



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: Feb. 2017)

Board Clerk Use Only

Meeting Date: 1/17/19
Agenda Item #: R.6
Est. Start Time: 10:20 a.m.
Date Submitted: 1/7/19

Agenda Title: **Resolution Approving Purchase of the Real Property Located at 333 SW Park Avenue, Portland, Oregon.**

Requested Meeting: January 17, 2019 **Time Needed:** 20 minutes

Department: County Assets (DCA) **Division:** Facilities & Property Management (FPM)

Contact(s): Bob Leek, Interim Director, Department of County Assets

Phone: 503/988-7351 **Ext.** 87351 **Email:** bob.leek@multco.us

Presenters: Bob Leek, Interim Director, Department of County Assets

General Information

1. What action are you requesting from the Board?

Adopt a Resolution approving the purchase of the real property located at 333 SW Park Avenue, Portland, Oregon ("Property") on terms substantially consistent with those set forth in Exhibit 1 to the Resolution.

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.

The Multnomah County Health Department, Division of Mental Health and Addiction Services, has been seeking an appropriate opportunity to establish a mental health resource center ("Center") for many years.

The Property presents an excellent opportunity for establishment of a Center, including: a downtown location, a four-story building with almost 30,000 sq. ft. of space, and as a relatively unfinished building shell, it offers tremendous flexibility to the County for program design and build-out to meet the needs of the community.

Preliminary discussions about a potential Center at the Property have focused on peer support services and transitional housing for homeless individuals expressing behavioral health issues that advocates, business owners, and law enforcement officials have identified as gaps in services available to the community. A no barrier, peer oriented drop-in day center would allow individuals to receive supportive services that would increase their ability to: locate temporary and permanent housing, receive necessary treatment services, and access alternative resources to meet their activities of daily living. Transitional housing dedicated to individuals

with behavioral health issues would also ensure individuals have a short-term safe living environment that assists with formal engagement in treatment and supportive service interventions that reduce the likelihood of incarceration or hospitalization.

County staff began investigating the Property conditions and potential as a Center in late October 2018. The results of this initial round of investigation and program design support further consideration and pursuit of this opportunity.

County staff have negotiated the Purchase and Sale Agreement (PSA) set forth in Exhibit 1 to this Resolution, the key terms of which include:

- Purchase price: \$4,340,000
- Due Diligence Period: 30 days
- Closing Period: 30 days
- Initial Earnest Money: \$100,000. Refundable if County does not proceed to Closing after Due Diligence Period.
- Additional Earnest Money: \$200,000. Deposited if, at the end of the Due Diligence Period, County elects to proceed to Closing. The total earnest money (\$300,000) becomes nonrefundable at this time.

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

Funds to pay for this purchase will need to be appropriated by the Board before the closing date (i.e., in FY 2019). The most likely source of these funds would be proceeds from the sale of Courthouse, which have not been appropriated. There are sufficient proceeds from the sale above and beyond the \$13.3 million assumed to be used to finish construction of the new Courthouse. Funds for the renovation and operation would need to be found or secured in future fiscal years.

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

If approved, the County will assume the legal obligations specified in the Agreement for “Buyer.”

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

There have been preliminary communications to surrounding stakeholders in the area. If the Property is purchased, more outreach will be conducted. The Mental Health and Addiction Services Division has also drawn up plans for outreach to community partners, and should the purchase take place, intends to hold a series of discussions to gather stakeholder input on program design.

Required Signature

**Elected
Official or
Department
Director:**

/s/ Bob Leek, Interim Director,
DCA

Date: January 7, 2019