

Tri-County Planning Body Meeting Summary

Meeting: Supportive Housing Services (SHS) Tri-County Planning Body Meeting
Date: Wednesday, December 11, 2024
Time: 4:00 PM – 6:00 PM
Place: Zoom Webinar
Purpose: The Tri-County Planning Body (TCPB) will receive an update on Housing Funding Items.

Member attendees

Co-chair Mercedes Elizalde (she/her), Eboni Brown (she/her), Zoi Coppiano (she/her), Yoni Kahn (he/him), Nicole Larson (she/her), Yvette Marie Hernandez (she/her), Cameran Murphy (they/them), Cristina Palacios (she/her), Co-chair Steve Rudman (he/him), Monta Knudson (he/him), Mindy Stadlander (she/her), Sahaan McKelvey (he/him)

Elected delegates

Washington County Chair Kathryn Harrington (she/her), Metro Council President Lynn Peterson (she/her)

Absent delegates

Clackamas County Chair Tootie Smith (she/her), Multnomah County Chair Jessica Vega Pederson (she/her)

County staff representatives

Clackamas County – Lauren Decker (she/her), Multnomah County – Breanna Flores (she/they), Washington County – Nicole Stingham (she/her)

Metro

Michael Garcia (he/him), Patricia Rojas (she/her), Ruth Adkins (she/her), Abby Ahern (she/her), Craig Beebe (he/him), Brian Kennedy (he/him), Holly Calhoun (she/her), Valeria McWilliams (she/her)

Kearns & West Facilitators

Ben Duncan (he/him), Ariella Dahlin (she/her)

Note: The meeting was recorded via Zoom; therefore, this meeting summary will remain at a high-level overview. Please review the recording and archived meeting packet for details and presentation slides.

Welcome and Introductions

Co-chairs Mercedes Elizalde and Steve Rudman provided opening remarks.

Tri-County Planning Body Meeting Summary

Ben Duncan, Kearns & West, introduced himself and welcomed the Tri-County Planning Body (TCPB) to the meeting. He facilitated introductions and reviewed the meeting agenda and objectives.

The TCPB approved the November Meeting Summary.

Public Comment

No public comment was received.

Conflict of Interest

Cristina Palacios declared a conflict of interest as Housing Oregon is on Metro's contractor list and could potentially receive future Supportive Housing Services (SHS) funding.

Cameran Murphy declared a conflict of interest as Boys and Girls Aid receives SHS funding.

Zoi Coppiano declared a conflict of interest as Community Action receives SHS funding.

Yoni Kahn declared a conflict of interest as the Northwest Pilot Project receives SHS funding. He noted that he serves on the TCPB to share provider perspectives and does not represent his employer.

Yvette Hernandez noted that she works for Home Forward which receives SHS funding, but she participates in the TCPB as a community member.

Sahaan McKelvey declared a conflict of interest as Self Enhancement Inc (SEI) receives SHS funds. He noted that SHS does not fund his position.

Monta Knudson declared a conflict of interest as JOIN receives SHS funding.

Mindy Stadlander declared a conflict of interest as Health Share of Oregon has worked closely with Metro on housing and homelessness systems alignment.

Staff Updates

Valeria McWilliams, Metro, stated that Metro staff will be sending out a survey to either add a second meeting or extend the meeting time for the January TCPB meeting.

Nicole Stingh, Washington County, shared that two awards have been given to traditional housing projects. She noted the awards were contingent on Metro's housing funding discussion.

Breanna Flores, Multnomah County, shared that the county held its third provider conference with 250 registrants and that the Beacon Landing project opened.

Housing Fund Update

For details and graphics, please review the [archived meeting packet](#) pages 9-27.

Metro Council President Lynn Peterson appreciated TCPB members' work advancing regionalism. She reflected on frustrations she has heard regarding lack of accountability, inability to make decisions, and incorporating regional standards. She noted that the SHS measure needs to work better to have the impact it was intended to, that Metro does not want to lose the progress that has been made, and to keep investing in affordable housing and services.

Tri-County Planning Body Meeting Summary

President Peterson provided a brief overview of Metro's housing funding discussion to date, encouraged TCPB members to read [Council work session summaries](#), and stated that the Council established [Resolution No. 24-5436](#) in November. She reflected on concerns the Council heard from the TCPB co-chair memo and shared the Council's commitment to continue funding TCPB's regional work and to include current programs in the regional action plan. She noted that details will need to be worked out in the transition program.

Holly Calhoun, Metro, shared that stability, predictability, and accountability were the three key themes from Resolution No. 24-5436. She provided an overview of the eight principles for a regional program, emphasizing the commitment to serve Populations A and B, to make homelessness rare, brief, and nonrecurring, and to have greater accountability.

