



# Quarter 1 Progress Reports

## **Executive Summary**

### Metro Supportive Housing Services Program

January 2022



## MESSAGE FROM THE CO-CHAIRS OF THE SUPPORTIVE HOUSING SERVICES REGIONAL OVERSIGHT COMMITTEE

During the first quarter of the Supportive Housing Services (SHS) program implementation (July-Sept, 2021), county partners acted urgently and began a large-scale homelessness and housing system expansion according to their community-driven local implementation plans. In three short months, partners started brand new programs, developed new and improved processes, and were successful in connecting households to permanent housing. County partners appear to be on track to strengthen and regionalize local responses to homelessness.

The first few years of SHS program implementation will be years of building –each county is in a different starting place in terms of service delivery mechanisms, service types, data systems and capacity. It will take time to bring systems of care to full operation and as this is happening, the SHS Oversight Committee will support counties as they ramp up and will ensure that yearly goals and investments align with the strategies that were outline in the local plans – strategies that the community knows are effective and that they helped to develop.

In these first quarters of implementation, it will be important for county partners to demonstrate that they are putting structures and processes in place to significantly scale up the services needed to meet SHS goals in the short and long term. This first three years of this program will involve significant building and expanding, which requires balancing getting new service programs on the street with the ability to manage and maintain them. Counties will adjust and expand infrastructure and services over the first three years, especially as tax revenue will increase each year for the first three years.

The purpose of this executive summary document is to synthesize quarter 1 progress reports that county partners agreed to provide to the SHS Regional Oversight Committee. These progress reports are currently interim and less formal reports of the SHS program (official quarterly reports are a matter of IGA negotiation and reporting templates will be formalized by spring of 2022).

The progress reports demonstrate that significant progress has been made even while counties have had to respond to unforeseen crises: COVID surges and severe weather, and have had to manage for hiring challenges and staffing gaps due to the pandemic.

Washington County completely restructured its coordinated triage and referral system into services and housing – Community Connect - while expanding its services provider network immediately to ensure that there is enough case management to make that new system work. Multnomah County launched an impressive amount of new services programs, several of which are closely coordinated with behavioral health services and many of which provide culturally specific services. Clackamas County worked quickly to ensure that time-limited funding would not end much-needed programs, and also expanded its services provider network significantly.

Counties have made significant progress in this first quarter and there is still a great deal of work to do to fully implement the strategies in the local implementation plans and begin to see program outcomes. We look forward to receiving progress reports for quarter 2, as we are already hearing about great things underway.

Best,

**Kathy Wai and Susan Emmons,**

Co-chairs of the Supportive Housing Services Regional Oversight Committee

## INTRODUCTION

On May 19, 2020, greater Portland voters determined homelessness to be a regional concern and approved Measure 26-210, establishing Metro's regional supportive housing services (SHS) program to address homelessness and help people find and keep safe, stable, affordable housing across the region. For in-depth background and context, please visit <https://www.oregonmetro.gov/public-projects/supportive-housing-services>

This program brings a groundbreaking level of funding and regional coordination between Metro, Clackamas, Multnomah and Washington counties (the Counties) to scale and collectively address this region-wide challenge. In accordance with the supportive housing measure, each of the Metro area's three counties developed a local implementation plan (LIP)<sup>1</sup> through inclusive engagement with community and local practitioners, including Black, Indigenous, and People of Color (BIPOC) communities and hundreds of individuals with lived experience of homelessness.

Plans incorporated analyses of local conditions, needs, racial inequities, and included a framework for planned investments and strategies. As required for the counties to receive funding from the regional measure, these plans have been approved by the Metro Council per the recommendation of local advisory bodies, boards of commissioners and the Regional Oversight Committee (ROC).

Program implementation officially began in July 2021. Implementation is guided by the LIPs and progress is demonstrated through reporting that includes an established set of regional outcomes.<sup>2</sup> Each county has also proposed programmatic goals for the first year. The measure requires each county to submit an annual report to the ROC, who then presents annual progress to county boards of commissioners and Metro Council. Additional reporting requirements, including quarterly and financial reports, are matters of intergovernmental agreement negotiations between the county partners and Metro, which will be executed by February 2022.

