

ANALYSIS

Housing and Community Services Department Shelter System Funding

Analyst: Michelle Deister

Request: Acknowledge receipt of a report by the Housing and Community Services Department on recommendations for funding for a statewide shelter system.

Analysis: The Housing and Community Services Department (HCSO) has received funding from the Legislature for shelter operations through General Fund allocations to the Emergency Housing Assistance and State Housing Assistance Programs for decades. Between 2021 and 2023, funding was provided to numerous individual jurisdictions and community-based organizations to provide shelter and navigational services. In 2023, the Legislature approved funding to expand the number of low-barrier shelter beds and rehousing efforts in response to increases in homelessness, overseen in coordinated fashion by multi-agency coordination groups and local planning groups, and included funding for shelters and navigation centers that had received state support during and after the COVID-19 pandemic.

For the 2025-27 biennium, the primary budget bill for HCSO (HB 5011, 2025) includes \$204.9 million for operational support and housing-focused services for shelters. The funding pertains to shelters created in response to Executive Order 23-02 (1,047 beds); in the balance of state region (441 beds); and support for shelters that had received funding in previous biennia, including Project Turnkey sites, navigation centers, and shelters supported by the Emergency Housing Assistance Program and the State Homeless Assistance Program (combined total of 3,356 beds). The funds are allocated according to the framework and criteria outlined in HB 3644 (2025), which includes requirements for regional assessment of shelter needs and planning; the prioritization of low-barrier shelter services; specified shelter, operational, and reporting requirements; and outcome measures.

The primary budget bill for the included the following budget note:

Budget Note: Shelter Funding Recommendations

The Housing and Community Services Department is directed to develop recommendations for statewide shelter system funding that incorporate shared funding between state and other funding sources. In developing the recommendations, consideration should be given to the following:

- The type of shelter being provided (such as congregant, family, severe weather or emergency, recovery, etc.);

- Comparative data that includes average operating and overhead cost by shelter type and region;
- Historical sources of funding for shelter in regions of the state;
- A maximum contribution of state resources based on a per bed or per household served basis for a given time period, and based on the type of shelter being provided;
- The minimum percentage of shelter operational costs recommended to be funded from sources other than HCSD program allocations;
- Standards and funding methodologies that promote financial sustainability of a state shelter system; and
- A potential timeline for implementation of recommendations.

The Housing and Community Services Department shall report its recommendations to the Joint Committee on Ways and Means during the 2026 legislative session.

HCSD provided cost data as outlined in the budget note by conducting a survey of shelter providers receiving initial allocations. The survey yielded information on 214 shelters with 11,006 shelter beds.¹ The report notes differences in cost of service based on the type of shelter being provided (congregant, non-congregant, inclement weather), location, and cliental (family, youth, individual). Housing-focused shelters aimed at transitioning guests to stability are typically more expensive to operate, as are low-barrier shelters serving those with complex behavioral health needs; 89% of shelters in the statewide shelter program are low-barrier shelters, consistent with the framework established by HB 3644 (2025). Aggregated survey data regarding primary sources of support for responding shelters indicate that most shelter funding (45%) in fiscal year 2025 was supplied by local governments, followed by state funding (39%). The majority of local funds were contributed by Clackamas, Multnomah, and Washington Counties. If shelters in these counties are excluded, the city and county contributions to shelter support comprised 5% of operating support, with state support totaling 75%. Private contributions made up 7% of funds in the aggregate.

The budget note specifies that recommendations for a state shelter system funding methodology consider sustainability, a maximum state resource contribution, and a minimum

¹ Shelter providers may operate additional shelters that do not receive state funds because they may not meet the criteria of low-barrier or 24/7 operations. This accounts for the difference between the number of beds supported with state shelter funding versus the total number of beds reported. Appendix A of the report include a breakdown of shelter types and populations, with Table 7 including a list of shelters, by location, that contributed to data included in the survey.

percentage of operational costs to be funded with other sources. HCSD is recommending a state shelter system funding methodology that incorporates the following elements:

- Need-based (e.g., the estimated number of unsheltered individuals in a given region)
- A maximum annual allocation per bed per year of no more than \$31,000
- A cap on administrative expenses of 15% of the total amount of the grant award
- A requirement that regions submit a resource development plan that includes shared funding between HCSD and other resources
- Maintenance of a certain number of shelter beds and adherence to service delivery requirements
- Institution of regional performance metrics that include goals for exits from shelter to permanent housing, disaggregated by demographic variables including race and ethnicity

In addition, the agency is considering incorporating a demonstration that non-HCSD funds are covering 20% of the aggregate cost of shelters receiving funding (with allowances for extenuating circumstances). HCSD anticipates selecting state shelter program regional coordinators in early 2026. These recommendations are expected to be fully implemented when funds for the statewide shelter program are allocated in the early part of the 2027-29 biennium.

Recommendation: The Legislative Fiscal Office recommends acknowledging receipt of the report.

Housing and Community Services Department Trombley

Request: Report on shelter funding recommendations as required by a budget note in House Bill 5011 (2025) by the Housing and Community Services Department.

Recommendation: Acknowledge receipt of the report.

Discussion: In the budget report for House Bill 5011 (2025), the primary budget bill for the Housing and Community Services Department (HCSO), included a budget note requiring the agency to develop recommendations on funding for a statewide shelter system and report those recommendations to the legislature during the 2026 legislative session. The budget note directed HCSO to consider the following when developing recommendations:

- The type of shelter being provided (such as congregant, family, severe weather or emergency, recovery, etc.);
- Comparative data that includes average operating and overhead cost by shelter type and region;
- Historical sources of funding for shelter in regions of the state;
- A maximum contribution of state resources based on a per bed or per household served basis for a given time period, based on the type of shelter being provided;
- The minimum percentage of shelter operational costs recommended to be funded from sources other than HCSO program allocations;
- Standards and funding methodologies that promote financial sustainability of a state shelter system; and
- A potential timeline for implementation of recommendations.

The report outlines four key findings: Shelter Type and Cost Data, Cost Contributions, and System Stability, Maximum Cost and State Contribution Findings, and Accountability.

- Shelter Type and Cost Data Findings
 - HCSO surveyed all of its year-one shelter providers, which generated information on 214 shelters and 11,006 shelter beds (approximately 85 percent of the total available statewide shelter beds). The inventory identified 5,315 congregate beds, 4,839 non-congregate beds, and 912 Safe Temporary Emergency Placement Sites.
 - Costs – Administrative costs ranged regionally from seven percent to as high as 31percent; however, costs were sixteen percent in Multi-Agency Coordination regions, seventeen percent in the Local Planning Groups, and sixteen percent statewide for all shelters and HCSO-funded shelters. Operating costs vary widely across all types. Median annual per-bed costs for non-congregate shelters were \$37,000 and housing focused shelter was \$32,000, but annual per-bed costs were slightly lower at \$24,000 for overnight shelters and \$28,000 for congregate shelters.

- **Cost Contribution** - In its review, HCSD recognized that local jurisdictions make significant contributions to operating existing shelter services. One mechanism that could improve local collaboration, increase access to revenues and reduce reliance on a single source of funding is through establishing cost contribution strategies such as a match requirement. However, establishing cost contribution strategies might result in some regions – particularly rural areas – being excluded from the Statewide Shelter Program (SSP) or could result in some areas collecting more revenues than others to provide services.
- **System Stability** – Shelter providers acknowledged that stable, reliable state funding – especially in areas that lacked shelter infrastructure prior to the emergency homelessness response – is critical to meeting the shelter needs for Oregonians across the state.
- **Maximum Cost and State Contributions** – HCSD recommends setting regional funding allocations and bed targets to control the State’s contribution costs without undermining local flexibility. Shelter bed costs vary across the state and among types of shelters provided. Given this observation, HCSD recommends setting a single per-bed cost cap of \$31,000 for state contributions. To manage administrative costs, HCSD is implementing a fifteen percent limit in grant awards to cover the appropriate administrative expenses of operating a shelter.
- **Accountability** – Regional coordinators will be responsible for meeting performance metrics and collecting data to track performance. Metrics will include exits to permanent housing and exits to unsheltered homelessness for all the shelters that they coordinate in their region. HCSD will also develop uniform metrics and a performance evaluation plan to track progress.

Finally, HCSD recommends the following funding methodology to support the state’s contribution to fund and manage local shelter capacity:

1. Allocate SSP funding regionally using a formula aligning with the intent of House Bill 3644 (2025).
2. Include in each allocation a presumptive number of shelter beds based on the 2025-27 year one average cost per bed in the region.
3. Recommend each region, based on allocation amount, develop a proposal defining the number and types of shelter being supported and populations served.
4. Cap the maximum year per bed contribution to any particular shelter program at \$31,000 per year unless there is a demonstrated good cause to grant an exception.
5. Require proposals to demonstrate that non-HCSD funds cover at least 20 percent of the aggregate cost of the operating SSP supported shelters in the region.
6. Require regions to submit a resource development plan as part of their SSP regional assessment and plan. Plans must include considering leveraged non-HCSD funds in their selection of shelter providers, requiring regular reporting on non-state funding contributions, and evaluating regional non-state funding levels into allocation formulas in future biennia.



January 16, 2026

Senator Kate Lieber, Co-Chair
Representative Tawna Sanchez, Co-Chair
Joint Interim Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Oregon Housing and Community Services Department is requesting acceptance of the following reports: The Expenditure and Outcomes Report, Shelter Funding Recommendations Report, Eviction and Homelessness Prevention- Program Design Recommendation Report, and the Article XI-Q General Obligations bonds for Preservation Report.

Agency Actions

Expenditure and Outcomes Report:

On July 27, 2023 [SB 5511](#), the Oregon Housing and Community Services Department biennial budget bill, was signed into law. The [SB 5511 Budget Report](#) for the bill included a Budget Note directing OHCS to *“maintain and update – at least semi-annually - data dashboards or other publicly accessible information that provides information on outcomes, and information on state investments provided to the Department. The information should include the amount of the state investment compared to how much of the investment has been spent down and should compare state investments to Department funding from other sources. The information should be available by program, date, county or region, and local service provider, as applicable. This information shall be available and maintained on the agency’s web site. At least once per year, the agency shall report to the Joint Committee on Ways and Means on progress to date in expending appropriated funds, and on related outcomes for homeownership, affordable rental housing and homeless services that include the number housing units funded and number of households served through the Department’s programs, as applicable.”*

Shelter Funding Recommendations Report:

On July 24, 2025 [HB 5011](#), the Oregon Housing and Community Services Department biennial budget bill, was signed into law. The [HB 5011 Budget Report](#) for the bill included a Budget

Note directing OHCS to “develop recommendations for statewide shelter system funding that incorporate shared funding between state and other funding sources. In developing the recommendations, consideration should be given to the following:

- The type of shelter being provided (such as congregant, family, severe weather or emergency, recovery, etc.); Comparative data that includes average operating and overhead cost by shelter type and region;
- Historical sources of funding for shelter in regions of the state;
- A maximum contribution of state resources based on a per bed or per household served basis for a given time period, and based on the type of shelter being provided;
- The minimum percentage of shelter operational costs recommended to be funded from sources other than HCSD program allocations;
- Standards and funding methodologies that promote financial sustainability of a state shelter system; and
- A potential timeline for implementation of recommendations.

The Housing and Community Services Department shall report its recommendations to the Joint Committee on Ways and Means during the 2026 legislative session.”

Eviction and Homelessness Prevention- Program Design Recommendation Report:

On July 24, 2025 [HB 5011](#) , the Oregon Housing and Community Services Department biennial budget bill, was signed into law. The [HB 5011 Budget Report](#) for the bill included a Budget Note directing OHCS to “*examine the distribution of state resources for eviction prevention and homelessness prevention services and report to the Joint Committee on Ways and Means during the 2026 legislative session with recommendations to inform a methodology to maximize available state funding. The methodology should promote effective direct assistance to the greatest number of eligible households and include limitations on provider administrative and program delivery costs funded with state resources. The report shall include the estimated number of additional households that could be served as a result of the recommendations, and a potential timeline for implementation.*”

Article XI-Q General Obligations bonds for Preservation Report:

On August 8, 2025 HB 5006, the end of session bill, was signed into law. The HB 5006 Budget Report for the bill included a Budget Note directing OHCS to “*report to the Legislative Assembly during the 2026 legislative session on the feasibility of using Article XI-Q general obligation bonds to support affordable housing preservation projects. The report shall include findings regarding the benefits and constraints of Article XI-Q bonds as a possible funding source for affordable housing preservation, and recommendations regarding the types of preservation projects best and least suited to be funded with Article XI-Q bonds. The Department shall include a summary of changes to program rules and project review processes that may be required, and the estimated cost of implementing possible changes.*”

Action Requested

The Oregon Housing and Community Services Department requests acceptance of these reports.

Legislation Affected

None.

Sincerely,

A handwritten signature in black ink, appearing to be the initials 'AB' with a stylized flourish.

Andrea Bell, Executive Director
Oregon Housing and Community Services
cc: Amanda Beitel, Legislative Fiscal Office
Michelle Deister, Legislative Fiscal Office
Kate Nass, Chief Financial Office
Tamara Brickman, Chief Financial Office

Statewide Shelter System Funding | Budget Note Report

February 2026



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Executive Summary

Summary of Legislative Request

The House Bill (HB) 5011 (2025) budget note directs Oregon Housing and Community Services (OHCS) to report on several key dimensions of state-supported shelter capacity and to recommend a sustainable funding model that limits costs and encourages non-state funding of shelters. This budget note was adopted in the context of additional legislation, HB 3644, which directs OHCS to create a statewide shelter program that meets certain service delivery and outcome requirements

Summary of Information Collection Process

To inform key findings and recommendations included in this report, OHCS gathered information from a variety of sources. A **survey was sent to all 2025-2027 OHCS year one shelter grantees** collecting relevant quantitative and qualitative data. The survey resulted in data on **214 OHCS and non-OHCS funded shelters**. Through the qualitative data collection process, shelter providers were able to weigh in on the key questions related to the budget note. OHCS used both the Homeless Management Information System (HMIS) and OHCS's web-based financial management system, OPUS, to gather 2023-25 historical performance and cost data. To further inform our recommendations, we conducted a review of national research into statewide shelter systems and applied the OHCS Racial Equity Analysis Toolkit (REAT) throughout all phases of the project.

Key Findings Addressed in Report

- **Statewide Shelter Program:** OHCS's newly created shelter program—the Statewide Shelter Program (SSP)—is guided by HB 3644. The intent of HB 3644 is to establish a statewide shelter system that is sustainable, outcomes-focused, flexible, and utilizes a regional funding model. OHCS incorporated the above requirements into a recently completed competitive Request for Application (RFA) procurement process to identify **regional shelter coordinators** for the SSP.
- **Cost Containment:** An analysis of current shelter operating costs demonstrates wide variability both across categories of shelter (e.g. congregate versus non-congregate) and within categories based on factors like size, population served, and service delivery model. Managing the State's cost, without undermining the commitment to regional flexibility, is best accomplished by capping administrative contributions at 15%, establishing regional allocations with specific total bed

targets, and capping the maximum average OHCS contribution to specific shelter bed types.

- **Cost Contribution:** Through an analysis of survey data on non-state shelter funding source levels, we were able to determine that **Oregon communities are already significantly contributing non-OHCS funds to the maintenance of OHCS-supported shelter capacity.** Local regions are not relying solely on the State to fund their shelters. Through this same analysis, we determined that a significant local contribution requirement could exclude some communities from participating in the SSP, lead to unpredictability and instability in the SSP, and create conflicting policy direction and inequities in the statewide shelter system. Nonetheless, a reasonable match requirement coupled with incentives to maximize non-OHCS funding for shelter operations is feasible.
- **System Stability:** System stability is a prerequisite to the SSP's success. Stakeholders emphasized during the budget note process that, due to unique regional needs and the variability of available resources, **stable state funding is critical to effectively addressing community needs.** A reliable level of base funding from OHCS fosters system stability and quality improvement. **A successful shelter system needs to be consistent, predictable, and transparent** to enable providers across the state to plan their investments, reduce administrative burden, and hire and retain skilled staff.
- **Accountability:** OHCS implements various accountability measures through the SSP to **allow for the monitoring of appropriate grantee and subgrantee spending and program performance.** This includes a regional assessment and plan which is updated every two years, outcome measures incorporated into grant agreements, and annual progress reports. The SSP also includes an evaluation plan that assesses program performance by clearly defining performance metrics, specifying the data elements to be collected, and identifying data sources that will be compiled and analyzed. Evaluations will be compared to what is outlined in grant agreements to ensure accountability. SSP grantees are responsible for subgrantee coordination and performance monitoring. Additionally, **no more than 15% of the total SSP grant funds may be used for administrative costs by the grantee and subgrantees.**

Recommendations

The Shelter Budget Note includes three specific areas in which OHCS is directed to make recommendations:

- A maximum contribution of state resources based on per bed or per-household served for a given time period, and based on the type of shelter being provided;
- The minimum percentage of shelter operational costs recommended to be funded from sources other than Housing and Community Services Department (HCSD) program allocation; and
- Standards and funding methodologies that promote the financial sustainability of a state shelter system.

