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**JOINT OFFICE OF HOMELESS SERVICES**

TO: Chair Deborah Kafoury  
Kim Melton, Chief of Staff  
Christian Elkin, Budget Director

FROM: Marc Jolin, Director

DATE: March 5, 2021

RE: FY 2022 Budget Submission Transmittal Letter

## OFFICE OVERVIEW |

The Joint Office of Homeless Services (JOHS) represents a shared commitment between the City of Portland and Multnomah County to expand, improve, align and simplify access to the range of services dedicated to addressing homelessness in our community.

As an office within Multnomah County, our work aligns directly with the County’s mission and vision to serve the needs of those who are most vulnerable by providing a safety net of quality services that are developed using an equity lens and commitment to social justice. The JOHS is also guided by the vision of A Home for Everyone – that no one should be homeless and everyone deserves a safe, affordable place to call home – and its core values of prioritizing those who are most vulnerable, promoting racial and ethnic justice, engaging the community in identifying and implementing strategies that work, using data and holding programs accountable for outcomes, and strengthening the overall capacity of our systems by increasing alignment, coordination, and leverage.

A Home for Everyone is a community-wide effort to house homeless Multnomah County residents by making smart investments in the areas of housing, income, survival and emergency services, health, access to services, and systems coordination. Key partners in the effort include Multnomah County, the City of Portland, the City of Gresham, Home Forward, local nonprofits and members of the public.

The JOHS has four primary functions: (1) support the community-wide homelessness planning efforts of A Home for Everyone; (2) contract local, State, and Federal funds to non-profit providers delivering a continuum of homeless and housing services to adults, youth, families with children, and survivors of domestic and sexual violence; (3) oversee the development and operations of the community's emergency shelter system; and (4) serve as the U.S. Department of Housing and Urban Development (HUD) Continuum of Care "Lead Agency".

With the passage of the Metro Supportive Housing Services Measure (SHS Measure) in May of 2020, the JOHS has taken on the responsibility to lead the County's implementation of the extensive community-based planning and large-scale expansion of supportive housing services called for by the SHS Measure. This is a major undertaking in light of the projection that the SHS Measure will ultimately yield an additional \$100 million per year for supportive services and rental assistance for Multnomah County, which will more than double the JOHS budget over the next few years.

## RESPONDING TO THE COVID-19 PANDEMIC |

In response to the COVID-19 pandemic, the JOHS has taken on additional critical work leading efforts to protect people experiencing homelessness from the potentially devastating impact of the pandemic. Working with County Public Health and Emergency Management, the Joint Office is: (1) providing substantial financial and technical assistance to its contractors to support their ability to continue services; (2) dramatically expanding coordinated outreach and supply distribution (survival gear and personal protective equipment) to the unsheltered population; (3) re-organizing and expanding the emergency shelter system to allow for physical distancing and non-congregate motel sheltering of individuals at high-risk of serious illness or death from COVID-19; and (4) operating voluntary isolation motels for individuals who become infected with COVID-19 or need to quarantine.

Because of capacity limitations among our community based organizations during the pandemic, the JOHS has hired a significant number of limited duration employees to directly operate one of the current physical distancing shelters and the two voluntary isolation motels opened in response to the pandemic. In addition to these efforts, the JOHS has partnered with the Portland Housing Bureau and the Department of County Human Services to assist in the distribution of \$27 million in COVID-19 emergency rental assistance to date and will continue to distribute additional funding into next fiscal year.

The impact to the JOHS staff of responding to the pandemic's threat to people experiencing homelessness cannot be overstated. Regardless of their role in the office, every JOHS staff person has not only had to adapt their work to make certain there would be no interruption in critical core services during the pandemic, they were also asked to take on new work and additional assignments as part of the COVID-19 response. They did this even as many also experienced significant direct impacts from COVID 19 in their personal lives. It has been a very difficult year, and a year that brought out the best in the staff.

## DIVERSITY, EQUITY, AND INCLUSION |

Every institutional failure that is driving highly vulnerable people into homelessness is exacerbated for Black, Indigenous, and other People of Color (BIPOC) by the ongoing racism that also plagues those institutions. Whether in the housing, employment, health, or homeless services sector, systemic institutionalized racism continues to push disproportionately high numbers of People of Color into homelessness, and creates additional barriers for BIPOC to overcome in ending their homelessness.

The JOHS has taken numerous steps to realize the AHFE goal of eliminating the disproportionately high rates of homelessness among People of Color through its community planning and contracting practices. The JOHS has: (1) improved data collection and outcome reporting using inclusive racial identities; (2) created standards of practice for all contractors that include cultural responsiveness and/or culturally specific service provision; (3) included a requirement for organizational equity assessments, plans, and progress reporting in all contracts; (4) prioritized and increased funding to culturally specific organizations through local procurement processes and prioritization of culturally specific programs in competitive Federal applications; and (5) prioritized staff support to the AHFE Equity Committee and the implementation of the AHFE equity lens in all AHFE planning efforts.

