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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

JOE GILLIAM, an individual, and **SHAUN JILLIONS**, an individual,

Petitioners,

vs.

OFFICE OF THE METRO ATTORNEY, a division of the Metropolitan Service District,

Respondent.

Case No.

PETITION TO SEEK ALTERNATIVE BALLOT TITLE

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Petitioners allege:

1.

Petitioners are qualified to vote under Article II, section 2, of the Oregon Constitution and are registered voters of Clackamas County.

2.

Petitioners are legal voters of the Portland area Metropolitan Service District (“Metro”).

3.

Respondent Office of the Metro Attorney (the “Metro Attorney”) is a division of Metro and its office is located in Multnomah County, Oregon. The Metro Attorney is Metro’s general counsel and is charged with the preparation of the ballot titles and explanatory statements of Metro Council’s referrals pursuant to the Code of the Metropolitan Service District (“Metro Code”) at 9.02.020(c).

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4.

On or about February 25, 2020, the Metro Council passed Ordinance No. 20-1442, which declared “homeless and housing services” to be a matter of metropolitan concern. Ordinance No. 20-1442 also stated that the Metro Council will “take all necessary actions to refer the “Supportive Housing Services Ballot Measure” to obtain voter approval to increase income taxes. A copy of Ordinance No. 20-1442, appended hereto and marked Exhibit 1, is incorporated herein. A copy of the referenced ballot measure, appended hereto and marked Exhibit 2, is incorporated herein.

5.

On or about February 25, 2020, the Metro Council passed Resolution No. 20-5083, which referred the “Supportive Housing Services Overview” (the “Metro Income Tax”) to Metro voters. A proposed ballot title was attached to Resolution No. 20-5083. A copy of Resolution No. 20-5083, appended hereto and marked Exhibit 3, is incorporated herein. A copy of the Metro Income Tax, appended hereto and marked Exhibit 4, is incorporated herein. A copy of the proposed ballot title, appended hereto and marked Exhibit 5, is incorporated herein.

6.

On or about February 25, 2020, the Metro Council passed Resolution No. 20-5085, which directed Metro staff to use the “Regional policy Framework” and the “Governance Framework,” both developed by HereTogether, to implement and provide the services authorized by the Metro Tax. HereTogether is a non-governmental coalition of unknown persons. A copy of Resolution No. 20-5085, appended hereto and marked Exhibit 6, is incorporated herein. A copy of the HereTogether Regional policy Framework, appended hereto and marked Exhibit 7, is incorporated herein. A copy of the HereTogether “Governance Framework,” appended hereto and marked Exhibit 8, is incorporated herein.

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1 7.

2 On or about February 26, 2020, the Metro Attorney filed a Publication of Notice of a
3 ballot title and explanatory statement. A copy of that proposed ballot title and explanatory
4 statement, appended hereto and marked Exhibit 9, is incorporated herein.

5 8.

6 Pursuant to ORS 255.155(1) and Metro Code 9.02.020(d), Petitioners are dissatisfied
7 with the ballot title prepared by the Metro Attorney and seek a different ballot. Petitioners allege
8 that the ballot title is insufficient, not concise, and unfair for the following reasons:

9 A. The caption does not reasonably identify the subject of the proposed measure as
10 required by ORS 250.035(1)(a), which requires captions to “reasonably identify the subject of
11 the measure.” The caption fails to meet statutory standards for multiple reasons, including:

12 1. “Homeless services” is vague and undefined by the Metro Tax.

13 Additionally, the Metro Tax seeks to provide services far beyond traditional
14 services associated with homelessness.

15 2. “Through” is vague and fails to sufficiently notify voters that the Metro
16 proposes to establish a new additional income tax and new business income taxes.

17 3. “Higher earners’ tax” is undefined, vague, and misleading.

18 4. “Business profits tax” is inaccurate and misleading because Section 10(2)
19 of the Metro Tax imposes a tax on “persons,” not on “businesses.” The caption
20 must reflect this ambiguity. Additionally, “profits” is vague and undefined and
21 should be replaced with “net taxable income.”

22 B. The question does not plainly state the chief purpose of the measure as required
23 by ORS 250.035(1)(b), which requires that “an affirmative response to the question corresponds
24 to an affirmative vote on the measure.” The question fails to meet statutory standards for
25 multiple reasons, including:

26 1. The deficiencies identified above carry forward in the question.

1 2. The question contains three questions, not one. As such, an affirmative
2 answer to one of those questions does not correspond to an affirmative vote on the
3 measure.

4 3. The question “Should Metro support homeless services?” is an advisory
5 question and inappropriate for the ballot. Additionally, “support” is vague.

6 4. “Joint” and “single” are not defined by the Metro Tax, which instead uses
7 the undefined terms “jointly” and “singly.”

8 5. The question inaccurately states that business with over \$5 million in
9 “income” would be taxed. However, the Metro Tax would tax businesses with
10 over \$5 million in “gross receipts.”

11 C. The summary does not concisely and impartially summarize the measure and its
12 major effect as required by ORS 250.035(1)(c). The summary fails to meet statutory standards
13 for multiple reasons, including:

14 1. The deficiencies identified above carry forward in the summary.

15 2. The summary is not impartial and urges a “yes” vote.

16 3. “Reducing” homelessness is not a stated goal of the Metro Tax.

17 4. The first sentence’s reference to “Washington, Clackamas, and
18 Multnomah counties” is inaccurate and misleading because the Metro Tax would
19 only provide services within Metro geographical boundaries, which exclude
20 portions of these counties.

21 5. “Unmet needs” is vague, subjective, and misleading.

22 6. “Tax of 1% on households” is inaccurate because the Metro Tax would
23 impose the “business tax” on individual, natural persons, not businesses. Thus,
24 some individuals would be subject to the tax twice, resulting in a 2% tax.

25 7. “Small business” is not defined and used in the Metro Tax in a manner
26 that does not comport with the common understanding.

1 8. “Declares funding for homelessness services a matter of metropolitan
2 concern” understates the expansion of Metro authority, which includes “housing
3 services.”

4 9. “Allocates funds to counties by estimated revenue collected . . .” is
5 inaccurate and inapplicable for at least the first two years of the Metro Tax.

6 10. Administrative costs are not limited to 5%, as collections costs and county
7 administrative costs are outside any limits.

8 11. “Independent financial audits” is inaccurate. The Metro Tax does not
9 require the audit to be “independent.”

10 12. The summary fails to inform voters that the Metro Tax contains no
11 guidance on collections, enforcement, or penalties.