While aspects of future reporting are under development, county partners have voluntarily agreed to produce quarterly progress reports on SHS program implementation, to allow for regular and transparent insight into the program's progress. Progress reports will be shared with the SHS oversight committee, Metro Council, and the broader public. Metro SHS reporting templates will be finalized by spring of 2022.

The purpose of the quarterly report is for implementation partners to show that progress is being made with respect to setting up structures and processes to meet LIP goals, highlight new programs, communicate status of year-one goals, and demonstrate that regional outcomes data is being tracked and shared. Quarterly reports are not intended to rate or grade performance. While progress reports share similar information, each progress report is unique in format and content, and they are not meant to be compared to one another.

As a regional government, Metro is responsible for funding, regionalizing, convening and coordinating this new program, ensuring transparent accountability and oversight. Communicating the regional story of program implementation progress through reports and other tools will help fulfill those obligations.

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<sup>1</sup> You can read each of the plans by clicking on these links: [Clackamas County](#), [Multnomah County](#), and [Washington County](#).

<sup>2</sup> The SHS regional outcomes metrics were incorporated into the SHS Work Plan (Section 5.2), one of the regional legal governing documents approved by Metro Council.

This document is a regional summary of the first-quarter progress reports that were submitted to Metro staff by county partners. Any analysis or characterization of progress and challenges included represents the views of the Metro housing team staff.

## REGIONAL HIGHLIGHTS

### Capacity building

SHS funding, which is estimated to generate \$2 billion over ten years, is the largest per capita investment in the nation dedicated to ending homelessness. While the scale of the program provides tremendous opportunities for the region, it also presents a need for growth as the counties and community partners absorb this level of investment and scale up the necessary response.

#### Internal capacity building

The Counties have disparate infrastructure and service delivery models, making capacity building a unique process across the region. However, there are areas of alignment. Clackamas, Multnomah, and Washington Counties have increased their internal capacity through staffing and system improvements. While this work will be ongoing, especially through the first few years of the SHS program, they have already made significant progress in the first three months of this program. For example, the number of staff dedicated to SHS at Clackamas County increased from 3 to 5, and they have a team of 3 focused on regional long-term rent assistance, or RLRA, operations.

The counties have also expanded their capacity for planning, evaluation and data. This includes hiring evaluation teams, improving their coordinated entry systems,<sup>3</sup> and coordinating for regionally consistent definitions, demographic values and data research.

Capacity building is critical for the overall success of the homeless systems. Significantly expanding a network of services and programs requires each county to set up brand new systems, structures and processes. These ensure that quality can be maintained and improved as services expand, more clients can be served, overall goals can be met, data can be tracked and reported, and efforts can be regionally coordinated where possible.

#### Community capacity building

The counties' internal expansion also means opportunities for capacity building in the community. All the counties have released Requests for Proposals (RFPs) or other opportunities for increased funding for services such as housing navigation and case management by community-based organizations. These opportunities have emphasized an expansion of culturally specific service or provider expansions (see more under *Equity investments*). Clackamas County has added 5 new providers, 3 of which are culturally specific; Multnomah County expanded its preexisting network of nonprofit partnerships; and Washington County qualified 38 providers.

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<sup>3</sup> As defined by the United States Department of Housing and Urban Development ([source](#)), coordinated entry is a process developed to ensure that all people experiencing a housing crisis have fair and equal access and are quickly identified, assessed for, referred, and connected to housing and assistance based on their strengths and needs.

Like many industries, there are challenges with hiring at this time, given COVID-19 and the influx of jobs available in the sector. It is expected that this will continue to be a challenge for both counties and service providers for the foreseeable future.