The JOHS has also dedicated significant time to increasing the office's internal capacity to lead with race, including through implementation of the Multnomah County Workforce Equity Strategic Plan (WESP). That implementation includes a chartered equity committee, monthly equity-focused all staff meetings, affinity groups, and staff training, as well as changes in our job descriptions, recruiting, selection and onboarding practices. The JOHS also continues to be active in countywide racial equity policy development and training efforts.

This year, as part of the COVID-19 response, we hired an equity specialist to support staff onboarding, training, and equitable program development in the JOHS-run and/or funded physical distancing shelters and voluntary isolation motels. Recognizing the disproportionate rate of infection and serious adverse consequences from COVID-19 among BIPOC, we prioritized access for People of Color to our High Risk Motel Shelters, provided additional financial supports to our culturally specific providers, and worked with an expansive network of culturally specific community based organizations to ensure that emergency rental relief reached those Communities of Color most impacted.

Looking ahead to next year, the SHS Measure represents a tremendous opportunity to further advance our commitment to racial equity. The SHS Measure calls on the County to end homelessness and to do so by first reaching BIPOC who are overrepresented in the populations of people experiencing chronic and episodic homelessness. The Measure, consistent with the values of the JOHS and AHFE, requires that all planning work center the voices of people with lived experience, especially from BIPOC communities. The SHS Measure Local Implementation Plan (LIP), adopted by

the County Board to guide SHS Measure fund investments, emphasizes the importance of expanding the number and capacity of culturally specific service providers, and expanding funding to those providers, as critical strategies to eliminate racial disparities in homelessness. This year's submitted JOHS budget includes significant investments that further these commitments.

## FY 2022 BUDGET PRIORITIES |

The JOHS relies on the hundreds of community members and stakeholders who are part of A Home for Everyone to help set budget guidance. In keeping with the framework created through AHFE, the JOHS surveyed and staffed a series of AHFE sub-committee and Coordinating Board meetings to develop FY 2022 budget priorities for our existing (non-SHS Measure) funds. The priorities for Year 1 SHS Measure investments were developed through the parallel Local Implementation Plan (LIP) engagement process (see below).

### AHFE GUIDING PRINCIPLES FOR BUDGET PRIORITIES:

In developing FY 2022 budget priorities, the JOHS started with the recommendations adopted by the AHFE Coordinating Board in December of 2020 regarding how to prioritize current funding. The Coordinating Board's guidance was to prioritize investments in:

- Culturally-specific providers and culturally-responsive programs serving Communities of Color and the LGBTQIA2S+ community that are overrepresented in the homeless population;
- Permanent supportive housing (PSH), prevention, and housing retention programs that keep people in the housing they already have;
- Services engaging people experiencing Chronic Homelessness, including safety on the streets services, sustained outreach, and supportive housing projects
- Capacity within our network of community-based organizations and working to evaluate pay, training, benefits, and other supports

With this guidance, JOHS program staff reviewed currently budgeted programs in all population-specific systems and recommended programmatic investments that would best advance these commitments.

