

PASSED

**IN THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY AND COMMUNITY SERVICES AGENCY (HACSA)**

RESOLUTION AND ORDER

01-2-21-1H

In the Matter of Authorizing the Exercise of the Purchase Option Agreement on the Property and Improvements Located at 975 and 995 West Seventh Avenue in Eugene, Oregon.

WHEREAS, HACSA recognizes the need to address the community issues of homelessness and increasing and maintaining the supply of permanent, affordable housing for lower income households;

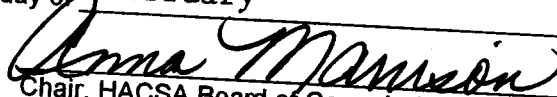
WHEREAS, the Intergovernmental Housing Policy Board has requested that HACSA work to preserve existing affordable housing resources in the community and provide rents affordable to very low-income households and families;

WHEREAS, the City of Eugene is willing to make available funds to assist in the acquisition and rehabilitation of existing buildings in the community;

NOW, THEREFORE, it is hereby resolved and ordered that

The Executive Director or Deputy Director is Authorized to Exercise the Option to Purchase [As Presented in Attachment 1] Real Property Located at 975 West Seventh Avenue and 995 West Seventh Avenue in Eugene, Oregon.

DATED this 21st day of February, 2001


Chair, HACSA Board of Commissioners

In the Matter of Authorizing the Exercise of the Purchase Option Agreement on the Property and Improvements Located at 975 and 995 West Seventh Avenue in Eugene, Oregon

ATTACHMENT 1

Purchase Option

OPTION AGREEMENT

COPY
(Optionor)
(Optionee)

BETWEEN: Mr. Larri Wheeler
Mrs. Lenore Carol Wheeler

AND: The Housing Authority and Community Services Agency, a Public Corporation in the State of Oregon

EFFECTIVE DATE: January 18, 2001

PROPERTY: 975 West 7th Avenue and 995 West 7th Avenue

Also commonly known as _____
Eugene, Oregon.

AGREEMENT

Optionee agrees to buy and Optionor agrees to sell an option to purchase the property, in accordance with the price, terms and conditions which are contained below.

GENERAL CONDITIONS OF AGREEMENT

1. **Price.** The purchase price shall be up to Four-hundred and eighty-five thousand dollars (\$485,000) or fair market value as determined by a licensed appraiser. Optionee shall bear the cost of such appraisal performed by a mutually acceptable appraiser with an MAI designation.
2. **Terms.** The terms of the purchase shall be cash at the closing of escrow. Upon execution of this agreement, Optionee shall deposit in escrow the sum of five hundred dollars (\$500.00) as consideration for this option. If Optionee consummates its purchase of the property, this Option consideration shall be credited to and reduce the purchase price by a like amount.
3. **Closing.** This transaction shall close in escrow on March 14, 2001.
4. **Conditions of Title.** Fee simple title to the property shall be conveyed by statutory warranty deed free and clear of all liens and encumbrances except those approved by Optionee as described below:

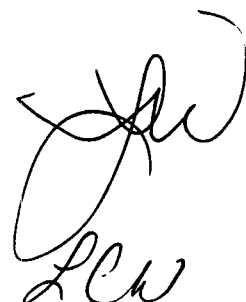
5. **Escrow.** The parties shall establish an escrow at Cascade Title Company in Eugene, Oregon, and agree to execute such escrow instructions as may be prepared by the escrow holder. Upon execution of the escrow instructions, Optionor shall deliver to the escrow holder an executed deed to the property.
6. **Expenses of Sale.** Optionor shall pay for standard owners' policy of title insurance. The parties shall share the cost of escrow. Closing costs shall be divided between the parties by the escrow holder in the customary manner for transactions of this type. Taxes and assessments shall be prorated as of the close of escrow. Any deferred taxes and assessments shall be paid by Optionor.
7. **Approval of Title.** Optionor shall furnish a title report to Optionee upon execution of this agreement. Upon receipt of this title report, Optionee shall have ten business days to approve or disapprove in writing the condition of the title. If Optionee shall disapprove the condition of the title, the escrow shall be terminated and the escrow deposit refunded to Optionee. If Optionee fails to notify Optionor of a defect in the title within ten business days, the condition of the title shall be deemed to be satisfactory to the Optionee.
8. **Binding Effect.** This agreement shall bind and benefit the parties and their respective heirs, personal representatives, successors and assigns. This agreement may not be assigned by either party without the written consent of the other, which shall not be unreasonably withheld.
9. **Notices.** For the purpose of notification, the following are designated as its representative:

