

IN CONSIDERATION OF:

ORDINANCE NO. 22-1475, FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 11.01 TO ALIGN CERTAIN SECTIONS WITH TERMS IN THE SUPPORTIVE HOUSING SERVICES INTERGOVERNMENTAL AGREEMENTS WITH MULTNOMAH, CLACKAMAS AND WASHINGTON COUNTIES

Date: December 30, 2021

Department: Planning, Development & Research

Presenter(s) (if applicable): Patricia Rojas, Kristin Dennis and Shane Abma

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Length: 30 minutes

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ISSUE STATEMENT

On May 19, 2020, greater Portland voters determined homelessness to be a regional concern and approved Measure 26-210, and established Metro's regional supportive housing services (SHS) program to address homelessness and help people find and keep safe, stable, affordable housing across the region.

This program brings a groundbreaking level of funding and regional coordination between Metro, Clackamas, Washington, Multnomah counties (The Counties) to scale and collectively address this region-wide challenge. In accordance with the supportive housing measure, each of the Metro area's three counties developed a Local Implementation Plan through inclusive engagement with community and local practitioners, including BIPOC communities and hundreds of individuals with lived experience of homelessness. Plans incorporated analyses of local conditions, needs, racial inequities, and included a framework for planned investments and strategies. As required for the counties to receive funding from the regional measure, these plans have been approved by the Metro Council per the recommendation of local advisory bodies, boards of commissioners and the Regional Oversight Committee.

On December 17, 2020, Metro Council adopted Ordinance No. 20-1452, which established a new Metro Code Chapter 11.01 ("Supportive Housing Services Program") that codified the Measure's programmatic sections with title, chapter and section numbers.

The Metro code requires an intergovernmental agreement (IGA) between The Counties and Metro. The IGA details the roles and obligations of each party, structures and process of oversight and accountability, programmatic requirements, the process by which Metro will provide effective oversight over the Supportive Housing Services program and

accountability that distributed funds are appropriately and transparently spent in accordance with each County's Local Implementation Plan and annual work plan.

Spending of SHS Funds for SHS Services Outside the Region.

Current Metro Code Section 11.01.150 prohibits SHS funds from being spent outside the Metro district boundary, with no provision for exceptions.. However, in certain situations it may be appropriate to spend SHS funds, temporarily, on SHS services outside the region. In addition, there may be emergency and unforeseen situations in which SHS funds should be spent outside the Metro boundary.

Thus, the IGA was negotiated to allow The Counties to address real world scenarios that may necessitate spending SHS funds outside the region. However, as currently written, IGA language and Metro Code are inconsistent with respect to spending SHS funds on services outside the region. In order to allow for this reality and prioritize ending homelessness in the region, code will need to be amended.

To effectively meet the goals of reducing homelessness in the region in a manner that is compassionate and responsive to the unique needs and circumstances experienced by Metro region residents receiving services, the Code should be amended to allow Supportive Housing Services Revenue to be spent on the temporary provision of services outside the Metro jurisdictional boundary. To honor the intent of the Measure, out-of-region spending should be rare. Accordingly, the IGA only authorizes this spending for a duration of less than 90 days, only for a client who has been living in the Metro jurisdictional boundary, and only if Supportive Housing Services in the boundary are not otherwise available to the client. SHS funds may also be used outside the region for emergency and unforeseen circumstances, provided that Metro has authorized this spending in writing before the expenditure of funds.

Changing the "Anti-Displacement" Baseline from FY 2020-21 to 2019-20.

The purpose of the Supportive Housing Services Measure tax was to "provide revenue for Supportive Housing Services in addition to revenues provided for those services by the local governments within Metro." (Measure Section 9(1)). This is often referred to as the "Anti-Displacement" provision, and it prohibits any local government that receives SHS funding from reducing the amount of SHS funding that they were providing before the Measure was approved by the voters. This requirement was then codified in Metro Code (Section 11.01.160(b)).

The Measure did not establish any particular fiscal year to be the baseline funding level. When Metro codified the Measure, it established the baseline year as FY 2020-21. This occurred prior to the COVID pandemic, in which a substantial amount of federal funding was given to local governments in the Metro region—some of it used on SHS. Accordingly, during SHS IGA negotiations, it became clear that FY 2020-21 was an outlier, and that it was more appropriate to use FY 2019-20 as the baseline funding target. To ensure consistency between the Code and the IGA, it is necessary to amend Section 11.01.160(b) to change the "Anti-Displacement" baseline year to FY 2019-20.

Typographical Error

Finally, the original adoption of the Supportive Housing Services code provisions included a typo that referenced 11.010.050. The correct reference is 11.01.050, and this ordinance corrects that error.

ACTION REQUESTED

Staff request that Metro Council to take the following formal actions:

- Adopt Ordinance 22-1475, that amends Metro Code as described in Exhibit A to Ordinance 22-1475

IDENTIFIED POLICY OUTCOMES

Adoption of Ordinance 22-1475 will:

- Preserve the housing stability of service recipients
- Reduce homelessness in the region
- Prevent unnecessary trauma and harm to service recipients
- Align Metro Code and IGA language

STAFF RECOMMENDATIONS

Staff recommends Metro Council adopt Ordinance 22-1475.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

With the passage of Measure 26-210, the voters of the Greater Portland region entrusted Metro and Washington, Clackamas and Multnomah Counties to work together in addressing the region's housing and homelessness crisis.

Metro code requires Metro to enter into IGA's with Multnomah, Clackamas and Washington counties to distribute tax revenue and implement the Metro Supportive Housing program. Through the IGA, the four jurisdictional partners have developed a foundation and programmatic framework that establishes roles and obligations, oversight and accountability and promotes housing stability for thousands of households to accomplish the regional goal of ending chronic homelessness over the next ten years.

While Metro code was written to maintain the integrity of the measure, including restricting revenue expenditures to the Metro district boundary, the measure did not consider the reality of circumstances that will prevent the primary goal of ending homelessness for as many people as possible. The IGA must reconcile the words with the real world application of the measure.

This ordinance recognizes that temporary funding of SHS outside the Metro boundary may be appropriate under certain circumstances as described above and for a limited duration. This will allow for case managers to help individuals maintain housing stability through difficult transitions. Ending homelessness and achieving housing stability are not linear processes. The voters of the region and more importantly those experiencing homelessness are counting on Metro and county partners to take measured and reasonable approaches such as this to achieve the goals of the measure.