## HSD Provider Conference - Virtual Check In Event
## April 29, 2026

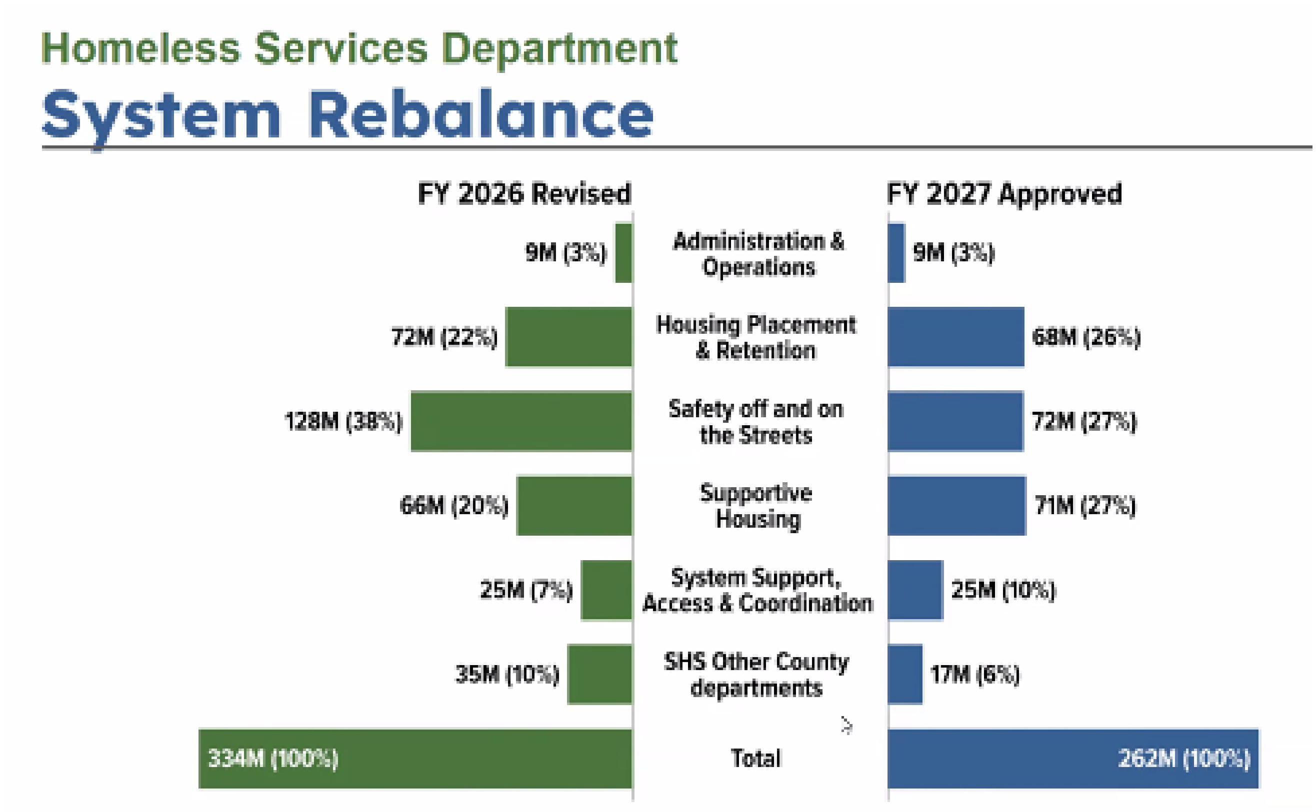
<u>Notes from Session</u>: HSD FY 27 Budget: Updates and Impacts

