Memorandum

DATE: September 7, 2021

TO: Metro Council and Policy Advisors

FROM: Marisa Madrigal, COO

RE: Supportive Housing Services Budget Resolution

Summary

Metro Council Resolution 21-5187A directed the Metro Chief Operating Officer to provide a report and presentation to Metro Council that provides regional information concerning homelessness and emergency shelter, including current and planned shelter capacity; an inventory of Metro-owned properties that could be considered for siting shelter; and the current scope of unsheltered homelessness across the three counties. This memorandum and its exhibits serve as that report.

The Metro Chief Operating Officer and Supportive Housing Services (SHS) staff thank Metro Council for this request. We recognize and appreciate the urgency and attention given to ensuring the SHS program is adequately providing housing and services for people experiencing or at risk of homelessness in our region, especially as we continue to face more unpredictable and extreme climate conditions.

Our region has never had the level of regional investment in addressing homelessness that SHS brings, and there is great potential to meet short-term health and safety needs as well as long-term permanent housing solutions. This work is already underway as our county partners work tirelessly to stand up new programming, while simultaneously expanding emergency responses such as shelter, and permanent housing options, including permanent supportive housing for those experiencing chronic homelessness. In this fiscal year alone, county partners will:

- Significantly expand **permanent housing options**;
- Deploy additional resources that serve people living unsheltered, including expanded **outreach teams** with peer workers and behavioral health supports;
- **Enhance existing shelter programs** with more housing navigators and behavioral health services;
- **Expand shelter capacity** by at least 625 beds (more if COVID distancing restrictions change);
- **Improve data tracking**, quality, analysis and program evaluation capabilities to better understand the experiences of households experiencing chronic homelessness as they are served in homeless system programs, and how quickly the system can connect these households to permanent supportive housing.

Background

Metro Council has approved all three required County Local Implementation Plans (LIPs) of the voter-approved regional supportive housing services (SHS) measure. Each LIP framework and set of investment strategies create a pathway for our region to address emergent life and safety needs of thousands of individuals and create a pathway out of homelessness and into housing. As required by the measure, LIPs were each developed through extensive community engagement processes that centered the perspectives of Communities of Color and people with lived experience of homelessness. The investment strategies in each of the LIPs reflect that input and feedback.

Each county's plan is grounded in the priorities and values developed by Metro's SHS stakeholder advisory table. These values are also included in the SHS Work Plan adopted by the Metro Council in December 2020. These values include:

- 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; and
- Lift up local experience: lead with the expertise of local agencies and community organizations addressing homelessness and housing insecurity.

Permanent Housing and Shelter Goals in Local Investment Plans

In keeping with these values, permanent housing is a focal point in each of the LIPs. Permanent housing with supportive services is a proven solution. In the first year alone, over 2,400 new permanent housing opportunities are expected to be created throughout the region as a result of SHS measure funding. The expansion of permanent housing options has been demonstrated across the nation to be critical in reducing homelessness, especially chronic homelessness, in a fiscally-responsible and lasting way.[1]

Emergent responses such as temporary shelter are important components of an effective homelessness response system, but only to the extent that people flow quickly out of their shelter stay and into permanent housing. This opens up a bed for someone else who is experiencing unsheltered homelessness or is in an unsafe condition.

National experts agree that before significant resources are spent on increasing shelter capacity, it is imperative that current shelters are fully utilized and that there are immediate opportunities for shelter guests to connect to secure permanent housing, otherwise "each new shelter bed will quickly fill up, and unsheltered homelessness will continue to grow. A community must consider how each person will exit to housing from that shelter."[2]

The counties' LIPs are structured with this best practice in mind. In their LIPs, counties committed to simultaneously improving existing shelter throughput and increasing shelter capacity. Strategies include operations improvements to align with best practices, better data collection to understand and address

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[1] Many studies show that permanent housing solutions reduce homelessness. Here are two: 1. Rand Corporation. "Supportive Housing Reduces Homelessness—and Lowers Health Care Costs by Millions." Rand Review; 2. Urban Institute. "Breaking the Homelessness-Jail Cycle with Housing First: Results from the Denver Supportive Housing Social Impact Bond Initiative."
[2] National Alliance to End Homelessness. Blog. "Would Adding More Emergency Shelter Help Reduce Unsheltered Homelessness? It's Complicated…"

homeless system inflow and outflow, and a significant expansion of capacity, especially in Washington and Clackamas counties, where current capacity is most limited.

