



APRIL 2024 MEETING
BOARD OF DIRECTORS
THURSDAY, APRIL 25, 2024

Addendum A

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COMMUNITY ACTION PROMISE

Community Action changes people’s lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other.

Helping People Changing Lives

2933 Center Street Procurement Approval Request Summary

MWVCAA
April 2024

Requested Action: We are seeking board approval to award a contract to repair plumbing at 2933 Center Street NE (Salem) to [Blakely Plumbing, Inc.](#) (CCD 178288), a Salem-based plumbing contractor doing business in Oregon since 2007.

History of the Building: 2933 Center Street NE is part of a two-owner/two-unit condominium, sitting on 58,370 square feet (1.34 acres). It is a renovated 1968 wood construction originally built as a multi-purpose SRO facility. The remaining economic life in 2021 was projected to be 40 years. The comparisons drawn in the appraisal in 2021 showed seven similar properties sold in the Willamette Valley within the prior year, ranging from \$530,000 to \$2,365,000. The unit numbers ranged from 11 to 20 units in those properties. Our part of the building (Unit 1) has 36 beds.

We own roughly one-half of the building. [Westcare Foundation](#) (a national nonprofit that focuses on human services, especially veterans projects) owns the other half (Unit 2). Community Action acquired our half (Unit 1) of the building on 6 August 2021, after the Board authorized the purchase from the [Catholic Community Services Foundation \(CCS\)](#). Prior to that summer, we had leased the space from CCS to operate our federally funded [Veterans Administration Grant Per Diem \(GPD\)](#) program called [Tanner Project](#)—which is a veteran’s shelter. Westcare operates a GPD program for veterans in their half as well. CCS was experiencing financial difficulty in the summer of 2021, and the building was close to foreclosure by its creditors. [Oregon Housing and Community Services](#) gave Community Action the full purchase price of the facility at that time, to preserve the GPD beds in Salem. This was not discretionary funding, nor a regular part of our budget, and could only be used to acquire the facility. This winter we moved the veterans to the [ARCHES Lodge](#), as the VA Grant Per Diem program changed its rules during the pandemic and required a bathroom in every room (the design at 2933 Center Street is for shared bathrooms). At the same time, we received emergency funding through the [Governor’s Emergency Order \(23-02\)](#) to convert the facility into a family shelter, as there is a high need in the community and virtually no space for families to shelter in Salem.¹

¹ We are seeing more children in cars and tents than in years past. Family homelessness grew in Oregon in 2023 by 16 percent, giving Oregon now the sixth highest rate of family homelessness (defined as people outside, living

Grant Philosophy and 2933 Center Street NE: As with every grant, we use one grant to drive the next grant opportunity. Had we not preserved the GPD grant in 2021 with the acquisition of 2933 Center St NE, we would not have received the [Veterans Administration Capital Grant](#) of \$2.25 million in 2022. That grant will be used this summer to renovate the [ARCHES Lodge](#). The [Bezos Day One Foundation](#) grant was made in part because of our commitment to family sheltering, a shelter we would not have had, had it not been for the Board's original decision to acquire the project in 2021. Nor would we have received the Governor's commitment (\$1.5 million) without the building. The Board's one decision of spending the state's \$800,000 to acquire 2933 Center Street NE then leveraged access to an additional \$8.75 million (VA Capitol Grant, Bezos Day One, and Governor's EO Order 23-02) in total. So we turned every \$1 in original funds into more than \$10, or a 10-1 leverage ratio.

Current Need: We have financing from the state, through the [Mid-Willamette Valley Homeless Alliance](#) (the [Continuum of Care](#)) to renovate and operate a family shelter at 2933 Center Street. The building, for a more dense use with families, needs an upgraded water/sewer system. The cost is heavy, \$610,991.89, because it is a full rebuild.² The funds have to be expended by 31 October 2024, so work needs to begin and be completed by the end of summer. If we choose not to use the funds, all \$1.5 million will be lost and we will need to either sell the property or find other resources to renovate it for future sheltering.

