



Multnomah County Homeless Services Department

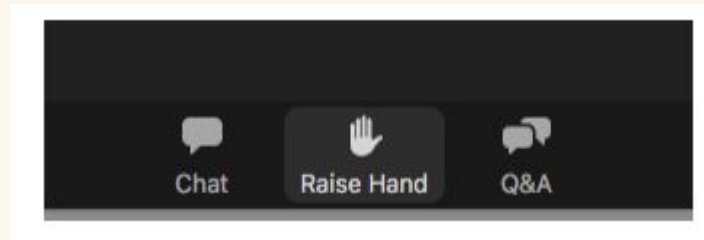
***Community Budget
Advisory Committee***

***September 25, 2025
meeting***



Zoom - Webinar

- Utilizing Zoom webinar, as CBAC functions as a Public Meeting
- Non-CBAC member attendees can watch the meeting, and can use Zoom's Q&A feature to enter comments (questions may not be answered in real-time, but we can follow up if you provide your email address)
- Online CBAC member participants can use the Chat, but it is not visible to in person or public attendees



Meeting Agenda

All times are estimates...

- | | |
|------|---|
| 5:05 | Welcome! Meeting Guidelines and Decision Making! |
| 5:05 | Introductions of continuing CBAC members, new CBAC members and HSD staff |
| 5:15 | Approve 8.25.2025 CBAC Meeting minutes |
| 5:20 | Review of HSD Budget rebalancing efforts |
| 5:50 | Break |
| 6:00 | Presentation - review of HSD Data and our Data Dashboard |
| 6:30 | Check ins: <ul style="list-style-type: none">a) Current and upcoming CBAC orientation workshopsb) Meeting Stipends |
| 6:35 | Appreciations for outgoing CBAC members! |
| 6:50 | Future Meetings, Next Steps and Closing |

Meeting Guidelines

1. We make ourselves comfortable
2. We respect and listen to each other
3. We make space for different participation levels and styles
4. We move up, and we move back
5. We recognize our own social positionality
6. We differentiate between opinion and informed knowledge
7. We speak from our own experience
8. We differentiate between safety and comfort
9. We choose to respectfully interrupt oppression

Modified Consensus Process

"Fist to Five" Consensus Decision Making



Welcome!!

- Introductions of current CBAC members
- Introductions of *new* CBAC members
- Introductions of HSD staff
 - a. Name
 - b. Pronouns
 - c. Any connections or affiliations you wish to share (brief)
 - d. What is something you're looking forward to this fall?

Approve 8.25.2025 Minutes

Using Fist to 5 decision making, current CBAC members can approve the minutes from the August 25, 2025 CBAC meeting

Homeless Services Department FY 2026 State/Federal Rebalance





Agenda

1

Historical Context

2

FY 2026 Budget Recap

3

State Funding Impacts

4

Other Funding Impacts

5

Looking Forward to FY 2027



Historical Context



FY 2026 Budget Recap

Look Back

Context
Setting:



Early Stages (COVID-19 and SHS Launch)

- Ramping up services due to COVID-19 and the start of SHS.
- Initial 3 years of SHS saw underspending and unanticipated revenue, leading to large year-over-year carryover

Strategic Focus & Service Expansion

- A focus to prioritize spending on services and expansion in:
 - Shelter
 - Placement out of Shelter

Look Back

Context

Setting:



Current & Future Outlook

- The system has now fully ramped up and spending is happening as expected
- The SHS forecast for FY 2025 and FY 2026 was reduced by 14% both years.
- Potential adjustment to the SHS forecast and 3 year replenishment plan for reserves
- The carryover funds are gone by FY 2027, leaving only ongoing SHS funding.
- **Not enough funding to sustain the system**

HSD Planning

- Anticipate this may be first of more adjustments due to anticipated constrained resources
- HRAP 2.0 and SHS Reform impact on FY 2027
- Review and recommend core services and HSD's role to support a holistic system in a constrained resource environment
- Use FY 2026 state rebalance to backfill the slow ramp-down of services in FY 2027

FY 2026 Adopted - Operating Budget

FY 2026
Reductions
GF
Other Funds
FTE

\$310.2 million

Total Adopted Operating Budget

Excludes cash transfers, contingencies, and unappropriated balances.

