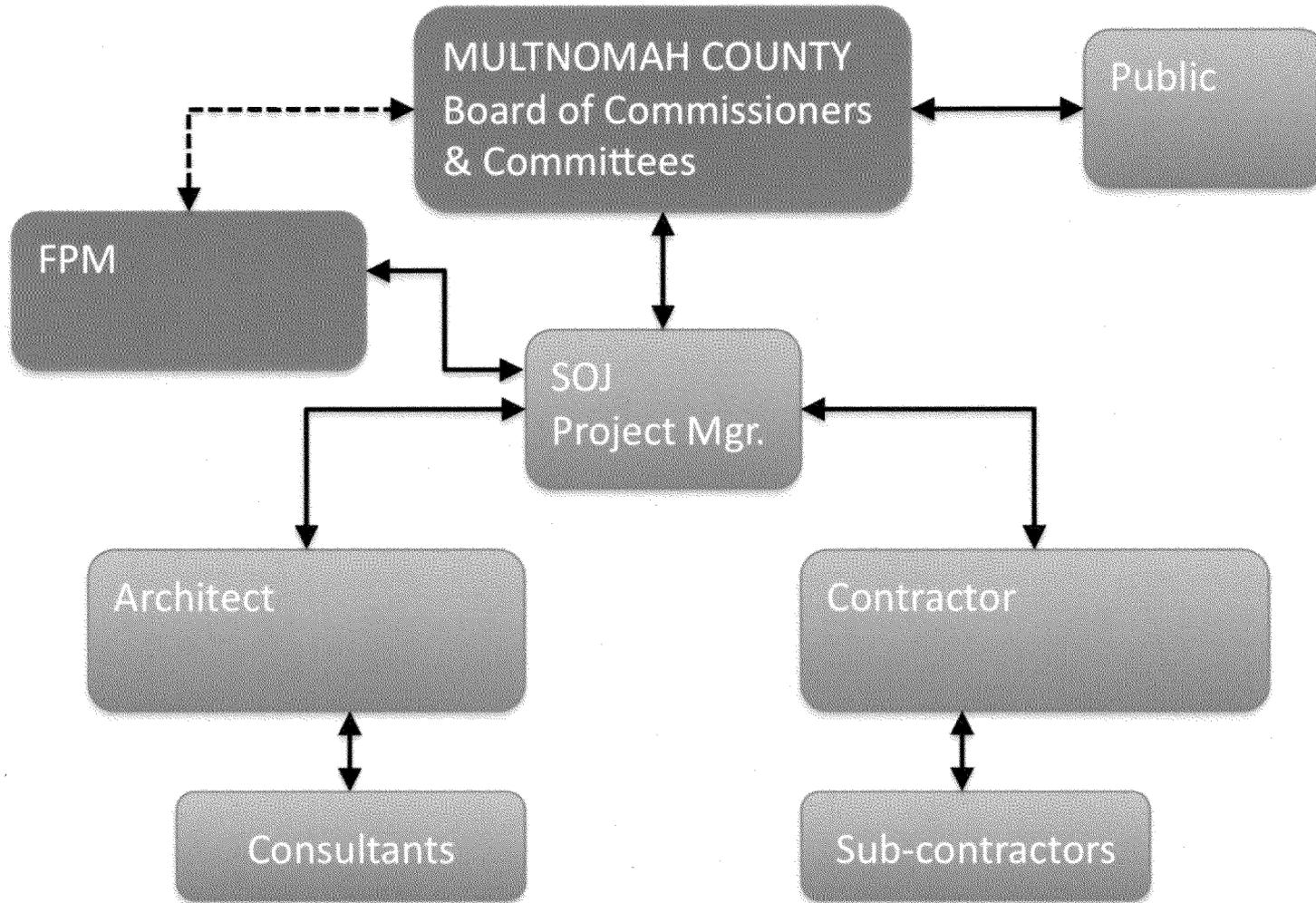
Multnomah County Board of Commissioners
Facilities & Property Management
HDR Architecture, Emmons Architects
Hoffman Construction

The Sept. 22, 2009 Project Team is:

Multnomah County Board of Commissioners
Facilities & Property Management
Shiels Oblatz Johnsen, Inc.
Architect to be determined
Pre-Construction Consultant (Contractor) to be determined
Construction Contractor to be determined

Project Management is to be provided primarily by Shiels Oblatz Johnsen, Inc., with support and direct communication with County F&PM. SOJ will be the primary contact for all other major team members, and will report directly to Chair Wheeler and the Board as necessary. F&PM, Risk Management, Contracting and Legal Departments will work with SOJ to integrate all County standards and administrative procedures into the Project. An organizational and communications chart follows:

EAST COUNTY COURTS ORG CHART



September 22, 2009

Comprehensive Schedule:

A preliminary list of major milestones and approximate dates follows:

Oct. 8, 2009: Approval of the Revised FAC-1
Oct. – Dec. 2009: Procurement of the Architect Team
Oct. '09 – Jan. 2010: Procurement of the Pre-Construction Contractor
Jan. '10 – Feb. '10: Programming
Jan. '10 – March '10: Schematic Design
April '10: Schematic Design Cost Estimate and MC Review and Approval
April '10 – July '10: Design Development
July '10 – Aug. '10: Design Development Cost Estimate and MC Review and Approval
Aug. '10 – Nov. '10: Construction Documents
September 2010: Request to Board for Approval to Construct the ECC
Sept. '10: Mid-Construction Documents Cost Estimate
Dec. '10 – Jan. 2011: Final Cost Estimate / Bidding / Contractor Contract Negotiations
Feb. 2011 – Feb. 2012: Construction
March, 2012: County Move-In and first cases.

A Conceptual Overall Project (Bar-Chart) Schedule follows

Estimates: See subsequent documents

Operational Funding: See subsequent documents

Capital Funding: See subsequent documents

Briefing for Multnomah County Board of Commissioners
September 22, 2009

EAST COUNTY COURTS
DEVELOPMENT UPDATE

Project Evolution

- Fall 2008: \$34-38M project (w/o land)
 - 70,000 sf building with 3 courts
 - Court support space
 - DA
 - MCSO
 - Gresham Police
 - ~300 parking spaces
- Fall 2009: \$17-21M Project (w/o land)
 - 35,000-40,000 sf building with 2-3 courts
 - Court support space
 - DA
 - Community Space
 - 130-150 parking spaces

Site Development

- 37,000-40,000 sf building = Max 74,000-80,000 sf site per zoning requirements
- Taco Bell remains
- Courts building located at 185th & Stark
- Partial construction of 185th south of Stark
- Provide for future dedication of 185th through the site; park on future R.O.W. in the interim
- 130-150 parking spaces
- Portion of site undeveloped; available for interim use (e.g., community garden) and future expansion of court facility and parking



SE Stark St

Stark Street

Jaco-Ball

Maid Brig

Bowling Alley
(to be Demolished)

Wood Shop
(NIB)

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas
elev. 76 m

Jul 12, 2007

Google

Eye alt 394 m

45°31'05.56" N 122°28'19.75" W



Building
Footprint

New Street

Taco Bell
(to remain)

Secure
Parking

Future
Development

Wood Sho
(NIC)

East County Courts

Project Costs

**MULTNOMAH COUNTY - EAST COUNTY COURTS
COMPARISON OF CONCEPTUAL OPTIONS**

CONCEPTUAL DEVELOPMENT COST ESTIMATE

Project Component		OPTION							
		A		B		C		D	
		2 Courtrooms		2 Courtrooms + Shell for Future Courtroom		2 Courtrooms + Flexible Community Space/Future Courtroom		3 Courtrooms, including 1 for Flexible Community Use	
Cost/SF *	Area	Cost	Area	Cost	Area	Cost	Area	Cost	
	\$318	10,000	\$ 3,180,000	10,000	\$ 3,180,000	10,000	\$ 3,180,000	15,000	\$ 4,770,000
Phase 2 Courtroom Shell	\$186	0	0	5,000	930,000	0	0	0	0
Flexible Community Space	\$249	0	0	0	0	5,000	1,245,000	0	0
Court Support Space	\$265	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000
District Attorney	\$255	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000
Building Support/Common Area	\$286	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800
Building Efficiency Factor	\$212	6,250	1,325,000	7,500	1,590,000	7,500	1,590,000	7,500	1,590,000
Subtotal Building Costs		31,250	\$ 8,507,800	37,500	\$ 9,702,800	37,500	\$ 10,017,800	37,500	\$ 10,362,800
Site Development			2,000,000		2,000,000		2,000,000		2,000,000
FF&E Allowance			650,000		650,000		700,000		900,000
Soft Costs	25%		2,789,450		3,088,200		3,179,450		3,315,700
Contingencies	25%		3,486,813		3,860,250		3,974,313		4,144,625
TOTAL PROJECT COST			\$ 17,434,063		\$ 19,301,250		\$ 19,871,563		\$ 20,723,125

Source: Architectural Cost Consultants, Sept. 15, 2009

* Adjusted to June 2011 dollars

CONCEPTUAL OCCUPANCY COST ESTIMATE (YEAR 1)