Limitations of the Property: The property is old and currently less than ideal, but could be upgraded as years progress. The division of the property into a condominium is also less than ideal, but Westcare may be willing to sell us their half in the future. They operate very few projects in Oregon and this one (for them) is an expensive outlier to their main business in California. The last appraisal we had on the property listed a value of roughly \$1.5 million in 2021. This appraisal was done at the request of [US Bank](#), while Catholic Community Services looked to sell the property. Marion County's [Real Market Value](#) lists the property at \$1,397,100. The full property (both halves) would probably be valued closer to \$3 million. Comparatively, however, it is much cheaper than other options. [Applewood Retirement Community](#), with 69 beds, sold recently under still unknown terms. But it was purchased for \$2.468 million back in 2008 and sold again for about \$7 million in 2015, nine years ago. There are only a handful of assisted living facilities (a typical comp for this service model) for sale in Oregon, ranging from a 30-bed facility in Bandon (coastal) listed for \$1.75M, a larger project in Portland listed at \$15,250,000 (\$129,237 a bed), and the Franklin in Portland, a building constructed in 1907, for an unknown price. If available, a comparable 36-bed replacement in

in cars, or in shelter) in America.

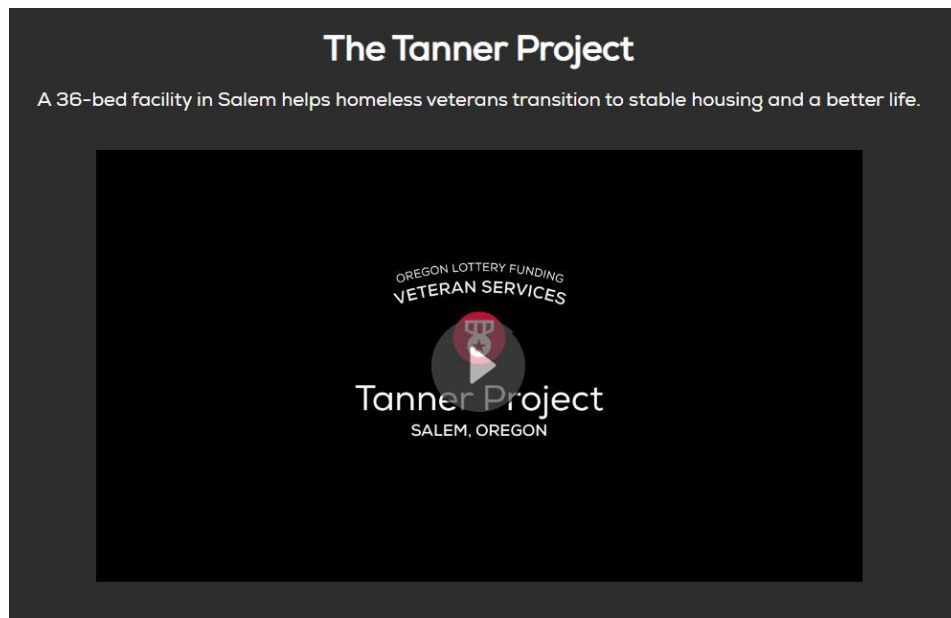
² There are small contingencies in the renovation contract, as with every renovation contract. We have a long history limiting changing orders and forcing contractors to provide change order items at wholesale cost, so that they do not have an incentive to push up the total project cost.

Salem will cost us \$3-5 million. A motel (another option) would be \$8-10 million in the current market. There are some smaller (16-unit) affordable housing complexes for sale in Salem, and we can look at those more closely. But this fund cannot be used to acquire that housing type.

Funding: The renovation will be paid for by the EO-23-02 funds from the Governor’s Emergency Declaration. Westcare is obligated to take on 40 percent of the cost. Right now they state that they do not have the funds. We have offered to purchase the entire building if they cannot support the repair, and we are also asking the Governor, Oregon Housing and Community Services, at the Homeless Alliance, to fund the Westcare 40 percent, since that repair would go in service of the homeless veterans Westcare is currently sheltering.

Recommendation of Staff and Ask of the Board: To award the plumbing repair contract at 2933 Center Street to Blakely Plumbing. Staff will not proceed with the work unless the full cost of the renovation is allocated to cover the total repair.

Lastly, given the intimate funding and service connections between this building, veteran sheltering, and the Agency’s total sheltering profile of 300 beds, I would strongly encourage you to watch the following video. It was produced by the [Oregon Lottery](#) and the [Oregon Department of Veterans Affairs](#), who have (and continue to) fund various elements of our veteran and sheltering work.



Jimmy Jones
Salem, Oregon
23 April 2024

Plumbing Procurement for 2933 Center St.