Holly reviewed the key viewpoints and concerns listed in the TCPB memo, and how Resolution 24-5236 addresses those items. She emphasized that work will not start over and detailed how the Resolution allows for more accountable governance. She reviewed the proposed action plan elements and noted key areas of TCPB concern to continue addressing.

Brian Kennedy, Metro, reviewed the proposed allocation scenarios that Metro Council has been discussing. He reminded the Committee that the tax is volatile, and the goal is to size the ongoing services and rent assistance to counties in a way to have reasonable certainty, and to have the remaining funds go to other items. The primary allocation goes to SHS services and rent assistance, the secondary allocation goes to affordable housing, the third allocation goes to city programs, and the final allocation goes to one-time services and grants.

Brian reviewed a series of bar charts illustrating scenarios that model potential future allocations. He noted that the bar charts are not forecasts, but scenarios that model historical patterns of volatility. Scenario 0 is the current law. Scenarios 1 and 2 include assumptions for a tax sunset extension to 2050, tax indexing beginning in 2026, and inflation at 3%.

Holly shared that the next steps include engaging with partners, exploring the viability of a potential ballot measure, and preparing an ordinance for consideration at the December 19 Council work session. She asked the Committee how a transition can best advance TCPB regional strategies and what recommendations TCPB members have for a transition.

TCPB members and elected delegates had the following questions and comments:

- **Comment, Co-chair Elizalde:** The 3% inflation rate assumption is a flat or low assumption, which encourages wage suppression or a decrease in services.
- **Comment, Sahaan:** I agree with Co-chair Elizalde. Scenario 2 is a nonstarter. I would look at not decreasing the base allocation the SHS measure was intended for, otherwise wage suppression or limited services will occur. Scenario 1-3-year transition is the best option. This conversation started with the understanding that it is not viable to extend the 2018 Housing Bond and the need for housing development. This is okay, but the initial purpose of the measure needs to be protected. We cannot prioritize everything; if we do this, we will do everything poorly rather than do some things well. We should prioritize the things we need to do well and have those be a success so the region can pass other measures. Voters want to see success.
- **Comment, Co-chair Rudman:** It takes a long time to change voters' hearts and minds, and to see change. I have been Co-chair of the Affordable Housing Bond for the past six years, and that Bond has been a success. I think we should wait and do another housing bond. I think the measure change should make affordable housing an allowable use, but not mandate it. Why does Metro need to add the City Program? Require the counties to work with cities and increase the current efficiency and effectiveness of the current measure. If

Tri-County Planning Body Meeting Summary

the regional investment fund (RIF) goes away, we lose the dedicated allocation for regionalization.

- **Comment, Yoni:** Regionalization is important, including a regional system of care. The counties are working hard and deserve credit. This shouldn't be about power or control, but how to form processes for the best collaboration for outcomes.
- **Comment, Cristina:** When looking at values, it would be helpful to see actual amounts spent, so voters can see how much has been spent on what, and this will also help with planning. We should not be decreasing services. I want to see how else funds can be used like wrap-around services. The voters will appreciate seeing how the funds flow to help people get out of homelessness and the services that are needed to support that. The projections out to 2050 are not useful to voters, people care about what is happening now, and 3–5-year projections are more realistic of voter interests.
- **Comment, Eboni Brown:** The cost of rent is rapidly increasing. How does that factor into these scenarios and what mitigation factors will be implemented with the new measure? As rent rises, so does the cost of keeping people housed.
 - **Metro Response, Brian:** Government expenses rise faster than the rate of inflation, but for budgeting exercises, governments use the rate of inflation from the Bureau of Labor Statistics.
 - **Metro response, Holly:** The sunset extension is trying to solve that.
- **Comment, Co-chair Elizalde:** This work is largely subcontracted, and a majority of the funds are used to pay rent, which has a 10% increase cap. Subcontractor and rent costs are not rising 3% a year. This is a community program, not a government program, and budgeting should reflect that.
- **Comment, Mindy:** From a Medicaid lens, there are gaps in health and housing services that providers try to blend together as it is the right thing to do, but there are no explicit policies. For the next steps, I would think about creating flexibility to provide a single set of services and explicitly connect those to Medicaid and other state funding services for the long term.
- **Question, Washington County Chair Kathryn Harrington:** Which bucket of funds will be dedicated to regionalism? Metro is trying to look at collective revenue to increase affordable housing. They have been asked by the Portland Metro Chamber to reduce the tax rate and have heard perspectives from cities asking for more funds to deliver food pantry support and other services. The measure was clear and specific that these services are for Population A and B. Metro is doing a good job.
 - **Metro response, Brian:** Most of the regional coordination work would fall to Metro and be covered in the 5% administration allocation. Services would be delivered at the county level with identified investments from the Housing and Homelessness Policy Advisory Committee (HHPAC) through the other allocation buckets.
 - **Metro response, Holly:** These are the exact concerns and critiques that the Council is working through.
- **Comment, Cameran:** This is a marketing problem. Voters see individuals on the street experiencing crisis, they do not see successes that have been achieved. We need to reframe things for the voters to have them fully understand that we have been successful. It takes a continuum of care to keep homelessness brief, nonrecurring, and rare. A majority of the population wants affordable housing and to keep Population A and B housed. This starts with wrap-around care. We should focus on and excel at keeping people housed by providing more wrap-around services. Those who are fatigued by paying taxes, still have funds to pay those taxes. If we respond to those who have the wealth to pay taxes, we are not responding to the people we should be responding to: Population A and B.

