

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: March 3, 2026

Approx. Start Time: 1:30pm

Approx. Length: 30mins

Presentation Title: Housing and Homeless Services Funding Overview

Department: Health Housing and Human Services

Presenters: Mary Rumbaugh, Director of the Health Housing and Human Services Department; Shannon Callahan, Director of the Housing and Community Development Division and Executive Director of the Housing Authority of Clackamas County

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

None, informational presentation only.

EXECUTIVE SUMMARY:

The purpose of this policy session is to provide the Board with an updated and comprehensive picture of the federal, state, regional, and local funding landscape that supports housing and homeless services in Clackamas County. The funding environment is undergoing ongoing change due to reduced allocations, stagnant federal adjustments, and increasing rental market and program costs. These changes directly impact the sustainability of our Housing Continuum and require strategic alignment between forecasted revenues and board-approved expenditures.

Overview of the Housing Continuum in Clackamas County

The Housing and Community Development Division within the Health, Housing & Human Services Department administers and coordinates a recovery-oriented system of care for community members who are experiencing, or at risk of experiencing, homelessness.

Clackamas County's continuum of services includes:

- Homelessness prevention and diversion
- Outreach and engagement
- Emergency shelter
- Permanent supportive housing
- Rapid re-housing
- Retention and stabilization services

Each component is comprised of multiple programs designed to meet the diverse and evolving needs of individuals and families in our community.

This session will:

- Provide an updated funding overview for FY 2025–26
- Highlight key risks and trends across funding sources
- Emphasize the forecast and expenditure plan for Metro Supportive Housing Services (SHS) funding
- Support informed policy and budget decisions moving forward

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

What is the cost? \$ N/A What is the funding source? Supportive Housing Services Funding
Federal & State Funding for Homeless Services

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department's Strategic Business Plan goals?
 - Equity Driven Services
 - Organizational Excellence & Continuous Quality Improvement

- How does this item align with the County's Performance Clackamas goals?
 - Safe, Secure and Livable Communities
 - Public Trust in Good Government

LEGAL/POLICY REQUIREMENTS:

N/A

PUBLIC/GOVERNMENTAL PARTICIPATION:

N/A

OPTIONS:

N/A, informational presentation only.

RECOMMENDATION:

N/A, informational presentation only.

ATTACHMENTS:

Attachment A: SHS Funding Memo dated March 3, 2026

Attachment B: Presentation Slides

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Shannon Callahan @ 971-655-8267
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Mary Rumbaugh
Director

MEMORANDUM

TO: Clackamas County Board of County Commissioners
FROM: Mary Rumbaugh, Director of Health Housing and Human Services and Shannon Callahan Executive Director of the Housing Authority of Clackamas County/Director of the Housing and Community Development Division
RE: Clackamas County FY 2025-26 Supportive Housing Services Budget
DATE: March 3, 2026

REQUEST: No request, this is for informational purposes only.

BACKGROUND: Provide additional context regarding the status of Clackamas County's FY 2025-26 Supportive Housing Services budget for the Housing & Homelessness Funding Policy Session.

RECOMMENDATION:

Supportive Housing Services (SHS) funding has supported the majority of Clackamas County's homeless services programming since SHS funding began in 2021. While this revenue has been a significant boon to Clackamas County residents in need, recent forecasts from Metro in 2024 and 2025 have decreased projected SHS revenue through 2030. For this current fiscal year, forecasted revenue for Clackamas County has declined by \$5.8M since Metro's 2023 forecast and looking ahead to next fiscal year, forecasted revenue for the county in FY 2026-27 is projected to be \$12.3M lower than previously forecasted. The near-term outlook shows flat to slow tax revenue growth, coupled with a newly indexed income threshold for the SHS tax to account for inflation and cost of living increases for middle income taxpayers. The county has taken a fiscally responsible approach to building sustainable programs and infrastructure with SHS funding and has successfully weathered the forecasted revenue reductions with no immediate cuts to major programs.

The robust system of care built over the last five years is fully operational and 100% of all unspent funds carried over from previous years as well as new revenue the county is projected to receive in FY 2025-26 have been allocated to support the county's housing and homeless services system. Figure 1 below details the county's FY 2025-26 SHS budget for ongoing programming using annual revenue, with examples of the key services funded in each program area.

Healthy Families. Strong Communities.

