

February 16, 2023

BCC Agenda Date/Item: _____

Board of County Commissioners
 Clackamas County

Approval of a Professional Services Contract with Housing Development Center for the administration the Regional Long-Term Rent Assistance Risk Mitigation Program for Clackamas County. Total value is \$2,391,607.08 for 4 years. Funding is through Metro Supportive Housing Services Funds. No County General Funds are involved.

Previous Board Action/Review	Item presented at Issues – 2/14/23		
Performance Clackamas	The Risk Mitigation Program encourages landlords to lease units to Regional Long Term Rent Assistance (RLRA) households thereby increasing the number of available affordable housing units in Clackamas County and ensuring healthy, safe, and secure communities.		
Counsel Review	Yes	Procurement Review	Yes
Contact Person	Vahid Brown	Contact Phone	971-334-9870

EXECUTIVE SUMMARY:

The Health, Housing and Human Services Department (H3S) of Clackamas County, through its Housing and Community Development (HCD) Division, requests approval of Professional Services Contract #11022 with the Housing Development Center (HDC) for administration of the Regional Long-term Rent Assistance (RLRA) Risk Mitigation Program (RMP) for Clackamas County. The RMP increases housing options for vulnerable and high-needs populations by reducing the financial risk to landlords that rent their units to RLRA program participants. It allows landlords to submit claims and receive payment for certain property damage and excessive operational losses.

The RMP was developed in partnership with Multnomah County and Washington County as part of the tri-county implementation of programs and services funded by the Metro Supportive Housing Services (SHS) Measure. SHS-funded programming is focused on providing permanent supportive housing and other supportive services to vulnerable individuals that are experiencing, or are at risk of experiencing, homelessness, many of whom have one or more disabling conditions.

The Housing Development Center is a non-profit organization specializing in affordable housing policy, asset management, and development. In partnership with the City of Portland and Multnomah County, it has been administrating a similar RMP program through a contract with the Portland Housing Bureau (PHB) for over 15 years. The unique knowledge of our region’s housing market, ability to build and maintain landlord relationships, and experience running a similar risk mitigation program make HDC uniquely well-suited to support and administer the tri-county RMP.

The RLRA RMP allows landlords with RLRA-funded units to submit two types of claims to HDC: Physical Claims and Operational Claims. HDC will review the claims and make payment to

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landlords as allowed under the RMP Policies (attached here). Physical Claims may include excessive costs for cleaning, debris removal, extermination, and repair of doors, walls, cabinetry, and/or other damage. Payment will not be made for expenses related to normal wear and tear or turnover costs. Operational Claims are those related to lost rental revenues or excessive operating expenses. Rent loss claims could include, but are not limited to, compensation for uncollected rent or excessive turnover time, including rent loss due to holding units available for an RLRA household. Claims for excessive operational expenses may include, but are not limited to, legal costs related to evictions or costs to relocate an RLRA household to another project. The program covers damages, in part, so that landlords are less inclined to move quickly toward eviction if there is an incident involving the resident. The RMP is not a substitute for property insurance, but does help with situations below insurance deductibles and/or to help cover the cost of deductibles. This helps reduce tenant evictions and helps provide stability for both tenants and landlords.

The RMP is a critical component of tri-county efforts to incentivize landlords to help house the most vulnerable and high-needs members of our community. All RLRA landlords are eligible for the RMP and if landlords also agree to enter into a partnership with the RLRA program and reduce screening barriers for RLRA tenants, they also become eligible for other incentives, such as unit repair to pass move-in inspections and sign-on bonuses. With the critical need for housing units in a challenging market, these incentive programs are critical to opening doors that may otherwise be closed to the most vulnerable and high-needs members of our community. These efforts help motivate potentially hesitant landlords to take a chance and become part of the housing crisis solution.

This program will be administered regionally by HDC through separate but similar contracts with Multnomah County and Washington County, under regionally-aligned RLRA RMP Policies. The policies will be reviewed and updated at least annually, and the most current policy document will be made available on the regional coordination website at: <https://www.oregonmetro.gov/public-projects/supportive-housing-services/regional-coordination>.

RECOMMENDATION: Staff recommends the Board approve the Professional Services Contract with HDC for the administration of the RLRA RMP and to authorize Chair Tootie Smith to sign the contract on behalf of the Board of County Commissioners.

Respectfully submitted,

Rodney A. Cook
Director of Health Housing and Human Services

ATTACHMENTS:

- Clackamas County Contract #11022 for the RLRA RMP with HDC
- Current RMP Program Policies

CLACKAMAS COUNTY
PROFESSIONAL SERVICES CONTRACT
Contract # 11022

This Professional Service Contract (this “**Contract**”) is entered into as of February 16, 2023 (“**Effective Date**”) between Clackamas County (“**County**”), a political subdivision of the state of Oregon, and Housing Development Center Inc. (“**Contractor**” or “**HDC**”), a domestic nonprofit corporation, collectively referred to as the “**Parties**” and each a “**Party**,” to provide the following personal services: administration of a Supportive Housing Risk Mitigation Program for the County.

ARTICLE I.

1. **Effective Date and Duration.** This Contract shall become effective upon the Effective Date. Unless earlier terminated or extended, this Contract shall expire on June 30, 2027 (“**Expiration Date**”), and may, upon execution of a written amendment on terms acceptable to the Parties, be renewed for an additional four (4) years.
2. **Scope of Work.** Contractor shall provide the following personal services: to develop, implement and administer the Supportive Housing Risk Mitigation Program (“**RMP**”) for Clackamas, Washington, and Multnomah counties (“**Work**”), further described in Exhibit A. Work will be performed in accordance with the terms, conditions, policies, and procedures set forth in the then-current RMP Program Policies, located at: <https://www.oregonmetro.gov/public-projects/supportive-housing-services/regional-coordination>.
3. **Consideration.** The County agrees to pay Contractor, from available and authorized funds, a sum not to exceed \$2,391,607.08 (“**Maximum Compensation**”), for accomplishing the Work required by this Contract. Consideration for the Work is further detailed in Exhibit B. If any interim payments to Contractor are made, such payments shall be made only in accordance with the schedule and requirements in Exhibit B.
4. **Invoices and Payments.** Unless otherwise specified, Contractor shall submit monthly invoices for Work performed. Invoices shall describe all Work performed with particularity, by whom it was performed, and shall itemize and explain all expenses for which reimbursement is claimed. If Contractor fails to present invoices in proper form within ninety (90) calendar days after the end of the month in which the Work was rendered, Contractor waives any rights to present such invoice thereafter and to receive payment therefor. Payments shall be made in accordance with ORS 293.462 to Contractor following the County’s review and approval of invoices submitted by Contractor; provided, however, the County shall only disapprove the invoice for reasonable and material reasons, which shall be limited to the Contractor’s failure to (i) describe the Work performed with particularity; (ii) described who performed such Work; or (iii) itemize the expenses (each, an “**Invoice Problem**”). In the event of an Invoice Problem, the County shall provide notice to Contractor describing with particularity the Invoice Problem and allow Contractor to correct the Invoice Problem and resubmit the invoice within ten (10) business days of receipt of notice from the County. Contractor shall not submit invoices for, and the County will not be obligated to pay, any amount in excess of the Maximum Compensation. If this Maximum Compensation amount is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

Invoices shall reference the above Contract Number and be submitted to: Housingservices@clackamas.us

5. **Travel and Other Expense.** Authorized: Yes No
 If travel expense reimbursement is authorized in this Contract, such expense shall only be reimbursed at the rates in the County Contractor Travel Reimbursement Policy, hereby incorporated by reference and found at: <https://www.clackamas.us/finance/terms.html>. The County will not reimburse travel expenses that exceed the not to exceed Maximum Compensation.

