

# Memo

Date: February 9, 2026  
To: Metro Council  
From: Supportive Housing Services Regional Oversight Committee  
Subject: Regional annual report for July 1, 2024-June 30, 2025

## **A report to the Metro Council and the community from the Supportive Housing Services Regional Oversight Committee**

In May 2020, voters in greater Portland took a historic step to address the region’s homelessness crisis by approving a significant new funding source to support housing access and stability for people across our region. The supportive housing services fund, or SHS, has provided an unprecedented infusion of flexible resources that expands the region’s capacity to meet the needs of people experiencing housing insecurity and homelessness. SHS investments have helped thousands of our most vulnerable neighbors exit homelessness, but urgent work will be needed so that we do not lose momentum on the progress we have made.

In the first four years of SHS implementation, counties moved 14,936 people into permanent housing. Of those housed, more than 85% remained in stable housing a year later. Counties also provided emergency rent assistance and services to 33,456 people at risk of losing their housing. At the same time, economic and policy factors that are outside of the homeless service system’s control drove increasing rates of homelessness throughout our region. Meanwhile, reductions in SHS tax collections combined with widespread cuts to other local, state and federal funding sources will require difficult decisions about how best to target SHS programs going forward.

The SHS Regional Oversight Committee is tasked with monitoring the implementation of the SHS fund on behalf of the region’s voters. Our fourth annual regional report covers the period from July 1, 2024 through June 30, 2025. This memo provides a high-level summary of key themes that are analyzed in greater detail in the report. It highlights the achievements that we think demonstrate the overall impact of SHS investments over the first four years. It also identifies the challenges our region is facing that will need to be addressed as we move into the next phase of this work.

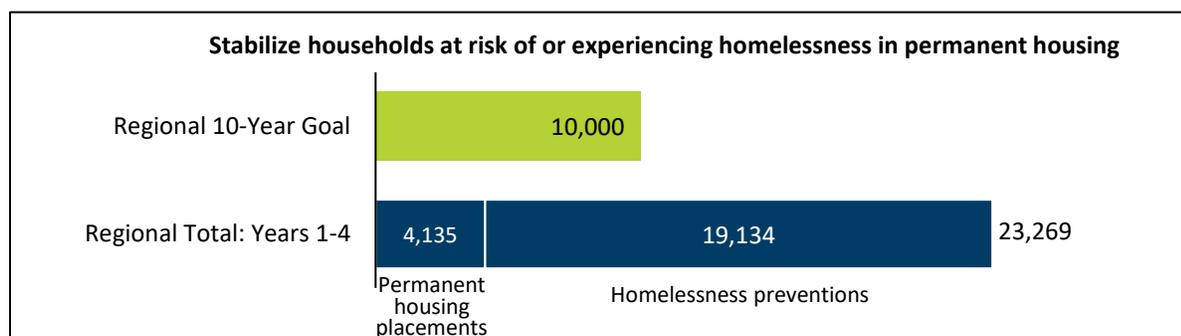
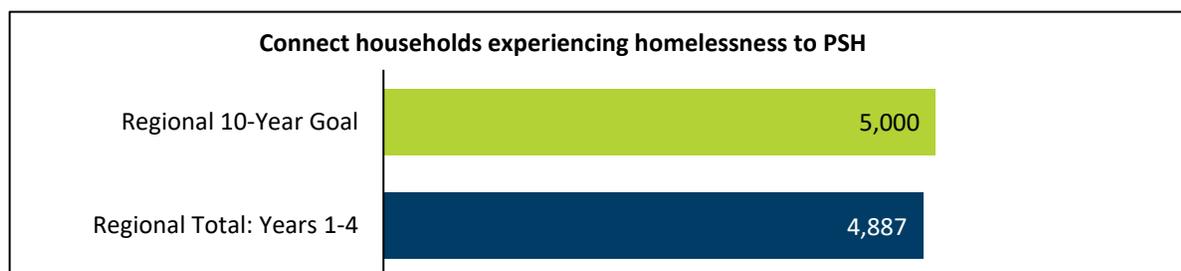
### **KEY HIGHLIGHTS**

The initial years of SHS implementation were characterized by rapid growth as counties launched and scaled up SHS-funded programs while advancing regional systems change. Year four marked a shift from rapid expansion to stabilization as counties focused on sustaining the previous growth in services while supporting the long-term stability of people housed through SHS-funded programs. This section summarizes the SHS fund’s accomplishments through June 2025, though it is

important to note that SHS implementation has continued to advance and evolve in the months since then.

