

1 IN THE CIRCUIT COURT FOR THE STATE OF OREGON
2 FOR THE COUNTY OF MULTNOMAH

3
4 ERIC FRUITS,

5 Petitioner,

20CV11084

Case No.:

6 vs.

7 OFFICE OF METRO ATTORNEY,

8 Respondent

PETITION FOR BALLOT TITLE REVIEW
(ORS 255.155)

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TIN S. SMITH
DIRECTOR OF ELECTIONS

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10
11 NATURE OF CLAIM

12 1.

13 This is a Petition for Review of the Ballot Title prepared by Respondent Office of Metro At-
14 torney pursuant to Metro Council Resolution No. 20-5083. This Petition for review is brought
15 pursuant to Metro Code Section 9.02.020(d) and ORS 255.155, which provides "Any elector dis-
16 satisfied with a ballot title filed with the elections officer by the district attorney or district elec-
17 tions authority may petition the circuit court of the judicial district in which the administrative
18 office of the district is located seeking a different title and stating the reasons the title filed with
19 the court is insufficient, not concise or unfair. The petition shall name as respondent the district
20 attorney or district elections authority, depending on who prepared the ballot title, and must be
21 filed not later than the seventh business day after the title is filed with the elections officer. The
22 court shall review the title and measure to be initiated or referred, hear arguments, if any, and
23 certify to the elections officer a title for the measure which meets the requirements of ORS
24 250.035 (Form of ballot titles for state and local measures)."

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26 ///

This Petition for Review seeks a different title and claims the Ballot Title filed with the court is insufficient, not concise, and/or unfair for the following reasons:

- A. "Higher earner" in the Caption is unfair, insufficient, and vague;
- B. "Provides" in the Caption is erroneous and unfair;
- C. "Homeless services" in the Caption and Question is insufficient, erroneous, and unfair;
- D. "Businesses" in the Question is erroneous and unfair;
- E. "Income over \$5 million" in the Question is erroneous and unfair;
- F. "Supports" in the Caption is insufficient and unfair;
- G. "Small business" in the Summary is insufficient and unfair;
- H. "Washington, Clackamas, and Multnomah counties" in the Summary is insufficient, unfair, and not concise;
- I. "Declares funding for homelessness services a matter of metropolitan concern" in the Summary is not concise;
- J. "Allocates funds to counties by estimated revenue collected within each county" in the Summary is insufficient;
- K. "Requires creation of tri-county homeless services coordination plan" in the Summary is insufficient; and
- L. "Metro administrative and oversight costs limited to 5%" in the Summary is erroneous and insufficient.

PARTIES

Petitioner Eric Fruits (hereinafter "Petitioner") is an Oregon elector under Article II, section 2 of the Oregon Constitution who is registered to vote in Multnomah County and resides within

1 the Metro Area at 4318 NE Royal Court in the City of Portland. Petitioner is dissatisfied with the
2 proposed Ballot Title and has standing to bring this petition under ORS 255.155.

3 4.

4 Respondent Office of Metro Attorney is designated by Metro Code Section 9.02.020(d) to be
5 the named respondent to a petition challenging the ballot title and explanatory statement of a
6 measure referred by Metro Council to the electors of the district. Metro Council is the legislative
7 body of the Metro, a political subdivision of the State of Oregon, with its administrative office
8 located in Multnomah County at 600 NE Grand Avenue in the City of Portland.

9
10 **FACTS**

11 5.

12 On or about February 25, 2020, Metro Council approved Resolution No. 20-5083, (For the
13 Purpose of Referring to Metro Area Voters a Ballot Measure Authorizing a Personal Income Tax
14 and Business Profits Tax to Provide Funding for Supportive Housing Services), which referred a
15 ballot measure to the May 19, 2020, primary election and included proposed ballot title language
16 as Exhibit B to the resolution. Resolution No. 20-5083 along with supporting documents is at-
17 tached as Exhibit 1. Hereafter, this resolution will be referred to as the "Referral Resolution."

18 6.

19 On or about February 25, 2020, Metro Council approved Ordinance No. 20-1442, (For the
20 Purpose of Seeking Voter Approval of a Personal Income Tax and Business Profits Tax for Sup-
21 portive Housing Services), which imposes a personal income tax and a business income tax upon
22 approval by voters. Ordinance No. 20-1442 along with supporting documents is attached as Ex-
23 hibit 2. Hereafter, this ordinance will be referred to as the "Tax Ordinance."

24 7.

25 On or about February 25, 2020, Metro Council approved Resolution No. 20-5085, (For the
26 Purpose of Recognizing the HereTogether Framework for Supportive Housing Services and

1 Directing the Development of a Work Plan), which directs Metro staff to develop a policy and
2 governance framework to spend the revenues from the measures' two taxes. Resolution No. 20-
3 5085 along with supporting documents is attached as Exhibit 3. Hereafter, this resolution will be
4 referred at the "Framework Resolution."

5 8.

6 For every resident of the Metro Area subject to tax under ORS chapter 316, the ballot meas-
7 ure specified by the Referral Resolution imposes a tax of 1% on the entire taxable income over
8 \$200,000 if filing jointly and \$125,000 if filing singly. For every nonresident of the Metro Area,
9 the ballot measure imposes a 1% tax on the taxable income over \$200,000 if filing jointly and
10 \$125,000 if filing singly on income that is derived from sources within the district which income
11 is subject to tax under ORS chapter 316. Hereafter these taxes are referred to as the "Personal
12 Tax."

13 9.

14 For each person doing business in the Metro Area, the ballot measure specified by the Refer-
15 ral Resolution imposes an additional tax of 1% on the person's net income, so long as the per-
16 son's gross receipts from inside and outside the Metro Area exceed \$5 million. For purposes of
17 imposing this tax, Exhibit A to the Referral Resolution and Tax Ordinance defines a "person" to
18 include "an individual, a natural person, proprietorship, partnership, limited partnership, family
19 limited partnerships, joint venture (including tenants-in-common arrangements), association, co-
20 operative, trust, estate, corporation, personal holding company, limited liability company, limited
21 liability partnership or any other form of organization for doing business." Hereafter this tax is
22 referred to as the "Business Tax."

23 10.

24 On or about February 25, 2020, in testimony before Metro Council regarding the Tax Ordi-
25 nance, Metro staff presented a slideshow titled "Supportive housing services: Potential 2020 bal-
26 lot measure." A copy of the slideshow is included in Exhibit 2. Staff testimony and the slideshow

1 indicate Metro estimates the revenues from the Personal Tax will be \$169 million a year and rev-
2 enues from the Business Tax will be \$79 million a year, for a total of \$248 million in estimated
3 annual tax revenues. In his testimony, Andy Shaw, Metro’s director of government affairs, indi-
4 cated he received the estimates “in writing” from ECONorthwest, an Oregon-based consulting
5 firm.

6 11.

7 The Referral Resolution declares that the purpose of the Personal Tax and Business Tax is to
8 fund homeless and housing services. Exhibit A, Section 3 to the Referral Resolution and Tax Or-
9 dinance states revenues from the Personal Tax and Business Tax is to “fund services for people
10 experiencing homelessness and housing instability.” Exhibit A, Section 4 states, services funded
11 from the tax revenues will “first address the unmet needs of people who are experiencing or at
12 risk of experiencing long-term or frequent episodes of homelessness” and “will be prioritized in
13 a manner that provides equitable access to people of color and other historically marginalized
14 communities.”

15 12.

16 A memorandum dated February 18, 2020, to Metro Council from Metro’s Planning and De-
17 velopment Department (Potential Regional Supportive Housing Services Program Implementa-
18 tion, attached as Exhibit 4) identifies as “Step 1” spending to “Address prolonged homelessness
19 with supportive housing” totaling \$62.5 million to \$98.7 million. The memo identifies “Step 2”
20 as spending to “End short-term homelessness and prevent homelessness caused by severe rent
21 burden” with spending on “Homeless Prevention and Rent Assistance Vouchers.” Projected
22 spending is summarized as follows:

23 ////

24 ////

25 ////

26 ////

1	Step 1: Support services	\$31.25–49.35 million
2	Rent assistance	<u>\$31.25–49.35 million</u>
3	Step 1 total	\$62.50–98.70 million
4	Step 2: Homeless prevention rent assistance vouchers	<u>\$150.00 million</u>
5	Total	\$212.5–248.7 million

6 The memo states Metro staff’s estimates of “program cost do not account for local or regional
7 administrative costs.”

8 13.

9 Exhibit A, Section 15 to Referral Resolution and Tax Ordinance notes, “some portion of each
10 of the three recipient counties (Multnomah, Washington and Clackamas) are outside of the Metro
11 jurisdictional boundary” and mandates, “Supportive Housing Services Revenues collected may
12 be spent only for Supportive Housing Services provided within the Metro jurisdictional bound-
13 ary.”

14 14.

15 On or about February 26, 2020, the Multnomah County Elections Division acknowledged re-
16 ceipt of Form SEL 805 (Request for Ballot Title, Preparation or Publication of Notice) from the
17 Metro Attorney with language from Exhibit B of the Referral Resolution.

18

19 **CLAIM FOR RELIEF**

20 **(Ballot Title Is Insufficient, Not Concise, and Unfair)**

21 *Pursuant to ORS 255.155*

22 15.

23 Petitioner realleges and incorporates by reference paragraphs 1 through 14, above.

24 16.

25 The proposed Ballot Title is insufficient, not concise, and unfair as set out in the following
26 paragraphs.

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17.

The proposed Ballot Title Caption is unfair in characterizing the Personal Tax as a “high earners’ tax.” The term “high earner” is not commonly understood and is not defined in the resolutions or ordinance related to the ballot measure. The term is insufficient, vague, and unfair, bordering on pejorative. Its use, particularly in the Caption, has a significant potential to mislead.

18.

The proposed Ballot Title Caption is unfair in claiming the measure “*provides* homeless services.” Exhibit A, Section 4 of the Referral Resolution and Tax Ordinance states, “Supportive Housing Services Revenue will *fund* Supportive Housing Services” and provides a list of services to be funded. Section 9 states, “The purpose of the Supportive Housing Services tax is to *provide revenue* for Supportive Housing Services.” The proposed Ballot Title Question indicates that Metro would “*support*,” not “*provide*” “homeless services.” Under the measure, Metro would merely collect the revenues, oversee county planning and implementation, provide funding to county governments, and conduct audits. The measure does not identify any “homeless services” to be provided by Metro itself. The Caption’s claim that the measure “*provides* homeless services” is erroneous and unfairly misleads voters into thinking Metro will be the provider of services to those experiencing homelessness. The claim, particularly in the Caption, has a significant potential to mislead.

19.

The proposed Ballot Title Question is erroneous and unfair in characterizing the Business Tax as a tax “on *businesses*.” The Tax Ordinance clearly imposes the Business Tax on “*persons*” not just businesses. In contrast to the common understanding of a business, Exhibit A, Section 24 to the Referral Resolution and Tax Ordinance defines “person” to include “an individual, a natural person, proprietorship” along with other commonly understood forms of business entities. The Question is insufficient in identifying the breadth of the Business Tax and is unfair in giving the impression that only businesses, as commonly understood, would be subject to the tax.

1
 2 The proposed Ballot Title Question erroneously and unfairly describes the Business Tax as a
 3 tax on “profits on businesses with *income* over \$5 million.” The Tax Ordinance clearly imposes
 4 the Business Tax on “*each person doing business*” with “*gross receipts*” over \$5 million. The
 5 difference between gross receipts and income is commonly understood (profits or income are
 6 gross receipts less cost of goods sold and other expenses). Exhibit A, Section 10 to the Referral
 7 Resolution and Tax Ordinance distinguish between the two concepts of *income* and *gross re-*
 8 *ceipts*. The Question erroneously conflates gross receipts with income rendering the Question er-
 9 roneous and unfair.

10
 11 The proposed Ballot Title Caption and Question are insufficient and unfair in claiming the
 12 measure provides or supports “*homeless services*.” The singling out of “homeless services” in the
 13 Caption and Question gives the impression that all or most of the projected tax revenues would
 14 be used to provide services to those who are experiencing homelessness. In contrast, as noted in
 15 paragraph 12, Metro staff have indicated less than half of the anticipated tax revenues are pro-
 16 jected be spent on individuals who are actually experiencing homelessness; approximately 60%
 17 of the funds are to be spent on rent assistance for housed households who are facing “severe rent
 18 burden.” The measure itself makes clear that revenue from the measure will be used for far more
 19 than “homeless services;” in fact, the measure includes spending on “long-term rent assistance,”
 20 “eviction prevention,” “landlord tenant education,” “legal services,” “fair housing advocacy,”
 21 “affordable housing and rental assistance,” and many others. The Caption’s singling out of
 22 “homeless services” is insufficient in omitting rent assistance spending to those already in hous-
 23 ing and is unfair in giving the false impression that most of the revenues will be used to reduce
 24 the number of those actually experiencing homelessness in the region. The claim, particularly in
 25 the Caption, has a significant potential to mislead.

26 ///

1
2 The proposed Ballot Title Summary unfairly characterizes as “*small*” businesses” those per-
3 sons “with gross receipts of \$5 million per year or less.” The term “small business” is not com-
4 monly understood and is not defined in the resolutions or ordinance related to the ballot measure.
5 The United States Small Business Administration definition of “small business” varies with the
6 industry in which the firm is operating.¹ For non-agriculture industries, many businesses with av-
7 erage annual receipts of less than \$6 million are defined as “small businesses.” Thus, many small
8 businesses as defined by the SBA would not be characterized as “small” by the proposed Ballot
9 Title Summary. The term “small business” as used in the Summary is insufficient and unfair,
10 giving the false impression that only a few businesses would be subject to the Business Tax.

11
12 The proposed Ballot Title Summary is insufficient in claiming the tax revenues will fund ser-
13 vices “in Washington, Clackamas, and Multnomah counties.” Exhibit A, Section 15 to the Refer-
14 ral Resolution and Tax Ordinance mandates revenues collected “may be spent only for Support-
15 ive Housing Services provided within the *Metro jurisdictional boundary*.” Section 15 also notes,
16 “some portion of each of the three recipient counties (Multnomah, Washington and Clackamas)
17 are outside of the Metro jurisdictional boundary.” The Summary is not concise and is insufficient
18 in identifying the limited geographic scope of the measure and is unfair in giving the impression
19 the tax revenues will fund services throughout the entirety of each county in the tri-county re-
20 gion.