6. **Contract Documents.** This Contract consists of the following documents, which are listed in descending order of precedence and are attached and incorporated by reference, this Contract, Exhibit A – Scope of Work and Exhibit B – Budget.

7. **Contractor and County Contacts.**

Contractor	County
Administrator: Meredith Bowie Phone: (503) 528-5182 Email: Meredith@hdc-nw.org	Administrator: Vahid Brown Phone: (971) 334-9870 Email: vbrown@clackamas.us

Payment information will be reported to the Internal Revenue Service (“**IRS**”) under the name and taxpayer ID number submitted. (See I.R.S. 1099 for additional instructions regarding taxpayer ID numbers.) Information not matching IRS records will subject Contractor payments to backup withholding.

ARTICLE II.

1. **ACCESS TO RECORDS.** Contractor shall maintain all books, records, documents, and other written or recorded materials, in accordance with generally accepted accounting procedures and practices, sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this Contract and that reflect the Work. The County, County auditor, and its duly authorized representatives shall have access upon no less than thirty (30) days prior notice to Contractor to the books, documents, papers, and records of Contractor, which are directly pertinent to this Contract for the purpose of performance-based audits during normal business hours at Contractor’s corporate offices. The County’s certified public account shall have access upon no less than thirty (30) days prior notice to Contractor to the financial records of Contractor, which are directly pertinent to this Contract for the purpose of financial audits during normal business hours at Contractor’s corporate offices. Unless otherwise provided by law, such financial audits shall be conducted by a certified public accountant working on a non-contingent fee basis. Contractor shall maintain such books and records for a minimum of six (6) years following the end of each fiscal year, or such longer period as may be required by applicable law.
2. **AVAILABILITY OF FUTURE FUNDS.** Any renewal of this Contract after the Expiration Date is contingent on a new appropriation for each succeeding fiscal period sufficient to continue to make payments for the Work during the renewal term, as determined by the County in its sole administrative discretion.
3. **CAPTIONS.** The captions or headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Contract.
4. **COMPLIANCE WITH APPLICABLE LAW.** Contractor shall comply with all applicable federal, state and local laws, regulations, executive orders, and ordinances, as such may be amended from time to time.
5. **COUNTERPARTS.** This Contract may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.
6. **GOVERNING LAW.** This Contract, and all rights, obligations, and disputes arising out of it, shall be governed, and construed in accordance with the laws of the state of Oregon and the ordinances of the County without regard to principles of conflicts of law. Any claim, action, or suit between the Parties that arises out of or relates to the performance of this Contract shall be brought and conducted solely and

exclusively within the Circuit Court for Clackamas County, for the state of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. Contractor, by execution of this Contract, hereby consents to the personal jurisdiction of the courts referenced in this section.

7. INDEMNITY.

- a. Indemnification and Defense of the County.** Except to the extent caused or attributable to the negligence, acts or omissions of County, Participating Owners (as defined in Exhibit A), or their officers, elected officials, managers, members, agents, employees or contractors, Contractor agrees to indemnify, defend, save and hold harmless the County, and its officers, elected officials, agents and employees from and against all claims, actions, losses, liabilities, including reasonable attorney and accounting fees, and all expenses incidental to the investigation and defense thereof, arising out of or based upon Contractor's acts or omissions in performing the Work under this Contract. However, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the County or any department of the County, nor purport to act as legal representative of the County or any of its departments, without first receiving from the Clackamas County Counsel's Office authority to act as legal counsel for the County, nor shall Contractor settle any claim on behalf of the County without the approval of the Clackamas County Counsel's Office. The County may, at its election and expense, assume its own defense and settlement.
- b. Indemnification and Defense of Metro.** Except to the extent caused or attributable to the negligence, acts or omissions of Metro Regional Government ("**Metro**"), or its officers, elected officials, agents and employees, Contractor agrees to indemnify, defend, save and hold harmless Metro, and its officers, elected officials, agents and employees from and against all claims, and losses arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts of Contractor or its officers, agents, employees, or subcontractors.
- c. Indemnification and Defense of the Contractor.** Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution and except to the extent caused or attributable to the negligence, acts or omissions of Contractor, Participating Owners, or their agents, employees, or contractors, County shall indemnify and defend Contractor and its officers, agents, employees, and contractors from and against all claims, actions, losses, liabilities, including reasonable attorney and accounting fees, and all expenses incidental to the investigation and defense thereof, arising out of or based upon County's failure to perform under this Contract.

- 8. INDEPENDENT CONTRACTOR STATUS.** The service(s) to be rendered under this Contract are those of an independent contractor. Although the County reserves the right to evaluate the quality of the completed performance, the County cannot and will not control the means or manner of Contractor's performance. Contractor, in its sole discretion, is responsible for determining the appropriate means and manner of performing the Work. Contractor is not to be considered an agent or employee of the County for any purpose, including, but not limited to: (A) the Contractor will be solely responsible for payment of any Federal or State taxes required as a result of this Contract; and (B) this Contract is not intended to entitle the Contractor to any benefits generally granted to the County employees, including, but not limited to, vacation, holiday and sick leave, other leaves with pay, tenure, medical and dental coverage,

life and disability insurance, overtime, Social Security, Workers' Compensation, unemployment compensation, or retirement benefits.

- 9. INSURANCE.** Contractor shall secure at its own expense and keep in effect during the term of this Contract the insurance required, and minimum coverage indicated below. Contractor shall provide proof of said insurance and name the County as an additional insured on all required liability policies. Proof of insurance and notice of any material change should be submitted to the following address: Clackamas County Procurement Division, 2051 Kaen Road, Oregon City, OR 97045 or procurement@clackamas.us.

Required - Workers Compensation: Contractor shall comply with the statutory workers' compensation requirements in ORS 656.017, unless exempt under ORS 656.027 or 656.12
<input checked="" type="checkbox"/> Required – Commercial General Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per occurrence, with an annual aggregate limit of \$2,000,000 for Bodily Injury and Property Damage.
<input checked="" type="checkbox"/> Required – Professional Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per claim, with an annual aggregate limit of \$2,000,000 for damages caused by error, omission or negligent acts.
<input checked="" type="checkbox"/> Required – Automobile Liability: combined single limit, or the equivalent, of not less than \$1,000,000 per accident for Bodily Injury and Property Damage.
<input type="checkbox"/> Required – Sexual Abuse and Molestation: combined single limit, or the equivalent, of not less than \$1,000,000 per accident for Bodily Injury and Property Damage.

The policy(s) shall be primary insurance as respects to the County. Any insurance or self-insurance maintained by the County shall be excess and shall not contribute to it. Any obligation that the County agree to a waiver of subrogation is hereby stricken.