### Progress toward 10-year regional goals

Metro’s SHS work plan set a 10-year goal to connect at least 5,000 households experiencing prolonged homelessness to permanent supportive housing and stabilize at least 10,000 households at risk of or experiencing homelessness in permanent housing. By the end of year four, counties’ annual report data showed they were on track to achieve the first goal, with 4,887 households placed in permanent supportive housing, and had far exceeded the second goal, with 4,135 households placed in permanent housing and an additional 19,134 households served with homelessness prevention services.



Counties will need to maintain current levels of programming to sustain housing stability for the households placed in permanent supportive housing, and additional investments will be necessary to meet current levels of need. (For more details, see the [Progress Toward 10-Year Goals](#) section of the report.)

### Housing stability

Once households make the transition from homelessness into housing, SHS funding continues to provide rent subsidies and services as needed to support housing stability. For households placed in permanent supportive housing, these supports are available long term. For households in rapid rehousing programs, these supports are typically available for up to two years.



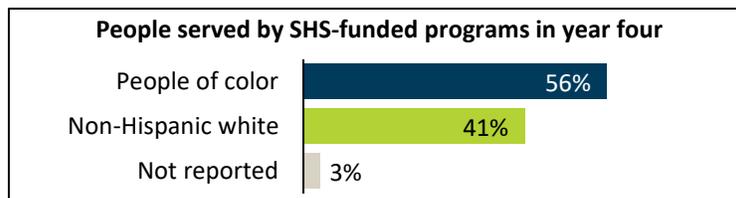
In year four, counties funded 80 contracts to provide case management and other ongoing housing retention support for households in permanent housing. Housing retention rates show that these

investments are working: an average of 92% of households placed in SHS-funded permanent supportive housing and 86% of households placed in rapid rehousing remained housed 12 months later. (For more details, see the [Housing Stability](#) section of the report.)

### Advancing racial equity

The SHS fund is guided by a commitment to lead with racial equity by increasing the availability of culturally specific services, improving outreach and access, and delivering all services in a manner that is anti-racist and culturally responsive. Data from year four show that these strategies are leading to improved access to services for communities of color

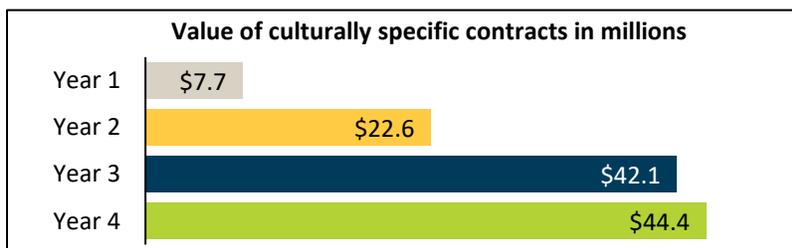
disproportionately impacted by housing instability and homelessness. At a regional level, 56% of people served by SHS-funded programs in



year four were people of color. People of color represented 52% of people placed in permanent supportive housing, 61% of people placed in rapid rehousing, 66% of people served by homelessness prevention services, and 41% of people served in shelters. The counties’ annual equity analyses provide detailed insights into access and outcomes for each population of color by program type. Counties use these data to inform targeted strategies to address disparities and improve outcomes for specific communities. (For more details, see the [Progress Toward 10-Year Goals](#) and [Advancing Racial Equity](#) sections of the report.)

### Provider partnerships

The SHS fund’s achievements would not be possible without the on-the-ground work of more than a hundred nonprofit and community-based organizations that serve as the backbone of SHS implementation. Counties contracted with 107 providers to deliver SHS services in year four, with contracts totaling \$299.8 million. This includes contracts with 16 culturally specific organizations totaling \$44.4 million.



