

December 14, 2023

BCC Agenda Date/Item: _____

Board of County Commissioners
Clackamas County

Approval of Amendment #2 to increase funding and extend the term of the revenue Grant Agreement with the State of Oregon’s Housing & Community Services Department for programs related to the Governor’s State of Emergency Due to Homelessness. Amendment value is \$980,000 for six months. Agreement value is increased to \$5,415,294 for 18 months. Funding is through the State of Oregon. No county General Funds are involved.

Previous Board Action/Review	Briefed at Issues – March 1 and May 2, 2023 Grant agreement approved at Business Meeting – May 4, 2023 Amendment #1 (no-cost) executed – August 22, 2023 Briefed at Issues – December 5, 2023		
Performance Clackamas	1. Ensuring safe, healthy, and secure communities through the provisions of homeless services.		
Counsel Review	Yes	Procurement Review	No
Contact Person	Adam Brown	Contact Phone	971-421-0133

EXECUTIVE SUMMARY: The Housing & Community Development Division of the Health, Housing & Human Services Department requests approval of Amendment #2 to the intergovernmental grant agreement with the State of Oregon’s Housing & Community Services (OHCS) Department that funds programs and services related to the Governor’s Emergency Order on homelessness (EO 23-02). Amendment #2 adds \$980,000 to fund 40 additional rapid rehousing placements, increasing the rapid rehousing allocation from \$2,770,000 for 130 placements to \$3,750,000 for 170 placements. It also extends the term of the agreement from January 10, 2024, to June 30, 2024.

On January 10, 2023, the Oregon Governor signed a trio of emergency orders intended to address the ongoing homelessness crisis across the state. The three orders: 1) declared a state of emergency due to homelessness; 2) directed state agencies to prioritize reducing homelessness; and 3) established a statewide housing production goal and housing production advisory council. Shortly after the orders were signed, the state outlined a series of goals for homelessness prevention, increased shelter capacity, and rapid rehousing. This included goals in each of these categories for Clackamas County. In late March, the Oregon Legislature passed the \$200 million Affordable Housing & Emergency Homelessness Response Package in House Bills 2001 and 5019 to fund additional investments in affordable housing and homelessness, including to achieve the stated goals.

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The Housing & Community Development Division worked with state partners at OHCS on a budget proposal to fund the programs and services to achieve the goals for Clackamas County. The state announced initial award amounts on April 10, 2023, and Clackamas County was awarded \$4,435,294. The initial award funded \$2.8 million for rapid re-housing, \$1.0 million for street outreach, and \$0.7 million for administration.

In August, OHCS sought to rebalance funding allocations in an effort to expedite progress towards statewide goals. It inquired with jurisdictions about whether they could take on additional funding and achieve outcomes beyond those made possible with initial funding amounts. Clackamas County's cohort of service providers, led by Clackamas Women's Services, indicated capacity to serve more than the initial goal of 130 households, so staff informed state partners that the county could take on additional funding. The county was allocated the \$980,000 being added in Amendment #2 to rehouse an additional 40 households, increasing the county's rehousing goal to 170 households.

RECOMMENDATION: Staff respectfully recommend that the Board approve Amendment #2 and authorize Tootie Smith, Chair, to sign it on behalf of the county.

Respectfully submitted,

A handwritten signature in cursive script that reads "Rodney A. Cook".

Rodney Cook, Director

Grant Agreement

State of Emergency Due to Homelessness

Amendment #2

This Amendment #2 (this “Amendment”) to Agreement #OR-507, as amended from time to time (“Agreement”) is by and between the State of Oregon (“State”), acting by and through its Housing and Community Services Department (“Agency”), and Clackamas County (“Recipient”), an Oregon Local Government Entity.

RECITALS

- A. Agency desires to Amend the Agreement to increase the Not-to-Exceed amount by \$980,000 and extend the Performance Period, revise Exhibit B, Goals and Milestones sections and update the Authorized Representative for Agency.
- B. Recipient must meet performance expectations and goals, as outlined in Exhibit B, by January 10, 2024, and in accordance with Executive Order 23-02.

AMENDMENT

1. The Agreement is hereby amended as provided below. This Amendment will be effective upon signatures by all parties and approvals as required by law. New language indicated by **bold and underline** and deleted language indicated by ~~strike through~~.
2. Section 1 of the Agreement is hereby amended as follows:

1. Effective Date and Duration

This Agreement shall become effective upon full execution by the Parties and, if required, approval by the Oregon Department of Justice, and shall expire on ~~January 10, 2024~~ **June 30, 2024**, unless extended or terminated ~~or~~ sooner under the provisions identified within this Agreement. Expiration or termination of this Agreement will not prejudice Agency’s right to exercise remedies under this Agreement with respect to any breach that has occurred prior to expiration or termination.

