



**Housing Authority
of
Clackamas County
FY25-26 Proposed Budget**

Budget Message for FY25-26

May 27, 2025

Residents of Clackamas County Board of County Commissioners Budget Committee Members

Introduction

We are pleased to present the Housing Authority of Clackamas County (HACC) Proposed Budget in the amount of \$127,212,221 for FY25-26, from July 1, 2025, through June 30, 2026.

The Housing Authority of Clackamas County (the Authority) is a municipal corporation established under Oregon Revised Statutes Chapter (ORS) 456 to provide low-cost housing to individuals meeting criteria established by the U.S. Department of Housing and Urban Development (HUD). The Authority, under the criteria of the Government Accounting Standards Board (GASB), is considered a component unit of Clackamas County, Oregon (the County). The County reports the Authority as a blended component unit since the County's H3S Department management has operational responsibility for the Authority. The Authority is exempt from Oregon Local Budget Law per ORS 294.316 and does not have an annual appropriated budget. Budgets for each HUD grant and line of business within the Authority's operations are used to meet financial management and control objectives. The Authority utilizes these budgets as operations tools but is not required to and does not adopt a legally appropriated budget as defined by GASB.

The Housing Authority provides and develops safe, affordable housing for our low-income neighbors in Clackamas County by administering HUD funded programs that include owning and managing a portfolio of Public Housing and other affordable housing totaling approximately 391 units. The agency also administers rent assistance for 3,000 households in Clackamas County including the HUD funded Housing Choice Voucher program, Metro Supportive Housing Services Regional Long-Term Rent Assistance and an Oregon Housing and Community Development state funded rent assistance program. The majority of the people we serve are extremely low income, have a disability, are elderly and many were previously homeless. As the housing crisis continues, more of the people we serve are transitioning out of homelessness and have complex behavioral and physical health needs requiring housing aligned with appropriate services to ensure they remain housed and supported.

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Revenues

Total budgeted revenue for HACC is \$127,212,221 including restricted carryover, Federal, Metro and local funds. Funds from the Metro Bond and Metro Supportive Housing Measure account for \$64,097,634 of budgeted revenue. Revenue for State Rental Assistance is expected to be \$3,507,953. Revenue from Federal Vouchers is estimated to be \$32,507,060 plus administrative fee revenue of \$2,694,996. Proceeds from the sale of the portions of the public housing portfolio in 25/26 are estimated to be around \$15,000,000, which is restricted for the development of qualifying low-income housing projects in accordance with HUD regulations. Remaining Revenues are expected to come from rental income from Local Projects which are affordable housing properties owned by the Housing Authority but not subject to the restrictions of Public Housing, interest on deposits, and surplus cash receipts from real estate investment partnerships managed by third parties.

Approximately thirty percent (30%) of HACC's revenues are Federal funds through allocations from Congress through the U.S. Department of Housing and Urban Development (HUD) in the following form:

- Public Housing Operating Subsidy for the operations of public housing;
- Capital Fund Grant for major physical repairs of Public Housing;
- Voucher Admin Fee for the administration of the voucher program; Housing Assistance Payment for pass through rent assistance to landlords; and
- Grants for Family Self-Sufficiency and Resident Services.

Expenditures

Total expenditures are estimated to be \$127,212,221, which includes \$1,166,958 of restricted carryover funds from FY24-25 to be used for expenses related to the redevelopment of new housing projects. We continue to work diligently to identify and implement opportunities to reduce program delivery costs and streamline operations in program areas where expenditures exceed revenue.