21
22 The proposed Ballot Title Summary “Declares funding for homelessness services a matter of
23 metropolitan concern.” This statement is not concise, is obvious, and provides no useful infor-
24 mation to voters.

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¹ U.S. Small Business Administration, “Table of Size Standards,” Aug. 19, 2019, [https://www.sba.gov/docu-
ment/support-table-size-standards](https://www.sba.gov/document/support-table-size-standards). Accessed Mar. 3, 2020.

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25.

The proposed Ballot Title Summary is insufficient in stating the measure “Allocates funds to counties by estimated revenue collected within each county.” It is not commonly understood how much tax revenue would be collected within each County. Exhibit A, Section 7 to the Referral Resolution and Tax Ordinance clearly states the percent of total revenues to be distributed to each county.

26.

The proposed Ballot Title Summary is insufficient in stating the measure “Requires creation of tri-county homeless services coordination plan.” Exhibit A, Section 23 to the Referral Resolution and Tax Ordinance establishes a “tri-county homeless services planning body,” but does not mandate a “plan” and does not mandate that any plan be “coordinated.”

27.

The proposed Ballot Title Summary is insufficient and erroneous in stating “Metro administrative and oversight costs limited to 5%.” This statement, when read along with the Caption’s claim that the measure “provides homeless services” and the Question “Should Metro support homeless services,” gives the impression that (A) Metro itself is providing services, and therefore (B) total administrative and oversight costs will be limited to 5%. In fact, the 5% limit excludes the costs of administering the imposition, collection, and enforcement of the Personal Tax and Business Tax. In addition, the 5% is limited to Metro’s administrative and overhead costs; the measure imposes no limits on counties’ and service providers’ overhead and administrative costs. As noted in paragraph 12, Metro staff’s estimates of “program cost do not account for local or regional administrative costs.”

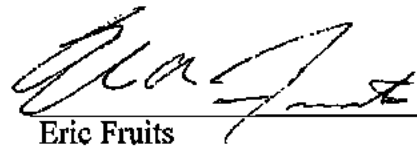
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1 **REMEDY**

2 28.

3 For this First Claim for Relief, Petitioner requests that the Court issue a decision finding that
4 the Ballot Title prepared by Respondents fails to comply with the requirements of ORS 250.035
5 and should be modified as Petitioner will propose in an additional filing or in similar manner to
6 reduce possibility of voter confusion. Petitioner also seeks reimbursement of his costs and dis-
7 bursements.

8 DATED March 6, 2020.

9
10 
11 Eric Fruits
12 Petitioner, Pro se
13 4318 NE Royal Ct.
14 Portland, Oregon 97213

14 **SERVICE**

15 29.

16 Pursuant to ORS 255.155, Petitioner certifies that a copy of this Petition for Review was
17 hand delivered to the following on March 6, 2020:

18
19 Office of Metro Attorney
20 600 NE Grand Avenue
21 Portland, OR 97232

Multnomah County Elections Director
1040 SE Morrison Street
Portland, OR 97214

22 DATED on this 6th day of March, 2020

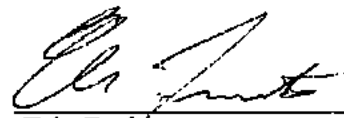
23
24 
25 Eric Fruits
26 Petitioner, Pro se

EXHIBIT 1

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF REFERRING TO METRO AREA) RESOLUTION NO. 20-5083
VOTERS A BALLOT MEASURE AUTHORIZING A)
PERSONAL INCOME TAX AND BUSINESS PROFITS)
TAX TO PROVIDE FUNDING FOR SUPPORTIVE) Introduced by the Metro Council
HOUSING SERVICES)

WHEREAS, the greater Portland region is facing a severe housing affordability and homelessness crisis, which endangers the health and safety of thousands of our unhoused neighbors. Homelessness is a deeply traumatic and dehumanizing experience that no person should have to endure, regardless of their circumstances; and

WHEREAS, tens of thousands of households in the greater Portland region need supportive housing services, and thousands more need housing assistance, according to the February 2020 ECONorthwest report entitled "Potential Sources and Uses of Revenue to Address the Region's Homeless Crisis"; and

WHEREAS, communities of color have been directly impacted by a long list of systemic inequities and discriminatory policies that have caused higher rates of housing instability and homelessness among people of color and they are disproportionately represented in the housing affordability and homelessness crisis; and

WHEREAS, in June 2016, the Metro Council adopted its Strategic Plan to Advance Racial Equity, Diversity and Inclusion, which, guided by input from many regional partners and informed by research, identified racial equity as the approach to ensure that all people who live, work and recreate in the greater Portland region have the opportunity to share in and help define a thriving, livable and prosperous place; and

WHEREAS, the housing affordability and homelessness crisis in the greater Portland region impacts us all and requires collective and individual action from every person, business, elected official, and resident that calls the region home; and

WHEREAS, a safe, affordable home is the cornerstone on which all other success is built, and the stable foundation all members of our community need to thrive; and

WHEREAS, the homelessness crisis is an issue of scale and services do not yet match the scope of the crisis; and

WHEREAS, between 2016 and 2018 voters in the region overwhelmingly approved two affordable housing bonds worth nearly \$1 billion, indicating that residents in the region understand the gravity of this crisis and the urgent need to address the crisis; and

WHEREAS, the region can maximize its historic, billion-dollar investment in affordable housing construction and development by securing highly flexible funding to invest in proven, outcome-driven, client-centered solutions like case management, job training, addiction and recovery services, mental

health support, rent assistance (both long- and short-term), homelessness prevention services, housing placement, and other tools people need to be successful; and

WHEREAS, to ensure the program's success, Metro will create an oversight body that is empowered to track all revenue, evaluate program implementation, and take appropriate action to ensure outcomes match intentions; and

WHEREAS, an oversight body will establish a robust oversight structure that is representative of diverse stakeholders, ensures that new revenue raised to fund these critical programs efficiently makes it to frontline service providers, is appropriately leveraged with existing service dollars, and is not used to replace existing funding; and

WHEREAS, success will be based on critically recognized metrics that measure the results of the services provided and evidence that the communities disproportionately impacted are benefiting from the Supportive Housing Services funds; and

WHEREAS, measuring outcomes through such metrics, and providing public transparency and accountability is vital to maintain the long-term support of voters and the community; and

WHEREAS, performance and financial audits of the funds will be necessary to ensure appropriate accountability and transparency; and

WHEREAS, the Metro Council recognizes that although homelessness knows no jurisdictional boundary, local communities are best positioned to provide tailored services to meet local community needs; and

WHEREAS, it is the intent of this measure to provide resources above and beyond those provided by the federal government, the Oregon Legislature, or local government, and therefore the revenue from this measure should not be counted against or used to supplant any federal, state or local monies; and

WHEREAS, a broad coalition of service providers, business leaders, elected officials, and advocates have come together as HereTogether over the course of the last two years to identify the needs, develop strategies, engage communities, and build regional consensus; and

WHEREAS, on February 13, 2020, the Metro Council held a public hearing, at which the chairs of Clackamas, Multnomah, and Washington county commissions, HereTogether, and residents of the entire region gave testimony to the homeless crisis, requesting that Metro refer a ballot measure to address this region-wide crisis; and

WHEREAS, the Metro Council finds that homeless and housing services is a matter of metropolitan concern; now therefore,

BE IT RESOLVED:

1. The Metro Council submits to the qualified voters of the Metro Area the ballot measure attached to this Resolution as Exhibit A, authorizing a personal income tax and business profits tax for the purpose of funding homeless and housing services (the "Supportive Housing Services Ballot Measure"); and

2. The Metro Council certifies the Ballot Title attached to this Resolution as Exhibit B for placing the Supportive Housing Services Ballot Measure on the ballot for the May 19, 2020 Primary Election for legal voters to adopt or reject; and

3. The Metro Council authorizes and directs the Metro Chief Operating Officer, the Metro Chief Financial Officer and the Metro Attorney, or their respective designees (each, an "Authorized Representative"), each acting individually, to file with the county elections official the Ballot Title and a related explanatory statement prepared by the Authorized Representative pursuant to Metro Code Section 9.02.020; and

4. The Metro Council authorizes and directs the Authorized Representative to take all other actions necessary to place the Supportive Housing Services Ballot Measure on the ballot for the May 19, 2020 Primary Election in a manner consistent with and in furtherance of this Resolution; and

5. Upon passage of the Ballot Measure the Metro Attorney will assign the Ballot Measure sections in Exhibit A with title, chapter and section numbers for the Metro Code as the Metro Attorney deems appropriate based on current Metro Code titles, chapters and sections; and

6. Upon passage of the Supportive Housing Services Ballot Measure the Metro Council will take further action to establish rules to enforce and implement the taxes imposed by the measure. This may include rules regarding penalties, interest, filing dates, required forms and documentation, residency determinations for income tax payment purposes, determinations for business profits tax purposes, refunds and deficiencies, audit authority, overpayments, estimated payments, exemptions, appeals from income determinations, legal collection actions and any other provision deemed necessary to effectively and efficiently administer the taxes and achieve the purposes; and

7. Homeless and housing services is a matter of metropolitan concern.

ADOPTED by the Metro Council this ____ day of February 2020.

Lynn Peterson, Council President

Approved as to Form:

Carie MacLaren, Metro Attorney

The People of Metro ordain as follows:

SUPPORTIVE HOUSING SERVICES OVERVIEW

SECTION 1. Title

The provisions contained herein are to administer the Metro Supportive Housing Services Revenue, referred to as the "Supportive Housing Services Revenue."

SECTION 2. Finding of Metropolitan Concern

Homeless and housing services is a matter of metropolitan concern over which Metro may exercise jurisdiction.

SECTION 3. Purpose

The Supportive Housing Services Revenue will fund services for people experiencing homelessness and housing instability.

PROGRAM IMPLEMENTATION

SECTION 4. Services and Priorities

Supportive Housing Services Revenue will fund Supportive Housing Services, including: street outreach services; transition and placement services; in-reach, basic survival support, and mental health services; interventions and addiction services (crisis and recovery); physical health services; interventions for people with physical impairments and disabilities; short and long-term rent assistance; eviction prevention; financial literacy, employment, job training and retention education; peer support services; workplace supports; benefits, navigation and attainment (veteran benefits, SSI, SSDI, other benefits); landlord tenant education and legal services; fair housing advocacy; shelter services; bridge/transitional housing placement; discharge interventions; permanent supportive housing services; affordable housing and rental assistance and other supportive services. Supportive Housing Services Revenue and Supportive Housing Services will first address the unmet needs of people who are experiencing or at risk of experiencing long-term or frequent episodes of homelessness. Supportive Housing Services Revenue and Supportive Housing Services will be prioritized in a manner that provides equitable access to people of color and other historically marginalized communities.

SECTION 5. Oversight Committee

1. **Committee Established.** A 20-member regional oversight committee (hereafter, "Supportive Housing Services Regional Oversight Committee" or "Regional Oversight Committee") will oversee the Supportive Housing Services Program.
2. **Purpose and Authority.** The purpose and authority of the Supportive Housing Services Regional Oversight Committee is to:
 - a. Evaluate local implementation plans, recommend changes as necessary to achieve program goals and guiding principles, and make recommendations to Metro Council for approval;
 - b. Accept and review annual reports for consistency with approved local implementation plans;
 - c. Monitor financial aspects of program administration, including review of program expenditures; and
 - d. Provide annual reports and presentations to Metro Council and Clackamas, Multnomah, and Washington County Boards of Commissioners assessing performance, challenges, and outcomes.
3. **Membership.** The Supportive Housing Services Community Oversight Committee is composed of 20 members, as follows:
 - a. Five members from Clackamas County.
 - b. Five members from Multnomah County.
 - c. Five members from Washington County.
 - d. One representative from each of the Clackamas, Washington, and Multnomah County Board of Commissioners and the Portland City Council to serve as *ex officio* members.
 - e. One member of the Metro Council to serve as a non-voting delegate.
4. **Membership Representation.** The membership must be composed of persons who represent the following experiences, organizations and qualities:
 - a. Has experience overseeing, providing, or delivering Supportive Housing Services;
 - b. Has lived experience of homelessness or severe housing instability;
 - c. Has experience in the development and implementation of supportive housing and other services;
 - d. Has experience in the delivery of culturally-specific services;
 - e. Represents the private-for-profit sector;
 - f. Represents the philanthropic sector;
 - g. Represents communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community, people with disabilities, and other underserved and/or marginalized communities; and
 - h. Represents a continuum of care organization.

A person may represent more than one of the subsections above. The membership must have broad representation and geographical diversity.

5. Terms. Nine of the initial Committee members will serve a one year term, and the Council may reappoint those nine members for up to two additional two-year terms.
6. Oversight Committee Review. Metro may conduct a review of the regional oversight committee's role and effectiveness as appropriate.

SECTION 6. Local Implementation Plans

1. Local implementation plans are intended to document the proposed use of funds and how these uses align with the purposes of the Supportive Housing Services Measure. A plan must be submitted to the Oversight Committee for review and approval before the Metro Council approves it.
2. Local implementation plans must be developed using locally convened and comprehensive engagement processes that prioritize the voices of people with lived experience and from communities of color.
3. The locally convened body that develops the local implementation plan must include a broad array of stakeholders to develop the plan. Each county may convene a new committee or use a standing committee if the standing committee can demonstrate a track record of achieving equitable outcomes in service provisions to regional oversight committee.
4. Members of the convened body that develops the local implementation plan must include:
 - a. People with lived experience of homelessness and/or extreme poverty;
 - b. People from communities of color and other marginalized communities;
 - c. Culturally responsive and culturally specific service providers;
 - d. Elected officials, or their representatives, from the county and cities participating in the regional affordable housing bond;
 - e. Representatives from the business, faith, and philanthropic sectors;
 - f. Representatives of the county/city agencies responsible for implementing homelessness and housing services, and that routinely engage with the unsheltered population;
 - g. Representatives from health and behavioral health who have expertise serving those with health conditions, mental health and/or substance use disorder from culturally responsive and culturally specific service providers; and
 - h. Representation ensuring geographical diversity.