- 10. LIMITATION OF LIABILITIES.** This Contract is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10, of the Oregon Constitution, and is contingent upon funds being appropriated, therefore. Any provisions herein which would conflict with law are deemed inoperative to that extent. Neither Party shall be liable for (i) any indirect, incidental, consequential, punitive, or special damages under this Contract or (ii) any damages of any sort arising solely from the termination of this Contract in accordance with its terms. Any and all liability, indemnification, claim for damages, cost of defense, or expense levied against Contractor on account of any injury or damage arising out of any delay, defect, act, omission, or professional negligence in performance of the Work under this Contract will be limited to a sum not to exceed the Maximum Compensation paid to Contractor under this Contract.

- 11. NOTICES.** Except as otherwise provided in this Contract, any required notices between the Parties shall be given in writing by personal delivery, email, or mailing the same, to the contacts identified in Article I, Section 7. If notice is sent to County, a copy shall also be sent to: Clackamas County Procurement, 2051 Kaen Road, Oregon City, OR 97045, or procurement@clackamas.us. Any communication or notice so addressed and mailed shall be deemed to be given five (5) days after mailing, and immediately upon personal delivery, or within 2 hours after the email is sent during the County's normal business hours (Monday – Thursday, 7:00 a.m. to 6:00 p.m.) (as recorded on the device from which the sender sent the email), unless the sender receives an automated message or other indication that the email has not been delivered.

- 12. Reserved.**

- 13. REPRESENTATIONS AND WARRANTIES.** Contractor represents and warrants to the County that: (A) Contractor has the power and authority to enter into and perform this Contract; (B) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms; (C) Contractor shall at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work; (D) Contractor is an independent contractor as defined in ORS 670.600; and (E) the Work under this Contract shall be performed in a good and workmanlike manner and in accordance with the highest professional standards. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.
- 14. SURVIVAL.** All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Article I, Section 3, Article II, Sections 1, 6, 7, 10, 13, 14, 15, and 30, which shall survive termination or expiration of this Contract. However, subject to any limitation period under applicable law, such expiration shall not extinguish or prejudice the County's or Contractor's right to enforce this Contract, provided that County or Contractor bring such enforcement claim after termination or expiration of this Contract with respect to claims for: (a) any breach of a Contractor warranty; or (b) any default or defect in Contractor performance that has not been cured; or (c) any default or delay in County paying the fees required under this Contract.
- 15. SEVERABILITY.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.
- 16. SUBCONTRACTS AND ASSIGNMENTS.** Contractor shall not enter into any subcontracts for any of the Work required by this Contract or assign or transfer any of its interest in this Contract by operation of law or otherwise, without obtaining prior written approval from the County, which approval shall not be unreasonably withheld, conditioned, or delayed. The County's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract.
- 17. SUCCESSORS IN INTEREST.** The provisions of this Contract shall be binding upon and shall inure to the benefit of the Parties, and their respective authorized successors and assigns.
- 18. TAX COMPLIANCE CERTIFICATION.** The Contractor shall comply with all federal, state and local laws, regulation, executive orders and ordinances applicable to this Contract. Contractor represents and warrants that it has complied and will continue to comply throughout the duration of this Contract and any extensions, with all tax laws of this state or any political subdivision of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318. Any violation of this section shall constitute a material breach of this Contract and shall entitle the County to terminate this Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Contract, and to pursue any or all of the remedies available under this Contract or applicable law.
- 19. TERMINATIONS.** This Contract may be terminated upon ninety (90) days' notice for the following reasons: (A) by mutual agreement of the Parties; or (B) by the County or by the Contractor for convenience or (C) in the event the County fails to receive funding, appropriations, or other expenditure authority as reasonably determined by the County; or (D) if Contractor materially breaches any Contract provision or is declared insolvent, the County may terminate after ninety (90) days written notice; provided, however, that if the nature of the Contractor's default is such that more than ninety (90) days are reasonably required to cure, then Contractor shall not be deemed to be in default if Contractor shall commence such cure within said ninety (90) day period and thereafter diligently prosecute such cure to completion; or (E) by the Contractor if the County is in material breach of any Contract provisions;

provided, however, that if the nature of the County's default is such that more than ninety (90) days are reasonably required to cure, then County shall not be deemed to be in default if County shall commence such cure within said ninety (90) day period and thereafter diligently prosecute such cure to completion.

Upon receipt of written notice of termination from the County, Contractor shall promptly stop performance of the Work. Upon termination of this Contract, Contractor shall deliver to the County all documents, Work product, information, works-in-progress and other property that are or would be deliverables had the Contract Work been completed; provided, the County pays the Contractor for the Work performed up to the date of termination.

- 20. REMEDIES.** If terminated by the County due to a material breach by the Contractor, then the County shall have any remedy available to it in law or equity. If this Contract is terminated for any other reason, Contractor shall have any remedy available to it in law or equity.
- 21. NO THIRD-PARTY BENEFICIARIES.** The Parties are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.
- 22. TIME IS OF THE ESSENCE.** The Parties agree that time is of the essence in the performance this Contract.
- 23. FOREIGN CONTRACTOR.** If the Contractor is not domiciled in or registered to do business in the state of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State, Corporate Division, all information required by those agencies relative to this Contract. The Contractor shall demonstrate its legal capacity to perform these services in the State of Oregon prior to entering into this Contract.
- 24. FORCE MAJEURE.** A Party to this Contract shall not be held responsible for delay or default due to Force Majeure acts, events or occurrences unless they could have been avoided by the exercise of reasonable care, prudence, foresight, and diligence by that Party. Neither the County nor Contractor shall be held responsible for delay or default caused by events outside the County or Contractor's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war.
- 25. WAIVER.** The failure of the County to enforce any provision of this Contract shall not constitute a waiver by the County of that or any other provision.
- 26. PUBLIC CONTRACTING REQUIREMENTS.** Pursuant to the public contracting requirements contained in Oregon Revised Statutes ("ORS") Chapter 279B.220 through 279B.235, Contractor shall:
 - a.** Make payments promptly, as due, to all persons supplying to Contractor labor or materials for the prosecution of the work provided for in the Contract.
 - b.** Pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of the Contract.
 - c.** Not permit any lien or claim to be filed or prosecuted against the County on account of any labor or material furnished.
 - d.** Pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.
 - e.** As applicable, the Contractor shall pay employees for work in accordance with ORS 279B.235, which is incorporated herein by this reference. The Contractor shall comply with the prohibitions

set forth in ORS 652.220, compliance of which is a material element of this Contract, and failure to comply is a breach entitling the County to terminate this Contract for cause.

- f. If the Work involves lawn and landscape maintenance, Contractor shall salvage, recycle, compost, or mulch yard waste material at an approved site, if feasible and cost effective.

27. NO ATTORNEY FEES. In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Contract, each Party shall be responsible for its own attorneys' fees and expenses.

28. FURTHER ASSURANCES. Contractor shall further comply with any and all terms, conditions, and other obligations as may be required by the applicable regional, State, or Federal agencies providing funding for performance under this Contract, whether or not specifically referenced herein. Contractor agrees to take all necessary steps and execute and deliver any and all necessary written instruments, to perform under this Contract including, but not limited to, executing all additional documentation necessary for the County to comply with applicable regional, State, or Federal funding requirements. The County agrees to execute and deliver such documents and to do and perform such other acts and things, as Contractor reasonably requests, in order to carry out the intent and accomplish the purpose of this Contract.