12 13. The summary fails to inform voters that Metro may spend the tax revenue
13 however it wishes and is not limited to providing the described services because
14 the revenue will go into Metro’s general fund.

15 14. The summary fails to inform voters that Clackamas, Washington, and
16 Multnomah Counties must report to Metro and must help fund the regional
17 strategy implementation fund.

18 15. The summary fails to inform voters that the Metro Tax would authorize
19 Metro to audit taxpayers and to release statistics regarding individual taxpayers.

20 16. The summary fails to inform voters that the Metro Tax authorizes Metro to
21 engage in “highly flexible spending” with “flexibility in implementation.”

22 9.

23 Pursuant to ORS 251.285(2)(b), ORS 251.345, and Metro Code 9.02.020(d), Petitioners
24 are dissatisfied with the explanatory statement prepared by the Metro Attorney and seek a
25 different explanatory statement. Petitioners allege that for the same reasons as listed above, the
26 explanatory statement is not impartial, simple, and understandable.

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10.

In lieu of the ballot title and explanatory statement filed by the Metro Attorney, Petitioners respectfully request that this Court certify a ballot title and explanatory statement that Petitioners will suggest in further filings or another that the Court shall design.

WHEREFORE, Petitioners pray for relief as follows:

1. Declare that the Metro Attorney’s ballot title does not conform to the requirements of ORS 250.035(1);
2. Declare the Metro Attorney’s ballot title to be invalid;
3. Declare that the Metro Attorney’s explanatory statement does not conform to the requirements of ORS 251.285(2)(b) and ORS 251.345;
4. Declare the Metro Attorney’s explanatory statement to be invalid;
5. Certify to the Multnomah County Elections Division Petitioners’ suggested ballot title and explanatory statement or another compliant ballot title and explanatory statement.
6. Award Petitioners their costs and disbursements incurred herein; and
7. Award such other different or ancillary relief as the Court deems just and equitable.

DATED this 6th day of March, 2020.

By: /s/ Jill Gibson
 Jill Gibson, OSB #973581
jgibson@lynchconger.com
 LYNCH CONGER LLP
 15350 Sequoia Parkway, Suite 250
 Portland, Oregon 97224
 Phone: 541-383-5857
 Fax: 541-383-3968

Attorneys for Petitioner

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF SEEKING VOTER) ORDINANCE NO. 20-1442
APPROVAL OF A PERSONAL INCOME TAX)
AND BUSINESS PROFITS TAX FOR) Introduced by the Metro Council
SUPPORTIVE HOUSING SERVICES)
)

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

WHEREAS, tens of thousands of households in the greater Portland region need supportive housing services, and thousands more need housing assistance, according to the February 2020 ECONorthwest report entitled “Potential Sources and Uses of Revenue to Address the Region’s Homeless Crisis”; 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, elected official, and resident that calls the region home; and

WHEREAS, the homelessness crisis is an issue of scale and services do not yet match the scope of the crisis; and

WHEREAS, additional revenue is required to scale services to meet the needs and scope of the crisis; and

WHEREAS, Metro Council intends to refer to the voters a measure that would approve of the imposition of a personal income tax and business profits tax to fund homeless prevention, supportive housing, rent assistance and other services that stabilize people experiencing homelessness and housing instability; and Metro will work with local government partners, service providers, and other stakeholders to create a regional program;

WHEREAS, the Metro Council finds the need for immediate adoption of this ordinance given the homeless and housing crisis in the greater Portland area; and

WHEREAS, Metro Council finds that homeless and housing services is a matter of metropolitan concern; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. Homeless and housing services is a matter of metropolitan concern.
2. Upon approval by the voters, beginning tax year 2021, a tax of one percent will be imposed on the entire taxable income over \$200,000 if filing jointly and \$125,000 if filing singly on every resident of the district subject to tax under ORS chapter 316 and upon the taxable income over \$200,000 if filing jointly and \$125,000 if filing singly of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316.

3. Upon approval by the voters, beginning tax year 2021, a tax of one percent will be imposed upon each person doing business within Metro if the gross receipts from all business income, both within and without Metro, is over \$5 million.
4. Metro Council will take all necessary actions to refer the Supportive Housing Services Ballot Measure, attached as Exhibit A, to obtain voter approval of the business profits tax and personal income tax.
5. Upon passage of the Supportive Housing Services Ballot Measure the Metro Council will take further action to establish rules to enforce and implement the taxes imposed by the measure. This may include rules regarding penalties, interest, filing dates, required forms and documentation, residency determinations for income tax payment purposes, determinations for business tax purposes, refunds and deficiencies, audit authority, overpayments, estimated payments, exemptions, appeals from income determinations, legal collection actions and any other provision deemed necessary to effectively and efficiently administer the taxes and achieve the purposes.

ADOPTED by the Metro Council this ____ day of February 2020.

Lynn Peterson, Council President

Attest:

Approved as to Form:

Nellie Papsdorf, Recording Secretary

Carrie MacLaren, Metro Attorney

The People of Metro ordain as follows:

SUPPORTIVE HOUSING SERVICES OVERVIEW

SECTION 1. Title

The provisions contained herein are to administer the Metro Supportive Housing Services Revenue, referred to as the “Supportive Housing Services Revenue.”

SECTION 2. Finding of Metropolitan Concern

Homeless and housing services is a matter of metropolitan concern over which Metro may exercise jurisdiction.

SECTION 3. Purpose

The Supportive Housing Services Revenue will fund services for people experiencing homelessness and housing instability.

PROGRAM IMPLEMENTATION

SECTION 4. Services and Priorities

Supportive Housing Services Revenue will fund Supportive Housing Services, including: street outreach services; transition and placement services; in-reach, basic survival support, and mental health services; interventions and addiction services (crisis and recovery); physical health services; interventions for people with physical impairments and disabilities; short and long-term rent assistance; eviction prevention; financial literacy, employment, job training and retention education; peer support services; workplace supports; benefits, navigation and attainment (veteran benefits, SSI, SSDI, other benefits); landlord tenant education and legal services; fair housing advocacy; shelter services; bridge/transitional housing placement; discharge interventions; permanent supportive housing services; affordable housing and rental assistance and other supportive services. Supportive Housing Services Revenue and Supportive Housing Services will first address the unmet needs of people who are experiencing or at risk of experiencing long-term or frequent episodes of homelessness. Supportive Housing Services Revenue and Supportive Housing Services will be prioritized in a manner that provides equitable access to people of color and other historically marginalized communities.

