

**MEMORANDUM**

TO: Clackamas County Board of County Commissioners (BCC)  
FROM: Adam Brown, Deputy Director, Health, Housing & Human Services and Vahid Brown, Deputy Director, Housing & Community Development Division  
RE: FY 2022-23 Metro Supportive Housing Services Measure Revenue Forecast Update  
DATE: June 27, 2023

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**REQUEST:** The Housing & Community Development Division of Health, Housing & Human Services is seeking to provide the Board with an update on the anticipated current year (FY 2022-23) collections of Metro Supportive Housing Services (SHS) Measure tax revenue. **This update is informational only.**

**BACKGROUND:** During a Policy Session on June 14, 2023, the Housing & Community Development (HCD) Division presented to the Board a plan for one-time and limited-term uses of the anticipated \$58.6 million carryover balance of SHS funding. As staff described, the carryover balance is the product of budgeted revenue in excess of budgeted expenditures (as programs ramp up); revenue in excess of the budgeted amount (higher than forecasted collections); and budgeting current year revenue for FY 2023-24 (as opposed to budgeting in the year following collections).

During the Policy Session, staff apprised the Board that, given the pace of current year SHS revenue collections (FY 2022-23), and based on preliminary information from Metro about expected continued pace of those collections, there is a good chance that the total revenue collected will exceed Metro's December forecast amount. Staff further apprised the Board that an increase to the anticipated collection amount would mean an increase in the carryover balance of \$58.6 million and an opportunity for the Board to expand on and/or make deeper investments in the priority areas outlined in the plan.

On June 26, 2023, Metro staff gave a tax collection and disbursement update to the Supportive Housing Services Oversight Committee. During that update, Metro staff informed the Oversight Committee that current year collections have exceeded the revenue forecast and that it was revising the forecasted amount to be collected for FY 2022-23. The revised amount is \$325 million, up from the initial forecast of \$225 million, with collections through May of \$309 million. The increase is primarily due to spill over from tax year 2021 (payments for tax year 2021 that were made in FY 2022-23), as well as the widespread income growth coming out of the pandemic, which can be seen at the state and national level.

Based on the revised current year revenue forecast, staff are updating the Board on the impacts to Clackamas County's anticipated carryover balance for FY 2023-24 and the plan presented on June 14, 2023. The revised forecast will increase the anticipated carryover balance by \$21.3 million, from \$58.6 million to just under \$80.0 million.

Respectfully Submitted,

Adam Brown, Deputy Director, Health, Housing & Human Services