Optionor: Mr. Larri Wheeler
Mrs. Lenore Carol Wheeler
81640 Lost Valley Lane
Dexter, Oregon 97431

Optionee: Housing Authority and Community Services Agency of Lane County
Attn: James R. McCoy
177 Day Island Road
Eugene, Oregon 97401

Any notices permitted or required by this agreement shall be deemed given when personally delivered or upon deposit in the United States mail, postage fully prepaid, certified, return receipt requested and addressed to the designated representative. Either party may change its address by notice given to the other in accordance with this paragraph.

10. **Attorney Fees.** If legal action is filed in connection with this matter, the prevailing party shall recover all costs in connection therewith from the losing party. The costs shall be determined by the court in which the action is filed.



11. **Contingencies.** Closing on this transaction is contingent upon certain special conditions, which are listed below. In the event all of these conditions are not met to the satisfaction of Optionee, the escrow shall be terminated by the parties, and the Optionee's deposit shall be returned to Optionee.
12. **Disclosure of all Information.** Each party shall disclose to the other any and all information which it may have or obtain concerning the property.

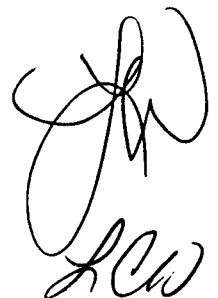
SPECIAL CONDITIONS OF AGREEMENT

1. Optionee's Due Diligence. Optionee shall perform its own due diligence investigation of the property to determine its suitability for use as low and moderate income housing. This investigation may include, but not be limited to geotechnical, environmental, engineering, architectural, financial, legal and political matters which may affect Optionee's ability to develop the property. Closing of this transaction shall be contingent upon Optionee's positive findings in these investigations.

Optionee shall notify Optionor in writing prior to February 5 2001 of its findings with respect to these matters. If its findings are negative at the sole discretion of the Optionee, the parties shall terminate the escrow and the escrow deposit shall be refunded to the Optionee. If the findings are positive, the escrow deposit shall become non-refundable. Failure to notify Optionor in a timely manner shall be deemed a waiver of this contingency, and the escrow deposit shall be non-refundable.

2. Public Financial Assistance. Optionee intends to finance the purchase of the property and development of the housing by utilizing certain forms of financial assistance provided for by federal and state law, and by City of Eugene, Oregon policy. This assistance may include, but is not limited to the use of tax-exempt mortgage financing, federal low income housing tax credits, exemptions from real and personal property taxation, Community Development Block Grant, HOME Investment Partnerships Program, payment of building permit fees and system development charges and low interest loans. The availability of funding for the purchase of the property is unequivocally contingent on Optionee's use of federal funds. In the event the required assistance cannot be obtained by Optionee, the Optionee may terminate the escrow.

3. Right of Entry. Optionor grants to Optionee and its agents and consultants permission to enter onto the property for the purpose of conducting surveys and studies. Optionee shall hold Optionor harmless from any and all claims which may arise as a result of these investigations.

A handwritten signature in black ink, appearing to be 'JRW' or similar, located in the bottom right corner of the page.

4. HUD Disclosures. The acquisition of this property, and development of a project thereon, may be financed in part with the assistance of funds from the federal Department of Housing and Urban Development. Therefore, the following disclosures are made:

- a. Optionee, as a Oregon Public Corporation, does possess the power of eminent domain, the right to acquire property through condemnation, and but will not use this power if negotiations fail to result in an amicable agreement; and
- b. Optionee, because federal HOME funds may be used in the project either for acquisition, rehabilitation , shall provide an appraisal performed by a mutually acceptable licensed appraiser with an MAI designation to document fair market value of the property. We are required to inform you, in writing, of the fair market value of the property. The estimated fair market value will be determined by a fee appraisal. At the time of being informed of the fair market value, you may withdraw from the transaction. The HOME program requires that the purchase be the less of: the fair market value or the agreed upon price in this sales agreement.