SECTION 5. Oversight Committee

1. **Committee Established.** A 20-member regional oversight committee (hereafter, “Supportive Housing Services Regional Oversight Committee” or “Regional Oversight Committee”) will oversee the Supportive Housing Services Program.
2. **Purpose and Authority.** The purpose and authority of the Supportive Housing Services Regional Oversight Committee is to:
 - a. Evaluate local implementation plans, recommend changes as necessary to achieve program goals and guiding principles, and make recommendations to Metro Council for approval;
 - b. Accept and review annual reports for consistency with approved local implementation plans;
 - c. Monitor financial aspects of program administration, including review of program expenditures; and
 - d. Provide annual reports and presentations to Metro Council and Clackamas, Multnomah, and Washington County Boards of Commissioners assessing performance, challenges, and outcomes.
3. **Membership.** The Supportive Housing Services Community Oversight Committee is composed of 20 members, as follows:
 - a. Five members from Clackamas County.
 - b. Five members from Multnomah County.
 - c. Five members from Washington County.
 - d. One representative from each of the Clackamas, Washington, and Multnomah County Board of Commissioners and the Portland City Council to serve as *ex officio* members.
 - e. One member of the Metro Council to serve as a non-voting delegate.
4. **Membership Representation.** The membership must be composed of persons who represent the following experiences, organizations and qualities:
 - a. Has experience overseeing, providing, or delivering Supportive Housing Services;
 - b. Has lived experience of homelessness or severe housing instability;
 - c. Has experience in the development and implementation of supportive housing and other services;
 - d. Has experience in the delivery of culturally-specific services;
 - e. Represents the private-for-profit sector;
 - f. Represents the philanthropic sector;
 - g. Represents communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community, people with disabilities, and other underserved and/or marginalized communities; and
 - h. Represents a continuum of care organization.

A person may represent more than one of the subsections above. The membership must have broad representation and geographical diversity.

5. Terms. Nine of the initial Committee members will serve a one year term, and the Council may reappoint those nine members for up to two additional two-year terms.
6. Oversight Committee Review. Metro may conduct a review of the regional oversight committee's role and effectiveness as appropriate.

SECTION 6. Local Implementation Plans

1. Local implementation plans are intended to document the proposed use of funds and how these uses align with the purposes of the Supportive Housing Services Measure. A plan must be submitted to the Oversight Committee for review and approval before the Metro Council approves it.
2. Local implementation plans must be developed using locally convened and comprehensive engagement processes that prioritize the voices of people with lived experience and from communities of color.
3. The locally convened body that develops the local implementation plan must include a broad array of stakeholders to develop the plan. Each county may convene a new committee or use a standing committee if the standing committee can demonstrate a track record of achieving equitable outcomes in service provisions to regional oversight committee.
4. Members of the convened body that develops the local implementation plan must include:
 - a. People with lived experience of homelessness and/or extreme poverty;
 - b. People from communities of color and other marginalized communities;
 - c. Culturally responsive and culturally specific service providers;
 - d. Elected officials, or their representatives, from the county and cities participating in the regional affordable housing bond;
 - e. Representatives from the business, faith, and philanthropic sectors;
 - f. Representatives of the county/city agencies responsible for implementing homelessness and housing services, and that routinely engage with the unsheltered population;
 - g. Representatives from health and behavioral health who have expertise serving those with health conditions, mental health and/or substance use disorder from culturally responsive and culturally specific service providers; and
 - h. Representation ensuring geographical diversity.

5. Local implementation plans must include the following:
 - a. A strategy for equitable geographic distribution of services within the respective jurisdictional boundary and the Metro district boundary.
 - b. A description of how the key objectives of Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion have been incorporated. This should include a thorough racial equity analysis and strategy that includes: (1) an analysis of the racial disparities among people experiencing homelessness and the priority service population; (2) disparities in access and outcomes in current services for people experiencing homelessness and the priority service population; (3) clearly defined service strategies and resource allocations intended to remedy existing disparities and ensure equitable access to funds; and (4) an articulation of how perspectives of communities of color and culturally specific groups were considered and incorporated.
 - c. A review of current system investments or capacity serving priority populations, an analysis of the nature and extent of gaps in services to meet the needs of the priority population, broken down by service type, household types, and demographic groups.
 - d. A description of the planned investments that includes: (1) the types of services, and how they remedy the service gap analysis; (2) the scale of the investments proposed; (3) the outcomes anticipated; and (4) the service delivery models that will be used in each area of service.
 - e. A plan for coordinating access to services with partnering jurisdictions and service providers across the region.
 - f. A plan for tracking and reporting outcomes annually and as defined through regional coordination.
 - g. A plan to evaluate funded services and programs.
 - h. A description of how funds will be allocated to public and non-profit service providers, including transparent procurement processes, and a description of the workforce equity procurement standards.
 - i. A commitment that funding will be allocated as follows: (a) 75 percent for people who have extremely low incomes and one or more disabling conditions, who are experiencing long-term or frequent episodes of literal homelessness or are at imminent risk of experiencing homelessness; and (b) 25 percent for people who are experiencing homelessness or face/have substantial risk of homelessness.
 - j. A description of how the plan will remove barriers to full participation for organizations and communities by providing stipends, scheduling events at accessible times and locations, and other supportive engagement tactics.
 - k. A description of how the plan will prioritize funding to providers who demonstrate a commitment and delivery to under-served and over-represented populations, with culturally specific and/or linguistic specific services, as well as those programs that have the lowest barriers to entry and actively reach out to communities often screened out of other programs.
6. Each county must provide a report annually on its progress under the local implementation plan to the regional services oversight committee that will discuss progress towards outcomes in each of the service areas identified in the local

implementation plan and a separate analysis of progress toward the implementation of the county's racial equity strategy. Reports will also include municipal investments from cities within Metro who have either increased or decreased contributions to homeless services for the priority population. Existing reports may be used.

7. Metro recognizes that each county may approach program implementation differently depending on the unique needs of its residents and communities. Therefore, it is the policy of the Metro Council that there be sufficient flexibility in implementation to best serve the needs of residents, communities, and those receiving Supportive Housing Services from program funding.