OHCS' recommendations are guided by the policy priorities set out in HB 3644, the implementation of those priorities through the SSP, and the legislature's direction to appropriately manage the State's contribution to funding local shelter capacity. To accomplish this, OHCS recommends the following funding methodology:

(1) Regionally allocate SSP funds using a formula aligned with HB 3644.

(2) Include in each allocation a presumptive number of shelter beds based on the 2025–2027-year one average cost per bed in the region.

(3) Based on the allocation, each region will be invited to develop a proposal for the appropriate mix of shelter types, populations served, etc. within the parameters set by the SSP (e.g. 70% low barrier) and within the available budget/bed target.

(4) In addition to holding regions to the effective constraints of their allocation and overall bed target, OHCS proposes to **cap the maximum per year per bed contribution to any particular shelter program at \$31,000** a year unless there is demonstrated good cause to grant an exception. This aligns with the current median cost of providing OHCS-funded housing focused shelter. Regional coordinators will be required to include the per-bed per-year cost of each shelter they propose to fund. If a per-bed cost is significantly above the median cost of that shelter type, the award will only be approved if there are compelling reasons for the higher cost.

(5) Each region's proposal for allocating SSP funding to shelters will be required to include a **demonstration that non-OHCS funds cover at least 20% of the aggregate cost of operating the SSP supported shelters in the region**. Non-OHCS funds may include federal, other state, local government, philanthropic, individual, and donated goods and services. For those who are unable to meet the 20% contribution requirement, an exception process will be provided as long as they are implementing a resource development plan (see below).

(6) In addition, OHCS will require that each region adopt a strategy to maintain and increase non-OHCS resources dedicated to shelter operations. OHCS will require that

regions submit a **resource development plan as part of their SSP regional assessment and plan**. OHCS will collaborate with regional coordinators to ensure that the resource development plan adequately meets cost contribution expectations and achieves shared funding between OHCS and non-OHCS resources, given the **region's particular resource environment**. Further expectations on regional cost contribution will include: directing regional coordinators to **consider leveraged non-OHCS funds in their selection of shelter providers, requiring regular reporting on non-state funding contributions**, and evaluating the possibility of incorporating regional non-state funding levels into allocation formulas in future biennia.

Introduction

The House Bill (HB) 5011 (2025) budget note on shelter directs Oregon Housing and Community Services (OHCS) to provide a range of information on shelter costs and to make recommendations for creating a stable statewide shelter system that leverages non-OHCS funding to support it. This report outlines the methodology used to generate the data needed to answer the legislature’s budget note questions, the relevant context of the legislature’s statutory direction to create a statewide shelter program (SSP) and OHCS’ implementation of the SSP, and the findings that inform OHCS’ budget note recommendations.

Methodology

OHCS gathered information from a variety of sources to support the analysis and recommendations in this report. OHCS surveyed all **2025-27 OHCS year-one shelter grantees**, collecting relevant quantitative and qualitative data on 214 OHCS and non-OHCS-funded shelter projects across the state.¹ Through the survey, OHCS gathered information on a range of questions, including levels of non-OHCS funding, bed capacity, shelter type, supportive services, and cost. Open-ended questions allowed shelter providers to weigh in on the key questions related to the budget note. In addition to the survey, OHCS held one-on-one input meetings with shelter providers upon their request.

Outside of the survey and engagement process, both the Homeless Management Information System (HMIS) and OHCS’s web-based financial management system, OPUS, were used to generate information for the report. With these data systems, OHCS was able to gather 2023-25 data on historical shelter funding and regional shelter outcomes. OHCS also conducted a review of national research into statewide shelter systems and shelter costs.

OHCS applied the Racial Equity Analysis Toolkit (REAT) to all aspects of the budget note project. In a series of meetings, staff used the REAT questions to assess budget note requests, identify key data questions, and evaluate the potential impacts of different approaches to meeting the budget note directives. The key findings and recommendations reflect the outcomes of this REAT process.

¹ All but two of OHCS’ shelter grantees responded to the shelter survey. Appendix B provides a list of all the shelters for which OHCS received data.

Legislation

The HB 5011 (2025) budget note on shelter directs OHCS to develop recommendations for statewide shelter system funding that promotes a stable system that also incorporates shared funding between the State and other funding sources. The budget note specifically calls upon OHCS to address:

- The type of shelter being provided;
- Comparative data that includes average operating and overhead costs by shelter type and region;
- Historical sources of funding for shelter in regions of the state;
- A maximum contribution of state resources based on a per-bed or per-household served basis for a given time period, and based on the type of shelter being provided;
- The minimum percentage of shelter operational costs recommended to be funded from sources other than HCSD program allocations;
- Standards and funding methodologies that promote the financial sustainability of a state shelter system; and
- A potential timeline for the implementation of recommendations.

The first three bullet points above are addressed below using qualitative and quantitative data collected from the shelter survey and other sources. The last three bullet points are addressed in the findings and recommendations of this report.

Background on the Statewide Shelter Program

Executive Order (EO) 23-02, signed by Governor Kotek in 2023, declared a state of emergency due to unsheltered homelessness in Oregon. EO 23-02 sought to expand statewide shelter capacity by creating new shelter beds. Shelter funding was allocated through a regional model; identifying Multi Agency Coordination (MAC) Group and Local Planning Group (LPG) leads to oversee regional efforts. Before EO 23-02, OHCS had historically exclusively funded Community Action Agencies (CAAs) to offer shelter. The emergency homelessness response provided a powerful opportunity to engage additional shelter providers and increase capacity and coordination at the local level. The emergency response established a funding model that offered local flexibility to communities by utilizing established formula funding for their shelter programs and bed creation as long as the region committed to outcomes-oriented accountability metrics.

The emergency homelessness response achieved significant results, creating 1,047 low-barrier shelter beds, surpassing the original goal by 447 beds. The emergency response emphasized the significance of recognizing regional variation and maintaining funding for local governments and service providers. This policy direction subsequently helped shape the work of the Sustainable Shelter Work Group, a workgroup co-convened by Representative Marsh and the Governor's Office in late 2024. This workgroup, comprised of statewide shelter experts, generated a report with recommendations that led to House Bill (HB) 3644 and the creation of the Statewide Shelter Program (SSP).

OHCS's current shelter work is guided by HB 3644 and the recommendations of the workgroup. The intent of HB 3644 is to establish a statewide shelter system that is sustainable, outcomes-focused, flexible, and utilizes a regional funding model.

Components of SSP that are directed by HB 3644 include:

- **Stability:** "Facilitate consistent, predictable and trackable systems and services that allow the state, regional coordinators and shelter providers to plan for needs and reduce administrative burdens"
- **Regional Planning:** "Each regional coordinator is responsible for completing and submitting to the department a regional assessment, once within the first year of the agreement term . . . [and] a regional plan, updated every two years"
- **Equitable Outcomes** "Foster equity in outcomes for those disproportionately impacted by structural inequities in homelessness and the homelessness response system"
- **Regional coordination:** "Require regional coordination in planning, funding and services"
- **Prioritize Low-barrier:** "A regional coordinator shall ensure that at least 70 percent of regional shelter funding is provided for shelters providing low-barrier practices with the balance available for recovery-based shelter"
- **Outcomes:** "Focus on the outcomes of reducing unsheltered homelessness, transitioning people experiencing homelessness to housing stability and housing retention for people rehoused through the program"
- **Flexibility:** "Provide flexibility to allow regional coordinators and shelter providers to meet the needs of each community"

OHCS incorporated the above requirements into a recently completed competitive Request for Application (RFA) procurement process to identify **regional shelter coordinators (regional coordinators)**. These statutory requirements are also incorporated into the newly created SSP program manual and Oregon Administrative Rules.

In interpreting HB 3644's direction, in particular around SSP outcomes, OHCS has looked to the State's Sustainable Shelter Work Group for additional guidance. Themes from the workgroup related to measuring the success of a statewide shelter system include:

- A focus on outcomes rather than outputs. Although outputs like bed utilization may be easier to track, success and progress need to be measured by outcomes, such as transitioning unsheltered households into permanent housing.
- A successful shelter system should ensure the equity of outcomes across various groups, particularly groups that have been disproportionately impacted by housing instability and homelessness, due to structural inequities in the housing system.
- A long-term shelter funding system should maintain flexibility so providers can use their experience and on-the-ground expertise to respond to the needs of their community. This value is balanced with the need for accountability.
- A successful shelter system needs to be consistent, predictable, and transparent to enable providers across the state to plan their investments, reduce administrative burden, and hire adequate staff.

This legislative and subject-matter expert direction on the implementation of a statewide shelter program played an important role in OHCS' evaluation of potential budget note recommendations. OHCS sought to develop recommendations that honored the expectations of HB 3644 and the expertise of the Sustainable Shelter Workgroup, while also advancing the legislature's budget note directive to appropriately manage the level of OHCS investments in local shelter capacity.

Current State of Shelter in Oregon

Shelter is a critical strategy for keeping people safe and connecting them to essential services and permanent housing. While shelter alone does not end homelessness, it creates a vital pathway to stable housing. Over the past five years, the legislature has invested substantially in a statewide system of emergency shelter that meets certain best practices standards for both creating safety off the streets and a pathway to permanent housing.

Immediate access to safe and effective shelter is as critical as ever, given that unsheltered homelessness has continued to grow in Oregon even as the number of people in shelter has increased. According to Portland State University's 2024 Oregon Statewide Homelessness Estimates, Continuums of Care that conducted unsheltered counts in both 2023 and 2024 reported a 16% increase in unsheltered homelessness. At the same time, Oregon saw an increase in **sheltered homelessness**. On a single night in January 2024, compared to the same night in January 2023, there was a **24% increase in sheltered homelessness**, with 1,736 more individuals receiving shelter.

In the first year of the 2025–27 biennium, OHCS distributed over \$102 million to **support 4,884 shelter beds across 27 counties**. The vast majority of these —84% according to OHCS shelter survey data—are **housing-focused**, meaning they offer specialized services designed to help guests make a rapid and sustainable transition to permanent housing. These activities include developing participant-centered housing stability plans, providing case management, covering move-in costs and assistance, and connecting individuals to services that help them retain housing once they’ve moved in. Not surprisingly, housing-focused shelters are, on average, more expensive on a per-bed basis. In OHCS’s survey, housing focused shelters averaged \$32,000 per bed per year, while basic overnight shelters averaged \$24,000 per year.

While housing-focused shelters are typically more costly on a per bed-night basis than basic overnight shelters, they are often more cost effective because they do more to reduce homelessness – and its associated costs – by increasing exits to permanent housing. National research on best practices shows that housing-focused shelters significantly improve housing outcomes. For example, a Rhode Island shelter serving families, individuals, and couples achieved a 26% increase in housing placements and a 20% reduction in length of stay after implementing rehousing supports in the shelter. These efforts prioritized clients with the longest shelter stays who, once successfully moved to housing, were no longer homeless, thereby making critical shelter space available for other families in need. OHCS’ preliminary evaluation of the outcomes for OHCS-funded shelters statewide in 23-25 also broadly reaffirms the national best practices research. The most positive exits were from non-congregate housing focused shelters.²

In addition to being housing-focused, the shelters in the SSP are predominantly “low-barrier” with our recent survey identifying that 89% of OHCS-funded shelters provide low-barrier shelter. The removal of barriers to entry into shelter and the barriers that commonly lead to unsuccessful exits from shelter – especially for those experiencing homelessness who have the greatest needs – is a recognized best practice. It is also a practice that local providers highlight as critical. As one provider stated, “Low-barrier shelter access is a baseline human need that supports the dignity of our houseless community members that should not be denied. For some, it is this basic dignity and trusted stability that allows them to make steps towards enhanced stability and moving into the next level of

² National Alliance to End Homelessness. (2022). *Emergency shelter learning series*. Retrieved from <https://endhomelessness.org/resources/toolkits-and-training-materials/emergency-shelter>

programming and care, a step that would not be doable without low barrier sheltering services.”

Like housing-focused shelter, low-barrier shelter often comes with additional costs because of the acuity of the people being served and the intensity of the services they need to successfully transition to housing. However, these additional costs are offset by the opportunity that these shelters provide to engage and successfully transition some of the community’s most vulnerable, and highest-cost, individuals into permanent housing. As a shelter provider explained, a lack of low-barriers shelter “that equitably address[es] the acute needs of our community leaves the most vulnerable without safe options. This lack of safe, accessible sheltering ultimately creates a significant impact and exacerbation in long-term costs associated with health care, emergency response, and public safety considerations, in addition to increased public and community distress.”

With the SSP, Oregon’s shelter system is increasingly aligned with national best practices and moving toward a model of accountability that goes beyond just the number of beds provided and people served, to one that is evaluated based on outcomes, including how many people successfully transition through shelter to permanent housing, and whether those succeeding in shelter reflect the demographics of the population experiencing unsheltered homelessness in each region.

Key Findings

Shelter Type and Cost Data Findings

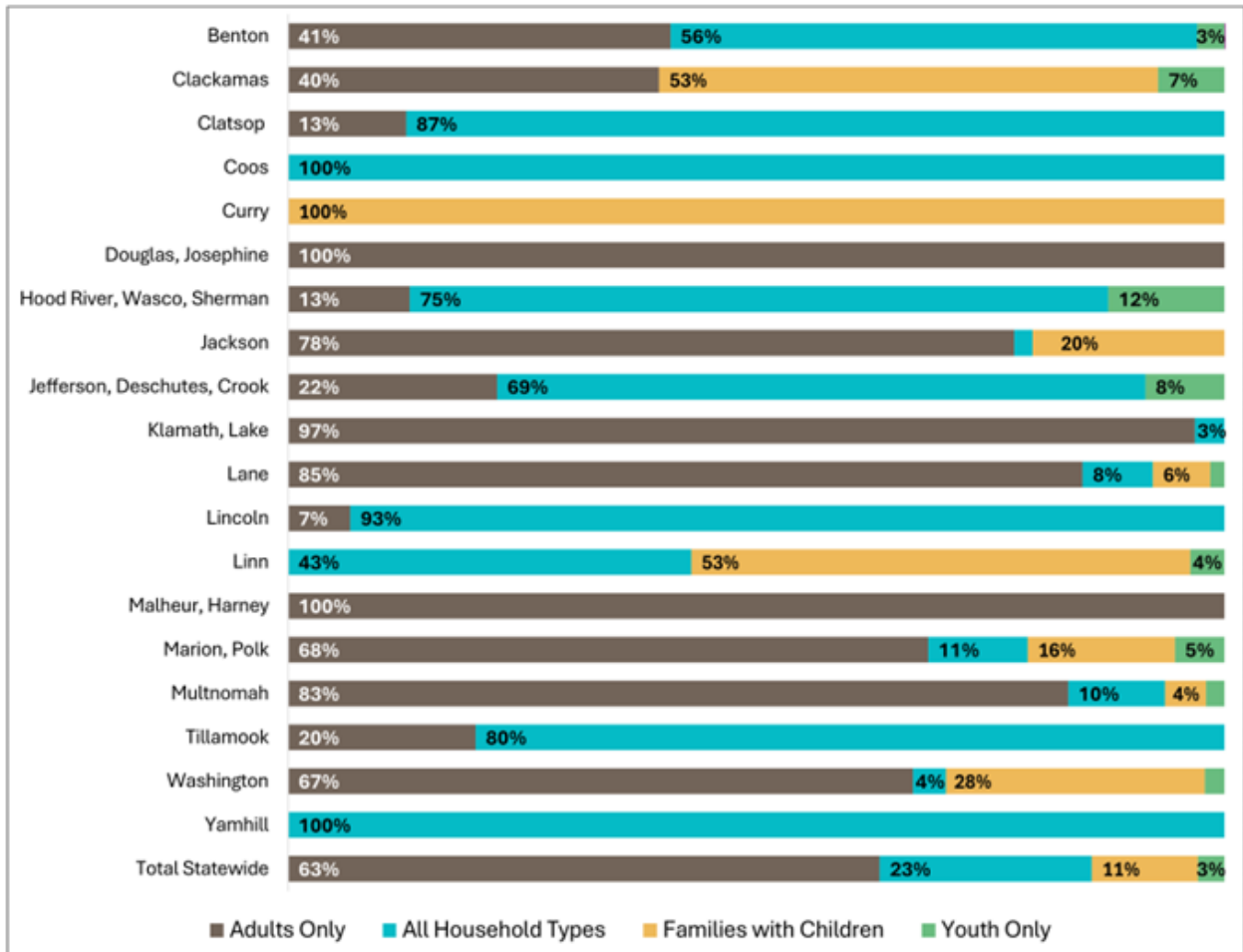
The shelter funding budget note asked Oregon Housing and Community Services (OHCS) to consider specific components of the shelter system funding in our analysis and recommendations. The following are key findings from our survey analysis:

- **The type of shelter being provided (such as congregate, family, severe weather or emergency, recovery, etc.):** The shelter survey, which sought input from all of OHCS’ year-one shelter providers, yielded information on 214 shelters and 11,006 **shelter beds**. We estimated that the survey captured roughly **85% of total available shelter beds statewide, based on a comparison between survey data and the 2025 Housing Inventory Count (HIC)**.
 - **Shelter Types:** Of the 214 shelters with available information, OHCS identified **5,315 congregate beds, 4,839 non-congregate beds, and 912 Safe Temporary Emergency Placement Sites (STEPS)**. There is a mix of family shelters and adult shelters as well as 1,637 seasonal or inclement

weather beds. A complete breakdown of shelter types is provided in Appendix A.