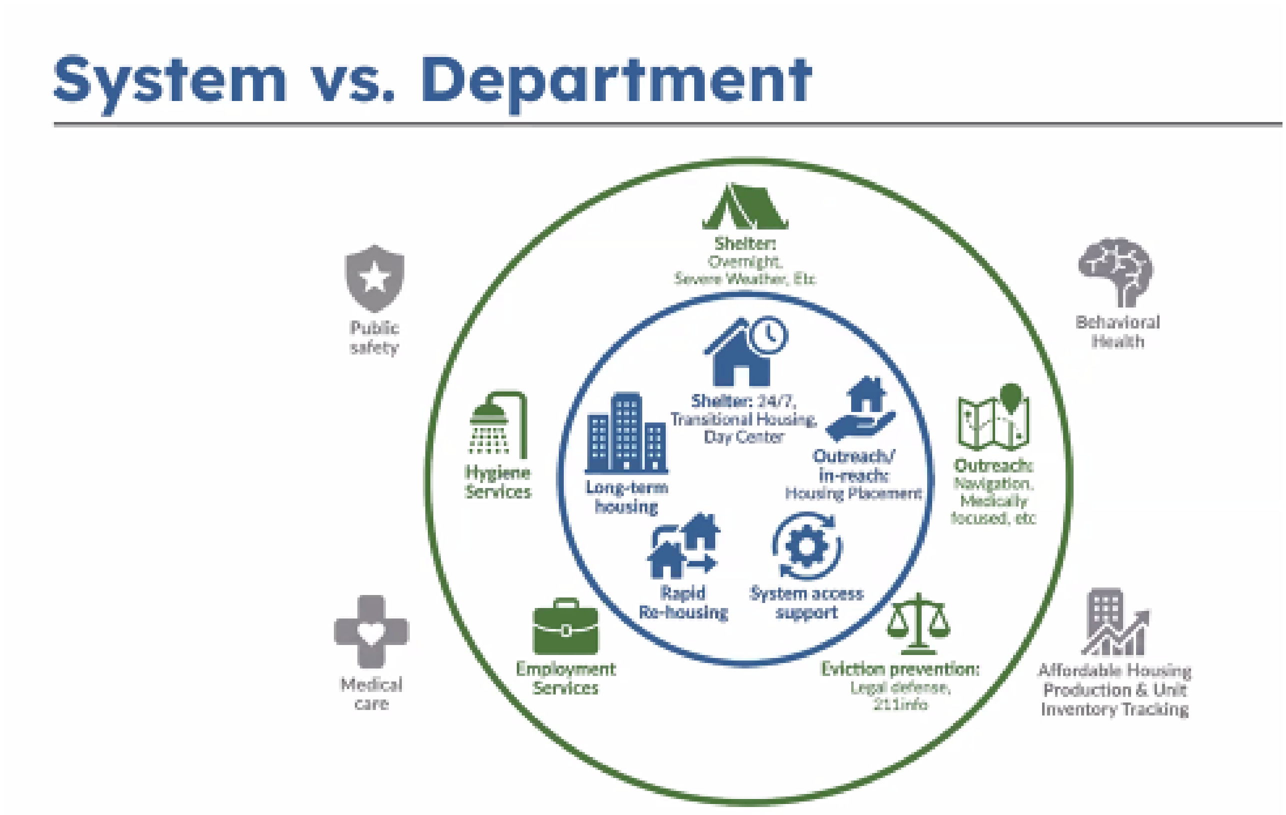
Presenters: Anna Plumb & Antoinette Payne
Moderator: Bill Boyd
Notetaker: Destinee Sanchez

**<u>-Main Points from Session Overview/Presentation:</u>**

- More detailed presentation next week to the County Board of Commissioners, Tuesday May, 5th. Will share more about where the budget is at and what happens next.
  - Board of County Commissioners Budget Work Session #6:
    - HSD Budget slides
    - Budget Presentation Recording #1 (HSD starts at 50:03)
    - Budget Presentation Recording #2 (HSD starts around 109 minute mark)
- Chair has balanced and put forth an Executive Budget with recommendations
  - Some changes to what HSD Leadership recommended
  - Board of County Commissioners beginning to discuss and potentially make amends to the budget at this point.
  - <u>Everything is still up for change and discussion through June 4th when the budget is finalized.</u>
- Total County budget: $3.9 billion
  - County General Fund deficit: $11 M
  - <u>HSD Deficit: $67 M</u>
  - **Total County Decrease from FY 26: $93.2 M**
    - No funding from City of Portland this year, they will continue funding their own programs
- Focus on Housing
  - Investing in programs aligned with HRAP and SHS LIP
- Budget Policy Goals:
  - Keep People Housed
  - Prioritize Housing Placements
  - Maximize Shelter Effectiveness
- HSD funding
  - Admin & Operations
  - Housing Placement & Retention