IN WITNESS WHEREOF, the parties have entered into this agreement effective Jan. 18, 2001.

Optionee: _____ HACEA

By: W. A. Abel
HACSA ACTING EXECUTIVE DIRECTOR

Optionor: _____

By: [Signature]
By: Lenore Carol Wheeler

[Signature]
[Signature]

e) Not applicable

4. Supportive Services the Project Participants Will Receive

Support services for S+C residents will be provided by: (1) the project sponsor, Lane Shelter Care (LSC), a private nonprofit with 30 years of experience in providing services for the homeless and 22 years of experience in residential and support services for persons with a chronic mental illness; (2) *Lane County Mental Health (LCMH) Emergency Services* and *LCMH Long Term Treatment Program*.

The LCMH Division is a county-operated community mental health program that has provided services for more than 34 years in Lane County; (3) *Laurel Hill Center*, a local nonprofit, will provide vocational and socialization services for participants. Laurel Hill has 24 years of experience in mental health programs and is nationally recognized for its efforts to promote self-sufficiency for mental services consumers.

Outreach, assessment and referral will be provided by LSC's *Royal Avenue Crisis Respite Services*, *Shankle Safe Haven* and by the *LCMH Emergency Services* department. Royal is a crisis management facility, operated by LSC for 13 years, that annually shelters over 362 single adults in mental/emotional crisis. Additional outreach, assessment, crisis intervention and referral services are provided by *White Bird's CAHOOTS* mobile crisis unit. *White Bird*, with its origin as a grass-roots medical clinic, has 30 years of experience in providing crisis, medical, outreach and case management services to homeless and disabled individuals in Lane County.

Outreach and other supportive services already existing within the local mental health service delivery system will be focused and coordinated to meet the needs of S+C participants. This approach ensures that once an individual is stabilized in permanent housing, necessary supportive services will continue to be available. It also assists the local providers in addressing the needs of homeless persons with mental illness.

The basic model involves (1) emergency services to assist the participant to become psychiatrically stable and to help meet his or her basic needs for food, shelter and warmth; (2) work with a case manager to design an individualized plan to provide the specific mix of services most appropriate to the individual; and (3) ongoing support from the case manager and other community service professionals to encourage successful participation.

This approach represents a "continuum of supportive services" to be offered to program participants, including crisis intervention, case management, living skills training, advocacy, one-to-one counseling, problem-solving support, rehabilitation and socialization, medication management, mediation, and vocational training.

- a) How the supportive services needs of participants will be ASSESSED and TRACKED.

Initial Assessment. The S+C program takes advantage of the existing integrated crisis system in Lane County to identify potential residents and to provide a continuity of service to residents selected for the program. Royal Avenue Crisis Respite Services and Shankle Safe Haven serve as part of the local mental health system and provide initial intake and assessment. Royal Avenue Crisis Respite Services's Crisis Program limits residents to a maximum of 14 days. Safe Haven is a program designed to serve adults with mental illness who have been chronically homeless and resistant to traditional support programs.

Homeless adults with severe, persistent, mental illness are enrolled as clients of Lane County Mental Health during their stay at these programs; the degree to which mental illness impairs living skills is measured and the LCMH housing coordinator evaluates their housing need. A Shared Housing Program, operated by Lane ShelterCare in a continuum of services with Royal Avenue Crisis Respite Services provides short term transitional housing for homeless adults when a period longer than 14 days is required to stabilize case management or establish disability income. Adults may stay at Safe Haven for longer periods of time as they re-orient themselves toward a stable living situation.

Ongoing Assessment. Each resident in the S+C program has an individualized treatment plan developed in coordination with the case manager and the prescribing mental health professional. Treatment plans are designed with significant consumer involvement and identify individual needs addressing a full range from housing to daily living skills to psychiatric stability. Regular weekly or bi-weekly one to one interviews with the Case Manager provide ongoing assessment and updating. Clients participate in a weekly clinical session with their Lane County Mental Health liaison.

The full treatment plan is reviewed by the Prescribing Psychiatrist or Nurse Practitioner once a year. The LSC Clinical Supervisor or the Program Supervisor will review treatment plans every 90 days. Ongoing consultation with case managers from participating agencies provides for coordination of services. Quality Assurance Reviews and Utilization Reviews of case management plans are scheduled regularly throughout the year. A Mental Health Team through Lane ShelterCare provides a monthly opportunity for case consultation with other staff professionals.