- **Population Specific Shelter:** Overall, OHCS’s survey included 4,256 adult only beds, 614 families with children beds, 223 youth beds, and 1,355 beds available to all family types. Regionally there is wide variation in the populations that have access to shelter. Some counties reported having only adult shelter, while at least one reported having only family shelter. As the chart in Figure 1 illustrates, most have a mix of shelter types. The variation is important to understand for planning purposes and because these shelter types often have very different cost structures, with family and youth shelter typically being more expensive.

Figure 1. Populations Served (as Share of Total Annual Bed-Nights), by Region³



³ Unless otherwise specified, data for all figures in this report are based on reported shelter revenues and expenses for Fiscal Year 2024-25, as collected in a 2025 OHCS survey of shelter providers across the state.

- **Comparative data that includes average operating and overhead costs by shelter type and region:** OHCS' shelter survey inquired about the various dimensions of costs, including overhead and operating. More detailed information can be found in Appendix A.
 - **Overhead or Administrative Costs:** Reported average administrative costs ranged regionally from as low as 7% to as high as 31%. Overall average overhead costs, however, were 16% in the MAC regions, 17% in the LPGs, and 16% statewide for all shelters and for OHCS-funded shelters. Congregate shelters had a higher average overhead rate at 21%, as compared to non-congregate at 12%, but there was no reported difference in overhead between basic overnight and housing focused shelters.
 - **Operating Costs by Type:** OHCS' shelter survey revealed wide variations in shelter cost within and across types. Overall, we observed higher median annual per bed operating costs for non-congregate shelter (\$37,000) and housing focused shelter (\$32,000) and somewhat lower costs for basic overnight (\$24,000) and congregate (\$28,000). Within each of these categories, the ranges were large. For example, among congregate shelters, reported costs ranged from below \$10,000 per bed per year to as high as \$80,000, and among non-congregate shelters annual costs ranged as high as \$100,000. Similarly, individual housing focused shelters reported costs below \$10,000 per bed per year to as high as \$100,000 per year. In a review of the outliers with especially high cost in our survey, we were able to determine that a significant number were smaller, most commonly family and youth shelter programs.
 - The OHCS survey revealed some cost differences by regions, with LPG regions having median annual cost per bed rates about \$15,000 lower than MAC regions, and the Metro area revealing costs about \$14,000 per bed per year higher than non-Metro region. Notably, the survey did not reveal substantial cost differences between shelters that identified as being in rural vs. urban areas.

- **Historical sources of funding for shelters in regions of the state:** OHCS collected information on total FY 2024-25 revenues for each shelter site through a survey. The survey sorted revenues into five categories: City/County Funding, State Funding (OHCS), State Funding (Other), Federal Funding, and Private Funding. Appendix A includes charts depicting variation in revenue sources statewide and comparing the tri-county Portland Metro area with the rest of the state. Additionally, an overview of

the diversity of funds supporting shelters is included in the cost contributions section of this report.

The remaining considerations listed in the legislative budget note are incorporated into the recommendation component of this report.

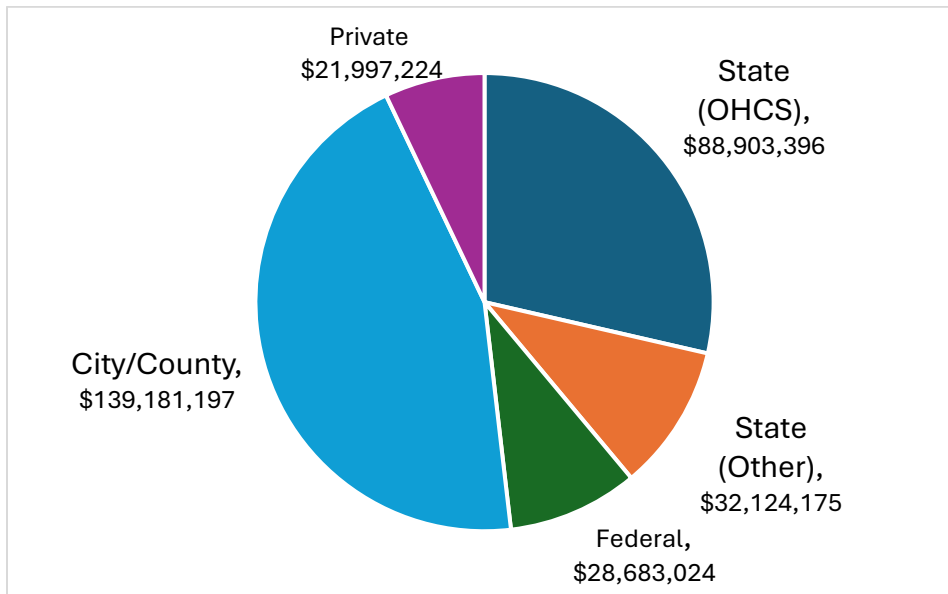
Cost Contribution Findings

The budget note asks OHCS to consider requiring local jurisdictions to contribute to the cost of shelter operations. Requiring a match or contribution is not an uncommon practice and can yield certain benefits. However, it can also be in tension with the goal to have a stable, truly statewide system of shelter that meets state priorities of the Statewide Shelter Program.

Key cost contribution findings:

- **Cost contribution requirements may enhance revenues and local collaboration.** A cost contribution strategy, such as a **match requirement**, has the potential to increase funding, incentivize local investments, reduce reliance on single sources of funding, and promote collaboration. Various non-state programs use matching as a strategy to increase investments and encourage local collaboration.
- **Local communities are already contributing significantly to the maintenance of state-supported shelter capacity without a requirement.** As the statewide revenues chart in Figure 2 indicates, local regions are not relying solely on the state to fund their shelter inventory, even for those beds receiving state funding. This suggests that a match *requirement* is not necessary given that all **regions are already contributing some level of non-state funds** to their shelter programs.

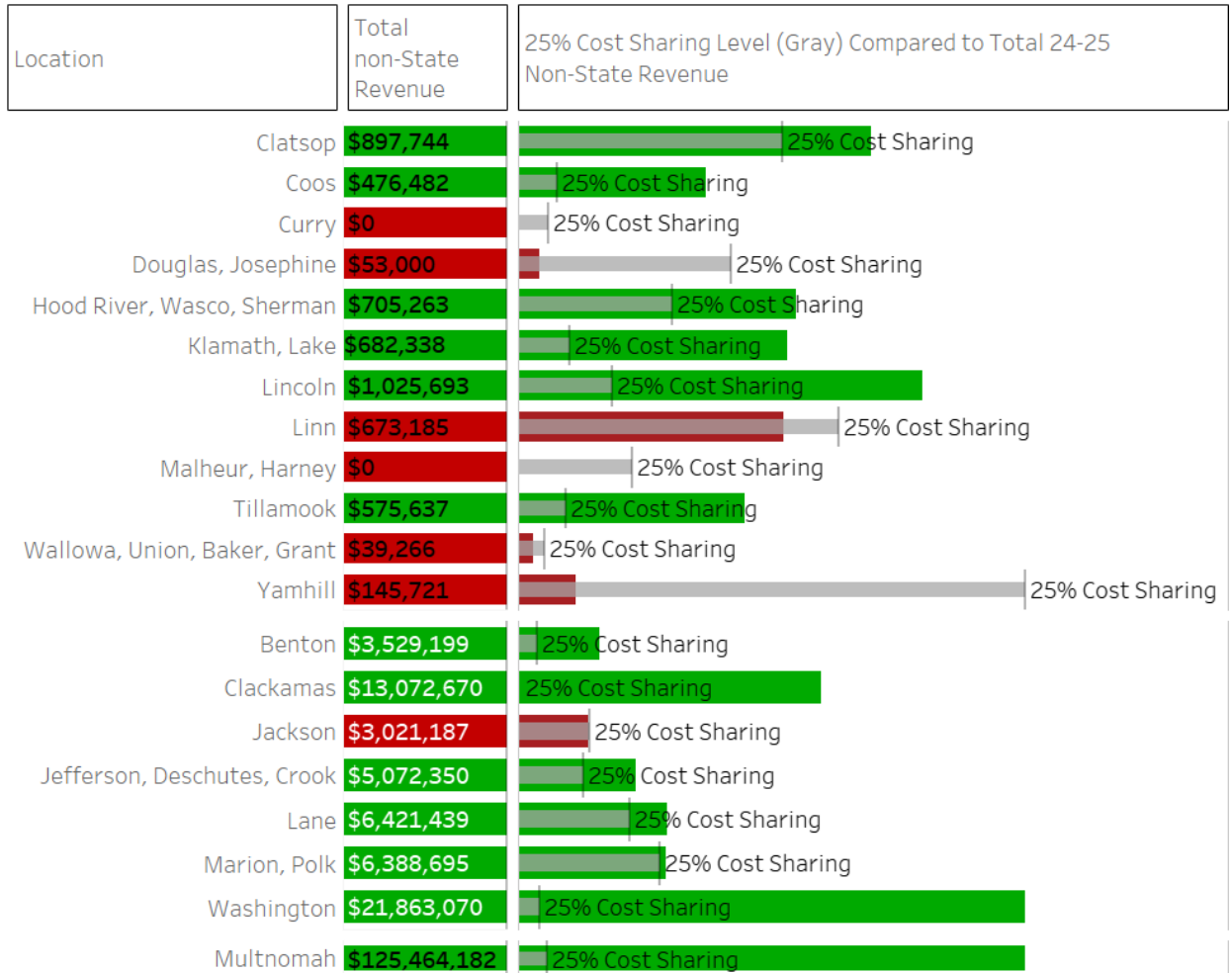
Figure 2. FY 24-25 Revenues by Source, Statewide



- **Contribution requirements have the potential to exclude some regions from the SSP.** In the context of the Statewide Shelter Program (SSP), regions that are unable to meet a contribution requirement may lose eligibility for all or a portion of their state allocation. This would put existing capacity at risk and could be in direct conflict with legislative direction to establish a stable statewide shelter program. For example, based on current non-state contribution levels reported on OHCS’s recent shelter survey, a 25% match requirement **would exclude some, primarily smaller rural counties, from the SSP program.** Through the OHCS engagement process for this budget note task, shelter providers reported that they anticipate significant losses in funding from every funding source as they compete for increasingly scarce resources. Shelters shared that there is concern that a significant match requirement during a period of overall reduced funding would result in shelters, especially in rural areas, being unable to participate in SSP or provide a reliable contribution to the capacity of the SSP.

In Figure 3, the areas highlighted in red indicate that a 25% match requirement would exceed the region’s current total non-state revenues:

Figure 3. Fiscal graph indicating potential impacts of a 25% cost-sharing requirement



- Contribution requirements have the potential to lead to inequitable regional investments.** A match requirement could yield significant system inequities, given the wide disparities in available local resources to meet match requirements. The availability of significant local government funding would allow the tri-county metro region to easily meet a potential cost-sharing requirement. By contrast, outside of the tri-county metro area, **state revenues make up the largest share of overall revenues—a combined 75% across OHCS and other state funds.** Additionally, some shelters established with Executive Order funding, especially in smaller communities, don't have the local resources to generate a sufficient match as they were only made possible with OHCS emergency funding to expand shelter capacity in underserved communities. **Figures 4 and 5 provide information on the amount of non-state funding available in the Portland Metro area as compared to the remainder of the state.**

Figure 4. Total revenues for the tri-county metro area only (Clackamas, Multnomah, Washington)

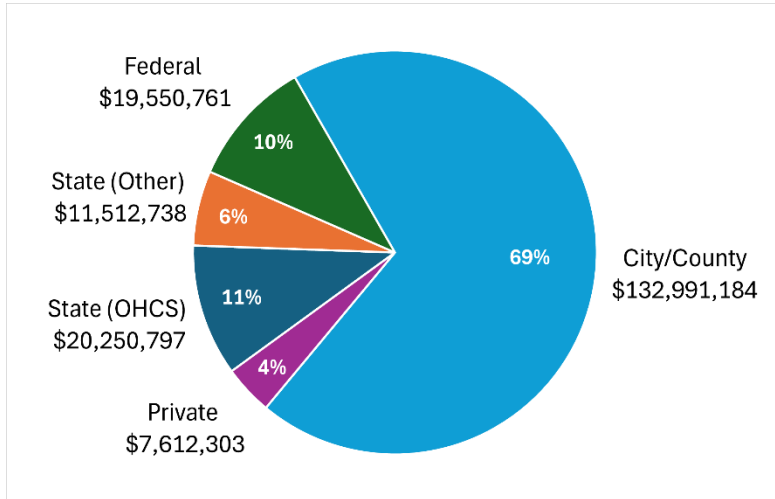
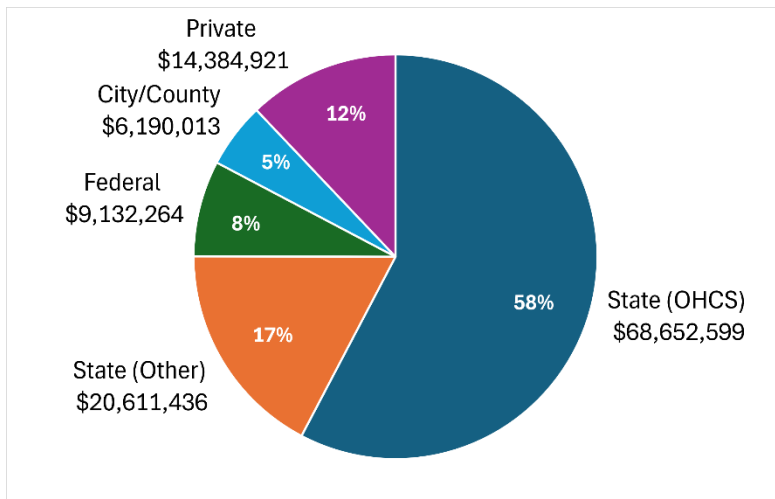


Figure 5. Total statewide revenues for all other regions (excluding Metro area). 4

Providers report significant volatility with other fund sources that would put additional communities, rural communities in particular, at risk should OHCS impose a significant match requirement.



- **Non-state funding used to meet contribution requirements is likely to conflict with policy and program priorities.** As detailed above, the SSP is required to align with the directives set out in HB 3644 and with OHCS’ implementation of regulations and program guidance. As a result, each region’s SSP shelters must be at least 70% low-barrier, with the balance available for recovery-focused shelter, and emphasize 24/7 housing-focused operations and adherence to harm reduction, equity-focused, and trauma-informed care principles.

Requiring a match for shelter operations will risk having regions rely on non-state funding sources with incompatible policies and program requirements. For example, OHCS’ REAT analysis as applied to the prospect of a local matching requirement revealed a significant risk that non-state funds would not align the state’s commitment and outcome expectations related to addressing racial disparities in homelessness. Current federal restrictions on diversity, equity, and inclusion, for example, could prevent or seriously undermine the ability of regional shelter systems to advance racial equity goals if federal and state funds were braided.

System Stability Findings

Shelter system funding that emphasizes sustainability aligns with the legislature’s statutory guidance in HB 3644 related to the creation of the Statewide Shelter Program (SSP), as well as the recommendations of the Sustainable Shelter Work Group. In keeping with this direction, OHCS’ engagement and analysis revealed several key findings related to system stability.

Key system stability findings:

- **Shelter providers reinforce the critical importance of stable, predictable funding levels.** Through the engagement process connected to this budget note, shelter providers emphasized that due to unique community needs and the variability of available resources, stable state funding—especially in areas that lacked shelter infrastructure prior to the emergency homelessness response—is critical to effectively address community needs and tailor their mix of shelter types and services to stabilize the diverse range of unsheltered households in different regions.
- **A reliable level of base funding from OHCS fosters system stability and quality improvement.** SSP’s objective of creating a stable statewide shelter system that delivers shelter opportunities equitably, reliably, and using best practices that lead

to improved outcomes, depends on having reliable levels of funding. As the Sustainable Shelter Work Group emphasized, a successful shelter system needs to be consistent, predictable, and transparent to enable providers across the state to plan their investments, reduce administrative burden, and hire adequate staff. A funding approach that weaves cost containment with **sustainability can be achieved through an equitable allocation formula that yields a predictable number of beds in each region, regardless of fluctuations in other funding sources.** The SSP will accomplish this with the expectation that each regional coordinator maintains a minimum number of beds with their funding allocation, and that those beds align with SSP program goals and requirements.