## Equity investments

Equity investments are central to the success of the SHS program. While people of color make up 29% of all people in greater Portland, a January 2019 count in Multnomah County found that 38% of people experiencing homelessness were people of color, including 11.6% people of Indigenous ancestry<sup>4</sup> (who are only 1% of greater Portland's population). While most people struggling with houselessness in our communities are white, these numbers show that people of color are unhoused at higher rates across greater Portland.

At the same time, inequitable outcomes analysis across the three counties, which were completed as part of their local implementation plan development, showed racial inequities in housing stability and access in the region. These analyses represent an increased commitment to invest in data infrastructure that will allow the Counties to better understand the needs and gaps in services for BIPOC communities and to prioritize funding for those who are not being served or who are underserved by their continuum of services.

To immediately address disparate access and needs, the counties have begun working to expand culturally specific services through the expansion of their service provider networks and capacity building support particular to culturally specific organizations. Further, to support and help grow the capacity of these organizations, the Counties have convened a workgroup to coordinate outreach and technical assistance, and to ultimately develop a coordinated culturally specific capacity building program for culturally specific organizations across the three counties.

In Q1, counties have worked to redesign or improve community advisory bodies that will bring in more inclusive and transparent community advisory work to support the SHS program in Q2 and Q3. This includes Multnomah County's Community Advisory Forum and Washington County's Homeless Plan Advisory Committee. These advisory bodies will serve to better elevate the voices and expertise of people who have been homelessness, people of color, and other marginalized communities to improve the implementation of outcomes of programs under SHS.

## Direct services programs

In Q1 the counties launched or expanded at least 16 direct service programs. These programs predominantly served Population A<sup>5</sup> with services ranging from outreach to permanent supportive housing. The table below summarizes the programs, including program name, county, population served, and key program characteristics.

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<sup>4</sup> From [2019 Point-in-Time Count of Homelessness in Portland/Gresham/Multnomah County, Oregon](#).

<sup>5</sup> "Population A" is defined as individuals who are extremely low-income; AND have one or more disabling conditions; AND are experiencing or at imminent risk of experiencing long-term or frequent episodes of literal homelessness.

**Table 1. New and Expanded Programs Jul-Sept 2021**

PROGRAM	County	Priority population	Brings services to people living outside	Mental health/ addiction services	Culturally specific service / program	Helps people search and locate housing	Provides housing + services	Expands or improves shelter
<b><i>Outreach, Navigation &amp; Safety on the Streets</i></b>								
PATH Team Navigation	M	A	x	x				
CHAT Team Expansion	M	A	x		x	x		x
Family Outreach & Barrier Mitigation	M	B	x		x	x		
<b><i>Rent Assistance &amp; Housing Services</i></b>								
RLRA (ACT Team)	M	A	x	x		x	x	
RLRA (PSH site based)	M	A		x	x		x	
RLRA (older adult PSH)	M	A				x	x	
RLRA	W	A B					x	
Palm 2 PSH	M	A		x		x	x	
Housing Case Management	W	A B	x	x	x	x	x	
Short-term Rent Assistance - COVID	M	B			x	x	x	
Emergency Rent Assistance	W	B			x		x	
Short-term Rent Assistance – COVID shelter	M	A			x	x	x	
<b><i>Shelter &amp; Safety Off the Streets</i></b>								
Bridge Shelters	W	A B		x	x	x		x
Transitional Housing-Serenity/Haven (stabilization)	C	A (96.4%) B (3.6%)		x				x
COVID Motel Shelter (stabilization)	M	A B						x
Behavioral Health Shelter	M	A		x		x		x

### *Expanding Permanent Supportive Housing (PSH)*

In addition to each county's unique programs, they are working to set up larger scale programs focused on the creation of permanent supportive housing,<sup>6</sup> through more access to existing housing and pairing rent assistance and services with new housing that is under development. Within the 10-year SHS timeframe, the counties will add capacity to provide permanent supportive housing for at least 5,000

<sup>6</sup> Permanent supportive housing, or PSH, is defined as a permanent housing unit paired with long term rent assistance and ongoing services. This strategy is particularly effective for individuals with high barriers to housing stability such as experiencing multiple years of homelessness, has at least one disability, and has an extremely low income.



households in the region. Counties have already allocated resources to meet 30% of this goal within the first year.<sup>7</sup>

Programs to advance this goal include the regional long-term rental assistance program, or RLRA, and an associated risk mitigation fund (more information can be found under Tri-county coordination) and increasing the production of permanent supportive housing through leveraging affordable housing financing, including the Metro Housing Bond, across the region.