		OPTION			
		A	B	C	D
Occupancy Costs	Factor	2 Courtrooms	2 Courtrooms + Shell for Future Courtroom	2 Courtrooms + Flexible Community Space/Future Courtroom	3 Courtrooms, including 1 for Flexible Community Use
TOTAL PROJECT COST		\$ 17,434,063	\$ 19,301,250	\$ 19,871,563	\$ 20,723,125
(-) ECC Reserve Fund		(4,800,000)	(4,800,000)	(4,800,000)	(4,800,000)
BOND AMOUNT		\$ 12,634,063	\$ 14,501,250	\$ 15,071,563	\$ 15,923,125
Interest Rate	5.50%				
Term	20				
ANNUAL DEBT SERVICE		\$ 1,057,210	\$ 1,213,455	\$ 1,261,178	\$ 1,332,436
(+) Operating & Maintenance Expenses	\$ 8.00	237,500	285,000	285,000	285,000
(+) Asset Preservation Fee	\$ 2.75	81,759	98,111	98,111	98,111
TOTAL ANNUAL OCCUPANCY COST		\$ 1,376,469	\$ 1,596,566	\$ 1,644,290	\$ 1,715,548
(-) Taco Bell Lease Income		(83,000)	(83,000)	(83,000)	(83,000)
(-) Existing Courthouse Lease & Expenses		(70,000)	(70,000)	(70,000)	(70,000)
(-) D.A. Lease Pmts. (from 8th & Kelly)		(30,500)	(30,500)	(30,500)	(30,500)
NET ANNUAL OCCUPANCY COST		\$ 1,192,969	\$ 1,413,066	\$ 1,460,790	\$ 1,532,048
NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

Mult. Co. East Justice Center

Gresham, Oregon
 Shiels Oblatz Johnsen, Inc.
 Portland, Oregon

PRELIMINARY BUDGET ESTIMATE

Architectural Cost Consultants, LLC

James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA
 8060 SW Pfaffle Street, Suite 110
 Tigard, Oregon 97223-8489

Phone (503) 718-0075 Fax (503) 718-0077

Estimate Date: 15-Sep-09
 Document Date: 15-Sep-09
 Print Date: 15-Sep-09
 Print Time: 10:45 AM
 Constr. Start: 01-Jun-11

DIRECT CONSTRUCTION COST

Component	Area		\$ / SF	Total
MODIFIED PROGRAM Two completed courtrooms	39,466 sf		\$271.96 /sf	\$10,733,068
MODIFIED PROGRAM OPTION 1 One courtroom shelled	39,466 sf		\$255.16 /sf	10,070,068
MODIFIED PROGRAM OPTION 2 One courtroom space finished out as flexible community space	39,466 sf		\$263.22 /sf	10,388,308
<p>The above costs are for the building direct construction cost only and do not include site work outside of the building footprint.</p> <p>The above costs are in projected June 2011 dollars.</p>				

The above estimates are for direct construction cost only. They do not include furnishings & equipment, architect and engineer design fees, consultant fees, inspection and testing fees, plan check fees, hazardous material testing and removal, financing costs, nor any other normally associated development costs.

The above estimates assume a construction start date of: **01-Jun-11** If the start of construction is delayed beyond the date above, the estimates must be indexed at a rate of 4-6% per year compounded.

This is a probable cost estimate based on in-progress documentation provided by the architect. The actual bid documents will vary from this estimate due to document completion, detailing, specification, addendum, etc.. The estimator has no control over the cost or availability of labor, equipment, materials, over market conditions or Contractor's method of pricing, Contractor's construction logistics and scheduling. This estimate is formulated on the estimators professional judgment and experience. The estimate makes no warranty, expressed or implied, that the quantities, bids or the negotiated cost of the Work will not vary from the Estimators opinion of probable Construction cost.

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$300.00	\$4,254,900		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	256.37 /sf	\$10,117,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$318.24	\$4,513,598		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	271.96 /sf	\$10,733,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077		Estimate Date: 15-Sep-09 Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 1	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
---------------------------	----------	------	-------------	------	------------	----------

DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Shell Courtroom	5,000	sf	175.00	875,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	240.53 /sf	\$9,492,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Shell Courtroom	5,000	sf	185.64	928,200		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	255.16 /sf	\$10,070,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 2	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Community Space	5,000	sf	235.00	1,175,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	248.14 /sf	\$9,792,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Community Space	5,000	sf	249.29	1,246,440		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	263.22 /sf	\$10,388,308		JUNE 2011 DOLLARS

SOURCES

A. CONSTRUCTION COST

A.1 BUILDING COST

a. Comparables	approx. cost/sf - building only	date of estimate/bid	approx. cost/sf - inflated to mid 2009 (rounded)
Springfield, OR Justice Center	\$ 215	June 2007	\$ 240.00
Fresno Courthouse	\$220-\$240	June 2008	\$ 253.58
Texas Courthouse	\$ 263	June 2007	\$ 290.00
Clackamas Government Building	\$ 200	June 2007	\$ 220.00

Other Courts projects have ranged from \$260 - \$320/sf

it was agreed that Springfield Justice Center was the best comparable of this group

b. Inflation (estimated)

2006 - 2007	8%
2007 - 2008	6%
2008 - 2009	5%

c. Contingency (for Construction Cost)

Hoffman stated that it could be possible to achieve 5% if all conditions were favorable

HDR recommended 10%

Used 7.5% for the Programming Estimate

3. Estimated \$/sf for Building

Building Cost	\$ 240.00
Contingency 7.50%	\$ 18.00
Target Building Cost (with inflation/contingency) rounded	
LEED Silver	\$ 260.00 /sf
LEED Gold 5%	\$ 273.00 /sf

A.2 SITE COST

Areas provided by Emmons Architects based on a site plan S1, dated June 3, 2008

	\$/sf	Area	
Parking - Asphalt	12	70,400	\$ 844,800
Landscape (inc. parking islands)	5	74,800	\$ 374,000
Hardscape (sidewalks)	12	5400	\$ 64,800
Road	18	7300	\$ 131,400
offsite (sidewalks, roads)	18	5700	\$ 102,600
Utilities	Lump Sum		\$ 200,000
Fence for secure parking	Lump Sum		\$ 50,000
Site Building Demolition	Lump Sum		\$ 200,000
Total Site Construction Cost (rounded)			\$ 2,000,000

Site Prep included in the above costs/sf

B. SOFT COSTS

\$ 5,000,000

C. LAND COSTS

without contingency

\$ 5,000,000

the following costs are a result of the preliminary Programming Budgeting Meeting held June 3, 2008 attended by Multnomah County Facilities Project Management, HDR, Emmons Architects, Hoffman

Construction Company and Architectural Cost Consultants

This document represents preliminary draft budget numbers and preliminary program distribution for comparison purposes only. Numbers and program distribution are in process and need to be verified.

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

**MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009**

PROPERTY		PRIMARY CRITERIA							REMARKS
		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	TOTAL MET	
No.	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:								Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1	for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1	for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1	for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1	for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1	for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1	for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1	Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1	for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1	for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0	for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0	for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1	for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0	for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1	for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1	for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0	for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1	for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0	for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1	for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0	for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0	for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, "flexible" courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Obletz Johnsen, Inc.
Version 3.0 – 9/21/09

EAST COUNTY COURTS DEVELOPMENT UPDATE

**FAC-1 AMENDMENT
BRIEFING for the MULTNOMAH COUNTY
BOARD of COMMISSIONERS
SEPTEMBER 22, 2009**

Prepared jointly by Multnomah County Department of
Facilities & Property Management and
Shiels Obletz Johnsen, Inc.

EAST COUNTY COURTS FAC – 1 AMENDMENT

County Board of Commissioner's Briefing - September 22, 2009

SUMMARY OF PROJECT HISTORY

In February 2007, Multnomah County F&PM presented the FAC-1 Project Plan for the East County Justice Center Project (ECJC). The Project Plan established a building program consisting of 3 to 4 Courts, DA space, Multnomah County Sheriff and Gresham Police. The plan was approved, and the architectural team of HDR and Emmons Architects was selected and contracted with to undertake programming and conceptual cost estimating. Hoffman Construction was also selected as the CM / GC and was engaged in pre-design assistance and cost estimating.

At the time of approval of the Project Plan, The ECJC had an anticipated cost of \$14,645,100 for hard construction, soft costs and FF&E. Land costs are not included in this figure. When programming was complete, the project cost jointly estimated by the Contractor and the Cost Consultants was found to be substantially higher than the approved budget figure. In June, 2008, the County solicited proposals to engage an independent project management consultant for the project.

In September 2008, SOJ, Inc. was retained by the County to provide project management services, and worked with the County, HDR and Emmons Architects to continue pre-design of the East County Justice Center Project. This work first focused on analysis of site development options for the Rockwood site, related entitlements, and consideration of other sites.

In late 2008, a potential alternative building site was identified on N.E. 8th Avenue in downtown Gresham, which is owned by the County. Site analysis was undertaken, which revealed that the option contained a number of positive features over the Rockwood site. A proposal to sell the Rockwood site to the City of Gresham with the understanding the facility would be built on the alternative 8th Avenue site was agreed to in principal by the County and the City of Gresham. Also during this period, due to changing economic conditions, and the Multnomah County Sheriff's Office determining they would prefer to remain at their Hansen Building Facility, the County considered the revision of the scope of the project to be reduced to only a courts facility with district attorney and support spaces.