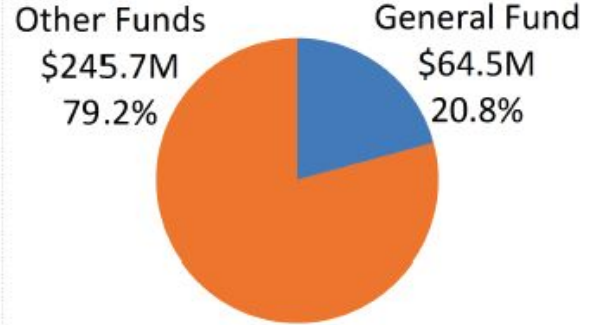
114.00 FTE

Total Adopted Staffing



(8.00) FTE

Decrease from
FY 2025 Adopted



(\$32.3) million

Operating Budget
decrease from
FY 2025 Adopted



(9.4%) Decrease

General Fund

\$10.0 million

New **One-Time-Only** Programs

\$15.0 million

New **Ongoing/Backfill** Programs

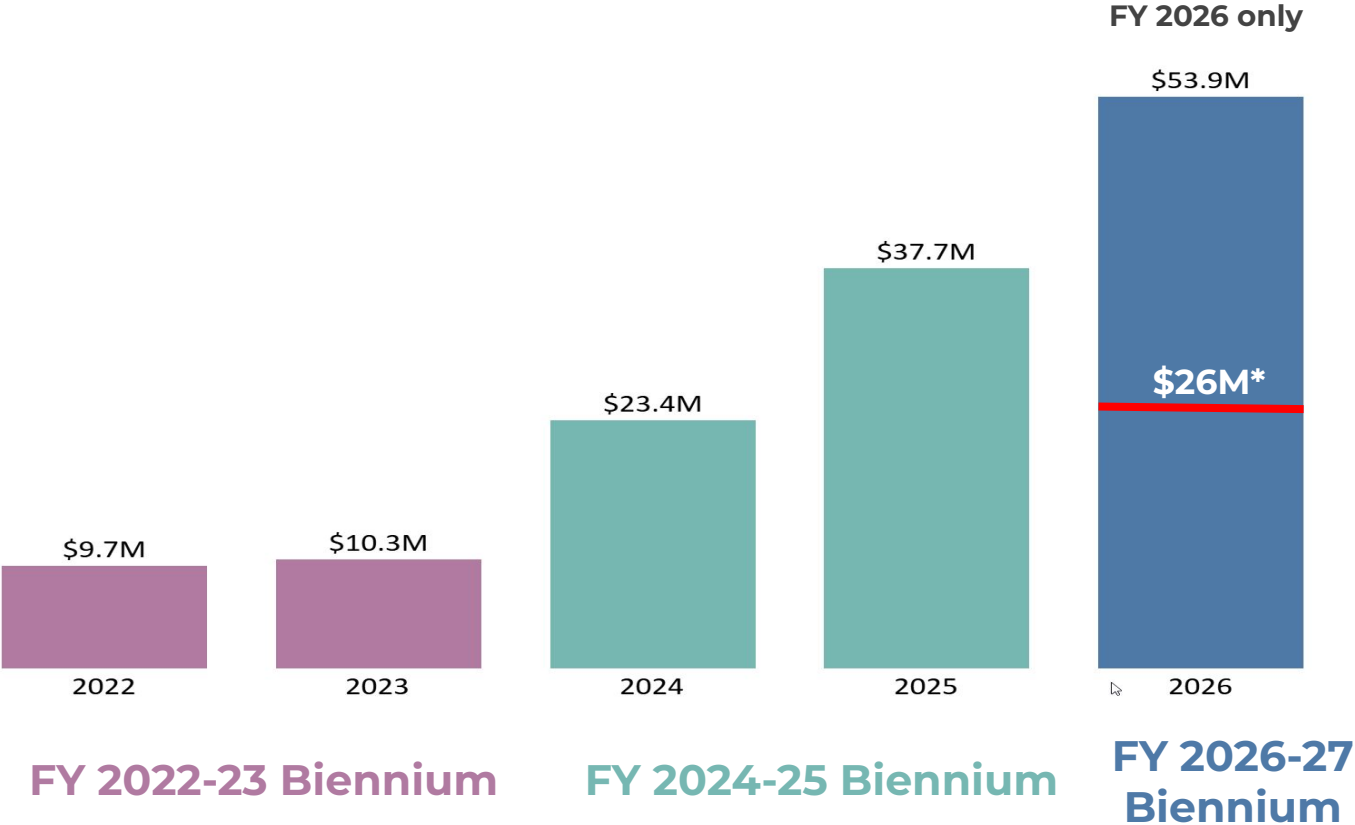
FY 2026 Adopted Budget Recap

Board Amendments

- 230 congregate shelter beds closing in March 2026
- 200 PSH units expansion in the 4th quarter
- \$2.9M restoration for Employment Programs (Total Funding = \$5.7M)
- \$647K partial restoration for legal services
- \$429K restoration for East County Services

HSD Operating Budget: Direct State Funding

17.4% of the
HSD FY
2026
Adopted
budget is
**Direct
State
Funding**



NOTE: FY 22-25 Revised; FY 26 Adopted
*Includes \$2.9M in EHA, ESG and SHAP

HSD FY 2026 State Summary

- Total of **\$26M** funding from the state
- A **\$28M** or **55%** reduction in state funding
- At risk of losing **214** shelter units, **668** participants not sustained and **873** participants not newly placed
- HSD recommends back filling **\$20M** to maintain some services



State Funding Impacts

Overview of State Funding Changes

The Governor's Recommended Budget experienced a **33%** or **\$168.7M** reduction in these 3 funding areas

FY 2025 - FY 2027 State Funding*	Governor's Recommended Budget (GRB)	Legislatively Adopted Budget (LAB)	Difference	% Difference
OR-501 Maintaining Shelter	217.9M	204.9M	-13.0M	-6%