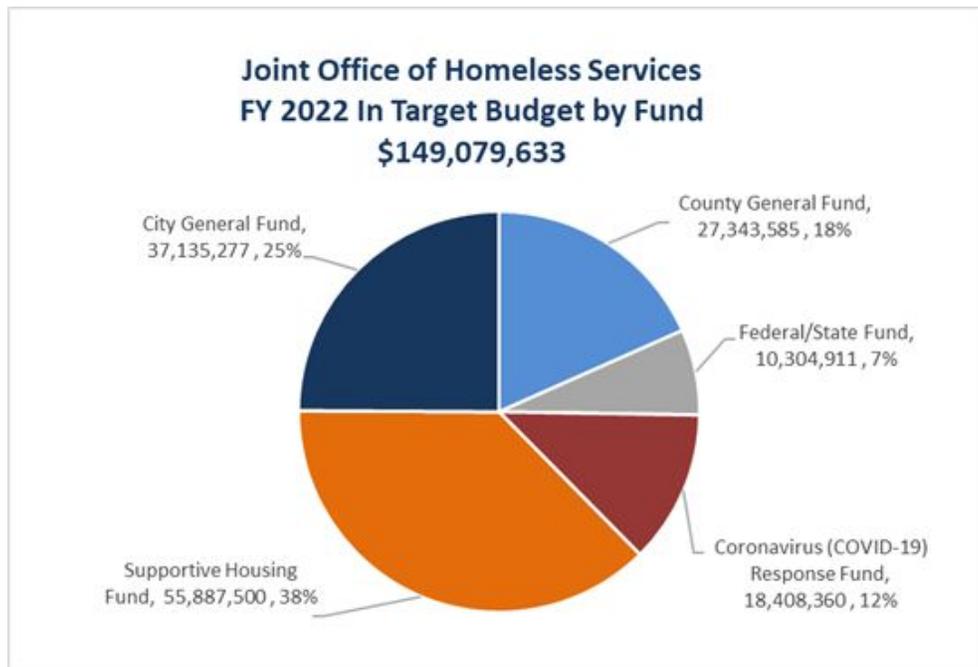
## FY 2022 BUDGET OVERVIEW |

The JOHS budget submission totals \$149.1 million and 67.00 FTE for FY 2022 for in target programs. We did not submit any out of target programs. The submission is detailed in the table below showing the total allocation.

FY 2022 Joint Office of Homeless Services Budget Submission				
	FY 2022 General Funds*	FY 2022 Other Funds	Total Funds	Total FTE
In Target Programs	27,343,585	121,736,048	149,079,633	67.00
Out of Target Programs	-	-	-	0.00
<b>Total FY 2022 Submission</b>	<b>27,343,585</b>	<b>121,736,048</b>	<b>149,079,633</b>	<b>67.00</b>

\*Includes both General Funds and Video Lottery Funds

The JOHS is funded by General Funds, Federal/State Funds (which primarily consists of funding from the City of Portland), the SHS Measure, and one-time Federal funds specifically allocated for the COVID-19 emergency response. The pie chart below shows the JOHS budget by fund:



While much of our submitted budget reflects the core investments and services we have supported for five years, there is also a lot that is new. Excluding federal COVID-19 resources, our FY 2022 submitted budget has increased by over 70% relative to our FY 2021 Adopted budget of \$75.1 million. Our submitted FTE count also increased significantly as we incorporate and prepare for additional significant budget increases over the next two fiscal years. This increase in funding and staffing is due to the passage of the Metro SHS Measure and the expected revenue it will bring to the County and the JOHS.

In May of 2020, voters across our region affirmed their commitment to addressing homelessness by approving the SHS Measure, which will provide an ongoing source of funding for rental assistance and support services to reduce chronic and episodic homelessness through strategies that lead with racial equity. Tax from the Measure went into effect on January 1, 2021, and, at full collection, it is expected to generate \$100.0 million annually for Multnomah County and another \$150.0 million annually for the rest of our region.

Our FY 2022 submitted budget includes \$52.1 million of SHS Measure funding for the first year, based on Metro’s estimate of initial tax collections, with proposed investments shaped by the priorities outlined in our LIP - a SHS Measure-required plan developed over many months with extensive community engagement that prioritized BIPOC and those with lived experience of homelessness, severe disabling conditions, and other intersecting marginalized identities. The LIP was approved by the Board of County Commissioners in December of 2020.

In addition to base and SHS Measure funds, our submitted budget includes a substantial commitment to continuing our response to the COVID-19 pandemic. In March of 2020, the JOHS, with partners from across the County, took immediate steps to limit the spread of COVID-19 within the homeless population and otherwise mitigate the impacts of the pandemic on those experiencing homelessness or at risk of experiencing homelessness. Our emergency response is ongoing and includes operating six physical distancing motel shelters and two voluntary isolation motel shelters, expanded safety on the streets outreach to provide life-sustaining supplies to those living unsheltered, and support for contracted service providers to mitigate increased risks associated with service delivery.

We anticipate that FY 2022 will be a critical year as we: (1) gradually return our system of care to a new normal with the containment of COVID-19; (2) continue the community and stakeholder engagement that will more fully define our implementation of SHS Measure programming; (3) grow our organization and systems of care to accommodate the significant expansion of programming locally and regionally; and (4) renew the strategic plan and governance structure for our community’s efforts to end homelessness.

## GENERAL FUND TARGET ALLOCATION |

The Joint Office submitted a total County budget request of \$27.3 million, which includes in-target operating General Fund, Video Lottery, and Tax Title resources. The table below summarizes the JOHS in-target budget submission for these three County discretionary funds.

County Discretionary Funds Budget	
Fund	Amount
County General Fund <sup>1</sup>	22,617,334
Video Lottery Fund	3,697,581
Tax Title Fund	1,028,670
<b>Total</b>	<b>27,343,585</b>

<sup>1</sup>Includes \$2.05 million of shelter capital carryover

### Implementation of the Metro Supportive Housing Services Measure

Our FY 2022 budget includes \$52.1 million of SHS Measure funding for the first year, with proposed investments informed by priorities outlined in Multnomah County's LIP. The plan was developed over several months of community engagement that drew on the expertise of hundreds of community stakeholders and centered the voices of BIPOC and those with lived experience of homelessness, severe disabling conditions, and other intersecting marginalized identities.

