

SUPPORTIVE HOUSING SERVICES FY24 REGIONAL ANNUAL REPORT

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Department: Housing

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Prepared by:

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Dr. Mandrill Taylor, *Supportive Housing Services Oversight Committee Co-Chair*

Length: 60 minutes

ISSUE STATEMENT

The Supportive Services Regional Oversight Committee will present the Supportive Housing Service's (SHS) third regional annual report. This report provides an overview of implementation progress, assesses performance, highlights successes and challenges, and includes the committee's recommendations for fiscal year 2023-2024. The report also includes a progress update on the SHS regional outcomes metrics included in the SHS Work Plan.

SHS has reached an important turning point. The challenges of the first few years of rapid program development and implementation are largely resolved, shifting the focus to building a stable, sustainable system of care.

The oversight committee identified specific opportunities for improvement and a comprehensive package of recommendations to strengthen SHS's impact in this next phase of implementation.

SHS regional report highlights for 2023-2024

- Approximately 2,800 households served through permanent supportive housing.
- Ninety-two percent (92%) of households placed in permanent supportive housing remained housed 12 months later.
- People of color made up 59% of those served by SHS-funded housing placements and homelessness preventions.
- Counties invested \$234 million in contracts with 103 service providers.
- Counties paired SHS funding with Metro Affordable Housing Bond-funded housing projects to create 348 units of permanent supportive housing

SHS implementation challenges

- **Growing need:** Broader systemic factors continue to push people out of their homes faster than SHS-funded programs can help keep people housed and prevent homelessness.
- **Competing priorities:** As we enter the next phase of implementation, we will need to make tough decisions about resource allocations to ensure the SHS fund achieves its goals and racial equity commitments.
- **Financial oversight:** Data reporting by counties has improved in quality and consistency, but key gaps remain that limit the Committee's ability to provide effective oversight of the SHS fund.
- **Regional evaluation:** Regional data collection and reporting have improved, but more work is needed to create an effective framework to evaluate the SHS fund's regional impact.

Committee recommendations

- **Data integrity and evaluation:** Providing transparency and accountability to voters requires regionally consistent data. Metro and the counties should work collaboratively and with urgency to continue to align financial and programmatic data reporting. This includes, but is not limited to, addressing the challenges preventing consistent reporting on the Population A/B financial split. Metro and the counties will also need to work collaboratively toward shared operationalization of the definitions in the SHS work plan for critical program components such as Population A and permanent supportive housing.
- **Provider partnerships:** The region's nonprofit and community-based organizations are the backbone of the SHS fund's success. SHS jurisdictional partners and the tri-county planning body should work to advance critical strategies that will support the capacity and stability of these organizations, with a particular focus on small, emerging and culturally specific providers.
- **Regional priorities:** The SHS fund has supported a significant expansion in regional resources to address homelessness, but these resources will not be sufficient to meet the need. As we move into the next stage of SHS implementation, in the near term, Metro Council should convene stakeholders to develop a clear articulation of regional priorities to ensure we are using SHS resources as strategically as possible to achieve the goals and racial equity commitments set forth in the SHS measure. This includes resolving how to allocate SHS funds between different priorities such as homelessness prevention, emergency shelter and permanent supportive housing.
- **Oversight and accountability:** Appropriate levels of oversight and accountability are essential to ensure effective stewardship of tax dollars. As we enter the next phase of SHS implementation, it is critical for Metro and the Committee to be able to effectively monitor progress, measure impact and perform their oversight and

accountability roles. The Committee, through Metro staff, should be empowered to conduct core oversight functions in alignment with funder best practices.

- **Jurisdictional partnerships and decision making:** The development of a cohesive regional system of care requires effective coordination between the three counties and Metro. Further work is needed to clarify the roles and relationships between Metro and the counties and how decisions are made. This includes clarifying who makes what decisions, what is the process for making decisions and how is input incorporated into the final decision. Improved decision making is particularly needed in relation to the development and implementation of regional definitions and standards as well as reporting and monitoring tools and requirements.

ACTION REQUESTED

No Council action is requested at this time.

IDENTIFIED POLICY OUTCOMES

- Metro Council has strong awareness of implementation progress, challenges and opportunities for Supportive Housing Services, as well as opportunities to further improve outcomes.
- Metro Council considers the Supportive Housing Services Regional Oversight Committee's recommendations to improve program outcomes and inform discussions of potential program reforms and extension.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Council may consider the recommendations from the Supportive Housing Services Regional Oversight Committee or choose other courses of action to address the challenges and opportunities identified in the annual report.