The project was largely dormant through the first half of 2009. In mid-2009, after learning that the City of Gresham had decided not to move forward with an agreement to purchase the Rockwood property and agree to development of the 8th Avenue site, the County requested SOJ, Inc. to re-address the status of the project and to begin looking at options to develop a project of reduced scope at the original Rockwood site.

PURPOSE OF THIS FAC-1 AMENDMENT REQUEST

The scope reductions from the original concept of the East County Justice Center include deletion of the MCSO and Gresham Police. For basic programming square footage, this reduction revises the original 70,000 sq.ft. facility to approx. 40,000 sq.ft. As noted in Section IV – D – b of the FAC-1 Policy, should a project be revised in excess of 20% +/- in scope or square footage, it is deemed a "Significant Change" and requires approval of an amendment to the FAC-1.

The information provided in this FAC – 1 Amendment is intended to satisfactorily illustrate only the revisions from the original FAC-1 approval dated Feb. 22, 2007. That document is available separately for reference.

Following is an excerpt of the FAC-1 Policy requirements that pertains to the "Project Plan". Of the elements of the Project Plan below, only the elements shown in bold lettering are materially changed for this FAC – 1 Amendment.

C. Project Plan

1. Project Charter (no changes)
2. **Development Plan** (changes included herein)
 - Define Project Scope**
 - Outline of Project Team**
 - Comprehensive Schedule**
 - Estimates**
3. Siting Plan (no changes)
4. **Operational Funding** (changes included herein)
5. **Capital Funding** (changes included herein)

FAC – 1 AMENDMENTS:
PART C – 2: DEVELOPMENT PLAN

Define Project Scope:

The Feb. 22, 2007 Project Scope was:

Building Program:

Courtrooms, Court Support, District Attorney	36,000 s.f.
Multnomah Co. Sheriff	20,000 s.f.
Gresham Police	12,000 s.f.
County Information Technology	<u>2,000 s.f.</u>
TOTAL	70,000 s.f.

The Sept. 22, 2009 Project Scope is:

Building Program:

Courtrooms, Court Support, District Attorney	37,500 s.f.
Multnomah Co. Sheriff	0 s.f.
Gresham Police	0 s.f.
County Information Technology	<u>0 s.f.</u>
TOTAL	37,500 s.f.

Outline of Project Team:

The Feb. 22, 2007 Project Team was:

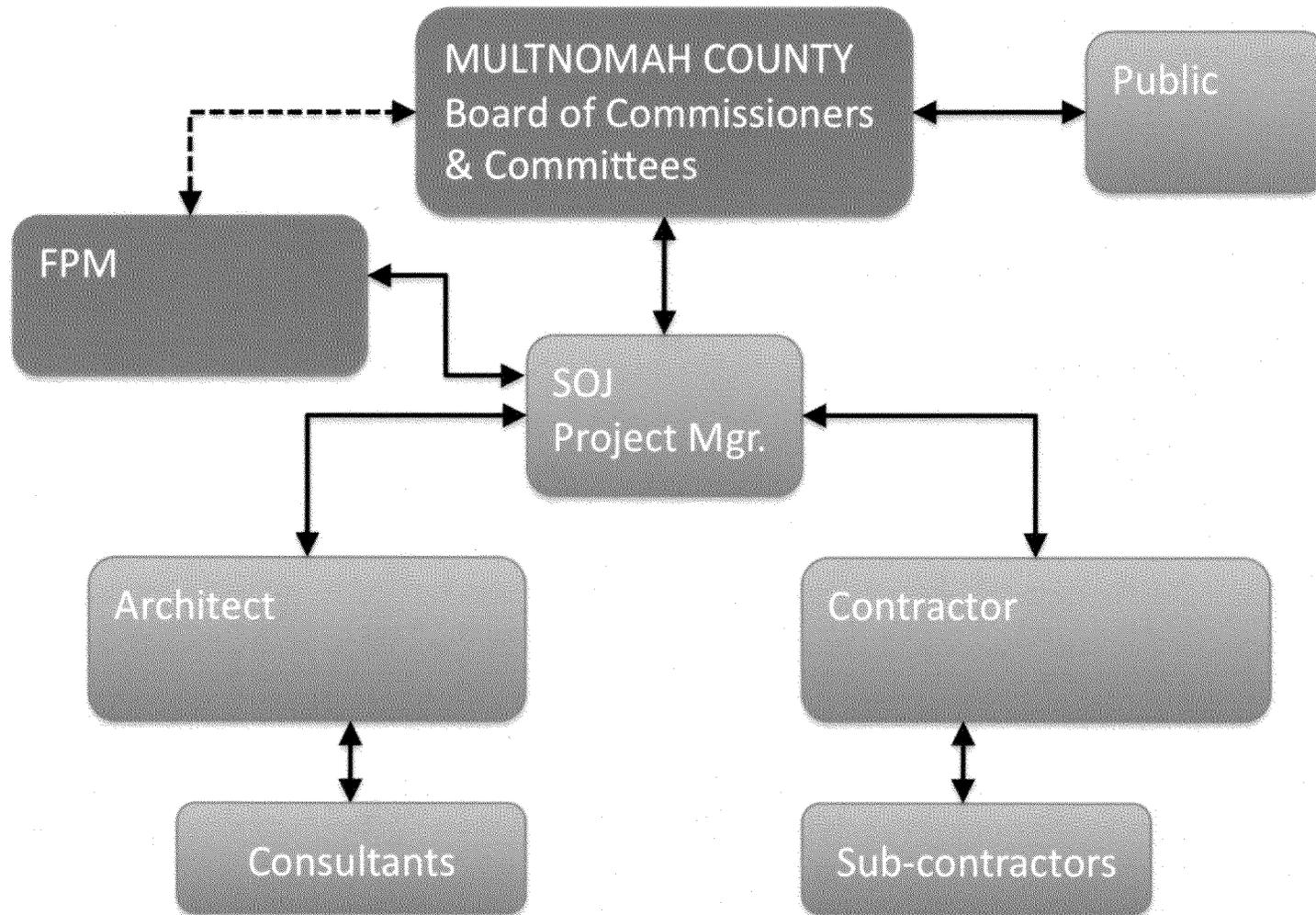
Multnomah County Board of Commissioners
Facilities & Property Management
HDR Architecture, Emmons Architects
Hoffman Construction

The Sept. 22, 2009 Project Team is:

Multnomah County Board of Commissioners
Facilities & Property Management
Shiels Oblatz Johnsen, Inc.
Architect to be determined
Pre-Construction Consultant (Contractor) to be determined
Construction Contractor to be determined

Project Management is to be provided primarily by Shiels Oblatz Johnsen, Inc., with support and direct communication with County F&PM. SOJ will be the primary contact for all other major team members, and will report directly to Chair Wheeler and the Board as necessary. F&PM, Risk Management, Contracting and Legal Departments will work with SOJ to integrate all County standards and administrative procedures into the Project. An organizational and communications chart follows:

EAST COUNTY COURTS ORG CHART



September 22, 2009

Comprehensive Schedule:

A preliminary list of major milestones and approximate dates follows:

Oct. 8, 2009: Approval of the Revised FAC-1
Oct. – Dec. 2009: Procurement of the Architect Team
Oct. '09 – Jan. 2010: Procurement of the Pre-Construction Contractor
Jan. '10 – Feb. '10: Programming
Jan. '10 – March '10: Schematic Design
April '10: Schematic Design Cost Estimate and MC Review and Approval
April '10 – July '10: Design Development
July '10 – Aug. '10: Design Development Cost Estimate and MC Review and Approval
Aug. '10 – Nov. '10: Construction Documents
September 2010: Request to Board for Approval to Construct the ECC
Sept. '10: Mid-Construction Documents Cost Estimate
Dec. '10 – Jan. 2011: Final Cost Estimate / Bidding / Contractor Contract Negotiations
Feb. 2011 – Feb. 2012: Construction
March, 2012: County Move-In and first cases.

