

HACSA W. 5.d.

## HACSA MEMORANDUM

---

**TO:** HACSA Board of Commissioners

**PRESENTED BY:** James R. McCoy  
Development Director

**AGENDA ITEM TITLE:** In the Matter of Authorizing the Executive Director to Apply for and Receive Funds, Not to Exceed \$1,200,000, from the State of Oregon, Addictions and Mental Health Division for the Remodel of the Heeran Center

**AGENDA DATE:** July 14, 2010

---

**I. PROPOSED MOTION:**

IT IS ORDERED:

THAT THE HOUSING AND COMMUNITY SERVICES AGENCY (HACSA) AGREES TO REMODEL THE HEERAN CENTER;

THAT THE EXECUTIVE DIRECTOR IS AUTHORIZED TO APPLY FOR AND RECEIVE FUNDS, NOT TO EXCEED \$1,200,000, FROM THE STATE OF OREGON, ADDICTIONS AND MENTAL HEALTH DIVISION ; AND

THAT THE EXECUTIVE DIRECTOR IS AUTHORIZED TO EXECUTE THE LEGAL DOCUMENTS ASSOCIATED WITH APPLYING FOR AND RECEIVING THE FUNDS.

THAT THE EXECUTIVE DIRECTOR OR THE DEPUTY DIRECTOR IS AUTHORIZED TO SIGN ALL DRAW REQUESTS, MONTHLY PROGRESS REPORTS AND MISCELLANEOUS FORMS ASSOCIATED WITH ANY GRANTS AWARDED TO THE PROJECT.

**II. ISSUE:**

HACSA is seeking grant funds from the State of Oregon, Addictions and Mental Health Division, to remodel the Heeran Center, which houses a residential mental health treatment program that has been operated by ShelterCare since 1994.

### **III. DISCUSSION**

#### **A. Background:**

The facility, located at 2222 Coburg Road (the northwest corner of Coburg Road and Beltline Road in Eugene), includes a building (approximately 20,000 sq. ft.) on approximately 2.5 acres. It housed the Lane Stabilization and Rehabilitation Center (LSRC), which was operated by ShelterCare and owned by Peace Health/Sacred Heart, who, in 1995, announced its intent to terminate the lease to the LSRC program and sell the facility. Faced with losing the LSRC program, ShelterCare, the State Mental Health Division and Lane County Mental Health carried out an extensive analysis reviewing options for continuing the program. This review concluded that purchase of the existing facility was the best and most practical option.

In analyzing the feasibility of acquisition, it became apparent that the purchase could proceed only if financing was obtained through special low-interest funds from the proceeds of a State of Oregon bond sale. Because only governmental entities were eligible for these funds, HACSA, ShelterCare and Lane County Health and Human Services staff agreed that purchase and ownership of this facility would best fall under HACSA's purview. In December 1996, the HACSA Board of Commissioners authorized a purchase option which was subsequently exercised. The closing date of the acquisition was February 28, 1997.

About two years ago, staff from the State of Oregon Addictions and Mental Health Division notified ShelterCare that the Heeran Center would have to be remodeled if it was to remain viable or acceptable to the State. The Division's priorities are increased privacy for residents, improve the staff area (more open space), and change the common space so that it is more welcoming and accessible to residents.

#### **B. Analysis:**

After a lengthy process, that included several meetings with HACSA staff, ShelterCare staff, Oregon Addictions and Mental Health Division staff, architects and the construction manager/general contractor, the State has approved the proposed remodel, with HACSA being the developer. Funds, not to exceed \$1,200,000, will be provided.

#### **C. Recommendation**

Approval of the proposed motion.

#### **D. Timing**

After receipt of the signed Board Order, the State will award the funds.

### **IV. IMPLEMENTATION/FOLLOW-UP:**

Same as Item III. D. above.

**IN THE BOARD OF COMMISSIONERS OF THE  
HOUSING AND COMMUNITY SERVICES AGENCY (HACSA)  
OF LANE COUNTY, OREGON**

**ORDER No.**

)In the Matter of Authorizing the Executive Director to  
)Apply for and Receive Funds, Not to Exceed  
)\$1,200,000, from the State of Oregon, Addictions  
)and Mental Health Division for the remodel of the  
)Heeran Center

WHEREAS, HACSA is the owner of the Heeran Center, which houses a residential mental health treatment program which is operated by ShelterCare;

WHEREAS, the State of Oregon, Addictions and Mental Health Division has approved a proposed remodel of the Heeran Center, with HACSA as the developer;

WHEREAS, HACSA wishes to apply for and receive funds for the remodel; **NOW, THEREFORE, IT IS HEREBY**

**ORDERED**, That the HACSA Executive Director is authorized to apply for and receive funds, not to exceed \$1,200,000, from the State of Oregon, Addictions and Mental Health Division for the remodel of the Heeran Center.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2010

\_\_\_\_\_  
Chair, HACSA Board of Commissioners

In the Matter of Authorizing the Executive Director to Apply for and Receive Funds, Not to Exceed  
\$1,200,000, from the State of Oregon, Addictions and Mental Health Division for the remodel of the Heeran  
Center