



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

Board Clerk Use Only

Meeting Date: 9/28/17
Agenda Item #: R.3
Est. Start Time: 10:15 am approx
Date Submitted: 9/6/17

Agenda Title: **Resolution Declaring a Portion of the Southeast Health Center Temporarily Surplus; and Approving a Subsidized Lease.**

Requested Meeting 9/28/17 **Time Needed:** 10 min

Department: Health **Division:** Integrated Clinical Services

Contact(s): Vanetta Abdellatif, Integrated Clinical Services Director;
Scott Churchill, Manager, Facilities Strategic Planning, Real Estate and
Capital Projects

Phone: 988-4128 **Ext.** **Email:** vanetta.m.abdellatif@multco.us

Presenters: Vanetta Abdellatif, Integrated Clinical Svcs Director;
Scott Churchill, Manager, Facilities Strategic Planning, Real Estate and
Capital Projects

General Information

1. What action are you requesting from the Board?

Adopt a Resolution Declaring a Portion of the Southeast Health Center Temporarily Surplus; and Approving a Subsidized Lease to the nonprofit group Northwest Regional Primary Care Association.

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

Integrated Clinical Services has an existing relationship with the tenant, Northwest Regional Primary Care Associates and has a subsidized lease agreement with them at the North Portland Clinic. Due to the remodeling requirements and programming of the North Portland Clinic, their existing leased area of 1037 SF needs to be re-purposed to pursue the planning for the renovated clinic.

NWRPCA facilitates AT Still University's (ATSU) physician education and training program, specifically for health clinics like the County's where 100% of patients are poor and vulnerable with limited access to care. Their training environment needs to be in a clinic environment. Their students often work with many safety net providers in the community and one of their graduates

is now a physician and a site-based medical director in the County system. Their mission aligns with the County's and their budget is very limited.

The lower level of the Southeast Health Center contains "skills-training" exam rooms, waiting area, reception and storage which has been underutilized since 2003 with a continuing cost to the County. With minimal renovation, this area can be re-purposed to provide a training area for NWRPCA (ATSU students). This use also supports the County's commitment to serving those residents most in need by increasing the pool of qualified physicians serving in the safety net. The proposal is to lease 1,312 square feet of the general use area of this lower level to NWRPCA and subsidize increasing the physician workforce available to serve the safety net by charging NWRPCA only for the square footage they occupy (i.e., not for common areas and extra services), with the programs in the building continuing to pay for the shared space, which is already budgeted for and is a fixed cost for the health program.

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

This proposal primarily concerns Cost Center 407700, Southeast Health Center (FY 2018). The proposed offset (income) to County's cost of occupancy of this facility (i.e., the internal service charge related to Facilities cost) is \$24,504 per year and will increase annually as County internal service charges increase.

NWRPCA's existing lease at North Portland Clinic will be terminated one month before its scheduled expiration of 9/30/17.

Health will subsidize the lease by absorbing the difference in the general use space enhanced service rate of \$23.09 versus the base and janitorial rate of \$18.68 (\$4.41 per s.f. per year) = \$5,785.92 in year one.

All revenue from this lease will go back to Cost Center 407700, Southeast Health Center.

NWRPCA will pay the costs of renovation.

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

Pursuant to FAC-3, Section IV B. "The Board of County Commissioners is required to declare property surplus before it can be offered for lease. When Facilities and Property Management determines that a property is surplus, it will prepare a Resolution for presentation to the Board of County Commissioners for its consideration."

Pursuant to FAC-3, Section IV D. "The space leased to the non-profit tenant shall be assessed to the Department at the rate charged County tenants. If the Board approves a subsidized rent for a non-profit tenant, Facilities and Property Management shall collect the subsidized lease payments from the non-profit and such payments shall be a credit to the Department."

In addition, the County Attorney's office participated in the negotiation of this Lease and approves Lease.

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

Mutual benefit of cooperation between County and nonprofit educational organization. Mutual goals to retain physicians trained and committed to serving a diverse patient population in high medical need, low access communities like the health clinics operated by the County.

Required Signature

**Elected
Official or
Department
Director:**

/s/ Sherry Swackhamer

Date:

September 6, 2017