29. CONFIDENTIALITY. Contractor acknowledges that it and its employees and agents may, in the course of performing their obligations under this Contract, be exposed to or acquire information that the County desires or is required to maintain as confidential, including information that is protected under applicable law, including Personal Information (as "**Personal Information**" is defined in ORS 646A.602(11)).

Contractor agrees to hold any and all information that it is required by law or that the County marks as "Confidential" to be held in confidence ("**Confidential Information**"), using at least the same degree of care that Contractor uses in maintaining the confidentiality of its own confidential information, and will use the Confidential Information for no purpose other than in the performance of this Contract, and to advise each of its employees and agents of their obligations to keep Confidential Information confidential. Confidential Information shall not include information: (i) which is otherwise available to the general public or is made public by the County, its officers, elected officials, managers, members, agents, employees, contractors or a third party; (ii) which is furnished by the County to a third party without restriction; (iii) which entered the public domain subsequent to the time it was disclosed to Contractor, through no fault of the Contractor; (iv) which was received by Contractor from third parties not under an obligation of confidentiality with the County; or (v) which is already lawfully in possession of the Contractor and not subject to an existing confidentiality agreement between the Parties.

Contractor agrees that, except as directed by the County or if disclosure is required by applicable law, rule, or regulation, or disclosure is required in response to an order or request from a court or other governmental agency or regulatory commission, Contractor will not at any time during or for six (6) years following expiration of this Contract, or such other time period as may be required under applicable law, disclose, directly or indirectly, any Confidential Information to any person, and that upon termination or expiration of this Contract or the County's request, Contractor will turn over to the County or destroy all documents, papers, records and other materials in Contractor's possession which embody Confidential Information, except in accordance with Contractor's commercially reasonable document retention procedures or as required by law. Contractor acknowledges that breach of this Contract, will give rise to irreparable injury to the County that cannot adequately be compensated in damages. Accordingly, the County may seek and obtain injunctive relief against the breach of the foregoing undertakings, in addition

to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of the County and are reasonable in scope and content.

Except as otherwise provided in this Contract, Contractor agrees to comply with all commercially reasonable requests by the County to ensure the confidentiality and nondisclosure of the Confidential Information, including if requested and without limitation: (a) obtaining nondisclosure agreements, in a form approved by the County, which approval shall not be unreasonably withheld, conditioned, or delayed, from each of Contractor's employees and agents who are performing services, and providing copies of such agreements to the County; and (b) performing criminal background checks on each of Contractor's employees and agents who are performing services, and providing a copy of the results to the County.

Contractor shall report, either orally or in writing, to the County any use or disclosure of Confidential Information not authorized by this Contract or in writing by the County, including any reasonable belief that an unauthorized individual has accessed Confidential Information. Contractor shall make the report to the County promptly upon discovery of the unauthorized disclosure, but in no event more than two (2) business days after Contractor reasonably believes there has been such unauthorized use or disclosure. Contractor's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the Confidential Information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Contractor has done or proposes to do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or proposes to take to prevent future similar unauthorized use or disclosure. Contractor shall provide such other information, including a written report, as reasonably requested by the County.

Contractor will be responsible for all actual damages, fines and corrective action (including credit monitoring services) arising from disclosure of such Confidential Information caused by a breach of the confidentiality provisions in this Contract.

The provisions in this section shall operate in addition to, and not as limitation of, the confidentiality and similar requirements set forth in the rest of the Contract, as it may otherwise be amended. Contractor's obligations under this Contract shall survive for a period of six (6) years after the expiration or termination of the Contract, as amended, unless applicable law requires Contractor's obligations to be maintained for a longer period of time. Following expiration of the six (6) year period provided herein, or such other time as required under applicable law, Contractor shall either return to County (if provided by County to Contractor) or destroy any Confidential Information.

30. REPORTING REQUIREMENTS. In performance of the Work, Contractor shall provide to the County and to the RMP Advisory Committee (as that term is defined in Exhibit A) an annual written report of the program, in the form similar to the agreed upon annual report. An annual report template will be designed in cooperation with representatives from Washington County, Multnomah County, and Clackamas County within 120 days of the Effective Date and will be subject to change at the reasonable request of all parties. A preliminary list of data points to be tracked and reported on the annual report is included in Exhibit A and shall be used as a starting point when negotiating the annual report template. Program information, data metrics and annual reports should only be shared with the involved county and not made public without the express written consent of the involved county, which consent shall not be unreasonably withheld, conditioned, or delayed.

31. COUNTERPARTS. This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

32. MERGER. THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER REFERENCED THEREIN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. NO AMENDMENT, CONSENT, OR WAIVER OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY ALL PARTIES. ANY SUCH AMENDMENT, CONSENT, OR WAIVER SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. CONTRACTOR, BY THE SIGNATURE HERETO OF ITS AUTHORIZED REPRESENTATIVE, IS AN INDEPENDENT CONTRACTOR, ACKNOWLEDGES HAVING READ AND UNDERSTOOD THIS CONTRACT, AND CONTRACTOR AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

By their signatures below, the Parties agree to the terms, conditions, and content expressed herein.

Company Name

Clackamas County

DocuSigned by:
Traci Manning
95D3FCF94C80418...

February 2, 2023

Authorized Signature

Date

Commissioner Tootie Smith, Chair

Date

Traci Manning

Executive Director

Name / Title (Printed)

Approved as to Form:

346350-86

Oregon Business Registry #


County Counsel

02/02/2023

Nonprofit/Oregon

Date

Entity Type / State of Formation

EXHIBIT A SCOPE OF WORK

I. Definitions.

- A. Regional Long-Term Rent Assistance (RLRA) Units/Households: RLRA households are those determined eligible as participants in the RLRA program by one or more of the three counties (Clackamas County, Washington County, or Multnomah County).
- B. Tenant-Based RLRA Units: Units in any housing configuration (scattered, clustered, dedicated, or mixed-use single site, etc.) rented on an individual basis to a RLRA eligible specific household.
- C. Project-Based RLRA Units: Units designated as project-based RLRA units by a contract between a participating owner and one or more of the three counties (Clackamas County, Washington County, or Multnomah County).
- D. Counties: Clackamas, Washington, and Multnomah County.
- E. Participating Owners: The legal owners of the properties that provide RLRA housing units funded by Clackamas, Washington, and Multnomah Counties that have access to payment of claims made under the Risk Mitigation Program (RMP).
- F. Physical Claim: A claim for physical damage to an RLRA unit or affecting the project as a whole (up to five (5) total units), caused by a RLRA household. It is assumed that all unit turnovers require a certain amount of repair that is not claim-eligible. Physical Claims may include excessive costs for cleaning, debris removal, extermination, repair of doors, walls, cabinetry, and/or other damage. Payment will not be made for expenses related to normal wear and tear or turnover costs described in the then-current RLRA Risk Mitigation Program Policies found at: <https://www.oregonmetro.gov/public-projects/supportive-housing-services/regional-coordination>.
- G. Operational Claim: A financial claim related to lost rental revenues or excessive operating expenses. Rent loss claims could include, but are not limited to, compensation for uncollected rent or excessive turnover time, including rent loss due to holding units available for RLRA household. Claims for excessive operational expenses may include, but are not limited to, legal costs related to evictions or costs to relocate a RLRA household to another project.
- H. RMP Advisory Committee: A group of 4-10 selected by HDC to give recommendations to improve the program. This group will not be involved in specific claim determinations. HDC will select members, assist the group in developing a charter, convene the group, and facilitate the meetings. All Participating Owners will be invited to attend committee meetings.
- I. Claimant: Participating Owner or their designee filing the claim and main contact for HDC throughout the claims process.