FY24-25 Accomplishments

The Authority has prioritized expanding affordable housing opportunities in Clackamas County by both repositioning its own assets and administering the Metro Regional Bond program. As of this fiscal year, the Authority has achieved significant milestones across its development activities:

Metro Bond Project Updates

All Metro Affordable Housing Bond funds allocated to Clackamas County have now been fully committed. Key progress this year includes:

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- **Mercy Greenbrae** – 100 units in Lake Oswego opened in May 2024 and are fully leased.
- **Las Flores** – 171 units (including 17 Permanent Supportive Housing (PSH) units) in Oregon City opened in May 2024 and are fully leased.
- **Shortstack Milwaukie** – 15 affordable homeownership units closed financing in September 2024; construction is underway, with completion anticipated in October 2025.
- **Vuela (formerly Wilsonville TOD)** – 121 units (including 20 PSH units) in Wilsonville are under construction, with completion expected in December 2025.

Authority Repositioning Updates

The Authority has secured Section 18 approvals from the U.S. Department of Housing and Urban Development (HUD) for Clackamas Heights, Oregon City View Manor (OCVM), Scattered Sites, and Hillside Park Phase II, advancing its repositioning strategy with the following developments:

- **Hillside Park, Building C** – 100 units in Milwaukie closed financing in June 2024; construction is ongoing with expected completion in November 2025.
- **Hillside Park, Buildings A & B** – 175 units in Milwaukie closed financing in October 2024. Building B is scheduled for completion in February 2026, with Building A following in June 2026.
- **Park Place Redevelopment** – Secured Metro Bond, HOME, Low-Income Housing Tax Credit (LIHTC), and LIFT funding for redevelopment.

Homeownership Program Opportunity

Recognizing the need to support residents relocating due to redevelopment, the Authority launched a homeownership program to create new pathways to ownership for its residents. To date:

- Five families have transitioned into homeownership.
 - Four families purchased homes through traditional financing.
 - One family purchased a home through a partnership with Habitat for Humanity.
- Two additional families are currently in the process of purchasing their first homes.

Significant Issues & Changes

The Authority is currently repositioning all public housing units to create additional affordable housing through the HUD-administered Section 18 Demolition & Disposition process. As part of this initiative, the Authority aims to add approximately 275 affordable housing units to the County during FY25-26. Over the next three years, the Authority plans to either replace

all public housing units with new affordable housing or dispose of the public housing in accordance with the Board-approved repositioning plans.

This shift from the public housing model will result in changes to both funding and revenue for the Authority. Revenue from public housing is expected to decline over the next three fiscal years, eventually ceasing once all public housing assets have been repositioned. However, new income streams are anticipated from the development of affordable housing on former public housing sites, with revenue growth expected in the years following the repositioning. The timing of the reduction in public housing revenue and the increase from new affordable housing, however, does not align, creating a potential gap in resources.

The Authority also expects an increase in administrative resources from HUD as it receives new tenant protection vouchers for residents transitioning from public housing. The Authority is actively planning for its operational and financial sustainability post-repositioning.

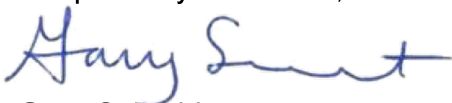
Additionally, there is significant uncertainty regarding public funding from federal sources, including HUD. Although the Authority's revenue streams are diverse, federal funding constitutes the majority of the resources required for ongoing operations, staffing, and rent assistance.

Lastly, Metro Housing Bond resources and the administrative funding they provide to the Authority are expected to be depleted by the end of this fiscal year. This means that the Housing Authority will not have additional resources to fund private affordable housing developments. The bond funds were a one-time resource to create new affordable housing. We will no longer have this source of funds but will work to leverage other state and local funds to create new affordable housing options moving forward.

Acknowledgements

We want to acknowledge the County staff's effort in creating this budget and thank the Board of County Commissioners for their continued support of the Housing Authority of Clackamas County.