5. Local implementation plans must include the following:
 - a. A strategy for equitable geographic distribution of services within the respective jurisdictional boundary and the Metro district boundary.
 - b. A description of how the key objectives of Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion have been incorporated. This should include a thorough racial equity analysis and strategy that includes: (1) an analysis of the racial disparities among people experiencing homelessness and the priority service population; (2) disparities in access and outcomes in current services for people experiencing homelessness and the priority service population; (3) clearly defined service strategies and resource allocations intended to remedy existing disparities and ensure equitable access to funds; and (4) an articulation of how perspectives of communities of color and culturally specific groups were considered and incorporated.
 - c. A review of current system investments or capacity serving priority populations, an analysis of the nature and extent of gaps in services to meet the needs of the priority population, broken down by service type, household types, and demographic groups.
 - d. A description of the planned investments that includes: (1) the types of services, and how they remedy the service gap analysis; (2) the scale of the investments proposed; (3) the outcomes anticipated; and (4) the service delivery models that will be used in each area of service.
 - e. A plan for coordinating access to services with partnering jurisdictions and service providers across the region.
 - f. A plan for tracking and reporting outcomes annually and as defined through regional coordination.
 - g. A plan to evaluate funded services and programs.
 - h. A description of how funds will be allocated to public and non-profit service providers, including transparent procurement processes, and a description of the workforce equity procurement standards.
 - i. A commitment that funding will be allocated as follows: (a) 75 percent for people who have extremely low incomes and one or more disabling conditions, who are experiencing long-term or frequent episodes of literal homelessness or are at imminent risk of experiencing homelessness; and (b) 25 percent for people who are experiencing homelessness or face/have substantial risk of homelessness.
 - j. A description of how the plan will remove barriers to full participation for organizations and communities by providing stipends, scheduling events at accessible times and locations, and other supportive engagement tactics.
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6. Each county must provide a report annually on its progress under the local implementation plan to the regional services oversight committee that will discuss progress towards outcomes in each of the service areas identified in the local

implementation plan and a separate analysis of progress toward the implementation of the county's racial equity strategy. Reports will also include municipal investments from cities within Metro who have either increased or decreased contributions to homeless services for the priority population. Existing reports may be used.

7. Metro recognizes that each county may approach program implementation differently depending on the unique needs of its residents and communities. Therefore, it is the policy of the Metro Council that there be sufficient flexibility in implementation to best serve the needs of residents, communities, and those receiving Supportive Housing Services from program funding.

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1. After Metro has first retained funds necessary to pay for collection of the taxes, Metro may retain up to five percent of the remaining collected funds for administration and oversight as more fully described in Section 14(1).
2. After the funds have been allocated for collection, administration and oversight as set forth in subsection (1), Metro will then allocate the remaining Supportive Housing Services Revenue within each county using the following percentages: 21 1/3 percent to Clackamas County, 45 1/3 percent to Multnomah County and 33 1/3 percent to Washington County.
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2. In implementing the Supporting Housing Services Measure, Metro will rely on the goals and objectives within the Strategic Plan to:
 - Convene regional partners to advance racial equity outcomes in supportive housing services.
 - Meaningfully engage with communities of color, Indigenous communities, people with low incomes and other historically marginalized communities in establishing outcomes and implementing the Supportive Housing Services Program.
 - Produce and provide research and information to support regional jurisdictions in advancing equity efforts.
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- Increase participation of communities of color in decision-making.
 - Use equity criteria in resource allocation for the Supportive Housing Services Program.
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3. A local government may seek a temporary waiver from this section for good cause, including but not limited to a broad economic downturn.

TAX COLLECTION REQUIREMENTS

SECTION 10. Voter Approval Ordinance No. 20-1442; Rates; Exemptions

Metro Council Ordinance No. 20-1442 is approved as follows.

1. **Personal Income Tax; Rate.**
Beginning tax year 2021, a tax of one percent is imposed on the entire taxable income over \$200,000 if filing jointly and \$125,000 if filing singly on every resident of the district subject to tax under ORS chapter 316 and upon the taxable income over \$200,000 if filing jointly and \$125,000 if filing singly of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316.
2. **Business Profits Tax; Rate.**
Beginning tax year 2021, a tax of one percent is imposed on the net income of each person doing business within Metro.
3. **Exception for Small Businesses.** Persons whose gross receipts from all business income, both within and without Metro, amount to less than or equal to \$5 million are exempt from payment of the business profits tax.

4. Exemptions Required by Law. Persons whom Metro is prohibited from taxing under the Constitution or laws of the United States or the Constitution or laws of the State of Oregon, or the Metro Charter are exempt from payment of the taxes set forth in this section.

SECTION 11. Tax Must be Re-Authorized or Discontinued After Ten Years

1. Metro may assess the taxes imposed by section 10 through the tax year ending December 31, 2030.
2. After December 31, 2030, the tax will expire unless reauthorized by the voters on or before that date. After the tax expires, Metro or the entity authorized to collect the tax may continue to take all reasonable and necessary actions to ensure that taxes still owing are paid in full.

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2. If Metro is unable to enter into an intergovernmental agreement for the collection of Supportive Housing Services Revenues after good faith efforts to do so, Metro may collect the funds.

SECTION 13. Use of Revenues

Unless expressly stated otherwise in this measure, Supportive Housing Services Revenues may only be used for the purposes set forth in Sections 3, 4, 12, and 14. Metro may establish a separate fund or funds for the purpose of receiving and distributing Supportive Housing Services Revenues.

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1. After Metro's tax collection costs are paid, Metro may retain up to five percent of the remaining funds to pay for the costs to disburse the funds and administer and oversee the program. This includes convening and supporting the regional oversight committee; establishing a regional homelessness data collection and reporting program; and supporting tri-county regional collaboration.
2. At least annually the Regional Oversight Committee will consider whether Metro's collection and administrative costs and each county's administrative costs could or should be reduced or increased. The Regional Oversight Committee will recommend to the Metro Council at least once a year as to how Metro can best limit its collection and administrative costs.

3. In establishing a new Supportive Housing Services Revenue fund, it is the policy of the Metro Council to ensure public transparency and accountability regarding the funding, creation and implementation of this program. It is further the policy of the Metro Council to maintain low administrative costs to ensure that the maximum amount possible of the tax revenue is used to achieve the purposes of Supportive Housing Services.

SECTION 15. Use of Funds in Metro Jurisdictional Boundary Only

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1. Each county or local government receiving funds must make an annual report to the Metro Council and the oversight committee on how funds from the taxes have been spent and how those expenditures have affected established homelessness metrics.
2. Every year a public accounting firm must conduct a financial audit of the revenue generated by the taxes and the distribution of that revenue. Metro will make public the audit and any report to the Metro Council regarding the results of the audit. Metro may use the revenue generated by the taxes to pay for the costs of the audit required under this subsection.
3. The revenue and expenditures from the taxes are subject to performance audits conducted by the Office of the Metro Auditor.

SECTION 17. Ownership of Taxpayer Information

Metro is the sole owner of all taxpayer information under the authority of this measure. The Chief Financial Officer has the right to access all taxpayer information for purposes of administration.

SECTION 18. Confidentiality

1. Except as provided in this measure or otherwise required by law, it is unlawful for the Chief Financial Officer, or any elected official, employee, or agent of Metro, or for any person who has acquired information pursuant to this measure to divulge, release, or make known in any manner any financial information or social security numbers submitted or disclosed to Metro under the provisions of this measure and any applicable administrative rules.
2. Nothing in this section prohibits the disclosure of general statistics in a form that would prevent the identification of financial information or social security numbers regarding an individual taxpayer.

SECTION 19. Examination of Books, Records or Persons

The Chief Operating Officer or its designee may examine any books, papers, records, or memoranda, including state and federal income tax returns, to ascertain the correctness of any tax return or to make an estimate of any tax. The Chief Operating Officer or its designee has the authority, after notice, to require verification of taxpayer information in order to carry out the provisions of this measure.

SECTION 20. Conformity to State Laws

1. For the personal income tax, it is Metro's policy to follow the state of Oregon laws and regulations adopted by the Department of Revenue relating to personal income tax. The Supportive Housing Services Revenue will be construed in conformity with laws and regulations imposing taxes on or measured by net income.
2. For the business profits tax, it is Metro's policy to utilize, as guidance, the Multnomah County Business Income Tax rules and procedures.
3. If a question arises regarding the tax on which this measure is silent, the Chief Operating Officer may look to state law for guidance in resolving the question, provided that the determination under state law is not in conflict with any provision of this measure or the state law is otherwise inapplicable.

SECTION 21. Tax as a Debt; Collection Authority

1. The tax imposed by this measure, as well as any penalties and interest, becomes a personal debt due to Metro at the time such liability for the tax is incurred.
2. Metro is authorized to collect any deficient taxes, interest and penalties owed. This includes initiating and defending any civil actions and other legal proceedings.

FURTHER IMPLEMENTATION

SECTION 22. Administrative Rules

The Chief Operating Officer or designee may adopt administrative rules, forms, guides and policies to further implement the provisions of this measure. Any rule adopted by the Chief Operating Officer has the same force and effect as any Metro Code provision. In adopting administrative rules, the Chief Operating Officer or designee may seek guidance from the Oregon Department of Revenue's rules and procedures and Multnomah County's business income tax's rules and procedures.

SECTION 23. Tri-County Planning

1. Metro will annually allocate a portion of resources from its administrative costs to provide the staffing and logistical support to convene and maintain a tri-county homeless services planning body. This body will develop and implement a tri-county initiative that will be responsible for identifying regional goals, strategies, and outcome metrics related to addressing homelessness in the region.
2. The counties must present to the regional services oversight committee for its approval a proposal to implement the tri-county planning requirement.
3. Each county must annually contribute no less than five percent of each of the counties' share of the Supportive Housing Services Revenue to a regional strategy implementation fund.
4. The proposed governance structure of the tri-county planning body must be inclusive of people representing at least the perspectives required in Section 6(4).
5. Within one year of the adoption of the tri-county initiative plan, and as needed thereafter, each county will bring forward amendments to its Local Implementation Plan that incorporate relevant regional goals, strategies, and outcomes measures.

DEFINITIONS

SECTION 24. Definitions

For the purpose of this measure, the terms used are defined as provided in this section unless the context requires otherwise.

Nonresident means an individual who is not a resident within the Metro jurisdictional boundary.

Person means, but is not limited to an individual, a natural person, proprietorship, partnership, limited partnership, family limited partnerships, joint venture (including tenants-in-common arrangements), association, cooperative, trust, estate, corporation, personal holding company, limited liability company, limited liability partnership or any other form of organization for doing business.

Resident means a taxpayer domiciled within the Metro jurisdictional boundary for any portion of the taxable year.

Supportive Housing Services means homeless prevention, support services and rent assistance that stabilize people experiencing homelessness and housing instability, including those specific services described in Section 4.

Supportive Housing Services Revenue means all funds received from the taxes imposed by Section 10.

Tax Year means the taxable year of a person for federal or state income tax purposes.

Taxpayer means any natural person, or married couple or head of household filing a joint return, whose income in whole or in part is subject to the tax imposed by this measure.

SECTION 25. Severability

If a court of competent jurisdiction finds any part, section or provision of this measure to be unconstitutional, illegal or invalid, that finding affects only that part, section or provision of the measure and the remaining parts, sections or provisions remain in full force and effect.

Exhibit B to Resolution No. 20-5083

BALLOT TITLE

Caption: Provides homeless services through higher earners' tax, business profits tax.
(10 words or less)

Question: Should Metro support homeless services, tax income over \$200,000/\$125,000
(joint/single), profits on businesses with income over \$5 million?
(20 words or less)

Summary: Measure funds supportive housing services to prevent and reduce homelessness in
(175 words or less) Washington, Clackamas, and Multnomah counties. Prioritizes services to address unmet needs of people experiencing or at risk of experiencing long-term or frequent episodes of homelessness. Services funded by a marginal income tax of 1% on households with income over \$200,000 (over \$125,000 for individual filers) and a business profits tax of 1%. Income tax applies to resident income, and to non-resident income earned from sources within district. Exempts small businesses with gross receipts of \$5 million per year or less.

Declares funding for homelessness services a matter of metropolitan concern, directs regional funding to local services agencies, requires community engagement to develop localized implementation plans. Allocates funds to counties by estimated revenue collected within each county.

Establishes community oversight committee to evaluate and approve local plans, monitor program outcomes and uses of funds. Requires creation of tri-county homeless services coordination plan.

Requires performance reviews and independent financial audits. Metro administrative and oversight costs limited to 5%. Requires voter approval to continue tax after 2030.

EXHIBIT 2

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF SEEKING VOTER)	ORDINANCE NO. 20-1442
APPROVAL OF A PERSONAL INCOME TAX)	
AND BUSINESS PROFITS TAX FOR)	Introduced by the Metro Council
SUPPORTIVE HOUSING SERVICES)	
)	

WHEREAS, the greater Portland region is facing a severe housing affordability and homelessness crisis, which endangers the health and safety of thousands of our unhoused neighbors. Homelessness is a deeply traumatic and dehumanizing experience that no person should have to endure, regardless of their circumstances; and

WHEREAS, tens of thousands of households in the greater Portland region need supportive housing services, and thousands more need housing assistance, according to the February 2020 ECONorthwest report entitled "Potential Sources and Uses of Revenue to Address the Region's Homeless Crisis"; and

WHEREAS, the housing affordability and homelessness crisis in the greater Portland region impacts us all and requires collective and individual action from every person, business, elected official, and resident that calls the region home; and

WHEREAS, the homelessness crisis is an issue of scale and services do not yet match the scope of the crisis; and

WHEREAS, additional revenue is required to scale services to meet the needs and scope of the crisis; and

WHEREAS, Metro Council intends to refer to the voters a measure that would approve of the imposition of a personal income tax and business profits tax to fund homeless prevention, supportive housing, rent assistance and other services that stabilize people experiencing homelessness and housing instability; and Metro will work with local government partners, service providers, and other stakeholders to create a regional program;

WHEREAS, the Metro Council finds the need for immediate adoption of this ordinance given the homeless and housing crisis in the greater Portland area; and

WHEREAS, Metro Council finds that homeless and housing services is a matter of metropolitan concern; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. Homeless and housing services is a matter of metropolitan concern.
2. Upon approval by the voters, beginning tax year 2021, a tax of one percent will be imposed on the entire taxable income over \$200,000 if filing jointly and \$125,000 if filing singly on every resident of the district subject to tax under ORS chapter 316 and upon the taxable income over \$200,000 if filing jointly and \$125,000 if filing singly of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316.