By summer 2022, as SHS measure funding concludes its first year, the region will expand shelter capacity by approximately **565 year-round beds**.

- 65 year-round beds in Clackamas County
- 100 year-round beds in Washington County
- 400 year-round beds in Multnomah County

In addition, counties will permanently add over **250 beds of seasonal winter shelter capacity**, as well as capacity to serve anyone seeking shelter during severe winter weather events. Finally, using other funding sources, county partners will bring online even more shelter beds in the coming year, including alternative shelter models such as safe rest villages. See Figure 3.

Thanks to this increase in capacity, staff expect that within this fiscal year, **the region will have more shelter beds than there are unsheltered people at any given time**. This will be critical as we face more heat waves and other extreme weather in the future, as homeless individuals are some of the most vulnerable these disasters.

Our region has yet to realize the benefits of this significant regional shelter expansion, as initial SHS funding was made available only two months ago - in July 2021. It takes time to site, build and staff new shelter operations, and county partners are hard at work to open hundreds of new shelter beds over the next few months.

Current Situation

Unsheltered and chronic homelessness are not new issues within the Metro region – our communities have experienced this humanitarian crisis for decades. What has changed in recent years is the scale of the problem, as well as public perception of it. Like the Metro region, communities across the West Coast have seen significant increases in unsheltered and chronic homelessness over the past several years[3], and communities have been addressing this in various ways, from expanding homeless outreach teams to expanding permanent housing solutions to testing alternative models of sheltering. Public pressure to find quick-fix solutions has grown, especially as unsheltered homelessness appears to be more visible in places where it was not visible before.

According to HUD Point-in-Time counts, the Metro region as a whole saw steady increases in both chronic and unsheltered homelessness between 2016 and 2020. This happened despite increases in shelter capacity over that same time period.

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[3] Refer to the HUD Annual Homeless Assessment Reports to Congress for more information

Figure 1: Shelter Capacity x Point-in-Time Populations, 2016-2020[4]
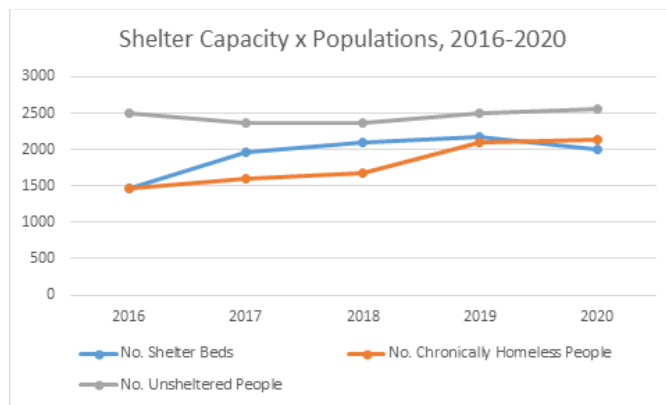
The following pages provide data and information on regional shelter capacity as well as the scope of unsheltered and chronic homelessness across the region, as requested by Metro Council. This report provides this information with the caution that shelter analysis should not be done in a vacuum, absent full understanding of whether existing shelter resources function successfully within our regional homeless systems, and whether there are adequate resources connected to shelters to decrease shelter demand and increase outflow to permanent housing.