- Safety off and on the Streets
- Supportive Housing
- System Support, Access and Coordination
- SHS Other County Departments






- Key to System and Departmental Costs
  - Budget focuses on HSD Core Services, shown in the blue icons:
    - Shelter (24/7, Transitional Housing, Day Center)
    - Outreach/In-reach (Housing Placement)
    - System access support
    - Rapid Re-housing
    - Long-term housing
  - Other Important Services that are outside HSD Core Services - shown with the green icons - are areas we may have funded in the past, a lot of reductions had to be made here to shift resources back to appropriate jurisdictions -
    - Outreach: Navigation, Medically focused, etc.
    - Eviction prevention: legal defense, 211 info
    - Employment services
    - Hygiene services
    - Shelter: Overnight, Severe Weather, etc.
  - System services outside of HSD are shown with the grey icons. We need services in these systems to be strong for making a greater impact
    - Behavioral
    - Affordable Housing Production & Unit Inventory Tracking
    - Medical Care

        - Public Safety
- Multiple equity tools consulted in this decision making process
    - Internal Racial Equity Lens Tool (RELT)
    - Program Offer Evaluation Tool (POET)
        - Reviews outcomes, alignment to other plans
- **$244.9 M Total Budget**, $71.2 M budget decrease
    - Moving forward with 98 FTE, reduction of 16 HSD staff from FY 2026
    - Concern for eviction funding, the Chair added funds to target preservation of this resource
    - With these funds, 3,119 people will be placed into housing in 2027.
    - No major reductions to the Family sheltering system, most reductions in the Adult system.
- Funding Successful Closure Transitions
    - In response to provider advocacy, the Chair **added $1.8 M** to extend ramp down of closing shelters through August 2025.
- Challenges and Responses
    - Chair **included $10 M investment** in **Placement Out of Shelter funding**
        - Keeps people housed who were placed through RRH
        - Prioritizes housing placement through various pathways
            - Adds 770 additional placements in FY 27 (1,296 total)
            - Continuing redesign of shelter system
    - Challenge of reducing employment programs, shifting focus
        - Low barrier employment programs intended for those who need support with first step in employment
        - Prioritizing Culturally Specific and/or Youth Programs
    - Supportive Housing (SH)
        - Will add some capacity in FY 27 but not as much as we hoped to prior to resource constraint. We are able to maintain but not able to continue expanding despite a large need for this resource.
        - Increased amount of assistance per households - $15k/year as base, $17.5K/year for families
- Using research to guide system rebalance
    - Adult Shelter Review
        - Programs are not equitably distributed across shelters, working on equitable access
    - Pathways Report
        - Integrated report included TREES lived experience advisory panel
- System Support, Access and Coordination is integral to HSD work
- Additional Policy Considerations
    - Metro - uncertain relationship that HSD relies on

    - HUD - $38 M Permanent Housing uncertain
    - DEI - Federally required changes will impact our ability to fund services
- FY 27 Proposed Budget prioritizes Behavioral Health investments

**-Questions/Answers (summarization):**

- Is the budget fully allocated or will there be opportunities to apply for funds throughout the fiscal year?
    - HSD: We are reallocating funds, for example reduced outreach funding led to opening applications for providers to run that programming.
- Safe Rest Village, outreach is done daily. Always looking for ways and funds to build that outreach. We have community partners who also provide outreach services, harder to find funding for this. How can we get more funds for this work and how will that information be shared out?
    - HSD: Unsure if Cultivate is qualified in our system as a provider for Outreach services, our solicitations would go out to our partners who are qualified to deliver those services in our community.
    - Antoinette: We are running a Request for Programmatic Qualifications (RFPQ) to allow for unqualified providers to apply for these opportunities.
- Cultivate Initiatives is having an Eat & Greet - May 22nd, 5-8 pm (12202 E Burnside St, Portland, OR 97216)
- Will there be a timely decision on the Outreach and In-reach solicitations?
    - HSD: As long as the budget is adopted by June 4th, providers should be ready to rock and roll by July 1, 2026.
    - Provider follow up: We have union staff and need enough time to make these considerations, and balance the potential of reductions.
- Would like to see HSD reach out to the press and tell the same story about collective work being done under SHS measure.
    - Julia Comnes (julia.comnes@multco.us) at MultCo is a great contact to share success stories.
    - Potential opportunities to collaborate with Metro and utilize their comms staff.
- Is HSD thinking about how to respond to mental health resource deficit?
    - The Homeless Response System (HRS) focuses on systematizing our response, we need other folks at the table to contribute to resources. Need more funds from the State and Federal governments.
- It is very hard to stabilize folks at overnight shelters, higher barrier shelter (Bybee Lakes), Wy'East is gone, not seeing pathways to move people into shelter at all. Are there ways to access congregate shelter that we are not thinking about or that we can build out?

