

STRATEGIES

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The health campus private capital built

ALBERTINA KERR OPENS DOORS TO GRESHAM FACILITY FUELED BY PRIVATE DONORS

BY SEAN MEYERS
Contributing writer

For at least one Oregon nonprofit organization, capitalism is succeeding where the public sector has not.

A three-year, \$11 million capital campaign produced with private donations has helped Portland-based Albertina Kerr to develop new and expanded facilities for the mentally ill – something that’s become a rarity in the state after the closure of the Oregon State Hospital a decade ago.

The effort, which culminated in October with the completion of the new 10-acre Campus for Children’s Mental Health in Gresham, comes at a critical time for Albertina Kerr. The 108-year-old provider of emergency and ongoing treatment of children and adults with mental health challenges relies heavily on public resources, which are unable to keep up with surging demand for services.

“We’re having to turn away about half of the people that come to us,” said CEO Chris Krenk. “The current system, including hospital emergency rooms, gets backed up. There is a tremendous need.”

That Albertina Kerr was able to pull off such an ambitious capital funding campaign – the largest in its history – was no surprise to anyone who has followed the organization’s story.

A century of entrepreneurship

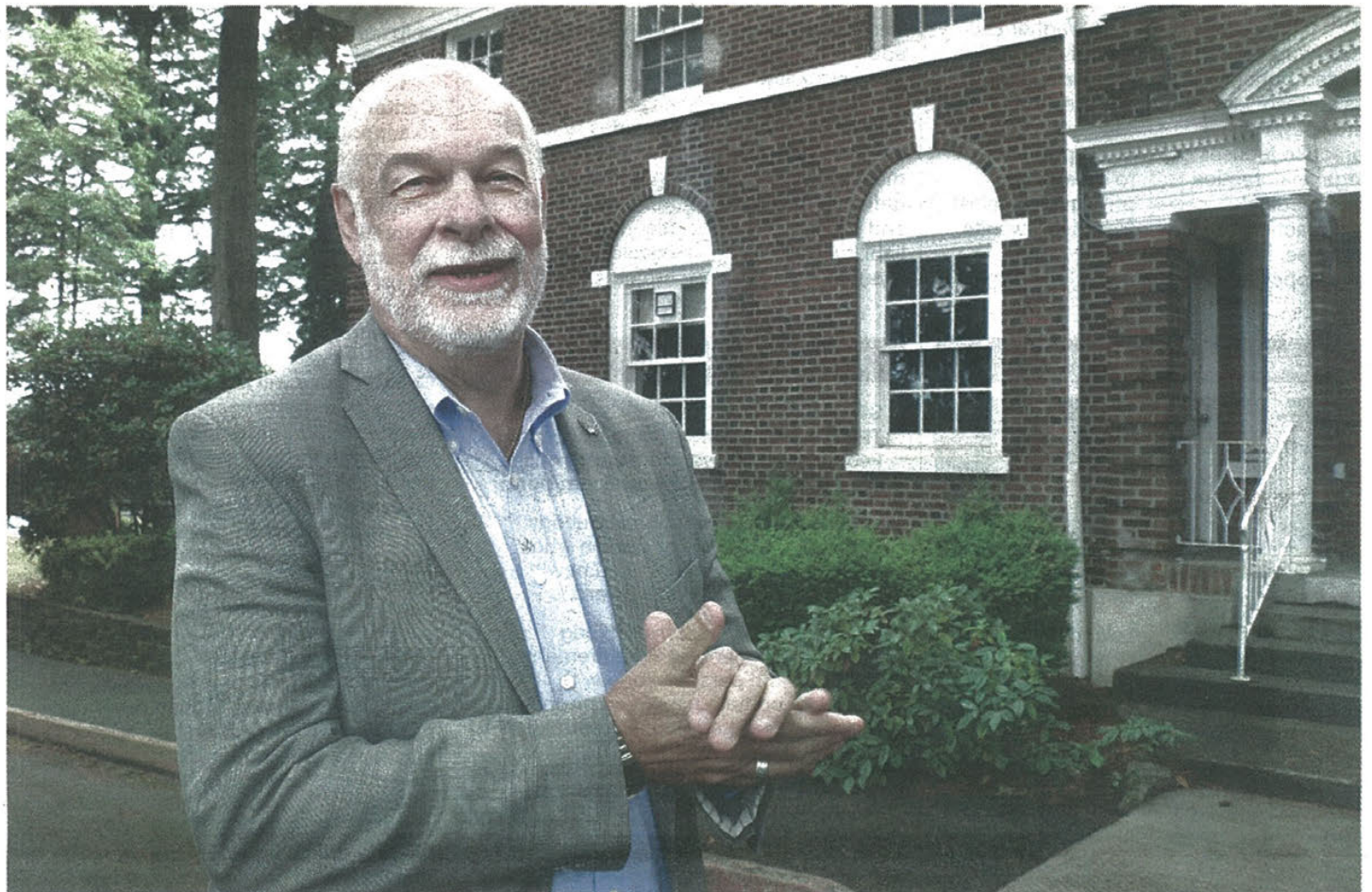
From its inception as a home for vulnerable girls and women, it has always been a city of industry. Originally funded by canning jar manufacturer Alexander Kerr, its early residents were kept busy with canning, ironing and other activities, said Connie West, who has served as the facility’s historian for more than 40 years. She is one of 1,000 volunteers at Albertina.