Figure 2: Homeless System Inflow & Outflow Model[5]
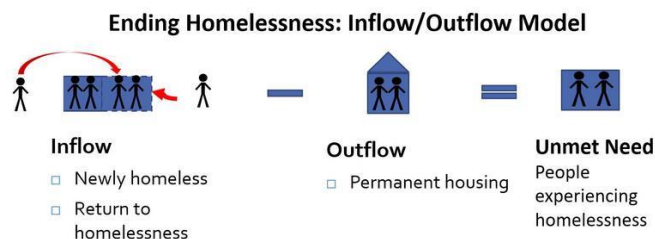
Finally, increasing shelter capacity in any community takes time. After moving mountains to open many new temporary shelters in a short period of time to mitigate the impacts of COVID, regional partners have continued to work tirelessly to gain community support to site additional shelters, bring facilities online and hire enough staff to run them.

Shelter Capacity Across the Region

To develop this report, Metro staff sought shelter bed capacity information from our partners at Clackamas, Multnomah, and Washington Counties. Clackamas and Washington counties provided total beds for existing year-round and seasonal shelters as of June 2021, and Multnomah County's total is as of August 2021. This capacity includes a combination of government and NGO owned and/or operated

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[4] Continuum of Care Housing Inventory Charts and Point-in-Time Counts can be found on HUD's CoC website
[5] City of Portland. Mayor Ted Wheeler Conversations on Homelessness. Ending Homelessness Inflow/Outflow graphic.

sites. More information about the particular shelter providers can be found in each county's Continuum of Care (CoC) Housing Inventory Count (HIC), which was last reported to HUD in January 2020.

- Clackamas County CoC
- Portland, Gresham/Multnomah County CoC
- Hillsboro, Beaverton/Washington County CoC

The counties also provided Metro staff with their anticipated additional year-round and seasonal shelter bed capacity that will be in operation by December 2021. These numbers are approximate, and some figured are still to be determined. It should be noted that seasonal winter bed capacity can vary significantly from year to year, as seasonal shelter often must be located or sited differently each year, often with different partners from year-to-year, as they are often short-term or, in some cases, 'stand-by' operations.

Figure 3: Current and Planned Shelter Bed Capacity, Fiscal Year 21/22

	Clackamas County	**Multnomah County**	**Washington County**
Current shelter capacity (beds)	**260 total beds** (139 year-round)	**1,740 total beds**** (all year-round)	**281 total beds** (131 year-round)
New shelter capacity New beds by Dec. 2021	**TBD***	**280 beds***** (130 year-round)	**160 beds** (122 year-round)
Additional beds by Summer 2022 (SHS goals)	**65 beds**	**120+ beds**	**TBD*****
Other shelter bed capacity	**N/A**	300 severe weather beds**** TBD safe rest villages*****	**N/A**
Total bed capacity by Dec. 2021 (current + new by Dec.)	**260+ beds**	**2,020+ beds** +300 during severe weather	**441 beds**
Total bed capacity Summer 2022 (complete total)	**325 beds**	**2,140+ beds** +300 during severe weather	**441 beds**

***Clackamas County partners are currently in negotiation and planning for shelter capacity for the Winter season*
****Total includes *privately-funded beds that do not appear in the community's Housing Inventory Chart. Total does not include COVID isolation motels (capacity for an additional 80)*
*****Total bed capacity depends on COVID distancing requirements. Should those requirements become less restrictive, Multnomah County could gain 400 additional beds.*
******Multnomah County increases shelter capacity to accommodate sheltering needs during severe weather events.*

When those events occur, the County can expand bed capacity by 300+ when needed.
*****Safe rest villages planning is underway and the exact capacity is to be determined. These are set to be open by Winter.
******Washington County will meet its LIP shelter goals by Winter. Additional capacity is to be determined.

As indicated in the above chart, the region will see a significant expansion of shelter by this winter and an even larger expansion by summer 2022. In addition to county partners bringing more winter shelter beds into operation, Multnomah County develops a severe weather response each year in collaboration with community partners, including Metro (i.e., the Convention Center). This is to accommodate a 'no turn away' policy that ensures a shelter bed for anyone seeking one during periods of severe winter weather.