The counties’ investments in culturally specific providers have expanded significantly over the four years of SHS implementation. The total number of culturally specific providers contracted to

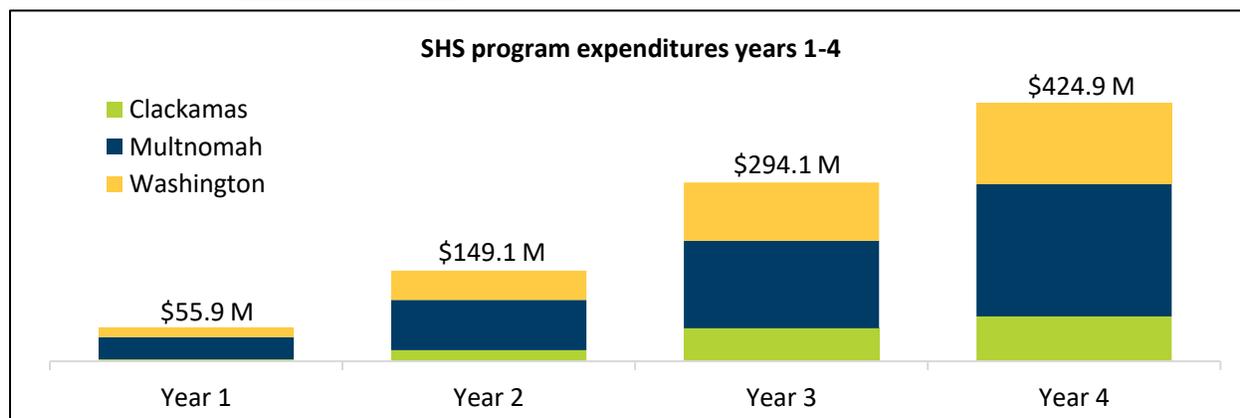
deliver SHS services grew by 71% between years one and four, and the total value of their contracts grew by 477%. (For more details, see the [Progress Toward 10-Year Goals](#) and [Provider Partnerships](#) sections of the report.)

## Infrastructure and capacity building

Counties continued their work in year four to build effective systems to support SHS implementation through increases in county staffing capacity, updates to coordinated entry systems, and improvements to data collection and reporting infrastructure. Counties supported providers' capacity building through technical assistance, training and capacity building grants. The counties also continued to make improvements to contract administration practices to reduce processing times and alleviate providers' cash-flow challenges. Metro and the counties worked with the tri-county planning body to develop regional strategies to support recruitment and retention of direct service staff. Counties also continued to strengthen contract monitoring and performance evaluation processes to support accountability and inform continuous improvement. (For more details, see the [Capacity Building](#) section of the report.)

## Spending

County SHS spending in year four totaled \$424.9 million. This represents a 44% increase in spending compared to the previous year despite a 3% reduction in tax collections. In contrast to the challenges with underspending during the initial years of SHS implementation, counties spent all of the tax revenue collected in year four and continued to spend down revenue carried over from previous fiscal years. (For more details, see the [Financial Review](#) section of the report.)



## Cross-sector alignment

SHS funding has leveraged cross-sector partnerships that are critical to building an effective regional homelessness response infrastructure. For example, the counties, Health Share of Oregon and Metro are working to implement regional healthcare system alignment strategies, such as developing medically enhanced housing and shelter models and regional systems for cross-sector care coordination. The integration of SHS-funded supportive services and rent assistance with Metro affordable housing bond-funded capital investments has created 485 new permanent supportive housing units since SHS launched. Counties have also used SHS funding to implement cross-sector initiatives and service integration in partnership with

behavioral health, community justice, workforce, human services and other systems. (For more details, see the [Cross-Sector Work](#) section of the report.)

## **Regional coordination**

The tri-county planning body moved forward implementation of regional strategies for landlord recruitment, coordinated entry and healthcare system alignment in year four while working to finalize strategies for goals focused on training, technical assistance and employee recruitment and retention. The counties and Metro coordinated to further align regional data collection and reporting, including developing an updated framework for reporting on spending by Populations A and B and finalizing a regional data sharing agreement. Several initiatives were also launched to strengthen consistency and alignment in regional program standards, including finalizing a performance monitoring framework and developing an evaluation framework for SHS. Counties implemented the second bi-annual regional point-in-time count of homelessness, continued to coordinate on implementation of regional long-term rent assistance, and engaged in regular leadership conversations and workgroups to share lessons learned and promote common approaches. (For more details, see the [Regional Coordination](#) section of the report.)