3. Upon approval by the voters, beginning tax year 2021, a tax of one percent will be imposed upon each person doing business within Metro if the gross receipts from all business income, both within and without Metro, is over \$5 million.
4. Metro Council will take all necessary actions to refer the Supportive Housing Services Ballot Measure, attached as Exhibit A, to obtain voter approval of the business profits tax and personal income tax.
5. Upon passage of the Supportive Housing Services Ballot Measure the Metro Council will take further action to establish rules to enforce and implement the taxes imposed by the measure. This may include rules regarding penalties, interest, filing dates, required forms and documentation, residency determinations for income tax payment purposes, determinations for business tax purposes, refunds and deficiencies, audit authority, overpayments, estimated payments, exemptions, appeals from income determinations, legal collection actions and any other provision deemed necessary to effectively and efficiently administer the taxes and achieve the purposes.

ADOPTED by the Metro Council this ____ day of February 2020.

Lynn Peterson, Council President

Attest:

Approved as to Form:

Nellie Papsdorf, Recording Secretary

Carrie MacLaren, Metro Attorney

The People of Metro ordain as follows:

SUPPORTIVE HOUSING SERVICES OVERVIEW

SECTION 1. Title

The provisions contained herein are to administer the Metro Supportive Housing Services Revenue, referred to as the "Supportive Housing Services Revenue."

SECTION 2. Finding of Metropolitan Concern

Homeless and housing services is a matter of metropolitan concern over which Metro may exercise jurisdiction.

SECTION 3. Purpose

The Supportive Housing Services Revenue will fund services for people experiencing homelessness and housing instability.

PROGRAM IMPLEMENTATION

SECTION 4. Services and Priorities

Supportive Housing Services Revenue will fund Supportive Housing Services, including: street outreach services; transition and placement services; in-reach, basic survival support, and mental health services; interventions and addiction services (crisis and recovery); physical health services; interventions for people with physical impairments and disabilities; short and long-term rent assistance; eviction prevention; financial literacy, employment, job training and retention education; peer support services; workplace supports; benefits, navigation and attainment (veteran benefits, SSI, SSDI, other benefits); landlord tenant education and legal services; fair housing advocacy; shelter services; bridge/transitional housing placement; discharge interventions; permanent supportive housing services; affordable housing and rental assistance and other supportive services. Supportive Housing Services Revenue and Supportive Housing Services will first address the unmet needs of people who are experiencing or at risk of experiencing long-term or frequent episodes of homelessness. Supportive Housing Services Revenue and Supportive Housing Services will be prioritized in a manner that provides equitable access to people of color and other historically marginalized communities.

SECTION 5. Oversight Committee

1. **Committee Established.** A 20-member regional oversight committee (hereafter, "Supportive Housing Services Regional Oversight Committee" or "Regional Oversight Committee") will oversee the Supportive Housing Services Program.
2. **Purpose and Authority.** The purpose and authority of the Supportive Housing Services Regional Oversight Committee is to:
 - a. Evaluate local implementation plans, recommend changes as necessary to achieve program goals and guiding principles, and make recommendations to Metro Council for approval;
 - b. Accept and review annual reports for consistency with approved local implementation plans;
 - c. Monitor financial aspects of program administration, including review of program expenditures; and
 - d. Provide annual reports and presentations to Metro Council and Clackamas, Multnomah, and Washington County Boards of Commissioners assessing performance, challenges, and outcomes.
3. **Membership.** The Supportive Housing Services Community Oversight Committee is composed of 20 members, as follows:
 - a. Five members from Clackamas County.
 - b. Five members from Multnomah County.
 - c. Five members from Washington County.
 - d. One representative from each of the Clackamas, Washington, and Multnomah County Board of Commissioners and the Portland City Council to serve as *ex officio* members.
 - e. One member of the Metro Council to serve as a non-voting delegate.
4. **Membership Representation.** The membership must be composed of persons who represent the following experiences, organizations and qualities:
 - a. Has experience overseeing, providing, or delivering Supportive Housing Services;
 - b. Has lived experience of homelessness or severe housing instability;
 - c. Has experience in the development and implementation of supportive housing and other services;
 - d. Has experience in the delivery of culturally-specific services;
 - e. Represents the private-for-profit sector;
 - f. Represents the philanthropic sector;
 - g. Represents communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community, people with disabilities, and other underserved and/or marginalized communities; and
 - h. Represents a continuum of care organization.

A person may represent more than one of the subsections above. The membership must have broad representation and geographical diversity.

5. **Terms.** Nine of the initial Committee members will serve a one year term, and the Council may reappoint those nine members for up to two additional two-year terms.
6. **Oversight Committee Review.** Metro may conduct a review of the regional oversight committee's role and effectiveness as appropriate.

SECTION 6. Local Implementation Plans

1. Local implementation plans are intended to document the proposed use of funds and how these uses align with the purposes of the Supportive Housing Services Measure. A plan must be submitted to the Oversight Committee for review and approval before the Metro Council approves it.
2. Local implementation plans must be developed using locally convened and comprehensive engagement processes that prioritize the voices of people with lived experience and from communities of color.
3. The locally convened body that develops the local implementation plan must include a broad array of stakeholders to develop the plan. Each county may convene a new committee or use a standing committee if the standing committee can demonstrate a track record of achieving equitable outcomes in service provisions to regional oversight committee.
4. Members of the convened body that develops the local implementation plan must include:
 - a. People with lived experience of homelessness and/or extreme poverty;
 - b. People from communities of color and other marginalized communities;
 - c. Culturally responsive and culturally specific service providers;
 - d. Elected officials, or their representatives, from the county and cities participating in the regional affordable housing bond;
 - e. Representatives from the business, faith, and philanthropic sectors;
 - f. Representatives of the county/city agencies responsible for implementing homelessness and housing services, and that routinely engage with the unsheltered population;
 - g. Representatives from health and behavioral health who have expertise serving those with health conditions, mental health and/or substance use disorder from culturally responsive and culturally specific service providers; and
 - h. Representation ensuring geographical diversity.

5. Local implementation plans must include the following:
 - a. A strategy for equitable geographic distribution of services within the respective jurisdictional boundary and the Metro district boundary.
 - b. A description of how the key objectives of Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion have been incorporated. This should include a thorough racial equity analysis and strategy that includes: (1) an analysis of the racial disparities among people experiencing homelessness and the priority service population; (2) disparities in access and outcomes in current services for people experiencing homelessness and the priority service population; (3) clearly defined service strategies and resource allocations intended to remedy existing disparities and ensure equitable access to funds; and (4) an articulation of how perspectives of communities of color and culturally specific groups were considered and incorporated.
 - c. A review of current system investments or capacity serving priority populations, an analysis of the nature and extent of gaps in services to meet the needs of the priority population, broken down by service type, household types, and demographic groups.
 - d. A description of the planned investments that includes: (1) the types of services, and how they remedy the service gap analysis; (2) the scale of the investments proposed; (3) the outcomes anticipated; and (4) the service delivery models that will be used in each area of service.
 - e. A plan for coordinating access to services with partnering jurisdictions and service providers across the region.
 - f. A plan for tracking and reporting outcomes annually and as defined through regional coordination.
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 - h. A description of how funds will be allocated to public and non-profit service providers, including transparent procurement processes, and a description of the workforce equity procurement standards.
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3. **Exception for Small Businesses.** Persons whose gross receipts from all business income, both within and without Metro, amount to less than or equal to \$5 million are exempt from payment of the business profits tax.

4. Exemptions Required by Law. Persons whom Metro is prohibited from taxing under the Constitution or laws of the United States or the Constitution or laws of the State of Oregon, or the Metro Charter are exempt from payment of the taxes set forth in this section.

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1. Metro may assess the taxes imposed by section 10 through the tax year ending December 31, 2030.
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1. Each county or local government receiving funds must make an annual report to the Metro Council and the oversight committee on how funds from the taxes have been spent and how those expenditures have affected established homelessness metrics.
2. Every year a public accounting firm must conduct a financial audit of the revenue generated by the taxes and the distribution of that revenue. Metro will make public the audit and any report to the Metro Council regarding the results of the audit. Metro may use the revenue generated by the taxes to pay for the costs of the audit required under this subsection.
3. The revenue and expenditures from the taxes are subject to performance audits conducted by the Office of the Metro Auditor.

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Metro is the sole owner of all taxpayer information under the authority of this measure. The Chief Financial Officer has the right to access all taxpayer information for purposes of administration.

SECTION 18. Confidentiality

1. Except as provided in this measure or otherwise required by law, it is unlawful for the Chief Financial Officer, or any elected official, employee, or agent of Metro, or for any person who has acquired information pursuant to this measure to divulge, release, or make known in any manner any financial information or social security numbers submitted or disclosed to Metro under the provisions of this measure and any applicable administrative rules.
2. Nothing in this section prohibits the disclosure of general statistics in a form that would prevent the identification of financial information or social security numbers regarding an individual taxpayer.

SECTION 19. Examination of Books, Records or Persons

The Chief Operating Officer or its designee may examine any books, papers, records, or memoranda, including state and federal income tax returns, to ascertain the correctness of any tax return or to make an estimate of any tax. The Chief Operating Officer or its designee has the authority, after notice, to require verification of taxpayer information in order to carry out the provisions of this measure.

SECTION 20. Conformity to State Laws

1. For the personal income tax, it is Metro's policy to follow the state of Oregon laws and regulations adopted by the Department of Revenue relating to personal income tax. The Supportive Housing Services Revenue will be construed in conformity with laws and regulations imposing taxes on or measured by net income.
2. For the business profits tax, it is Metro's policy to utilize, as guidance, the Multnomah County Business Income Tax rules and procedures.
3. If a question arises regarding the tax on which this measure is silent, the Chief Operating Officer may look to state law for guidance in resolving the question, provided that the determination under state law is not in conflict with any provision of this measure or the state law is otherwise inapplicable.

SECTION 21. Tax as a Debt; Collection Authority

1. The tax imposed by this measure, as well as any penalties and interest, becomes a personal debt due to Metro at the time such liability for the tax is incurred.
2. Metro is authorized to collect any deficient taxes, interest and penalties owed. This includes initiating and defending any civil actions and other legal proceedings.

FURTHER IMPLEMENTATION

SECTION 22. Administrative Rules

The Chief Operating Officer or designee may adopt administrative rules, forms, guides and policies to further implement the provisions of this measure. Any rule adopted by the Chief Operating Officer has the same force and effect as any Metro Code provision. In adopting administrative rules, the Chief Operating Officer or designee may seek guidance from the Oregon Department of Revenue's rules and procedures and Multnomah County's business income tax's rules and procedures.

SECTION 23. Tri-County Planning

1. Metro will annually allocate a portion of resources from its administrative costs to provide the staffing and logistical support to convene and maintain a tri-county homeless services planning body. This body will develop and implement a tri-county initiative that will be responsible for identifying regional goals, strategies, and outcome metrics related to addressing homelessness in the region.
2. The counties must present to the regional services oversight committee for its approval a proposal to implement the tri-county planning requirement.
3. Each county must annually contribute no less than five percent of each of the counties' share of the Supportive Housing Services Revenue to a regional strategy implementation fund.
4. The proposed governance structure of the tri-county planning body must be inclusive of people representing at least the perspectives required in Section 6(4).
5. Within one year of the adoption of the tri-county initiative plan, and as needed thereafter, each county will bring forward amendments to its Local Implementation Plan that incorporate relevant regional goals, strategies, and outcomes measures.

DEFINITIONS

SECTION 24. Definitions

For the purpose of this measure, the terms used are defined as provided in this section unless the context requires otherwise.

Nonresident means an individual who is not a resident within the Metro jurisdictional boundary.

Person means, but is not limited to an individual, a natural person, proprietorship, partnership, limited partnership, family limited partnerships, joint venture (including tenants-in-common arrangements), association, cooperative, trust, estate, corporation, personal holding company, limited liability company, limited liability partnership or any other form of organization for doing business.

Resident means a taxpayer domiciled within the Metro jurisdictional boundary for any portion of the taxable year.

Supportive Housing Services means homeless prevention, support services and rent assistance that stabilize people experiencing homelessness and housing instability, including those specific services described in Section 4.

Supportive Housing Services Revenue means all funds received from the taxes imposed by Section 10.

Tax Year means the taxable year of a person for federal or state income tax purposes.

Taxpayer means any natural person, or married couple or head of household filing a joint return, whose income in whole or in part is subject to the tax imposed by this measure.

SECTION 25. Severability

If a court of competent jurisdiction finds any part, section or provision of this measure to be unconstitutional, illegal or invalid, that finding affects only that part, section or provision of the measure and the remaining parts, sections or provisions remain in full force and effect.

**IN CONSIDERATION OF ORDINANCE NO. 20-1442, FOR THE PURPOSE OF SEEKING
VOTER APPROVAL OF A PERSONAL INCOME TAX AND BUSINESS PROFITS TAX FOR
SUPPORTIVE HOUSING SERVICES**

Date: February 24, 2020
Department: Planning and Development
Meeting Date: February 25, 2020

Presenter(s): Elissa Gertler
Jes Larson
Andy Shaw
Paul Slyman

ISSUE STATEMENT

The greater Portland region is facing a severe housing affordability and homelessness crisis, which endangers the health and safety of thousands of our unhoused neighbors. Homelessness is a deeply traumatic and dehumanizing experience that no person should have to endure, regardless of their circumstances.