Excluding severe weather capacity and additional bed numbers yet to be determined, the region will have approximately 2,906 shelter beds by summer 2022.[6] If COVID distancing restrictions are no longer needed during this period, the region could gain hundreds of additional beds in existing facilities.

Scale of Homelessness Across the Region

Council requested "an estimate…of the number of people likely to have no warm and dry, clean and secure sleeping options for 2021-22 Winter." This request also asked for data on the total number of homeless individuals within the Metro region.

There are two key public reports that capture estimated numbers of people experiencing homelessness across the region. One is each county's annual HUD Point-in-Time Count[7] and the other is a 2019 report (Exhibit C) written by Portland State University (PSU) that takes various data sources and definitions into account (including the Point-in-Time Count) to develop a regional estimate of people and households experiencing homelessness over the course of a year. The HUD reports do not include people who are living doubled up. The PSU report does include people living doubled up. Those reports estimate the scale as follows:

Figure 4: Regional Homeless Population Estimates

HUD Point-in-Time, 2020[8]*	PSU Report, 2019 (estimates over one year)
2,567 people unsheltered	5,287 people unsheltered
2,576 people sheltered	13,135 people sheltered
N/A people doubled up	19,840 people doubled up
5,143 people total	**38,263 people total**

*Multnomah and Clackamas County Continuums of Care conduct full (includes count of unsheltered) Point-in-Time counts every two years. 2020 was not a full count year, so the totals included people sheltered but not unsheltered. In the case of 2020 and other even-numbered years, the unsheltered number reported to HUD is the same number as the unsheltered number in the prior PIT year.

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[6] Includes year-round and seasonal beds, which are available only in winter.
[7] Please see Point-in-time data for Continuums of Care in the State of Oregon to access the data.
[8] Includes aggregated figures from Clackamas, Multnomah and Washington County's Continuum of Care Point-in-Time Count reports to HUD.

The regional scale of homelessness depends on the definitions used and whether that scale is captured in any given point in time or whether it is captured over a period of time (e.g., one year). From the data, we can see that approximately 2,567 people across the three counties were unsheltered on a single night in January 2020, while approximately 5,287 people are estimated to experience unsheltered homelessness on at least one night over the course of one year.

However, the above data does not tell us how many people may or may not have access to (let alone would seek) a shelter bed as a warm, dry, clean and secure sleeping option. To address the second part of Council's request, we need to consider a broader context: how the shelter system operates within a larger system and who shelter serves.

Considering an expansion of shelter using only population and inventory data (e.g., shelter need = total unsheltered population – total bed capacity) misses critical components of analysis. For example, shelters can serve people coming from housed situations (i.e., fleeing domestic violence) and unhoused situations (camping outside, staying in a car). Thus, homeless population counts and unsheltered data alone are insufficient to predict the total inflow, or demand, that would be placed on shelter at any given time.

Shelter beds turn over, serving more than one person per bed over the course of a year. According to the SHS *Tri-County Data Scan* report (Exhibit D) prepared by Kris Smock for Metro, the region served approximately 6,397 people with a 2,433 bed capacity in fiscal year 19/20.[9] This means that beds turned over, on average across the region, about 2.6 times.[10] Bed turnover can occur more frequently and consistently when there are permanent housing resources for each household to move into – or in other words, flow out from the shelter. When there are not sufficient permanent housing options, people either get "stuck" with long stays in shelter or cycle between sheltered and unsheltered situations, which can be especially traumatic.

Regional Data Capacity Improvements

A critical part of estimating shelter capacity needs is collecting and using the right data that will provide sufficient insight into shelter demand (inflow) and how often supply becomes available (turnover due to outflow).

National experts have emphasized the importance of using data to better understand shelter inflow and outflow. Deeper analysis of Homeless Management Information System (HMIS) and other community data can yield insights into:[11]

- Shelter use patterns and changes in them;
- Identifying people who cycle in and out of shelter who may need targeted interventions like permanent supportive housing;
- Understanding reasons behind lengths of stay in shelter and work to reduce the average length of stay while at the same time increasing exits to permanent housing.

