



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: March 19, 2025

SUBJECT: Approval of Order No. 2025-011 authorizing the acquisition of real property located at 907 SW 12th Street, Redmond

RECOMMENDED MOTION:

Move approval of Board signature of Order No. 2025-011 authorizing the acquisition of real property located at 907 SW 12th Street, Redmond, and further authorizing the Deschutes County Property Manager to execute the documents associated with the purchase.

BACKGROUND AND POLICY IMPLICATIONS:

The 2022 Oregon Legislature passed HB 5202 Amendment 1, which appropriated funding from the general fund to hire additional behavioral health residential treatment providers and construct additional facilities to provide services for Oregon residents who require the use of adult residential care facilities. Subsequently, Deschutes County was allocated \$3.8 Million for this purpose.

Deschutes County Behavioral Health has identified the need to provide housing for adults living in Deschutes County with intellectual and/or developmental disabilities (IDD) with co-occurring mental health conditions. Currently, the County's capacity to obtain residential placement for this target population is limited and these individuals often face many barriers when accessing housing services within the County. This project will increase the County's capacity to correctly serve this target population and create a model that can be scaled to other existing or future IDD residential developments to expand this service and improve access to mental health services for individuals with IDD.

The ideal property would include a residential home located in a residential setting within a neighborhood and near medical and other services, as well as shopping and transportation to help individuals be independent, and interact and stay connected within their community.

The residential home would be operated by a licensed provider selected through a Request for Proposal (RFP) process, and the partnership would be memorialized through a Services Contract or Memorandum of Understanding (MOU), TBD. Further, the selected provider would enter a lease with the County for the use of the property.

Through collaboration with Behavioral Health, Property Management, Facilities, and real estate brokerage firm NAI Cascades, a residential property in Redmond was identified for potential acquisition for said use. The 1,939 square foot single-family ranch-style home includes 5 bedrooms and 3 baths and is situated on 0.20-acres located at 907 SW 12th Street, Redmond. It is approximately 1-block south of SW Highland Avenue and is roughly a 5-minute walk to Fred Meyer and a 7-minute walk to Mosaic Medical.

In January 2025, the Board authorized staff to proceed with negotiations not to exceed the asking price of \$458,000. The initial offer was made at \$420,000, and the sellers counteroffered at \$428,000, which was accepted. Note, the property appraised for \$445,000.

Staff completed due diligence over the past 6 weeks including inspections, drafting & executing a proactive community communication plan, and developing an estimated cost range for project improvements.

To prepare the home and property for client occupancy that is 24/7 use and to complete commercial-grade renovations including but not limited to window replacement, new roof, siding repairs, and HVAC equipment, Facilities staff prepared a preliminary Budget Estimate ranging from \$500,000 to \$600,000. Once a full scope of work has been developed and there is more certainty to the extent of the interior and exterior improvements, the estimated range will decrease. Staff will return in the near future with a refined scope of work and associated estimated costs.

BUDGET IMPACTS:

\$428,000 from funds acquired through House Bill 5202 to purchase the property, plus additional funds will be budgeted for renovations

ATTENDANCE:

Kristie Bollinger, Property Manager

Lee Randall, Facilities Director

Holly Harris, Behavioral Health Director

Paul Partridge, Behavioral Health Program Manager