Tens of thousands of households in our region need supportive housing services, and thousands more need housing assistance, according to the February 2020 ECONorthwest report entitled "Potential Sources and Uses of Revenue to Address the Region's Homeless Crisis." This crisis impacts us all and requires collective and individual action from every person, business, elected official, and resident that calls the region home.

Unfortunately, the resources and services do not yet match the scope of the crisis, and only will if additional revenue and resources are made available. Metro staff are presenting to council a measure to help bridge this funding gap.

BACKGROUND

Acknowledging that we cannot wait any longer to address this crisis, HereTogether, a 501(c)(3) non-profit corporation, has conducted outreach and conversations to develop a regional homeless and housing services measure over the past two years.

HereTogether has brought the Portland region together, uniting service providers, business leaders, government officials, advocates and members of the community. This effort has resulted in a region-wide effort to address homelessness that targets the roots of the problem and matches solutions with the scale and scope of the crisis.

HereTogether's work culminated in an October 2019 Regional Policy Framework. Metro was one of many governments in our region to sign on to this framework.

In addition to HereTogether's Policy and Governance Frameworks, resources that inform the understanding of the region's need for a response to homelessness and programmatic strategies that can scale to meet this need include:

- CSH: Tri-County Permanent Supportive Housing report, 2018
- Portland State University: Homelessness Research and Action Collaborative report, 2019
- EcoNorthwest: Homelessness Costs and Revenues report, 2020
- EcoNorthwest: Revenue Estimates Memo to Metro, 2020

Furthermore, as the Metro Council considers the referral of a regional ballot measure to provide funding for Supportive Housing Services, the Planning and Development Department presented a memo on supportive housing programs at the February 13, 2020 Council Work Session. This memo included current capacity for supportive housing in the region, demonstration of a regional need for further investment, and potential outcomes of additional investments through the measure. This memo also outlined potential action steps towards implementation in partnership with jurisdictional and community partners, should Metro Council decide to refer the measure, and voters subsequently approve the measure.

Revenue estimates from EcoNorthwest show the revenue-raising potential of two tax structures that in combination could raise approximately \$250 million if imposed in 2020:

1. A marginal personal income tax of 1.0 percent on all Oregon taxable income above \$125,000 (single, separate, head-of-household filers) or above \$200,000 (joint filers). The tax would apply to residents of the Metro region and to taxable income derived from sources in the region.
2. A business profits tax of 1.0 percent on the net income in the Metro region of businesses with at least \$5 million in gross income anywhere.

EcoNorthwest estimates that the personal income tax could raise approximately \$169 million from 2020 income. They estimate that the business profits tax could raise approximately \$79 million from 2020 net income.

For the personal income tax, it is Metro's policy to follow the state of Oregon laws and regulations adopted by the Department of Revenue relating to personal income tax. For the Business Profits tax, it is Metro's policy, to utilize, as guidance, the Multnomah County Business Income Tax rules and procedures.

PUBLIC INPUT

Metro Council conducted community conversations in Washington, Clackamas and Multnomah counties February 10, 11, 12 respectively. These conversations were collectively attended by approximately 400 members of the public, local elected officials, and people involved in provision of housing and homeless services. Metro Council also conducted a public hearing in Council Chambers on February 13 with over 50 individuals

providing testimony. Council also received written testimony addressing this topic; this testimony has been added to the record as part of the February 13 public hearing packet. Additional testimony received prior to consideration will be added to the record as part of the February 25 council meeting packet.

Metro Council heard a variety of input at these public forums. Community members want to see a program that can help permanently address homelessness in the region. Community members also want to know details about the revenue sources for provision of such services. There were strong comments about the need for accountability and ensuring that the public understands the return for its investment. And overall, Metro Council heard widespread support for solutions with an ongoing desire for more details.

KNOWN OPPOSITION

Metro received feedback from the Cascade Policy Institute that this measure is beyond the scope of Metro's original mission. Others argued that the high earner income tax would prompt people to move to Clark County, Washington. However, Census data indicates that after the 2008 passage of Measures 66 and 67 in Oregon, which raised income taxes on high earners, Clark County experienced the slowest growth of high-income earners in the 4-county area.

LEGAL ANTECEDENT

Generally, adoption of an ordinance requires consideration at two meetings prior to adoption, as well as other requirements. However, with unanimous consent, the Metro Charter and Metro Code allow the Council to immediately adopt an ordinance (without two meetings). In such cases, the Council must make findings on the need for immediate action.

Staff recommends immediate adoption for Ordinance No. 20-1442. As described in the ordinance, and in testimony and reports received by staff and Council, the region is facing a housing and homeless crisis. If Metro desires to seek voter approval of a personal income tax and business profits tax to fund supportive housing services, the filing deadline for the May 2020 ballot is February 28, 2020, and thus requires immediate action.



Metro

Supportive housing services

Potential 2020 ballot measure

Overview

- **Community engagement**
- **Measure elements**
- **Supportive housing services**
- **Planning for implementation**

Timeline

Feb. 4 – Work session

Feb. 10 – Washington County forum, Beaverton

Feb. 11 – Clackamas County forum, Milwaukie

Feb. 12 – Multnomah Co. forum, Gresham

Feb. 13 – Public hearing at Metro

Feb. 18 – Work session

Feb. 25 – Metro Council Vote



Community engagement

Feb. 10 –
Washington County
forum in Beaverton

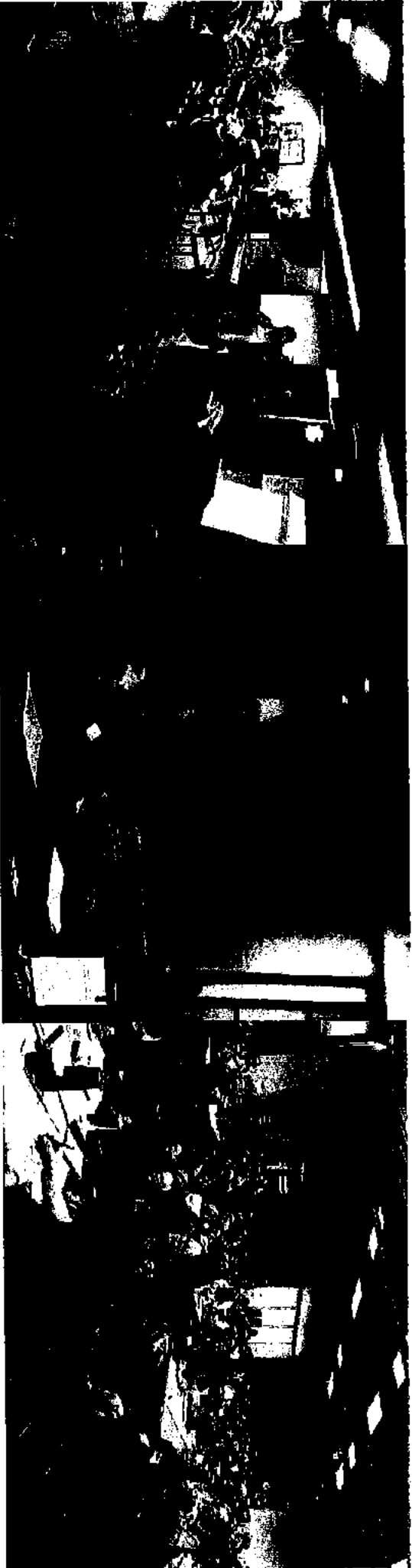
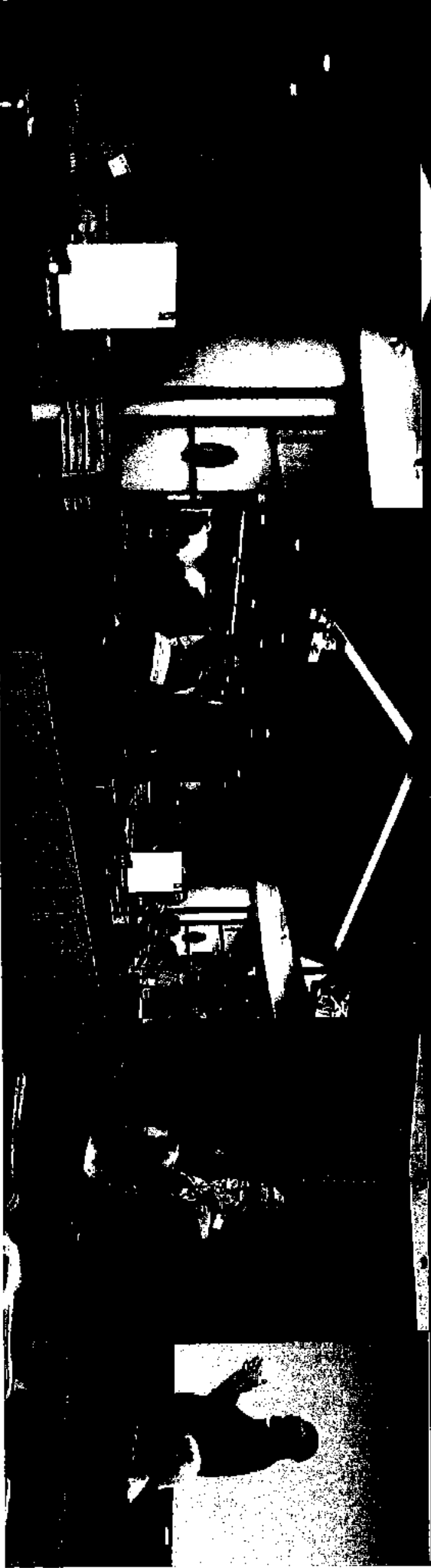
Feb. 11 –
Clackamas County
forum in Milwaukie

Feb. 12 –
Multnomah County
forum in Gresham

Feb. 13 – Public
hearing at Metro



What we heard



Proposed revenue mechanisms

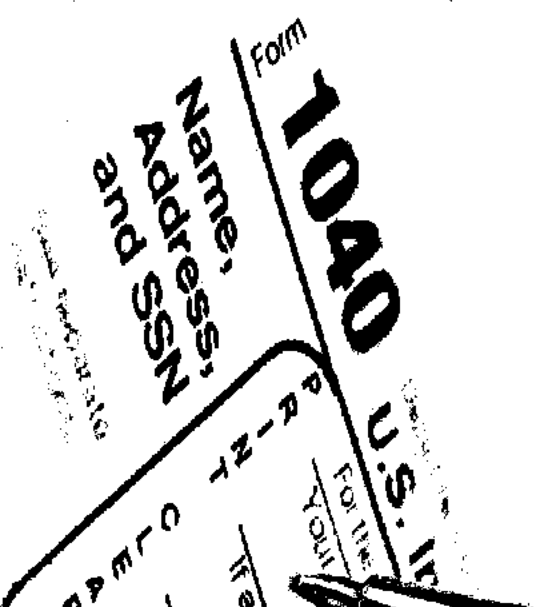
1% High-Earner Marginal Income Tax

- Income earned within Metro region above \$200k / \$125k (single/joint)

- **Raises approx. \$169 million/year**

1% Business Profits Tax

- Net income of businesses with gross receipts of more than \$5 million
- **Raises approx. \$79 million/year**



Governance

- **Community oversight committee**
- **Local implementation plans**
- **Tri-county planning initiative**



Distribution of resources

Population-based distribution:

- Multnomah County: 45.33%
- Washington County: 33.33%
- Clackamas County: 21.33%

Up to 5% to Metro for
oversight & administration



Accountability

Performance and
finance audits

Annual review of
cost of collection
and administration

Voter approval
required after 10
years



Homelessness across our region

Point-In-Time count	5,711 people experiencing homelessness
Student homelessness	7,134 students (K-12) experiencing homelessness
Chronic or prolonged homelessness	as many as 4,935 households
At risk of prolonged homelessness	as many as 17,500 households
Severely rent burdened	as many as 56,000 households

Supportive Housing Services

- Case management
- Rent assistance
- Addiction and recovery services
- Mental healthcare
- Employment support
- And more as needed



Prioritizing communities in need

- People with disabilities experiencing prolonged homelessness
- People at risk of homelessness
- Communities of color



Supportive Housing Services Implementation

PROGRAM

Implementation and Community Partner Coordination

Conduct Community Engagement to Inform Plan Development

Develop Regional Work Plan and Local Implementation Plans

Revenue Collection Scoping and System Development

REVENUE

Appoint and Convene Oversight Committee

OVERSIGHT

Develop Agency Capacity for Oversight, Accountability and Tri-County Coordination

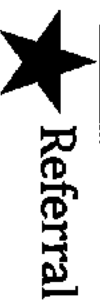
Complete Intergovernmental Agreements

SYSTEMS

Today

May 19, 2020

Summer 2021



Referral



Election



Begin Program
Implementation



Metro

Arts and conference centers
Garbage and recycling
Land and transportation
Oregon Zoo
Parks and nature

oregonmetro.gov

EXHIBIT 3

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF RECOGNIZING THE) RESOLUTION NO. 20-5085
HERETOGETHER FRAMEWORK FOR)
SUPPORTIVE HOUSING SERVICES AND) Introduced by the Metro Council
DIRECTING THE DEVELOPMENT OF A)
WORK PLAN)

WHEREAS, the greater Portland region is facing a severe housing affordability and homelessness crisis, which endangers the health and safety of thousands of our unhoused neighbors. Homelessness is a deeply traumatic and dehumanizing experience that no person should have to endure, regardless of their circumstances; and

WHEREAS, tens of thousands of households in the greater Portland region need supportive housing services, and thousands more need housing assistance, according to the February 2020 ECONorthwest report entitled "Potential Sources and Uses of Revenue to Address the Region's Homeless Crisis"; and

WHEREAS, communities of color have been directly impacted by a long list of systemic inequities and discriminatory policies that have caused higher rates of housing instability and homelessness among people of color and they are disproportionately represented in the housing affordability and homelessness crisis; and

WHEREAS, the housing affordability and homelessness crisis in the greater Portland region impacts us all and requires collective and individual action from every person, business, elected official, and resident that calls the region home; and

WHEREAS, a safe, affordable home is the cornerstone on which all other success is built, and the stable foundation all members of our community need to thrive; and

WHEREAS, the homelessness crisis is an issue of scale and services do not yet match the scope of the crisis; and

WHEREAS, a broad coalition of service providers, business leaders, elected officials, and advocates have come together as HereTogether over the course of the last two years to identify the needs, develop strategies, engage communities, and build regional consensus, which led to the development of a "Regional Policy Framework" and a "Governance Framework"; and

WHEREAS, the Regional Policy Framework presents a vision of services and investments to address homelessness and housing instability; and

WHEREAS, the Regional Policy Framework presents a strategy for providing homeless and support services to achieve housing stability; and

WHEREAS, Metro recognizes the community outreach and collaboration by HereTogether to build a broad coalition of service providers, business and philanthropic representatives, and community members; and

WHEREAS, the Governance Framework represents broad agreement among these coalition partners about the goals, purposes, and outcomes for implementation of the supportive housing services ballot measure; and

WHEREAS, continued regional collaboration with the broad coalition convened by HereTogether, as well as local governments and service providers, is necessary to implement the strategies and achieve the goals and strategies; now therefore,

BE IT RESOLVED:

- 1. That the Metro Council directs staff to use the Regional Policy Framework, attached as Exhibit A, and the Governance Framework, attached as Exhibit B, for further planning and implementation with Metro, local governments, service providers and other implementers, and the community, and to report on a regular basis to the Metro Council on progress made toward the development of a Supportive Housing Services work plan.**
- 2. That the Metro Council commits to open, inclusive, and transparent community engagement in the development of the work plan and implementation of the measure, including ongoing consultation and coordination with service providers, HereTogether and jurisdictional partners.**

ADOPTED by the Metro Council this _____ day of February 2020.