Maximum Cost and State Contribution Findings

- **Setting regional allocations and bed targets controls the State’s costs without undermining local flexibility.** For 25-27, the Legislature appropriated \$204 million for the SSP to fund shelter operations and with that funding OHCS has committed to sustaining at least 4884 shelter beds statewide. This effectively caps the State’s per-bed per-year contribution at approximately \$21,000. In year 1 of the 2025-2027 biennium, OHCS used 50% of the total SSP allocation for the biennium to negotiate an allocation and associated average cost-per bed amount with each region. Following the request for application (RFA), OHCS will be allocating 25-27 year 2 SSP funding. Each allocation will have a presumptive number of beds, based on the average cost-per-bed agreed upon in the year 1 negotiations. This approach recognizes regional variation in cost and non-state funding sources, while effectively capping the average cost per bed that the State contributes in each region and allowing each region to determine how best to allocate these resources to the different shelter types and populations based on need.
- **Shelter bed costs are sufficiently variable within and across types that it is most effective to establish a single cap that accommodates that variation and preserves a measure of regional flexibility.** As the data described above and detailed in Appendix A illustrates, there is wide variation in per bed shelter costs across shelter types and within shelter types. This is due to multiple factors that legitimately drive the cost of shelter operations (e.g. size, location, population served, etc.). In this context, attempting to establish multiple caps based on shelter type will be administratively challenging and is likely to lead to undesired outcomes and limitations on local planning. Instead, OHCS recommends establishing a single annual per bed maximum contribution level of \$31,000, using the median cost of OHCS-funded housing focused shelter—the priority shelter type for HB 3644 and

SSP (see Appendix A, Figure 13). This cap will work together with the approximately \$21,000 per bed per year average contribution to help ensure that OHCS is not investing in inappropriately costly emergency shelter, while also allowing OHCS to adequately support shelter beds that legitimately require additional investment because of type, region, population served, shelter size, and other factors.

- **OHCS has implemented a cap on total administrative expenses.** As part of the SSP rule making process, OHCS is implementing a 15% limitation against the total amount of a grant award that can go to overhead or administrative expenses. As described earlier, for some shelters this will leave a significant gap but for the majority it will cover most of the appropriate administrative expenses of operating a shelter that meets the requirements of the SSP.

Accountability

The Statewide Shelter Program (SSP) is accountable to the requirements of HB 3644, its implementing regulations, and program rules, including a number of measures that will help ensure the cost-effectiveness of the State's shelter investment.

Key accountability findings:

- **Regional coordinators will be accountable for key regional performance metrics:** In keeping with the SSP's commitment to achieving positive outcomes for unsheltered Oregonians, regional coordinators will be expected to collect data and be accountable to (1) exits to permanent housing and (2) exits to unsheltered homelessness for all the shelters that they coordinate in their region. In addition, in keeping with the Sustainable Shelter Work Group recommendations, OHCS is developing and will implement a standardized methodology for regional coordinators to track and report on shelter utilization. All outcomes will be disaggregated along key demographic variables, including race and ethnicity, in keeping with the SSP's commitment to equity.
- **Regional planning and monitoring will create accountability for regional coordinators.** Regional shelter coordinators selected through OHCS's Request for Application (RFA) process must prepare and receive approval of their regional assessment and plan prior to program launch in July of 2026 and every other year thereafter. That plan commits the region to maintaining a certain number of shelter beds and adhering to the program and service delivery requirements of the SSP. The regional assessment and plan details the allocation of SSP funds to ensure equitable distribution across the region. The regional assessment and plan, along

with the associated SSP grant agreements, set out clear parameters for routine program, spend-down, and fiscal compliance monitoring by OHCS of its grantee, as well as requirements for monitoring by the regional coordinator of each of its subgrantees.

- **Performance evaluation plan.** The SSP includes an evaluation plan that outlines the methodology OHCS will use to assess program performance. This evaluation plan incorporates a program logic model that identifies key components, including program resources, eligible activities under SSP—such as housing-focused services, shelter operations, and street outreach—and expected outputs and outcomes, including the number of households served, the number of households exiting to permanent housing or returning to unsheltered homelessness, and reasons for exit. The evaluation plan ensures accountability and transparency by clearly defining performance metrics, specifying the data elements to be collected, identifying data sources, and detailing how information will be compiled and analyzed. These outcomes are directly aligned with outcomes outlined in regional coordinators’ grant agreements.
- **The SSP model creates cost accountability for each region.** As described above, the SSP is currently imposing a 15% limit on the total amount of grant funding that can be used for overhead expenses. Beyond that, because OHCS’ commitment to supporting a statewide shelter network of over 4,800 beds effectively imposes a limit on the average amount of funding it will provide per bed, regional coordinators responsible for maintaining a specific amount of bed capacity, as set out in their approved regional assessment and plan, must both take into account the total costs of the beds that they are providing and opportunities to maximize non-OHCS funding sources.

OHCS Recommendations

The shelter budget note includes three specific areas in which OHCS is directed to make recommendations:

- A maximum contribution of state resources based on a per bed or per-household served for a given time period, and based on the type of shelter being provided;
- The minimum percentage of shelter operational costs recommended to be funded from sources other than Housing and Community Services Department (HCSD) program allocation; and

- Standards and funding methodologies that promote the financial sustainability of a state shelter system.

The background on the Statewide Shelter Program (SSP) and the findings set out above provide the backdrop for OHCS' recommendations in these three areas.

As specified at the outset of this report, OHCS' priority in developing responsive recommendations is to ensure that the agency continues to meet the requirements of HB 3644 and the parameters and outcomes established for the SSP. This includes **maintaining the stability of a statewide shelter system that incorporates the State's essential commitments to regional diversification, equitable access and outcomes, and low-barrier options for those who are most vulnerable.**

To accomplish this, OHCS recommends the following funding methodology:

- (1) Each region will receive an allocation of SSP funds using a formula based on the direction in HB 3644; it will take into account need and, once the SSP is fully implemented, past regional performance in meeting agreed-upon system outcomes.
- (2) Each program allocation will include a presumptive number of shelter beds based on the 2025-2027 year one average cost per bed in the region. This will account for regional variation by building on previously negotiated annual cost-per bed levels, and it also ensures that the ultimate overall average State contribution per bed aligns with maintaining the total systemwide capacity of 4,884 beds. Allocations and bed capacity targets will be reevaluated periodically to reflect changes in cost and resource availability.
- (3) Based on its allocation, each region will be invited to develop a proposal for the appropriate mix of shelter types, populations served, etc. for its region within the parameters set by the SSP (e.g. 70% low barrier) and within the available budget/bed target.
- (4) In addition to holding regions to the effective constraints of their allocation and overall bed target, OHCS will set a maximum per year shelter bed cost cap of \$31,000. This cap will be updated periodically to reflect changes in shelter cost and the availability of resources.
- (5) Regional coordinators will be required to include the per-bed per-year cost of each shelter they propose to fund. To the extent a regional coordinator proposes to fund a shelter where the per-bed cost is significantly above the median cost of shelters of that type, as shown in OHCS' shelter survey, the award will only be approved if there are compelling reasons for the higher cost.

Each region's proposal for allocating SSP funding to shelters will be required to include a demonstration that non-OHCS funds are covering at least 20% of the aggregate cost of those shelters. Non-OHCS funds may include federal, other state, local government, philanthropic, individual, and donated goods and services. OHCS will provide an exceptions process for regions that are currently unable to meet the 20% contribution requirement because of circumstances beyond their control, provided they have created and are implementing an approved fund development plan as part of the regional assessment and plan (see below). To maximize non-OHCS contributions to shelter operations, OHCS recommends a series of measures to incentivize each region to maximize non-state contributions without jeopardizing the stability and predictability of the system. This recommendation considers the information above about the level of non-state contributions already supporting the SSP. OHCS will continue to monitor this annually, and should it change for reasons unrelated to funding cuts outside the local jurisdiction's control (e.g. federal cuts), we will revisit the approach to this issue. OHCS will:

- **Require** that a local **development strategy for non-state funds** be part of the regional planning process. This will require that regions submit a **resource development plan as part of their regional plan**. Through the mandatory performance and evaluation process attached to SSP, outcomes of the resource development plan will be evaluated, and failure to meet the plan's established outcomes could impact future funding allocations. OHCS will collaborate with regional coordinators to ensure that the resource development plan adequately meets cost contribution expectations and achieves shared funding between state and non-state resources, given their regional context.
- Direct regional coordinators to **consider leveraged non-OHCS funds in their selection of shelter providers**. OHCS requires regional coordinators to include in their regional plans an explanation for how they will select and determine the amount of funding each of their shelters receives. OHCS will direct that shelters be selected in part based on whether they can leverage other funding sources that do not create conflict with SSP requirements and priorities.
- **Require regular reporting on non-state funding** contributions to the shelter to monitor supplantation and continue to evaluate new leveraging strategies. With this strategy, OHCS will also be able to incorporate cost data analysis at the subgrantee level.
- **Evaluate the need for and feasibility of** incorporating regional non-state funding levels into allocation formulas in future biennia as one of the factors related to "past performance." In OHCS' view, this will only be appropriate once the SSP has

had time to be more fully implemented and there is better baseline data on cost contributions to evaluate.

Recommended Timeline:

Once SSP Regional Coordinators are selected in early 2026, OHCS will work with them to support the initial implementation of the recommendations. This includes the creation of resource development plans that adequately address cost-contribution expectations for each region. As described earlier in this report, establishing the SSP through regional coordination and the development of grantee regional planning will already require significant changes to the statewide shelter system in year two of this biennium, and some aspects of the recommendations will require amendments to the Oregon Administrative Rules and program guidelines for the SSP. With this in mind, OHCS expects that some of the measures to incentivize non-state contributions will be in development in year two and ready for full implementation in year one of the 2027-29 biennium.

Conclusion

Shelter plays a vital role in ensuring safety and linking households to essential services and permanent housing. While shelter alone does not end homelessness, it creates a vital pathway to stable housing. In the first year of the 2025–27 biennium, Oregon Housing and Community Services (OHCS) distributed over \$102 million to support 4,884 shelter beds across 27 counties.

The Statewide Shelter Program (SSP), guided by policy direction established through HB 3644 and rooted in regional coordination, seeks to maintain established shelter capacity in Oregon. System stability and stable state funding are key components of SSP and will be crucial for ensuring shelter providers have the ability to nimbly respond to changing community needs. Certain cost containment strategies, if not designed to foster system stability and regional variation, have the potential to destabilize the SSP shelter system. OHCS acknowledges the interest in cost containment strategies for Oregon’s statewide shelter system and recommends:

- (1) Utilizing a funding model that prioritizes requirements of HB 3644 and the parameters and outcomes established for the SSP;
- (2) Requiring that regions demonstrate non-OHCS funds are covering at least 20% of the aggregate cost of SSP shelters;

- (3) Controlling OHCS' per bed contribution to shelter by establishing allocations and bed capacity minimums for each region (based on the statewide commitment to maintain 4,884 beds) and setting an initial maximum per year per project shelter bed cost cap of \$31,000; and
- (4) Requiring a resource development plan as part of each region's approved regional assessment and plan. Using the existing regional planning process to require grantee resource development plans.

With these cost containment strategies, OHCS aims to maintain a statewide shelter system that incorporates shared funding between state and non-state funding sources, while ensuring system stability is preserved. This will allow for a statewide shelter system that effectively addresses community needs.

If you would like this report in a different language, please email Language.Access@hcs.oregon.gov.

OHCS Statewide Shelter System Funding

Budget Note: Final Report Appendix Materials

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The information depicted in Appendices A and B reflects the results of an OHCS survey of shelter providers across the state. For context, the number of shelter sites reported by providers in that survey are depicted here.

Table 1. Number of shelter sites reported by region in OHCS shelter provider survey

	County/Counties	Continuum of Care	Number of Shelter Sites Reported
Multi-Agency Coordination (MAC) Groups	Lane	CoC-OR-500	27
	Multnomah	CoC-OR-501	61
	Jackson	CoC-OR-502	14
	Jefferson, Deschutes, Crook	CoC-OR-503	15
	Marion, Polk	CoC-OR-504	23
	Washington	CoC-OR-506	19
	Clackamas	CoC-OR-507	10
	Total All MAC Regions		169
Local Planning Groups (LPGs) in the Balance of State	Benton	CoC-OR-505	8
	Clatsop	CoC-OR-505	5
	Coos	CoC-OR-505	3
	Curry	CoC-OR-505	1
	Douglas, Josephine	CoC-OR-505	3
	Hood River, Wasco, Sherman	CoC-OR-505	4
	Klamath, Lake	CoC-OR-505	3
	Lincoln	CoC-OR-505	4
	Linn	CoC-OR-505	4
	Malheur, Harney	CoC-OR-505	1
	Tillamook	CoC-OR-505	2
	Wallowa, Union, Baker, Grant	CoC-OR-505	1
	Yamhill	CoC-OR-505	6
	Total All LPG Regions		45
Grand Total Statewide		214	

Appendix A. Budget Note Data Requests Responses

Appendix A addresses, to the extent possible with the data available, the considerations specified in the HB 5011 budget note directive.

(1) Analysis of Bed Types Across the State

The HB 5011 budget note on Shelter funding recommendations specifically asks OHCS to consider “the type of shelter being provided (such as congregate, family, severe weather or emergency, recovery, etc.)” when developing recommendations. The following tables and charts are based on an OHCS survey of shelter providers across the state.

Table 2. Summary of all Congregate and Non-Congregate beds and Safe Temporary Emergency Placements Site (STEPS) units reported by MAC and LPG Regions

	Congregate Beds		Non-Congregate Beds		STEPS Units		Total Beds
MAC Regions	4,039	46%	3,963	45%	807	9%	8,809
LPG Regions	1,276	58%	816	37%	105	5%	2,197
Total Statewide	5,315	48%	4,839	44%	912	8%	11,006

Includes both OHCS-funded and not OHCS-funded shelter beds. Includes year-round, seasonal, and inclement weather beds. STEPS units are defined for the survey as: vehicular camping and basic-free standing structure programs that do not meet shelter habitability standards. These programs provide participants with a place to stay either in their vehicle or a basic-free standing structure provided by the site when available, that is secure and free from the risk of ticketing. Vehicles include cars, RVs, campers, or trailers used as temporary accommodations. Basic-free standing structures include structures that do not typically include a foundation and are assembled with prefabricated parts and materials. Examples of basic free-standing structures: pallet shelters, Conestoga Huts, yurts, and other similar units.

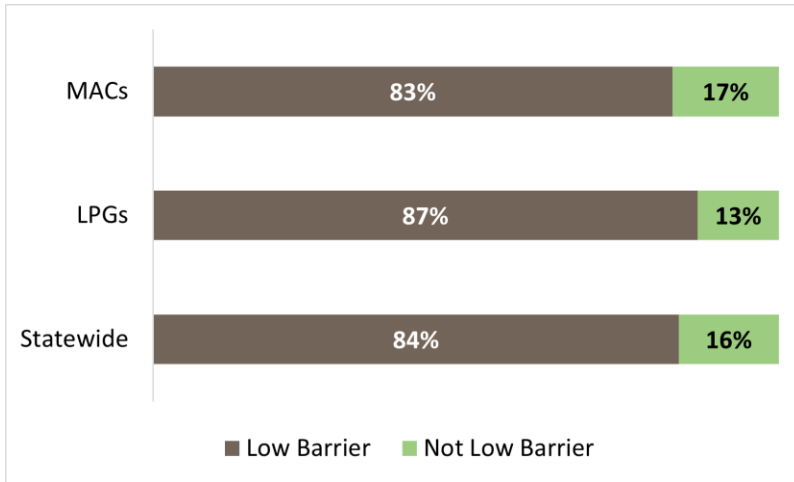
Table 3. Subset of reported beds in MAC and LPG regions by shelter type

	Low Barrier		Not Low Barrier		Housing Focused		Seasonal		Year-Round	
MAC Regions	7,341	83%	1,468	17%	7,444	85%	1,059	12%	7,750	88%
LPG Regions	1,903	87%	294	13%	1,353	62%	578	26%	1,619	74%
Total Statewide	9,244	84%	1,762	16%	8,797	80%	1,637	15%	9,369	85%

Includes both OHCS-funded and not OHCS-funded shelter beds.

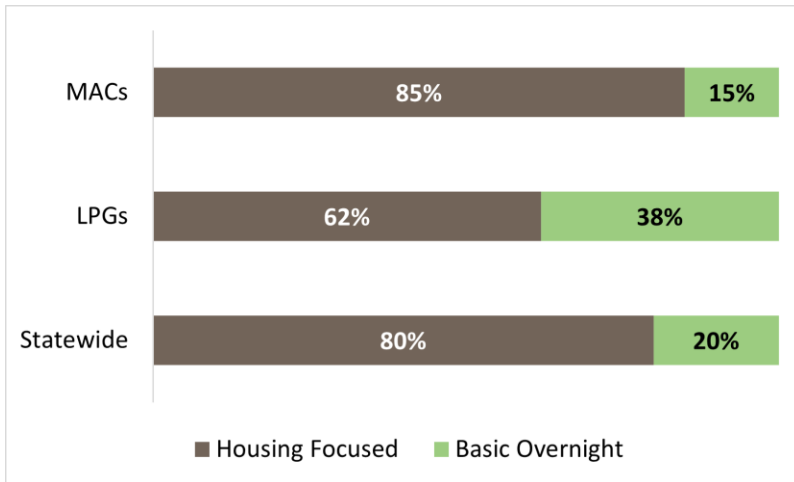
The survey results indicate that most shelter beds across the state are already low barrier and housing focused.