A Conceptual Overall Project (Bar-Chart) Schedule follows

Estimates: See subsequent documents

Operational Funding: See subsequent documents

Capital Funding: See subsequent documents

Briefing for Multnomah County Board of Commissioners
September 22, 2009

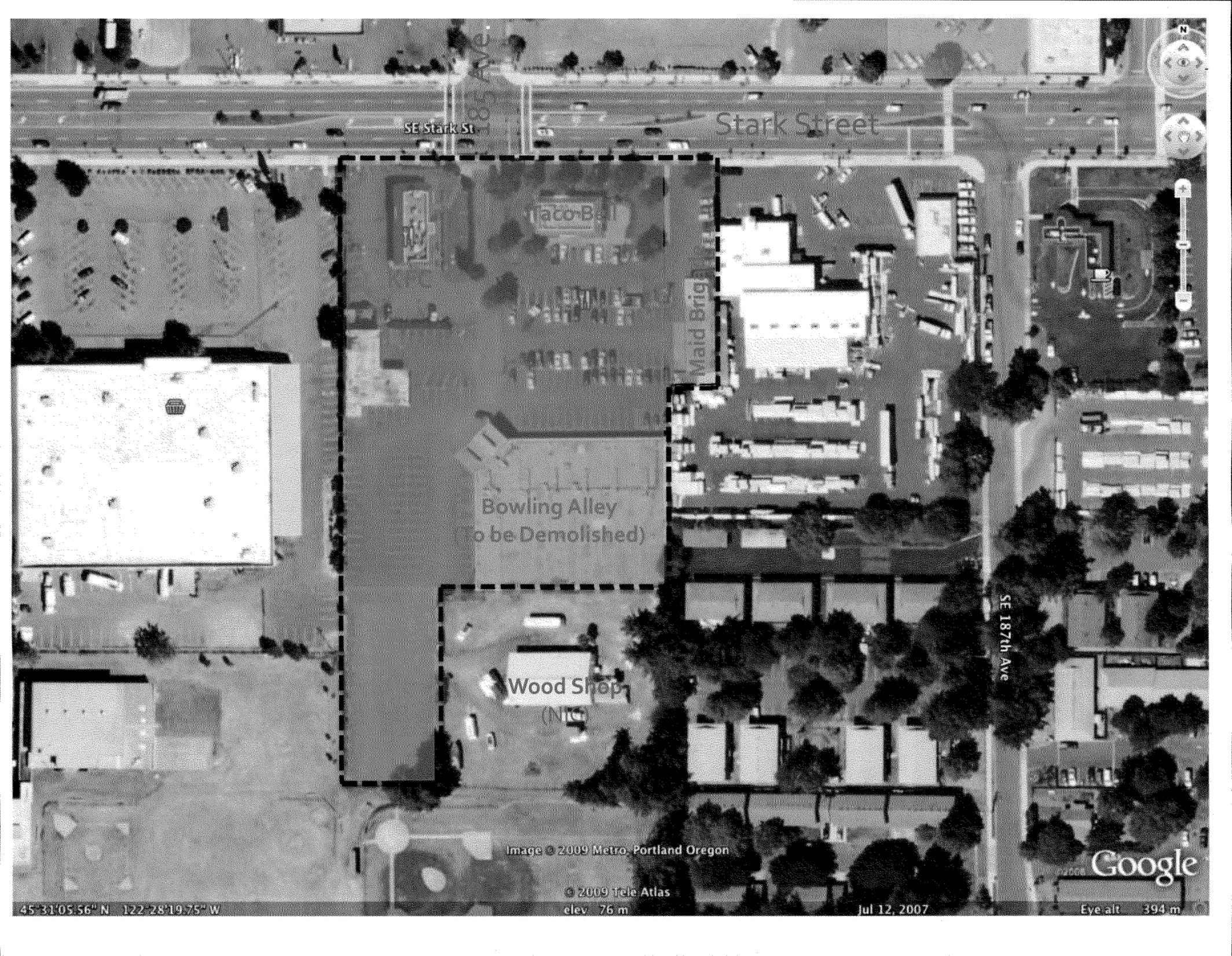
EAST COUNTY COURTS
DEVELOPMENT UPDATE

Project Evolution

- Fall 2008: \$34-38M project (w/o land)
 - 70,000 sf building with 3 courts
 - Court support space
 - DA
 - MCSO
 - Gresham Police
 - ~300 parking spaces
- Fall 2009: \$17-21M Project (w/o land)
 - 35,000-40,000 sf building with 2-3 courts
 - Court support space
 - DA
 - Community Space
 - 130-150 parking spaces

Site Development

- 37,000-40,000 sf building = Max 74,000-80,000 sf site per zoning requirements
- Taco Bell remains
- Courts building located at 185th & Stark
- Partial construction of 185th south of Stark
- Provide for future dedication of 185th through the site; park on future R.O.W. in the interim
- 130-150 parking spaces
- Portion of site undeveloped; available for interim use (e.g., community garden) and future expansion of court facility and parking



SE Stark St

Stark Street

Jaco-Bal

Maid Brigade

Bowling Alley
(to be Demolished)

Wood Shop
(NICE)

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas
elev. 76 m

Jul 12, 2007

Google

Eye alt 394 m

45°31'05.56" N 122°28'19.75" W



Building Footprint

New Street

Taco Bell
(to remain)

Secure Parking

Future Development

Wood Shop
(NIC)

East County Courts

Project Costs

**MULTNOMAH COUNTY - EAST COUNTY COURTS
COMPARISON OF CONCEPTUAL OPTIONS**

CONCEPTUAL DEVELOPMENT COST ESTIMATE

		OPTION							
		A		B		C		D	
Project Component	Cost/SF *	2 Courtrooms		2 Courtrooms + Shell for Future Courtroom		2 Courtrooms + Flexible Community Space/Future Courtroom		3 Courtrooms, including 1 for Flexible Community Use	
		Area	Cost	Area	Cost	Area	Cost	Area	Cost
Courtrooms	\$318	10,000	\$ 3,180,000	10,000	\$ 3,180,000	10,000	\$ 3,180,000	15,000	\$ 4,770,000
Phase 2 Courtroom Shell	\$186	0	0	5,000	930,000	0	0	0	0
Flexible Community Space	\$249	0	0	0	0	5,000	1,245,000	0	0
Court Support Space	\$265	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000
District Attorney	\$255	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000
Building Support/Common Area	\$286	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800
Building Efficiency Factor	\$212	6,250	1,325,000	7,500	1,590,000	7,500	1,590,000	7,500	1,590,000
Subtotal Building Costs		31,250	\$ 8,507,800	37,500	\$ 9,702,800	37,500	\$ 10,017,800	37,500	\$ 10,362,800
Site Development			2,000,000		2,000,000		2,000,000		2,000,000
FF&E Allowance			650,000		650,000		700,000		900,000
Soft Costs	25%		2,789,450		3,088,200		3,179,450		3,315,700
Contingencies	25%		3,486,813		3,860,250		3,974,313		4,144,625
TOTAL PROJECT COST			\$ 17,434,063		\$ 19,301,250		\$ 19,871,563		\$ 20,723,125

Source: Architectural Cost Consultants, Sept. 15, 2009

* Adjusted to June 2011 dollars

CONCEPTUAL OCCUPANCY COST ESTIMATE (YEAR 1)

		OPTION			
		A	B	C	D
Occupancy Costs	Factor	2 Courtrooms	2 Courtrooms + Shell for Future Courtroom	2 Courtrooms + Flexible Community Space/Future Courtroom	3 Courtrooms, including 1 for Flexible Community Use
TOTAL PROJECT COST		\$ 17,434,063	\$ 19,301,250	\$ 19,871,563	\$ 20,723,125
(-) ECC Reserve Fund		<u>(4,800,000)</u>	<u>(4,800,000)</u>	<u>(4,800,000)</u>	<u>(4,800,000)</u>
BOND AMOUNT		\$ 12,634,063	\$ 14,501,250	\$ 15,071,563	\$ 15,923,125
Interest Rate	5.50%				
Term	20				
ANNUAL DEBT SERVICE		\$ 1,057,210	\$ 1,213,455	\$ 1,261,178	\$ 1,332,436
(+) Operating & Maintenance Expenses	\$ 8.00	237,500	285,000	285,000	285,000
(+) Asset Preservation Fee	\$ 2.75	<u>81,759</u>	<u>98,111</u>	<u>98,111</u>	<u>98,111</u>
TOTAL ANNUAL OCCUPANCY COST		\$ 1,376,469	\$ 1,596,566	\$ 1,644,290	\$ 1,715,548
(-) Taco Bell Lease Income		<u>(83,000)</u>	<u>(83,000)</u>	<u>(83,000)</u>	<u>(83,000)</u>
(-) Existing Courthouse Lease & Expenses		<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>
(-) D.A. Lease Pmts. (from 8th & Kelly)		<u>(30,500)</u>	<u>(30,500)</u>	<u>(30,500)</u>	<u>(30,500)</u>
NET ANNUAL OCCUPANCY COST		\$ 1,192,969	\$ 1,413,066	\$ 1,460,790	\$ 1,532,048
NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

Mult. Co. East Justice Center Gresham, Oregon Shiels Oblatz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077	Estimate Date: 15-Sep-09 Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11
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DIRECT CONSTRUCTION COST

Component	Area	\$ / SF	Total
MODIFIED PROGRAM Two completed courtrooms	39,466 sf	\$271.96 /sf	\$10,733,068
MODIFIED PROGRAM OPTION 1 One courtroom shelled	39,466 sf	\$255.16 /sf	10,070,068
MODIFIED PROGRAM OPTION 2 One courtroom space finished out as flexible community space	39,466 sf	\$263.22 /sf	10,388,308
<p>The above costs are for the building direct construction cost only and do not include site work outside of the building footprint.</p> <p>The above costs are in projected June 2011 dollars.</p>			

The above estimates are for direct construction cost only. They do not include furnishings & equipment, architect and engineer design fees, consultant fees, inspection and testing fees, plan check fees, hazardous material testing and removal, financing costs, nor any other normally associated development costs.

