

## MEMORANDUM

TO: Metro Council

FROM: Shannon Callahan  
Director of Housing and Community Development Division  
Clackamas County

RE: Request for Metro Administrative Funds for New Clackamas County Shelter

DATE: December 16, 2025

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### REQUEST

Clackamas County, with approval from the Board of County Commissioners, requests \$7 million in Metro Administrative Funds to support the development of a new year-round shelter in Clackamas County.

### BACKGROUND

Following Metro's distribution of surplus Supportive Housing Services (SHS) Administrative Funds to Multnomah and Washington Counties, Clackamas County is seeking \$7 million for capital investment in a new shelter facility.

Clackamas County has identified a critical need for additional shelter capacity to balance its continuum of care. On November 12, 2025, the Board of County Commissioners authorized staff to request Metro Administrative Funds to replace the County's current 40 units of leased hotel-based shelter, which primarily serve single adults and couples.

To ensure the County identifies the strongest and most cost-effective solution, two parallel development paths will be pursued:

1. Search for a Shelter-Ready Property

The County will issue a Request for Expressions of Interest (RFEI) to identify any properties suitable for efficient conversion into congregate shelter. Metro Administrative Funds would cover acquisition and rehabilitation. While the County is committed to evaluating all viable opportunities, past market experience indicates that properties meeting shelter-ready criteria are uncommon.

Nevertheless, conducting this search ensures that the County does not miss a high-value opportunity should one become available.

2. Development of a Village-Style Shelter

If no suitable properties are identified, the County will proceed with planning and site identification for a new village-style shelter, modeled on the successful Clackamas Village transitional housing project. Based on recent per-unit development costs, constructing a replacement for the 40 motel units is estimated at \$7–8 million, including land acquisition, pod procurement, infrastructure and site improvements.

Metro Administrative Funds will be used exclusively for development, construction, and necessary improvements.

The village model, organized around pod communities, has demonstrated strong outcomes in serving individuals experiencing homelessness and is well suited to Clackamas County's blend of urban, suburban, and rural characteristics.

**SERVICE PARTNERSHIP**

In either scenario, Clackamas County will continue partnering with a community-based provider to deliver on-site services and case management, funded by SHS program dollars.

**IMPACT**

This investment will enhance Clackamas County's continuum of care, deliver a shelter model well suited to community needs, and create operational efficiencies that can be redirected to priority services or applied to future fiscal challenges driven by declining revenues and rising costs.