The LIP was intended by Metro - the oversight jurisdiction for the SHS Measure - to be a high level framework to guide ongoing planning needed to ensure the most effective investment of SHS Measure funding at the county and regional levels. Recognizing the urgency of the homelessness crisis, however, Multnomah County's LIP outlined early investments that both start building out long-term programmatic investments in supportive housing *and* fund limited-duration priority programming (1-3 years) that can have an immediate impact in FY 2022. These priorities are reflected in the JOHS submitted budget.

Importantly, our budget invests \$7.2 million (30400B/30400C) to quickly expand permanent supportive housing (PSH) options for those experiencing, or at imminent risk of, chronic homelessness by building out our local long-term rent assistance program and expanding both the housing placement and wrap around services needed as part of that PSH expansion. The budget allocates \$5.8 million to housing placement and retention strategies, including in the homeless families system (30301B), ongoing rent assistance and support services for the seniors housed as part of the Metro 300 program (30304B), and the short-term rent assistance program (30308). The budget also allocates \$3.0 million (30401B) SHS Measure funding to a Year 1 expansion of behavioral health services offered to people living unsheltered, in shelter, in transitional housing, exiting institutional settings, or that are already in permanent housing. These ongoing investments will fund placement and retention for 1,400 households through a combination of rapid rehousing and PSH.

The other Year 1 investments that are expected to be ongoing focus on building out the capacity within the Joint Office (various program offers), other County Departments (30400D), and our community partners (30004B) to be able to effectively deliver the SHS Measure resources to the community as funding levels continue to grow over the next two years. This includes investments in policy and planning (30003B), data collection and evaluation (30002B), and contract management and administration (various program offers). These early investments in capacity will ensure that we are ready to fully and effectively implement the projected \$100 million per year allocated to Multnomah County, and to partner with the Washington and Clackamas Counties on the successful implementation of the SHS Measure region-wide.

In addition to anticipated ongoing investments from the SHS Measure, the JOHS budget allocates \$11.8 million of SHS Measure funding to shorter-term, limited-duration priorities identified in the LIP. This includes investments in the series of COVID-19 recovery strategies listed below, which includes funding for placements out of emergency shelter (30700A), a range of alternative shelter options (30700B), emergency rental assistance to prevent a new wave of households becoming homeless (30700C), and low-barrier employment opportunities (30700D).

As anticipated in the LIP, we also propose limited-term allocations of SHS Measure funds to support new organizations - especially smaller culturally specific and peer led organizations - to develop the capacity to become part of the homeless services provider network locally and regionally (30004B). These additional providers will be critical to the success of the SHS Measure and, in particular, our ability to eliminate racial disparities in the chronically homeless population by expanding culturally specific and peer led services connected to supportive housing that meets the needs of people with significant behavioral health conditions.

Beyond the budgeting and implementation of this year's allocation of SHS Measure funds, in FY 2022 the JOHS will continue to lead a significant amount of local and regional community-based planning to further define the long-term investment strategies for SHS Measure funds in FY 2023 and the governance structures that will oversee those strategies. These processes will fold into ongoing strategic planning efforts related to resetting A Home for Everyone, discussed in more detail below.

Program Offers Funded with Revenue from the Metro Supportive Housing Services Measure			
Offer Number	Program Name	Measure Funding	FTE <sup>1</sup>
30000B	Joint Office of Homeless Services Administration and Operations - Metro Measure Expansion	2,250,441	5.00
30001B	Business Services - Metro Measure Expansion	1,064,876	4.00
30002B	Data, Research, & Evaluation - Metro Measure Expansion	431,822	3.00
30003B	Policy, Planning, & Regional Coordination - Metro Measure Expansion	2,957,562	4.50
30004B	Equity-Focused System Development & Capacity Building - Metro Measure Expansion	6,767,363	1.50
30100B	System Access, Assessment, & Navigation - Metro Measure Expansion	2,448,569	3.00
30208B	Safety off the Streets - Emergency Shelter Strategic Investment - Metro Measure Expansion	3,500,000	-
30209	Safety off the Streets - Metro Measure Expansion	3,750,000	3.50
30301C	Housing Placement & Retention - Homeless Families - Metro Measure Expansion	1,375,000	-
30304B	Housing Placement & Retention - Seniors - Metro Measure Expansion	2,000,000	-
30308	Housing Placement & Retention - Metro Measure Expansion	2,196,060	1.50
30400B	Supportive Housing - Metro Measure Expansion	3,712,807	6.00
30400C	Supportive Housing - Metro Measure Expansion - Local Bond Units and Site-Based Commitments	3,500,000	-
30400D	Supportive Housing - Metro Measure Expansion - Countywide Coordination	1,330,000	3.00
30401B	Supportive Housing - Behavioral Health/Medical Housing - Metro Measure Expansion	3,040,000	-
30700A	COVID-19 Recovery - Placements out of Shelter - Metro Measure Investment	3,000,000	-
30700B	COVID-19 Recovery - Alternative Shelter for Adults - Metro Measure Investment	3,000,000	-
30700C	COVID-19 Recovery - Emergency Rent Assistance - Metro Measure Investment	2,805,000	-
30700D	COVID-19 Recovery - Employment - Metro Measure Investment	3,000,000	-
<b>Total</b>		<b>52,129,500</b>	<b>35.00</b>

