



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: July 26, 2023

SUBJECT: 10-year Ground Lease with City of Redmond

RECOMMENDED MOTION:

Move approval of Document Number 2023-636, Ground Lease with City of Redmond

BACKGROUND AND POLICY IMPLICATIONS:

In the Fall of 2021, the Board of County Commissioners reserved ten acres (which later increased to twelve acres) of County-owned property in East Redmond for third-party development of Oasis Village (OV) and like projects to help support those in the community experiencing homelessness. The OV project will span approximately two acres and will initially consist of 15 shelter units with future expansion up to 40 units. The remaining acres are still in the visioning process, but it is anticipated the area will be developed for managed vehicle camping.

The County and the City of Redmond (City) have agreed to enter into a 10-year Ground Lease for the development of the 12 acres. Earlier this year the City received \$975,000 in State funding to assist with utility infrastructure to extend water, sewer, and electrical under Highway 126 to the 12 acres at an estimated cost of \$525,000. The remaining \$450,000 is allocated to construct a community building with restrooms, showers, laundry, kitchen, common room, and meeting space. Previously, the County granted the non-profit entity Oasis Village \$32,050 of ARPA funds to support a contract with Rogue Retreat to assess the needs of and capacity for serving those experiencing homelessness in Redmond. Further, the County also allocated \$367,500 in ARPA funds for construction costs specific to OV, and assisted with a grant application, which resulted in \$350,000 in State funding.

The terms of the Ground Lease include:

- 10-year initial term to lease +/- 12-acres of County-owned property in East Redmond with 10-year extension options upon mutual agreement
- Zero consideration lease
- City's commitment to providing utility infrastructure to service the 12-acres and the development of the community building

- The City's commitment to utilize the 12-acres for initiatives specific to homelessness;
- The City's intent to sublease the 12-acres to community services provider(s) that specialize in houseless projects and services; and
- The City's intent to work with sub-lessee(s) to raise additional capital funds.

It is anticipated that the initial phase of the Oasis Village project will open early January 2024.

BUDGET IMPACTS:

\$367,500 in allocated ARPA funds, plus an additional \$32,050 in ARPA funds previously expended.

ATTENDANCE:

Kristie Bollinger, Property Manager
Cat Zwicker, Redmond City Councilor
Keith Witcosky, Redmond City Manager
Keith Leitz, Redmond City Attorney