

Metro

*600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov*



Metro

Minutes

Thursday, October 3, 2024

11:00 AM

**Metro Regional Center, Council Chamber,
<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or
888-475-4499 (toll free)**

Council meeting

This meeting will be held electronically. You can join the meeting on your computer or other device by using this link: <https://zoom.us/j/615079992> Webinar ID: 615 079 992 or 888-475-4499 (toll free)

1. Call to Order and Roll Call

Council President Peterson called the Metro Council Meeting to order at 11:00 a.m.

Present: 7 - Council President Lynn Peterson, Councilor Christine Lewis, Councilor Juan Carlos Gonzalez, Councilor Mary Nolan, Councilor Gerritt Rosenthal, Councilor Duncan Hwang, and Councilor Ashton Simpson

2. Public Communication

Council President Peterson opened the meeting to members of the public wanting to testify on a non-agenda items.

Seeing none, Council President Peterson moved on to the next agenda item.

Public comment may be submitted in writing. It will also be heard in person and by electronic communication (video conference or telephone). Written comments should be submitted electronically by emailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 p.m. the day before the meeting will be provided to the council prior to the meeting. Testimony on non-agenda items will be taken at the beginning of the meeting. Testimony on agenda items generally will take place during that item, after staff presents, but also may be taken at the beginning of the meeting.

Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the agenda item on which you wish to testify; or (b) registering by email by sending your name and the agenda item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those wishing to testify in person should fill out a blue card found in the back of the Council Chamber.

Those requesting to comment virtually during the meeting can do so by joining the meeting using this link: <https://zoom.us/j/615079992> (Webinar ID: 615079992) or 888-475-4499 (toll free) and using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Public Hearing Continuation for 2024 Urban Growth Management: Chief Operating Officer Recommendations

Council President Peterson opened the meeting to members of the public wanting to testify on the 2024 Urban Growth Management: Chief Operating Officer Recommendations.

NOTE: Testimony at this continued hearing is limited to those three individuals who were unable to testify at the September 26 hearing due to the Zoom link disconnecting

3.1 2024 Urban Growth Management: Public Hearing on Chief Operating Officer Recommendations

- Attachments: [Staff report](#)
[Attachment 1](#)
[Attachment 2](#)
[Attachment 3](#)

Brian Belairs, MRC: Belairs spoke of his experience as a

realtor and shared relevant statistics, pointing out that Portland home sales have fallen by 40% in the past three years due to a lack of affordability. He urged the Council to approve the Sherwood expansion plan in order to make home ownership feasible again in the region.

Kelly Ritz, Zoom: Ritz described her career as a home builder and developer, which includes conducting business in Sherwood. She stated that the expansion plan would provide much needed housing and that it has been created with extensive community input. Ritz hopes that Council will adopt the plan without additional conditions.

John Rankin, Zoom: Rankin, who has worked as a planner for multiple cities, considers the current Sherwood plan to be well-developed, especially compared to the preceding plan. He asked the Council to approve the entire expansion as a way to solve issues faced by Sherwood and the Metro area in general.

Christine Simonton, Zoom: Simonton has been a community member of both Sherwood and Wilsonville, which she regards as similar cities. She believes the Sherwood plan would create the opportunity for entrepreneurs to improve the economy and diversify jobs related to farming.

Seeing no further discussion on the topic, Council President Peterson moved on to the next agenda item.

4. Presentations

4.1 Regional Housing and Homeless Services Funding: Potential Council

Prioritization

Attachments: [Staff Report](#)

Council President Peterson introduced COO Madrigal (she/her) to present to Council.

Staff pulled up the Regional Housing and Homeless Services Funding: Potential Council Prioritization PowerPoint to present to Council.

Presentation Summary:

COO Madrigal reviewed the discussion that Council has had up to this point regarding the future of regional housing and the supportive housing services reforms. This includes expanding affordable housing, addressing service delivery challenges, establishing clear outcomes and metrics, ensuring that stakeholders are engaged in oversight, and involving city governments in any reforms. Madrigal asked for Council to agree or not agree on the desired principles for regional SHS program and to provide feedback and direction on what's important to include in a resolution on this matter.

