



[Home](#) / [Council Documents](#)

# 191247

Emergency Ordinance

## \*Authorize Price Agreement to purchase temporary shelter operation services for amount not to exceed \$50 million over five years

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland has an ongoing need for temporary alternative shelter operations to support the homeless population in Portland.
2. The city has experienced an increase in people experiencing homelessness and have seen the unsheltered homeless population grow by 50 percent from 2,037 people in 2019 to 3,057 people in 2022.
3. This increase in the unsheltered homeless population has also increased unsanctioned encampments citywide and has made it incredibly challenging to provide vital services.
4. These temporary alternative shelters, which can include existing sites such as Safe Rest Villages, will further diversify shelter offerings available within the city. They will be in addition to congregate and motel shelters.
5. The Contractor will operate and manage temporary alternative shelters that provide a safe and hygienic place for people experiencing homelessness to reside and connect to vital services.
6. This work is in response to the Resolution (37595) the City Council passed on November 3, 2022 that was aimed to address the City's housing state of emergency and better connect people experiencing homelessness to vital services.
7. On December 20, 2022, the City advertised RFP No. 00002028 for Temporary Alternative Shelter Operators. Two (2) proposals were received and opened on January 17, 2023. Both proposals were

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Management and Finance;](#)  
[Revenue and Financial Services](#)

Contact

Jeff Blade

Goods, Supervisor II

✉ [jeff.blade@portlandoregon.gov](mailto:jeff.blade@portlandoregon.gov)

📞 [503-823-6858](tel:503-823-6858)

Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

April 19, 2023

Time Requested

10 minutes

deemed responsive to the requirements of the solicitation, evaluated, and scored by a panel of evaluators. The City issued Notice of Intent to Award a price agreement to Urban Alchemy on January 27, 2023. No protests or other public comment were received.

8. The estimated cost for these services is \$20 million, for a total not-to-exceed amount of \$50 million over a period of five years. Funds are available in the Office of Management and Finance Operating Budget.
9. City Council's authorization is needed to enter into this price agreement.

NOW, THEREFORE, the Council directs:

- A. The Chief Procurement Officer is authorized to negotiate and execute a price agreement with Urban Alchemy for a total not-to-exceed amount of \$50 million, of such requirements as in Exhibit A, Price Agreement, and provided the price agreement has been approved as to form by the City Attorney's Office.
- B. The Mayor and City Auditor are hereby authorized to pay for the price agreement from the Office of Management and Finance Operating Budget Fund.

Section 2. The Council declares that an emergency exists because a delay in proceeding with the solicitation may result in the City being unable to provide temporary shelter services to Portlanders experiencing homelessness; therefore, this Ordinance shall be in full force and effect from and after its passage by Council.

## Documents and Exhibits

 [Exhibit A](#) 359.47 KB

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council

April 19, 2023

Auditor of the City of Portland

Simone Rede

## Impact Statement

### Purpose of Proposed Legislation and Background Information

The City of Portland has an ongoing need for temporary alternative shelter operations to support people experiencing homelessness in Portland.

An ordinance will allow the City to execute a price agreement for temporary alternative shelter operations to support the city's houseless residents.

Proposed legislation supports City policies and does not change City policies.

### Financial and Budgetary Impacts

No new budget appropriations would be necessary; bureaus would be spending budgeted funds already approved for such goods and services. The form of contract resulting from the solicitation would be a price agreement, which confirm unit pricing for goods and services if an order is placed, but does not alone represent an offer to buy.

Confidence level in the estimated spend is optimum and is based on spend for such services over the past five years.

### Community Impacts and Community Involvement

The City advertised a Request for Proposals for these services to more than 50 local contractors already registered in the City's online solicitation platform, as well as contractors not already registered in BuySpeed, including minority-owned businesses and contractors registered in the State of Oregon's Certification Office for Business Inclusion and Diversity (COBID).

### 100% Renewable Goal

Not applicable.

### Budget Office Financial Impact Analysis

This ordinance authorizes a price agreement for goods and services to operate and manage temporary alternative shelters sites, including Safe Rest Villages, to people experiencing homelessness. The total not to exceed amount is for \$50 million through February 29, 2028.

The price agreement with Urban Alchemy estimates the cost per person per night is approximately \$94-\$96 per person per night, not including capital or start-up costs. Using this formula, sites will range between \$2.6 million to \$5.1 million in annual operating expenditures. The largest share of the operating costs are personnel which is based on the number of estimated staff needed to operate the sites.

Various temporary alternative shelter sites, including Safe Rest Villages, will utilize this contract for a total not-to-exceed amount of \$50 million over a period of five years.

The sites will provide safe and secure places for individuals currently experiencing homelessness to access services, including sleeping units; meals; hygiene facilities; community space; pet area; storage; access to transit; Wi-Fi; secure site and entry; 24/7 staffing. Staffing includes care coordination, guest service practitioners, and site ambassadors.

The FY 2022-23 General Fund Supplemental Ordinance allocated \$21,909,305 in General Fund one-time resources and \$1.125 million in ARPA resources toward Temporary Alternative Shelter Sites. The Proposed FY 2022-23 Spring Supplemental carries over \$21.45 million in General Fund resources to next year's budget and \$1.125 in ARPA resources. The breakdown of General Fund one-time resources is as follows:

Operational and site safety related costs	12,261,400
Capital (3 sites)	4,188,600
Expanded City IC Homeless Services Team	1,500,000
City Navigation Team	3,500,000
	21,450,000

Since passing the Fall BMP, the Mayor's Office has been working to identify additional external one-time and ongoing resources for operating these sites. The city has worked with partners, including Multnomah County, through a Multi-Agency Council (MAC) to submit an application to the state's Oregon's All In Initiative. This is the Governor's emergency initiative to increase state investments and strengthen the connection between state and local priorities in response to Oregon's long-growing unsheltered homelessness crisis. The application was for \$6.6 million for pod purchases and site operations and will be awarded in mid-April.

According to the Mayor's Office, the city is also pursuing operational funding through a legislative request via a statewide request developed by the Oregon Mayor's Association (OMA). The Mayor's Office indicates that any external funding sources (outside the General Fund) that is awarded toward the Temporary Alternative Shelter sites project will be prioritized in use and applied towards the project before General Fund resources are utilized.

Based on the information available and the Price Agreement estimates outlined in the exhibit to this ordinance, if external resources are not provided, the City currently has about \$12.3 million in one-time General Fund resources to operate one 100–150-person site for two years or two

sites for approximately 100-150 people per site for one year. The Mayor's Office also indicated that the \$3.5 million for the Navigation Team will be reallocated to support operations. If this occurs, the City could fund 3 sites for one year with one-time General Fund resources.

## Agenda Items

### 309 Regular Agenda in [April 19, 2023 Council Agenda](#)

Passed

Commissioner Dan Ryan Yea

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Mayor Ted Wheeler Yea