### *Challenges to program implementation*

While the counties made significant progress increasing their programmatic capacity, they continue to be constrained by challenges related to the Covid-19 pandemic, such as managing an influx of emergency funding and transforming operations to meet CDC guidelines, as well as managing the impacts of extreme weather events in summer and winter of 2021, all of which have affected their Q1 opportunities and priorities. Additionally, programs with time-limited funding have taken priority with SHS funding to ensure that households do not have a lapse in their services and support.

Like other communities across the nation, county partners are experiencing significant challenges hiring staff at all levels, especially direct services staff. Open positions were slower to fill in this first quarter if they were able to be filled at all, and partners have had to contend with failed recruitments for positions that in the past were much easier to fill. Maintaining staffing levels has also been a challenge, mostly due to impacts from the pandemic.

In Q2 reports, we expect the counties will show continued expansion of their programmatic offerings. There will be an emphasis on winter shelter to ensure that the necessary infrastructure is in place as temperatures drop.

## **TRI-COUNTY/REGIONAL COORDINATION**

As one of the guiding principles for the Supportive Housing Services program, the counties have been working toward improved tri-county / regional coordination. While local programs are necessary, as they are more adaptable and responsive to community needs, creating regionally consistent programs will enable the counties to leverage larger outcomes and improve quality of care and housing solutions. This work will be guided by the Tri-County Planning Body, which is currently recruiting members. However, the counties have begun this coordination in earnest; their work in the first quarter alone includes:

- **Regional Long-term Rent Assistance:** The RLRA program has been established with regionally consistent policies that allow for local application of the program.
- **Culturally specific capacity building:** A workgroup of Tri-County staff is convening to coordinate outreach, technical assistance, and ultimately propose a coordinated culturally specific capacity building program for organizations in any of the three counties.

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<sup>7</sup> County partners expect to serve 1,500 households in permanent supportive housing in the first program year.

- **Data alignment:** A Tri-County workgroup was also convened to support the development of regionally consistent definitions, demographic values and data research including the Point-In-Time Count.

This work will advance in Q2 and Q3, with a Tri-County coordinated Request for Program Qualifications (RFPQ) process<sup>8</sup> planned for and released in the second quarter, and a risk mitigation fund to support landlords participating with RLRA and other SHS programs.

## FINANCIAL SUMMARY

Financial reporting is required as part of the three counties' overall reporting requirements under the SHS program. Metro also provides monthly financial updates to the SHS oversight committee.

**Table 2. Revenue from Metro Jul-Sept 2021**

REVENUES FROM METRO	Expected Total Disbursements (Annual)	Total – Q1 Actuals
SHS Measure disbursements to county partners	\$151,314,473	<b>\$3,357,894</b>

County partners received a total of \$3,357,894 in Q1 yet spent \$7,139,454 during this quarter, the majority of which has gone to programs and services. These disbursements are lower than will be expected moving forward; because this is a new tax, funding in the first year will gradually pick up through January 2022, as more payroll companies and employers complete the setup of payroll withholding and begin offering it. Considerable collections are expected in April 2022 when calendar year 2021 tax returns are due.

**Table 3. County expenditures Jul-Sept 2021**

EXPENDITURES (ACTUAL)	Total – Q1
Admin	\$954,326
County program operations	\$680,641
Services	\$5,504,487
<b>TOTAL</b>	<b>\$7,139,454</b>

Metro's SHS revenue estimate in the FY22 approved budget is \$180 million. This estimate has changed from the original estimate of \$250 million based on changes made by the Metro Council to address potential double taxation and other issues. Those changes are anticipated to reduce revenues by 10-16% or \$25-\$40 million per year. In addition, the pandemic has impacted income of some businesses and individuals subject to these taxes, and Metro has lowered the tax revenue estimated as a result.

