

Clackamas County Recovery Oriented Services Scattered Site Acquisition Program

REQUEST FOR EXPRESSIONS OF INTEREST

for

Real Estate Acquisition for Recovery Oriented Services
Supported by One-time Capital Grant Funding, Ongoing Rent
Assistance, and/or Services Funding

November 18, 2024



Responses received prior to January 10, 2025 will be included for initial consideration

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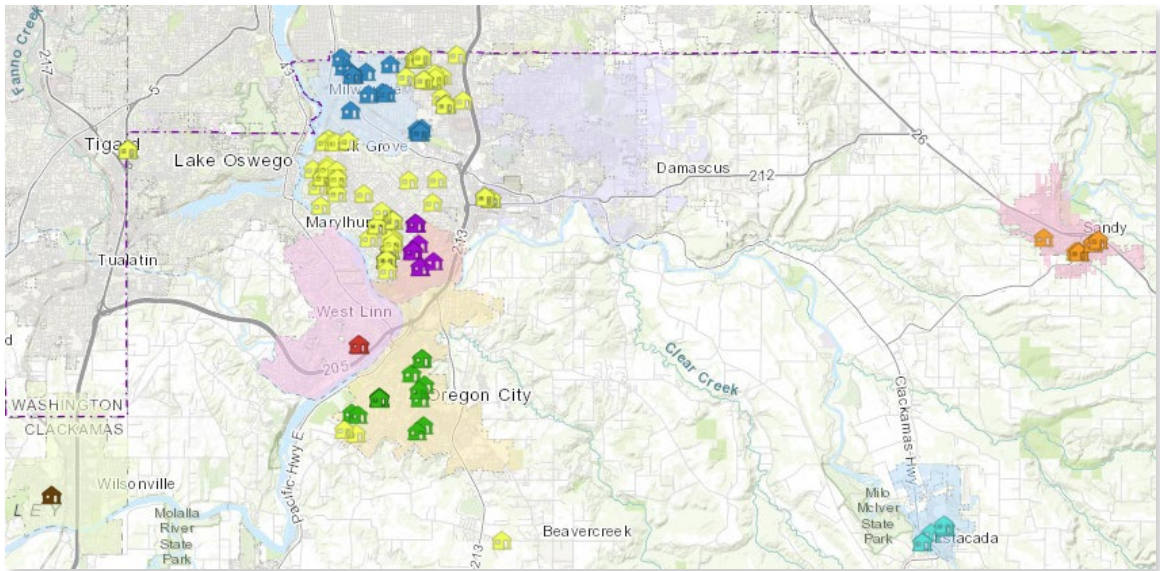
Authority Contact

For all questions related to this Request for Expressions of Interest (RFEI), please email: SSInfo@clackamas.us with subject: SHS RFEI. No other forms of communication will be accepted.

1. Introduction & Overview

Introduction

The Housing Authority of Clackamas County (HACC or Housing Authority) is currently in the process of initiating a Public Housing Disposition (Section 18) of the Public Housing Authority's (PHA) Single Family Home (SFH) portfolio. The portfolio consists of 114 single family homes, 12 duplexes, 1 triplex, and 1 fourplex located in Clackamas County (145 total units in 128 total properties). Like many PHAs, the Housing Authority has determined that operating its scattered site portfolio under the Public Housing program is unsustainable given insufficient capital and operating resources provided by the federal Public Housing program and higher expenses accompanying single family homes in comparison to multifamily developments. This is a nationwide trend and the Department of Housing and Urban Development (HUD) has incentivized single family home dispositions by PHAs in recent years.



The Housing Authority of Clackamas County and Clackamas County are seeking to preserve up to 75 of the 128 properties to serve individuals and households that are in need of recovery-oriented services and are at risk of or are experiencing long-term homelessness. This will happen through partnerships with qualified organizations, such as Community Based Organizations (CBOs), Medicaid Agencies, and other service providers, identified to acquire one or more properties through this Request for Expressions of Interest. Acquisitions will be incentivized with one-time capital grants totaling approximately \$10.0 million and the commitment of rent assistance and/or operating subsidies/gap funding, which could include Supportive Housing Services (SHS) funding for houses within the Metro area Urban Growth Boundary, resources from Medicaid Housing Support benefits (Section 1115 Demonstration Waiver), or other long-term funding. **These funds will be made available through a separate Notice of Funding Opportunity (“NOFO”) to be issued subsequently by Clackamas County.**

The purpose of this RFEI is not to provide funding, but to identify organizations interested in acquiring one or more of the properties for eligible uses.