SECTION 7. Allocation of Revenue

1. After Metro has first retained funds necessary to pay for collection of the taxes, Metro may retain up to five percent of the remaining collected funds for administration and oversight as more fully described in Section 14(1).
2. After the funds have been allocated for collection, administration and oversight as set forth in subsection (1), Metro will then allocate the remaining Supportive Housing Services Revenue within each county using the following percentages: 21 1/3 percent to Clackamas County, 45 1/3 percent to Multnomah County and 33 1/3 percent to Washington County.
3. The percentages set forth in subsection (2) apply to revenue for the first two tax years. Thereafter, the percentages may be adjusted to reflect the portion of Supportive Housing Services Revenue actually collected in each county.

SECTION 8. Equity and Community Engagement

1. Metro has adopted a Strategic Plan to Advance Racial Equity, Diversity, and Inclusion which includes specific goals and objectives to ensure that all people who live, work and recreate in the greater Portland region have the opportunity to share in and help define a thriving, livable and prosperous region. A key objective throughout the strategy is a commitment to advance equity related to stable and affordable housing.
2. In implementing the Supporting Housing Services Measure, Metro will rely on the goals and objectives within the Strategic Plan to:
 - Convene regional partners to advance racial equity outcomes in supportive housing services.
 - Meaningfully engage with communities of color, Indigenous communities, people with low incomes and other historically marginalized communities in establishing outcomes and implementing the Supportive Housing Services Program.
 - Produce and provide research and information to support regional jurisdictions in advancing equity efforts.
 - Increase accountability by ensuring involvement of communities of color in establishing goals, outcomes, and implementation and evaluation efforts.

- Increase participation of communities of color in decision-making.
 - Use equity criteria in resource allocation for the Supportive Housing Services Program.
3. Metro will actively work to remove barriers for organizations and communities to ensure full participation by providing stipends, scheduling events at accessible times and locations, and other supportive engagement tactics.

SECTION 9. Prohibition on Displacement of Funds Currently Provided

1. The purpose of the Supportive Housing Services tax is to provide revenue for Supportive Housing Services in addition to revenues provided for those services by the local governments within Metro.
2. In the event that any local government within Metro reduces the funds provided for Supportive Housing Services by that local government, Supportive Housing Services Revenue may not be provided to that local government or be used to provide Supportive Housing Services within the boundaries of that local government. This section is intended to prevent any local government from using Supportive Housing Services Revenue to replace funds currently provided by that local government.
3. A local government may seek a temporary waiver from this section for good cause, including but not limited to a broad economic downturn.

TAX COLLECTION REQUIREMENTS

SECTION 10. Voter Approval Ordinance No. 20-1442; Rates; Exemptions

Metro Council Ordinance No. 20-1442 is approved as follows.

1. Personal Income Tax; Rate.
Beginning tax year 2021, a tax of one percent is imposed on the entire taxable income over \$200,000 if filing jointly and \$125,000 if filing singly on every resident of the district subject to tax under ORS chapter 316 and upon the taxable income over \$200,000 if filing jointly and \$125,000 if filing singly of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316.
2. Business Profits Tax; Rate.
Beginning tax year 2021, a tax of one percent is imposed on the net income of each person doing business within Metro.
3. Exception for Small Businesses. Persons whose gross receipts from all business income, both within and without Metro, amount to less than or equal to \$5 million are exempt from payment of the business profits tax.

4. Exemptions Required by Law. Persons whom Metro is prohibited from taxing under the Constitution or laws of the United States or the Constitution or laws of the State of Oregon, or the Metro Charter are exempt from payment of the taxes set forth in this section.

SECTION 11. Tax Must be Re-Authorized or Discontinued After Ten Years

1. Metro may assess the taxes imposed by section 10 through the tax year ending December 31, 2030.
2. After December 31, 2030, the tax will expire unless reauthorized by the voters on or before that date. After the tax expires, Metro or the entity authorized to collect the tax may continue to take all reasonable and necessary actions to ensure that taxes still owing are paid in full.

SECTION 12. Collection of Funds

1. It is Metro's intent to enter into an intergovernmental agreement with an Oregon taxing agency to collect Supportive Housing Services Revenues.
2. If Metro is unable to enter into an intergovernmental agreement for the collection of Supportive Housing Services Revenues after good faith efforts to do so, Metro may collect the funds.

SECTION 13. Use of Revenues

Unless expressly stated otherwise in this measure, Supportive Housing Services Revenues may only be used for the purposes set forth in Sections 3, 4, 12, and 14. Metro may establish a separate fund or funds for the purpose of receiving and distributing Supportive Housing Services Revenues.

SECTION 14. Administrative Cost Recovery

1. 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.
2. At least annually the Regional Oversight Committee will consider whether Metro's collection and administrative costs and each county's administrative costs could or should be reduced or increased. The Regional Oversight Committee will recommend to the Metro Council at least once a year as to how Metro can best limit its collection and administrative costs.

3. In establishing a new Supportive Housing Services Revenue fund, it is the policy of the Metro Council to ensure public transparency and accountability regarding the funding, creation and implementation of this program. It is further the policy of the Metro Council to maintain low administrative costs to ensure that the maximum amount possible of the tax revenue is used to achieve the purposes of Supportive Housing Services.

SECTION 15. Use of Funds in Metro Jurisdictional Boundary Only

Although some portion of each of the three recipient counties (Multnomah, Washington and Clackamas) are outside of the Metro jurisdictional boundary, Supportive Housing Services Revenues collected may be spent only for Supportive Housing Services provided within the Metro jurisdictional boundary.

SECTION 16. Accountability of Funds; Audits

1. Each county or local government receiving funds must make an annual report to the Metro Council and the oversight committee on how funds from the taxes have been spent and how those expenditures have affected established homelessness metrics.
2. Every year a public accounting firm must conduct a financial audit of the revenue generated by the taxes and the distribution of that revenue. Metro will make public the audit and any report to the Metro Council regarding the results of the audit. Metro may use the revenue generated by the taxes to pay for the costs of the audit required under this subsection.
3. The revenue and expenditures from the taxes are subject to performance audits conducted by the Office of the Metro Auditor.

SECTION 17. Ownership of Taxpayer Information

Metro is the sole owner of all taxpayer information under the authority of this measure. The Chief Financial Officer has the right to access all taxpayer information for purposes of administration.

SECTION 18. Confidentiality

1. Except as provided in this measure or otherwise required by law, it is unlawful for the Chief Financial Officer, or any elected official, employee, or agent of Metro, or for any person who has acquired information pursuant to this measure to divulge, release, or make known in any manner any financial information or social security numbers submitted or disclosed to Metro under the provisions of this measure and any applicable administrative rules.
2. Nothing in this section prohibits the disclosure of general statistics in a form that would prevent the identification of financial information or social security numbers regarding an individual taxpayer.