    - HSD: You are correct that it can be difficult to access a shelter bed in the Adult system. We are trying to find ways to better coordinate shelter access, some are first-come-first-serve, some are referral only (different mechanisms across City/County). Next step is to work with the City on building out a more streamlined process. Overnight shelters are not housing focused, we are not creating a shelter first system. We are working on this referral process in the next Fiscal Year.
- Sustainability in housing is an issue. Once folks are in housing, with inflation and other factors, it is challenging for participants to sustain housing. With reductions to employment programs, what is being done to ensure that we don't have people in housing for 6 months ending up back on the streets? Without income, these folks are in a never-ending cycle. The only housing that they qualify for is upwards of $1400/month when they only make $900/month.
    - HSD: This is an area where we need other folks to help us, we need other sectors to support employment programs.
        - HSD is working with Home Forward to access vacant units that are available in our community.
        - Buying down rents, there are a lot of strategies to work on affordability of housing.
- Day centers and small culturally specific centers provide a tremendous amount of support to these populations, already operating on lean budgets, appreciate that these are being advocated for. It is confusing and difficult to understand how the City of Portland is setting up their own supportive housing services, separate system of rental subsidies. It seems that there is no joint collaboration anymore, this is difficult for small providers to be doing work across two different systems.
    - HSD: At the staff level we are doing our best to work together. They are viewing this as a one-time only action to quickly distribute housing resources. We are focusing on keeping it as one system, it is helpful for providers to voice their experience/concerns around this as well.
- What is HSD's vision for retention services? What will this look like in the coming year?
    - HSD: We will have robust conversations about this at the Board meeting during our May 5th presentation.
- What is the County doing to bring in additional funders? We would have preferred to see that commitment and those funds to be firm before the pullout from the workforce programs because this will cause an impactful gap.
    - HSD: This is another place where we hope to lean on the HRS, there are existing goals in the plan to introduce additional employment opportunities. The budget process is not over, this is a hot topic for the Board.

- Culturally Specific programs, there are a lot of Black organizations doing this work. What is the County doing to ask them what they need and how to support?
    - HSD: HSD is doing what we can to elevate this topic. We have found that our shelter programs are not being used/accessed by Black participants and are adjusting our service delivery models in response to feedback from our culturally specific partners.
- When looking at how to fund different programs, would like the County to ensure that providers are being paid living wages. We have many staff who have lived experience of homelessness, some who have been homeless during their employment with WeShine. This is part of the mission statement to pay living wages, yet we cannot offer **living wages at $28/hr** for staff.
    - HSD: We do try to address this, this is a huge challenge. The County Chair decides what COLA is being applied to our providers. We know that COLAs are not solving the problem. We know this is not enough, it is an ongoing challenge.
    - Follow up in the Zoom chat: “I agree… and also want to highlight that those of us operating programs such as PSH that are facing services cuts is having a deeply negative impact to housing retention efforts and it's creating a bottleneck. New units is AMAZING and so needed, but so is retained services beyond the infancy of our first operating years"

**-Takeaways or Follow-Ups for HSD (expectations/priorities/recommendations/etc):**

- Board Meeting HSD Budget Presentation - Tuesday, May 5th
  https://www.youtube.com/channel/UC7KFkxGaFa7EJwXh7OYckkQ

**Feedback survey:**
https://docs.google.com/forms/d/e/1FAIpQLScedPx1oJ-qUry0GVUCXDIZDcakPRjpHbh4Z75yPaCmnufu8g/viewform?usp=publish-editor

- Open for attendees to complete through May 11, 2026