REGIONAL HOUSING PROGRAMS UPDATE: SUPPORTIVE HOUSING SERVICES AND AFFORDABLE HOUSING BOND

Date: 03/19/2021 Department: Planning and Development Meeting Date: 03/30/2021 Presenter(s): Elissa Gertler, Patricia Rojas, Emily Lieb, Valeria McWilliams, Rachael Lembo

Prepared by: Patricia Rojas, Regional Housing Director, <u>patricia.rojas@oregonmetro.gov</u>

Length: 45 Minutes

ISSUE STATEMENT

In recent years, homelessness and housing prices have both increased dramatically in the Portland area.

The region's voters approved a regional affordable housing bond in November 2018, funding the creation of thousands of permanently affordable homes throughout the region. Next month, the first Annual Report on the Affordable Housing Bond will be released and Metro Council will review the program performance and report findings.

In May 2020, voters in greater Portland approved a measure that would raise money for supportive housing services for people experiencing homelessness or at risk of experiencing homelessness. Community members and leaders from around the region developed the measure, recognizing that individuals and families need support to find and stay in their homes.

Metro's supportive housing services program will provide the much-needed wraparound services to help reduce homelessness across greater Portland. The program provides services for as many as 5,000 people experiencing prolonged homelessness with complex disabilities, and as many as 10,000 households experiencing short-term homelessness or at risk of homelessness.

The program collects a 1 percent tax on all taxable income of more than \$125,000 for individuals and \$200,000 for joint filers. It also collects a 1 percent tax on profits from businesses with gross receipts of more than \$5 million. Revenue is distributed within the portions of Clackamas, Multnomah and Washington counties that are inside Metro's district. Revenue is distributed proportionate to the tax revenue estimated to be collected from individuals in those counties. Agencies addressing homelessness in Multnomah County receive 45.3 percent of the revenue, Washington County agencies receive 33.3 percent, and Clackamas County agencies receive 21.3 percent of the collected revenue.

Each county develops a Local Implementation Plan based on local need. Funds are distributed as rent assistance through local housing authorities, and service contracts with

local social service and health care providers who serve people experiencing homelessness and housing insecurity.

Oversight is provided by a 20-member committee that broadly represents the diversity of the region and lends expertise to the program. Members provide policy and programmatic guidance, monitor programmatic expenditures and evaluate outcomes. All meetings and materials of the community oversight body will be available and accessible to the public. Metro is required to have an annual independent financial audit and for the results to be made publicly available. The program restricts administrative expenses incurred by Metro to no more than 5 percent after collection expenses. Administrative funds pay for oversight and accountability, data collection, coordination, and other costs associated with management of the regional program.

ACTION REQUESTED

Staff from the Housing Team will provide an overview of progress in implementing Metro's voter approved housing programs. As the Affordable Housing Bond Annual Report will be before Council in the next two months, this work session will focus more on the status of implementing the Supportive Housing Services (SHS) program. Staff seeks direction from Council regarding key policy and implementation issues related to the SHS program.

IDENTIFIED POLICY OUTCOMES

Both the Affordable Housing Bond and the Supportive Housing Services programs have adopted work plans approved by Metro Council that guides the implementation of this work. These programs are also responsive to the strategies in Metro's Affordable Housing Framework that has guided our affordable housing activities since 2015. There will be additional policy setting opportunities that emerge as part of starting up the Supportive Housing Services program.

POLICY QUESTION(S)

Does the Metro Council feel comfortable with the next steps as described to implement the Supportive Housing Services program? What information would be most helpful to Council?

STAFF RECOMMENDATIONS

At this work session, staff is looking for Council to react, respond and provide feedback to the next steps proposed by staff to move forward with implementing the Supportive Housing Services program.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Metro has an unprecedented opportunity to continue demonstrating the value of regional government and governance at a national level. The nation is paying attention to see if the

Greater Portland Region can create a more equitable system to address the affordable housing crisis that so many cities, counties, and regions are facing. We also have an opportunity to help end chronic homelessness for thousands of people, and to provide them stable, safe homes. And we have the opportunity to build a better future for our community, where everyone can have access to the things they need to thrive in their lives.

While we have opportunities, we also face great challenges. More people have become homeless or are at risk of losing their home as a result of the pandemic and economic crisis. One national statistic predicts as many as 1 in 5 people losing their housing. While the SHS program provides resources significant enough to make meaningful change for those who need housing, it doesn't include enough resources or tools to intervene in all the root causes of homelessness, such as systemic racism, economic disparity, injustice, and more.

This measure offers the opportunity for our community to scale up best practice strategies we know to work in ending homelessness, address existing gaps in our homeless services systems and bring Multnomah, Clackamas and Washington Counties together to create a collective regional vision and infrastructure that will house thousands of individuals experiencing homelessness and prevent homelessness for thousands more by helping those struggling with housing instability to stay housed. In Metro's role as convener, we will help to build a vision and infrastructure that leverages the strengths of the existing work of jurisdictional partners and non-profit organizations.

Metro staff will convene the implementation partners to create a regional plan that effectively executes the supportive housing measure goals. The county Local Implementation Plan (LIP) development and vetting process is rigorous and one rooted in equity by centering the voices of those with lived experience and the voices of Black Indigenous and People of Color (BIPOC) that includes a local advisory body, local Boards of Commissioners, and the Oversight Committee before reaching Metro Council.

Metro Council will receive, review, and approve the Local Implementation Plans for each county, receive regular implementation updates from Metro staff and annual report presentations from the oversight committee. Metro Council will vote to approve all LIP's and maintain ultimate responsibility in assuring implementation plans are aligned with the goals of the measure.

While the SHS measure was not generated through Metro's typical policy making and investment strategy processes, Metro's successful track record in implementing the will of the voters efficiently and transparently sets us up for great success. We have knowledgeable and willing partners in the counties, service providers, and community-based organizations that are well-versed in this work. Each of us has a critical role to play in delivering and communicating the success of this work and the meaningful difference it can make.

BACKGROUND

Additional background on the Supportive Housing Services program can be found at: <u>https://www.oregonmetro.gov/public-projects/supportive-housing-services</u>

Additional background on the Affordable Housing Bond program can be found at: <u>https://www.oregonmetro.gov/public-projects/affordable-housing-bond-program</u>

ATTACHMENTS

N/A

[For work session:] Is legislation required for Council action? Yes X No If yes, is draft legislation attached? Yes X No What other materials are you presenting today? A PowerPoint presentation