

DRAFT

Exhibit A

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 affordable housing and rental assistance; case management and outreach services; behavioral, mental, and physical health care services; addiction treatment; 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. An 18-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 recommend 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 report and presentation 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 18 members, as follows:

- a. Five members from Clackamas County, with three of those members appointed from a list of nominees by Clackamas County.
- b. Five members from Multnomah County, with three of those members appointed from a list of nominees by Multnomah County.
- c. Five members from Washington County, with three of those members appointed from a list of nominees by Washington County.
- d. One representative from each of the Clackamas, Washington, and Multnomah County Board of Commissioners to serve as *ex officio* members.

4. Appointment of Members.

- a. Each County Board of Commissioners for Clackamas, Multnomah and Washington Counties will nominate three members for Metro Council consideration. The Council President will nominate two members from each county. The Council President will then appoint all 15 members, not including the *ex officio* members, subject to confirmation by the Metro Council.
- b. Each county will appoint their respective *ex officio* members. *Ex officio* members are non-voting members.

5. Membership Representation. The membership must be composed of at least one person who:

- 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.

- 6. Committee Chairperson; Terms. The Metro Council President will designate one member to serve as the Committee Chairperson. The Metro Council will appoint nine of the initial Committee members to serve a one year term, and the Council may reappoint those nine members for up to two additional two-year terms consistent with Metro Code Section 2.19.030.
- 7. Oversight Committee Review. Metro will conduct a review of the regional oversight committee's role and effectiveness no sooner than two years after the committee's first public meeting.

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. A local implementation plan 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. A local implementation plan 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 these align with 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.

SECTION 7. Allocation of Revenue

Metro will annually allocate at least 95 percent of the allocable Supportive Housing Services Revenue within each county based on each county's Metro boundary population percentage relative to the other counties. Metro will allocate the remaining revenue regionally, to make additional regional allocation of funds based upon proposed local implementation plans; establish a new regional homelessness data collection and reporting programs; and support regional collaboration between Clackamas, Multnomah, and Washington Counties regarding coordination of regional supportive housing services between the counties, priority uses of supportive housing services revenues, and strategies for maximizing matching state, federal and private funds.

Allocable funds are those funds available after Metro's administrative costs have been allocated.

SECTION 8. Equity and Community Engagement

1. Metro has adopted a Strategic Plan to Advance Racial Equity, Diversity, and Inclusion which includes specific goals and objectives 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 region. A key objective throughout the strategy is a commitment to advance equity related to stable and affordable housing.
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.
 - Increase accountability by ensuring involvement of communities of color in establishing goals, outcomes, implementation and evaluation efforts.
 - Increase participation of communities of color in decision-making

- Use equity criteria in resource allocation for the Supportive Housing Services Program.

SECTION 9. Prohibition on Displacement of Funds Currently Provided

1. The purpose of the Supportive Housing Services tax is to provide revenue for Supportive Housing Services in addition to revenues provided for those services by the local governments within Metro.
2. In the event that any local government within Metro reduces the funds provided for Supportive Housing Services by that local government, Supportive Housing Services Revenue may not be provided to that local government or be used to provide Supportive Housing Services within the boundaries of that local government. This section is intended to prevent any local government from using Supportive Housing Services Revenue to replace funds currently provided by that local government.
3. A local government may seek a temporary waiver from this section for good cause, including but not limited to a broad economic downturn.

SECTION 10. Administrative Costs and Transparency Policy

In establishing a new 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.

SECTION 11. Outcome-Based Implementation Policy

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.

TAX COLLECTION REQUIREMENTS

SECTION 12. Voter Approval of Tax (Ordinance No. 20-1442)

Metro Council Ordinance No. 20-1442, imposing an income tax, is approved.

“Beginning tax year 2021, a tax of one percent is imposed on the entire taxable income of every resident of the district subject to tax under ORS chapter 316 and upon the taxable income of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316; provided however, that (a) only residents with a taxable income of at least \$125,000 per taxable year or at least \$250,000 if filing jointly are subject to the tax; and (b)

only nonresidents with a taxable income of \$125,000 per taxable year, or at least \$250,000 if filing jointly, from sources within the district are subject to the tax. Further, the tax applies to that portion of the income that exceeds \$125,000 if filing individually or \$250,000 if filing jointly.”

SECTION 13. Tax Must be Re-Authorized or Discontinued After Ten Years

1. Metro may assess the tax imposed by section 12 through the tax year ending December 31, 2030. 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.
2. [OPTION A] After December 31, 2030, the tax will expire unless reauthorized by the voters on or before that date.
2. [OPTION B] After December 31, 2032, the collection of future taxes will cease unless the Metro Council makes findings that:
 - a. Metro remains the appropriate entity to collect, disburse and administer the tax;
 - b. Performance and financial audits show that the program is meeting objectives of reducing homelessness; and
 - c. Funding is still needed to achieve the purposes of the tax.

The Metro Council must take affirmative action to adopt any findings

SECTION 14. Collection of Funds

1. It is Metro’s intent to enter into an intergovernmental agreement with a qualified Oregon taxing agency to collect Supportive Housing Services Revenues.
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 15. 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. Metro may establish a separate fund or funds for the purpose of receiving and distributing Supportive Housing Services Revenues.

SECTION 16. Administrative Cost Recovery

1. Metro may retain an amount reasonably necessary from the collected tax revenue to administer the Supportive Housing Services program. This includes, but is not limited to, any costs to collect the revenue, provide oversight of the program, and provide administrative support for the oversight committee as needed.

2. At least annually the Regional Oversight Committee will consider whether Metro's 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 administrative costs.

SECTION 17. Use of Funds in Metro Jurisdictional Boundary Only

Although some portion of each of the three recipient counties (Multnomah, Washington and Clackamas) are outside of the Metro jurisdictional boundary, Supportive Housing Services Revenues collected may be spent only for Supportive Housing Services provided within the Metro jurisdictional boundary.

SECTION 18. Accountability of Funds; Audits

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 income tax 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 this income tax and the distribution of that revenue. The Metro Auditor 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 this income tax to pay for the costs of the audit required under this subsection.
3. At least once every three years, a performance audit will be conducted to determine if use of the funds are making progress towards achieving the purposes of the program.

SECTION 19. 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 at all times.

SECTION 20. 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 21. 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 has the authority, after notice, to require verification of taxpayer information in order to carry out the provisions of this measure.

SECTION 22. Conformity to State Laws

1. 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. 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 23. 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. The Metro Attorney 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 24. Administrative Rules

The Chief Operating Officer 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.

SECTION 25. Further Implementation

The Metro Council may take all necessary actions to implement this measure.

DEFINITIONS

SECTION 26. 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.

Resident means a taxpayer domiciled within the Metro jurisdictional boundary for any portion of the taxable year. ORS 316.027 and OAR 150-316-0025 are adopted and control when residency questions arise.

Supportive Housing Services means homeless prevention, support services and rent assistance that stabilize people experiencing homelessness and housing instability.

Supportive Housing Services Revenue means all funds received from the tax imposed by Section 12.

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

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

SECTION 28. 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.