SECTION 19. Examination of Books, Records or Persons

The Chief Operating Officer or its designee may examine any books, papers, records, or memoranda, including state and federal income tax returns, to ascertain the correctness of any tax return or to make an estimate of any tax. The Chief Operating Officer or its designee has the authority, after notice, to require verification of taxpayer information in order to carry out the provisions of this measure.

SECTION 20. Conformity to State Laws

1. For the personal income tax, it is Metro's policy to follow the state of Oregon laws and regulations adopted by the Department of Revenue relating to personal income tax. The Supportive Housing Services Revenue will be construed in conformity with laws and regulations imposing taxes on or measured by net income.
2. For the business profits tax, it is Metro's policy to utilize, as guidance, the Multnomah County Business Income Tax rules and procedures.
3. If a question arises regarding the tax on which this measure is silent, the Chief Operating Officer may look to state law for guidance in resolving the question, provided that the determination under state law is not in conflict with any provision of this measure or the state law is otherwise inapplicable.

SECTION 21. Tax as a Debt; Collection Authority

1. The tax imposed by this measure, as well as any penalties and interest, becomes a personal debt due to Metro at the time such liability for the tax is incurred.
2. Metro is authorized to collect any deficient taxes, interest and penalties owed. This includes initiating and defending any civil actions and other legal proceedings.

FURTHER IMPLEMENTATION

SECTION 22. Administrative Rules

The Chief Operating Officer or designee may adopt administrative rules, forms, guides and policies to further implement the provisions of this measure. Any rule adopted by the Chief Operating Officer has the same force and effect as any Metro Code provision. In adopting administrative rules, the Chief Operating Officer or designee may seek guidance from the Oregon Department of Revenue's rules and procedures and Multnomah County's business income tax's rules and procedures.

SECTION 23. Tri-County Planning

1. Metro will annually allocate a portion of resources from its administrative costs to provide the staffing and logistical support to convene and maintain a tri-county homeless services planning body. This body will develop and implement a tri-county initiative that will be responsible for identifying regional goals, strategies, and outcome metrics related to addressing homelessness in the region.
2. The counties must present to the regional services oversight committee for its approval a proposal to implement the tri-county planning requirement.
3. Each county must annually contribute no less than five percent of each of the counties' share of the Supportive Housing Services Revenue to a regional strategy implementation fund.
4. The proposed governance structure of the tri-county planning body must be inclusive of people representing at least the perspectives required in Section 6(4).
5. Within one year of the adoption of the tri-county initiative plan, and as needed thereafter, each county will bring forward amendments to its Local Implementation Plan that incorporate relevant regional goals, strategies, and outcomes measures.

DEFINITIONS

SECTION 24. Definitions

For the purpose of this measure, the terms used are defined as provided in this section unless the context requires otherwise.

Nonresident means an individual who is not a resident within the Metro jurisdictional boundary.

Person means, but is not limited to an individual, a natural person, proprietorship, partnership, limited partnership, family limited partnerships, joint venture (including tenants-in-common arrangements), association, cooperative, trust, estate, corporation, personal holding company, limited liability company, limited liability partnership or any other form of organization for doing business.

Resident means a taxpayer domiciled within the Metro jurisdictional boundary for any portion of the taxable year.

Supportive Housing Services means homeless prevention, support services and rent assistance that stabilize people experiencing homelessness and housing instability, including those specific services described in Section 4.

Supportive Housing Services Revenue means all funds received from the taxes imposed by Section 10.

Tax Year means the taxable year of a person for federal or state income tax purposes.

Taxpayer means any natural person, or married couple or head of household filing a joint return, whose income in whole or in part is subject to the tax imposed by this measure.

SECTION 25. Severability

If a court of competent jurisdiction finds any part, section or provision of this measure to be unconstitutional, illegal or invalid, that finding affects only that part, section or provision of the measure and the remaining parts, sections or provisions remain in full force and effect.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF REFERRING TO METRO AREA)	RESOLUTION NO. 20-5083
VOTERS A BALLOT MEASURE AUTHORIZING A)	
PERSONAL INCOME TAX AND BUSINESS PROFITS)	
TAX TO PROVIDE FUNDING FOR SUPPORTIVE)	Introduced by the Metro Council
HOUSING SERVICES)	

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

WHEREAS, tens of thousands of households in the greater Portland region need supportive housing services, and thousands more need housing assistance, according to the February 2020 ECONorthwest report entitled “Potential Sources and Uses of Revenue to Address the Region’s Homeless Crisis”; and

WHEREAS, communities of color have been directly impacted by a long list of systemic inequities and discriminatory policies that have caused higher rates of housing instability and homelessness among people of color and they are disproportionately represented in the housing affordability and homelessness crisis; and

WHEREAS, in June 2016, the Metro Council adopted its Strategic Plan to Advance Racial Equity, Diversity and Inclusion, which, guided by input from many regional partners and informed by research, identified racial equity as the approach to ensure that all people who live, work and recreate in the greater Portland region have the opportunity to share in and help define a thriving, livable and prosperous place; 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, elected official, and resident that calls the region home; and

WHEREAS, a safe, affordable home is the cornerstone on which all other success is built, and the stable foundation all members of our community need to thrive; and

WHEREAS, the homelessness crisis is an issue of scale and services do not yet match the scope of the crisis; and

WHEREAS, between 2016 and 2018 voters in the region overwhelmingly approved two affordable housing bonds worth nearly \$1 billion, indicating that residents in the region understand the gravity of this crisis and the urgent need to address the crisis; and

WHEREAS, the region can maximize its historic, billion-dollar investment in affordable housing construction and development by securing highly flexible funding to invest in proven, outcome-driven, client-centered solutions like case management, job training, addiction and recovery services, mental

health support, rent assistance (both long- and short-term), homelessness prevention services, housing placement, and other tools people need to be successful; and

WHEREAS, to ensure the program's success, Metro will create an oversight body that is empowered to track all revenue, evaluate program implementation, and take appropriate action to ensure outcomes match intentions; and

WHEREAS, an oversight body will establish a robust oversight structure that is representative of diverse stakeholders, ensures that new revenue raised to fund these critical programs efficiently makes it to frontline service providers, is appropriately leveraged with existing service dollars, and is not used to replace existing funding; and

WHEREAS, success will be based on critically recognized metrics that measure the results of the services provided and evidence that the communities disproportionately impacted are benefiting from the Supportive Housing Services funds; and