Clackamas County & Housing Authority Overview

Clackamas County is both a rural and suburban county located on the southeastern edge of Portland, Oregon. Clackamas County, in north central Oregon, is one of the four counties that make up the Portland, Oregon, metropolitan area. Its boundaries extend from the City of Portland to the Mt. Hood National Forest. It is bounded by Multnomah County to the north, Wasco County and Hood River counties to the east, Marion County, home of the State Capitol, to the south, and Yamhill and Washington counties to the west. Clackamas County is Oregon's third-most populous county with a population of approximately 435,000 people. The County spans nearly 1,900 square miles and is roughly equivalent to the size of the state of Delaware.

The eastern half of the County is primarily rural with its main industries in the forest products, agricultural, and tourism sectors. The western side of the County is within the regional urban growth boundary (UGB) and is largely suburban, with industrial and light commercial transit and commerce corridors.

As the oldest housing authority in Oregon, the Housing Authority of Clackamas County has been providing affordable housing and community services to Clackamas County's most vulnerable residents since 1938. In part, the Housing Authority's mission is to expand the supply of affordable housing to break the cycle of poverty, while improving the quality of life for the entire community. The Housing Authority's portfolio consists of over 1,000 units of affordable housing, including 391 units of public housing undergoing repositioning.

Supportive Housing Services Overview

In May of 2020, voters across the region approved the Metro Supportive Housing Services (SHS) Measure, which imposed a 10-year tax on high-income earners and business to fund services for individuals at risk of or experiencing long-term homelessness. Supportive Housing Services funding is administered by Clackamas County. It supports a variety of programs aimed at addressing homelessness, including outreach and engagement, emergency shelter and transitional housing, housing placement and retention, and permanent supportive housing.

Through this Request for Expressions of Interest, the Housing Authority and Clackamas County are seeking to identify agencies interested in acquiring one or more of the scattered sites to preserve affordability and deliver housing services programs. The types of housing services the County is seeking to expand through this solicitation include, but are not limited to, housing for:

- Medical respite
- Recovery
- Alcohol and drug free living
- Sobering/withdrawal management
- Therapeutic group homes or foster care homes for long term behavioral support, treatment for severe and persistent mental illness, substance use or chronic mental health conditions
- Hospice programs that accept and specialize in supporting people who have been chronically homeless
- Step-down programs for people in critical life transitions such as those leaving the Oregon State Hospital or correctional institutions
- Short-term crisis and wrap-around support for people living in supportive housing that are facing short-term acute crisis
- Population specific needs, such as by age, families, and gender
- Other options needed to make homelessness in Clackamas County, rare, brief and non-reoccurring

Acquisitions for these services will be incentivized with one-time capital grants totaling approximately \$10.0 million and the commitment of rent assistance and/or operating subsidies/gap funding, which could include Supportive Housing Services (SHS) funding, resources from Medicaid Housing Support benefits (Section 1115 Demonstration Waiver), or other long-term funding. **These funds will be made available through a subsequent Notice of Funding Opportunity (NOFO) to be issued by Clackamas County.**

Solicitation Overview

This Request for Expressions of Interest (RFEI) sets forth the Housing Authority's intentions for this project, including the selection criteria and selection process. This RFEI is intended to provide flexibility. The Housing Authority is not seeking detailed proposals for the sites or portfolio at this time. Rather, the Housing Authority seeks expressions of interest from Community Based Organizations (CBOs), Medicaid Agencies, and other service providers who may have interest in owning and maintaining one or more properties from the scattered site portfolio for the purposes of delivering recovery-oriented housing services.