II. Introduction.

The RLRA program subsidizes monthly rents to make housing affordable for qualified low-income tenants. There are two types of RLRA subsidies:

- Tenant-based RLRA provides eligible households with a voucher that they can use to rent housing in the private market.
- Project-based RLRA attaches the rental subsidy to a specific unit, often in an affordable housing building, which is then rented to an eligible household.

The RLRA program is administered by different agencies depending on the county where the rental property is located. Clackamas, Washington, and Multnomah County each have their own RLRA programs with separate RLRA Administrator agencies (usually the county's housing authority) that manage the program in accordance with regionally consistent guidelines.

All RLRA Participating Owners will be provided access to a Risk Mitigation Program (RMP) that will cover costs incurred by Participating Owners related to unit repair, legal action, and limited uncollected rents that are the responsibility of the tenant and in excess of any deposit as part of the RLRA Regional Participating Owner Guarantee.

Each county's RMP is funded by that county and will be administered by the Housing Development Center (HDC), a not-for-profit entity, in alignment across the Counties. The RMP may be used to reimburse Participating Owners for:

- Costs to repair physical damages beyond normal wear and tear.
- Certain operating costs or rental losses.
- Other costs determined eligible by the County's designated program manager, as determined by the County in its sole discretion.

The RMP is intended to reimburse Participating Owners for expenses not covered by security deposits, insurance payments, or other forms of reimbursement (including the repairs reimbursement available to Participating Owners who sign the RLRA Supportive Services Partnership Agreement). Participating Owners must deduct payments from other sources and must notify HDC regarding filing for other payment source including but not limited to property insurance claims when submitting RMP claims.

III. Roles.

- A. HDC will be responsible for program operations, claims processing, fiscal management of the program, and reporting. Additionally, HDC will staff the RMP Advisory Committee and facilitate trainings and work sessions for Participating Owners. HDC will establish and implement procedures that are equitable, easy to use, cost efficient, and assure coverage for all of the RLRA units. HDC will have written procedures approved by the Counties and will provide annual written reports to the County and the Advisory Committee. HDC's written procedures must be in accordance with the Counties' RLRA RMP Policies.
- B. The Counties, in alignment, will set policies for the RMP and will review and approve/deny Advisory Committee recommendations regarding changes to the RLRA RMP Policies. Each county will manage their own RMP contract with HDC, notify HDC of their designated program manager for the County, determine which RLRA units are covered by the RMP in their respective county, and will review HDC's reports. Each county will fund their portion of the regionally aligned RMP according to the terms of their contract with HDC.

IV. HDC Responsibilities for the Administration and Operations of the RMP.

HDC shall perform the following services:

- A. Program Operation and Refinement: Recommend updates and refinement of the RLRA RMP Policies, including the types of claims to be paid under this Contract, in collaboration with the Counties. A then-current RLRA RMP Policies are available at: <https://www.oregonmetro.gov/public-projects/supportive-housing-services/regional-coordination>. The RLRA RMP Policies are subject to no less than yearly review by all parties.
- B. Process and Pay Claims: Contractor will be responsible for accepting claim requests, processing claims, determining eligibility (in accordance with the RLRA RMP Policies), and paying approved Operational and/or Physical Claims to Participating Owners, in accordance with the then-current RLRA RMP Policies found at: <https://www.oregonmetro.gov/public-projects/supportive-housing-services/regional-coordination>. The Counties and HDC agree that the number of claims is not under the control of HDC and the number of claims is not a performance measure, but that it establishes the expectations of the parties based on historic data from similar risk mitigation programs.
- C. Annual Reporting: During the term of the Contract, Contractor shall provide an annual report to the County that includes a narrative of the program activities as well as provides claims and financial data analysis to evaluate program success and outcomes.
- D. Survey: Create and use a survey that allows Participating Owners who have filed a claim to address the efficacy of the RMP and report the results to the County in the annual report due under this Contract.
- E. RMP Advisory Committee: Establish a RMP Advisory Committee to assist in the evaluation of the RMP activities including offering suggestions and feedback on potential program changes. Convene and facilitate at least two (2) meetings of the RMP Advisory Committee each year. Engage with the broader community of Participating Owners on any proposed changes to the operation of the RMP.
- F. Trainings and Event Participation: HDC will participate in regional and/or County RLRA events and meetings to provide information regarding the RMP and engage with Participating Owners.
- G. Website and Training Materials: Create and maintain a website with program information and training materials.
- H. Data Reporting: Collect, analyze, and report data in accordance with the reporting requirements in Section VI.

V. Performance Measures.

HDC shall meet the following performance measures:

- A. Recommend updates to the RMP Policies to the Counties.
- B. Convene at least two (2) meetings of the RMP Advisory Committee per year.
- C. Participate in regional and/or County RLRA events and/meetings to provide information regarding the RMP and engage with Participating Owners, as needed.

- D. Create and use an evaluation survey that allows jurisdictions and Participating Owners, and others as appropriate, to address efficacy of the RMP.
- E. Efficiently, fairly, and effectively process claims and be responsive to addressing concerns identified in Participating Owner post claim survey responses.
- F. Meet all material, written, County record retention and compliance requirements.
- G. Provide appropriate staffing support to assure that the RMP provides fair and consistent treatment of claims and minimizes administrative costs and burden for the program and for Participating Owners.
- H. Provide timely reimbursement to Participating Owners by ensuring the maximum time between the approval of a claim and payment to the claimant shall not exceed 120 days; however, HDC will not be responsible for paying claim amounts to Claimants if payment has not been received from the County.

VI. Reporting Requirements.

HDC will provide an annual written report of the program to the County and the RMP Advisory Committee by August 31 of each year. An annual report template will be designed in cooperation with the Counties within 120 days of contract execution and will be subject to change at the request of all parties. The report will contain a narrative addressing the performance measures and current year information on the RMP, including identities of Participating Owners and housing project, type of claim, cost of claim, amount paid by Participating Owner or insurance, and amount reimbursed by the RMP. The annual report will also include the data points and narratives as outlined below.

The program information, data metrics, and annual reports should only be shared with the involved county and not made public without the express written consent of the involved county.

The following data and information regarding the RMP will be tracked by HDC for the annual report and will be made available upon request by each involved county.

- A. Priority metrics for HDC to track through the claims process
 - 1. Submitted claims
 - a. Total dollars of submitted claims.
 - b. Total number of submitted claims.
 - c. Number of submitted claims by claim type.
 - 2. Reimbursed claims data
 - a. Total dollars of reimbursed claims.
 - b. Total number of reimbursed claims.
 - c. Number of reimbursed claims by claim type.
 - d. Number of reimbursed claims by dollar range.
 - e. Number of and dollar range of reimbursed claims by unit size.

