

February 12, 2026

BCC Agenda Date/Item: _____

Board of County Commissioners
Clackamas County

Approval of an Amendment to an Intergovernmental Agreement with the Oregon Health Authority for time extension of behavioral health housing investments. Amendment Value is 24 months. Total Agreement Value is \$4,704,837.17 for 5 years. Funding is through the Oregon Health Plan. No County General Funds are involved.

Previous Board Action/Review	<ul style="list-style-type: none"> • Original Agreement October 20, 2022 • Amended and Restated Agreement, November 7, 2024, Agenda Item 20241107 III.C.10 		
Performance Clackamas	Healthy People		
Counsel Review	Yes – Ryan Hammond	Procurement Review	No
Contact Person	Karen Kern	Contact Phone	503-742-5335

EXECUTIVE SUMMARY: The Behavioral Health Division of the Health, Housing, and Human Services Department requests approval of Amendment #01 to the amended and restated Intergovernmental Agreement (IGA) with the Oregon Health Authority (OHA) for Behavioral Health Housing Investment Funds, which extends the term of the Agreement through December 31, 2027.

In 2022, the Oregon State Legislature passed House Bill (HB) 5202, which included funding for developing behavioral health housing. The goal was “to expand the availability of housing and residential treatment beds for people with behavioral health issues”. Program goals include providing an array of supported housing, helping relieve the “bottleneck” at the Oregon State Hospital, addressing health inequities and housing access disparities, and decreasing the number of people with behavioral health disorders who are homeless. Behavioral health housing funds from HB 5202 were distributed to Community Mental Health Programs (CMHPs).

As Clackamas County is a CMHP, the Behavioral Health Division (BHD) received this allocation of \$4,704,837.17 resulting from HB 5202 to expand supported housing and residential treatment services for individuals who are experiencing mental health and substance use disorders. To support the goals of the programs, the County issued a Request for Proposals (RFP) to identify experienced organizations interested in developing and launching a program in Clackamas County to temporarily house and service the Aid & Assist and Choice Model program populations.

The project was advertised in accordance with ORS and LCRB Rules on October 16, 2023, through RFP 2023-88. Proposals were publicly

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opened on November 15, 2023. The County received two proposals in response to the RFP. Following review of the Proposals, it was determined to be in the County's best interest to award to both proposers, Transcending Hope and New Narrative.

Initially, the County awarded \$1,320,039.30 to Transcending Hope, a non-profit organization whose mission is to provide low-barrier, safe, and structured recovery housing for diverse communities battling substance use, mental health disorders, and/or family crises. On April 11, 2024 (Agenda Item 20240411 II.D.6.), the Board approved an award of \$950,862.70 for the purchase of a single-family residence in Oregon City. This award also funded property improvements, supplies, and program start-up costs. Transcending Hope closed on the property on April 15, 2024. The Board (Agenda Item 20240912 I.C.3.) approved a contract totaling \$369,176.60 on September 12, 2024, for program operations through June 30, 2025. On July 17, 2025, the Board (Agenda Item 20250717 IV.G.1) approved an amendment to add funds (\$751,678.92) and extend the contract through June 30, 2027.

New Narrative, a non-profit mental health wellness agency that provides integrative mental health services for adults with moderate to severe mental health symptoms, worked collaboratively with the County to identify and investigate properties that would be appropriate for this project. Following a prolonged search effort on June 9, 2025, New Narrative withdrew its proposal for funding.

The funding previously allocated for New Narrative's project was awarded to Transcending Hope for the expansion of their program. On December 11, 2025 (Agenda Item 02251211 IV.C.14), the Board approved a contract totaling \$1,005,751.92 for the operation of two single-family residences in Milwaukie. In total, \$3,077,470.14 has been awarded to Transcending Hope.

Additionally, in June 2025, OHA requested, and the County returned \$800,000 of the award. The returned funds were utilized to support Rain Garden, an affordable permanent supportive housing complex in Wilsonville.

This Amendment provides an additional 24 months to expend the funds provided. The new expiration is December 31, 2027.

RECOMMENDATION: Staff respectfully requests that the Board of Commissioners approve this Amendment (10816-02) and authorize Chair Roberts or his designee to sign on behalf of Clackamas County.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary Rumbaugh".

Mary Rumbaugh
Director of Health, Housing, and Human Services

Agreement Number 177736-1

**STATE OF OREGON
OREGON HEALTH AUTHORITY**

**BEHAVIORAL HEALTH DIVISION
BEHAVIORAL HEALTH INVESTMENTS
AMENDMENT TO STATE OF OREGON GRANT AGREEMENT**

This Amendment (this “**Amendment**”) is effective as of January ____ 2026 (the “**Effective Date**”) by and between the State of Oregon, acting by and through its Oregon Health Authority (“**OHA**”) and Clackamas County, an Oregon local government (“**Grantee**”).

RECITALS

- A.** OHA and Grantee entered into that certain Amended and Restated Grant Agreement Number 177736 dated December 3, 2024 (the “**Grant Agreement**”).
- B.** The parties desire to amend the Grant Agreement as set forth herein.

AGREEMENT

NOW, THEREFORE, for good and sufficient consideration, including the terms herein, the parties agree as follows:

- 1. Definitions.** Capitalized terms used herein without definition have the meaning ascribed to such term in the Grant Agreement unless the context clearly requires otherwise.
- 2. Effective Date and Duration.** The date “December 31, 2025” set forth in Section 1 of the Grant Agreement is hereby deleted and replaced with the date “December 31, 2027”.
- 3.** The parties hereby ratify and affirm the Grant Agreement as modified hereby.
- 4.** Except as expressly amended hereby, all other terms and conditions of the Grant Agreement remain in full force and effect.

(Signature Pages Follow)

Clackamas County

By:

Authorized Signature

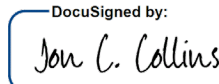
Printed Name

Title

Date

State of Oregon, acting by and through its Oregon Health Authority

By:

DocuSigned by:

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Authorized Signature

Jon C. Collins

Printed Name

Deputy Director, Operations & Strategy

1/15/2026

Title

Date