The procurement for 2933 Center St. is for a complete plumbing rebuild of the water and sewer systems at the location. The building was built in 1968. The piping consists of cast iron, galvanized, copper, PVC, PEX, and ABS. These pipes are joined together at different sections throughout the system. It is leaking, crushed, and rotted through in multiple locations. Given the complexity of the system, including types of piping, size, and current issues, the recommendations from all plumbers has been to replace the entire system. Several plumbers have declined to bid due to scope and complexity of the project.

New high efficiency water heaters will be installed. New recirculating pumps will be installed. All plumbing from the incoming lines to the toilets and sinks will be replaced. New toilets will be installed. The bathroom sinks will be properly secured to the walls.

All incoming lines will be replaced and brought to current code with PEX lines. The sewer lines will be replaced with ABS. All water lines will be insulated at completion. Drywall will be replaced and repaired.

History of proposals

May 2023 bid received for fixing some of the sewer line piping. Further investigation revealed that more needed to be done. 1st bid \$70k

June 2023 RFP solicitation put on OregonBuys. No one submitted a proposal for service.

Fall of 2023 Another plumber was engaged to do the work and upon further investigation, declined the job.

Feb 2024 Jet Mechanical was asked to do a complete evaluation of the plumbing system and submit a proposal to repair to good working order. They were paid for their time to evaluate the entire system. Jet submitted a bid that started at \$862k and had another \$200k+ in contingencies.

March 2024 Bid requested from Blakely Plumbing and CJ Hansen for full scope of work. Both were to be paid for their time in evaluating and bidding on the job. Blakely submitted a bid, CJ Hansen declined. Blakely Plumbing's bid is for \$610,991.89. There are some allowances in the bid for unknowns like drywall abatement around lead and asbestos and cleaning and removal of old insulation in the crawl space.

Robert Hale
Chief Information Officer

Mid-Willamette Valley Community Action Agency, Inc.
Board of Directors Executive & Finance Committee
Meeting Minutes
THURSDAY, APRIL 18, 2024

ATTENDANCE

Committee Members Present: Jade Rutledge, Board Chair; Shelaswau Crier, Board Vice-Chair; Kevin Karvandi, Secretary; Helen Honey, Board Member; and Steve McCoid, Board Member

Absent: None

Staff: Jimmy Jones, Executive Director; Kaolee Hoyle, Chief Financial Officer; Robert Hale, Chief Information Officer; Ashley Hamilton, Chief Program Officer: Housing and Homeless Services; Eva Pignotti, Chief Program Officer: Early Learning and Childcare; and Jade Wilson, Executive Assistant.

The meeting of the Executive & Finance Committee started at 5:32pm. It was determined that a quorum was present.

1. Executive Director's Program Updates

- a. Governor's Office Funding:** Jimmy shared information about funding for existing shelters expected in the next legislative session.
- b. Special Board Meeting:** We hosted an April Special Board meeting on Wednesday, April 17, to seek board approval on the sale of 625 Union St building (formerly the Youth Drop-In).
- c. Weatherization/Energy Services Building:** We have signed a heavily conditioned PSA on a new potential location for our Weatherization and Energy services programs located on 2755 Pence Loop in Salem. Jimmy discussed one potential issue with the property which has to do with the easement of the driveway. There was further discussion on potential solutions to driveway issue.
- d. Woodburn:** Jimmy discussed service expansion out to Woodburn. We have an office located at Love Inc. Family Resource Center as well as a new temporary shelter.
- e. 2933 Center St:** Jimmy discussed the needed repairs on the plumbing system at our 2933 Center St location (formerly the Tanner Project). Bids for the project have been received and will be provided to the board for final approval. Jimmy discussed funding sources to cover the cost of the project and a bit about our partnership with West Care, whom we share a portion of the building with. Jimmy acknowledged concerns that the proposed renovation cost was considerable and that the property was older.
- f. Board Retreat:** Jimmy shared that we will be planning a Board Retreat in the next few months geared towards training board members on established duties and responsibilities as well as provide time for strategic plan discussions. Further information will be provided to the board at a later date.
- g. Budget:** The new fiscal year budget is being worked on and should be released to the board for review soon.