- f. Average length of tenant occupancy before a claim is filed for both tenant and project based.
 - g. Average reimbursed claim amount.
 - 3. Denied claims and appeals data
 - a. Total number of denied claims.
 - b. Reasons for claims denials.
 - c. Number of appeals filed.
 - d. Number of appeals approved.
 - e. Dollar range of reimbursed claims that were awarded on appeal.
- B. Priority metrics for HDC to track through a post claim survey

HDC will design and conduct a post claim survey to Participating Owners which shall aim to gather at least the following data points:

 - 1. Percentage of reimbursed claims with total costs above the claim limit.
 - 2. Satisfaction with the claims process.
 - 3. Interest in leasing to another RLRA household.
 - 4. Interest in the RMP Advisory Committee.
- C. Narrative in annual report

The narrative section of the annual report must include:

 - 1. Data interpretation/analysis.
 - 2. Racial equity commitment, actions, and outcomes.
 - 3. Engagement, training, and marketing activities.
 - 4. RMP Advisory Committee activities.

VII. Disbursement of Funds.

Following the approval of a claim, HDC will request reimbursement from the appropriate county for the eligible claim amount. HDC will pay the Claimant directly for approved claims in the timeline below and must follow regulations, policies, and procedures outlined in its contract with the County, as well as its internal fiscal policies, when making disbursements of RMP funds.

- A. HDC will invoice the County by the 15th of the month for all claims approved during the prior month and will include all required supporting documentation.
- B. The County will remit payment within 30 days to HDC.
- C. Following receipt of the payment from the involved county, HDC will pay the Claimant within 30 days of receiving payment.

D. Payments will be made to the Claimant in accordance with the payment selection indicated on the initial claim form.

The payment timeline is subject to change, with approval of the involved counties; however, the maximum time between the approval of a claim and payment to a Claimant shall not exceed 120 days. HDC will not be responsible for paying claim amounts to Claimants if payment has not been received from the County.

VIII. Invoices.

HDC will invoice the County on a monthly basis for the operations of the RMP program and the County will pay invoices within 30 days. Start-up/expansion, regional program, and County specific claims processing expenses will be paid on a reimbursement schedule while approved claim amounts will be invoiced by HDC to the impacted county and paid prior to HDC paying the Claimant. HDC will pay claims to Participating Owners within 30 days of receipt of payment from the County and will provide proof of payment to the Claimant to the County with their next invoice.

An invoice template shall be designed and agreed upon by the Counties within 120 days of contract execution and will be subject to change at the request of all parties. Invoices will categorize expenditures into four broad budget categories of start-up/expansion, regional program, claims processing, and direct claims expense. The start-up/expansion and regional program expense categories will be further broken down into subcategories of staff and direct expenses.

EXHIBIT B

Billable Rates and Budget

Clackamas County

Billable Hours Table. Billable hours will be paid according to the billable hours table below and will be charged to the County based on timecard data. Rates are subject to change annually and HDC will provide the County with an updated rates table no less than 30 days prior to billing at the new rates.

Rates for Year 1: 2/16/23-6/30/23

Role	Billable Rate per Hour
Executive Director	\$180
Program Director	\$175
Senior Project Manager	\$170
Project Manager	\$160
Associate Project Manager	\$145
Project Assistant	\$135
Comms and Office Manager	\$99

Budget Table. First year budget based on prorated expenses February 2023-June 2023. Total contract value is \$2,391,607.08 for 4 years.

Budget Categories	Year 1	Year 2	Year 3	Year 4
	2/16/23-6/30/23	7/1/23-6/30/24	7/1/24-6/30/25	7/1/25-6/30/26
	(~29 claims)	(~80 claims)	(~108 claims)	(~125 claims)
Start-up/Expansion Staff	\$12,734.00	\$0.00	\$0.00	\$0.00
Start-up/Expansion Direct	\$3,200.00	\$0.00	\$0.00	\$0.00
Regional Program Staff	\$9,160.00	\$16,488.30	\$17,312.72	\$18,178.35
Regional Program Direct	\$149.00	\$156.45	\$164.27	\$172.49
Claims Processing	\$27,840.00	\$67,200.00	\$95,256.00	\$115,762.50
Direct Claims	\$145,833.00	\$445,000.00	\$657,000.00	\$760,000.00
Total	\$198,916.00	\$528,844.75	\$769,732.99	\$894,113.34

Budget Categories. The budget categories and subcategories are detailed below.

1. Start-up/expansion expenses:

To be allocated to the County based on the funding percentages allotted for the Metro Supportive Housing Services Measure. The current allocation percentages are as follows: 21.3% Clackamas County, 33.3% Washington County, and 45.3 % Multnomah

County. It is the responsibility of the Counties to notify HDC of any changes in allocation percentages. Start-up/expansion expenses have two subcategories, staff and direct, and should be reported as such on invoices.

a. Staff expense:

Includes hours directly billable to promoting and furthering the work of this regional program start-up/expansion not associated with a specific claim. This expense category may include costs associated with staff time attending regional partner meetings, regional trainings, landlord engagement activities, RMP Advisory Committee design, and outreach, etc. Staff expenditures must detail staff name, role, hourly billable rate, details of the work performed, and hours performing the work. HDC must provide sufficient detail and description for each staff expenditure to allow the County to determine if staff expenses were appropriately incurred for the RMP.

b. Direct expense:

Direct costs for program start-up/expansion would include costs associated with setting up or furthering the program that are not factored into the ongoing billable rates of staff expense. This category would include expenses such as website development, upgrading for digital claims processing, promotional material development, etc. Supporting documentation should include copies of receipts, third party vendor contracts, etc. to be included with the invoice.

2. Regional program expense:

To be allocated to the County based on the funding percentages allotted for the Metro Supportive Housing Services Measure. The current allocation percentages are as follows: 21.3% Clackamas County, 33.3% Washington County, and 45.3 % Multnomah County. It is the responsibility of the Counties to notify HDC of any changes in allocation percentages. Regional program expenses have two subcategories, staff and direct, and should be reported as such on invoices.

a. Staff expense:

Includes hours directly billable to operate this regional program not associated with a specific claim. This expense category may include costs associated with staff time attending regional partner meetings, regional trainings, etc. Staff expenditures must detail staff name, role, hourly billable rate, details of the work performed, and hours performing the work. HDC must provide sufficient detail and description for each staff expenditure to allow the County to determine if staff expenses were appropriately incurred for the RMP.

b. Direct expense:

Direct costs for the regional program would include costs associated with operating the program that are not factored into the ongoing billable rates of staff expense. This category would include expenses such as mileage, parking fees, event fees, etc. Supporting documentation should include copies of receipts, third party vendor contracts, etc. to be included with the invoice.

3. Claims processing expense:

Staff time directly billable at the approved hourly rate for staff role involved in processing claims and determining eligibility for payment from the RMP. This should be specific for

each county's claims and will not be allocated by percentages as regional program expenditures.

4. Direct claims expense:

Amounts of approved claims to be paid to Claimants by HDC when claim is approved as eligible for payment from the RMP. Expenditures shall be specific for each county's claims approved for payment. The approved claim forms shall serve as supporting documentation for pre-payment at invoicing. Confirmation of payment to the Claimant shall be submitted with the following month's invoice.

Appropriation Requirement. County will not pay, and HDC will not seek payment for, any amounts in excess of the maximum not to exceed amount of \$2,391,607.08. In the event it appears that the budget may exceed \$2,391,607.08, the parties will negotiate in good faith to address the issue which may include, but is not limited to, the County seeking approval of appropriation of additional funds, HDC pausing future work pending such appropriation, or mutually terminating the Contract.