Figure 1. Low barrier beds as share of total available beds in FY 2024-25



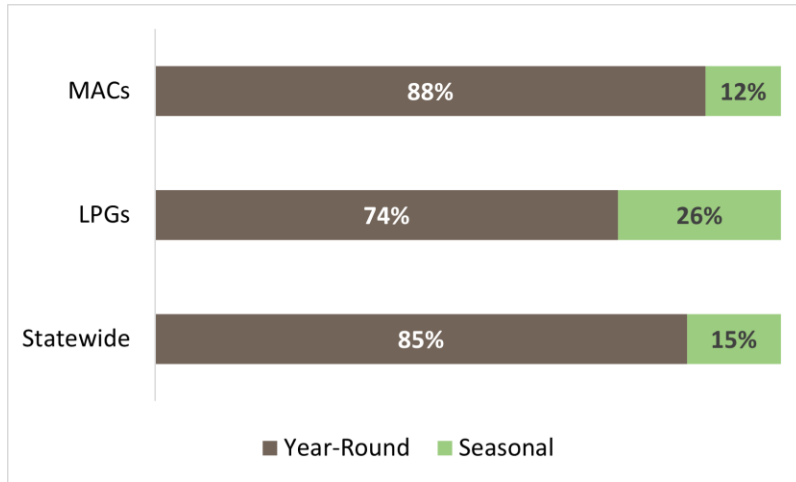
Includes both OHCS-funded and not OHCS-funded shelter beds.

Figure 22. Housing focused beds as share of total available beds in FY 2024-25



Includes both OHCS-funded and not OHCS-funded shelter beds.

Figure 33. Year-round and seasonal beds as share of total available beds in FY 2024-25

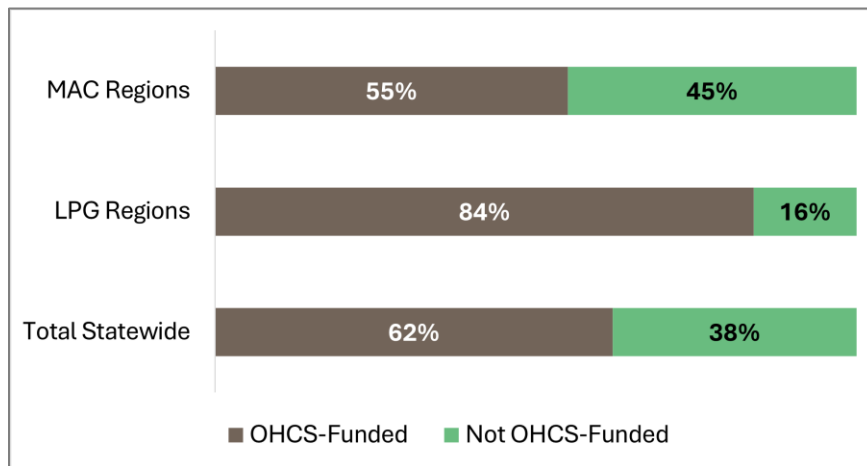


Includes both OHCS-funded and not OHCS-funded shelter beds.

OHCS-Funded Shelters and Beds

Not all shelters operate using OHCS funding; as the figure below illustrates, 38% of all shelters in the provider survey did not report any OHCS revenues for the 24-25 fiscal year.

Figure 4. Share of reported shelters in MAC and LPG regions and statewide that are OHCS-funded



Population size n = 212 shelters

Basic Overnight v. Housing Focused Bed-Nights

Table 4. Representation of housing focused shelters/beds among OHCS-funded shelters

	Housing Focused Shelters		Housing Focused Shelter Beds	
	Shelter Count	Percent of All OHCS Shelters	Bed Count	Percent of All OHCS Beds
MAC Regions	76	82%	3,856	78%
LPG Regions	26	68%	938	54%
Total Statewide	102	78%	4,794	71%

Population size n = 129 shelters reported OHCS funds for FY 2024-25

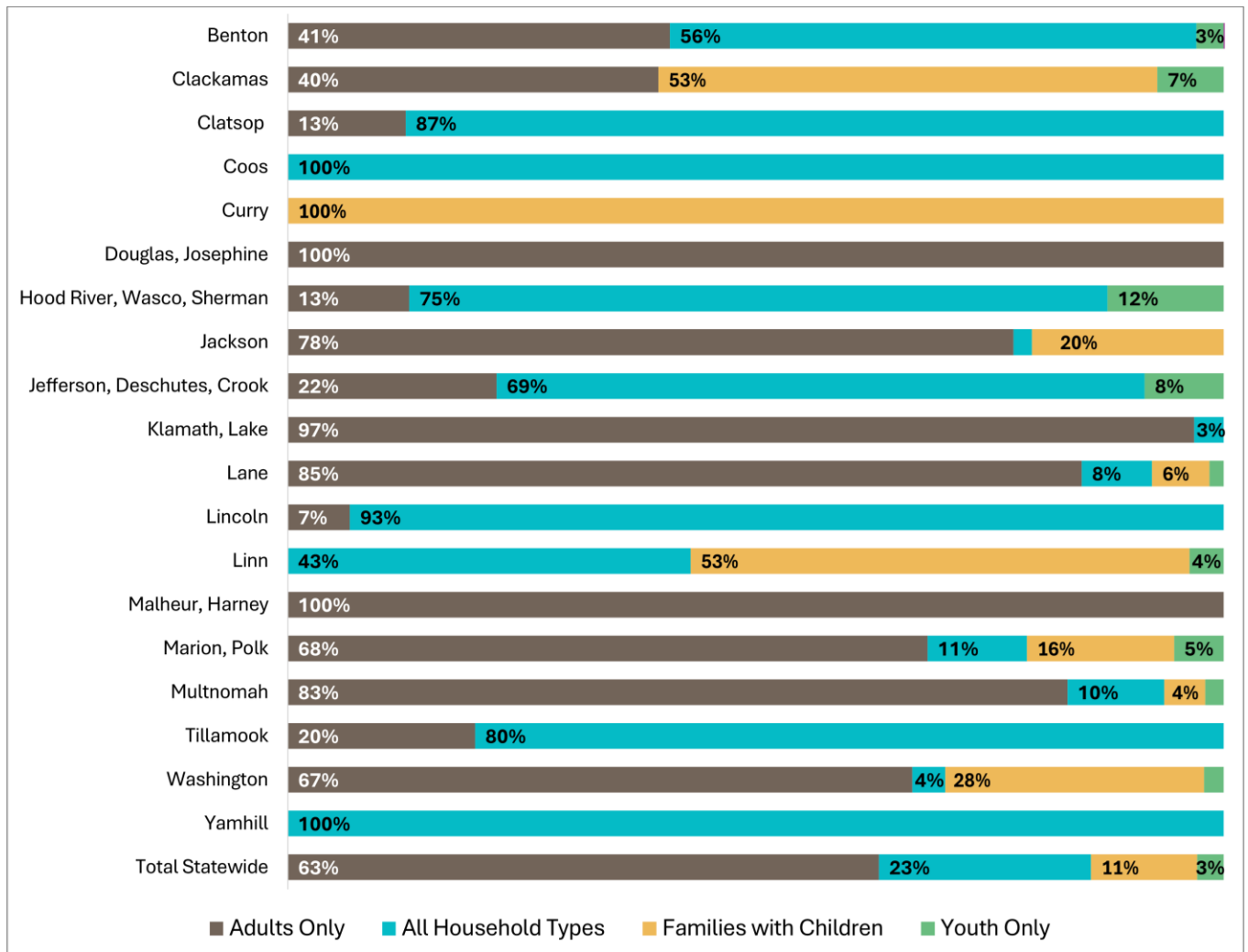
Table 4 depicts the total number of OHCS-funded shelters/beds that provide housing focused services, based on the OHCS provider survey. Housing focused services are a priority for the statewide shelter system, as they help to stabilize households and successfully transition them out of shelter to permanent housing. Due to the higher degree of supportive services provided, housing focused beds tend to be more costly than basic overnight beds.

Populations Served (Family Types)

The bar chart (Figure 4) below depicts the regional variation in populations served in shelter that participated in OHCS' survey. Statewide, 64% of total annual bed-nights served adults only, 23% served all household types, 11% served families with children, and just 3% served youth only.

Figure 54. Populations served (as share of total annual bed-nights), by region

This chart highlights the wide range of regional variation in household types served by shelters.



Population size n = 210 shelters

Percentages in the chart represent annual bed-nights (total nights that all beds were available in a year) to account for seasonal beds that were only open several days each year.

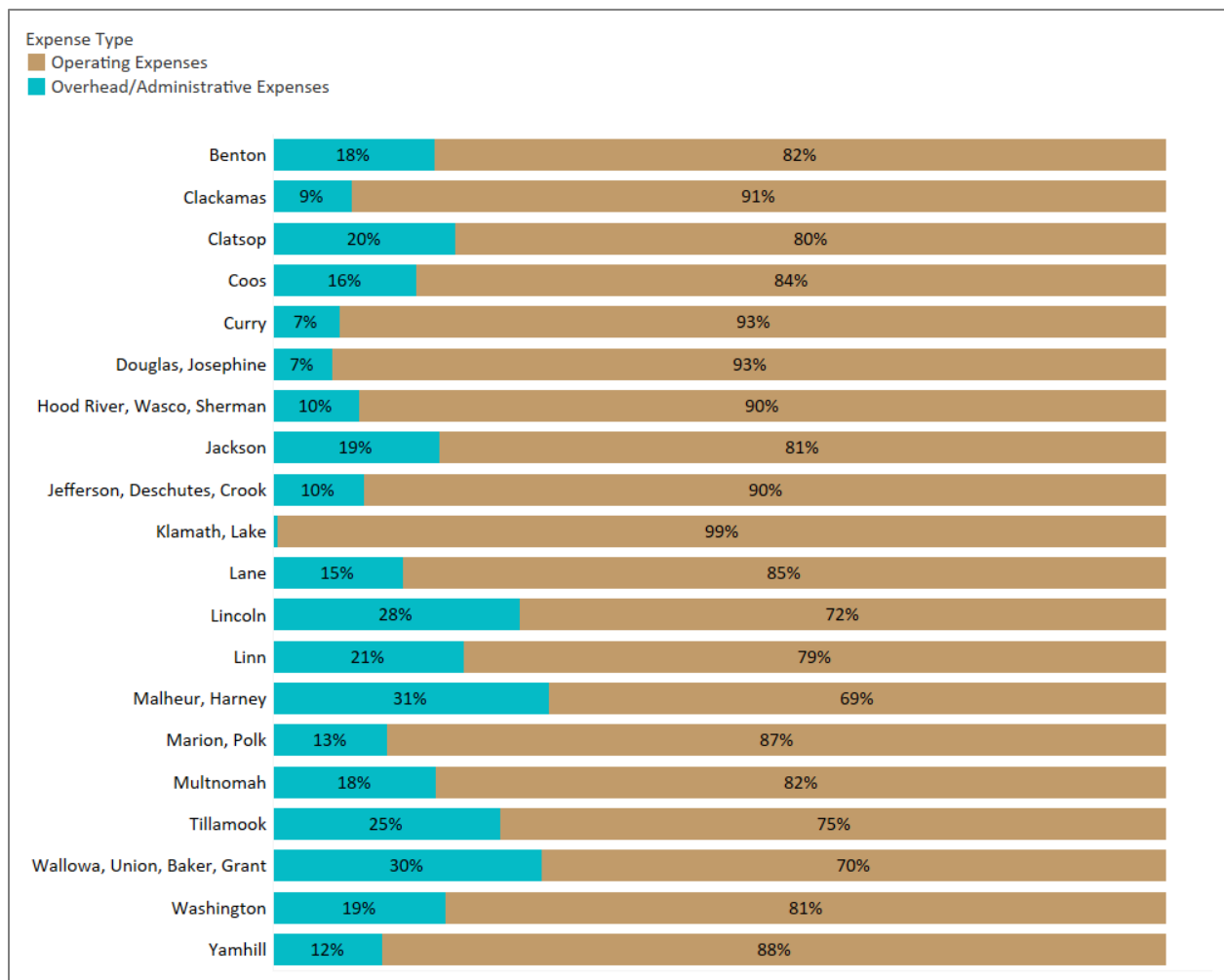
(2) Analysis of Shelter Expense Data and Estimated Annual Bed Costs

The HB 5011 budget note on shelter funding recommendations asks OHCS to consider “comparative data that includes average operating and overhead cost by shelter type and region” when developing recommendations. The following tables and charts represent data collected in an OHCS survey of shelter providers across the state.

Ratio of overhead/admin expenses to operating expenses, by region

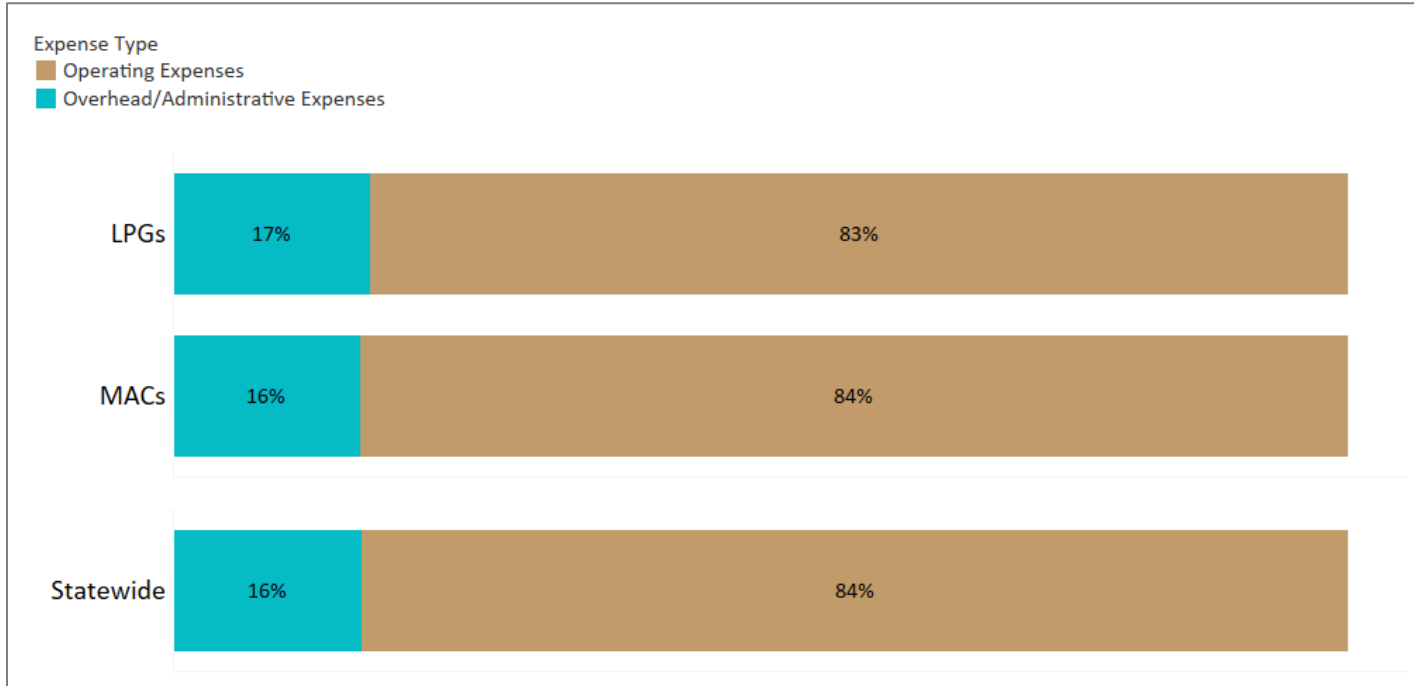
In the 23-25 biennium, OHCS shelter allocations from the Operational Support for Shelters (OPSS) funding source had a 10% administrative cap, while Executive Order funding to create new beds had a 15% cap. Shelters with administrative costs exceeding these caps had to access other non-OHCS funds to meet their administrative expenses. The reported percentages of administrative/overhead and operating expenses by region span a considerable range.