<sup>1</sup> 13.00 of these FTE were added in FY 2021 with a mid-year supplemental budget

## FY 2022 COVID-19 Emergency Response Budget

Our FY 2022 budget proposes a continuation of our COVID-19 shelter, outreach, and provider support activities through December 2021 at a cost of more than \$18.4 million. To this point, we have used various Federal sources to fund our emergency response. Our FY 2022 COVID-19 emergency response program offers are funded 50/50 with CARES Act Coronavirus Relief Funds (CRF) and CARES Act Emergency Solutions Grant (ESG-CV) funding, which assumes that those resources will be available with the reimbursement of current year costs from the Federal Emergency Management Agency (FEMA). If FEMA reimbursement does not materialize or is lower than expected, and additional Federal funding is not made available, we will need to find additional sources of funding or scale back/discontinue aspects of the programming.

COVID-19 Services Focused Programs				
Offer Number	Program Name	CRF	ESG-CV	Total
30090	COVID-19 Emergency Response - Physical Distancing & Medical Isolation Shelter	7,639,600	7,639,600	15,279,200
30091	COVID-19 Emergency Response - Safety on the Streets Outreach	250,000	250,000	500,000
30092	COVID-19 Emergency Response - Partner Agency Support	1,314,580	1,314,580	2,629,160
<b>Totals</b>		<b>9,204,180</b>	<b>9,204,180</b>	<b>18,408,360</b>

With the forthcoming broad distribution of COVID-19 vaccinations and presumed widespread immunity, we hope to return our homeless services system to relative normalcy in the second half of FY 2022. This is why we have budgeted for the continuation of existing programming for only the first six months of FY 2022. That said, the transition will take time and our community will continue facing the economic impacts of the pandemic throughout FY 2022 and beyond, and that is particularly true for those who are struggling to pay rent. The most recent estimates are that between 12% and 15% of renter households have been unable to pay their rent each month, which is up to 20,000 area households. Given the scope of transition to relative normalcy and the ongoing community need, we have prioritized \$11.8 million of initial SHS Measure investments to COVID-19, as described above.

### Ongoing Services Funded with One-Time-Only City General Funds - \$6.34 million

Our City of Portland General Fund allocation has, historically, included a continuation of one-time-only (OTO) resources that amount to approximately 20% of our total City funding. These resources fund ongoing services. Our FY 2022 budget includes \$6.34 million of requested City OTO General Funds, representing 18% of the City's \$35.1 million funding commitment to ongoing JOHS programs. The JOHS has also requested \$2.0 million OTO for shelter capital, which represents the remaining balance of the City's portion of the joint City/County commitment to provide \$5.0 million

each for shelter capital investments. This brings the total City-funded submitted budget to \$37.1 million.

As illustrated by the chart below, the City OTO funds are distributed across all the JOHS-funded service types, with the significant majority of the funding going to support current adult shelter operations, housing placement and retention, and diversion. The shelter capital investment request of \$2.0 million has been excluded from this chart because it does not fund ongoing programming.

Service Area	PDX Ongoing GF - Base Budget	FY 2022 PDX One-Time-Only GF	% of Total Funded with OTO
Administration & Operations	336,873	0	0%
Support, Access, & Coordination	637,896	394,104	38%
Safety off the Streets	8,433,809	2,549,355	23%
Housing Placement & Retention	7,290,533	1,697,243	19%
Supportive Housing <sup>1</sup>	11,163,834	430,250	4%
Diversion	235,765	1,145,935	83%
Employment Programs	697,670	122,010	15%
<b>Total</b>	<b>28,796,379</b>	<b>6,338,898</b>	<b>18%</b>

<sup>1</sup> Includes Service Coordination Team funding - \$2,159,003

In the event that the City OTO funding is not renewed, we estimate reductions equivalent to 270 year-round shelter beds, 110 fewer placements into permanent housing, the loss of 25 units of youth transitional housing, a loss of 40 units of supportive housing and 675 fewer people receiving diversion and employment services. We would also see significant reductions in our coordinated access and supportive housing program capacity.