OR-502 Rehousing	188.2M	50.3M	-137.9M	-73%
OR-503 Long Term Rent Assistance (LTRA)	105.2M	87.4M	-17.8M	-17%
Biennial Total	511.4M	342.6M	-168.7M	-33%
Annual Total	255.7M	171.3M	-84.4M	-33%

*Multco Assumption at 20% Biennial and Annual

Overview of State Funding Changes

FY 2026 Impact to Homeless Services Department is **\$28M** or **55%** reduction in funding

State Funding	FY 2026 Adopted Budget (GRB)	FY 2026 LAB Updated Budget	FY 2023 - 25 Carryover	Difference	% Difference
OR-501 Maintaining Shelter	21.8M	9.8M	1.4M	-10.6M	-49%
OR-502 Rehousing	18.8M	3.8M	1.1M	-13.8M	-74%
OR-503 Long Term Rent Assistance	10.5M	4.9M	2.1M	-3.6M	-34%
Total	51.1M	18.5M	4.6M	-28.0M	-55%

*See slide #41 for HSD's biennial amount from the state

Overview of State Funding Changes

FY 2026 Programmatic/Services Impact to Homeless Services Department

	# of Shelter Units			# of participants newly placed in housing			# of participants sustained**		
State Funding	FY 2026 Adopted Budget	FY 2026 Updated Budget	Difference	FY 2026 Adopted Budget	FY 2026 Updated Budget	Difference	FY 2026 Adopted Budget	FY 2026 Updated Budget	Difference
OR-501 Maintaining Shelter	439	225	-214						
OR-502 Rehousing				1013	150	-863	646	126	-520
OR-503 LTRA				29	19	-10	436	288	-148
Total	439	225	-214	1013	150	-873	1,082	414	-668

Major State Funding

Maintaining Shelter:
Detail

Recommendations

- Backfill the **\$10.6M** reduction from OHCS*:
 - **\$9.7M** from the department's Year 2 of funding from OCHS
 - **\$0.9M** HSD Capital Fund