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Figure 1

Program Area	FY 2025-26 Budget
Administration & Operations	\$5.67M
- County Administrative and Program Personnel - Community Engagement	
System Support & Coordination	\$6.75M
- Coordinated Housing Access - Regional Strategy Implementation Fund Programs	
Outreach	\$2.06M
- Street and Site-based Outreach - Community Paramedic	
Safety off the Streets	\$12.37M
- Emergency and Inclement Weather Shelter - Transitional Housing	
Housing Placement & Retention	\$1.61M
- Resident Services - Eviction Prevention	
Supportive Housing	\$35.86M
- Permanent Supportive Housing - Regional Long-term Rent Assistance	
Total FY 2025-26 SHS Ongoing Budget:	\$64.32M

Figure 2 details the the county’s FY 2025-26 SHS carryover budget which supports limited duration programming and capital investments. Budgeted SHS carryover funds include significant investments in out-year programming to ensure that the limited duration programs funded with one-time carryover funds can be sustained for multiple years. The county’s current plan sets aside carryover funds for out-year programming to slowly ramp down limited duration programs over the course of the next four fiscal years to minimize shock to the system as those programs come to an end.

Figure 2

SHS Carryover Priority Area	FY 2025-26 Budget
Capital Needs	\$30.09M
<ul style="list-style-type: none"> - Recovery Campus - A Caring Place - Veterans Village Improvements 	
Expanding Capacity	\$7.91M
<ul style="list-style-type: none"> - Behavioral Health Housing Retention Team - Aging and Disability Housing Case Management - Internal Staff Support 	
Financial Stability	\$16.08M
<ul style="list-style-type: none"> - Contingency & Stabilization Reserves 	
Housing 4 Success	\$17.71M
<ul style="list-style-type: none"> - Rent Assistance - Legal Assistance - Career Coaching & Employment Support 	
Short-term Rent Assistance	\$5.00M
<ul style="list-style-type: none"> - Social Services Short-term Rent Assistance Program 	
Regional Strategy Implementation Fund	\$3.09M
<ul style="list-style-type: none"> - Technical Assistance for Service Providers - Coordinated Housing Access Process Improvements - Employee Recruitment & Retention for Service Providers 	
Sustain Existing Programming	\$18.17M
<ul style="list-style-type: none"> - Rapid Rehousing - Resource Navigation - Support for Programs Losing Non-SHS Funding 	
Upstream Investments	\$10.70M
<ul style="list-style-type: none"> - City-led Initiatives - Money Management Program - Service Provider Capacity Building 	
Total FY 2025-26 SHS Carryover Budget:	\$108.75M

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Clackamas County is positioning itself to be flexible and responsive to further changes in local economic conditions and potential further revisions of the SHS revenue forecast. The county's intergovernmental agreement with Metro for SHS funding requires that the county establishes a stabilization reserve of at least 10% of annual program revenue and allows an optional contingency account of up to 5% of annual program revenue. The county maintains fiscal responsibility with SHS funds and budgets 20% of annual program revenue in a stabilization reserve and the full 5% in a contingency account. In FY 2025-26 the stabilization reserve and contingency account total \$16.08M which can be tapped to sustain essential programming in the event of an economic downturn.

Respectfully submitted,

Mary Rumbaugh
Director of Health Housing and Human Services

Housing & Homelessness Funding

Policy Session
Housing & Community Development



CLACKAMAS
COUNTY

HOUSING AND COMMUNITY
DEVELOPMENT DIVISION

Housing & Homelessness Continuum

Homelessness Prevention



- ✓ SHS
- ✓ State Dollars

Outreach



- ✓ SHS
- ✓ State Dollars

Shelter



- ✓ SHS
- ✓ State Dollars

Permanent Housing



- ✓ HUD Vouchers
- ✓ HUD CoC
- ✓ SHS
- ✓ State Dollars

Retention & Stabilization



- ✓ HUD Vouchers
- ✓ HUD CoC
- ✓ SHS
- ✓ State Dollars

Housing Choice Vouchers

HUD Vouchers

- HACCC's largest program, serving 2,000 families
- Per unit costs projected to grow by 3.69%, while HUD's 2026 Renewal Funding Inflation Factor is 0%
 - \$1M shortfall
- Administrative funding proration
 - \$300k+ shortfall
- No new HCVs will be issued except for special programs and previously committed project-based vouchers



Emergency Housing Vouchers

HUD Vouchers

- Serving 39 households who faced homelessness
- HUD announced funding will end early, this year
 - \$500k shortfall
- Strategic use of remaining assistance, including SHS, to transfer households where possible



Rosewood Manor

State Dollars

Oregon Housing & Community Services

- 70% decrease in eviction prevention funding
 - \$5.1M in 23-25 biennium to \$1.5M in 25-27
- \$1M decrease in outreach and shelter dollars
 - \$4M in 23-25 biennium to \$3M in 25-27
- \$2.7M decrease in rapid rehousing
 - \$4.4M in 23-25 biennium to \$1.7M in 25-27
- Decrease in Long-term Rent Assistance
 - 128 Households in 23-25 biennium
 - 112 Households in 25-27
- Loss of safety net and increase in evictions