The above estimates assume a construction start date of: **01-Jun-11** If the start of construction is delayed beyond the date above, the estimates must be indexed at a rate of 4-6% per year compounded.

This is a probable cost estimate based on in-progress documentation provided by the architect. The actual bid documents will vary from this estimate due to document completion, detailing, specification, addendum, etc.. The estimator has no control over the cost or availability of labor, equipment, materials, over market conditions or Contractor's method of pricing, Contractor's construction logistics and scheduling. This estimate is formulated on the estimator's professional judgment and experience. The estimate makes no warranty, expressed or implied, that the quantities, bids or the negotiated cost of the Work will not vary from the Estimator's opinion of probable Construction cost.

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$300.00	\$4,254,900		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	256.37 /sf	\$10,117,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$318.24	\$4,513,598		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	271.96 /sf	\$10,733,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Oblatz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
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	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 1	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
---------------------------	----------	------	-------------	------	------------	----------

DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Shell Courtroom	5,000	sf	175.00	875,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	240.53 /sf	\$9,492,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Shell Courtroom	5,000	sf	185.64	928,200		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	255.16 /sf	\$10,070,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110		Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489		Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 2	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Community Space	5,000	sf	235.00	1,175,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	248.14 /sf	\$9,792,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START	
2009-2010	2.00%
2010-2011	4.00%
total	106.08%

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Community Space	5,000	sf	249.29	1,246,440		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	263.22 /sf	\$10,388,308		JUNE 2011 DOLLARS

SOURCES

A. CONSTRUCTION COST

A.1 BUILDING COST

a. Comparables	approx. cost/sf - building only	date of estimate/bid	approx. cost/sf - inflated to mid 2009 (rounded)
Springfield, OR Justice Center	\$ 215	June 2007	\$ 240.00
Fresno Courthouse	\$220-\$240	June 2008	\$ 253.58
Texas Courthouse	\$ 263	June 2007	\$ 290.00
Clackamas Government Building	\$ 200	June 2007	\$ 220.00

Other Courts projects have ranged from \$260 - \$320/sf

it was agreed that Springfield Justice Center was the best comparable of this group

b. Inflation (estimated)

2006 - 2007	8%
2007 - 2008	6%
2008 - 2009	5%

c. Contingency (for Construction Cost)

Hoffman stated that it could be possible to achieve 5% if all conditions were favorable

HDR recommended 10%

Used 7.5% for the Programming Estimate

3. Estimated \$/sf for Building

Building Cost	\$	240.00
Contingency	7.50%	\$ 18.00
Target Building Cost (with inflation/contingency) rounded		
LEED Silver	\$	260.00 /sf
LEED Gold	5%	\$ 273.00 /sf

A.2 SITE COST

Areas provided by Emmons Architects based on a site plan S1, dated June 3, 2008

	\$/sf	Area	
Parking - Asphalt	12	70,400	\$ 844,800
Landscape (inc. parking islands)	5	74,800	\$ 374,000
Hardscape (sidewalks)	12	5400	\$ 64,800
Road	18	7300	\$ 131,400
offsite (sidewalks, roads)	18	5700	\$ 102,600
Utilities	Lump Sum		\$ 200,000
Fence for secure parking	Lump Sum		\$ 50,000
Site Building Demolition	Lump Sum		\$ 200,000
Total Site Construction Cost (rounded)			\$ 2,000,000

Site Prep included in the above costs/sf

B. SOFT COSTS

\$ 5,000,000

C. LAND COSTS

without contingency.

\$ 5,000,000

the following costs are a result of the preliminary Programming Budgeting Meeting held June 3, 2008 attended by Multnomah County Facilities Project Management, HDR, Emmons Architects, Hoffman

Construction Company and Architectural Cost Consultants

This document represents preliminary draft budget numbers and preliminary program distribution for comparison purposes only. Numbers and program distribution are in process and need to be verified.

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

**MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009**

PROPERTY		PRIMARY CRITERIA							REMARKS
		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	TOTAL MET	
No.	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:								Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1	for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1	for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1	for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1	for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1	for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1	for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1	Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1	for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1	for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0	for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0	for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1	for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0	for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1	for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1	for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0	for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1	for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0	for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1	for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0	for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0	for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, "flexible" courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Oblatz Johnsen, Inc.
Version 3.0 – 9/21/09

EAST COUNTY COURTS DEVELOPMENT UPDATE

**FAC-1 AMENDMENT
BRIEFING for the MULTNOMAH COUNTY
BOARD of COMMISSIONERS
SEPTEMBER 22, 2009**

Prepared jointly by Multnomah County Department of
Facilities & Property Management and
Shiels Obletz Johnsen, Inc.

EAST COUNTY COURTS FAC – 1 AMENDMENT

County Board of Commissioner's Briefing - September 22, 2009

SUMMARY OF PROJECT HISTORY

In February 2007, Multnomah County F&PM presented the FAC-1 Project Plan for the East County Justice Center Project (ECJC). The Project Plan established a building program consisting of 3 to 4 Courts, DA space, Multnomah County Sheriff and Gresham Police. The plan was approved, and the architectural team of HDR and Emmons Architects was selected and contracted with to undertake programming and conceptual cost estimating. Hoffman Construction was also selected as the CM / GC and was engaged in pre-design assistance and cost estimating.

At the time of approval of the Project Plan, The ECJC had an anticipated cost of \$14,645,100 for hard construction, soft costs and FF&E. Land costs are not included in this figure. When programming was complete, the project cost jointly estimated by the Contractor and the Cost Consultants was found to be substantially higher than the approved budget figure. In June, 2008, the County solicited proposals to engage an independent project management consultant for the project.

In September 2008, SOJ, Inc. was retained by the County to provide project management services, and worked with the County, HDR and Emmons Architects to continue pre-design of the East County Justice Center Project. This work first focused on analysis of site development options for the Rockwood site, related entitlements, and consideration of other sites.

In late 2008, a potential alternative building site was identified on N.E. 8th Avenue in downtown Gresham, which is owned by the County. Site analysis was undertaken, which revealed that the option contained a number of positive features over the Rockwood site. A proposal to sell the Rockwood site to the City of Gresham with the understanding the facility would be built on the alternative 8th Avenue site was agreed to in principal by the County and the City of Gresham. Also during this period, due to changing economic conditions, and the Multnomah Count Sheriff's Office determining they would prefer to remain at their Hansen Building Facility, the County considered the revision of the scope of the project to be reduced to only a courts facility with district attorney and support spaces.

The project was largely dormant through the first half of 2009. In mid-2009, after learning that the City of Gresham had decided not to move forward with an agreement to purchase the Rockwood property and agree to development of the 8th Avenue site, the County requested SOJ, Inc. to re-address the status of the project and to begin looking at options to develop a project of reduced scope at the original Rockwood site.

PURPOSE OF THIS FAC-1 AMENDMENT REQUEST

The scope reductions from the original concept of the East County Justice Center include deletion of the MCSO and Gresham Police. For basic programming square footage, this reduction revises the original 70,000 sq.ft. facility to approx. 40,000 sq.ft. As noted in Section IV – D – b of the FAC-1 Policy, should a project be revised in excess of 20% +/- in scope or square footage, it is deemed a “Significant Change” and requires approval of an amendment to the FAC-1.

The information provided in this FAC – 1 Amendment is intended to satisfactorily illustrate only the revisions from the original FAC-1 approval dated Feb. 22, 2007. That document is available separately for reference.

Following is an excerpt of the FAC-1 Policy requirements that pertains to the “Project Plan”. Of the elements of the Project Plan below, only the elements shown in bold lettering are materially changed for this FAC – 1 Amendment.

C. Project Plan

1. Project Charter (no changes)
2. **Development Plan** (changes included herein)
 - Define Project Scope**
 - Outline of Project Team**
 - Comprehensive Schedule**
 - Estimates**
3. Siting Plan (no changes)
4. **Operational Funding** (changes included herein)
5. **Capital Funding** (changes included herein)

FAC – 1 AMENDMENTS:
PART C – 2: DEVELOPMENT PLAN

Define Project Scope:

The Feb. 22, 2007 Project Scope was:

Building Program:

Courtrooms, Court Support, District Attorney	36,000 s.f.
Multnomah Co. Sheriff	20,000 s.f.
Gresham Police	12,000 s.f.
County Information Technology	<u>2,000 s.f.</u>
TOTAL	70,000 s.f.

The Sept. 22, 2009 Project Scope is:

Building Program:

Courtrooms, Court Support, District Attorney	37,500 s.f.
Multnomah Co. Sheriff	0 s.f.
Gresham Police	0 s.f.
County Information Technology	<u>0 s.f.</u>
TOTAL	37,500 s.f.