Tri-County Planning Body Meeting Summary

- **Comment, Sahaan:** Governance is the biggest priority for any adjustment. What we are seeing right now are funds not being spent well. I do not think there is voter fatigue to support homelessness, there is fatigue for poor performance. Governance needs to be addressed so we can do better. Each county prioritizes the unique needs of its jurisdiction. There needs to be some level of regionalization and regional vision because we are currently prioritizing too much. The counties need to prioritize the same few things and succeed at those with excellence. The governing body needs to have a collective vision. The current inefficiencies we are seeing total an amount that is greater than the tax cut.
- **Comment, Eboni:** Are there any scenarios that account for if federal services are decreased and removed? Providers are anticipating federal service cuts, and we are currently struggling with food security at the state level. What are the impacts on medical programs? How are vacancy rates being leveraged? I am seeing in the scenarios that there is an assumption there will be a significant loss no matter what.
- **Co-chair Elizalde:** Any programs or projects that have been using the RIF would now need to come from another allocation, which is problematic. Regional priorities and innovation the RIF was set aside for will now need to compete with services. I would like to see how the counties will do this. Can the counties complete an exercise that would show how the landlord mitigation fund would be impacted by the base allocations and share any questions and consequences that arise from that? Can the counties complete an exercise that would show how a tri-county purchase with Community Warehouse would play out? I do not want to approve more implementation plans until these questions are answered because I do not want the counties to commit to something that would then need to be cut.
 - **Metro response, Brian:** The charts are not forecasts, they model the state's historical experience with volatility. Metro just released its updated five-year forecast for SHS and we are experiencing real-time fluctuations and the concerns for managing services exist today. We are looking at a system that prioritizes stability for certain assets.
 - **Washington County Response, Nicole:** The delta for Washington County forecasts are \$16 million.
- **Comment, Co-chair Rudman:** It sounds like Metro administration funding would be how regional priorities would be funded. If that is true, Metro should be explicit about the amount of funds and what that process would look like. These funds are meant to be flexible and to fill in gaps.
- **Question, Monta:** This is not a time for a reduction in revenue and the tax rate. A reduction in revenue is a reduction in services. Have we looked at what impacts are for the current level of services? If you lower the tax rate, providers are asked to do more with less. We may see the largest direct service worker walkouts we have ever seen. They do not have living wages and the expectation is that they will do more with less. I support the governance changes and restructuring, but it is a poor choice to reduce revenue.
 - **Metro response, Patricia Rojas:** This is exactly the kind of conversation we need to have for SHS. We have been waiting for this long-term funding source opportunity to make homelessness rare, brief, and non-recurring. SHS has always been intended to braid funding sources and to be used as a catalyst to take solutions to a systems level. Without this change, programs would have to start ramping down in 2027 and that is not the right route. There are details to work out but the Council does not want to see this regional work stop.
- **Question, Cameran:** I would like to hear more about the landlord risk mitigation program (RMP) and associated implementation plan. There is a lot to be done to ensure people are

Tri-County Planning Body Meeting Summary

aware of the RMP. I also want to see implementation plans sooner so we can see how to keep the RIF alive to meet and fund regional goals.

- **Metro response, Valeria:** We will reshare the work plan to approve the remaining plans through May.
- **Comment, Sahaan McKelvey:** We want to keep the RIF fund for all the reasons that have been outlined in this discussion. A bond extension will get passed when it is time. No one is going to vote to eliminate 10,000 Regional Long-term Rent Assistance vouchers. We need to focus on braided funding opportunities. Some foundations will fund coalition work, and we can leverage funding if we are a collective that this measure intended. I encourage us to fail forward and have a collective regional vision and long-term system thinking.

Closing and Next Steps

Ben thanked everyone for participating and shared that the next steps are:

- TCPB members to respond to the January meeting planning survey.
- Co-chairs and jurisdictional leadership team to meet to discuss scenario exercises and expectations.
- Metro staff to reshare TCPB work plan.
- Next meeting: January 8, 2025

Adjourn

Adjourned at 6:05 p.m.