Regional Long-Term Rent Assistance Risk Mitigation Program Policies

Section A: Introduction and Guiding Principles

The Regional Long-term Rent Assistance (RLRA) program subsidizes monthly rents to make housing affordable for participating low-income tenants. There are two types of RLRA subsidies:

- Tenant-based RLRA provides eligible households with a voucher that they can use to rent housing in the private market.
- Project-based RLRA attaches the rental subsidy to a specific unit, often in an affordable housing building, which is then rented to an eligible household.

The RLRA program is administered by different agencies depending on the county where the rental property is located. Clackamas, Washington, and Multnomah County each have their own RLRA programs with separate RLRA Administrator agencies (usually the county's housing authority) that manage the program in accordance with regionally consistent guidelines.

Each type of RLRA involves a different type of contract between the landlord (Participating Owner or their representative) and RLRA Administrator:

- Landlords leasing to tenant-based RLRA voucher holders sign an *Agreement for Rent Assistance* with the RLRA Administrator. Under the agreement, the RLRA Administrator commits to pay a portion of the voucher holder's monthly rent directly to the landlord.
- Housing owners participating in the project-based RLRA program sign a *Regional Housing Assistance Payments Contract* with the RLRA Administrator designating specific units as RLRA contract units for a term of 1-20 years. Under the contract, the owner commits to rent the RLRA units to eligible households and the RLRA Administrator commits to pay a portion of the monthly rent for those units directly to the owner.

All RLRA landlords will be provided access to a Risk Mitigation Program (RMP) that will cover costs incurred by participating landlords related to unit repair, legal action, and limited uncollected rents that are the responsibility of the tenant and in excess of any deposit as part of the RLRA Regional Landlord Guarantee.

Section B: Program Policies

I. USES/ LIMITS OF THE RMP

Each County's RMP is funded by that county and administered by the Housing Development Center (HDC), a not-for-profit entity, in alignment across the three counties.

The RMP may be used to reimburse Participating Owners for:

- Costs to repair physical damages beyond normal wear and tear.
- Extraordinary operating costs or rental losses.
- Other costs determined eligible by the county's designated program manager.

The RMP is intended to reimburse Participating Owners for extraordinary expenses not covered by security deposits, insurance payments, or other forms of reimbursement (including the repairs reimbursement available to landlords who sign the RLRA Supportive Services Partnership Agreement). Claimants are required to deduct payments from other sources before submitting their claim.

Claim limits for tenant-based RLRA units

The maximum claim limit for tenant-based RLRA is \$5,000 per household for the duration of the tenancy. Multiple claims can be filed for the same household over the course of the tenancy as long as the cumulative total of all claims does not exceed the \$5,000 limit. If there is physical damage to multiple units, including non-RLRA units, as a result of actions of an RLRA participant (such as fire or water damage to surrounding units), the total claim limit is the maximum limit per household multiplied by the number of units impacted, up to 5 total units (\$25,000).

Lifetime claim limit for tenant-based RLRA units

There is no lifetime limit for tenant-based RLRA. The claim limit resets with each new unit tenancy. Lease renewal does not reset the claim limit.

Claim limits for project-based RLRA units

The maximum claim limit is indicated in the following schedule. If there is physical damage to multiple units, including non-RLRA units, as a result of actions of an RLRA client (such as fire or water damage to surrounding units), the total claim limit is the maximum per unit (from the schedule below) for each of the units impacted, up to 5 total units.

Project-based RLRA claim limit table

• SRO units	\$10,500
• Studio units	\$12,600
• One-bedroom units	\$14,000
• Two-bedroom units	\$20,300
• Three-bedroom units	\$25,000
• Four-bedroom units & up	\$30,000

Lifetime limit for project-based RLRA

Project-based RLRA properties have a lifetime limit that is the cumulative amount determined by multiplying the number of eligible RLRA units by the amounts in the *project-based RLRA claim limit table*. The lifetime limit is a cumulative limit for the property over the duration of the program. Exceptions to this lifetime limit may be requested by the Participating Owner and will be reviewed by the program manager for that county.

Claim limits for both tenant and project-based RLRA will be reviewed by the RMP Advisory Committee each year. The committee may recommend limit changes to the three counties based on program data, the Consumer Price Index (CPI), or other determining factors. These claim limit changes will be subject to approval from the three counties prior to implementation by HDC.

II. SUMMARY OF PROGRAM

HDC will administer the RMP, will have lead responsibility for the program, and process claims. The RMP will reimburse Participating Owners for eligible financial losses caused to RLRA units through a claims process.

III. ROLES

A. Participating Owners

For tenant-based RLRA units:

All property owners leasing to tenant-based RLRA voucher holders will be covered by the RMP for that unit.

For project-based RLRA units:

All property owners with designated project-based RLRA units will be covered by the RMP for the designated units.

B. RMP Advisory Committee

The RMP Advisory Committee is comprised of 4-10 members who have experience in providing homeless services, affordable housing ownership, property management, and/or lived experience of homelessness. The RMP Advisory Committee is not a Metro or SHS advisory body but will share many of the same values.

HDC will be responsible for the selection of committee members. All Participating Owners will be encouraged to attend committee meetings and/or to join the committee.

Committee membership will prioritize:

- People from Black, Indigenous and people of color and other marginalized communities.
- People with lived experience of homelessness and/or extreme poverty.
- Representation ensuring geographic diversity, ensuring that there is at least one member of the committee who lives or works in each of the three counties.

HDC will work with the committee to develop a charter as well as provide ongoing staffing and logistical support for the committee.

The RMP Advisory Committee will be charged with providing recommendations on how the RMP can best mitigate financial risks associated with renting to RLRA voucher holders or owning units with project-based RLRA vouchers. The RMP Advisory Committee makes recommendations regarding the RMP to the three counties and is supported by HDC. The RMP Advisory Committee will make recommendations on a program level and will not have authority to make recommendations on any individual claim. Therefore, it is reasonable and likely that membership will include owners or managers of properties covered by the RMP.

C. Housing Development Center (HDC)

HDC will provide administrative services for the RMP through separate but similar contracts with each of the three counties: Clackamas, Washington, and Multnomah. HDC will be responsible for program operations, claims processing, fiscal management of the program, and reporting. Additionally, HDC will staff the RMP Advisory Committee and facilitate trainings and work sessions for Participating Owners. HDC is charged with establishing and implementing procedures that are fair and equitable, easy to use, cost efficient, and ensure coverage for all of the RLRA units. HDC will have written procedures approved by the three counties and will provide annual written reports to the three counties and the RMP Advisory Committee.

D. Clackamas, Washington, and Multnomah County

The three counties, in alignment, will set policies for the RMP and will review and approve/deny RMP Advisory Committee recommendations regarding changes to the RMP policies. Each county will manage their own RMP contract with HDC, notify HDC of their designated program manager for the county, determine which RLRA units are covered by the RMP in their respective county, and will review HDC's reports. Each county will fund their portion of the regionally aligned RMP according to the terms of their contract with HDC.

Section C: Claims and Procedures

I. CLAIM TYPES

There are two types of claims for the RMP: physical and operational.

B. Physical Claims

Claims for excessive physical damage to an RLRA unit, or affecting the building as a whole, caused by an eligible household.