Outline of Project Team:

The Feb. 22, 2007 Project Team was:

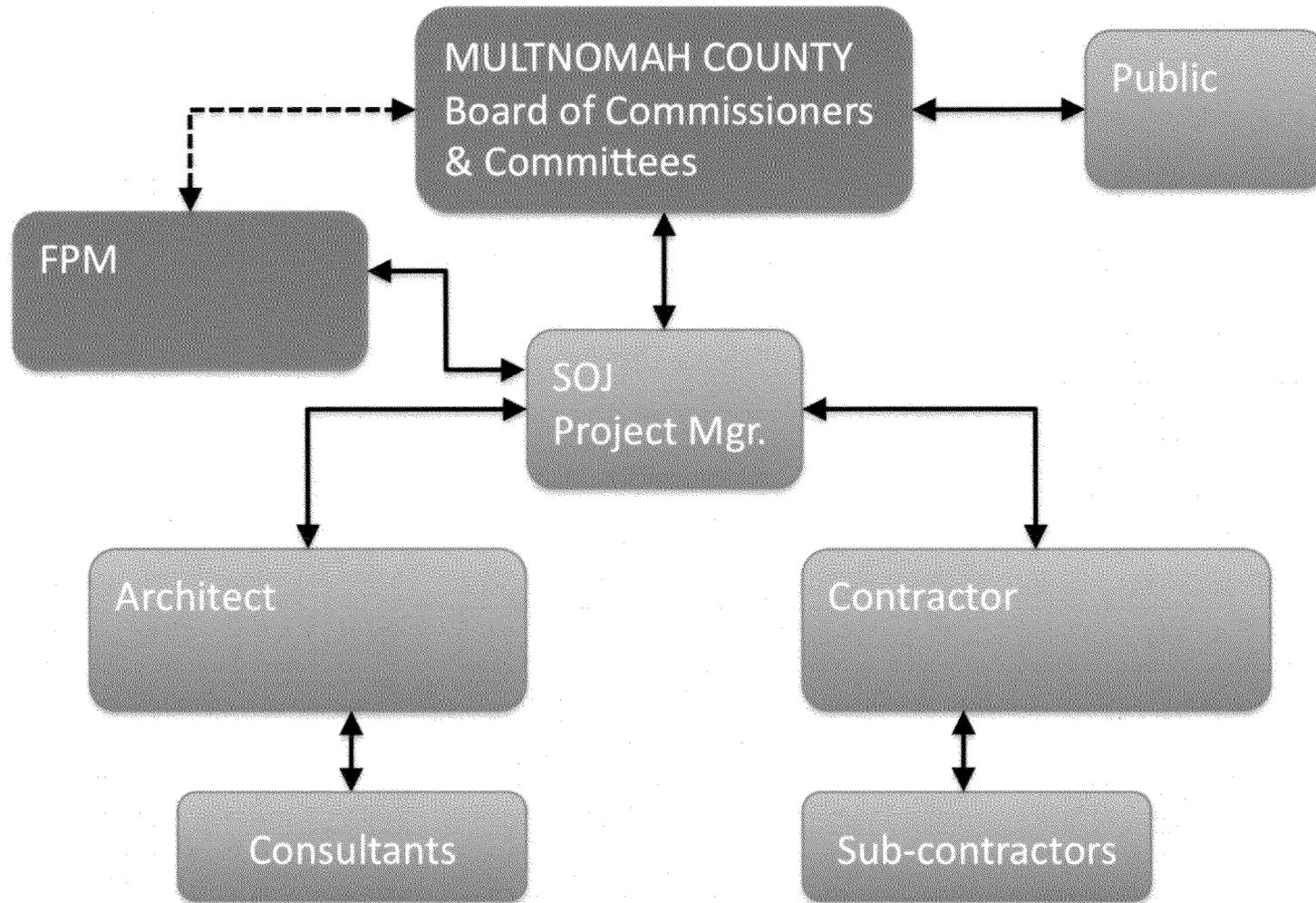
Multnomah County Board of Commissioners
Facilities & Property Management
HDR Architecture, Emmons Architects
Hoffman Construction

The Sept. 22, 2009 Project Team is:

Multnomah County Board of Commissioners
Facilities & Property Management
Shiels Oblatz Johnsen, Inc.
Architect to be determined
Pre-Construction Consultant (Contractor) to be determined
Construction Contractor to be determined

Project Management is to be provided primarily by Shiels Oblatz Johnsen, Inc., with support and direct communication with County F&PM. SOJ will be the primary contact for all other major team members, and will report directly to Chair Wheeler and the Board as necessary. F&PM, Risk Management, Contracting and Legal Departments will work with SOJ to integrate all County standards and administrative procedures into the Project. An organizational and communications chart follows:

EAST COUNTY COURTS ORG CHART



September 22, 2009

Comprehensive Schedule:

A preliminary list of major milestones and approximate dates follows:

Oct. 8, 2009: Approval of the Revised FAC-1
Oct. – Dec. 2009: Procurement of the Architect Team
Oct. '09 – Jan. 2010: Procurement of the Pre-Construction Contractor
Jan. '10 – Feb. '10: Programming
Jan. '10 – March '10: Schematic Design
April '10: Schematic Design Cost Estimate and MC Review and Approval
April '10 – July '10: Design Development
July '10 – Aug. '10: Design Development Cost Estimate and MC Review and Approval
Aug. '10 – Nov. '10: Construction Documents
September 2010: Request to Board for Approval to Construct the ECC
Sept. '10: Mid-Construction Documents Cost Estimate
Dec. '10 – Jan. 2011: Final Cost Estimate / Bidding / Contractor Contract Negotiations
Feb. 2011 – Feb. 2012: Construction
March, 2012: County Move-In and first cases.

A Conceptual Overall Project (Bar-Chart) Schedule follows

Estimates: See subsequent documents

Operational Funding: See subsequent documents

Capital Funding: See subsequent documents

Briefing for Multnomah County Board of Commissioners
September 22, 2009

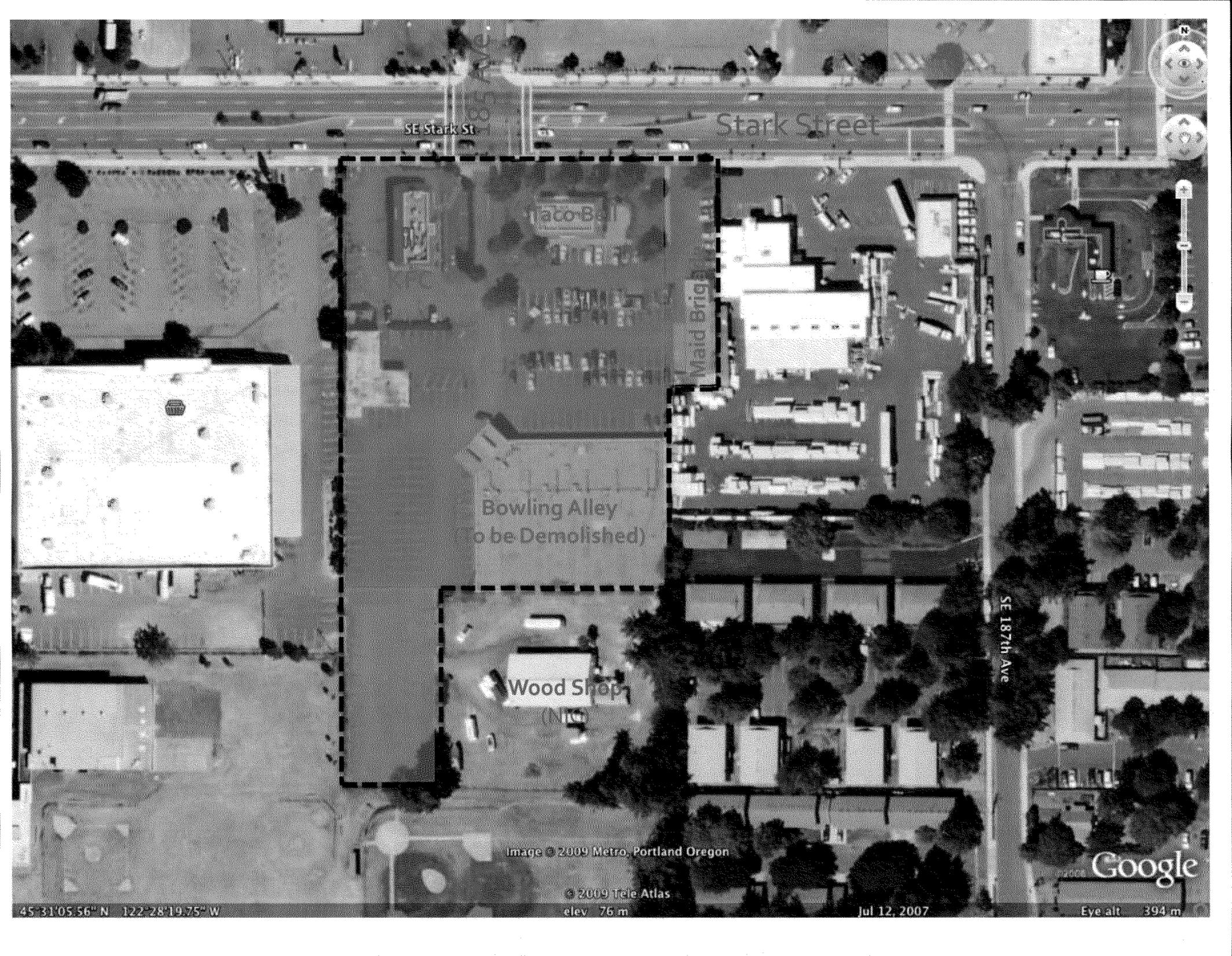
**EAST COUNTY COURTS
*DEVELOPMENT UPDATE***