Figure 6. Ratio of overhead to operating expenses, by region



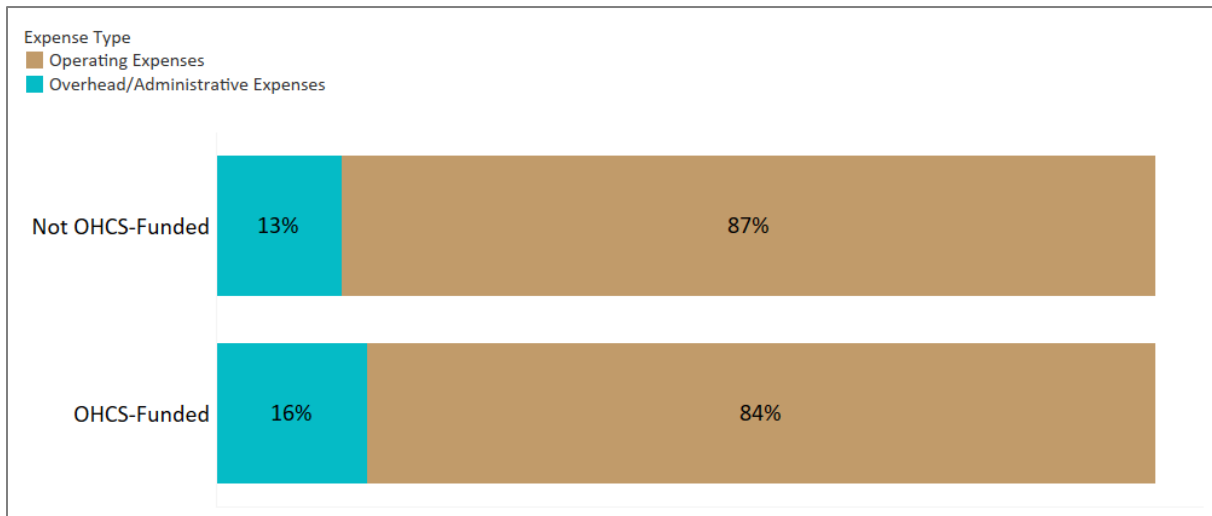
Population size n = 131 total shelters that reported OHCS funding for FY 2024-25

Figure 7. Ratio of overhead to operating expenses for all reported shelters, by MAC and LPG regions and statewide



Population size n = 131(93 shelters in MAC regions, 38 shelters in LPG regions)

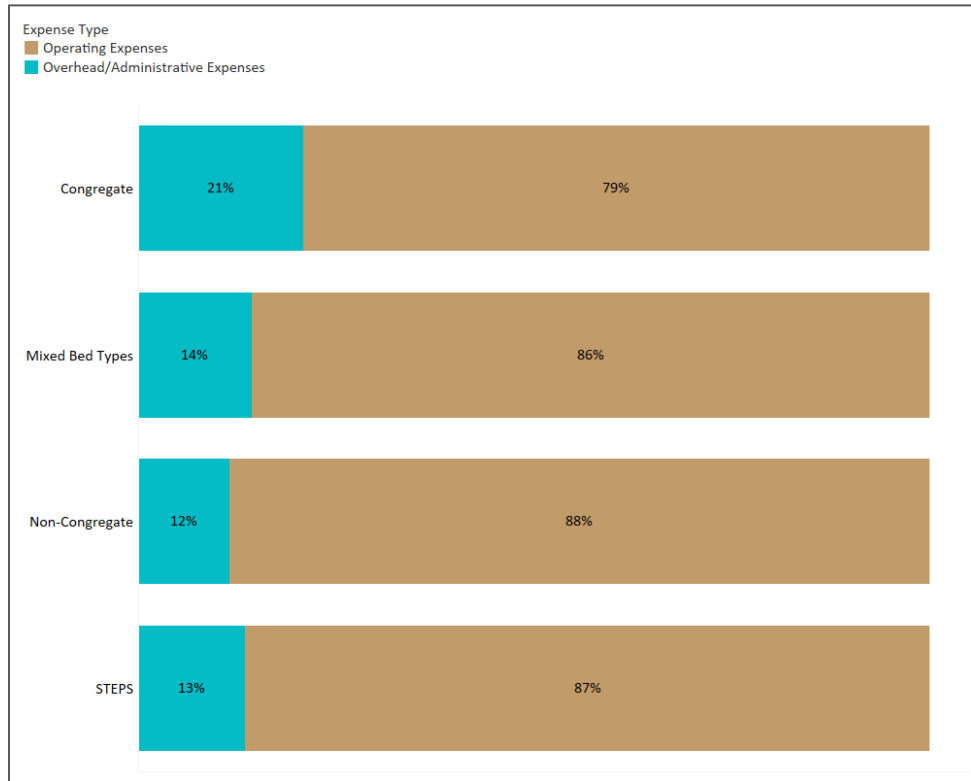
Figure 8. Ratio of overhead to operating expenses: OHCS-funded v. not OHCS-funded shelters



Population size n = 213 (131 OHCS-funded, 82 not OHCS-funded)

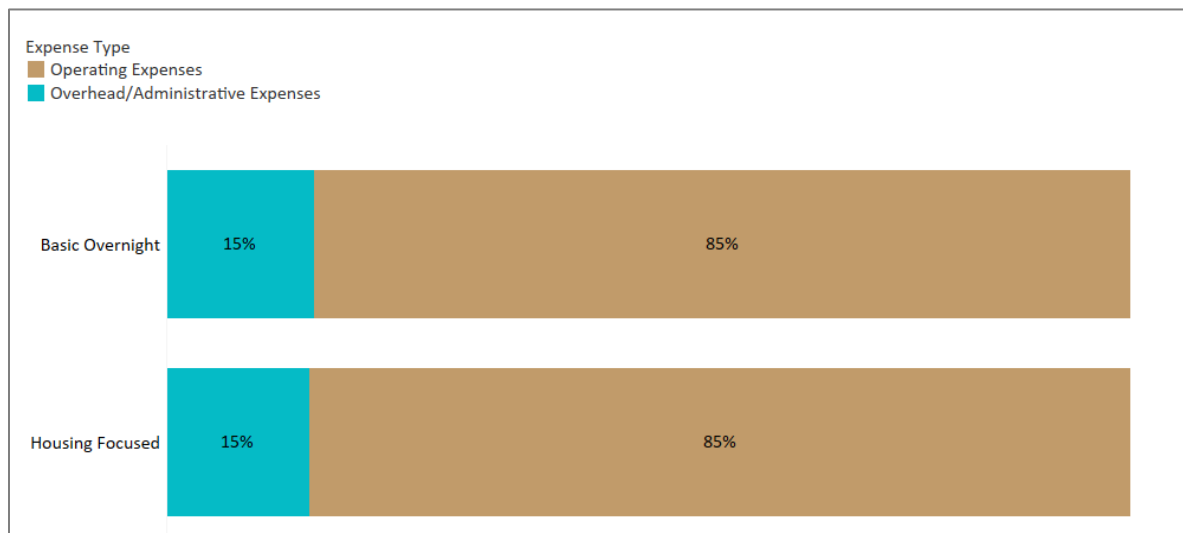
Ratio of overhead/admin expenses to operating expenses by shelter type

Figure 9. Overhead/Admin and operating cost percentages for Congregate and Non-Congregate Shelters and STEPS.



Population size n = 129 (55 non-congregate, 51 congregate, 17 mixed, and 6 STEPS)

Figure 10. Overhead/Admin and operating cost percentages for basic overnight and housing focused shelters



Population size $n = 124$ (102 Housing Focused, 22 Basic Overnight)

Annual costs per bed

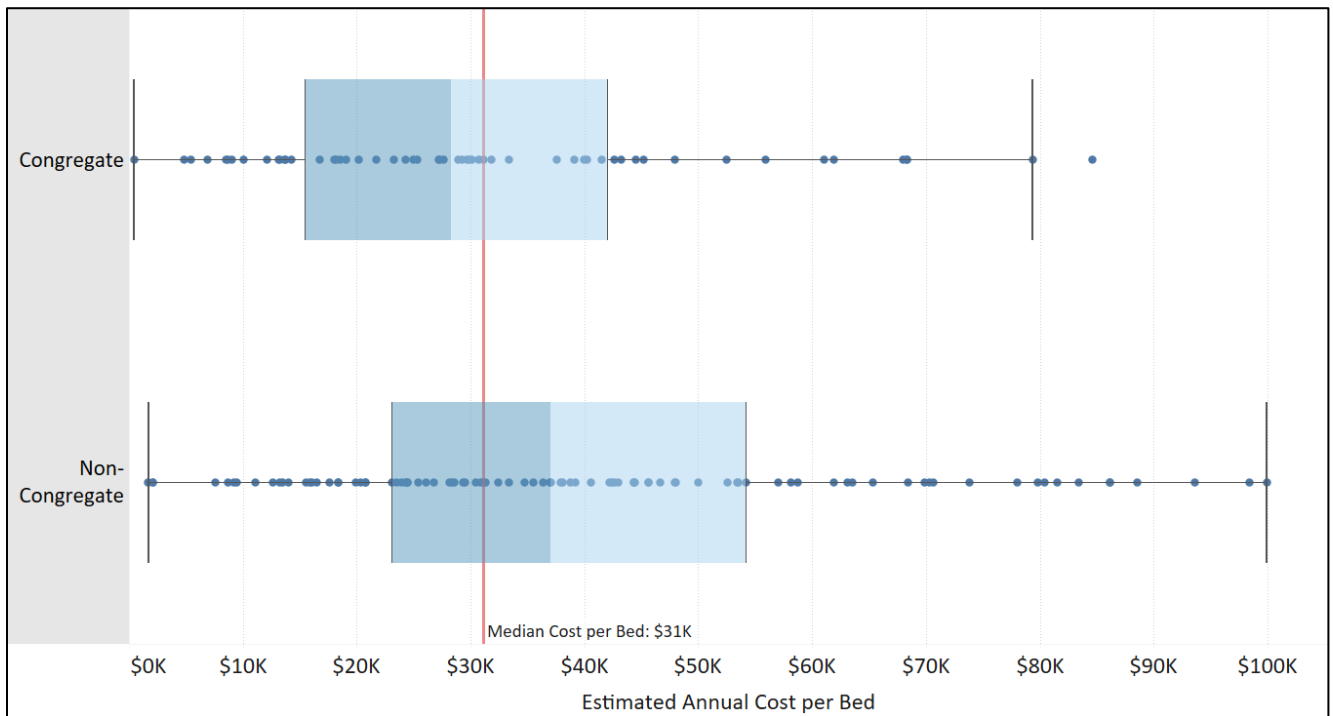
Figures 11-13 demonstrate the significant range of annual cost per shelter bed depending on different variables. At a summary level, here is the median annual cost per bed by type:

Table 5. Median annual cost per bed by shelter type

Non-Congregate	\$37,000
Congregate	\$28,000
Basic Overnight	\$24,000
Housing Focused	\$32,000
OHCS Funded	\$30,000
Not OHCS Funded	\$33,000
Overall Statewide	\$31,000

Figure 11. Annual cost per bed, statewide: congregate vs. non-congregate shelters

Chart represents the range of annual bed costs, with each dot representing an individual shelter.



149 shelters are reflected in Figure 11 after removing major outliers, STEPS sites ($n=9$), and other projects where bed type or total bed count could not be determined. 70% of all

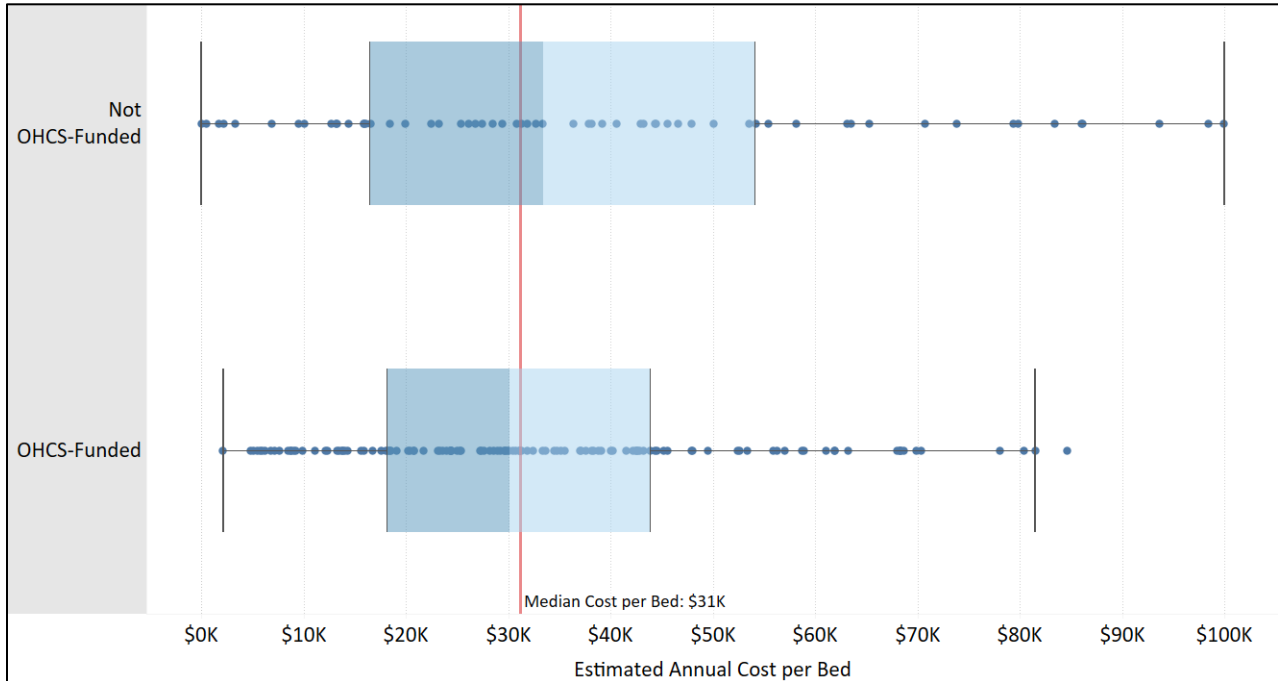
shelter sites reported in the survey are included. Of these, 56 are congregate sites (38%) and 93 are non-congregate sites (62%).

While the median annual cost per bed is higher for non-congregate shelters, bed type does not appear to be the sole driver of cost in the survey data. Both categories show a high amount of spread/variance in the dataset.

Median annual cost per bed is lower among congregate shelters, at \$28,000, compared to \$37,000 among non-congregate shelters.

Figure 12. Annual cost per bed, statewide: OHCS-funded shelters vs. non-OHCS-funded shelters

Chart represents the range of annual bed costs, with each dot representing an individual shelter.

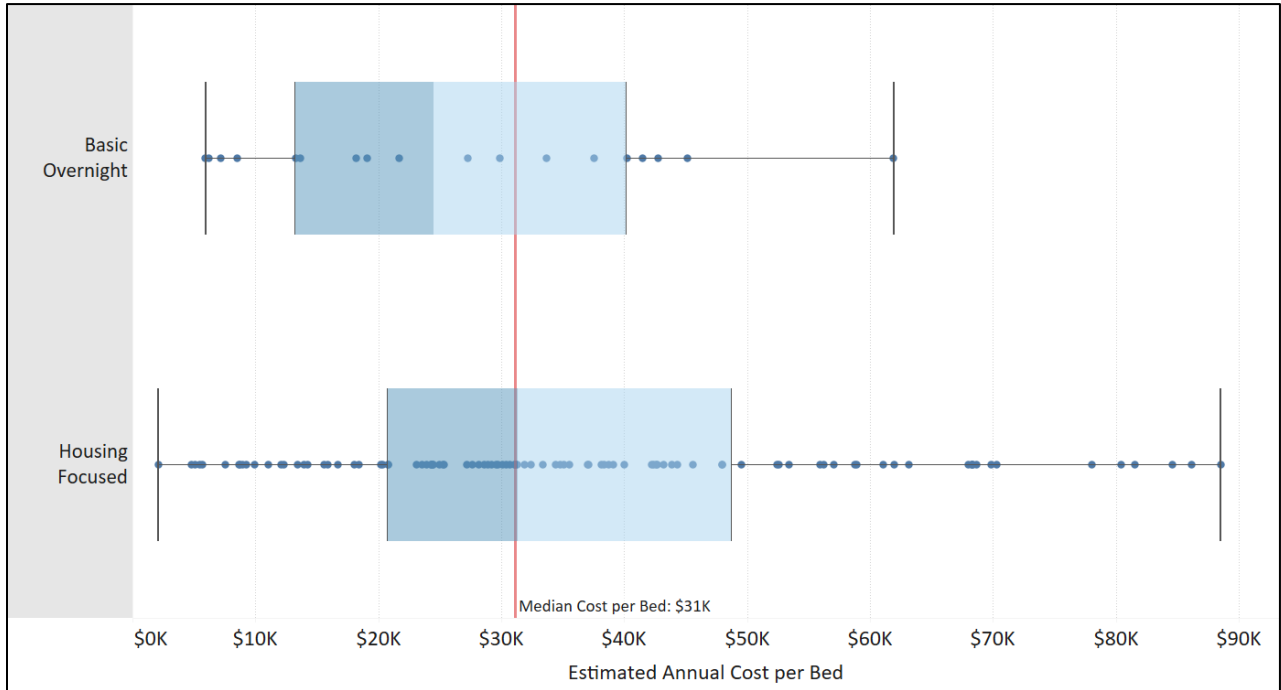


This chart depicts **182** individual shelters (85% of the total 214 sites in the survey) after removing major outliers and any projects where total bed count (and therefore annual cost per bed) could not be determined. Of these, 34% did not report OHCS funding; 66% did.

Median annual costs are comparable across both categories (\$33,000/bed for non-OHCS-funded shelters, \$30,000/bed for OHCS-funded shelters).

Figure 13. Annual cost per bed, statewide: OHCS-funded housing focused v. basic overnight shelters

Chart represents the range of annual bed costs, with each dot representing an individual shelter.