All unit turnovers require a certain amount of repair for normal wear and tear that would not be covered by the RMP. RMP claims should be reserved for excessive physical damages and funds received from security deposits, insurance payments, or other forms of assistance will be deducted from the eligible claim amount.

1. Physical claims could include the following:
 - a. Excessive cleaning.
 - b. Debris removal.
 - c. Extermination.
 - d. Repair of doors, walls, cabinetry.
 - e. Other damages exceeding those normally experienced.
 - f. An administrative fee for supervision of repairs up to 5% of the amount of the qualifying physical repairs.
 - g. Damage to common areas by an RLRA tenant, household member, or guest may qualify.
 - h. Damages to up to five (5) total units, including RLRA and non-RLRA units, as a result of the actions of an RLRA household or guest of an RLRA household from situations such as fire or water damage.

2. Physical claims do not include the following:
 - a. Normal wear and tear including, but not limited to, minor carpet repairs.
 - b. Normal turnover costs including, but not limited to, cleaning and painting costs.

C. Operational Claims

Operational claims are related to excessive operating losses including claims for a limited amount of lost rent revenues.

1. Claims for excessive operational expenses could include:
 - a. Legal fees associated with an RLRA household for a violation of lease or state law may be claimed. If claiming legal fees, the Claimant must submit a detailed description and documentation of the preemptive steps taken to resolve the situation and avoid legal proceedings. Preemptive steps must include multiple attempts to engage with the tenant and service provider, if applicable. Claims involving legal fees may be denied based on a lack of good faith efforts or insufficient supporting documentation by the Claimant to resolve the situation and avoid legal proceedings or eviction.
 - b. Relocation expenses, including moving a tenant's belongings, are eligible when the move is necessary to protect the property, staff, or other tenants from physical harm.
 - c. Rent, late fees, or lease break fees that are owed by an RLRA household but not collected, not to exceed 90 days.
 - d. Lost rental income based on RLRA type:
 - Tenant-based:* Loss of rental income during the time required for repairs.

Project-based: Rent during vacant turnover time when that period exceeds 60 days or holding units for RLRA qualified tenants beyond 60 days.

e. Other unpaid tenant charges such as utilities may be included.

2. Claims not eligible for reimbursement include:

- a. Any increase in insurance premiums.
- b. Claims for supportive services.
- c. Lost rent during initial lease-up period.

D. Security Deposits, Insurance, and Other Adjustments

The paid claim amount will be reduced by any and all amounts paid from these sources:

1. Security deposits.
2. Insurance claims (property or renter's insurance).
3. Collections.
4. Repair reimbursement available to Participating Owners who sign the RLRA Supportive Services Partnership Agreement at move in.
5. Any other form of assistance.

The RMP is not meant to be a replacement for insurance or filing an insurance claim. If the Claimant is filing an RMP claim greater than \$10,000 and choosing not to file an insurance claim, HDC may elect to (1) pay the eligible claim; (2) reduce the claim to the amount of the Claimant's insurance deductible; or (3) deny the claim in its entirety.

Any amount paid to the Claimant from the RMP must be reduced from the amount owed by the RLRA household involved in the claim.

II. CLAIMS PROCESS REQUIREMENTS

HDC will design and implement a claims process and all forms used in filing claims, appeals and for documentation purposes. The claims process and forms will be approved by each county prior to use. HDC will allow claims to be filed through multiple methods including via their website. Internal processes and forms may differ between the counties; however, the claims process for Claimants will be in alignment across the three counties according to the following guidelines.

A. Certification of Units

The RMP can be used only for RLRA voucher units qualified by one of the three counties. HDC, with support from each county, is responsible for confirming units are covered by the RMP and households are qualified for the RLRA program before making a claim determination.

1. For tenant-based RLRA, HDC will confirm that units are housing RLRA households by requesting a copy of the *Agreement for Rent Assistance* for the unit/household from the Claimant.
2. For project-based RLRA, HDC will maintain a database of projects and units in the RLRA program. The counties will provide HDC copies of the *Regional Housing Assistance Payments Contracts* when they are signed for new projects, and will update HDC annually, or as needed.
3. For project-based RLRA properties that have a mix of RLRA and non-RLRA units, unit verification may be needed.

B. Filing a Claim

Claim requests must be submitted by the Claimant following the claims process determined by HDC. Claimants will be required to initiate the claims process by submitting a claim form within 12 months of the date of the incident, or the date of the landlord inspection, if the tenant has not made the landlord aware of damages. Any claim not submitted within 12 months of the date of the incident, or the date the incident could have reasonably been discovered in the exercise of reasonable care, will be denied in its entirety. HDC will design all claim forms and will make forms available to Claimants on the HDC website, by email, or by mail, upon request.

The claim form and supporting documentation will be designed to gather the following information for claim determination:

1. For all types of claims:
 - a. Claimant.
 - b. Project name and address.
 - c. Unit number and residing household.
 - d. Statement that the unit is being used as an RLRA unit.
 - e. Claim amount requested.
 - f. Type of claim (could be more than one for a single unit/incident).
 - g. Reductions for reimbursement from other sources including security deposits, insurance, collected rent for period, or other programs, etc.
 - h. Explanation of reason for claim request and a self-certification that all costs are actual costs and not being reimbursed from other sources.
 - i. If claim is approved, designation for the payee.
2. For physical damage claims only:
 - a. Physical damage itemization, or a comparable form and attach a description, work order or contract, of the proposed repairs.
 - b. HDC may conduct an inspection of physical damage, if photos provided are not sufficient, for determination.
 - c. HDC will use the property manager's documentation for security deposits as a way of determining when repairs are beyond normal wear-and-tear.

- d. Five percent of the construction costs is allowed as an additional administrative fee for supervising the repairs.
3. For operational loss claims only:
 - a. Operational damage itemization, or comparable form and attach a brief explanation of what occurred and what actions the owner and/or manager took to limit losses.
 - b. Owners must attach the property manager's documentation used to make claims against security deposits.

Once a claim is initiated, HDC will review the documentation received and will make requests for additional documentation or information, as needed, for determination. Claimants may request an extension from HDC, for an additional 12 months, to fulfill all documentation requests requested by HDC if the claim was initiated within 12 months of the incident or inspection. A complete claim submission will include a complete claim form, all required supporting documentation requested by HDC, and responses to all HDC questions regarding the claim.

C. Claim Verification

Complete claim submissions will be reviewed by the HDC Asset Management staff. HDC will verify each of the following:

1. The unit is eligible for the RMP.
2. The application is complete.
3. Physical and operational losses have supporting documents to substantiate expenses.
4. The eligible claim amount and cost reasonableness of the claim.

D. Claim Decision and Disbursement of Funds

HDC will notify the Claimant of the approval/denial of the claim within ten business days of determination. HDC will include information regarding the appeals process in all claim notifications. Notifications for claim approvals will also include the determined eligible claim amount and payment timeline. Following the approval of a claim, HDC will pay the Claimant directly within 120 days of approval. HDC will not be responsible for paying claim amounts to Claimants if payment has not been received from the County.

E. Appeals

Claimants may file an appeal through the appeals process determined by HDC. Claimants filing an appeal will be notified by HDC within ten business days of a final decision. HDC may consult with the involved County's designated program manager and the County may grant exceptions to the policy if doing so is determined to be in the best interest of the relevant County's RLRA program.