IN CONSIDERATION OF RESOLUTION NO. 25-5492 FOR THE PURPOSE OF PROVIDING UP TO \$15,000,000 TO MULTNOMAH COUNTY TO SUPPORT INVESTMENT IN CITY OF PORTLAND PROGRAMS TO ADDRESS UNSHELTERED HOMELESSNESS

Date: April 29, 2025 Prepared by: Kristin Dennis, Metro

Council Chief of Staff

Department: Council Office

Presenter: Kristin Dennis, Metro Council

Meeting Date: May 1, 2025 Chief of Staff

ISSUE STATEMENT

Metro Council seeks to ensure that Supportive Housing Services (SHS) funding provides tangible benefits where needed most across the region. In a time of continuing crisis in our communities and broader financial uncertainty, responsive action is of critical importance.

BACKGROUND

In May 2020, voters in greater Portland approved Measure 26-210 to fund services for people experiencing or at risk of homelessness. The measure created personal and business income taxes that fund Supportive Housing Services (SHS) across the region. Pursuant to the SHS measure and Metro Code, Metro retains 5 percent of SHS tax collections to administer a regional program.

As Metro and the Counties built up their programs, revenue outpaced annual administrative spending. Metro currently has approximately \$30 million in reserves, which can be used for current and future administration of the SHS program. During and after the Stakeholder Advisory Table process and other SHS reform discussions, Metro discussed setting a portion of these funds aside to seed a regional fund for affordable housing development. However, due to urgent needs for funding within current allowable uses, Metro Council sought to provide flexibility to make strategic investments of Metro's administrative funds to support efforts of regional significance.

On April 17, 2025, Metro Council adopted Ordinance No. 25-1530 to enable disbursement of its administrative funds to Local Implementation Partners for one-time investments in support of programs that otherwise meet SHS use of funds requirements, as directed by future Metro Council resolution.

On February 4, 2025, Mayor Keith Wilson came to a Metro Council work session where he outlined his plan to end unsheltered homelessness and requested SHS funds to support this effort. On March 13, the Multnomah County Commission unanimously approved a resolution directing the transfer of \$15 million of Metro SHS funds to the City of Portland if Metro transfers those funds to Multnomah County.

A unique set of circumstances led to Metro having these available resources that are not otherwise critical for immediate administrative needs. It is unlikely that Metro will have these resources available for flexible programming in the future given current revenue and budget forecasts. Therefore, local implementation partners that receive additional funds from Metro administrative funds should understand that those investments are one-time.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Staff recommends passing the resolution as submitted. Council may further direct staff to require additional specific features in a subsequent IGA with Multnomah County. Given the one-time nature of these funds, Council may consider adjusting the amount of funds made available to Multnomah County.

ACTION REQUESTED

Approve Resolution No. 25-5492.