

# Project Turnkey FAQ

## ***What is Project Turnkey?***

Oregon has long had issues with housing shortages, made even more apparent in 2020 after a horrific wildfire season. Additionally, the COVID 19 pandemic highlighted a lack that public health has long been aware of related to having quarantine facilities available in an emergency. The Oregon legislature worked with stakeholders on the concept of buying and converting underutilized hotels, from willing sellers, into temporary and immediate shelter. Only 8 counties were eligible to apply for this one-time grant, including Klamath County.

## ***Why is the county participating in this grant program?***

The needs that a facility like proposed in Klamath Homefront can fulfill will be there regardless of what we do. If we don't plan for it and attempt to accommodate, we invite tent cities, people sleeping in cars and on the streets, and other less desirable facilities. This gives a safe, clean, attractive space to give people a hand up.

## ***Who does this program benefit?***

The program benefits every person in Klamath County. No one can be sure whether an earthquake, wildfire, or other disaster may put them in need of emergency shelter. Additionally, there are a myriad of reasons family members or neighbors could become temporarily in need of a roof over their head. Sadly, a great equalizer are issues related to substance (drugs/alcohol) abuse, almost everyone can name a struggling family member or friend. Unfortunately, this can at times lead to temporary house-lessness and need of service. In Klamath County, we believe the old expression, "if you fail to plan, you plan to fail". We want to prepare and plan for the inevitable temporary housing needs of our community utilizing this one-time, unique grant opportunity.

## ***Who is paying for this?***

The Oregon legislature directed one-time funds for the project. The grant is administered through the prestigious Oregon Community Foundation.

## ***This seems like a big lift for the county, are others in support of this?***

That's the beauty of this endeavor! It is widely supported by some of the basin's most respected entities. The project has the support of the Klamath Housing Authority, Skylakes Medical Center, Klamath Basin Behavioral Health, The Klamath Tribes, Klamath Health Partnership, Cascade Health Alliance, Klamath Lake Community Action Services, and others.

***What is the benefit of the grant?***

This allows the county emergency shelter and temporary housing to fit a variety of needs (those being released from Correctional Facilities who are on 24/7 supervision, those displaced by future wildfire, those needing to quarantine due to communicable disease, those having mental health needs while obtaining services). Regardless of this facility, this county will have those with the aforementioned needs. Either we will have a facility available to meet the need, or, alternatively, we can see where people naturally end up. Often that is in cars, on the street, tent cities, and other less attractive and less compassionate options.

***If there will be clients of Community Corrections, how will the county ensure the neighbors stay safe?***

Community Corrections professionals currently operate 4 sober transitional facilities across the county. The facilities are clean, secure, and operated with safety and security as the top priority. The facilities are considered by many to be “the best neighbor you could envision”. Community Corrections professionals are just that, professionals. They are committed to what they do and are some of the most highly regarded officers in their field in the state of Oregon. Operation Home Front will have security and be professionally staffed.

***What about the hotel, it looks old, is it safe or a money pit?***

Prior to the grant being awarded, the Oregon Community Foundation did a thorough vetting process of the Oregon 8 Hotel and RV Park, including inspections, environmental considerations, and suitability exploration. They foundation put together a lengthy report detailing their due diligence. The hotel was deemed to be a good value and in good structural condition. The foundation is allocating an additional \$200,000 + for the county to implement renovations and other clean up efforts. When finished, the facility will be in better condition than it sits currently. (attached is a due diligence summary prepared by the Oregon Community Foundation)

***I heard there are people living long term in the RV's, will they be displaced?***

The county is committed to ensuring no one is displaced or negatively impacted by the project, this grant is all about helping people in their time of need. County property management staff are working one on one with those staying in the RV's to help them find suitable alternatives.

***What about transportation for those living there? Seems like an odd spot?***

The county provides services to those who will be staying there. Keep in mind this is just a couple of miles outside downtown, the transportation issue is minimal.

***Who can I contact for more information?***

For details about the exciting opportunity, please contact Aaron Hartman, Community Corrections or Commissioner Derrick DeGroot 541-883-5100.

## **Project Turnkey Wildfire Response**

### **Due Diligence Summary**

March 27, 2021

Prepared by: Bruce Wood and Meagan Loeb

**Property:** The Oregon 8 Hotel & RV park is a 29-unit limited service motel with an adjacent 34 stall RV park and manager residence located along highway 97 N, Klamath Falls. Total land area included in the acquisition is 6.43 acres. The property, originally built in 1930 consists of two one-story buildings, a 9,375 sq.ft. motel and a restroom/activity building of approximately 2,000 sq.ft. All rooms have outside facing entries with several of the rooms have kitchenettes.



### **Due Diligence Memorandum**

**Appraised Value:** An appraisal was obtained from Aaron Brown & Associates a licensed appraisal firm located in Portland with extensive experience valuing similar assets. The appraisal values the property “as-is” today at \$1.5 million which includes a value of \$100,000 for surplus land included in the sale.

**Environmental:** A Phase I Environmental Site Assessment was completed by Point Source Solutions, an Oregon firm specializing in the evaluation of environmental risk when acquiring properties. The report reviewed all aspects of the property and indicated there were no recognized, controlled or historical environmental conditions on the property. The report did recommend that drinking water be tested as it is provided by an onsite well. Test was conducted and results were negative as to contaminants. Given the age of the building an asbestos survey and abatement may need to be completed when major improvements are undertaken. At present all materials were in good condition.

**Property Inspection:** Property Exam, an Oregon based company that inspects, evaluates and recommends improvements to buyers of commercial property completed an inspection of the Property’s physical aspects. Although nothing was identified that would impact the hotel operations, given the Property’s age and Project Turnkey’s desire to ensure that applicants do not have significant initial maintenance requirements post-closing, several items were identified and a budget of \$250,000 was included in the grant for these items. Some of these items are:

- Surfaces and Carpet Replacement as Needed
- Replace Painted Bathtubs
- Install GFCI’s as Needed
- Roof Replacement
- Repair/replace Siding as Needed

Eliminate Sidewalk Trip Hazards  
Resurface Existing Asphalt  
Replace/Repair Existing Gas Hot Water Heaters  
Install New Smoke and CO Detectors  
Fill Existing Swimming Pool  
Replace/Upgrade Existing Plumbing Lines  
Upgrade/Replace Electrical in Laundry  
Replace Existing Exterior Doors as Needed  
Repaint and Install New Carpet as Needed