Respectfully submitted,



Gary Schmidt
County Administrator, Clackamas County



[Mary Rumbaugh \(Apr 29, 2025 17:06 PDT\)](#)

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Housing Authority of Clackamas County

Budget Presentation
Fiscal Year 2025-2026





Housing Authority of Clackamas County

Department Budget Summary by Fund

Line of Business	Program	FY25-26 Total Budget	FY25-26 General Fund Support in Budget*	% of Total	FY25-26 FTE **		
					Total	Filled	Vacant
Housing Authority of Clackamas County (HACC)	Public Housing	4,499,121		-	17.0	15.0	2.0
	Development	55,533,414		-	4.0	3.0	1.0
	Central Office	1,191,183		-	14.0	11.0	3.0
	Housing Vouchers	35,710,045		-	17.0	15.0	2.0
	Local Projects	767,210		-	2.0	2.0	-
	Tenant Services (SHS)	1,038,321		-	3.0	3.0	-
	Regional Long Term Rental Assistance (SHS)	24,964,974		-	14.0	12.0	2.0
	State Funded Long Term Rental Assistance	3,507,953		-	3.0	3.0	-
TOTAL		127,212,221	-	-	74.0	64.0	10.0
FY24-25 Budget (Amended)		107,792,548	-	-	71.0	56.0	15.0
\$ Increase (Decrease)		19,419,673	-	-	3.0	8.0	-5.0
% Increase (Decrease)		18%	-	-			

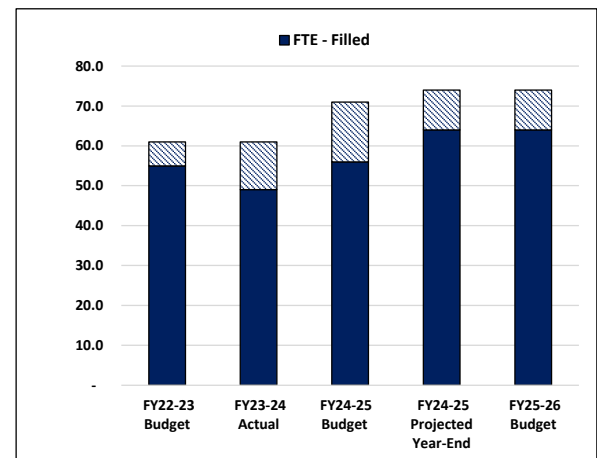
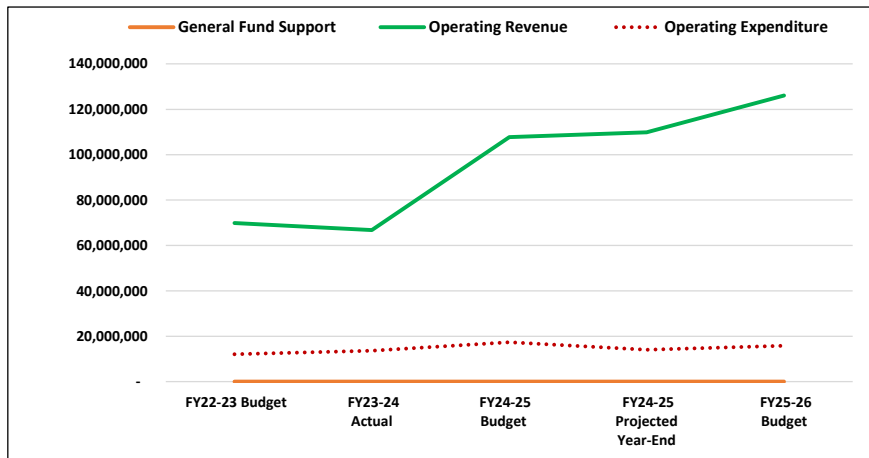
**General Fund Support is a subsidy, net of any other revenue received by the department*

*** FY25-26 FTE: The figures align to each department's updated personnel counts*

****Three new positions added for 25/26 (up 74 from 71 in 24/25) for new Policy Performance and Research Analyst to assist tenants transitioning from Public Housing the HUD Vouchers, as well as a new occupancy specialist for the Voucher Programs, and a Management Analyst 1 to assist the new Deputy Director*