While tax collection has begun, most funds will come in the spring when taxes are paid in April. Counties are not waiting for funds to come in to start the work. To account for the funding gradually picking up in the first year and still allow a full year of program launch, Multnomah and Washington counties loaned themselves the funding necessary which will be reimbursed with disbursements that come in by Spring 2022. Clackamas County received a \$5 million advance from Metro, of which \$3 million was received in the first quarter. These funds will also be reimbursed through disbursements through Spring 2022.

<sup>8</sup> The coordination of procurement will create a centralized process and regional standards in procurement to reduce barriers to entry for smaller organizations and help organizations easily expand their work across County boundaries.



The expected total tax collection that will be disbursed to the counties this fiscal year is \$151,314,473, which will be split proportionally among the counties-- 21.3% to Clackamas County, 45.3% to Multnomah County, and 33.3% to Washington County. As this projection is higher than anticipated when counties had initially developed their year 1 budgets, budgets will be updated through the counties' normal processes in early 2022.

Despite the expected, smaller ramp up in Q1, we are already seeing that the counties are leveraging other funding sources to increase their system capacity and impact. This includes, but is not limited to:

- Federal funding
  - Clackamas County: Allocating \$2.324M of American Rescue Plan Act (ARPA) funds for the hotel/motel emergency shelter program, allowing \$2.234M of previously allocated SHS funding to be reallocated for other services
  - Multnomah County: Leveraging ARPA funds emergency and short-term rent assistance
- State funding
  - Multnomah County: Purchasing one hotel using Project Turnkey and SHS funds
  - Washington County: Purchasing 3 buildings using Project Turnkey funds, which are providing 101 new shelter beds
- Local funding
  - Multnomah County: Integrating PSH services into Portland and Metro Housing Bond units
  - Washington County: Converting bridge shelters into affordable housing in the future using Metro Regional Housing Bond or another funding

## OUTCOMES AND GOALS

A regional stakeholder advisory body created regional outcomes goals and metrics for the SHS program.<sup>9</sup> In their progress reports, counties reported on some of these metrics to demonstrate their abilities to track and report on them. Outcomes data for the first three months of this program, however, does not tell us very much since SHS service programs are either just beginning or have not yet launched.

As part of the LIP process, counties shared anticipated goals for the first year of the program, which include process-oriented goals to increase capacity and build infrastructure, along with quantitative goals that tie to some of the regional metrics. For example,

- County partners anticipate placing 2,400 people into permanent housing this year. So far, they have placed over 100 people into permanent housing.
- Together, county partners anticipate preventing at least 1,000 people from becoming homeless by providing rent assistance and/or other resources. In the first three months of this program, partners already overdelivered on this goal, and served 1,367 people with prevention resources.

Beginning in year two, the counties will submit spend-down plans that show how counties intend to allocate funds, and also work plans, which include the goals that partners expect to accomplish each year with the funds. In the future, there will be consistency between work plans, spend down plans and

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<sup>9</sup> Regional goals and metrics can be found in Section 5.2 of the [SHS work plan](#).

reporting tools to track and communicate progress in the regional metrics established by the Metro SHS Work Plan.

## CONCLUSION

As of the first quarter of SHS implementation, partners built new systems and processes, expanded service provider networks, launched 16 brand new services programs, housed over 100 people and were able to prevent homelessness for 1,367 people. Partners accomplished a lot in just three months while responding to COVID surges and severe weather, and while facing significant staffing shortages.

In their progress reports, counties mentioned some of the anticipated new services, programs and regional coordination efforts they are planning for Q2. County partners will provide progress reports for the second quarter in mid-February, which will show the status of implementation efforts at mid year.