Lynn Peterson, Council President

Approved as to Form:

Carrie MacLaren, Metro Attorney



Regional Policy Framework: Funding Priorities

Introduction

The HereTogether Coalition is pursuing a dedicated source of funding for homeless services and housing stability. The purpose of this document is to guide the creation, distribution, accountability, and oversight of supportive service funds we intend to be approved by voters at a future election.

We are guided by the belief that a safe, affordable home is the cornerstone on which all other success is built, and the stable foundation all members of our community need to thrive. We value a community where all of our neighbors have a safe, affordable place to call home, and recognize that the housing affordability and homelessness crisis in the Portland Metro region impacts all of us. This crisis requires collective and individual action from every person, business, elected official, and resident that calls the region home. We believe we can come together to fund solutions that match the scale and scope of the issue.

We recognize that communities of color have been directly impacted by a long list of systemic inequities and discriminatory policies that have caused higher rates of housing instability and homelessness among people of color. Communities of color are disproportionately represented in the housing affordability and homelessness crisis, thus our efforts emphasize the need to focus on equity.

We have come together as a coalition of business leaders, elected officials, service providers, advocates, faith communities, culturally-specific providers, and people with lived experience of homelessness and housing insecurity understanding that it will take all of us to meaningfully address the Portland Metro region's housing affordability and homeless crisis.

We understand that our housing affordability and homelessness crisis is an issue of scale because, as we know, our services do not yet match the scope of the crisis. We understand that thousands of our neighbors experiencing homelessness and extreme poverty want to improve their situations, but for lack of resources, in many cases, all they can do is get on long waiting lists. We want to ensure that supportive services are available when they can be most effective — not weeks or months in the future, but right away.

We believe we can maximize our region's historic, billion-dollar investment in sticks and bricks affordable housing construction and development by securing highly flexible funding to invest in proven, outcome-driven, client-centered solutions like case management, job training, addiction and recovery services, mental health support, rent assistance (both long- and short-term), homelessness prevention services, housing placement, and other tools people need to be successful.

While we anticipate the funds will be initially prioritized for those experiencing chronic homelessness, as well as those most at risk of losing their homes and entering chronic or long-term homelessness, we have kept our strategies broad with the hope that they can remain client-centered with a focus on equity. As our regional partners address and stabilize these populations with various housing options, we anticipate the funds will be reprioritized to support other populations affected by our housing affordability crisis from becoming homeless. In doing so, we believe those who have experienced chronic or sporadic homelessness, as well as our region's lowest-income residents who might be at risk of homelessness, will have the greatest opportunity to thrive in our community over the lifetime of the investment.

Our Unique Opportunity: Why we must act now

The Portland Metro region is facing a severe housing affordability and homelessness crisis, which endangers the health and safety of thousands of our unhoused neighbors. Homelessness is a deeply traumatic and dehumanizing experience that no person should have to endure, regardless of their circumstances. Many of our neighbors are one missed paycheck or one unexpected medical expense away from homelessness. Seniors, children, people of color, people who identify as LGBTQ+, women, persons with disabilities, youth exiting foster care, people with criminal records, victims of domestic violence, unaccompanied homeless youth, and people living with certain chronic health conditions are disproportionately represented in our homeless population and most at risk of chronic homelessness.

We know that homelessness and the need to house our neighbors is a top priority for residents of all three counties in the Portland Metropolitan area. Between 2016 and 2018 voters in the region overwhelmingly approved two affordable housing bonds worth nearly \$1 billion, which will add more than 5,300 permanently affordable homes to our region. We now have a unique opportunity to capitalize on those victories and our community's priorities to enact measurable improvement on the lives of low-income residents in our region, and livability for everyone, while ensuring that for every one person this funding moves off the street, two more will not end up in similar predicaments.

We are seeking funds that will take these bond investments in affordable housing to the next level. The Portland Metro region already has a strong network of community members, nonprofit agencies, government bureaus, and faith communities working together to find creative solutions that support our neighbors experiencing homelessness and extreme poverty. We are aiming to increase funding for their service-based work at a scale that matches the need evident on our streets and in our community, is client-focused, and helps people who have experienced homelessness successfully transition to housing and remain in their homes. We recognize that funding supportive services will not be enough, and that in order for programs to reach the populations they are designed to serve, we must fund experienced, trained, frontline outreach programs to actively intervene and actively connect people to services. We recognize that the crisis is immediate, but scaling up will take time and therefore immediate needs in terms of prevention and safety from the streets, including providing safe shelter and public health options, will need to be immediately available.

Caseworkers, nonprofit providers, government agencies, and faith communities help thousands of our neighbors experiencing homelessness get into housing every year, while helping thousands more remain stably housed. We have done this in spite of the federal government dramatically cutting funding for affordable housing and homelessness services. Research demonstrates that the longer someone is experiencing homelessness the harder it is for them to regain stability.

Our Approach

We propose alleviating people's homelessness in our community by:

- I. **Providing client-centered wraparound, highly flexible services, and creating genuine economic opportunity** for people who are currently experiencing homelessness and those populations most at risk of becoming homeless. These may include investing in a robust workforce of case managers who can help them navigate the existing systems and understand the services available to them, supporting with mental health and recovery services, providing rent assistance, helping those who are currently on the streets with street outreach programs that will transition people off the streets, job training, social security and benefits navigation and more.
- II. **Constantly striving to work together and improve our systems** by aligning our work, cultivating public, private, faith community, and nonprofit partnerships, and funding proven and innovative programs and services.
- III. **Transparency, Outcomes And Oversight:** We recognize that in order to earn and maintain community support, success will be based on critically recognized metrics that measure the results of the service provided and evidence that the communities disproportionately impacted are benefiting. We must establish a robust governance and oversight structure that is representative of diverse stakeholders, ensures that new revenue raised to fund these critical programs efficiently makes it to frontline service providers, is appropriately leveraged with existing service dollars, and is not used to replace existing funding. An official oversight entity must be legally empowered to track all revenue, evaluate program implementation, and take appropriate action to ensure outcomes match intentions. The regional oversight committee will have the power to approve or deny local implementation plans that do not meet this criteria. A new tax dedicated to these services will require periodic voter approval to be renewed.

**Please see our attached strategy document for more information.*

Our Desired Outcomes

We expect to reduce unsheltered and sheltered homeless populations by maximizing the potential of our region's new investments in affordable housing, to help those who are currently on the streets, and to help vulnerable residents succeed in remaining in their homes. To do this we will:

- Secure the stable, ongoing revenue necessary to reduce homelessness across our region, and prevent people from becoming homeless. The revenue mechanism should match the scale of the problem and should be flexible enough to meet the needs of individual people, and the changing realities of homelessness and poverty in our region so we can respond to needs for years to come.
- As our transitional housing and affordable housing stock expands, neighbors experiencing chronic homelessness are successfully, permanently housed because they received the help they needed. This will be tracked using annual research including the HUD Point in Time Count.
- Use additional funds secured to fully realize the value of existing capital construction dollars, and existing service investments across the community. We need region-wide systems to assess, inventory and integrate existing efforts while investing in proven solutions that combat chronic homelessness. We believe regional collaboration and innovation between local governments, culturally responsive and client-centered service providers, the faith community, nonprofits, and community-based organizations is a key way to measure our success and make an impact.
- Ensure that we are lowering the number of individuals experiencing long-term and new homelessness to prevent a net-negative effect. We must minimize the chance that people become homeless and minimize the amount of time they spend doubled up, couch surfing or on the streets if they do.
- Services should be client-centered, culturally-responsive, with demonstrated commitment to prioritizing equity with a focus on leading with race in service provision and outcomes.
- Grow and strengthen availability of services that promote education and access to justice for those most at risk of losing their homes.
- Once the funds are successfully secured, community-based oversight will oversee implementation of the principles outlined in this document.

Our Guiding Principles

- **Focus on equity and lead with race.** People in communities disproportionately impacted by homelessness must have a leadership role in shaping programs and services. In addition, we must improve outcomes through targeted investments and by expanding culturally specific and responsive services in all counties. When we directly address the barriers people of color face, we also remove barriers from other disadvantaged groups and create solutions that work for everyone. Leading with race begins the reversal of a long list of systems and policies that have caused disproportionate rates of housing instability and homelessness among people of color, including exclusionary zoning laws, overcharging for housing, disproportionate rates of evictions, fewer opportunities for home-ownership, gentrification, and persistent, significant disparities in economic opportunity.
- **In order to prioritize equitable outcomes,** we expect a robust racial equity lens, will be employed that outlines expected results, data collection and analysis, community engagement,

targeted strategies and approaches, implementation and accountability. County level oversight and planning boards shall adopt a racial equity plan to guide their work.

- We know that the only way to truly end homelessness is to make sure people are housed. Thus, funds raised from this measure will **prioritize getting people permanently housed.**
- Homelessness is a multi-dimensional problem which necessitates active, sustained **region-wide collaboration** among counties, cities, other public agencies, nonprofit, business and community partners.
- We will be **transparent** in our motives, work collectively to solve issues, and share our successes.
- Understanding that people who are homeless are experts in their own experience, we will **center their perspectives** and experiences whenever possible.
- We will be **provider-informed** in developing and adopting strategies for reducing homelessness using client-centered approaches and culturally responsive support.
- **Efficient and measurable outcomes.** We will require defined outcomes based on broadly recognized public metrics that measure the number of people currently experiencing homelessness in the region. This transparency and accountability is vital to maintain the long term support of voters and the community.
- We will **stay accountable to long-term impact** by requiring and supporting innovative and evidence-based programs and services with concurrent data analysis to evaluate progress toward stated goals, prioritizing equity, aligning systems and processes that ensure public accountability, and ensuring ongoing communication and feedback from individuals served to maximize the effectiveness of service delivery.

 **HERETOGETHER**
STRATEGY

Provide client-centered wraparound, highly flexible services, and genuine economic opportunity

A. Expand case management and outreach services by:

1. Prioritizing permanent supportive housing services.
2. Expanding professionally trained, culturally appropriate street outreach programs to actively connect people who are chronically homeless with services and housing.
3. Expanding access to culturally responsive and appropriate service providers in all counties.
4. Increasing flexible funding streams to help people transition out of homelessness.
5. Address the immediate crisis at hand by helping those who are currently on the streets with outreach and basic survival support designed to help them move into housing and support services.
6. Use best practices, including assertive engagement, along with emerging research to place client need and experience at the center of solutions.

B. Expand clinical services by:

1. Improving access to behavioral health: mental health services and interventions, and addiction services to support people in crisis and people in recovery.
2. Expanding access to services and interventions for people with physical impairments and disabilities.

C. Increase access to income opportunities including:

1. Financial literacy, employment, job training and retention, education, peer support services and workplace supports.
2. Assisting individuals to access veterans benefits, Social Security, disability income, and other benefits.

D. Homeless prevention to include:

1. Rent assistance, displacement, eviction prevention services, education and legal services among other programs, for those most at risk of becoming homeless to prevent a net-negative effect, ensuring people can remain successfully housed.
2. Prevention services tailored to rural households.

- E Expand access to housing placements that are affordable and culturally appropriate to our community's most vulnerable, including:**
1. Maximize federal, state, and local housing programs and subsidies that meet the needs of individuals where they are.
 2. Shelters, bridge/transitional housing placements, including for people exiting institutions, foster care, etc. so unsheltered homeless individuals are provided the option to sleep indoors.
 3. Long-term housing subsidies for the elderly, those disproportionately at-risk of long-term homelessness, youth and people with disabilities.

Constantly strive to work together and improve our systems

- F. Improve systems coordination, state, and regional alignment by:**
1. Incentivizing regional coordination efforts, including data collection, and use metrics that measure the size of the region's sheltered and unsheltered homeless population.
 2. Maximizing resources by leveraging existing local, state and federal service dollars and other investments and coordinate with other services (Medicaid, hospitals, jails, child welfare, aging services, etc.).
 3. Encouraging innovation and collaboration with nonprofit, business, faith communities, government agencies, etc.

Transparency, outcomes and oversight

- G. Be transparent, outcome-driven and allow for strong community oversight of the funds, program implementation and evaluation of outcomes.**
1. Align systems and processes to ensure public accountability through data analysis and program evaluation and ongoing communication and feedback from individuals served to maximize the effectiveness of service delivery.
 2. Use incentives, including matching or challenge grants and funding and other strategies, to ensure that existing community investments are increased and not reduced.
 3. Employ a racial equity lens to prioritize equitable outcomes for communities that are overrepresented in our homeless population, are most-at-risk of chronic homelessness, and/or have been historically marginalized.