## **CHALLENGES**

The achievements of the first four years of SHS implementation are impressive, but there are significant challenges that will need to be addressed as we move into the next phase of this work.

### **Systemic factors**

The homeless services system is a social safety net designed to assist people experiencing homelessness to achieve housing stability. The causal factors that drive overall levels of homelessness are outside of the homeless service system's scope. Stemming the crisis of homelessness in our region will require policy and systems changes to address the underlying factors that cause people to lose their housing. These include high rents, insufficient supply of housing that people can afford, rising costs, incomes that do not enable people to meet their basic needs, lack of child care and other essential supports, and inadequate resources for mental health and recovery services. Reducing inflows into homelessness will require policy changes at the local, state and federal levels as well as increased investments in all the other systems of care that work upstream to support people's economic stability. (For more details, see the [Introduction](#) of the report.)

### **Growing need**

The impact of SHS housing placements is being outpaced by growing need as these broader systemic factors continue to push more people out of their homes. The number of households estimated to still be in need of permanent supportive housing was higher

in year four than when SHS launched, despite the thousands of households placed into PSH during that time. The counties' inflow and outflow data help to explain this challenge: for every 10 people who exited the region's homeless services system to permanent housing in year four, an average of 30 new people entered the system. This pattern is reflected in the 2025 point-in-time count, which documented a 61% increase in people experiencing homelessness in the tri-county region between 2023 and 2025 despite the thousands of people who exited homelessness through SHS-funded programs in that time period. (For more details, see the [Progress Toward 10-Year Goals](#) section of the report.)

## Resource constraints

During the initial years of SHS implementation, tax collections outperformed expectations, contributing to challenges with underspending. In year four, tax collections fell below Metro's budget projections for the first time and annual revenue began to level off. Metro's updated fall 2024 revenue forecast, which showed a reduction in anticipated revenue compared to original projections, required counties to make programmatic reductions and in some cases pause or scale back planned service expansions. Metro's fall 2025 revenue forecast shows flat to slow revenue growth over the next few years. At the same time that SHS revenue has begun to level out, shifts in local, state and federal funding are creating additional budget instability and uncertainty for the region's homeless services system. Economic challenges across the state have resulted in local and state-level budget cuts affecting homeless services and other related systems of care. Seismic shifts in federal policies and funding priorities will significantly reduce existing rental assistance voucher programs and funding streams for homeless services that have helped thousands of people to achieve housing stability. These changes to the broader funding landscape threaten to erode the increased capacity that SHS has made possible, all while costs and service needs continue to increase. (For more details, see the [Introduction](#) of the report.)

## RECOMMENDATIONS FOR NEXT STEPS IN SHS GOVERNANCE

As SHS enters into the next phase of implementation, we urge Metro Council and the new SHS governance body to build upon the lessons we have learned from our oversight work over the first four years of implementation:

- **Learn from the oversight committee's experience to inform future governance:** The new SHS governance structure should incorporate the values and practices that have guided our work. This includes:
  - Ensure the new governance body has genuine oversight authority: Appropriate levels of oversight and accountability are essential to ensure effective stewardship of tax dollars. The new governance body needs the accountability tools and authority necessary to perform its role. As an oversight committee, we have struggled to perform this role without having access to sufficient mechanisms to hold Metro or the counties accountable.

Creating genuine oversight capabilities may require modifications to the structure of SHS funding and/or the intergovernmental agreements. It will also require improved clarity around the decision-making authority between Metro, the new governance body and the counties. The governance body's potential role in recommending policy and systems changes at the local, state and federal levels to support SHS implementation should also be clarified.