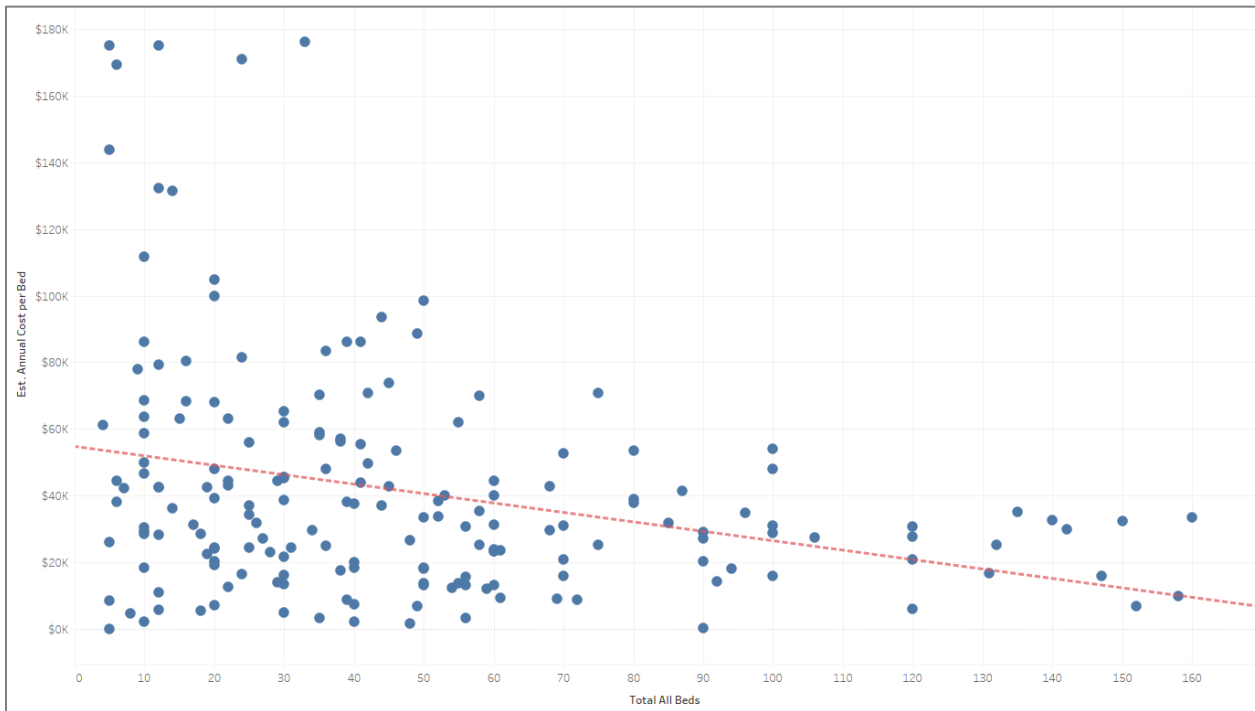
Median cost per bed: \$24,000 for basic overnight shelters, \$31,000 for housing focused shelters; and \$31,000 across total dataset.

117 shelters are included in Figure 13, after removing significant outliers and shelters where total annual cost per bed could not be calculated. Of these, 99 (85%) are housing focused and 18 (15%) are basic overnight shelters.

Shelter size as potential cost driver

The dot graph in Figure 14 includes a trend line indicating a modest correlation between higher bed counts and lower cost per bed, consistent with our experience that smaller shelters frequently do not experience the benefits of scale that can help keep costs per bed down.

Figure 14. Annual cost per bed compared to number of beds per shelter

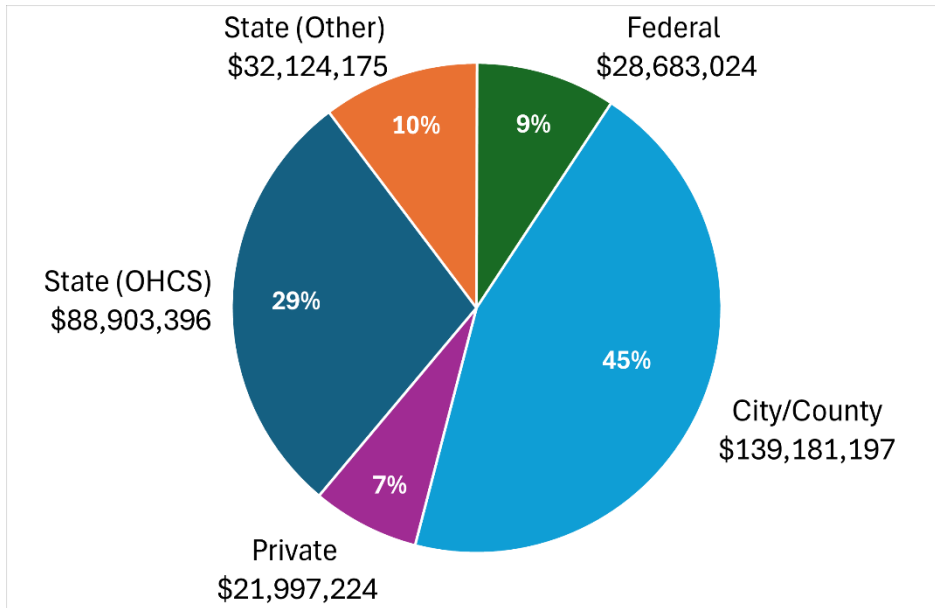


N = 187 shelters (extreme outliers have been removed; also excludes shelters where annual cost per bed could not be calculated).

(3) Historical Sources of Shelter Funding

The HB 5011 budget note on shelter funding recommendations asks OHCS to consider “historical sources of funding for shelter in regions of the state” when developing recommendations. The following charts represent data collected in an OHCS survey of shelter providers across the state.

Figure 15. Shelter revenues, statewide



Revenues shown here reflect FY 2024-25 budget data reported by OHCS funded and not OHCS funded shelter providers in the OHCS survey.

Figure 15 demonstrates that shelters across the state rely on a variety of state and non-state funding sources. While local government funds appear to make up the largest share of all revenues, an outsized portion of these local funds was reported by Clackamas, Multnomah, and Washington counties. The following charts compare the tri-county Metro area (Figure 16) with all other regions in the state (Figure 17) to illustrate the difference in the distribution of revenue sources.

Figure 16. Shelter revenues, Clackamas, Washington, and Multnomah Counties only

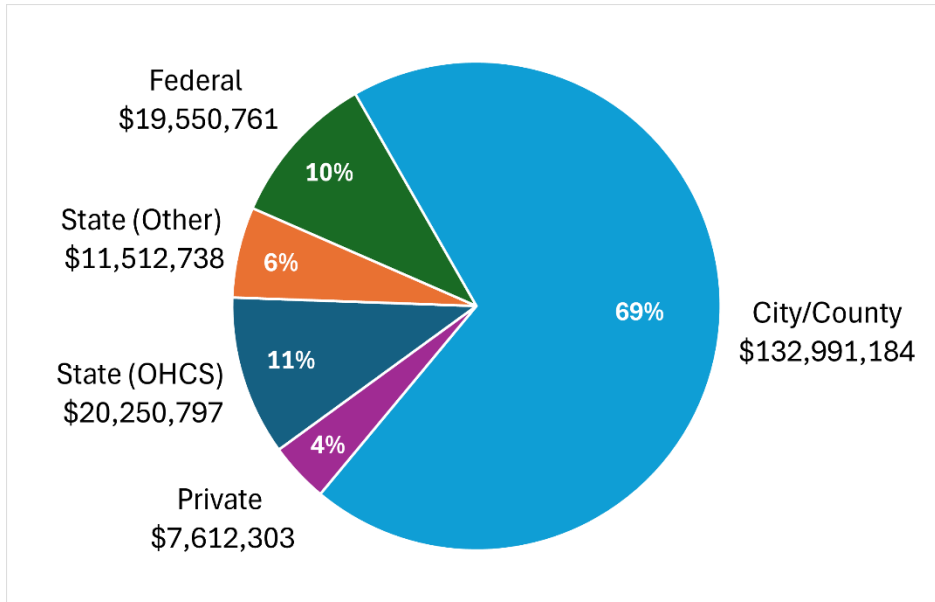


Figure 16 depicts FY 2024-25 budget data reported by shelter providers in Clackamas, Multnomah, and Washington counties. While the shelter provider survey did not allow OHCS to disaggregate revenue sources by specific funding streams, a large portion of the city/county funds shown here are likely from Metro’s Supportive Housing Services (SHS) measure. This volume of local funds allows the Metro region more flexibility to meet a potential cost-sharing requirement.

Figure 17. Shelter revenues, all other regions of the state (excludes Clackamas, Washington, and Multnomah counties)

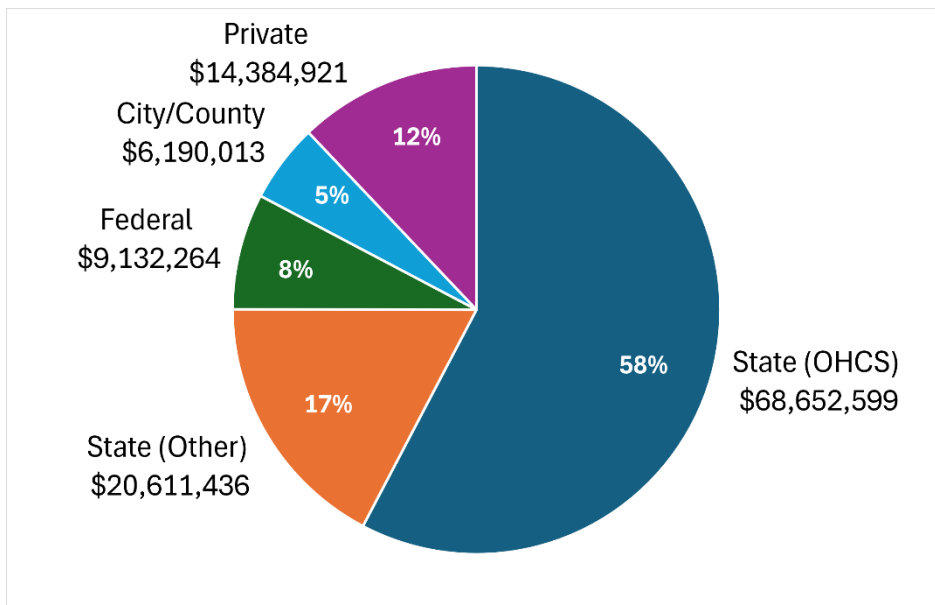
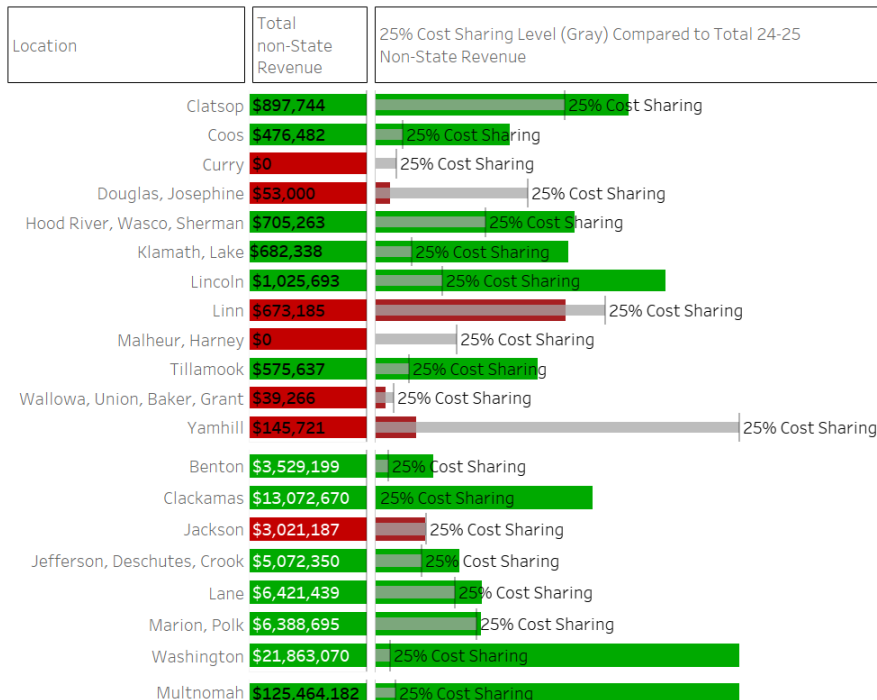


Figure 17 depicts FY 2024-25 budget data for shelters outside Clackamas, Washington, and Multnomah counties. In these areas, state revenue sources make up the largest share of overall revenues – a combined 75% across OHCS and other state funds. Note that these funds are not distributed evenly across each region; some counties rely almost entirely on state funding to support their shelter programs, while others use a combination of federal, state, local, and private funds.

Figure 18. Fiscal graph indicating potential impacts of a 25% cost-sharing requirement¹



Areas highlighted in red indicate that a 25% match requirement, similar to what the U.S. Department of Housing and Urban Development (HUD) requires of its Continuum of Care grantees, would exceed the region's total non-state revenues. With a 25% match requirement, these communities could not fully participate in the Statewide Shelter Program. These regions have historically relied heavily on state funding to support their shelter sites

¹ Based on reported shelter revenues for Fiscal Year 2024-25, as collected in an OHCS survey of shelter providers across the state. Non-state revenue sources include federal, local, and private funding.

Appendix B. Statewide Shelter Data Analysis, Survey Methodology and Participation

Methodology

A preliminary review of data from the Homeless Management Information System (HMIS) and OHCS' OPUS accounting software made clear that OHCS would be unable to make budget note recommendations based on this data alone, as it only includes OHCS-funded shelters and does not include certain information requested by the budget note. OHCS designed a shelter survey to gather qualitative and quantitative data from grantees and shelter operators to help fully respond to the budget note. The survey requested data from a 12-month period, 7/1/24-6/30/25, to ease the burden on survey respondents and in acknowledgement of the complex financial picture for the full 23-25 biennium, which included overlapping one-time use funding from both state and federal sources.

The survey was distributed to all OHCS direct grantees receiving 2025-2027 OHCS year one shelter funding. Grantees were asked to include all shelters they fund in their regions regardless of whether the shelters receive OHCS funding. These grantees mostly align with the Multi-Agency Coordination (MAC) groups and Local Planning Groups (LPGs). See Tables 6 and 7 below for information on respondents and included shelters). Data collected was largely reflective of key aspects in the Statewide Shelter Program (SSP) shelter type framework: low barrier/non low barrier, basic overnight/housing focused, congregate/non-congregate/STEPS, and populations served.

HMIS data was used to help provide context around regional outcomes during the 23-25 biennium. When possible, HMIS data was paired with shelter survey data to describe specific outcomes for those shelter programs. responses. Analysis of HMIS data was focused on where shelter participants exited to (e.g. permanent housing, another shelter, or unsheltered homelessness) for each shelter, regionally and statewide, because this is the primary performance measure for the SSP.

Data Limitations

The survey data provides a snapshot of operating costs, revenues, and shelter beds across the state during the 24-25 fiscal year (July 1, 2024 – June 30, 2025). It does not offer insight into trends or changes in shelter operations over time. All survey data was self-reported by survey respondents.

While the survey data provides a broad overview of the revenue sources (state, federal, local, private) that each region used to fund shelter programs in FY 24-25, details about individual revenue sources are limited. For instance, while we can estimate the total

dollars that a region received in federal funding, we cannot identify individual federal grants, making it difficult to conclude how much of that funding will be available in future biennia. Many grantees noted in their survey responses that they expect cuts to both state and federal revenues in the FY 25-27 biennium, but the survey data does not allow OHCS to precisely quantify those anticipated reductions.

There were also limitations specific to HMIS data. Certain comparative data was not available for shelters in the Metro region because much of the shelter in Multnomah, Washington, and Clackamas counties is fully funded without OHCS support (primarily through the SHS measure). OHCS does not have access to HMIS data for these shelter shelters. Likewise, non-OHCS funded shelters in other regions are not always included in HMIS, so survey data was available but not contextual HMIS data.

Analysis based on shelter survey data, particularly relating to per-bed average annual costs, should be treated as estimates only. Not all shelters participated in the survey and some shelter beds were excluded from the analysis due to incomplete budget data or because the number of available bed-nights was not given.

Exclusions in the Data

While OHCS received 214 total survey responses, some shelter programs were removed from our analysis. Twelve Day Centers and one Street Outreach Network are excluded from most of the analysis because, while these programs provide invaluable services that connect individuals to housing-focused resources, they do not provide overnight shelter.

The Clackamas Village shelter site was excluded because the site did not operate during FY 24-25, making it difficult to estimate average per-bed costs. The Sheltering Silverton hotel/motel voucher program (Marion-Polk), the Xtreme Weather Shelter Program (Lane), and the Polk County FCO – Gale’s Lodge were also excluded from average per-bed cost estimates because no expense or revenue information was provided in the survey responses.

In some instances, where the number of annual shelter bed-nights was not provided, OHCS excluded those beds from per-bed cost estimates.

Survey Questions

The full survey instructions and form are available upon request. Key quantitative and qualitative questions are below. See Appendix A for key findings from the quantitative analysis. See Appendix C for a summary of qualitative responses.