Governance Framework--Final

Amendments, edits and final agreements approved by HereTogether Advisory Committee

February 21, 2020

1) Regional Oversight

- a) Expand scope of existing Metro Housing Bond Oversight committee, or use it as a model to create new committee to oversee homeless services.
- b) Expansion of existing oversight committee or creation of a new committee includes:
 - I) **Composition and membership of Regional Services Oversight Committee:**
 - 1) **Convener of body:** Metro
 - 2) **Purpose of body:** Monitor the ongoing implementation of the Regional Services Initiative by the counties on behalf of Metro, the county boards and the public.
 - 3) **Selection of members**
 - (a) *To be finalized by ballot drafting sub-committee.*
 - 4) **Membership number and composition**
 - (a) Total of 18 members, 15 voting members, 3 ex-officio
 - (b) Metro must ensure that appointments achieve the following representation:
 - (i) Voting membership must comprise 50% people of color.
 - (ii) Have demonstrated experience in overseeing, providing or administering services as defined in Section 7.
 - (iii) Have lived experience of homelessness or severe housing instability.
 - (iv) Have experience in the development and implementation of supportive housing and other services including behavioral health, designed to serve the priority population.
 - (v) Have experience in the delivery of culturally specific services.

- (vi) Represent the private for-profit sector.
- (vii) Represent the philanthropic sector.
- (viii) Represent communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community, people with disabilities, and other underserved and/or marginalized communities.
- (ix) Representative from continuum of care.
- (x) Representatives from each county's commission will serve as ex-officio members.

5) Considerations for Convener

- (a) One person may represent more than one of the required perspectives.
- (b) Counties should ensure geographic representation from within the Metro boundaries of each of the respective counties.
- (c) Provide stipends or other resources to support member participation.
- (d) Metro may contract with an independent 501(c)3, housing authority, or other government agency for staffing and research support.
- (e) New or existing committees may be used to achieve this.

6) Responsibilities of Regional Oversight Committee

- (a) Review Local Implementation Plans, both the initial plan and all amended plans, for consistency with the commitments made to voters in the Regional Services Initiative, and recommend to Metro council for adoption, adoption with amendments, or rejection.
- (b) Accept and review annual reports from each county for consistency with approved Local Implementation Plans (LIS) and present results to Metro Council and county boards annually.
Current reporting models that address the LIS plan and results will meet this requirement.

- 7) Staffing and resources:** Metro shall provide staffing and resources to support community engagement and facilitate equitable participation by community members, CBOs and others.

2) Local Planning & Implementation

- a) Each county will be responsible for developing and periodically updating a Local Implementation Plan that documents the uses of Regional Services Initiative funds and

how these uses align with the commitments made to voters in the Regional Services Initiative.

b) Requirements for developing and updating Local Implementation Plan:

i) Each county shall use a locally convened body that includes a broad array of stakeholders, to develop its Local Implementation Plan. It may convene a new committee or use a standing committee (if the standing committee can demonstrate a track record of achieving equitable outcomes in service provisions to regional oversight committee), provided that the committee responsible for drafting the Local Implementation Plan must:

- 1) Use a racial equity lens to design and implement its decision making process and to develop the content of the Local Implementation Plan.
- 2) Use the best available quantitative and qualitative data to develop the content of the Local Implementation Plan.
- 3) Develop, implement, and use the results of a comprehensive community engagement process that prioritizes the voices of people with lived experience and from communities of color to develop the content of the Local Implementation Plan.
- 4) Include as members of the committee:
 - (a) People with lived experience of homelessness and/or extreme poverty.
 - (b) People from communities of color and other marginalized communities.
 - (c) Culturally responsive and culturally specific service providers
 - (d) Elected officials, or their representatives, from the county and any CDBG cities.
 - (e) Representatives from the business, faith, and philanthropic sectors.
 - (f) Representatives of the county/city agencies responsible for implementing homelessness and housing services, and that routinely engage with the unsheltered population.
 - (g) Representatives from health and behavioral health who have expertise serving those with health conditions, mental health and/or substance use disorder from culturally responsive & culturally specific service providers.

c) Process for approving local implementation plan:

- i) Each county shall develop and present their initial Local Implementation Plan to the Regional Services Oversight Committee for its review, comment and recommendation.
- ii) Following the Regional Services Oversight Committee's review and

recommendation, each county's Local Implementation Plan must be approved by Metro and that County's Board.

d) Each County's Local Implementation Plan must demonstrate the following:

- i) Geographic Equity:** A commitment to and a strategy to ensure that services funded through the Regional Services Initiative are equitably geographically distributed throughout each county.
- ii) Community Engagement:** A demonstration that the Local Implementation Plan was created by a committee, and through a process, that meets the requirements of 2) b) i).
- iii) Racial Equity:** A thorough racial equity analysis and strategy that includes: (1) an analysis of the racial disparities within the homeless population in county and the Priority Service Population (see Section 6) in particular; (2) disparities in access and outcomes within the county's current services for the homeless population and the Priority Service Population in particular; (3) clearly defined service strategies and resource allocations intended to remedy existing disparities and ensure equitable access to Regional Services Initiative funds; and (4) an articulation of how perspectives of communities of color/culturally specific groups were considered/incorporated.
- iv) Needs/Gaps Analysis:** A review of current system investments/capacity benefitting the priority population, an analysis of the nature and extent of gaps in services to meet the needs of the priority population, broken down by service type, household types, and demographic groups. Each County's gaps analysis should include an inflow analysis that identifies likely inflow of people in the priority population based upon a review of data related to who are in jails, adult care facilities, hospitals, etc., as well as an assessment of people who meet the extremely low income and disabled definition who are still in housing, and those who are rent-burdened in excess of 50%. Existing data and reports may be used.
- v) Services & Service Delivery:** A description of the planned investments of Regional Services Initiative funds that will speed access to permanent housing (e.g. housing first) through services that include: (1) the types of services that will be invested in (e.g. outreach, shelter, supportive housing, transitional housing, prevention), and how these proposed investments align with need/gaps analysis in v (above); (2) the scale of the investments proposed in (1) and how these address the needs/gaps identified in v (above); (3) the outcomes anticipated by the investments identified in (1) and (2) (this section); and (4) the service delivery models/best practices that will be used in each service area to ensure the best and most equitable outcomes from the expenditure of Regional Services Initiative funds.
- vi) Outcome Tracking, Reporting & Evaluation:** Each county shall propose in the Local Implementation Plan how it will track outcomes from Regional Services Initiative funded services, a plan for reporting those outcomes (no less often than annually), and a plan for the evaluation of Regional Services Initiative funded services and programs.

- vii) **Procurement:** Each county's Local Implementation Plan must include a description of how Regional Services Initiative funds will be allocated to public and non-profit service providers. It is expected that counties will use their established procurement processes for public funds to ensure funds are made available through transparent and accountable processes.
 - viii) **Prohibition on displacement of funds:** For the purposes of ensuring augmentation of existing investments in homeless services, counties shall annually confirm to the Regional Services Oversight Committee, either in the progress report set out in 3) a) or separately, that they have conducted the review required in their local implementation plans and that regional services initiative funds were not used to offset reductions in county general fund investments in homeless services. Increases or decreases in municipal investments in homeless services within the Metro UGB will be noted. In the event that a county has identified an extreme circumstance that necessitates displacement of funds to remedy (e.g. recession, natural disaster, force majeure), the county shall request an emergency review of their local implementation plans and any amendments.
- e) **Reporting:** Each county shall provide a report annually on its progress under the local implementation plan to the regional services oversight committee that will include a discussion of progress towards outcomes in each of the service areas identified in the local implementation plan and a separate analysis of progress toward the implementation of the county's racial equity strategy, as set out in d) iv). Reports will also include municipal investments from cities within the Metro UGB who have either increased or decreased contributions to homeless services for the priority population. Existing reports may be used.
 - f) **Process for changing local implementation plans:** A county wishing to use Regional Services Initiative funds in a manner that substantially deviates from what is contemplated in the original Local Implementation Plan, either because it wishes to change its strategies or service delivery for the priority population, or because it wishes to begin serving people at risk of or experiencing homelessness who are not in the priority population, shall follow procedures outlined in Section 2.

3) Local Accountability

- a) **Progress Reporting:** Following the approved Local Implementation Plan outcome, reporting, and evaluation plan, each county shall provide a report on the uses and outcomes achieved with Regional Services Initiative funds to the Regional Services Oversight Committee and the public at least annually. The Regional Services Oversight Committee shall hold a public forum(s) to share and receive public feedback on the annual county progress reports.
- b) Counties shall annually confirm to the Regional Services Oversight Committee, either in the progress report set out in 3)a) or separately, that they have conducted the review

required in their Local Implementation Plans and that Regional Services Initiative funds were not used to offset reductions in county general fund investments, or existing municipal investments within the Metro boundary, in the Regional Services Initiative authorized services provided to the priority population.

4) Local Administrative Expenses

- a) Local government administrative costs will be limited to 5% over 10 years.
- b) Metro administrative expenses must not exceed 5% of the RSI.
- c) Administrative costs do not include costs directly associated with program and service delivery.

5) Funding Allocation

Funds distributed according to the county they are collected in (i.e. money collected in Clackamas County is returned to Clackamas County).

6) Funding Priorities/Priority Service Population(s)

Summary: The following would place the highest priority for RSI on addressing the growing number of people of color and members of other historically marginalized communities who are struggling with disabling conditions, extremely low-incomes, and are experiencing long-term street and shelter homelessness. If they are currently doubled up, they are presumed to be imminently at risk of "literal homelessness" and thus in the first priority category. After that, priority is given to addressing the housing and support service needs of all who have disabling conditions, extremely low-incomes and are experiencing, or are at imminent risk of long-term street and shelter homelessness. In both of these cases, being doubled up involuntarily suffices to demonstrate an imminent risk of literal homelessness. Once the needs of these populations are met, remaining funds are prioritized to people of color and members of other historically marginalized communities who are experiencing any form of homelessness, including being doubled up, or who are at substantial risk of becoming homeless by virtue of their low income and substantial rent burden or other circumstances.

- (a) Regional Services Initiative (RSI) funds shall first prioritize the provision of housing and services for people of color, and members of other historically marginalized communities, who have extremely low-incomes and one or more disabling conditions and: (a) are experiencing long-term or frequent episodes of literal homelessness, or (b) are at imminent risk of experiencing long-term or frequent episodes of literal homelessness. Meeting this need shall include investments in long-term rental assistance and culturally specific supportive housing services scaled to meet the needs of this population.

(b) Regional Services Initiative funds remaining upon satisfying (a) shall prioritize the provision of housing and support services to address the needs of persons who have extremely low-incomes and one or more disabling conditions and who: (a) are experiencing long-term or frequent episodes of literal homelessness, or (b) are at imminent risk of experiencing long-term or frequent episodes of literal homelessness. RSI funds shall be used to scale rental assistance and culturally responsive and culturally specific wrap around support services to the level necessary to meet the needs of this population.

75% of Regional Services Initiative Funds will be devoted to sections (a) and (b).

(c) RSI funds available upon satisfying (a) and (b) shall prioritize rental assistance and support services for people who are experiencing homelessness, by virtue of being very low income and extremely rent-burdened or other circumstances, or face a substantial risk of homelessness. Within this population, priority shall be given to people of color and members of other historically marginalized communities.

25% of Regional Services Initiative Funds will be devoted to section (c).

For purposes of paragraphs (a)-(c):

Extremely low income: a household earning less than 30% of AMI.

Very low income: a household earning less than 50% of AMI.

Extremely rent burdened: paying 50% or more of income toward rent and utilities.

Literal homelessness: as defined by HUD (unsheltered, in emergency shelter or transitional housing, or living in a place not meant for human habitation).

Homelessness: as defined by the U.S. Department of Education:

Imminent risk of literal homelessness: any circumstance, including being involuntarily doubled up, someone exiting an institution (including but not limited to exiting incarceration or foster care), fleeing a domestic violence or abuse situation, that provides clear evidence that a person will become literally homeless but for the investment of RSI funds.

Substantial risk of homelessness: a circumstance that exists if a household is very low income and extremely rent burdened, or any other circumstance that would make it more likely than not that without support through RSI the household would find themselves literally homeless or living involuntarily doubled-up.

7) Services

Provide client-centered wraparound, highly flexible services, and genuine economic opportunity.

- a) Expand case management and outreach services by:**
 - i) Prioritizing permanent supportive housing services.
 - ii) Expanding professionally trained, culturally appropriate street outreach programs to actively connect people who are chronically homeless with services and housing.
 - iii) Expanding access to culturally responsive and appropriate service providers in all counties.
 - iv) Increasing flexible funding streams to help people transition out of homelessness.
 - v) Address the immediate crisis at hand by helping those who are currently on the streets with outreach and basic survival support designed to help them move into housing and support services.
 - vi) Use best practices, including assertive engagement, along with emerging research to place client need and experience at the center of solutions.

- b) Expand clinical services by:**
 - i) Improving access to behavioral health: mental health services and interventions, and addiction services to support people in crisis and people in recovery.
 - ii) Expanding access to services and interventions for people with physical impairments and disabilities.

- c) Increase access to income opportunities including:**
 - i) Financial literacy, employment, job training and retention, education, peer support services, and workplace supports.
 - ii) Assisting individuals to access veterans benefits, Social Security, disability income, and other benefits.

- d) Homeless prevention to include:**
 - i) Rent assistance, displacement, eviction prevention services, education and legal services among other programs, for those most at risk of becoming homeless to prevent a net-negative effect, ensuring people can remain successfully housed.
 - ii) Prevention services tailored to rural households.

- e) Expand access to housing placements that are affordable and culturally appropriate to our community's most vulnerable, including:**
 - i) Maximize federal, state, and local housing programs and subsidies that meet the needs of individuals where they are.
 - ii) Shelters, bridge/transitional housing placements, including for people exiting institutions, foster care, etc., so unsheltered homeless individuals are provided the option to sleep indoors.

