

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING METRO)	ORDINANCE NO. 25-1530
SECTION 11.01.130 (ADMINISTRATIVE COST)	
RECOVERY) CONCERNING USE OF)	Introduced by Council President Lynn
ADMINISTRATIVE FUNDS AND DECLARING)	Peterson
AN EMERGENCY)	

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

WHEREAS, on February 25, 2020, the Metro Council referred to the Metro area voters a personal and business income tax for the purposes of funding Supportive Housing Services in the Metro region (the “Supportive Housing Services Measure”), which was identified as Metro Measure 26-210; and

WHEREAS, on May 19, 2020, the Metro Area voters approved Measure 26-210, thus establishing a one percent personal income tax on high income earners and a one percent business profits income tax on businesses that gross \$5 million annually; and

WHEREAS, Measure 26-210 authorized Metro to provide funding to local governments for the provision of supportive housing services; and

WHEREAS, by adoption of Ordinance Nos. 20-1452, 20-1453, and 20-1454, Measure 26-210 has been codified in Metro Code; and

WHEREAS, through the hard work of Metro’s County implementation partners and service providers around the region, the regional Supportive Housing Services (“SHS”) program has in its first three years of implementation helped thousands of households avoid or escape homelessness, including funding more than 6,200 housing placements, more than 15,000 eviction preventions through regional rent assistance, and the creation or sustaining of more than 1,800 temporary shelter units; and

WHEREAS, despite these initial successes, the launch of the regional SHS program occurred during a time of profound trials and upheaval in the region and nation, including the impacts of the global COVID-19 pandemic on economic opportunity, public health, and public safety, which together exacerbated longstanding racial and economic inequality and lack of opportunity in the region; and

WHEREAS, these factors contributed to an increase in unsheltered homelessness in the Portland region between 2020 and 2023 according to the annual Point-in-Time count, deepening public concern and further complicating and compounding challenges in investments to address this need; and

WHEREAS, after Metro’s tax collection costs are paid, Metro retains five percent of the SHS tax collections to administer and oversee the Supportive Housing Services Program, including convening and supporting the Regional Oversight Committee; establishing a regional homelessness data collection and reporting program; and supporting tri-county regional collaboration; and

WHEREAS, every action must be taken to minimize suffering, particularly for the unsheltered residents in the region; and

WHEREAS, near-term action is needed to provide funding for strategic, one-time investments to local implementation partners currently experiencing urgent need and risks to federal funds; and

WHEREAS, the Metro Council makes the following factual and legal findings:

A. The Oregon Constitution Article XI, Section 14(4) gives Metro “jurisdiction over matters of metropolitan concern as set forth in the charter of the district.”

B. The Metro Council has previously determined that homelessness and affordable housing are matters of metropolitan concern as that term is used in the Oregon Constitution and the Metro Charter, thus giving Metro jurisdiction to legislate regarding these issues; and

C. Amending Metro Code to authorize use of designated regional administrative funds for distribution to local implementation partners for specific, one-time purposes is a legitimate public purpose and necessary to protect the vital interests of those that are experiencing homelessness or likely to become homeless. Therefore, it is appropriate and necessary for the Metro Council to act legislatively to amend Metro Code Section 11.01.130 regarding the use of SHS funds, now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. Metro Code Section 11.01.130 (Administrative Cost Recovery) is amended as set forth in Exhibit A, with inserted text underlined and deleted text in strikethrough.
2. That this ordinance being necessary for the immediate preservation of public health, safety and welfare, an emergency is declared to exist, and this ordinance takes effect immediately upon adoption pursuant to Metro Charter Section 38(1).

ADOPTED by the Metro Council this 17th day of April 2025.



Lynn Peterson, Council President

Attest:

Approved as to Form:



Georgia Langer, Acting Recording Secretary



Carrie MacLaren, Metro Attorney

Metro Code Section 11.01.130 (Administrative Cost Recovery) is amended as follows, with underlined text representing inserted text and ~~striketrough~~ representing deleted text. All other sections of Chapter 11.01 remain the same.

11.01.130 Administrative Cost Recovery; Use of Administrative Funds

(a) 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.

(b) In addition to the uses described in subsection (a), Metro may also provide funding to a local implementation partner to support specific needs identified by Metro Council. Funding under this subsection is in addition to the allocations set forth in Section 11.01.090. The Metro Council may establish the conditions under which a local implementation partner may receive and use funds under this subsection. Funds provided under this subsection must be used for supportive housing services but are not otherwise subject to the requirements of this chapter unless required by Metro Council.

IN CONSIDERATION OF ORDINANCE NO. 25-1530 FOR THE PURPOSE OF AMENDING METRO CODE SECTION 11.01.130 (ADMINISTRATIVE COST RECOVERY) CONCERNING USE OF ADMINISTRATIVE FUNDS AND DECLARING AN EMERGENCY

Date:	April 11, 2025	Prepared by: Kristin Dennis, Metro Council Chief of Staff
Department:	Council Office	
Meeting Date:	April 17, 2025	Presenters: Kristin Dennis, Metro Council Chief of Staff

ISSUE STATEMENT

Metro Council seeks to ensure that Supportive Housing Services (SHS) funding provides tangible benefits where needed most across the region. In a time of continuing crisis in our communities and broader financial uncertainty, responsive action is of critical importance.

BACKGROUND

In May 2020, voters in greater Portland approved Measure 26-210 to fund services for people experiencing or at risk of homelessness. The measure created personal and business income taxes that fund Supportive Housing Services (SHS) across the region. Pursuant to the measure, Metro retains 5 percent of SHS tax collections to administer a regional program.

To enable disbursement of its administrative funds to local governments for one-time investments in improved service delivery, Metro Council held a first reading and public hearing of Ordinance No. 25-1530 on March 4.

On April 10, Metro Council held a second public hearing and considered an amendment (labeled Version A in the distributed materials) that proposed revisions to better support integration with existing regional service delivery; to clarify that funds will be used for strategic, one-time investments; and to limit eligible recipients of these funds to Metro’s local implementation partners—Clackamas, Multnomah and Washington Counties. Metro Council adopted the amendment.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

To ensure administrative funds are used strategically to support the existing work of the Supportive Housing Services programs, Metro Council may consider directing staff to work with county staff to identify key opportunities for investments that would benefit from availability of one-time funds. A future resolution adopted by Metro Council may identify key regional needs to specify the types of investment Metro Council will consider for funding distribution.

ACTION REQUESTED

Consider adoption of Ordinance No. 25-1530.