State Funding	FY 2026 Adopted Budget	FY 2026 State Amount	FY 2026 Backfill Amount	Difference	% Difference
OR-501 Maintaining Shelter	21.8M	11.2M	10.6M	-0M	0%

Recommendation Detail

Major State Funding

Rehousing/
Placement out
of Shelter

- Backfill \$5.7M:
 - \$5.5M from HSD Capital Fund
 - \$.2M from unbudgeted SHS carryover
- Sustains **520** participants **(600 total)**
- 863 fewer new placements overall, will require pulling back \$4M from current contracts

State Funding	FY 2026 Adopted Budget	FY 2026 State Amount	FY 2026 Backfill Amount	Difference	% Difference
OR-502 Rehousing	18.8M	5.0M	5.7M	8.1M	43%

Major State Funding

Long Term
Rent
Assistance:

- **\$6.9M** for FY 2026
- **34%** or **\$3.6M** reduction from the FY 2026 Adopted Budget
- **10** participants not sustained and over **148** participants not new placed into housing if not backfilled

Major State Funding

Long Term
Rent
Assistance:

Recommendations

- Backfill **\$3.6M** from unbudgeted SHS carryover, which fully restores
- Buys back 10 participants sustained and over 148 participants newly placed

State Funding	FY 2026 Adopted Budget	FY 2026 State Amount	FY 2026 Backfill Amount	Difference	% Difference
OR-503 LTRA	10.5M	6.9M	3.6M	0M	0%



Other Funding Impacts

Other Funding

City of
Portland
General Fund:

- Funding swap with City of Portland general fund and SHS for **\$5M**.
 - FY 2026, the City of Portland agreed to send the County \$29.8M
 - City identified \$5M available funding from the State in FY 2025*.
 - HSD underspends SHS by \$5M to carryover in FY 2026 to cover City Contributions

FY 2025 Adopted Budget	FY 2026 Adopted Budget	FY 2026 Updated Budget	Difference
31.2M	29.6M	24.6M	5M

[*BudMod-HSD-012-25 Increase Federal and State Fund Appropriation from State Funding](#)

Other Funding

City of
Portland
Supportive
Housing
Services:

- Decrease City of Portland SHS by **\$1.7M**.
 - FY 2024, the board approved \$16M in unanticipated revenue from SHS to the City of Portland for Temporary Alternative Shelter Sites (TASS).
 - FY 2024, the City had \$14.6M remaining unspent.
 - The City spent \$12.9M in FY 2025 and the remaining \$1.7M in FY 2026 for the TASS

FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Updated Budget
1.4M	12.9M	3.4M	1.7M

Other Funding

Supportive Housing Services (SHS):

- HSD has an additional **\$8.8M in** SHS for FY 2026.
 - HSD underspends SHS by **\$5M** to carryover in FY 2026 to cover City Contributions
 - **\$3.8M** recommend to be use for the State rebalance

FY 2026 Budgeted Amount	Anticipated Actual Amount	Increase/ (Decrease)
54.2M*	63.0M	8.8M