Quantitative Data

The survey consisted of a series of tables and response fields, in which shelter providers were asked to submit the following information:

- Shelter Access
- Populations Served
- Supportive Services Offered
- Setting
- Bed Inventory
 - Bed inventory was broken down for each of the following types by year-round, seasonal, and inclement weather beds:
 - Congregate
 - Non-Congregate
 - Shelter Alternatives of Safe Temporary Emergency Placement Sites (STEPS)
- Actual Expenses
 - Operating
 - Operating Staffing
 - Housing Focused Services
 - Housing Focused Services Staffing
 - Street Outreach
 - Street Outreach Staffing
 - In Kind and Volunteers
 - Administrative
 - Data Collection
- Actual Revenue
 - State Funding OHCS
 - State Funding Other
 - Federal Funding
 - City/County Funding
 - Private Funding (Corporate, Philanthropic, Individual)

Qualitative Data

The OHCS Shelter Survey invited each shelter to answer the following open-ended questions:

1. Thinking about the 23/25 biennium, did your region's shelter services change compared to the 21/23 biennium and if so in what ways? Services include things like number of beds available, types of shelter or shelter alternatives available, hours or days of operation, case management availability, ability to offer meals or other supportive services, etc.

2. Considering the other funding sources identified in the survey budget sections (federal funds, city/county funds, philanthropic funds, etc.), do you anticipate changes to the amounts available from these sources in the 25/27 biennium? Please be as specific as possible about which funding source, whether the change is an increase or decrease, and the reasons for changes.
3. For the 25/27 biennium, do you anticipate your region's shelter services changing because of shifts in funding? More detail will help define the impact of any change in services.
4. The Budget Note (see cover email) asks us to make recommendations about shared funding between state and other funding sources. In 23/25, did any of your shelters encounter challenges with braiding state funds with other funds?
5. Are there changes that OHCS could make to how our funding is administered that would make funds easier to braid?
6. Would a requirement that shelter grantees have a minimum non-state fund contribution impact your region's shelter services? If so, how?
7. Please review the budget note included in the cover email. How would you recommend OHCS meet the intention of the legislative budget note?
8. Are there areas in your region that do not currently have a shelter or don't have a year-round shelter? If so, please describe the need.
9. Is there anything else you would like to share about your region's shelter funding landscape?

Survey Response Validation against HIC data

To validate the OHCS Survey response levels, we compared response levels at a bed level by region against the soon to be released 2025 Housing Inventory Count (HIC) data, which represents the number of shelter beds available on a single night, typically in January.

OHCS's Survey bed count was at 85% the level represented in the HIC count, indicating a strong response rate and inclusion of a significant portion of the state's shelter capacity.

Survey Respondents

In total, OHCS received 214 survey responses that represent 169 unique shelter sites within the MAC regions and 45 sites within the LPG regions. All but two of OHCS' shelter grantees responded to the survey. The analysis does not include two shelters with a combined 86 beds supported by the Community Action Program of East Central Oregon, which serves Gilliam, Morrow, Umatilla, and Wheeler Counties, and it also does not

include a 58 bed shelter in Malheur County supported by the Housing Authority of Malheur & Harney County.

The table below lists, by region, the total number of unique shelter sites submitted by grantees in their survey responses.

Table 6. Number of shelter sites reported, by region, in OHCS shelter provider survey

	County/Countries	Continuum of Care	Number of Shelter Sites Reported
Multi-Agency Coordination (MAC) Groups	Lane	CoC-OR-500	27
	Multnomah	CoC-OR-501	61
	Jackson	CoC-OR-502	14
	Jefferson, Deschutes, Crook	CoC-OR-503	15
	Marion, Polk	CoC-OR-504	23
	Washington	CoC-OR-506	19
	Clackamas	CoC-OR-507	10
	Total All MAC Regions		169
Local Planning Groups (LPGs) in the Balance of State	Benton	CoC-OR-505	8
	Clatsop	CoC-OR-505	5
	Coos	CoC-OR-505	3
	Curry	CoC-OR-505	1
	Douglas, Josephine	CoC-OR-505	3
	Hood River, Wasco, Sherman	CoC-OR-505	4
	Klamath, Lake	CoC-OR-505	3
	Lincoln	CoC-OR-505	4
	Linn	CoC-OR-505	4
	Malheur, Harney	CoC-OR-505	1
	Tillamook	CoC-OR-505	2
	Wallowa, Union, Baker, Grant	CoC-OR-505	1
	Yamhill	CoC-OR-505	6
	Total All LPG Regions		45
	Grand Total Statewide		214

Table 7. Shelters Surveys returned by County

Shelter Name (Alphabetical)	Shelter County
2200 Ashland Street	Jackson
2nd Chance Shelter	Linn
310 Garfield Safe Sleep Site	Lane
410 Garfield Safe Sleep Site	Lane

Alba Collaborative	Multnomah
Aloha Pods	Washington
Ann's Heart Women's Shelter	Lane
AntFarm	Clackamas
AnyDoor Place McMinnville	Yamhill
AnyDoor Place Newberg	Yamhill
Arbor Lodge	Multnomah
ARCHES Inn	Marion, Polk
ARCHES Lodge	Marion, Polk
ARCHES Warming	Marion, Polk
ARCHES Warming (DC)	Marion, Polk
ARCHES Warming (FP)	Marion, Polk
ARCHES Warming (SOCC)	Marion, Polk
Banfield Shelter Motel	Multnomah
Basic Center Program	Jefferson, Deschutes, Crook
Beacon Village	Multnomah
Beaverton Shelter	Washington
Behavioral Health Resource Center	Multnomah
Benton County Severe Weather Sheltering	Benton
Bethlehem Inn	Jefferson, Deschutes, Crook
Blanchet House	Multnomah
Bradley Angle Shelter	Multnomah
Bridge to Home	Washington
Bridges Program of Florence	Lane
Bridging Connections	Multnomah
Bud Clark Day Center	Multnomah
Bybee Lakes	Multnomah
Canal House	Jefferson, Deschutes, Crook
Casa Amparo	Washington
Casa Esperanza	Clackamas
Catholic Community Services Family Shelter	Marion, Polk
Centro Non-Congregate	Washington
Chestnut Tree	Multnomah
Clackamas Women's Services Village Shelter	Clackamas
Clark Commons	Multnomah
Clinton Triangle	Multnomah
Cloverleaf	Washington
Coalbank Village	Coos
Coastal Phoenix Rising	Lincoln
Columbia Inn	Clatsop

Community Action Family Shelter	Washington
Community Outreach Incorporated	Benton
Community Recovery and Wellness Living	Marion, Polk
Community Shelter and Resource Center	Lincoln
Community Supported Shelters	Lane
Community Wellness Collective Community Drop-In Center	Yamhill
Community Wellness Collective Inclement Weather Shelter	Yamhill
Community Works Dunn House	Jackson
Continuum Emergency Lodging	Jackson
Cornelius Safe Rest Pods	Washington
Corvallis Daytime Drop-In Center	Benton
Countywide Street Outreach Network	Washington
Cultivating Community	Multnomah
David's House	Marion, Polk
Dawn to Dawn	Lane
Delta Park Motel Shelter	Multnomah
Don's Place	Lincoln
Doreen's Place	Multnomah
Downtown Drop-In Day Shelter	Multnomah
Egan Warming Center	Lane
Emergency Motel Shelter Program	Yamhill
Eugene Overnight Parking Program	Lane
Everyone Village	Lane
Everyone Village (Respite Beds)	Lane
Faith, Hope, and Charity Inc.	Linn
Family Assistance and Resource Center Group	Linn
Family Promise Greater Washington County	Washington
Family Promise of the Mid-Willamette Valley	Marion, Polk
Florence Warming Center	Lane
Frankling Avenue Shelter	Jefferson, Deschutes, Crook
FUSE Shelter and Transitional Housing	Lane
Gary Leif Navigation Center	Douglas, Josephine
Gloria Center Emergency Shelter	Hood River, Wasco, Sherman
Good Neighbor Center	Washington
Grandma's House of Central Oregon	Jefferson, Deschutes, Crook
Gresham Women's Shelter	Multnomah
Greyhound	Multnomah
Harbor Confidential Shelter	Clatsop
Harbor of Hope	Multnomah
Hearts with a Mission	Jackson

Hillsboro Bridge Shelter	Washington
Hillsboro Safe Rest Pods	Washington
Hood River Shelter	Hood River, Wasco, Sherman
Housing Transitions Program	Multnomah
Inclement Weather	Washington
IRCO Homelss Youth Continuum	Multnomah
Jackson Street Youth Services - Corvallis House	Benton
Jackson Street Youth Services Shelter (Albany House)	Linn
Jamie's Place	Lane
JAMII Community Center	Multnomah
Jean's Place	Multnomah
Just Compassion Tigard	Washington
Kenton Women's Village	Multnomah
khwat yaka haws (Auntie's Place)	Clackamas
Klamath Advocacy Center	Klamath, Lake
Klamath Family Warming Center	Klamath, Lake
La Pine Warming Center	Jefferson, Deschutes, Crook
Laurelwood Center	Multnomah
Lifeboat Services DBA	Clatsop
Lilac Meadows Family Shelter	Multnomah
Lincoln City Hope Center	Lincoln
LOFT	Jefferson, Deschutes, Crook
Madras Shelter	Jefferson, Deschutes, Crook
Market Street Shelter	Multnomah
Maslow Project	Jackson
Medford Severe Weather Shelter	Jackson
Menlo	Multnomah
Merrick Shelter Project	Jackson
Monika's House (Mary Mac House)	Washington
Mosaic	Marion, Polk
Multnomah Safe Rest Village	Multnomah
My Friend's Place	Klamath, Lake
N Portland Rd Alternative Shelter	Multnomah
Naito Village	Multnomah
Northwest Housing Alternatives	Clackamas
Oak Street Village	Multnomah
OASIS Emergency Family Shelter	Lane
OHRA Cedarwood Shelter Rooms	Jackson
OHRA Shelter	Jackson
Operation Nightwatch	Multnomah

Opportunity Village	Lane
Outside In Day Program	Multnomah
Path Home Family Village	Multnomah
Peace at Home Advocacy Center	Douglas, Josephine
Peer Shelter	Lane
Peninsula Crossing	Multnomah
Pineview Cottage	Curry
Polk County FCO - Gale's Lodge	Marion, Polk
Polk Shelter	Marion, Polk
Porch Light Youth Short Term Shelter	Multnomah
Project Homeless Connect Non-Congregate	Washington
Raphael House of Portland	Multnomah
REACH Safe Parking	Jefferson, Deschutes, Crook
Redemption House	Jefferson, Deschutes, Crook
Redmond Oasis Village	Jefferson, Deschutes, Crook
Reedway	Multnomah
Rejuvenation House (Urban League)	Multnomah
Right Track Resource Center	Wallowa, Union, Baker, Grant
River Avenue Navigation Center	Lane
River District Navigation Center	Multnomah
Rockwood Bridge Shelter	Multnomah
Rogue Retreat - Kelly Shelter	Jackson
Rogue Retreat - Redwood	Jackson
Rogue Retreat Crossings	Jackson
Rose Haven	Multnomah
Roseway	Multnomah
Roxy Shelter Project	Jackson
Sable House	Marion, Polk
Safe Place	Washington
Sam's House	Clatsop
Sandbox	Lane
Seed of Faith Ministries	Marion, Polk
Shankle Brooklyn Street	Lane
Shelter and Transitional Housing	Lane
Shelter Care Medical Respite Shelter	Lane
Sheltering Silverton	Marion, Polk
Shepherd's House Ministries (Lighthouse)	Jefferson, Deschutes, Crook
Shepherd's House Ministries (Redmond)	Jefferson, Deschutes, Crook
Shepherd's House Ministries (Women's Shelter)	Jefferson, Deschutes, Crook

St. Anthony Emergency Family Shelter	Jackson
St. Johns Village	Multnomah
Stark Street	Multnomah
Station 7 Shelter	Lane
Stepping Stone	Jefferson, Deschutes, Crook
Street Light Youth Emergency Shelter	Multnomah
Sunderland RV	Multnomah
SW Naito	Multnomah
Taylor's House	Marion, Polk
The Annex	Hood River, Wasco, Sherman
The Devereux Center (Day Center)	Coos
The Devereux Center (Warming Center)	Coos
The Father's Heart Day Center	Clackamas
The Father's Heart Emergency Hotel Shelter Program	Clackamas
The First Place Annex	Lane
The Garden Way Medical Respite	Lane
The Marie Equi Center	Multnomah
The Navigation Center	Marion, Polk
Tides of Change Pacific House	Tillamook
Tillamook Hope Center	Tillamook
Tiny Shelter Project	Malheur, Harney
Tom Campbell (Carry It Forward)	Lane
Trash for Peace	Multnomah
Turnkey Program of Yamhill	Yamhill
UCAN - Douglas Warming	Douglas, Josephine
Uniontown Hope Center	Clatsop
United Way SafeSleep	Marion, Polk
Unity Shelter - Emergency Hotel Shelter	Benton
Unity Shelter - Men's Shelter	Benton
Unity Shelter - Room at the Inn	Benton
Unity Shelter - SafePlace	Benton
Veterans & Family Shelter	Washington
Veteran's Village	Clackamas
Village Fields Pallet Shelter	Lane
Village of Hope Adult Shelter	Marion, Polk
Voluntary Isolation Motel 82nd	Multnomah
Walnut Park	Multnomah
Weidler Village	Multnomah
WeShine Initiative's Avalon Community Villages	Multnomah
WeShine Initiative's Parkrose Community Village	Multnomah

WeShine St. Andrew's Community Village	Multnomah
West Women's	Multnomah
Willamette Center	Multnomah
Woodburn Shelter	Marion, Polk
Woodburn Warming	Marion, Polk
Wy'East	Multnomah
Xtreme Weather Shelter Program	Lane
Young Adult Shelter	Marion, Polk
Youth Empowerment	Hood River, Wasco, Sherman
Youth Supportive Housing Services Safety off the Streets Program	Clackamas

Appendix C. Statewide Shelter System Budget Notes

Narrative Survey Response Summary

Objectives

OHCS designed a narrative survey with nine questions and sent it to every current shelter grantee. The narrative section was only completed by direct grantees, but OHCS asked grantees to consider all shelters in their region, regardless of whether they were state funded. The goals of the survey included:

- Requesting feedback from those directly affected by shelter funding as to how different shelters would be affected by potential changes to shelter funding.
- Collaborating with our partners with on the ground experience in running our shelters to ensure that SSP is a fiscally sound, effective and sustainable response to the ongoing homelessness emergency throughout the state of Oregon.

What follows is a summary of key themes. A more detailed report on responses is available upon request.

Partner Participation

We sent surveys to the thirty-two current shelter grantees and offered to meet one-on-one. Thirty surveys were returned, covering most of the state. We also considered feedback from the Statewide Shelter Program engagements that took place earlier this year.

Themes

Our partners told us that they were able to make substantial investments in shelter across the state during this last biennium. In this coming biennium, they anticipate significant losses in shelter funding from every source and expect shelter needs to increase due to reductions in homelessness prevention and supportive services funding at partner agencies. They are concerned that a match requirement during this period of shrinking funds would mean many shelters, especially in under-resourced rural areas, would operate outside of SSP if they were able to continue to operate at all. Instead, they would like us to 1) provide them with a funding source that is long term and stable, so they can rely on it for ongoing support for basic shelter services and make long term strategic investments, 2) Make funds flexible so they can craft programs responsive to local conditions, 3) help partners braid funds more efficiently to reduce administrative expenses and 4) incentivize, but don't require, fund matches.

Shelters need stable state funding to build and sustain a statewide shelter system:

- A predictable long-term funding stream is critical to building stability in the shelter system. The current patchwork of funds makes it difficult to plan long term, expand services or keep beds consistently open. Instead, shelters scale operations up or down as their available funding changes, increasing their overall costs.
- Most new funding prioritizes new programs over funding existing programs and operational costs. Without strong state support, we risk losing the gains we've made in expanding shelter capacity.
- Short-term funding means shelters must spend more on administrative costs such as staff training, because different funds will have different uses, definitions and data tracking requirements.

Shelters need flexible funding to respond to local community needs:

- Every community in Oregon has unique needs and available resources. Our partners want to be able to maximize their shelter dollars by tailoring services to meet these needs and make the best use of their resources.
- Communities need flexibility to provide a mix of intentionally designed shelter options to maximize shelter guests' space, autonomy, and safety.
- Flexible funds allow shelters to respond nimbly to changing conditions and tailor their services to more efficiently stabilize households.

Partners can braid funds more effectively and efficiently with help:

- Braiding funds increases administrative complexity and challenges can arise when funding streams have different definitions, different reporting requirements and different allowable costs. Aligning these would make braiding funds easier.
- Every fund braided increases reporting requirements. Streamlining and simplifying reporting requirements would help make braiding more efficient.
- Partners need more technical assistance, training and administrative support with accounting, statewide data systems and fund braiding, particularly rural or under-resourced providers.

Incentivize cost sharing instead of requiring matching funds:

- Federal funds, including the timber funds that sustained rural counties, are being reduced or eliminated. Local governments are facing budget pressures due to tax base erosion. Competition for philanthropic funds has increased while the available funds have decreased. Requiring a match now means shelters must compete for increasingly scarce dollars and many small rural shelters do not have the staff or resources to hire grant writers or fundraisers.
- Create matching or incentive structures that encourage city and county governments to contribute, especially in areas where local investment has historically been absent.
- If we require matching funds, allow non-OHCS state funds to count, limit the match to 5% and phase this requirement in slowly so smaller shelters can prepare.