- b) How the TYPE (e.g., case management, job training and SCALE (e.g., the frequency and duration) of the supportive services will fit the needs of the participants.

Lane County S+C Supportive Services program consists of a number of elements that are tailored to the specific needs of each individual. The broad elements within this "S+C continuum" are more fully described as follows:

Crisis

Crisis Access includes 24-hour phone, walk-in and mobile crisis intervention services. White Bird crisis team staff will evaluate, stabilize and/or transport individual to treatment. It also includes the crisis intervention resources available at Royal Avenue Crisis Respite Services.

Emergency and Crisis is available through LCMH Services. It includes a 24 hour on-call crisis worker, ten days of psychiatric inpatient care at the Lane County Psychiatric Hospital, aftercare for up to 40 days at Hieran Residential Care Center (a sub-acute post hospitalization rehabilitation program), and four crisis interventions/evaluations at Sacred Heart Emergency Department.

Case Management - Assessment and Plan Development Case Management will be provided jointly by LCMH, where the ratio of case managers to consumers is approximately 70 to 1, and by LSC, where the ratio of case managers to clients is approximately 20 to 1. LSC staff advocates work with a much less stable, more needy clientele and are experienced in work with transient and homeless populations.

Case management is the active and dynamic process through which individualized supportive services are designed and implemented. The case managers will develop a unique individual service plan (sometimes called a "rehabilitation plan" or "treatment plan") for each S+C participant. These plans are based on a comprehensive assessment of the individual's needs and will be reviewed and modified, as necessary, at least every 90 days.

Such an approach reflects the move of the mental health system in Oregon to individualized service delivery. The key mechanism for individualized services is the service plan that prescribes the array of services and supports necessary for the identified consumer and modifies them according to the changing needs of consumers.

Case Management - Ongoing Support Services. Each program participant will have an identified LCMH or LSC case manager responsible for overall case supervision (or oversight), arranging medication management through a LCMH prescribing professional and accessing other elements of the service delivery system. Each participant will also have a staff advocate responsible for day-to-day individual case management tasks and immediate daytime crisis intervention. This daily contact and weekly check-in for problem-solving, skill-building, and follow-up on contacting resources, is essential. LCMH crisis workers are responsible for emergency services after hours and on weekends. LSC program staff provide 24 hour pager, on-call response.

Counseling Resources at White Bird include up to three months of weekly sessions and participation in an open therapy group at White Bird Clinic for persons who need an immediate treatment response.

Medical/Psychiatric Care includes exams, basic lab work, medications and access to adjunct and specialized services. This care is available at White Bird Clinic on a walk-in basis and by appointment for follow-up care.

Skill Building. Residents participate in a series of skill building groups that promote self management of their illness and independence. Groups on "symptom management," medication management," "community reintegration," "street smarts" and "recreation" teach skills to program residents and promote healthy community interaction. In addition, program staff provide one-on-one skill development in areas such as hygiene, nutrition, and house keeping.

Vocational and Socialization Training Participants will be referred to Laurel Hill Center Harmony House Program for socialization training and support. The Harmony House Social Program helps participants to develop and practice the social skills necessary to establish a supportive network of friends.

Transportation Royal Avenue Crisis Respite Services has a transport car for use with residents when necessary. Because of its location directly adjacent to bus service, Royal more frequently provides bus tokens. Finally, Eugene's excellent system of bicycle paths provide an well-used alternative.

Alcohol and Drug Treatment includes a weekly 12-step group at Royal Avenue Crisis Respite Services especially designed for persons with a chronic mental illness and facilitated by volunteers from the local Narcotics Anonymous group and professional services provided by staff. S+C has a regular dual diagnosis group that is modeled on the program at Royal.

Within this service framework, intensive staff support, problem-solving, mediation and intervention will provide S+C participants the emotional/social supports necessary to transition to a stable housing situation. These support services improve residential stability by increasing client stability and decreasing the incidence of eviction. This increased stability also enhances opportunities for self-determination by residents through skill training module participation and one-to-one advocacy. Skills training may include, but are not limited to, cooking, cleaning, bill paying, socialization, negotiating needs, interpersonal skills, planning leisure time, and anger management. With housing needs consistently met, participants are better able to manage medications, use good judgment, access community resources, increase opportunities for making constructive choices, and increase self-reliance and appropriate interdependence with the positive support structures available in the community.

