

IN CONSIDERATION OF RESOLUTION NO. 25-5555 FOR THE PURPOSE OF PROVIDING UP TO \$7,000,000 TO CLACKAMAS COUNTY TO ADDRESS UNSHELTERED HOMELESSNESS

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**Date:** Dec. 10, 2025

**Presenter:** Liam Frost, *Interim Housing Director, Metro*

**Department:** Housing

Vahid Brown, (he/him), *Deputy Director of Housing and Community Development, Clackamas County Department of Health, Housing and Human Services*

**Meeting Date:** Dec. 16, 2025

**Prepared by:** Alice Hodge,  
*Housing Council Liaison*

**Length:** 30 minutes

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## ISSUE STATEMENT

Metro Council seeks to ensure that Supportive Housing Services (SHS) funding provides tangible benefits where needed most across the region. In a time of continuing crisis in our communities and broader financial uncertainty, responsive action is of critical importance.

This presentation will provide Metro Council with information on Clackamas County's request for \$7 million in one-time funds from Metro's unallocated SHS administrative funds to help address unsheltered homelessness. This request will support the development of a new year-round shelter in Clackamas County.

### Clackamas County request

On November 12, 2025, the Clackamas 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 to serve chronically homeless populations, 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. 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.

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. 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.

## **BACKGROUND**

In May 2020, voters in greater Portland approved Measure 26-210 to fund services for people experiencing or at risk of homelessness. The measure created personal and business income taxes that fund SHS across the region. Pursuant to the SHS measure and Metro Code, Metro retains 5 percent of SHS tax collections to administer a regional program.

As Metro and the Counties built up their programs, revenue outpaced annual administrative spending. Metro currently has approximately \$30 million in reserves, which can be used for current and future administration of the SHS program. During and after the Stakeholder Advisory Table process and other SHS reform discussions, Metro discussed setting a portion of these funds aside to seed a regional fund for affordable housing development. However, due to urgent need for funding within current allowable uses, Metro Council sought to provide flexibility to make strategic investments of Metro’s administrative funds to support efforts of regional significance.

On April 17, 2025, Metro Council adopted Ordinance No. 25-1530 to enable disbursement of its administrative funds to Local Implementation Partners for one-time investments in support of programs that otherwise meet SHS use of funds requirements, as directed by future Metro Council resolution.

A unique set of circumstances led to Metro having these available resources that are not otherwise critical for immediate administrative needs. It is unlikely that Metro will have these resources available for flexible programming in the future given the current revenue

and budget forecasts. Therefore, local implementation partners that receive additional funds from Metro administrative funds should understand that those investments are one-time.

### **ACTION REQUESTED**

Approve Resolution NO. 25-5555

### **POLICY OPTIONS FOR COUNCIL TO CONSIDER**

Staff recommend passing the resolution as submitted. Metro Council may further direct staff to require additional specific features in a subsequent IGA with Clackamas County. Given the one-time nature of these funds, Council may consider adjusting the amount of funds made available to Clackamas County.

### **ATTACHMENTS**

1. Clackamas County Request Memo