Council Discussion:

Council President Peterson expressed gratitude for the work that the Councilors have done so far to learn about the avenues available to reduce chronic homelessness. She reiterated that the purpose of the day's discussion was to clarify the principles guiding the Metro council on this issue. Council President Peterson reviewed the five principles, which are 1) developing a regional strategy, 2) empowering local government to improve their services, 3) ensuring local

plans expand upon the SHS program, 4) considering homelessness in broader contexts, and 5) building accountability and a culture of learning.

Councilor Gonzalez began the conversation, stating there is a need for a truly regional program as opposed to three county programs. He also conveyed the importance of collecting feedback from the Stakeholder Advisory Table and of Metro providing oversight where individual jurisdictions cannot, in order to achieve KPIs.

Councilor Nolan agreed with Councilor Gonzalez's point that the program needs regional unification. They went on to define regionalism as delivering equal outcomes to all communities served and expressed their desire for specific, future-oriented principles. They added that the rate of homelessness does not reflect the generous funding approved by the electorate.

Council President Peterson noted that some other regions are performing better and that those successes could inform Metro's approach to its own goals.

Councilor Lewis remarked that Metro has done good work thus but is also positioned to recognize the challenges to service delivery. She agreed with Councilor Nolan's point that someone's zip code should not impact the quality of resources available. She then explained that the fifth principle - building accountability and a culture of learning - may need to be split into two principles.

Councilor Hwang raised the possibility of adding a principle on public communication and transparency. He asked how the public could be involved further and what the right access points might be.

Council President Peterson added that this should include people experiencing homelessness who want to help, in the form of co-enrollment.

Councilor Simpson recognized the hard work done those far by providers and staff. He expressed agreement with Councilor Nolan's point about equal service regionwide, and remarked on the importance of separating politics from housing by setting up agencies that extend beyond the current elected leadership. Councilor Simpson added that principles three and four require stronger language to support smaller jurisdictions.

Councilor Rosenthal stated that principle four should include mentions of climate resiliency and sustainability, and principle five should include transparency and education to help the public better understand the causes of homelessness and available services.

Council President Peterson noted that Metro needs more data collection to inform the public and to help counties prioritize regional goals. She summarized regionalism as issues no longer being evaluated within jurisdictional boundaries, increased public outreach, more proactive approaches and collaboration, greater accountability, and

universal accessibility.

Councilor Nolan questioned if the Council had inconsistent ambitions. They clarified their earlier point that they would measure services by the outcomes not by the resources provided.

Councilor Lewis noted that equal resources are important, and some cities currently have no resources or services to offer.

Councilor Nolan agreed with Councilor Lewis but added that the intensity of need is not uniform across the region.

COO Madrigal commented that these two ideas are not in conflict and could both be embodied by a well-defined principle.

Council President Peterson conveyed the need to move communities forward, one step at a time, toward a regional goal and to involve more stakeholders to define that goal.

Councilor Rosenthal stated that each part of the region has unique characteristics and that, while Metro can influence those factors, it cannot control them. He believes that universal distribution of resources will address this issue.

Councilor Gonzalez noted that there is an opportunity to set

SHS goals at the city and council level, in the same way that affordable housing goals are set. He also suggested that the role of law enforcement and court systems should be considered.

Council President Peterson agreed that the list of stakeholders should include public safety. She also proposed that the vision statement should let different types of community members and stakeholders what they should expect.

Councilor Gonzalez asked how Metro provides certainty to SHS providers while creating flexibility. He stated that Metro will need to provide clear guidance about what are allowable expenses under SHS versus what is additive to other spending by cities. Councilor Gonzalez also asked what the greatest need is to meet first as the basis for all other programs.

Councilor Hwang identified the need for a mechanism for resource allocation to provide long-term certainty and predictability. He then mentioned the community's interest in land banking.

Councilor Lewis recognized a need to acknowledge that both housing and services are required to keep people housed. She shared her belief that housing dollars should be leveraged for deepest affordability, including permanent supportive housing.

COO Madrigal suggested that the Council could consider tying the expansion of the fund uses to ensure that they support the overall goal of brief, rare, and nonrecurring homelessness.

Councilor Nolan stated their preference for staff and oversight committees to focus on funding specifics, with Council instead focusing on outcomes. They also noted that the language does not currently specify populations A and B.