Project Evolution

- Fall 2008: \$34-38M project (w/o land)
 - 70,000 sf building with 3 courts
 - Court support space
 - DA
 - MCSO
 - Gresham Police
 - ~300 parking spaces
- Fall 2009: \$17-21M Project (w/o land)
 - 35,000-40,000 sf building with 2-3 courts
 - Court support space
 - DA
 - Community Space
 - 130-150 parking spaces

Site Development

- 37,000-40,000 sf building = Max 74,000-80,000 sf site per zoning requirements
- Taco Bell remains
- Courts building located at 185th & Stark
- Partial construction of 185th south of Stark
- Provide for future dedication of 185th through the site; park on future R.O.W. in the interim
- 130-150 parking spaces
- Portion of site undeveloped; available for interim use (e.g., community garden) and future expansion of court facility and parking



SE Stark St

Stark Street

Maco-Bal

Maid Brig

Bowling Alley
(to be Demolished)

Wood Shop
(N/A)

SE 187th Ave

Image © 2009 Metro, Portland Oregon

© 2009 Tele Atlas
elev 76 m

Jul 12, 2007

Google

Eye alt 394 m

45°31'05.56" N 122°28'19.75" W



Building
Footprint

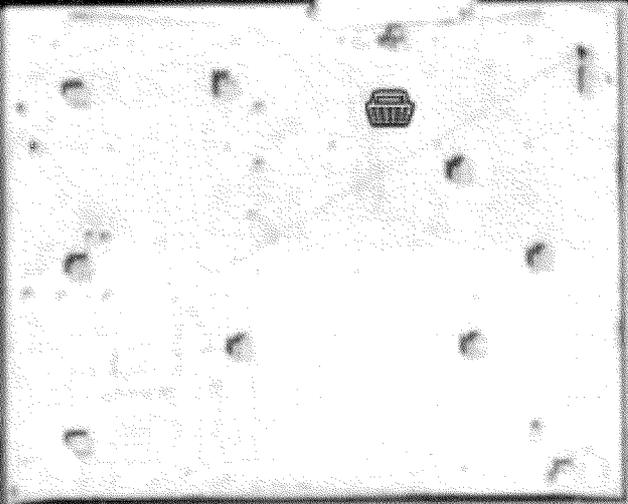
New Street

Taco Bell
(to remain)

Secure
Parking

Future
Development

Wood Shop
(NIC)



East County Courts

Project Costs

**MULTNOMAH COUNTY - EAST COUNTY COURTS
COMPARISON OF CONCEPTUAL OPTIONS**

CONCEPTUAL DEVELOPMENT COST ESTIMATE

		OPTION							
		A		B		C		D	
Project Component	Cost/SF *	2 Courtrooms		2 Courtrooms + Shell for Future Courtroom		2 Courtrooms + Flexible Community Space/Future Courtroom		3 Courtrooms, including 1 for Flexible Community Use	
		Area	Cost	Area	Cost	Area	Cost	Area	Cost
Courtrooms	\$318	10,000	\$ 3,180,000	10,000	\$ 3,180,000	10,000	\$ 3,180,000	15,000	\$ 4,770,000
Phase 2 Courtroom Shell	\$186	0	0	5,000	930,000	0	0	0	0
Flexible Community Space	\$249	0	0	0	0	5,000	1,245,000	0	0
Court Support Space	\$265	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000	6,000	1,590,000
District Attorney	\$255	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000	5,200	1,326,000
Building Support/Common Area	\$286	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800	3,800	1,086,800
Building Efficiency Factor	\$212	6,250	1,325,000	7,500	1,590,000	7,500	1,590,000	7,500	1,590,000
Subtotal Building Costs		31,250	\$ 8,507,800	37,500	\$ 9,702,800	37,500	\$ 10,017,800	37,500	\$ 10,362,800
Site Development			2,000,000		2,000,000		2,000,000		2,000,000
FF&E Allowance			650,000		650,000		700,000		900,000
Soft Costs	25%		2,789,450		3,088,200		3,179,450		3,315,700
Contingencies	25%		3,486,813		3,860,250		3,974,313		4,144,625
TOTAL PROJECT COST			\$ 17,434,063		\$ 19,301,250		\$ 19,871,563		\$ 20,723,125

Source: Architectural Cost Consultants, Sept. 15, 2009

* Adjusted to June 2011 dollars

CONCEPTUAL OCCUPANCY COST ESTIMATE (YEAR 1)

		OPTION			
		A	B	C	D
Occupancy Costs	Factor	2 Courtrooms	2 Courtrooms + Shell for Future Courtroom	2 Courtrooms + Flexible Community Space/Future Courtroom	3 Courtrooms, including 1 for Flexible Community Use
TOTAL PROJECT COST		\$ 17,434,063	\$ 19,301,250	\$ 19,871,563	\$ 20,723,125
(-) ECC Reserve Fund		(4,800,000)	(4,800,000)	(4,800,000)	(4,800,000)
BOND AMOUNT		\$ 12,634,063	\$ 14,501,250	\$ 15,071,563	\$ 15,923,125
Interest Rate	5.50%				
Term	20				
ANNUAL DEBT SERVICE		\$ 1,057,210	\$ 1,213,455	\$ 1,261,178	\$ 1,332,436
(+) Operating & Maintenance Expenses	\$ 8.00	237,500	285,000	285,000	285,000
(+) Asset Preservation Fee	\$ 2.75	81,759	98,111	98,111	98,111
TOTAL ANNUAL OCCUPANCY COST		\$ 1,376,469	\$ 1,596,566	\$ 1,644,290	\$ 1,715,548
(-) Taco Bell Lease Income		(83,000)	(83,000)	(83,000)	(83,000)
(-) Existing Courthouse Lease & Expenses		(70,000)	(70,000)	(70,000)	(70,000)
(-) D.A. Lease Pmts. (from 8th & Kelly)		(30,500)	(30,500)	(30,500)	(30,500)
NET ANNUAL OCCUPANCY COST		\$ 1,192,969	\$ 1,413,066	\$ 1,460,790	\$ 1,532,048
NET OCCUPANCY COST/SF/NLA		\$ 40.18	\$ 39.67	\$ 41.00	\$ 43.00

Updated 9/17/09

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>	Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA	Document Date: 15-Sep-09
	8060 SW Pfaffle Street, Suite 110	Print Date: 15-Sep-09
	Tigard, Oregon 97223-8489	Print Time: 10:45 AM
	Phone (503) 718-0075 Fax (503) 718-0077	Constr. Start: 01-Jun-11

DIRECT CONSTRUCTION COST

Component	Area	\$ / SF	Total
MODIFIED PROGRAM Two completed courtrooms	39,466 sf	\$271.96 /sf	\$10,733,068
MODIFIED PROGRAM OPTION 1 One courtroom shelled	39,466 sf	\$255.16 /sf	10,070,068
MODIFIED PROGRAM OPTION 2 One courtroom space finished out as flexible community space	39,466 sf	\$263.22 /sf	10,388,308
The above costs are for the building direct construction cost only and do not include site work outside of the building footprint.			
The above costs are in projected June 2011 dollars.			

The above estimates are for direct construction cost only. They do not include furnishings & equipment, architect and engineer design fees, consultant fees, inspection and testing fees, plan check fees, hazardous material testing and removal, financing costs, nor any other normally associated development costs.

The above estimates assume a construction start date of: **01-Jun-11** If the start of construction is delayed beyond the date above, the estimates must be indexed at a rate of 4-6% per year compounded.

This is a probable cost estimate based on in-progress documentation provided by the architect. The actual bid documents will vary from this estimate due to document completion, detailing, specification, addendum, etc.. The estimator has no control over the cost or availability of labor, equipment, materials, over market conditions or Contractor's method of pricing, Contractor's construction logistics and scheduling. This estimate is formulated on the estimator's professional judgment and experience. The estimate makes no warranty, expressed or implied, that the quantities, bids or the negotiated cost of the Work will not vary from the Estimators opinion of probable Construction cost.

