

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON**

**RESOLUTION NO. 2022-031**

Resolution authorizing an Internal Loan from the Risk Management Fund (3500) to the Behavioral Health Resource Center Capital Fund (2516) in the amount of \$7,062,417 to provide interim funding for the Behavioral Health Resource Center capital project.

**The Multnomah County Board of Commissioners Finds:**

- a. The Behavioral Health Resource Center (BHRC) will be a dedicated resource center providing services during the day, overnight shelter, and transition housing to serve the growing numbers of people with disabling conditions, including behavioral health issues such as mental illness and substance use disorders who experience homelessness.
- b. The BHRC project team (Multnomah County Behavioral Health Division, Facilities and Property Management, The Kloth Group, Carleton Hart Architects, and Mortenson Construction) have completed the feasibility, planning, and design phases of the projects and now are in the construction phase of the capital project. The total project costs are estimated at \$26 million, including soft and construction costs. The project is expected to be fully complete in summer of 2022 and open for services in the fall of 2022
- c. The BHRC project is being funded by County general fund, State of Oregon grant, and may receive additional federal funding at a later date. The funding (\$10 million) committed by the State of Oregon will be via video lottery bonds which will not occur until the spring of 2023.
- d. BHRC project expenditures attributed to State funding will be incurred before receipt of grant funds. The State of Oregon has approved project expenditures to be incurred prior to award date. The internal loan in the amount of \$7,062,417 will bridge the cash flow timing of State grant funds.
- e. As provided under ORS 294.468, the Board of County Commissioners may authorize by resolution the use of an internal ("Interfund") loan to finance capital needs (design, acquisition, construction, installation, or improvement of real property) provided that the loan term not exceed 10 years.
- f. There is sufficient cash in the Risk Management Fund to make an Interfund loan of \$7,062,417 to the Behavioral Health Resource Center Capital Fund.
- g. The Interfund loan will be processed in April 2022. The Behavioral Health Resource Center Capital Fund will repay the Risk Management Fund upon receipt of State grants fund, estimated at 12-14 months, there will be one principal and interest payment. Interest will accrue on the loan at the rate the County earns in the Local Government Investment Pool. Total interest costs are estimated at \$35K over term of loan.

**The Multnomah County Board of Commissioners Resolves:**

1. In order to bridge the timing in State grant funds committed to the Behavioral Health Resource Center capital project an internal loan is necessary to ensure capital fund has sufficient cash to meet project obligations.
2. The County authorizes the Chief Financial Officer to make the necessary accounting transaction in FY 2022 to loan \$7,062,417 from the Risk Management Fund to the Behavioral Health Resource Center Capital Fund to provide project bridge funding.
3. The Behavioral Health Resource Center Capital Fund will repay the Risk Management Fund for the entire amount of the loan upon receipt of State of Oregon grants committed to the capital project.

**ADOPTED this 21st day of April, 2022.**



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

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Deborah Kafoury, County Chair

REVIEWED:  
JENNY M. MADKOUR, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By   
William Glasson, Senior County Attorney

**SUBMITTED BY:** Eric Arellano, Chief Financial Officer