### Organizational Changes

Excluding Federal COVID-19 resources, our FY 2022 submitted budget represents an increase of over 70% relative to the FY 2021 Adopted budget, going from \$75.1 million to \$130.7 million, and our FTE count has gone from 32.00 to 67.00 (13.00 of these new FTE we added in FY 2021 with a mid-year supplemental budget, resulting in a net year-over-year increase of 22.00 FTE). The increase in FTE represents investments in program planning and administration, community engagement, data collection and evaluation, contract management, and business services. These positions will support the expansion in scale and scope of our local and regional systems of care as our total budget increases to a projected \$175.0 million over the next few years.

In order to better reflect key organizational and programmatic functions that have become more distinct with our organizational growth, we have expanded our program structure. Here are the program offers associated with these changes:

- **30001A - Business Services (\$0.9 million)** - The business services team is responsible for development, management, and administration of the annual budget, management of local, State, and Federal funding, procuring and contracting for the provision of homeless services, and processing invoices from and payments to contracted service providers. The expansion of this team that is needed to support SHS Measure implementation and program expansion is found in program offer 30001B.
- **30002A - Data, Research, & Evaluation (\$0.9 million)** - The data team is responsible for various data management and analytics operations across the data lifecycle that culminate in the provision of useful information for internal and jurisdictional stakeholders. The expansion of this team that is needed to support SHS Measure implementation and the corresponding changes to our local and regional data collection, reporting, and evaluation needs is found in program offer 30002B.
- **30003A - Policy & Planning (\$0.5 million)** - The policy and planning team oversees work done as the lead agency for the local Continuum of Care (CoC) and as the convener of A Home for Everyone, in addition to other policy and planning work. The expansion of this team that is needed to support the significant continued community-based planning and oversight called for under the SHS Measure and the LIP is found in program offer 30003B.
- **30004A - Equity-Focused System Development & Capacity Building (\$0.1 million)** - The JOHS relies on an extensive network of community-based organizations to provide homeless services. This program provides training for community based organization management and frontline staff in racial equity, culturally responsive and specific practices, trauma informed care, de-escalation, and other areas, with the goal of creating ongoing communities of practice among our contracted agencies. The significant increase in training and capacity building that will support current and prospective non-profits delivering a dramatically expanded level of services locally and regionally under the SHS Measure - in particular to expand culturally specific and responsive services - is budgeted in 30004B.
- **30100A - System Access, Assessment, & Navigation (\$1.6 million)** - The system access, assessment, & navigation team supports critical community-based systems designed to equitably assist people experiencing homelessness with the information and navigation supports they need to get into services, including shelter, housing, health, and employment. These services are significantly expanded - particularly in outreach based navigation services, coordinated access assistance, and barrier removal supports - in program offer 30100B.

## **Ending Homelessness Planning: Local and Regional**

Prior to the onset of the COVID-19 pandemic, the JOHS initiated a series of strategic planning discussions around the strategic priorities and governance of our community's ending homelessness efforts, in light of the fact that A Home for Everyone was intended to be a five year initiative. In addition, there was ongoing planning related to Portland and Multnomah County's shared commitment to add 2,000 units of supportive housing by 2027. COVID-19 put those efforts on hold while we worked to build a comprehensive response to this new threat to our system and our community.

Then, with the passage of the SHS Measure in May of 2020, a new intensive round of community-engaged planning was required - the work of creating a Local Implementation Plan for the SHS Measure that could be approved in time to allow it to guide the SHS Measure spending that will start in FY 2022. The passage of the SHS Measure also launched an unprecedented level of intergovernmental planning between Metro and Multnomah, Washington, and Clackamas counties, as well as much needed intensification of interdepartmental planning within the County.

As the lead agency supporting all of this strategic planning and governance work, the JOHS will be investing heavily in FY 2022 in aligning and successfully completing these various community-led and multi-jurisdictional planning efforts. Specifically, we will: (1) complete and implement a new governance structure to oversee all of our community's ending homelessness initiatives, including the implementation of the SHS Measure; (2) build out an inter-departmental leadership team within Multnomah County to coordinate ongoing SHS Measure implementation, including programming, data alignment, and coordinated administration; (3) complete the "phase 2" planning contemplated by the LIP in areas such as data, geographic equity, supportive housing expansion, behavioral health integration, and shelter and safety on the streets investments; (4) create a regional homeless services data system implementation; and (5) support the establishment of the regional planning body contemplated in the SHS Measure.