WHEREAS, measuring outcomes through such metrics, and providing public transparency and accountability is vital to maintain the long-term support of voters and the community; and

WHEREAS, performance and financial audits of the funds will be necessary to ensure appropriate accountability and transparency; and

WHEREAS, the Metro Council recognizes that although homelessness knows no jurisdictional boundary, local communities are best positioned to provide tailored services to meet local community needs; and

WHEREAS, it is the intent of this measure to provide resources above and beyond those provided by the federal government, the Oregon Legislature, or local government, and therefore the revenue from this measure should not be counted against or used to supplant any federal, state or local monies; and

WHEREAS, a broad coalition of service providers, business leaders, elected officials, and advocates have come together as HereTogether over the course of the last two years to identify the needs, develop strategies, engage communities, and build regional consensus; and

WHEREAS, on February 13, 2020, the Metro Council held a public hearing, at which the chairs of Clackamas, Multnomah, and Washington county commissions, HereTogether, and residents of the entire region gave testimony to the homeless crisis, requesting that Metro refer a ballot measure to address this region-wide crisis; and

WHEREAS, the Metro Council finds that homeless and housing services is a matter of metropolitan concern; now therefore,

BE IT RESOLVED:

1. The Metro Council submits to the qualified voters of the Metro Area the ballot measure attached to this Resolution as Exhibit A, authorizing a personal income tax and business profits tax for the purpose of funding homeless and housing services (the "Supportive Housing Services Ballot Measure"); and

2. The Metro Council certifies the Ballot Title attached to this Resolution as Exhibit B for placing the Supportive Housing Services Ballot Measure on the ballot for the May 19, 2020 Primary Election for legal voters to adopt or reject; and

3. The Metro Council authorizes and directs the Metro Chief Operating Officer, the Metro Chief Financial Officer and the Metro Attorney, or their respective designees (each, an “Authorized Representative”), each acting individually, to file with the county elections official the Ballot Title and a related explanatory statement prepared by the Authorized Representative pursuant to Metro Code Section 9.02.020; and

4. The Metro Council authorizes and directs the Authorized Representative to take all other actions necessary to place the Supportive Housing Services Ballot Measure on the ballot for the May 19, 2020 Primary Election in a manner consistent with and in furtherance of this Resolution; and

5. Upon passage of the Ballot Measure the Metro Attorney will assign the Ballot Measure sections in Exhibit A with title, chapter and section numbers for the Metro Code as the Metro Attorney deems appropriate based on current Metro Code titles, chapters and sections; and

6. Upon passage of the Supportive Housing Services Ballot Measure the Metro Council will take further action to establish rules to enforce and implement the taxes imposed by the measure. This may include rules regarding penalties, interest, filing dates, required forms and documentation, residency determinations for income tax payment purposes, determinations for business profits tax purposes, refunds and deficiencies, audit authority, overpayments, estimated payments, exemptions, appeals from income determinations, legal collection actions and any other provision deemed necessary to effectively and efficiently administer the taxes and achieve the purposes; and

7. Homeless and housing services is a matter of metropolitan concern.

ADOPTED by the Metro Council this ____ day of February 2020.

Lynn Peterson, Council President

Approved as to Form:

Carrie MacLaren, Metro Attorney

The People of Metro ordain as follows:

SUPPORTIVE HOUSING SERVICES OVERVIEW

SECTION 1. Title

The provisions contained herein are to administer the Metro Supportive Housing Services Revenue, referred to as the “Supportive Housing Services Revenue.”

SECTION 2. Finding of Metropolitan Concern

Homeless and housing services is a matter of metropolitan concern over which Metro may exercise jurisdiction.

SECTION 3. Purpose

The Supportive Housing Services Revenue will fund services for people experiencing homelessness and housing instability.

PROGRAM IMPLEMENTATION

SECTION 4. Services and Priorities

Supportive Housing Services Revenue will fund Supportive Housing Services, including: street outreach services; transition and placement services; in-reach, basic survival support, and mental health services; interventions and addiction services (crisis and recovery); physical health services; interventions for people with physical impairments and disabilities; short and long-term rent assistance; eviction prevention; financial literacy, employment, job training and retention education; peer support services; workplace supports; benefits, navigation and attainment (veteran benefits, SSI, SSDI, other benefits); landlord tenant education and legal services; fair housing advocacy; shelter services; bridge/transitional housing placement; discharge interventions; permanent supportive housing services; affordable housing and rental assistance and other supportive services. Supportive Housing Services Revenue and Supportive Housing Services will first address the unmet needs of people who are experiencing or at risk of experiencing long-term or frequent episodes of homelessness. Supportive Housing Services Revenue and Supportive Housing Services will be prioritized in a manner that provides equitable access to people of color and other historically marginalized communities.

SECTION 5. Oversight Committee

1. **Committee Established.** A 20-member regional oversight committee (hereafter, “Supportive Housing Services Regional Oversight Committee” or “Regional Oversight Committee”) will oversee the Supportive Housing Services Program.
2. **Purpose and Authority.** The purpose and authority of the Supportive Housing Services Regional Oversight Committee is to:
 - a. Evaluate local implementation plans, recommend changes as necessary to achieve program goals and guiding principles, and make recommendations to Metro Council for approval;
 - b. Accept and review annual reports for consistency with approved local implementation plans;
 - c. Monitor financial aspects of program administration, including review of program expenditures; and
 - d. Provide annual reports and presentations to Metro Council and Clackamas, Multnomah, and Washington County Boards of Commissioners assessing performance, challenges, and outcomes.
3. **Membership.** The Supportive Housing Services Community Oversight Committee is composed of 20 members, as follows:
 - a. Five members from Clackamas County.
 - b. Five members from Multnomah County.
 - c. Five members from Washington County.
 - d. One representative from each of the Clackamas, Washington, and Multnomah County Board of Commissioners and the Portland City Council to serve as *ex officio* members.
 - e. One member of the Metro Council to serve as a non-voting delegate.
4. **Membership Representation.** The membership must be composed of persons who represent the following experiences, organizations and qualities:
 - a. Has experience overseeing, providing, or delivering Supportive Housing Services;
 - b. Has lived experience of homelessness or severe housing instability;
 - c. Has experience in the development and implementation of supportive housing and other services;
 - d. Has experience in the delivery of culturally-specific services;
 - e. Represents the private-for-profit sector;
 - f. Represents the philanthropic sector;
 - g. Represents communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community, people with disabilities, and other underserved and/or marginalized communities; and
 - h. Represents a continuum of care organization.