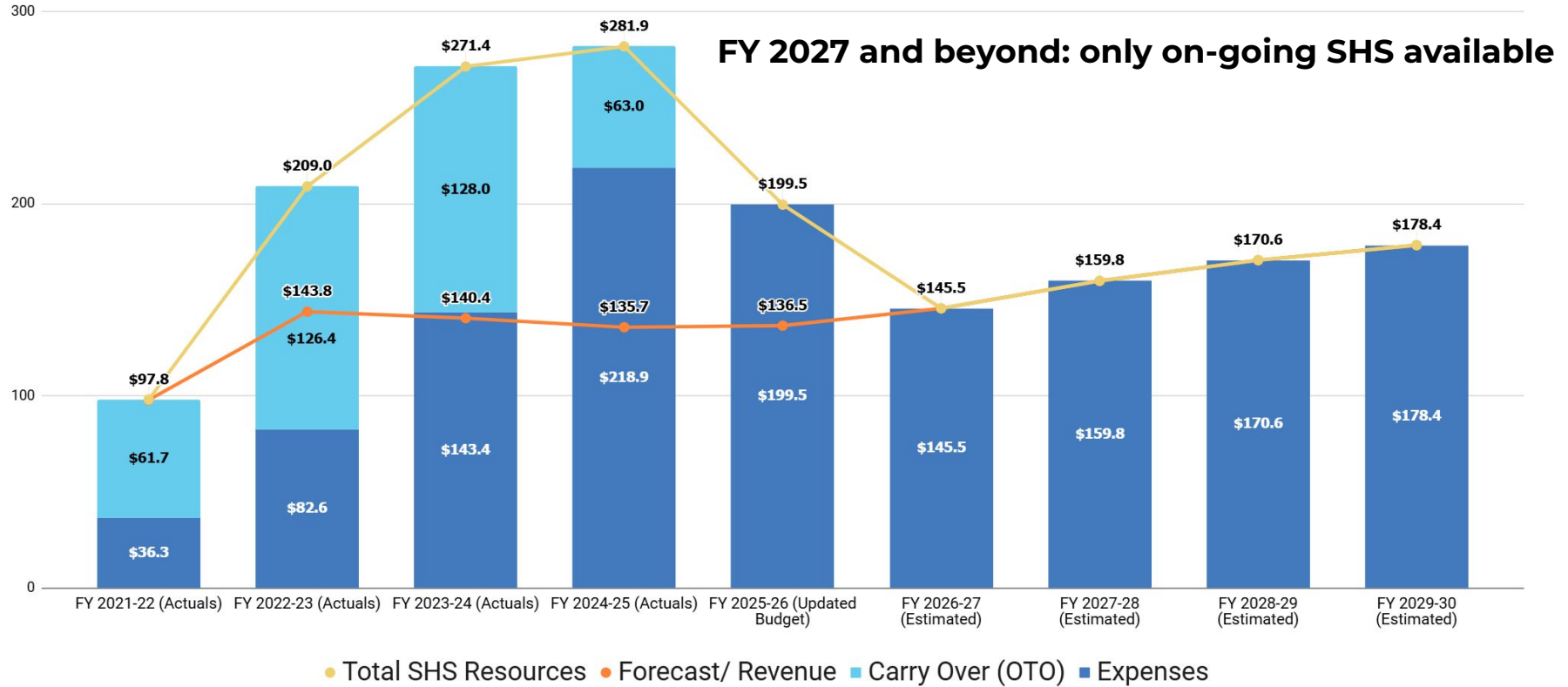
*Reduction of \$1.7M for the City's SHS carryover due to spending more than projected



Looking Forward

FY 2027

SHS FY 2027 and Beyond



Looking Forward

FY 2027

Funding:

- HSD anticipates reduction in funding:
 - Reduction of **\$63M** in one-time-only SHS carryover
 - Reduction of **\$20M** in one-time-only FY 2026 state backfill
 - **Only on-going SHS funding available in FY 2027**
 - Less State funding for the biennium
 - Impact of the local economy on both City and County general fund
 - Potential federal impacts directly or indirectly

Looking Forward

FY 2027
Planning and
Beyond:

- Anticipate this may be first of more adjustments due to anticipated constrained resources
- HRAP 2.0 and SHS Reform impact on FY 2027
- Review and recommend core services and HSD's role to support a holistic system in a constrained resource environment (match to KPIs)
- Use FY 2026 state rebalance to backfill, prepare for potential slow ramp-down of services in FY 2027

Break!!



Data and Data Dashboard



Check in: CBAC Onboarding

Opportunity to share how the CBAC orientation workshops are going?

Remaining workshops:

- **Workshop #2** (virtual) - County 101
 - September 29, 2025 6p-8p
- **Workshop #3** (virtual) - Budget 101
 - October 8, 2025 6p-8p

Check in: CBAC Stipends

- Review Stipend Policy
- New members eligible once they are formally appointed

APPRECIATIONS!!!

- Holding Space to offer kind thoughts, reflections and appreciations for our departing CBAC members:
 1. Daniel DeMelo
 2. Nathan Williams

Next Steps / Misc

- October Meeting TBD
- Current members: Please consider attending the remaining CBAC member orientations!



Homeless Services Department