- c) WHERE the supportive services will be provided and what TRANSPORTATION will be available to access those services.

The bulk of services will be offered on an outreach basis or on site at the participant's permanent residence. Medical and clinical services are offered at the White Bird Clinic in Central Eugene or at their nearby medical facility. LCMH case management services are located centrally as well. The Lane County emergency and crisis services will be provided at the Lane County Psychiatric Hospital and at Sacred Heart Hospital Emergency Department, all centrally located. All locations are easily accessible by bus. LSC staff will also provide transportation to S+C participants, as necessary, to engage them in services.

5. Self-Sufficiency

The *primary* focus of Lane County's S+C is to assist residents in reaching self-sufficiency at the highest level possible. This emphasis is reflected in the Performance Goals of the program which center on attaining residential and financial stability. As described in more detail below, the basic service model involves (1) emergency services to assist the participant to become psychiatrically stable and to help meet his or her basic needs for food, shelter and warmth; (2) working with a case manager to design an individualized plan to provide the specific mix of services most appropriate to the individual; and (3) ongoing support from the case manager and other community service professionals to encourage successful integration back into the community.

6. The Performance Measurements that will be used to meet each of the S+C program goals

GOAL 1: Residential stability for S+C participants.

Objective: Seventy-five percent of the participants who move into S+C assisted units will maintain housing for at least 12 consecutive months.

Rationale: Participants will have a history of transient lifestyles, repeated admission to shelters, and/or repeated hospitalizations. A safe and constant residence and the availability of supportive services are essential for them to attain any measure of stability in the community. In almost all cases, maintaining a consistent residence is an indicator of and a prerequisite to success in achieving other personal goals.

Evaluation: Each participant will be assigned a case manager who will work with him or her to develop an individualized services plan. Periodic ninety day evaluations will be scheduled to mutually review progress toward established goals. If an individual participant at any time fails to maintain residency, the case manager and resident will discuss and modify the plan to correct problems or obstacles to success. Case managers from participating service agencies will form a progress team for overall project review. As part of this review, a log will be maintained of move-in dates and any changes in occupancy. If at any time less than 85% of participants are not maintaining residential stability, the progress team will modify and adjust the project plan as necessary.

GOAL 2: Increase the ability of S+C participants to live independently in the community through an increase in skill level and/or income.

Objective: (a) Eighty percent of the participants who move into assisted units will demonstrate significant progress in improving specific abilities for daily living within 12 months.

(b) Ninety percent of the participants who move into assisted units will be receiving entitlement benefits for which they are eligible within two months of program entry.

Rationale: Participants in the S+C program will have multiple needs for skill training in daily

living abilities. The central emphasis will be on developing activities and capabilities in socialization and life skills, rather than psychotherapies or "treatment." Examination of users of Royal Avenue Crisis Respite Services indicates that most residents have been unable to apply for or maintain entitlement benefits because of transience and instability. For some individuals, this outcome may be the most that can be expected in terms of income generation; for others it may be a stepping stone. In both instances, such an outcome is an indicator of success.

Evaluation: Program participants, in cooperation with their case manager, will identify personal goals--and concrete measurable results--for independent living. These goals may include increased economic independence, improved skills in communication, money management, nutrition planning, vocational and socialization rehabilitation, the ability to monitor and better manage the symptoms of their chronic mental illness, and increased capacity for self-medication. As discussed above, individualized plans will be reviewed every 90 days. Individual plans and/or skill training modules will be changed to adapt to individual participant's needs and to increase project effectiveness.

GOAL 3: Enable S+C participants to attain greater self-determination.

Objective: Ninety percent of S+C participants, in cooperation with their case manager, will complete an individualized service plan that identifies concrete personal goals chosen by the participant.

Rationale: The mutual preparation of an individualized service plan is the central mechanism in providing consumer choice to select service mix which assists him or her in accomplishing the results they choose and, ultimately, independence as they define it.

Evaluation: Evaluation will be carried out through the same process as for those of Goals 1 and 2 above. More specifically to this objective, however, the participants' signature on the service plan and participation in proposed activities will document degree of self-determination achieved.