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[9] This total includes winter and severe weather shelter beds, which are not available year-round.

[10] This number reflects an average across the region and should not be used as a turnover number for any individual county or program. It also includes winter and severe weather beds, which are not available year-round.

[11] Summarized from United States Interagency Council on Homelessness. "Key Considerations for Implementing Emergency Shelter Within an Effective Crisis Response System."

In their LIPs, the counties committed to scaling up data capacity and coordinating it regionally. One key project that is already underway is Community Solutions' [Built for Zero](#) program, which helps to improve and regularly use community homeless system data, which includes the development of a monthly by-name list of people experiencing chronic homelessness, to help bring chronic homelessness to functional zero.[12] All three counties are or are in the process of signing onto this program. The Built for Zero program, along with SHS investments in data capacity, will help the region better understand and predict shelter inflow and outflow specific to the chronically homeless and unsheltered populations.

Until we have a better idea of how new housing resources will impact shelter outflow, we will not be able to estimate the total number of beds needed across the region. This requires us allowing enough time for county partners to bring housing programs online, fulfill their shelter expansion commitments and make progress on developing improved data quality and analysis systems and practices.

Metro Owned Sites

In addition to the information above, Metro Council directed staff identify the inventory of Metro properties that could be considered for providing additional temporary warm and dry, clean and secure sleeping options (or shelter). Staff performed preliminary analysis on the list of **193 Metro owned sites** in an attempt to exclude some options from consideration for use as shelter (and/or housing) if those sites did not seem appropriate (e.g., a cemetery or transfer station). This analysis is not meant to indicate the feasibility of a particular site's usage for shelter, as that requires in-depth site analysis that depends upon the type of shelter proposed. There are many different shelter models, from tent villages to congregate sheltering in buildings, as well as non-congregate motel options. The use of any particular site, permit needs and build-out/improvement requirements depend upon the model(s) considered.

The map on the next page (and in Exhibit F) provides a snapshot of all Metro-owned properties, with more details provided in Exhibit E.

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[12] Functional zero simply means that a community has more outflow out of homelessness than inflows into homelessness. It has effectively ended the crisis of homelessness for a particular population.