Housing Authority of Clackamas County Summary of Revenue and Expense

	FY22-23 Budget	FY23-24 Actual	FY24-25 Budget	FY24-25 Projected Year-End	FY25-26 Budget	Budget to Budget:		Budget to 3-Year Average:		
						\$	%	\$	%	
						Variance	Variance	Variance	Variance	
Beginning Fund Balance	-	170,700	-	-	1,166,958	1,166,958	-	56,900	1,110,058	1951%
Taxes	-	-	-	-	-	-	-	-	-	-
Federal, State, Local, All Other Gifts	64,319,880	62,769,315	104,024,824	104,636,364	106,913,419	2,888,595	3%	77,241,853	29,671,566	38%
Charges, Fees, License, Permits	2,457,520	2,952,713	3,247,250	3,523,982	2,440,902	(806,348)	-25%	2,978,072	(537,170)	-18%
Revenue from Bonds & Other Debts	-	-	-	-	-	-	-	-	-	-
All Other Revenue Resources	3,113,574	1,032,815	520,474	1,717,556	16,690,942	16,170,468	3107%	1,954,648	14,736,294	754%
Other Interfund Transfers	-	-	-	-	-	-	-	-	-	-
General Fund Support	-	-	-	-	-	-	-	-	-	-
Operating Revenue	69,890,974	66,754,843	107,792,548	109,877,902	126,045,263	18,252,715	17%	82,174,573	43,870,690	53%
Total Revenue	69,890,974	66,925,543	107,792,548	109,877,902	127,212,221	19,419,673	18%	82,231,473	44,980,748	55%
Personnel Services	7,625,470	7,221,824	8,803,255	7,829,702	9,586,456	783,201	9%	7,558,999	2,027,457	27%
Materials and Services	3,257,495	5,164,441	7,131,265	4,945,000	5,072,186	(2,059,079)	-29%	4,455,645	616,541	14%
Capital Outlay	1,200,605	1,255,579	1,471,890	1,280,022	1,172,604	(299,286)	-20%	1,245,402	(72,798)	-6%
Operating Expenditure	12,083,570	13,641,844	17,406,410	14,054,724	15,831,246	(1,575,164)	-9%	13,260,046	2,571,200	19%
Debt Service	13,100	65,624	55,620	55,620	48,419	(7,201)	-13%	44,781	3,638	8%
Special Payments	57,794,304	53,218,075	89,273,881	94,600,600	94,796,295	5,522,414	6%	68,537,660	26,258,635	38%
Transfers	-	-	-	-	-	-	-	-	-	-
Contingency	-	-	1,056,637	-	16,536,261	15,479,624	1465%	-	16,536,261	-
Total Appropriated	69,890,974	66,925,543	107,792,548	108,710,944	127,212,221	19,419,673	18%	81,842,487	45,369,734	55%
Reserve for Future Expenditures	-	-	-	-	-	-	-	-	-	-
Total Expense	69,890,974	66,925,543	107,792,548	108,710,944	127,212,221	19,419,673	18%	81,842,487	45,369,734	
Revenues Less Expenses	-	-	-	1,166,958	-			388,986		
Full Time Equivalent (FTE)										
				<i>As Of 02/2025</i>						
FTE - Total	61.0	61.0	71.0	74.0	74.0	3.0				
FTE - Filled	55.0	49.0	56.0	64.0	64.0	8.0				
FTE - Vacant	6.0	12.0	15.0	10.0	10.0	(5.0)				



FY25-26 Looking Ahead

CHALLENGES

- Reductions in supportive housing funding affecting local rent assistance.
- Shifting revenue streams: Declining public housing income alongside rising revenue from new affordable housing may create a future resource gap.
- Uncertainty of federal funding.

OPPORTUNITIES

- Moving to Work (MTW Status) allows for future flexibility.
- Repositioning of assets in future years will create more fiscal certainty than public housing.