Based on the responses to this RFEI, the Housing Authority intends to select more than one respondent that will acquire one or more of the scattered sites. The Housing Authority will enter into exclusive negotiations with each selected party. Negotiations will include the Housing Authority and Clackamas County offering technical assistance to help design programs and identify long-term funding streams, as needed by the proposer.

One-time Capital Grants and Rent Assistance and/or Services Funding

The County intends to make funding available through grants of at least 20% of the purchase price of each property, and larger allocations to meet county goals where other resources are not available to support acquisition and/or operations. The grants will be issued through a separate NOFO process. The grants will likely require certain a restrictive covenant or other encumbrance running with the land that ensures use of the property for SHS purposes.

Please be aware that any proposer who is interested in a grant to assist in acquisition of a property will need to respond to the subsequent County-issued NOFO. Grant funding is *not* being made available as part of this RFEI.

The subsequent NOFO is a separate process, and applicants will be reviewed and evaluated for eligibility for funding under the terms and conditions of that NOFO.

However, the Housing Authority or HCDD may also provide rent assistance and/or operating subsidies/gap funding. This could include rent assistance vouchers, such as those from Regional Long-Term Rent Assistance (RLRA) program, resources from Medicaid Housing Support benefits (Section 1115 Demonstration Waiver), or other long-term funding. This funding will also be issued through a subsequent NOFO.

The goal of this RFEI is to identify providers interested in this acquisition opportunity and assess program plans and resource needs related to:

1. Up-front acquisition costs.
2. Property holding costs, including capital improvement and asset preservation.
3. Program delivery and room/board costs.
4. Flexible funding to help people navigate long-term housing needs.

Submittal and Review Process Overview

The Housing Authority has identified criteria it will consider when evaluating responses to this RFEI. Those criteria include each proposal's responsiveness to the objectives set forth in Section 3.

The deadline for submittals is **January 10, 2025 at 5:00 PM (PST)**. The Housing Authority will enter into exclusive negotiations with successful respondents following the deadline

Address RFEI responses and questions to: SSInfo@clackamas.us with subject: SHS RFEI

The Authority reserves the right to cancel or postpone this RFEI at any time and for any reason.

2. Program Goals and Information

Overview

The Housing Authority seeks expressions of interest from proposers for the acquisition of scattered site single family homes to provide recovery-oriented housing with supportive services to households at risk of or experiencing homelessness. The acquisition will include certain encumbrances on the property that restrict use to criteria to be established by the Housing Authority as required by funding sources granted for the acquisition and/or operations. The Housing Authority is open to various models of service delivery as well as a range of units proposed for acquisition by each respondent, with a preference for proposals seeking to acquire 5 or more units.

Program Goals

The Housing Authority and the County are seeking to expand community capacity to deliver critical recovery-oriented housing opportunities for **people at risk of or experiencing long-term homelessness**. They types of housing opportunities the County is seeking to expand through this solicitation include, but are not limited to:

1. **Medical Respite Housing:** For people who no longer require acute treatment in a hospital but are not able to take care of their medical needs on the street. This program type requires discharge and a discharge care plan from a hospital/physician indicating that the person does not meet hospital or nursing facility level of care, but is not able to recover without support from others or on the street (i.e., without running water, electricity, access to specific nutritional needs). The County hopes to develop approximately 20 Medical Respite beds. For more information regarding Medical Respite, please visit: <https://nimrc.org/>.
2. **Recovery Housing:** For people recovering from substance use disorders (SUD) or other similar substance use conditions. Recovery housing mindfully cultivates prosocial bonds and a sense of community that is recovery oriented. Often peer recovery support services and other types of services may be included in recovery housing.
3. **Alcohol and Drug Free Housing:** For people who are currently homeless or are transitioning out of substance use treatment facilities or other facilities that prefer living in an alcohol and drug free housing situation.
4. **Sobering/Withdrawal Management:** For people who are intoxicated and nonviolent to safely recover from the debilitating effects of alcohol and/or other substances. The centers typically operate 24 hours a day, seven days a week, and have lengths of stay ranging from as short as 4 hours to just under 24 hours. The primary purpose is to help someone recover in a safe environment outside of correctional facilities or hospitals. Detoxification centers support individuals in the gradual and complete cessation of alcohol consumption or other drug use over a period of days. Typically people transfer from detoxification centers to alcohol and drug free housing or other substance use disorder treatment.