Figure 5: Map of Current Metro Owned Sites
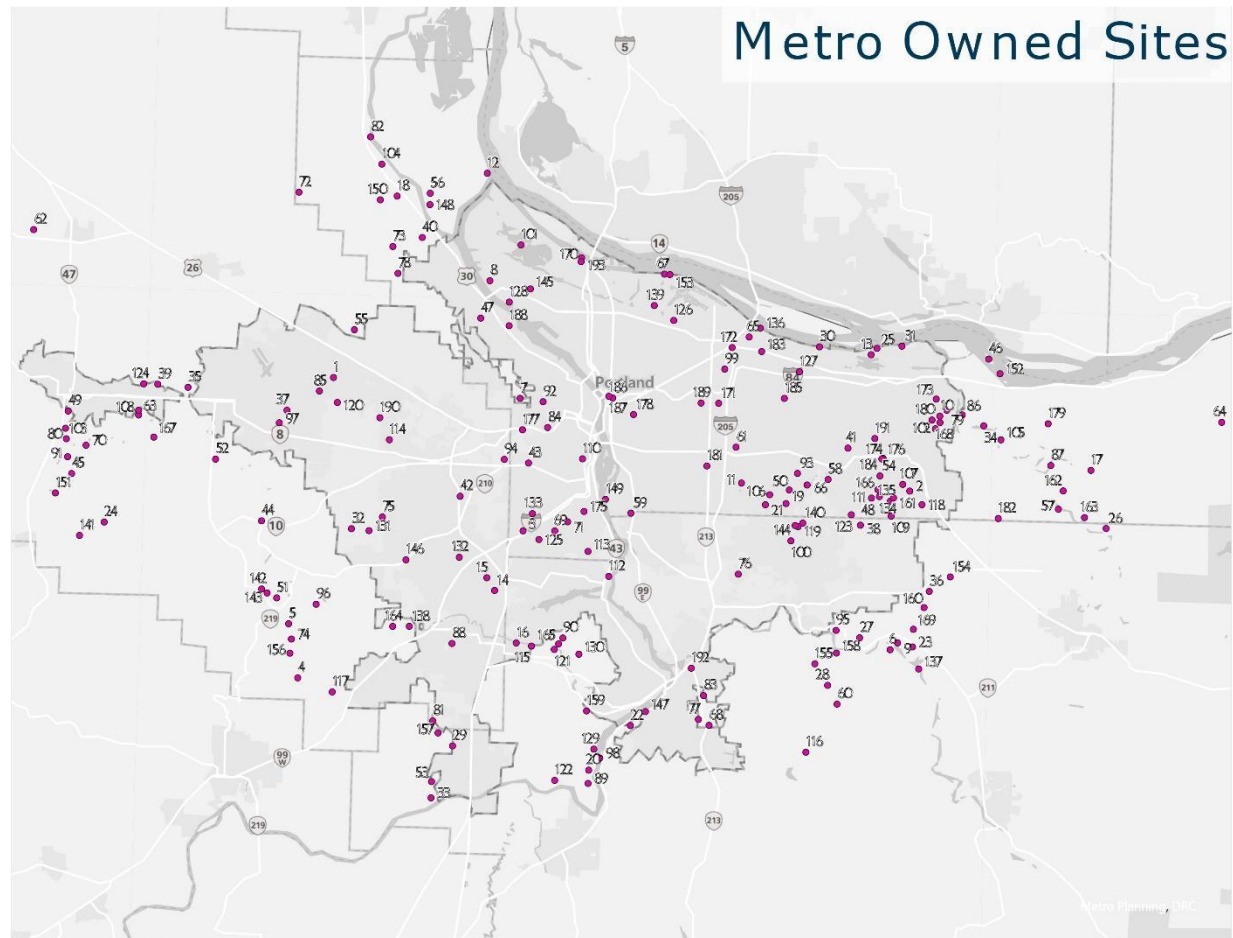
Metro currently owns 193 sites and manages 143 of them. The majority of these sites are parks and/or natural areas that are zoned in a variety of ways, including several single, multifamily and mixed-use residential sites. Metro also owns three vacant properties, as well as sites that are likely not appropriate for shelter such as transfer stations and cemeteries. One of Metro's sites, the Oregon Convention Center, is already used for severe weather sheltering, and negotiations are underway to explore use of the Expo Center as a shelter site.

Exhibit E provides a detailed list of each shelter site that includes the size, type and general zoning of each site, along with whether that site is managed by Metro, is within Metro's Urban Growth Boundary, has a building on site, and the proximity of the site to public transit. Preliminary staff assessment for each site is included in this chart. The assessment notes sites that may not be appropriate for shelter use (transfer stations, cemeteries, wetlands).

No final determinations can be made on the suitability of most Metro-owned sites for shelter use at this time. Reviewing these sites brings up a set of complex questions that not one department or dataset can answer. We should also consider use of these sites for permanent housing, to support counties in meeting their supportive housing goals. Additional analysis in cooperation with managing departments and local jurisdictions, community partners and service providers is needed to determine the site

feasibility for use as shelter and/or housing. This would include, at minimum, zoning and code allowances, as well as permitting abilities.

In Summary

It "should not be assumed that every community in which there are currently people experiencing unsheltered homelessness needs to expand the supply of emergency shelter."[13] Shelters are an emergency response to a housing crisis and by themselves do not resolve that housing crisis. Emergency shelters "should support *flow* from a housing crisis to housing stability,"[14] so it is crucial to ensure that shelters have throughput into permanent housing. This means there must be permanent housing options into which people can be placed. Addressing flow into and out of shelter is critical to creating and maintaining an effective housing crisis response system.