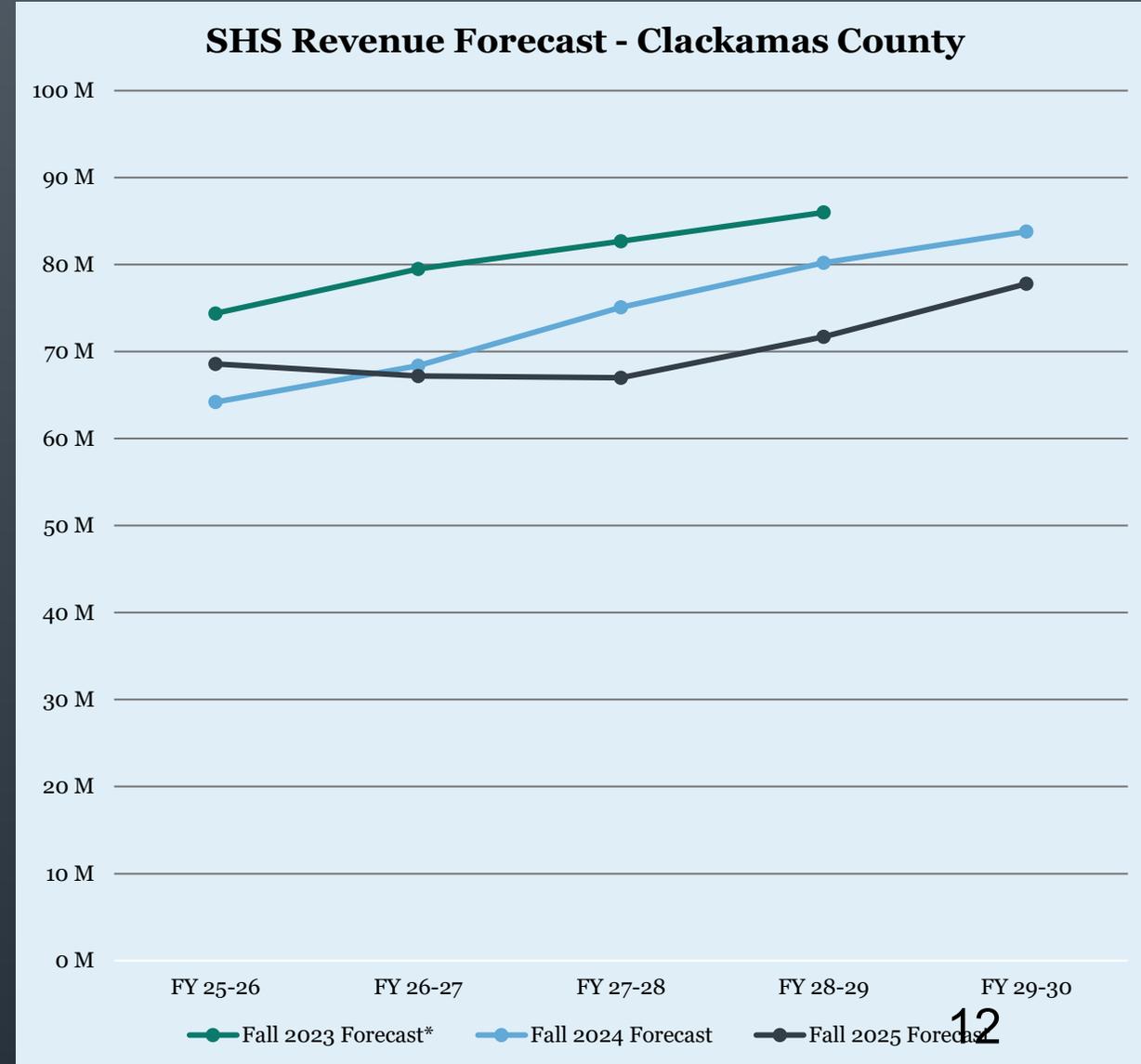


Tukwila Springs

Supportive Housing Services

Clackamas County

- Service contract funding remains flat while costs increase
- Reliance on one-time and carryover funding, priority on maintaining critical programs such as shelter and permanent supportive housing
- Cost containment; no new permanent supportive housing placements; decreasing RLRA through attrition; some limited duration programs ending or reducing service



Supportive Housing Services

FY 2025-26 **Ongoing** Programming Budget

Program Area	FY 2025-26 Budget
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Supportive Housing Services

FY 2025-26 Carryover (One-Time) Budget

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