2. **2023 Single Audit and Financial Statements:** Kaolee, CFO, reviewed the audited financial statements with the committee. There were no findings in this audit and are considered a low-risk auditee. Board members had several questions about deferred revenue and long-term lease agreements to which both Kaolee and Jimmy provided further explanation. The completed audit will be presented at the next full board meeting by our auditors.
3. **Workers Comp Insurance Renewal:** Provided in the meeting materials, was the agency Workers Comp Insurance Renewal packet. Jimmy asked if there were any concerns or questions regarding the renewal. There was some discussion to follow specifically about the low number of claims for an agency this large, the reporting window, and the overall performance rating.
4. **Committee Membership:** Tabled for a future meeting.
5. **Financials:** Kaolee, CFO, shared the July 2023 - February 2024 Budget to Actual document. Kaolee noted some upcoming CRP (ARCHES) projects and their estimated costs. She noted some differences from the originally budgeted amount for our CCR&R program which changed when the program did not receive the funds from Yamhill County as previously projected. She discussed the pass-through funds for the OHA supportive housing (Carson Commons) project that will be beginning in the next year. Jimmy provided background on the Carson Commons project in partnership with the Polk CDC and OHA.
 - a. **Staff Childcare Program:** Kaolee provided an update on the financials for the Staff Childcare program that we began several months ago. Eva Pignotti, CPO: Early Learning and Childcare, provided general program updates and answered any questions or concerns board members had about the project. Currently, the program has eleven children enrolled with the hope for more as we go through the summer months. Board members requested a business plan for the project moving forward to which staff agreed to share at a future meeting.
 - b. **401(k) Audit:** The annual 401(k) audit is ongoing with a deadline of July 31, 2024. Going along well.
 - c. **Head Start CACFP Procurement Review:** Ongoing with a due date of April 24, 2024.
6. **April 2024 Full Board Meeting Draft:** No changes were made.

MOTION: To approve the April 2024 Full Board Meeting agenda made by Steve McCoid,

SECOND: Kevin Karvandi.

APPROVED: Unanimously approved.

MOTION: To adjourn the meeting made by Helen Honey,

SECOND: Steve McCoid.

APPROVED: Unanimously approved.

Meeting adjourned at 7:08pm.

Respectfully Submitted:

Jade Wilson, Executive Assistant

Kevin Karvandi, Board Secretary

Mid-Willamette Valley Community Action Agency, Inc.
Board of Directors Meeting
WEDNESDAY, APRIL 17, 2024
MEETING MINUTES

ATTENDANCE:

Board of Directors:

Present:

Catherine Trottman	Kevin Karvandi	Steve McCoid	Laura Reid
Helen Honey	RW Taylor	Shelaswau Crier	Deanna Gwyn
Lori Van Dyke			

Absent:

Erika Romine	Jade Rutledge	Jeremy Gordon	Cindy Ramirez Cisneros
Frank Lonergan	Eunice Kim		

Others Present:

Program Directors/Staff/Guests:

Jimmy Jones, Executive Director
Robert Hale, Chief Information Officer
Ashley Hamilton, Chief Program Officer: Housing and Homeless Services
Jade Wilson, Executive Assistant

The meeting of the Board of Directors was called to order at 5:32 pm by Board Vice-Chair Shelaswau Crier. It was determined that a quorum was present.

I. Welcome

Board Vice-Chair Shelaswau Crier welcomed everyone.

II. Public Comment

None were made.

III. Declaration of Conflict of Interest

None were made.

IV. Approval of Agenda

No changes were made.

MOTION: To approve the agenda Catherine Trottman,

SECOND: Deanna Gwyn.

APPROVED: Unanimously approved

V. Board Business

1. Sale Approval of 625 Union St: Ashley Hamilton, CPO: Housing and Homeless Services, provided background on the sale of 625 Union St (formerly the HOME Youth Drop-In). Board members asked a few questions and both Jimmy and Ashley provided further explanation. The appraisal is in progress currently with a potential close date of April 22.

MOTION: To approve the sale of 625 Union St made by Lori Van Dyke,

SECOND: RW Taylor.

APPROVED: Unanimously approved.

2. Signing Authority on Purchase Agreement for 625 Union St: The approval of agency signing authority on the purchase and sale agreements, is needed to proceed.

MOTION: To grant signing authority on the purchase and sale agreements for 625 Union St., made by Steve McCoid,

SECOND: Deanna Gwyn.

APPROVED: Unanimously approved

VI. Adjournment

The Board of Directors meeting was adjourned at 6:00 pm.

Respectfully Submitted:

Jade Wilson, Executive Assistant

Kevin Karvandi, Board Secretary