## **Shelter System Transformation Continued**

Over the past five years, the JOHS has implemented A Home for Everyone's vision of expanding and transforming the emergency shelter system, in particular for adult only households and families. With the exception of certain capital investments needed to complete the program model at the Lilac Meadows family shelter, the family shelter system is fully transitioned to one where every family has their own room and an array of on-site services to support the transition to permanent housing. On the adult side, there is critical work that will continue in FY 2022 to complete the geographically distributed network of high-quality, community-based, housing-focused congregate shelter sites. We will be making important roof and seismic upgrades to the Willamette Center in Westmoreland and we will start the design and redevelopment of the newly acquired site on N. Lombard and Denver. The JOHS will also continue to work to secure a new high-quality, housing-focused, service-enriched, long-term central city site for women's shelter.

As we complete these transitions to higher-quality shelter programming in the adult system, we will also be supporting the community in implementing a range of new alternative shelter options as part of the submitted SHS Measure-funded COVID-19 recovery investments, and working to transition our COVID-19 physical distancing shelters to other sites or uses. Specifically, we will be working with the City of Portland to identify alternative locations for the C3PO outdoor physical distancing shelters, and will be working with our shelter providers to transition out of the motel shelters in the second half of FY 2022. Because as many as three of those motels will be in public ownership by that time, we will be planning for appropriate alternative uses, including potential transitional and permanent housing.

### **HMIS and Data Redesign**

This fiscal year, the JOHS and Portland Housing Bureau have continued to plan for the eventual transition of Homeless Management Information System (HMIS) responsibilities for the Multnomah County Continuum of Care (CoC) to the JOHS. We expect that transition to be completed in the second quarter of FY 2022. However, because of the benefits to the SHS Measure of regional data integration, and plans at the State to launch their own HMIS implementation, the JOHS will be exploring implementing HMIS not just for Multnomah County, but for the Washington County and Clackamas County CoCs as well. Discussions about the feasibility of this are already underway among the counties.

## STATE/FEDERAL/OTHER FUNDS |

### **HUD - Continuum of Care**

Because of the COVID-19 pandemic, Congress gave approval to the United States Department of Housing and Urban Development (HUD) to renew all existing Continuum of Care (CoC) grants based on last year's awards, adjusted for changes in fair market rent levels. Therefore, there are no new CoC-funded projects in this year's submitted budget, and no reductions or changes to current CoC funded programs. While continued CoC funding is positive, as in past years the HUD funding levels for existing CoC projects are well below the true costs of operating the programs. As a result, the community based organizations receiving the awards struggle to meet outcomes and look to JOHS and County resources to close the funding gap and make the programs fully operational.

Home Forward also received 130 new, ongoing Mainstream Vouchers through the CARES Act and is partnering with the Joint Office to deploy them. These vouchers serve non-elderly people with disabling conditions who are experiencing homelessness. The vouchers cover rent assistance. Support services for 30 of them are provided by Joint Office and other countywide State-funded services through the Homeless Youth Continuum, Domestic Violence Service Continuum, and Multnomah County Assertive Community Treatment (ACT) Teams. Services for the other 100 vouchers will be funded by the SHS Measure and rolled out in FY 2022.

## State of Oregon - Oregon Housing and Community Services

The JOHS continues to actively participate in the State's expanding efforts to address homelessness through policy making and increased funding administered by Oregon Housing and Community Services (OHCS). In FY 2021, the JOHS partnered with the Portland Housing Bureau and the Department of County Human Services to help distribute \$25.0 million Federal CARES Act funding as emergency rent relief, including funding allocated by the State. The JOHS also received nearly \$3.0 million in "Out of the Cold" funding to support expanded shelter capacity. This is in addition to the allocations of State Emergency Housing Assistance and State Homeless Assistance Program funds totaling \$2.8 million in FY 2021 that support a meaningful portion of our year-round shelter capacity.

Going into FY 2022, we anticipate working with OHCS to allocate additional millions in emergency rental assistance related to COVID-19. We will also be working with OHCS and Portland Housing Bureau on aligning State resources with the SHS Measure funds to achieve our permanent supportive housing expansion goals, partnering with OHCS around the statewide and regional HMIS implementation, and our efforts to acquire and convert motels into longer-term housing stock. There are several pieces of legislation that we are also tracking carefully that could impact the formula OHCS uses for funding allocations and our work with unsanctioned encampments and people living in places not meant for human habitation.

