



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 09/23/13)

## Board Clerk Use Only

**Meeting Date:** 4/3/14  
**Agenda Item #:** R.7  
**Est. Start Time:** 10:30 am  
**Date Submitted:** 3/19/14

**Agenda Title:** Resolution Approving the FAC-1 Project Plan and Authorizing the Design and Permitting Phase for the New Health Department Headquarters.

*Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.*

## Requested

**Meeting Date:** April 3, 2014 **Time Needed:** 30 minutes

**Department:** DCA **Division:** Facilities

**Contact(s):** Michael Bowers and Brett Taute

**Phone:** (503) 988-6294 **Ext.** 86294 **I/O Address:** 274/FPM

## Presenter

**Name(s) & Title(s):** Michael Bowers, Facilities & Property Management Director; Joanne Fuller, Health Department Director; Mark Campbell, Chief Financial Officer

## General Information

### 1. What action are you requesting from the Board?

The Board of County Commissioners is being asked to approve the FAC-1 Project Plan and authorize the Design and Permitting phase for the new County Health Department Headquarters facility. This action is part of the FAC-1 policy approval process which requires expenditures on new construction exceeding \$1,000,000 to receive BCC approval at each significant milestone.

### 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.

In October 2011, Multnomah County and Home Forward entered into a Memorandum of Understanding (MOU) to complete a feasibility study. The feasibility study created a project plan and preliminary proposal to construct a 96,000 square foot new Health Department Headquarters on the easterly Half of Block U, Couch's Addition (U-2 Block) in the City of Portland (Project).

Following the Portland Housing Bureau's acceptance of this proposal, the Board approved Resolution 2012-060 in May 2012, authorizing an Intergovernmental Agreement (IGA) with Home Forward as the developer of the Project. On November 8, 2012, the Board approved Resolution 2012-191, authorizing County's acquisition of the U-2 Block from the

Portland Housing Bureau (PHB) through an agreement for disposition of property (Disposition IGA). On the same day, the Board approved Resolution 2012-192, authorizing an Intergovernmental Agreement with the Portland Development Commission (PDC), accelerating PDC's grant to the County of Tax Increment (TIF) from the River District Urban Renewal Area (Grant IGA).

Home Forward subsequently hired ZGF architects as the designer of record and JE Dunn as the Construction Manager/General Contractor with County participants on each selection panel. Facility programming of Health Department functions, schematic design work, cost estimating, and value-engineering have been completed from January 2013 to February 2014. Staff is now ready to proceed with the Design and Permitting phase of the Project in 2014 which will lead to construction starting early in calendar year 2015.

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

For the fiscal impacts of the Project, the financing plan for the \$46,000,000 completed Project involves the following revenues:

PDC TIF (River District)	\$26,948,460
Cash on Hand (FY14/15)	5,400,000
County Debt Issuance	<u>13,651,540</u>
	\$46,000,000

A more complete explanation of the financial analysis is contained in the FAC-1 Board packet memo from the Chief Financial Officer.

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

The County is obligated by the Disposition IGA to complete building design and City of Portland permitting (including PHB approval) prior to acquiring the U-2 Block. The County is obligated to obtain all PHB and City of Portland approvals and show funding capacity for the Project prior to accessing TIF funds under the Grant IGA.

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

A Citizen Advisory Committee (CAC) was created of neighborhood and business stakeholders in the vicinity of the U-2 block in Portland. The CAC has met three times since May 2013. Two more CAC meetings are to be scheduled during the next four months of design work.

Additionally, the City of Portland's planning and permitting process allows for adjacent property owners to comment on the design and site layout of the new Health Headquarters prior to construction.

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**Required Signature**

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**Elected  
Official or  
Department**

**Director:** Karyne Kieta \s\

**Date:** 3/19/14