COO Madrigal clarified that stakeholders have expressed their desire to focus on population A.

Councilor Nolan suggested a change to the language of principle one, wherein the Council provides expectations for the outcome funds will achieve.

Councilor Simpson expressed general agreement but would like explicit language to require working directly with cities to assist with identifying sites and providing resources.

Councilor Gonzalez shared his wish for preservation to be included as allowable use for the funds and his desire to discuss a regional target for housing production overall and how SHS fits in with the larger goal.

Council President Peterson offered the idea that regional housing production targets could be part of the context that a new governance structure considers. She noted the

importance of carrying forward the lessons of the Metro Housing Bond.

Councilor Lewis proposed that the group consider the lessons learned from the Metro Housing Bond's lease-up policy and its connection to the target population.

Councilor Hwang suggested that Metro provide long-term certainty and described Vienna's housing model of planning ahead for a 20-year supply of affordable housing.

Councilor Gonzalez stated that extending the sunset is important, including long-term financing for housing. He stressed the need to consider the "benefit cliff" and how to gradually transition people away from housing vouchers when feasible.

CCO Marissa Madrigal reminded Council that stakeholders support affordable homeownership but worry that it will detract from those with the greatest housing needs.

Council President Peterson questioned whether a regional plan, which may extend beyond SHS, should discuss the desirability of building generational wealth through homeownership.

Councilor Gonzalez asked how Council could create a culture of collaborative programming but noted that those details may need to be saved for another day.

Councilor Nolan did not agree that homelessness is necessarily a concern beyond 2030. They stated that there would be a concern for stability of housing and affordable housing though.

Council President Peterson clarified that the intent is to state the need for maintaining investments to prevent and address homelessness.

Councilor Nolan replied that any measure to extend the sunset needs a specific statement of results, outcomes, and responsibilities, and they proposed that voters will expect more commitment to specific results.

Councilor Lewis pointed out that there are many people for whom housing stability will depend on continued funding. She agreed with Councilor Nolan that the Council needs to communicate clearly about what goals have been achieved and what the expected results are from a continuation.

Councilor President Peterson added that healthcare costs and integration may also to be considered in the sunset extension plan, as conditions may change.

Councilor Lewis expressed a need to consider the complexity of timelines and the interaction of federal programs as well.

Councilor Rosenthal agreed that homelessness will be an issue that continues beyond 2030 and stated that the language of the third principle does not seem to preclude affordable homeownership programs.

COO Madrigal noted that the current language does not explicitly state a length of proposed extension, which could be for 20 years or more.

Councilor Simpson offered that, from a construction lens, it can take two years to build a project, and the Council should consider as much when determining the length of the extension.

Councilor Gonzalez suggested that the Council consider different scenarios and lengths of extensions to determine possible trade-offs.

Councilor Nolan pointed out that the housing bond continues for 20 years, but the delivery is happening now.

COO Madrigal stated that the length of the extension will affect how vouchers can be used to finance construction.

Councilor Nolan proposed that the Council considers what the length of the extension says about its hope to address the issue of homelessness.

Council President Peterson referred to the third principle

and reminded Councilors that they had previously discussed this point at length. She asked further comment on the matter to be submitted to her directly.

Councilor Nolan spoke about the fourth principle and stated that they prefer the current approach to taxation laid out in the SHS measure.

Council President Peterson asked what the right balance would be between a sunset extension and a rate reduction or indexing.

Councilor Rosenthal suggested that the new governance structure could have a role in evaluating the tax policy at appropriate intervals, including before 2030.

Councilor Gonzalez questioned what the spirit of spending tax dollars “efficiently” means in reality, as the word is subjective.

COO Madrigal raised the issue of an environment of distrust in the government, and she posited that Metro and its partners need to demonstrate an effective use of funding.

Council President Peterson clarified that the language in question is not proposed to be part of the resolution but simply reflects what the Council has heard so far.

Counselor Gonzalez returned to the use of the word “efficiently” and stated that such uses should tie back to the overall goal and be part of a more proactive and forward-looking goal.