The counties are working right now to bring new year-round and seasonal shelter beds online using SHS measure funding – including 565 new year-round beds by summer 2022. In addition to this, County partners will bring on hundreds more shelter beds using other funding sources. This regional shelter capacity expansion includes congregate shelter, non-congregate and alternative shelter options. Our region has yet to benefit from the impacts of this expansion. Any additional capacity increases would need to consider this impact as well as the planned shelter system improvements and overall housing-focused investments the counties have committed to in their LIPs, which will help prevent shelter demand and increase shelter outflow into permanent housing.

In their LIPs, each county committed to enhancing shelter operations by placing housing-focused services in shelters, which includes housing navigation and housing placement supports. This, along with increases in rent assistance investments and housing unit production will help increase outflow from shelter starting this year. The region expects to see an expansion of approximately 2,400 permanent housing opportunities by summer 2022.

To reduce shelter demand, counties have committed to expanding outreach teams with both behavioral health and housing-focused supports to address immediate needs and house people directly from wherever they are staying. Counties are also investing in rent assistance, supports and services to prevent people from falling into homelessness and from needing to access shelter.

Finally, lacking comprehensive data and the analysis capacity to draw conclusions from it, there are still unknowns at the regional level regarding shelter inflow, on the ways current shelter does or does not have throughput (and why), and a lack of information about the unique housing barriers and challenges for various populations of people who are living unsheltered. Homeless systems have historically been severely underfunded with respect to data collection, maintaining data quality, data analysis and evaluation. The good news is that regional SHS measure funding will transform data and evaluation capabilities by investing in the staff, tools and technical assistance that have been desperately needed for years.

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[13] United States Interagency Council on Homelessness. "Key Considerations for Implementing Emergency Shelter Within an Effective Crisis Response System."
[14] United States Interagency Council on Homelessness. "Key Considerations for Implementing Emergency Shelter Within an Effective Crisis Response System."

Staff Recommendation

This report provides the data requested by Metro Council regarding regional shelter capacity, homeless population estimates and Metro-owned sites that could be considered for use as shelter and/or housing. This is a preliminary report. For the reasons noted earlier in this memo, these are not sufficient data sources to determine whether and by how much temporary or permanent shelter capacity should be expanded, and whether Metro sites are feasible for the shelter models best suited to each jurisdiction. Staff recommends that Council work with the departments managing the sites to further explore feasibility

County partners are in the process of bringing hundreds of new shelter beds into operation by this winter. Although planning and implementation is moving quickly, counties have experienced community opposition to siting some of the shelters set to be built out this year. Metro Council could help provide support to bring these shelters online and/or consider providing Metro sites across the region (in addition to the Convention Center and possibly the Expo Center) for shelter and/or housing use. More in-depth analysis and collaboration with Metro managing departments and county partners, including services providers, would be needed to accomplish this.

Gaining a better understanding of shelter inflow and outflow will be possible with the data capacity investments the county partners are making this year, including monthly by-name data thanks to technical assistance from the Community Solutions Built for Zero program. Better outflow into permanent housing will be realized this year with additional housing services in shelter and the expansion of permanent housing programs that county partners will launch in the coming months. Staff recommends ongoing analysis through the metrics work charged to the Tr-County Planning Body.

The LIPs provide the pathways to address both the short and long-term needs of people experiencing unsheltered and chronic homelessness, including expanding the amount and types of shelter our region is able to provide. This work is happening right now and we are excited for this year's unprecedented expansion of resources that will support housing stability for thousands of people experiencing homelessness.

Metro staff is grateful for Metro Council's sense of urgency and attention to the issue of unsheltered and chronic homelessness. No household should be forced to live in, according to that household's standards, unsafe and inhumane conditions. Connecting these households back to permanent housing will provide the most safe, secure, humane and long-term option.