5. **Therapeutic Group Homes/Foster Care Homes:** For people with Severe and Persistent Mental Illness (SPMI), long-term Substance Use Disorder (SUD), and other chronic mental/behavioral health conditions, or crisis interventions that require long-term support. Therapeutic group homes/foster care homes should operate in a way that supports a person with their behavioral health management (including medication management, attendant care supports, assistance with scheduling and attending medical/therapeutic appointments, creating and implementing behavior support plans/services, etc.)
6. **Hospice:** For people who have been chronically homeless with an anticipated 6 months or less to live, when cure is not an option. Oregon currently supports several Hospice programs. In order to receive this funding for Hospice housing the applicant must be willing to accept referrals from Clackamas County or CBOs who provide housing services in Clackamas County for people who are chronically homeless, or currently homeless.
7. **Step-down Programs for People in Critical Life Transitions:** For people who are transitioning out of the Oregon State Hospital, a correctional facility, group home or foster care, or other setting and still require some services and care. This housing would be for people transitioning from a higher level of care, who eventually plan to transition to independent living or living in a place with supportive housing services. Associated services would assist in this transition, including housing navigation, case management and flexible funds to help the person transition to their long-term housing. Essentially this service creates a “soft landing” for people who need additional time and supports to transition from institutional type services to independent living situations.
8. **Short-term Crisis Housing:** For people currently in independent living, supportive housing services, or any other county funded housing program who have a short-term crisis involving the need for temporary hospitalization or other crisis supports. This housing and associated service would be designed to provide a temporary housing situation where people could receive supports such as medication management, medication administration, behavioral intervention/planning, attendant care and other needed supports to have an opportunity to return to “baseline” and their previous housing. Typically these services and supports would be provided for a few days to a few months.
9. **Population Specific Housing:** For specific populations such as those 65 and older, people with Intellectual/Developmental Disabilities, youth and young adults, LGBTQAI+, gender specific, or other populations who might prefer living with people similar to them.
10. **Family Specific Needs:** For families that have children with significant behavioral or medical needs that often are not able to be sheltered in a hotel or other setting. This might include families who have previously had child welfare involvement, families with children with Intellectual or Developmental Disabilities or behavioral health conditions.
11. **Other Housing Designed to Make Homelessness Rare, Brief and Nonrecurring:** There may be other programs within the state of Oregon or nationally that could help Clackamas County achieve its goal to make homelessness is rare, brief and nonrecurring. If the specific housing type/service type is not listed above but could be of assistance to achieve this goal, please describe the housing/service in your application, including details regarding services delivered, funding type, housing need, potential outcome and any specific licensure requirements.

Creative & Innovative Concepts Encouraged

The Housing Authority has proposed a structure for the acquisition of the properties identified in this solicitation, but is open to alternatively structured acquisitions insofar as the structure aligns with the program goals. Respondents can propose alternative structures and are encouraged to pursue creative and innovative concepts that incorporate other sources of funding. The ability to close the transaction(s) in a timely fashion is a critical component of the selection. Should the proposer suggest alternative acquisition programs or structures, a preference will be placed on the ability to secure such financing quickly.

Intentional Simplicity & Flexibility

This RFEI is intended to be simple and to provide flexibility for the Housing Authority and respondents to work through key details as part of exclusive negotiations. This solicitation does not require a complex or expensive response on the part of prospective respondents. The Housing Authority is looking for creative responses that detail the respondent's ability to successfully acquire one or more properties and deliver services in alignment with program goals.

Additional Details

The acquiring entity will own the scattered site unit(s) acquired through this solicitation. Respondents may propose acquiring up to 75 units. Based on the Department of Housing and Urban Development (HUD) requirements, the acquisition purchase price must be supported by an appraisal completed prior to acquisition. The Housing Authority will work with respondents to identify specific properties proposed for acquisition as part of exclusive negotiations.