Council President Peterson added that SHS is only one part of the entire housing system, but it receives more than its fair share of the housing burden. She requested that the Council focus on what tax rate would adequately support SHS and what could be balanced by a rate decrease on the personal income tax.

Councilor Hwang observed that the current climate regarding revenue will change over the next 20 years; thus, the tax policy should be considered part of the governance structure so that it may flexibly respond to those questions over time.

Councilor Lewis pointed out that Metro has a depth of financial expertise and management, as demonstrated by bonds and other funding measures. She shared her preference for greater understanding of financial management regarding both income taxes over time and other resources, such as housing bonds.

Councilor Rosenthal requested that the final bullet point of the fourth principle be changed to include more explicit language to align with the overall goal.

Councilor Gonzalez suggested that setting goals then

instituting a reduction would be akin to getting punished for doing well. He questioned whether it would be feasible to create an incentive-based approach to considering future changes to tax policies.

Council President Peterson responded that stakeholders desire predictability, continuity of services, and a way to address volatility. She added that future reductions would need to involve implementing partners and wondered what the right length of time would be before a change takes effect.

COO Madrigal noted that the volatility of this revenue source cannot be overstated and that, while a longer period of time can offer stability, there will inevitably be some uncertainty.

Council President Peterson, referring to the fifth principle, identified a desire to ensure there is an adequate level of funding for SHS services. She asked how Council could define the levels of funding available for such a volatile resource.

Councilor Nolan wondered how to explain to voters the extension of the sunset combined with a rate reduction.

Council President Peterson highlighted the distinction between more revenue collected over time with the sunset extension versus responding to voter input about the income tax burden on a yearly basis.

Councilor Gonzalez raised again the idea of using buckets, similar to the VFIGA, where funds are prioritized during distribution. He emphasized the importance of providing predictability when possible and stated that such an approach can and should communicate Metro's values and priorities.

Council President Peterson shared the perspectives of county chairs and finance teams that volatility makes it difficult for counties to budget for unanticipated revenue collection. She stressed the need to create a benefit for the counties regarding predictability, if possible.

Councilor Lewis noted that the original measure included a requirement of reserves to stabilize available revenue over time. She suggested that the Council consider whether counties should forecast their budgets one year at a time, based upon the prior year's collections.

COO Madrigal remarked that with fiscally conservative budgeting, expectations can be set with an understanding that one-time or short-term investments may be used in the future to provide stability.

Councilor Hwang acknowledged that the areas and people with the greatest needs currently have the least resources, which the Council ought to account for. He emphasized the need for Council to set clear expectations around reserves for Metro and its partners, and he suggested that less

volatile revenue streams be incorporated into SHS.

Councilor Rosenthal wondered whether there would be a fixed amount or formulaic amount of funding given to the counties and, if the former, would that be indexed over time.

Councilor Nolan recognized that the Council has spoken at length about regional program but noted that the different parts of the region will develop at different speeds. They highlighted the difficulty of funding divisions given that context.

Council President Peterson agreed and suggested that this be built into the goal-setting process, along with creating best practices for budgeting with a volatile revenue stream and defining proactive, outcome-based budgeting.

Council President Peterson proposed a sixth principle to develop a plan that coordinates with other housing needs and strategies to reduce the inflow of individuals to housing instability. She brought up Cascadia Innovation Corridor and stated that housing is a top concern for the entire Pacific Northwest.

Councilor Nolan replied that this topic should be saved for a future work session.

5. Chief Operating Officer Communication

Marissa Madrigal provided an update on the following events or items:

- COO Madrigal congratulated Council and WPEZ on the release of the draft system facilities plan for solid waste facilities, which is now available for public comment.
- The Gresham Habitat for Humanity ReStore is offering a free sharpening event on October 5th from 12pm to 3pm.
- The Parks and Nature department is hosting a guided bike ride, The Salmon Life Cycle, on October 6th.

6. Councilor Communication

Councilors provided updates on the following meetings and events:

- Council President Peterson mentioned that there is an opportunity for Tracy Loh to speak at an upcoming meeting.

7. Adjourn

There being no further business, Council President Peterson adjourned the Metro Council Meeting at 1:00 p.m.

Respectfully submitted,

Nicholas Cooley

Nicholas Cooley, Legislative Assistant