- iii) Long-term housing subsidies for the elderly, those disproportionately at-risk of long-term homelessness, youth and people with disabilities.

- f) **Improve systems coordination, state, and regional alignment by:**
 - i) Incentivizing regional coordination efforts, including data collection, and use metrics that measure the size of the region's sheltered and unsheltered homeless population.
 - ii) Maximizing resources by leveraging existing local, state and federal service dollars and other investments, and coordinating with other services (Medicaid, hospitals, jails, child welfare, aging services, etc.).
 - iii) Encouraging innovation and collaboration with nonprofit, business, faith communities, government agencies, etc.

- g) **Be transparent, outcome-driven and allow for strong community oversight of the funds, program implementation and evaluation of outcomes.**
 - i) Align systems and processes to ensure public accountability through data analysis and program evaluation and ongoing communication and feedback from individuals served to maximize the effectiveness of service delivery.
 - ii) Use incentives, including matching or challenge grants and funding and other strategies, to ensure that existing community investments are increased and not reduced.
 - iii) Employ a racial equity lens to prioritize equitable outcomes for communities that are overrepresented in our homeless population, are most-at-risk of chronic homelessness, and/or have been historically marginalized.

8) Revenue

- a) High earners income-tax up to 2% on Oregon taxable income starting at \$150K single-filers/\$300K joint-filers (includes people who reside or earn their money in the region).
- b) Requires voter renewal after 10 years of tax collection.

9) Racial Equity

- a) **Focus on equity and lead with race/center perspectives and experiences:**
 - i) Within other priorities already stated, employ a racial equity lens to plan development and implementation to prioritize equitable outcomes for communities that are overrepresented in our homeless population, are most-at-risk of long term homelessness, and/or have been underserved and/or marginalized and under-served due to lack of culturally specific and/or linguistic specific services.
 - ii) Meaningfully engage and make decisions with communities of color, Indigenous communities, people with low incomes, immigrants and

refugees, the LGBTQ+ community people with behavioral health disorders, people with disabilities, and other underserved and/or marginalized communities in identifying, prioritizing, planning, developing, selecting, and funding of projects.

- iii) Actively remove barriers for organizations and communities to ensure full participation by providing stipends, scheduling events at accessible times and locations, and other supportive engagement tactics.
- iv) Prioritize funding to providers who demonstrate a commitment and delivery to under-served and over-represented populations, with culturally specific and/or linguistic specific services, as well as those programs that have the lowest barriers to entry and actively reach out to communities often screened out of other programs.
- v) Use shared community values to set aspirational goals for investing in a robust and diverse workforce committed to achieving equitable outcomes among communities most impacted. These goals should include robust and fair compensation for service providers that considers the lived experience and expertise frontline services workers bring, while also celebrating their professionalism, dedication to the work, and recognizing the traumatic impact of front line work.

b) Ensure equity in outcomes:

- i) Demonstrate accountability for tracking outcomes and reporting impacts, particularly as they relate to communities of color, Indigenous communities, people with low incomes, LGBTQ+ community, and other underserved and/or marginalized communities.
- ii) Set measurable goals for advancing racial equity and identify metrics for monitoring outcomes:
 - 1) Establish meaningful and ongoing communication with community-based organizations to review metrics and methods used to evaluate program impact.
 - 2) Use evaluation as a tool to expand community engagement in the program, identify challenges and opportunities for further progress, improve program implementation to achieve identified outcomes, and celebrate accomplishments and successes.
 - 3) County reporting on LIS outcomes must include tracking outcomes and reporting impacts, particularly as they relate to communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community people with-behavioral health disorders, people with disabilities, and other underserved and/or marginalized communities.

c) Stay accountable to long term impact.

- i) Include strategies to prevent or mitigate displacement and/or

gentrification resulting from investments of resources made under this measure.

- ii) **Teach equity:** Provide ongoing/continuing education equity training opportunities that include anti-racist curricula for all project partners, including building owner and management staff, resident services staff, and partners that support residents.

10) Tri-County Planning Initiative

- a) Metro shall annually allocate a portion of resources from its share of their administrative cap to provide the staffing and logistical support to convene and maintain a tri-county homeless services planning body. This body is responsible for the development and implementation of a tri-county initiative that will be responsible for identifying regional goals, strategies, and outcome metrics related to addressing homelessness in the region.
- b) The counties shall present to the regional services oversight committee for its approval a proposal for the implementation of the tri-county initiative no later than 1 year after the adoption of the regional services initiative, May 2021.
- c) An annual allocation of no less than 5% of each of the counties' share of RSI funding shall be contributed by the counties to a regional strategy implementation fund.
- d) The regional strategy shall be approved by the RSI Oversight Committee.
- e) The proposed initiative governance structure must be inclusive of people representing at least the perspectives required in Section 1b4, including local electeds from each of the counties, except that elected leaders and government employees shall be full voting members.
- f) Within one year of the adoption of the tri-county initiative plan, and as needed thereafter, each county shall bring forward amendments to its Local Implementation Plan that incorporate relevant regional goals, strategies, and outcomes measures.

11) Ballot Drafting: Continuing Work

Metro shall continue to work with the body currently appointed as the HereTogether ballot drafting committee post-referral to develop a work plan and finalize details not included in the referral language.

EXHIBIT 4

Memo



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

To: Metro Council
From: Planning and Development Department
Date: February 18th, 2020
Memo: Potential Regional Supportive Housing Services Program Implementation

As the Metro Council considers the referral of a regional ballot measure to provide funding for Supportive Housing Services, the Planning and Development Department has prepared this brief outline on supportive housing programs and current capacity in the region, demonstration of a regional need for further investment, and potential outcomes of additional investments through the measure.

1. Supportive Housing Services:

Supportive Housing is a widely demonstrated program that effectively ends homelessness for individuals who have experience prolonged and repeated homelessness due to complex medical needs including chronic medical and mental health needs, histories of addiction and other complex needs. This program pairs ongoing rental assistance and supportive services to ensure housing placement and stability for a formerly homeless individual or family. A regional measure for Supportive Housing Services would include programs technically defined as supportive housing, and additional programming to prevent and end homelessness for broader populations.

Rent Assistance

Rent assistance is primarily administered by housing authorities in the form of tenant-based and project-based vouchers. The voucher permanently reduces the tenant rent obligation from market-rate prices such that they are affordable for individuals whose incomes are generally at and below 30% area median income. A significant portion of individuals experiencing prolonged homelessness due to disability have no monthly income for one to three years while their claims for federal disability are processed. Without a stable income, a rent assistance voucher can cover 100% of an individual's rent until ongoing disability income is secured. The average Social Security Disability Insurance Income (SSDI) for someone with eligible work history is \$1258 per month. For individuals without eligible work histories, Social Security provides a Supplemental Security Income (SSI) of \$750 per month. Therefore, even when disability income is secured, rent assistance is necessary to afford rent costs for individuals with disabilities.

How rent assistance works:

Tenant income	Tenant monthly income	Average 1-bdrm rent	Tenant Rent Portion: 30% of income	Rent Assistance Voucher value: (remainder of rent)
No Income	\$0	\$1133	\$0	\$1133
SSI	\$750	\$1133	\$225	\$908
SSDI	\$1258	\$1133	\$377	\$756

Support Services

People experiencing prolonged homelessness due to complex physical and behavioral health needs often need ongoing care and case management to stabilize medical conditions, seek and secure housing, and regain skills for independent living. Medical services including primary care, mental health and recovery care, are often made available through health insurance. However, Oregon lacks adequate

mental health and recovery healthcare, such that many individuals can't access care even if their conditions and health insurance make them qualified for such care.

In addition to healthcare, individuals who have experienced prolonged homelessness face significant barriers to housing such that case management services are needed to help resolve application barriers and access new housing. Once placed in housing, individuals recovering from prolonged homelessness often need ongoing supports to remain stably housed. These supports can include on-site resident and property management staff, case managers to regularly provide support according to an individual's care plan, and more. These support services are often provided by public and non-profit social services agencies and affordable or supportive housing building operators. Over time an individual's need for support services may change or decline with stable housing.

2. Existing supportive housing efforts in the region

The region and specifically, our housing authority partners, already administer supportive housing programs funded primarily through federal investments. Two of these programs are:

VASH: VASH is a partnership between HUD and the VA medical system to end chronic homelessness among disabled veterans. HUD provides the rent assistance voucher through housing authorities across the country, working in partnership with regional VA Medical Centers which provide the supportive services and healthcare. The region has as many as 1,264 VASH vouchers deployed to end veteran homelessness in our region.

Shelter Plus Care: This federal program provides a 'housing first' model for people with disabilities and experiencing prolonged homelessness. In this program, HUD provides rent assistance funding through local housing authorities, who partner with services providers to provide case management services and housing placement services for particular populations.

Due to the success of these federal programs that use 'housing first' and 'supportive housing' models to end homelessness, local communities have worked to increase capacity for these kinds of programs. In 2019, the Portland Housing Bureau, Home Forward and the Joint Office of Homelessness invested jointly to fund new supportive housing programs. They paired Portland Housing Bond funds, federal project-based vouchers, and ongoing services from the Joint Office on Homelessness, in a competitive notice of funding available (NOFA) to develop new supportive housing building programs. Together these funds will invest \$12 million in supportive housing buildings that will provide 78 units of supportive housing.

3. Remaining need for Supportive Housing Services

Despite these federal and local investments in supportive housing and additional state and local investments to end homelessness, the need far exceeds our local capacity to provide sufficient supportive housing for people experiencing prolonged homelessness. The Point In Time Counts conducted in three metro area counties found as many as 5711 people experiencing homelessness, and 2362 people experiencing 'chronic homelessness' as defined by a disabling condition and repeated episodes of homelessness or a year or longer of continued homelessness.

The Point In Time Counts are broadly understood as a snapshot of the unmet need to end and prevent homelessness. Thousands more households are at risk of homelessness due to extreme rent burden and medical and mental health needs that go unaddressed due to limited services and the high cost of rent. An incident such as lost income due to illness, a surprise medical or household bill, or a mental health episode could result in homelessness for these households. Furthermore, it is not logistically possible for every person experiencing homelessness to be counted, and therefore, the Point In Time Counts are widely recognized as an undercount.

For these reasons, local experts in homelessness have conducted analytical research to more adequately estimate the rates of homelessness and need for Supportive Housing Services.

Point In Time Count (2019)	Unsheltered Homelessness	Chronic Homelessness	Total Homelessness
Multnomah County	2037	1769	4015
Clackamas County	371	454	1166
Washington County	232	139	530
Total	2640	2362	5711

Student Homelessness Oregon Department of Education (2017-2018)	Students
Multnomah County	3349
Clackamas County	1147
Washington County	2638
Total	7134

ECONorthwest report (February 2020)	Households
Estimated need for supportive housing (Based on CSH and Portland State University: Homeless Research and Action Collaborative reports)	3123 to 4935
Estimated households who need rent assistance to prevent or end homelessness (Based on Portland State University: Homeless Research and Action Collaborative)	17,500

4. Potential Regional Supportive Housing Services programs to end and prevent homelessness

Significant and sustained funding is needed to scale up supportive housing capacity, expand long-term rent assistance vouchers as homelessness prevention, and temporarily increase short-term emergency homeless services to address the crisis of homelessness across the region. Depending on available revenue to meet this regional need, a selection of programming options is offered below.

Regarding programmatic costs: Rental assistance and supportive services are ongoing programmatic commitments to individual households and must be ensured permanently. Therefore, revenue source must be stable or anticipated economic changes or collection limitations must be considered prior to programming commitments. Programmatic priorities and associated costs may change over time as prolonged homelessness is addressed and households experience increased housing stability. Furthermore, the program cost do not account for local or regional administrative costs.

Step 1: Address prolonged homelessness with supportive housing

Supportive Housing	Support Services program (administered by Counties)	Rent Assistance program (by Housing Authorities)	Total Annual Program
3125- 4935 households	\$ 31.25 – 49.35 million (\$10,000/ household average)	\$ 31.25 – 49.35 million (\$10,000/ household average)	\$62.5 - \$ 98.7 million

Step 2: End short-term homelessness and prevent homelessness caused by severe rent burden
Thousands of very low income households across the region are homeless or at risk of homelessness economic reasons that would be resolved with ongoing rent assistance alone. These household incomes are far below what is needed to afford market housing, and even affordable housing regulated for 60% area median incomes, and therefore these households experience extreme rent burden. Depending on

available resources, a Supportive Housing Services program could serve significant portions of this regional population, and do so in partnership with the regional housing bond program. The average cost of a rent assistance program is about \$10,000 per household, possible impact outcomes of such a program are as described below:

Homelessness Prevention Rent Assistance Vouchers	Rent Assistance program (by Housing Authorities)	Total Annual Program
5,000 households	\$10,000/ household average	\$50 million
10,000 households	\$10,000/ household average	\$100 million
15,000 households	\$10,000/ household average	\$150 million

Step 3: Respond to local and urgent homeless services needs

In addition to scaling Supportive Housing Services to meet the regional need, and providing rent assistance voucher to prevent economic homelessness, the implementation partners may consider other programming strategies to respond to short-term and immediate needs in their homeless services system. Such programming could include expanded shelter capacity, especially in suburban communities where little or no shelter capacity exists; and short-term services and rent assistance that can resolve episodic but not chronic homelessness. These programs could be responsive to funding capacity and local needs.

5. Regional considerations for programmatic implementation

In addition to the programmatic considerations described above, additional consideration should be given towards the regional collaboration that will be critical to ensure programmatic outcomes that end homelessness. New resources through supportive housing services programs should be aligned with existing capital resources for affordable housing development, especially the regional housing bond. Regional policies, practices and metrics will need to be established to ensure consistency in programmatic approaches and outcomes reporting among partners and across systems. Data sharing and regional data systems will need to be built and maintained to coordinate access to services and consistently measure programmatic outcomes. Thoughtful distribution of resources will allow local communities to respond to local needs and share regional responsibility for responding to concentrations of homelessness in the urban core. Finally, investments in capacity at every level of partnership throughout implementation will need to be scaled to the new level of resource, in order to achieve programmatic outcomes and sustain housing stability across the region.