STAFF RECOMMENDATIONS

Staff recommend that Metro Council accept the Committee's recommendations and provide direction to staff to implement the recommendations.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

The purpose of the Supportive Housing Services Regional Oversight Committee is to provide independent program oversight on behalf of the Metro Council to ensure that investments achieve regional goals and desired outcomes and to ensure transparency and accountability in Supportive Housing Services program activities and outcomes.

The SHS Regional Oversight Committee is charged with the following duties:

- Evaluate Local Implementation Plans, recommend changes as necessary to achieve program goals and guiding principles and make recommendations to Metro Council for approval;
- Accept and review annual reports for consistency with approved Local Implementation Plans and regional goals;

- Monitor financial aspects of program administration, including review of program expenditures; and
- Provide annual reports and presentations to Metro Council and Clackamas, Multnomah and Washington County Boards of Commissioners assessing performance, challenges and outcomes.

On October 31, 2024, the Intergovernmental Agreement deadline, Metro received annual progress reports from the three local implementation partners, Clackamas, Multnomah and Washington counties. The Committee reviewed local progress through those reports, analysis from staff and presentations from each implementing partner and Metro staff. County partners provided presentations to the Committee in November of 2024. Between December and February, Metro staff engaged the SHS Regional Oversight Committee to analyze report data, deliberate on regional progress and performance, and prepare a regional report with recommendations to improve implementation and strengthen oversight and public transparency.

The regional report includes:

- A transmittal letter from the Committee covering key highlights, challenges, and their recommendations;
- An overview of year three progress;
- A summary of the following bodies of work across the region:
 - housing and services,
 - populations served,
 - provider partnerships,
 - capacity building,
 - cross-sector work,
 - regional coordination;
- Progress in advancing racial equity;
- Assessment of annual work plan performance;
- Review for consistency with local implementation plans; and
- A financial review of FY 2023-24.

BACKGROUND

Approval of Measure 26-210 created a new tax that funds a regional system of care governed by four jurisdictions: Metro, and Clackamas, Multnomah and Washington counties. The tax took effect in January 2021 and will expire in 2031 unless reauthorized by voters.

In December 2020, the Metro Council adopted a SHS Work Plan to guide implementation. The Work Plan defines the fund's guiding principles, racial equity goals, priority populations, service areas, accountability structures and funding allocations.

Within the framework of the regional Work Plan, each county's specific SHS investments and activities are guided by local implementation plans informed by community engagement and approved by Metro Council in spring 2021.

SHS implementation is guided by the following regionally established principles:

- Strive toward stable housing for all.
- Lead with racial equity and work toward racial justice.
- Fund proven solutions.
- Leverage existing capacity and resources.
- Innovate: evolve systems to improve.
- Demonstrate outcomes and impact with stable housing solutions.
- Ensure transparent oversight and accountability.
- Center people with lived experience, meet them where they are, and support their self-determination and well-being.
- Embrace regionalism: with shared learning and collaboration to support systems coordination and integration.
- Lift up local experience: lead with the expertise of local agencies and community organizations addressing homelessness and housing insecurity.

Since the measure's passage, Metro Council has taken the following actions to direct implementation of the program:

- Creation and appointment of the **SHS Regional Oversight Committee**, to provide program oversight on behalf of the Metro Council;
- Approval of the **SHS Work Plan**, which provides an operational framework for the program;
- Approval of **local implementation plans** for all three of Metro's local implementation partners, as part of **intergovernmental agreements** which lay out the terms and conditions upon which Metro will disburse tax funds to local implementation partners; and
- Creation and appointment of the **Tri-County Planning Body** to strengthen coordination and alignment of program implementation across the Metro region.
- Review and approve recommendations presented by the **SHS Regional Oversight Committee** in the FY21-22 and FY22-23 regional annual report.
- As required by the SHS Metro Work Plan, Counties must submit an annual report to the SHS Regional Oversight Committee and Metro Council as part of an annual review process. As stated in the Metro Work Plan section 5.3 the Regional Oversight Committee summarized its progress and outcomes under the Local Implementation Plan, including:
 - A full program accounting of investments or a financial report;
 - Reporting on required outcome metrics; and
 - An equity analysis incorporated into all facets of the report, including reporting on the success or failure of racial inequity mitigation strategies and steps being taken to improve racial equity outcomes.

ATTACHMENTS

- Attachment 1--Supportive Housing Services Oversight Committee Transmittal Letter
- Attachment 2--Supportive Housing Services FY24 regional annual report

For work session:

- Is legislation required for Council action? **No**
- If yes, is draft legislation attached? **No**
- What other materials are you presenting today? **None**