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u>		Estimate Date: 15-Sep-09
	James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA		Document Date: 15-Sep-09
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	Phone (503) 718-0075 Fax (503) 718-0077		Constr. Start: 01-Jun-11

MODIFIED PROGRAM	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$300.00	\$4,254,900		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	256.37 /sf	\$10,117,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	14,183	sf	\$318.24	\$4,513,598		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	271.96 /sf	\$10,733,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077	Estimate Date: 15-Sep-09
		Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 1	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
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DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Shell Courtroom	5,000	sf	175.00	875,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	240.53 /sf	\$9,492,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Shell Courtroom	5,000	sf	185.64	928,200		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST						
BASE BUILDING	39,466	sf	255.16 /sf	\$10,070,068		JUNE 2011 DOLLARS

Mult. Co. East Justice Center Gresham, Oregon Shiels Obletz Johnsen, Inc. Portland, Oregon PRELIMINARY BUDGET ESTIMATE	<u>Architectural Cost Consultants, LLC</u> James A. Jerde, AIA - Stanley J. Pszczolkowski, AIA 8060 SW Pfaffle Street, Suite 110 Tigard, Oregon 97223-8489 Phone (503) 718-0075 Fax (503) 718-0077	Estimate Date: 15-Sep-09
		Document Date: 15-Sep-09 Print Date: 15-Sep-09 Print Time: 10:45 AM Constr. Start: 01-Jun-11

MODIFIED PROGRAM OPTION 2	Quantity	Unit	Cost / Unit	Cost	Sub-totals	Comments
DIRECT CONSTRUCTION COST - June 2009 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$300.00	\$2,754,900		
Community Space	5,000	sf	235.00	1,175,000		
Court Support	5,917	sf	250.00	1,479,250		
District Attorney	5,146	sf	240.00	1,235,040		
Building Support	4,353	sf	270.00	1,175,310		
Building Efficiency Factor (75%)	9,867	sf	200.00	1,973,400		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	248.14 /sf	\$9,792,900		JUNE 2009 DOLLARS

INDEX TO JUNE 2011 CONSTRUCTION START		
2009-2010	2.00%	
2010-2011	4.00%	
total	106.08%	

DIRECT CONSTRUCTION COST - June 2011 Dollars						
BASE BUILDING						
Circuit Courts	9,183	sf	\$318.24	\$2,922,398		
Community Space	5,000	sf	249.29	1,246,440		
Court Support	5,917	sf	265.20	1,569,188		
District Attorney	5,146	sf	254.59	1,310,130		
Building Support	4,353	sf	286.42	1,246,769		
Building Efficiency Factor (75%)	9,867	sf	212.16	2,093,383		
TOTAL DIRECT CONSTRUCTION COST BASE BUILDING	39,466	sf	263.22 /sf	\$10,388,308		JUNE 2011 DOLLARS

SOURCES

A. CONSTRUCTION COST A.1 BUILDING COST

a. Comparables	approx. cost/sf - building only	date of estimate/bid	approx. cost/sf - inflated to mid 2009 (rounded)
Springfield, OR Justice Center	\$ 215	June 2007	\$ 240.00
Fresno Courthouse	\$220-\$240	June 2008	\$ 253.58
Texas Courthouse	\$ 263	June 2007	\$ 290.00
Clackamas Government Building	\$ 200	June 2007	\$ 220.00

Other Courts projects have ranged from \$260 - \$320/sf

it was agreed that Springfield Justice Center was the best comparable of this group

b. Inflation (estimated)

2006 - 2007	8%
2007 - 2008	6%
2008 - 2009	5%

c. Contingency (for Construction Cost)

Hoffman stated that it could be possible to achieve 5% if all conditions were favorable

HDR recommended 10%

Used 7.5% for the Programming Estimate

3. Estimated \$/sf for Building

Building Cost	\$	240.00
Contingency	7.50%	\$ 18.00
Target Building Cost (with inflation/contingency) rounded		
LEED Silver	\$	260.00 /sf
LEED Gold	5%	\$ 273.00 /sf

A.2 SITE COST

Areas provided by Emmons Architects based on a site plan S1, dated June 3, 2008

	\$/sf	Area	
Parking - Asphalt	12	70,400	\$ 844,800
Landscape (inc. parking islands)	5	74,800	\$ 374,000
Hardscape (sidewalks)	12	5400	\$ 64,800
Road	18	7300	\$ 131,400
offsite (sidewalks, roads)	18	5700	\$ 102,600
Utilities	Lump Sum		\$ 200,000
Fence for secure parking	Lump Sum		\$ 50,000
Site Building Demolition	Lump Sum		\$ 200,000
Total Site Construction Cost (rounded)			\$ 2,000,000

Site Prep included in the above costs/sf

B. SOFT COSTS

\$ 5,000,000

C. LAND COSTS

without contingency

\$ 5,000,000

the following costs are a result of the preliminary Programming Budgeting Meeting held June 3, 2008 attended by Multnomah County Facilities Project Management, HDR, Emmons Architects, Hoffman

Construction Company and Architectural Cost Consultants

This document represents preliminary draft budget numbers and preliminary program distribution for comparison purposes only. Numbers and program distribution are in process and need to be verified.

East County Courts

Own vs. Lease Analysis

Lease Option

- Availability of space
- Challenges:
 - Conversion of traditional office space (or retail/warehouse) to courthouse space
 - Parking requirements
 - Zoning
 - Court activities may be potentially detrimental to other tenancies
- Financial Analysis

**MULTNOMAH COUNTY - EAST COUNTY COURTS
SUMMARY GRESHAM AREA PROPERTY SEARCH - JUNE 2009**

PROPERTY		PRIMARY CRITERIA						REMARKS
		SPACE TYPE: OFFICE	MEETS CRITERIA?	AVAIL. AREA APPROX. 40K SF	MEETS CRITERIA?	PARKING SPACES MIN. 160	MEETS CRITERIA?	
No.	13 Gresham area brokers contacted in June '09. 5 brokers responded with the following 21 properties:							Other criteria considered: Adaptability of facility to meet architectural requirements, adjacent uses, location, public transit, property expansion capabilities, etc.
1	Burnside Plaza Office	OFFICE	Y	9,000	N	INAD.	N	1 for lease
2	West Gresham Plaza	OFFICE	Y	9,261	N	30	N	1 for lease
3	Gresham Corporate Center	OFFICE	Y	7,695	N	INAD.	N	1 for lease
4	Civic Plaza	OFFICE	Y	6,500	N	INAD.	N	1 for lease
5	501 NE Hood	OFFICE	Y	22,787	N	110	N	1 for sale or lease
6	912 NE Kelly Ave	OFFICE	Y	17,814	N	INAD.	N	1 for sale
7	Gresham City Hall	OFFICE	Y	90,000	N	170	N	1 Too large, and not available for 3 years
8	400 NE 7th	OFFICE	Y	17,935	N	INAD.	N	1 for lease
9	50 NW 5th Street	OFFICE	Y	17,875	N	65	N	1 for sale or lease
10	1979 - 2267 NE Burnside	RETAIL	N	33,484	N	shared	/	0 for lease
11	300 - 900 NW Eastman Parkway	RETAIL	N	22,400	N	shared	/	0 for lease
12	700 NW Eastman Parkway (GI Joe's)	RETAIL	N	55,120	Y	shared	/	1 for lease
13	1776 NW Fairview Dr	RETAIL	N	24,000	N	70	N	0 for lease
14	Powell Valley Junction	RETAIL	N	60,000	Y	shared	/	1 for lease
15	Meadowland Shopping Center	RETAIL	N	41,960	Y	shared	/	1 for lease
16	26942 SE Stark (Troutdale)	RETAIL	N	30,407	N	shared	/	0 for lease
17	Rockwood Corporate Center	RETAIL	N	46,400	Y	29	N	1 for lease
18	Gresham Crossing	RETAIL	N	27,853	N	INAD.	N	0 for sale condo
19	Sandy Blvd Business Park	WARHS	N	62,000	Y	INAD.	N	1 for sale or lease
20	19786 San Rafael - Airport	WARHS	N	29,000	N	INAD.	N	0 for lease
21	Sandy Blvd Business Park	WARHS	N	28,000	N	INAD.	N	0 for sale or lease

Survey Conclusion: No properties clearly met more than 1 of 3 of the primary (required) criteria. Considered together with other factors such as adaptability, expansion capabilities, etc., none of the offered properties were deemed reasonably suitable for a courts facility.

Source: Shiels Oblatz Johnsen, Inc.

Updated 9/21/09

Own vs. Lease Analysis

- See Handout
- Lease option (subject to finding suitable site):
 - Lower cost during early years
 - Increasing costs in later years as rent increases
 - County does not have an asset at the end of lease term
- Ownership option:
 - Higher early years costs offset by fixed payments on underlying debt over 20 years
 - Occupancy cost diminishes once bonds are repaid
 - County owns the asset once bonds are paid off
- Benefits of leasing diminish over time and are highly dependent on manner in which build-out is financed

East County Courts

Recommendations and Next Steps

Recommendations

- 35-40,000 SF building with 3 courtrooms:
 - 1 larger courtroom with room for 12-person jury
 - 1 smaller courtroom with room for 6-person jury
 - 1 medium, "flexible" courtroom that can be used off hours for community activities
- \$21.1M Target Budget
- Re-procure design and construction services - early 2010
- Commence re-programming and design - early 2010
- Complete design/permitting – early 2011
- Construction – 2011 (FY 2010-2011)
- Complete construction – early 2012 (FY 2011-2012)
- Pursue LEED Gold as an aspirational goal

Next Steps

- Board action – October 1st
- If approved, next steps include:
 - Architect and contractor re-procurement
 - IGAs with DA and District Court
 - Commence programming and design
 - Initiate formal entitlements process with City of Gresham

QUESTIONS?

Shiels Obletz Johnsen, Inc.
Version 3.0 – 9/21/09