A person may represent more than one of the subsections above. The membership must have broad representation and geographical diversity.

5. Terms. Nine of the initial Committee members will serve a one year term, and the Council may reappoint those nine members for up to two additional two-year terms.
6. Oversight Committee Review. Metro may conduct a review of the regional oversight committee's role and effectiveness as appropriate.

SECTION 6. Local Implementation Plans

1. Local implementation plans are intended to document the proposed use of funds and how these uses align with the purposes of the Supportive Housing Services Measure. A plan must be submitted to the Oversight Committee for review and approval before the Metro Council approves it.
2. Local implementation plans must be developed using locally convened and comprehensive engagement processes that prioritize the voices of people with lived experience and from communities of color.
3. The locally convened body that develops the local implementation plan must include a broad array of stakeholders to develop the plan. Each county may convene a new committee or use a standing committee if the standing committee can demonstrate a track record of achieving equitable outcomes in service provisions to regional oversight committee.
4. Members of the convened body that develops the local implementation plan must include:
 - a. People with lived experience of homelessness and/or extreme poverty;
 - b. People from communities of color and other marginalized communities;
 - c. Culturally responsive and culturally specific service providers;
 - d. Elected officials, or their representatives, from the county and cities participating in the regional affordable housing bond;
 - e. Representatives from the business, faith, and philanthropic sectors;
 - f. Representatives of the county/city agencies responsible for implementing homelessness and housing services, and that routinely engage with the unsheltered population;
 - g. Representatives from health and behavioral health who have expertise serving those with health conditions, mental health and/or substance use disorder from culturally responsive and culturally specific service providers; and
 - h. Representation ensuring geographical diversity.

5. Local implementation plans must include the following:
 - a. A strategy for equitable geographic distribution of services within the respective jurisdictional boundary and the Metro district boundary.
 - b. A description of how the key objectives of Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion have been incorporated. This should include a thorough racial equity analysis and strategy that includes: (1) an analysis of the racial disparities among people experiencing homelessness and the priority service population; (2) disparities in access and outcomes in current services for people experiencing homelessness and the priority service population; (3) clearly defined service strategies and resource allocations intended to remedy existing disparities and ensure equitable access to funds; and (4) an articulation of how perspectives of communities of color and culturally specific groups were considered and incorporated.
 - c. A review of current system investments or capacity serving priority populations, an analysis of the nature and extent of gaps in services to meet the needs of the priority population, broken down by service type, household types, and demographic groups.
 - d. A description of the planned investments that includes: (1) the types of services, and how they remedy the service gap analysis; (2) the scale of the investments proposed; (3) the outcomes anticipated; and (4) the service delivery models that will be used in each area of service.
 - e. A plan for coordinating access to services with partnering jurisdictions and service providers across the region.
 - f. A plan for tracking and reporting outcomes annually and as defined through regional coordination.
 - g. A plan to evaluate funded services and programs.
 - h. A description of how funds will be allocated to public and non-profit service providers, including transparent procurement processes, and a description of the workforce equity procurement standards.
 - i. A commitment that funding will be allocated as follows: (a) 75 percent for people who have extremely low incomes and one or more disabling conditions, who are experiencing long-term or frequent episodes of literal homelessness or are at imminent risk of experiencing homelessness; and (b) 25 percent for people who are experiencing homelessness or face/have substantial risk of homelessness.
 - j. A description of how the plan will remove barriers to full participation for organizations and communities by providing stipends, scheduling events at accessible times and locations, and other supportive engagement tactics.
 - k. A description of how the plan will prioritize funding to providers who demonstrate a commitment and delivery to under-served and over-represented populations, with culturally specific and/or linguistic specific services, as well as those programs that have the lowest barriers to entry and actively reach out to communities often screened out of other programs.
6. Each county must provide a report annually on its progress under the local implementation plan to the regional services oversight committee that will discuss progress towards outcomes in each of the service areas identified in the local

implementation plan and a separate analysis of progress toward the implementation of the county's racial equity strategy. Reports will also include municipal investments from cities within Metro who have either increased or decreased contributions to homeless services for the priority population. Existing reports may be used.

7. Metro recognizes that each county may approach program implementation differently depending on the unique needs of its residents and communities. Therefore, it is the policy of the Metro Council that there be sufficient flexibility in implementation to best serve the needs of residents, communities, and those receiving Supportive Housing Services from program funding.

SECTION 7. Allocation of Revenue

1. After Metro has first retained funds necessary to pay for collection of the taxes, Metro may retain up to five percent of the remaining collected funds for administration and oversight as more fully described in Section 14(1).
2. After the funds have been allocated for collection, administration and oversight as set forth in subsection (1), Metro will then allocate the remaining Supportive Housing Services Revenue within each county using the following percentages: 21 1/3 percent to Clackamas County, 45 1/3 percent to Multnomah County and 33 1/3 percent to Washington County.
3. The percentages set forth in subsection (2) apply to revenue for the first two tax years. Thereafter, the percentages may be adjusted to reflect the portion of Supportive Housing Services Revenue actually collected in each county.

SECTION 8. Equity and Community Engagement

1. Metro has adopted a Strategic Plan to Advance Racial Equity, Diversity, and Inclusion which includes specific goals and objectives to ensure that all people who live, work and recreate in the greater Portland region have the opportunity to share in and help define a thriving, livable and prosperous region. A key objective throughout the strategy is a commitment to advance equity related to stable and affordable housing.
2. In implementing the Supporting Housing Services Measure, Metro will rely on the goals and objectives within the Strategic Plan to:
 - Convene regional partners to advance racial equity outcomes in supportive housing services.
 - Meaningfully engage with communities of color, Indigenous communities, people with low incomes and other historically marginalized communities in establishing outcomes and implementing the Supportive Housing Services Program.
 - Produce and provide research and information to support regional jurisdictions in advancing equity efforts.
 - Increase accountability by ensuring involvement of communities of color in establishing goals, outcomes, and implementation and evaluation efforts.

- Increase participation of communities of color in decision-making.
 - Use equity criteria in resource allocation for the Supportive Housing Services Program.
3. Metro will actively work to remove barriers for organizations and communities to ensure full participation by providing stipends, scheduling events at accessible times and locations, and other supportive engagement tactics.