3. Selection Criteria & Process

Selection Criteria

The following are the criteria that the Housing Authority will use in evaluating responses to this RFEI. Note that depending on the nature of any particular proposal, not all of these criteria may apply.

- Financial capacity to acquire the property and sustain program operations.
- Services proposed in alignment with program goals.
- Agency and management experience delivering similar programs.
- Proposed number of units to acquire and timeline, with priority given to respondents that propose to acquire five or more sites and can move quickly.

Post-Selection Process

Upon selection, the Housing Authority will enter into exclusive negotiations with the selected respondent(s) to negotiate the terms of the transaction. During this period, the Housing Authority will work with the selected respondent(s) on the proposed program, deal structure, financing, and other components may be modified as a more defined proposal is developed. The Housing Authority may, at any time, and in its sole discretion, cease negotiations with the selected respondent or respondents.

During this post-selection, but pre-sale phase, the Housing Authority may negotiate a Memorandum of Understanding (MOU), term sheet, or other agreement with the selected respondent, setting forth in non-binding terms the financial, programmatic, and other general aspects of the sale. This agreement will also serve as the basis for the negotiation and execution of a subsequent binding document(s), including a purchase and sale agreement and encumbrance on the property. The final, binding document(s) will govern the final disposition of the property, setting forth the terms of the transaction.

The agreement may include provisions reserving to the Housing Authority the right to terminate negotiations with the selected respondent, if the Housing Authority, in its sole discretion, determines that negotiations during the pre-sale phase are not progressing in a satisfactorily and/or timely manner.

All final binding document(s) are subject to approval by the Clackamas County and Housing Authority Board of Commissioners.

Anticipated Schedule

<u>November 18, 2024</u>	Issuance of RFEI
<u>December 11, 2024</u>	Deadline to request clarifications to RFEI
<u>December 18, 2024</u>	Authority responses to requests for RFEI clarifications posted on website
<u>January 10, 2025 at 5:00 pm (PST)</u>	Deadline for RFEI submissions (see Section 1)
<u>January 29, 2025 (tentative)</u>	Authority completes preliminary evaluation of submissions; decision regarding next steps (short list interviews, etc.)
<u>February 12, 2025 (tentative)</u>	Preliminary selection of respondent(s), pending further negotiations

4. Submission Format & Content

Preferred Format

Responses of 10 pages or less are preferred, not including letters of reference, samples, financial information, or other supporting documents. Proposals are to be submitted electronically. Hard copies will not be accepted.

Recommended Content

1. Cover Letter

- a. Briefly introduce the organization and describe its interest in the program.
- b. Summarize the proposed housing services program(s), management experience, and acquisition overview.

2. Proposal

- a. Concept for ownership and operations of the proposed site(s). This should include:
 - ❖ Number of units proposed for acquisition and any specific units or geographic areas. Complete Exhibit 2. Property Interest Form.
 - ❖ Detailed overview of proposed housing services programming (can be multiple types of programming).
 - ❖ Desired financing structure for acquisition, including amount or percentage of one-time capital funding requested.
 - ❖ Proposed operating expense budget (detail the funding structure for ongoing operations, include other funding leveraged (such as billable services) and requested rent assistance or operations funding.
- b. Estimated time frame to carry out the proposed acquisition(s).
- c. Description of how proposal aligns with program goals.

3. Organization and Management Team

- a. Identify organization and management members and roles and describe qualifications.
- b. Describe the organizations experience with similar programs and service delivery models.
- c. Describe the organizations experience in the ownership and management of high- quality, successful single family home and multifamily projects — preferably similar portfolios of single family homes.

4. Financial Capacity

- a. Explain the organization's financial capacity to undertake the acquisition and provide operating funding, including other funding sources available (such as billable services), and other financial requirements that may be a condition of the financing.

Note: the Housing Authority will work with agencies to determine appropriate representations and warranties or any other guarantees for the project.

5. Letters of Reference & Project Examples

- a. Respondents may submit up to four letters of reference.
- b. Respondents are encouraged to include samples of other program outcomes or services examples.
- c. These pages will not be counted against the suggested 10-page response limit.