- Make evidence-based decisions: Homelessness is a complex issue, and it is impossible to effectively guide SHS investments without a solid base of information. The new governance body should leverage the expertise of people with on-the-ground experience in addressing homelessness, including providers working to implement SHS-funded services, county staff who are designing and managing the programs, and people with lived experience of homelessness and housing insecurity. Metro should also work to ensure the governance body has real-time access to in-depth data and contextual information to guide its work. Grounding decisions in evidence-based practices and proven solutions will enable the governance body to resist pressure to pursue politically expedient strategies that will not advance the SHS measure's goals.
- Continue to uplift SHS values and principles: SHS implementation should continue to be guided by the principles and commitments in the SHS foundational documents. A strong commitment to lead with racial equity should remain at the core of SHS work. SHS implementation should continue to prioritize cross-sector partnerships and alignment, particularly with the behavioral health system. We should also reaffirm the SHS commitments to strive toward stable housing for all, demonstrate outcomes and impact with stable housing solutions, strengthen coordination and alignment across jurisdictions, center people with lived experience, and ensure transparent oversight and accountability.
- **Revisit SHS investment priorities in light of changing contexts:** The SHS fund has supported a significant expansion in regional resources to address homelessness, but these resources are not sufficient to meet growing need. As we face significant reductions in federal and state resources, we will need to make strategic decisions about future priorities for SHS funding. This will require a re-assessment of the most effective strategies to achieve the SHS goals given the loss of other long-term funding sources and the increasing inflow into homelessness. Potential areas for re-examination that have been previously discussed in oversight committee meetings include:
  - Population A/B spending goals
  - Prioritization of spending on key program categories
  - The formulas for allocating SHS funding to counties, Metro and the regional investment fund

- The strategic role of SHS funding in relation to other funding sources and how to most effectively leverage all available resources to meet our goals.

This process should be informed by an analysis of data on needs and gaps, including the upcoming system mapping work. It must also include robust community engagement to ensure alignment with the changing needs of the region. This could be undertaken by counties as part of a process to update their local implementation plans, or at a regional level (co-designed with counties) to outline a roadmap for the remaining years of implementation.

- **Strengthen public understanding of SHS impact:** There is a fundamental disconnect between the positive impacts of SHS investments and the perceptions of voters who continue to see high levels of homelessness in their communities. Fostering public support for SHS will require ongoing work to develop effective strategies for communicating with decision makers and the broader community about the SHS fund’s purpose, goals, achievements and challenges. This includes communicating the concrete impacts of SHS investments in moving people from homelessness into stable housing while also explaining how these outcomes relate to the overall level of need. The strategy will need to convey the limited scope of the homeless services system in addressing the systemic factors driving overall levels of homelessness, and the need for policy and systems changes at the local, state and federal levels to stem the crisis of homelessness.
- **Continue moving forward the oversight committee’s recommendations:** The oversight committee has issued recommendations over the past three years to strengthen SHS implementation. Most of these recommendations are multi-year bodies of work that are still in progress. Metro is responsible for coordinating implementation, and many of the recommendations have become integrated into the ongoing workflows and responsibilities of Metro’s housing department staff. [Exhibit C](#) summarizes progress to date on these recommendations and identifies the next steps for moving them forward. We encourage Metro Council and the new governance body to continue to monitor and support the work that is underway to further advance each of the recommendations.

## TRANSFORMING LIVES

Behind the numbers in this report are thousands of people in our region whose lives have been transformed by the housing and services made possible through the SHS



fund. Metro and the counties have shared many moving stories of community members supported by SHS-funded programs, like Amy in Multnomah County:

*Amy had been experiencing homelessness and struggling with alcohol use disorder before moving into the Kathleen Saadat Apartments. The supportive services she found there have aided her recovery journey. Since opening its doors in late 2024, the Kathleen Saadat Apartments have*

*provided 75 homes with wraparound services to people who recently experienced homelessness. The project is a partnership between Home Forward and The Urban League of Portland, which provides on-site, culturally specific services. For the residents of the Kathleen Saadat, the deeply affordable housing combined with wraparound supports are helping them achieve their goals.*

*Amy now has almost three years of sobriety, and she's taking things one day at a time with the help of the Urban League's support staff. She's working on self-care and finding long-term stability. "I have disabilities, so I want to try to work with my team, work with my health, work with my mental health, and try to stay steady," she said. "That way I can keep going forward."*

Stories like Amy's demonstrate the transformative potential of our region's commitment to invest in services that help people exit homelessness and achieve housing stability.

We have been honored to have the opportunity to provide oversight for this important work and would like to thank Metro, the counties and the nonprofit organizations across the region working to implement SHS programs and services.

Thank you,

*Supportive Housing Services Regional Oversight Committee members:*

Mike Savara (Co-chair)

Mandrill Taylor (Co-chair)

Jim Bane

Dan Fowler

Cara Hash

Kai Liang

Jeremiah Rigsby

Peter Rosenblatt