## RISKS/OTHER ISSUES |

### Inflow/Outflow - COVID-19

One of the most significant challenges facing our efforts to end homelessness has long been the rate of inflow into homelessness, in particular among BIPOC and people with serious disabling conditions and extremely low incomes. This challenge threatens to grow significantly as a result of COVID-19 and its economic impact on extremely low-income people and Communities of Color. With the SHS Measure, we have an opportunity to get upstream and help prevent a new wave of homelessness, but it won't be nearly enough without a fully coordinated effort with our regional partners, as well large scale investments at the State and Federal levels.

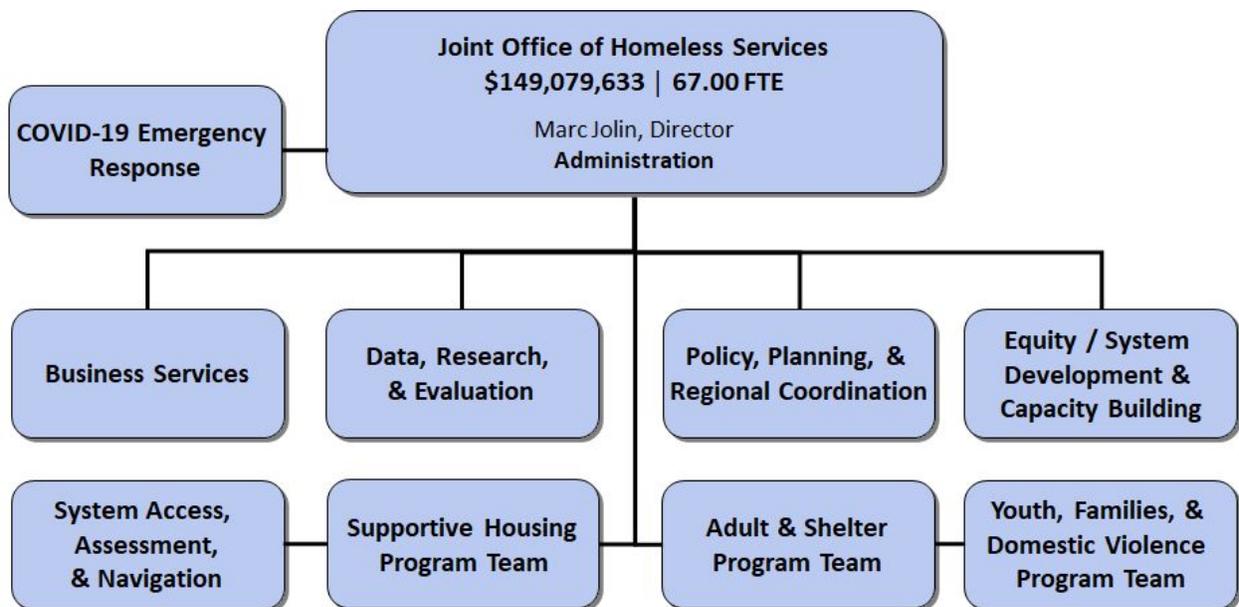
While over the last few years we have been able to steadily expand the number of households leaving homelessness for housing (outflow), and have seen rates of housing placement for BIPOC households meet and exceed their percentage of the homeless population, COVID-19 has had, and will continue to have, a significant adverse impact on outflow. COVID-19 reduced the ability of our community based organizations to do the critical in-person work of engaging with people experiencing homelessness in the challenging work of getting document-ready for housing, finding and applying for housing, and moving in and delivering the critical in-home services needed to stabilize someone in their new housing. While we expect things to begin to improve in the final months of FY 2021, we are anticipating that it will be the second half of FY 2022 before the current system is able to place people at pre-pandemic levels.

## Affordable Housing Market & Income Stagnation

While regional and national market factors continue to impact the inflow of clients into the system, the lack of housing inventory with rents affordable to our community's lowest-income households - in particular the growing population of people with extremely low fixed disability, social security, and veterans benefit incomes - remains the biggest obstacle to the success of our efforts to help people end their homelessness. There are also a growing number of households that rely on minimum wage incomes and are now completely priced out of the private rental market.

Recent estimates suggest a shortage of as many as 30,000 units in our area that are affordable to people who have incomes at 30% of Area Median Income (AMI), or below. The SHS Measure creates an unprecedented opportunity to use long-term rental assistance to meet a significant portion of this unmet need for deeply affordable housing in the region over the coming decade. And, still, by itself the SHS Measure will not be nearly sufficient if there is not also a renewed commitment to the creation of deeply affordable housing at the State and Federal levels, and if Federal policy on benefit levels does not address the growing gap between those levels and the true cost of living in our communities.

## JOINT OFFICE OF HOMELESS SERVICES ORGANIZATIONAL CHART |



## JOINT OFFICE SPAN OF CONTROL |

The span of control for the Joint Office of Homeless Services is 1 to 5.1.