5. General Conditions

1. The Housing Authority reserves the right, in its sole discretion, to accept any response or to reject any or all responses to this RFEI.
2. The Housing Authority reserves the right, in its sole discretion, to modify the selection process or other aspects of this RFEI, including canceling the RFEI at any time. The Housing Authority will take reasonable steps to ensure that any modification or clarification to the RFEI are distributed in writing to all persons who have requested a copy of the RFEI.
3. The Housing Authority reserves the right to request additional information following review of the initial RFEI response submission. In addition, the Housing Authority may retain one or more consultants to assist in the evaluation of submissions.
4. In the interest of a fair and equitable selection process, the Housing Authority reserves the right to determine the timing, arrangement, and method of any presentation throughout the selection process. Respondents are cautioned not to undertake any activities or actions to promote or advertise their proposals except during authorized presentations. However, respondents or their representatives are not permitted to make any direct or indirect (through others) contact with members of the Clackamas County Board of Commissioners, Housing Authority, Selection Advisory Committee (if established) concerning their proposals, except in the course of County-sponsored presentations. Violation of these conditions is grounds for disqualification of the respondent(s).
5. All submissions shall become the sole and exclusive property of the Housing Authority. Respondent(s) shall not copyright, or cause to be copyrighted, any portion of their submission. To the extent permitted by public records laws, the Housing Authority will maintain the confidentiality of submissions, at least until the preliminary selection of proposal. Any proprietary financial information or other information which respondents submit will be maintained as confidential to the extent permitted under public records law. Submissions or information that respondents would like to remain confidential must be marked confidential.
6. The Housing Authority makes no representations as to whether or not a project to be developed as a result of this RFEI, or any possible participation therein, is a "public improvement" project and as such is subject to the prevailing wage requirements of the Oregon Bureau of Labor and Industry.
7. Media releases or media contacts by the selected respondents pertaining to its selection will require prior written approval of the Housing Authority.
8. The Housing Authority permits the participation of real estate brokers acting on behalf of and with the authorization of respondents, provided that the broker arranges for the payment of its commission or other compensation exclusively by the respondent.
9. The Housing Authority reserves the right to verify and investigate the qualifications and financial capacity of respondents.
10. Respondent costs of developing a proposal or any subsequent request for information, costs of attendance at an interview (if requested by the Housing Authority), or any other costs incurred as a result of this RFEI are entirely the responsibility of the respondent, and will not be reimbursed in any manner by the Housing Authority

11. By submitting a proposal, respondent certifies the following;
- i. **OREGON TAX LAWS:** Respondent certifies that, to the best of the undersigned's knowledge, respondent is not in violation of any Oregon Tax Laws. For purposes of this certification, "Oregon Tax Laws" means the tax laws of the state or a political subdivision of the state, including ORS 305.620 and ORS chapters 316, 317 and 318.
 - ii. **NON-DISCRIMINATION:** Respondent certifies that it has not and will not discriminate in its employment practices with regard to race, creed, age, religious affiliation, sex, disability, sexual orientation, gender identity, national origin, or any other protected class. Nor has respondent or will respondent discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business that is certified under ORS 200.055.
 - iii. **CONFLICT OF INTEREST:** The undersigned hereby certifies that no elected official, officer, agent or employee of Clackamas County or the Housing Authority is personally interested, directly or indirectly, in any resulting contract from this RFEI, or the compensation to be paid under such contract, and that no representation, statements (oral or in writing), of the County, the Housing Authority, their elected officials, officers, agents, or employees had induced respondent to submit a proposal. In addition, the undersigned hereby certifies that any proposal is made without connection with any person, firm, or corporation submitting a proposal for the same material, and is in all respects fair and without collusion or fraud.

6. Exhibits: Background Documents

1. Property Interest Form
2. Regional Long-term Rent Assistance Program
3. Clackamas County Local Implementation Plan – Metro SHS Program
4. Lobbying Certificate
5. Debarment Certificate
6. Form HUD 5369-B: Instructions to Offerors Non-Construction
7. [List of properties available upon request](#)