W.5.D.3.

Memorandum Date: May 10, 2009

Order Date: May 20, 2009

TO:

**Board of County Commissioners** 

**DEPARTMENT:** 

**Management Services** 

PRESENTED BY:

David Suchart, Director

**AGENDA ITEM TITLE:** 

ORDER/IN THE MATTER OF Acquisition of Property for the

Riverstone Community Health Center at 2073 Olympic

Boulevard in Springfield

I.	MOT	ION

Move Order Number	in the matter of acquisition of property for the
Riverstone Community Health Ce	inter at 2073 Olympic Boulevard in Springfield

## II. AGENDA ITEM SUMMARY

The Board is being asked to authorize the acquisition of property at 2076 Olympic Boulevard in Springfield to move from rental space to a permanent location to house the Riverstone Community Health Center.

# II. BACKGROUND/IMPLICATIONS OF ACTION

# A. <u>Board Action and Other History</u>

Lane County has operated a Community Health Center (CHC) in Springfield for the past five years in rented space. Once established it was always the objective of having adequate and permanent space to operate out of. During the master planning process for Public Health, Springfield was one option for co-location with the CHC and other public health functions. With the purchase of Charnelton Place the search began for a new location for the Riverstone CHC. The current location is undersized and not fully accessible. After several attempts to locate a new site the former SELCO Building on Olympic was offered as an opportunity.

Management Services was directed to make an offer on the property and to perform due diligence procedures for acquisition.

#### B. Policy Issues

The policy objective being pursued is to continue the efficient and effective delivery of primary health care services to the public.

#### C. Board Goals

## D. <u>Financial and/or Resource Considerations</u>

Health & Human Services has been doing financial planning for the possibility of a new and larger facility for the past four years. With the acquisition of Charnelton Place and the opportunity for expanded CHC service in Eugene as well as Springfield further financial modeling was conducted. The SELCO Building can be purchased for \$2,150,000. An estimated remodel cost of \$4.2m is within the parameters of the financial model.

The financing of the new facility will be included in the proposed bond sale later this summer for Charnelton Place. In the meantime a inter-fund loan will be utilized the purchase.

#### E. Analysis

#### f. Alternatives/Options

Alternatives to this purchase are limited. New construction given the high cost and limited resources is not an option in the near future. The configuration and physical characteristics of the current Riverstone Clinic is not an acceptable service delivery option for the citizens who currently use or may require the services in the future. Finding adequate space in a current facility that can be easily remodeled seems the best option.

#### V. <u>TIMING/IMPLEMENTATION</u>

If the Board accepts the recommendation closing on the building would occur approximately June 1.

#### VI. <u>RECOMMENDATION</u>

It is recommended that the Board of Commissioners accept the recommendation and approve the acquisition of said property.

## VII. FOLLOW-UP

Management Services will proceed with closing the sale and preparing necessary paperwork. Management Services will continue to design and remodel the building in accordance with the requirements of Health & Human Services.

## **VIII. ATTACHMENTS**

**Board Order** 

# IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

) In the Matter of Acquisition of) Property for the Riverstone) Community Health Center at

Order No. 20-05- -

	) 2073 Olympic Boulevard in ) Springfield
	issioners has determined it is in the public new site for Community Health Center functions
WHEREAS, ORS 271.390 provid	les for purchase of property by the County;
	egotiated with the owners, SELCO Credit Union, bulevard in Springfield, for the Department of
WHEREAS, the County and own \$2,150,000	ers have agreed upon a price not to exceed
IT IS HEREBY ORDERED that:	
documents as are necessary to acquire	tor is hereby authorized to execute such the property at 2073 Olympic Boulevard from ceed \$2,150,000, and close the purchase of
DATED this 20th day of May, 200	09.
	Peter Sorenson, Chair Lane County Board of Commissioners