

MEMORANDUM

February 8, 2022

To: Gary Schmidt, Clackamas County Administrator

From: Vahid Brown, SHS Program Manager, Housing Authority of Clackamas County (HACC)

Toni Karter, Interim Executive Director, Housing Authority of Clackamas County

Rodney Cook, Director of Health Housing and Human Services (H3S)

RE: Supportive Housing Services FY22 Financial Update

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In response to inquiries from the Board of County Commissioners on February 1, 2022, the Supportive Housing Services (SHS) Program team has prepared the following memo. This memo provides information regarding the spend-down of the \$5M advance as well as received tax revenue disbursements to date. The SHS Program has maintained fiscal responsibility while rolling-out services to ensure that expenditures do not exceed current funding. Requesting an additional \$5M advance from Metro by March, 2022, would enable the County to procure new services and further our progress in achieving the County's year one Local Implementation Plan (LIP) goals.

*Background*

The Clackamas County SHS Program is currently funded in Fiscal Year 2021-22 through a combination of disbursements from Metro Measure 26-210 tax revenue and a \$5M advance from Metro which is to be repaid from portions of future disbursements. The combination of current disbursements and the advance has enabled the SHS Program to stabilize transitional housing services at risk of ceasing their activities, roll-out new housing placement and case management services, and launch the Regional Long-term Rent Assistance (RLRA) program. On November 2, 2021, the Board of County Commissioners also voted to leverage \$2.234M in American Rescue Plan Act (ARPA) funding which is earmarked to bridge the finances of the Hotel/Motel Emergency Shelter Program until its participants can be navigated into permanent housing.

*SHS Program's Finances*

The SHS Program has executed five contracts to provide housing placement and supportive case management services, one of which includes short-term rent assistance, and three contracts to support emergency shelter and transitional housing. Internally, the Program is funding Regional Long-term Rent Assistance operations and rental contracts and both administrative and operational staff who are building the internal infrastructure as program implementation continues. Additionally, some costs which were incurred in FY21 to support LIP development and program launch have been carried over to FY22 SHS funding (indicated in the first three rows of expenditures in Figure 1).

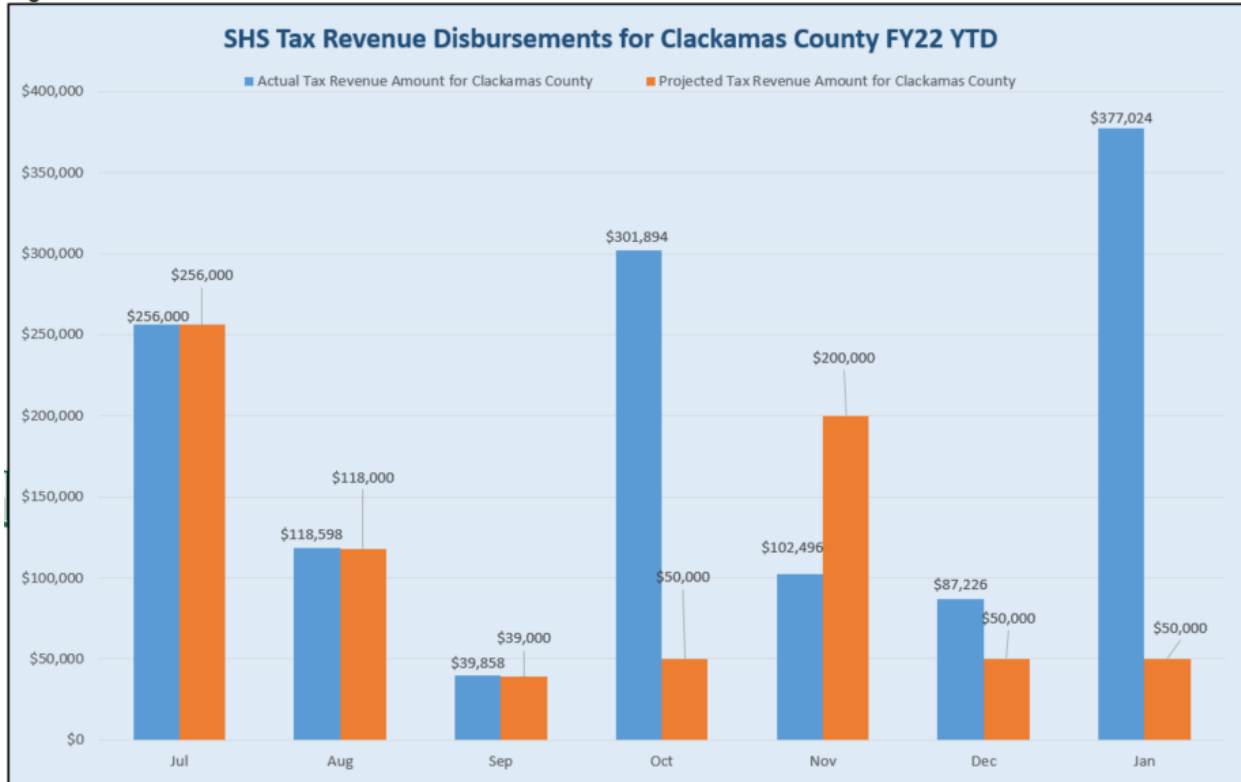
A summary of the SHS Program’s finances as of January 31, 2022 is available in Figure 1.