That entrepreneurial mindset has continued through the century, even as its mission evolved. Today Albertina operates a restaurant, a bike business, a jewelry store, a thrift store and a consignment shop. Its fundraising events are hosted by glitterati such as bestselling author Cheryl Strayed.

Albertina Kerr operates dozens of group homes throughout the Willamette Valley and provides a wide range of programs and services to children and adults with developmental disabilities and mental illnesses.

Krenk, Albertina’s CEO of 24 years, has grown the organization’s annual budget from \$4.5 million to \$45 million. The organization has grown organically and through five key acquisitions.

Ninety percent of Albertina’s income is from the public sector. Money is now available for mental health services



PBJ FILE 2014 | CATHY CHENEY

Albertina Kerr CEO Chris Krenk says the nonprofit’s new Campus for Children’s Mental Health will serve as a hub for community-based mental health services for children and families.

► CLOSER LOOK

The company: Albertina Kerr

Main office: Portland

About: A 108-year-old nonprofit that provides emergency and ongoing services to children and adults with mental health challenges and developmental disabilities.

CEO: Chris Krenk

Budget: Around \$45 million

Website: Albertinakerr.org

through the Affordable Care Act and Medicaid, but there is a critical shortage of facilities in the state, according to Krenk, making private fundraising even more critical.

The work that resulted from the record-setting capital fund will address some of the need.

It includes an expansion of the facility’s crisis psychiatric care center, which will allow for treatment of 1,000 children each year, a 30 percent increase. Also included was a comprehensive remodel of the stately Louise Home, which is on the National Registry of Historic Places.

A 6,000-square-foot addition to the home expands office and meeting space, allowing for a more effective treatment of patients transitioning out of crisis care. The project includes construction of a new six-bedroom therapy home and an upgrade of playground facilities.

Part of the challenge facing Albertina

as it continues to grow is finding ways to relate its complex mission to the public. Teen suicide and autism, for example, aren’t the type of issues that lend themselves to a photograph or a snappy sound bite.

“We’re dealing with life and death issues, but we’re social workers by training,” Krenk said. “It’s not like Doernbecher (Children’s Hospital), where you have kids with cancer or without any hair. It’s not as obvious. But it’s equally as important.”

Albertina is placing much of its growth strategy in the hands of its foundation board, which contributed \$500,000 toward the capital fund committee, co-chaired by Mary Lago, a prominent Portland wealth advisor.

Lago hopes to continue growing the organization’s endowment through wills, IRAs, trusts and other planned giving strategies in an effort to provide Albertina financial traction in an unstable funding environment.

“Parents are being told, ‘Sorry your child tried to commit suicide. There’s nothing we can do for you.’ That’s hard for me to accept,” Lago said.

Another growth strategy is greater community engagement, including donations ranging from \$50 to \$1,000.

Public-sector optimism

There is some hope that organizations like Albertina Kerr will get help from the next session of the Oregon Legislature.

Gov. Kate Brown is a former Albertina board member and represented clients with mental health issues as an attorney.

Asked about the prospects of new funding for mental health facilities, Brown’s office issued the following statement from the governor:

“While there has been a lot of work in the last couple years to improve mental health, including investments by the state, there is still work to be done. The Oregon Health Authority recently finished a series of statewide town halls to hear directly from patients on the mental health system. My office will work with OHA and the Legislature to identify key opportunities and priorities.”

Sen. Sara Gelser, D-Corvallis, attended the town hall meetings. She was appointed to the National Council on Disability by President Obama and is chair of the Senate Human Services Committee.

She noted several key issues facing Oregon’s mental health system, including long waits for service, a need for beds for acute care and for patients before they reach crisis level, affordable clean and sober housing, and facilities in remote communities.

“I was overwhelmed by the focused participation in these events, and the hunger Oregonians have to address problems in our mental health system,” Gelser said. “Families and individuals across the state are struggling, and many are in crisis. They need help now.”