3. Section 3 of the Agreement is hereby amended as follows:

3. Consideration

Agency agrees to pay Recipient, from available and authorized funds, the amount of actual expenses incurred by Recipient in performing the grant activities referenced below in Section 4 of this Agreement (“Authorized Expenses”), but not to exceed ~~\$4,435,294.00~~ **\$5,415,294.00**.

3.1 On full execution of this Agreement by the Parties and, when required, approval by the Oregon Department of Justice, Agency will issue a Notice of Allocation (“NOA”) to Recipient, pursuant to which Recipient will submit a request for funds and Agency will make a lump-sum payment to Recipient in the amount of \$1,170,424.81 (the “Initial Payment”), which Recipient will expend in accordance with the NOA. Recipient may use such funds to reimburse Authorized Expenses that were incurred by Recipient at any time during the period from January 10, 2023 to January 10, 2024 (the “Performance Period”). **Recipient shall complete the requirements set forth in the “Goals” section of Exhibit B by January 10, 2024. After January 10, 2024 and until June 30, 2024, Agency will reimburse Recipient for Authorized Expenses relating to sustaining and maintaining the completed goals specified in the “Goals” section of Exhibit B (“Authorized Maintenance Expenses”).**

3.2 After July 1, 2023, and following expenditure of the Initial Payment by Recipient and submission to Agency of a report detailing such expenditures in such form as is satisfactory to or required by Agency, Agency will reimburse Recipient for additional Authorized Expenses up to the amount of ~~\$3,264,869.19~~ **\$4,244,869.19** (the “Additional Allotment”), following receipt of requests by Recipient of such reimbursement. The total Grant Funds amount will equal the Initial Payment amount plus the Additional Allotment amount. Funds from the Additional Allotment will only be used to reimburse Authorized **Maintenance** Expenses incurred **during the period** from July 1, 2023 to ~~until the end of the Performance Period (January 10, 2024)~~ **June 30, 2024**. Each such reimbursement request will be made following, and in accordance with, a NOA issued by Agency to Recipient, including, but not limited to any allocation of Grant Funds in the applicable NOA to specific expense categories. Recipient will submit requests for reimbursement under this Section 3.2 at least quarterly and in such form and manner as is satisfactory to or required by Agency. Agency and Recipient may, by mutual agreement, modify or terminate a NOA at any time. In the event of a conflict between any NOA and the terms of this Agreement, including, but not limited to the not-to-exceed amount set forth under this Agreement, the terms of this Agreement will prevail.

2. Section 5 of the Agreement is hereby amended as follows:

5. Authorized Representatives

5.1 Agency’s Authorized Representative is:

~~Mike Savara~~ **Liz Hearn**

725 Summer Street NE, Suite B

Salem, OR 97301

~~Mike.Savara@hcs.oregon.gov~~ **Liz.Hearn@hcs.oregon.gov**

3. Exhibit B, Goals section, is hereby amended to read as follows:

Rapidly rehouse

Our CoC Region will rapidly rehouse ~~130~~ **170** people experiencing unsheltered homelessness by this date: 1/10/2024

4. Exhibit B, Milestones section, is hereby amended to revise progress milestones and timelines from September through December:

Month	Progress Milestones	Systems Improvement Actions
September	2) Rapid Rehousing Goal: 23 total placements 3) Receive final rural needs assessment and strategic plan, share findings with MAC Group. 4) Establish framework for reallocation of ongoing resources to rural areas.	1) Continue strategic planning with new homeless services advisory body. 2) Reallocate resources as needed across provide contract budgets based on progress towards stated goals. 3) Continue CHA, by name list, and Build for Zero work/improvement.
October	2) Rapid Rehousing Goal: 52 total placements 3) Write and open allocation (procurement) for ongoing rural services based on needs assessment and strategic planning.	1) Continue strategic planning with new homeless services advisory body. 2) Continue CHA, by name list, and Build for Zero work/improvement.
November	2) Rapid Rehousing Goal: 81 total placements 3) Close allocation for ongoing rural services.	2) Continue CHA, by name list, and Build for Zero work/improvement.
December	2) Rapid Rehousing Goal: 409 130 total placements 3) Score and select vendors for ongoing rural services.	1) Continue CHA, by name list, and Build for Zero work/improvement.
January	<u>1) Rapid Rehousing Goal: 170 total placements</u>	

5. Except as expressly amended above, all other terms and conditions of the Agreement, as amended, remain in full force and effect.

6. Counterparts

This Amendment may be executed in several counterparts, all of which when taken together shall constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Agreement so executed constitutes an original.

[The remainder of this page is intentionally left blank.]

7. Signatures

**Oregon Housing and Community Services
Department**

Clackamas County

Signature

Signature

Printed Name & Title

Printed Name & Title

Date

Date

Approved for legal sufficiency by Senior AAG Marc Bocci via email on 11/14/23.