**Figure 1. SHS Financial Summary Based on FY22 \$10M Budget**

<b>Funding</b>		<b>FY22 Actuals as of 01/31/22</b>	
SHS Measure Disbursements		\$1,283,096	
SHS Funding Advance		\$5,000,000	
<b>Total Funding</b>		<b>\$6,283,096</b>	
<b>Expenditures</b>	<b>Actual Expenditures As of 12/31/21</b>	<b>Est. Financial Obligations Thru 06/30/22</b>	<b>Est. FY22 Total Expenditures Thru 06/30/22</b>
FY21 Carryover	\$413,153.67	-	\$413,153
Housing Placement and Support Services	-	\$1,565,802	\$1,565,802
Emergency/Transitional Sheltering	\$120,276.60	\$889,992	\$1,010,269
Short-term Rent Assistance	-	\$90,000	\$90,000
Regional Strategy Implementation Set-Aside	-	\$64,155	\$64,155
RLRA Administration	\$68,386.14	\$136,770	\$205,156
RLRA Program Operations	\$126,250.41	\$1,628,125	\$1,754,375
SHS Administration	\$152,071.24	\$170,580	\$322,651
SHS Program Staff	\$173,163.67	\$370,908	\$544,072
<b>Total Expenditures</b>	<b>\$1,053,301.73</b>	<b>\$4,916,332</b>	<b>\$5,969,633</b>
<b>Est. Remaining Funds as of 06/30/22</b>			
Remaining Funds Based on Current Obligations		\$313,463	
<b>Ongoing Contractual Obligations for FY23</b>			
Remaining Executed Contract Value into FY23		\$1,456,617	

A summary of disbursements received as of January 31, 2022 from Metro Measure 26-210 tax revenue is shown in Figure 2 (in blue). These are compared with a projection model produced by County and Housing Authority finance staff in October, 2021 (in orange). Note that the County projection based the first three months of the model – July-September – on the actual amounts already received during those months. Year-to-Date disbursements through January 31, 2022 total \$1,283,096. The model projected that disbursements in this period would total \$763,000. Actual disbursements significantly outpaced projections in October, December, and January.

Figure 2.



### *Leveraging an Additional \$5M Advance*

In the third and fourth quarters of the fiscal year, the SHS Program will be investing in additional housing services through the Tri-County Request for Programmatic Qualifications (RFPQ). This procurement, administered by Washington County, is the result of a partnership between Clackamas, Multnomah, and Washington Counties and will establish a pool of organizations qualified to provide supportive housing services for the next five years. This procurement closed on January 31, 2022. The list of qualified providers from the RFPQ is slated to be finalized in early March, 2022.

The SHS Program will then follow the allocation process, where program offers indicating available funding for specified programs and services will be released to the pool of qualified providers. Contracts resulting from this allocation process will lay the groundwork to roll-out the second wave of services throughout the remainder of FY 21-22. It is the SHS Program's goal to release program offers, execute contracts, and initiate new services as soon as possible to make further progress towards the LIP goals this fiscal year.

Should the County receive an additional \$5M advance from Metro, the funds would go toward achieving these year one LIP goals. To date, the roll-out of SHS programming has prioritized the Regional Long-Term Rent Assistance program, housing navigation and placement services, and supportive housing case management, while also stabilizing existing emergency and transitional shelter programs at risk of losing funding. Significant progress has been made toward achieving year one LIP goals in these service component areas. An additional advance from Metro would enable progress in other goal areas, including outreach, eviction prevention, investments in emergency and transitional shelter, and the expansion of culturally specific

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services. Figure 3 provides a comparison table of LIP goals and planned investments in shelter against projected progress based on currently executed contracts.

Figure 3. Local Implementation Plan Goals Progress

Service Component	Projected Progress (Contracts & RLRA)	LIP Year 1 Goal
Supportive Housing Case Management	205	200
Long-term Rent Assistance	200	250
Short-term Rent Assistance	10	130
Eviction Prevention	-	110
Housing Navigation/Placement	102	200
Emergency Housing-Shelter/Transitional	63	65
Outreach	-	500
Shelter Acquisition/Lease	-	\$3.5M