SECTION 9. Prohibition on Displacement of Funds Currently Provided

1. The purpose of the Supportive Housing Services tax is to provide revenue for Supportive Housing Services in addition to revenues provided for those services by the local governments within Metro.
2. In the event that any local government within Metro reduces the funds provided for Supportive Housing Services by that local government, Supportive Housing Services Revenue may not be provided to that local government or be used to provide Supportive Housing Services within the boundaries of that local government. This section is intended to prevent any local government from using Supportive Housing Services Revenue to replace funds currently provided by that local government.
3. A local government may seek a temporary waiver from this section for good cause, including but not limited to a broad economic downturn.

TAX COLLECTION REQUIREMENTS

SECTION 10. Voter Approval Ordinance No. 20-1442; Rates; Exemptions

Metro Council Ordinance No. 20-1442 is approved as follows.

1. Personal Income Tax; Rate.
Beginning tax year 2021, a tax of one percent is imposed on the entire taxable income over \$200,000 if filing jointly and \$125,000 if filing singly on every resident of the district subject to tax under ORS chapter 316 and upon the taxable income over \$200,000 if filing jointly and \$125,000 if filing singly of every nonresident that is derived from sources within the district which income is subject to tax under ORS chapter 316.
2. Business Profits Tax; Rate.
Beginning tax year 2021, a tax of one percent is imposed on the net income of each person doing business within Metro.
3. Exception for Small Businesses. Persons whose gross receipts from all business income, both within and without Metro, amount to less than or equal to \$5 million are exempt from payment of the business profits tax.

4. Exemptions Required by Law. Persons whom Metro is prohibited from taxing under the Constitution or laws of the United States or the Constitution or laws of the State of Oregon, or the Metro Charter are exempt from payment of the taxes set forth in this section.

SECTION 11. Tax Must be Re-Authorized or Discontinued After Ten Years

1. Metro may assess the taxes imposed by section 10 through the tax year ending December 31, 2030.
2. After December 31, 2030, the tax will expire unless reauthorized by the voters on or before that date. After the tax expires, Metro or the entity authorized to collect the tax may continue to take all reasonable and necessary actions to ensure that taxes still owing are paid in full.

SECTION 12. Collection of Funds

1. It is Metro's intent to enter into an intergovernmental agreement with an Oregon taxing agency to collect Supportive Housing Services Revenues.
2. If Metro is unable to enter into an intergovernmental agreement for the collection of Supportive Housing Services Revenues after good faith efforts to do so, Metro may collect the funds.

SECTION 13. Use of Revenues

Unless expressly stated otherwise in this measure, Supportive Housing Services Revenues may only be used for the purposes set forth in Sections 3, 4, 12, and 14. Metro may establish a separate fund or funds for the purpose of receiving and distributing Supportive Housing Services Revenues.

SECTION 14. Administrative Cost Recovery

1. 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.
2. At least annually the Regional Oversight Committee will consider whether Metro's collection and administrative costs and each county's administrative costs could or should be reduced or increased. The Regional Oversight Committee will recommend to the Metro Council at least once a year as to how Metro can best limit its collection and administrative costs.

3. In establishing a new Supportive Housing Services Revenue fund, it is the policy of the Metro Council to ensure public transparency and accountability regarding the funding, creation and implementation of this program. It is further the policy of the Metro Council to maintain low administrative costs to ensure that the maximum amount possible of the tax revenue is used to achieve the purposes of Supportive Housing Services.

SECTION 15. Use of Funds in Metro Jurisdictional Boundary Only

Although some portion of each of the three recipient counties (Multnomah, Washington and Clackamas) are outside of the Metro jurisdictional boundary, Supportive Housing Services Revenues collected may be spent only for Supportive Housing Services provided within the Metro jurisdictional boundary.

SECTION 16. Accountability of Funds; Audits

1. Each county or local government receiving funds must make an annual report to the Metro Council and the oversight committee on how funds from the taxes have been spent and how those expenditures have affected established homelessness metrics.
2. Every year a public accounting firm must conduct a financial audit of the revenue generated by the taxes and the distribution of that revenue. Metro will make public the audit and any report to the Metro Council regarding the results of the audit. Metro may use the revenue generated by the taxes to pay for the costs of the audit required under this subsection.
3. The revenue and expenditures from the taxes are subject to performance audits conducted by the Office of the Metro Auditor.

SECTION 17. Ownership of Taxpayer Information

Metro is the sole owner of all taxpayer information under the authority of this measure. The Chief Financial Officer has the right to access all taxpayer information for purposes of administration.

SECTION 18. Confidentiality

1. Except as provided in this measure or otherwise required by law, it is unlawful for the Chief Financial Officer, or any elected official, employee, or agent of Metro, or for any person who has acquired information pursuant to this measure to divulge, release, or make known in any manner any financial information or social security numbers submitted or disclosed to Metro under the provisions of this measure and any applicable administrative rules.
2. Nothing in this section prohibits the disclosure of general statistics in a form that would prevent the identification of financial information or social security numbers regarding an individual taxpayer.

SECTION 19. Examination of Books, Records or Persons

The Chief Operating Officer or its designee may examine any books, papers, records, or memoranda, including state and federal income tax returns, to ascertain the correctness of any tax return or to make an estimate of any tax. The Chief Operating Officer or its designee has the authority, after notice, to require verification of taxpayer information in order to carry out the provisions of this measure.

SECTION 20. Conformity to State Laws

1. For the personal income tax, it is Metro's policy to follow the state of Oregon laws and regulations adopted by the Department of Revenue relating to personal income tax. The Supportive Housing Services Revenue will be construed in conformity with laws and regulations imposing taxes on or measured by net income.
2. For the business profits tax, it is Metro's policy to utilize, as guidance, the Multnomah County Business Income Tax rules and procedures.
3. If a question arises regarding the tax on which this measure is silent, the Chief Operating Officer may look to state law for guidance in resolving the question, provided that the determination under state law is not in conflict with any provision of this measure or the state law is otherwise inapplicable.

SECTION 21. Tax as a Debt; Collection Authority

1. The tax imposed by this measure, as well as any penalties and interest, becomes a personal debt due to Metro at the time such liability for the tax is incurred.
2. Metro is authorized to collect any deficient taxes, interest and penalties owed. This includes initiating and defending any civil actions and other legal proceedings.

FURTHER IMPLEMENTATION

SECTION 22. Administrative Rules

The Chief Operating Officer or designee may adopt administrative rules, forms, guides and policies to further implement the provisions of this measure. Any rule adopted by the Chief Operating Officer has the same force and effect as any Metro Code provision. In adopting administrative rules, the Chief Operating Officer or designee may seek guidance from the Oregon Department of Revenue's rules and procedures and Multnomah County's business income tax's rules and procedures.

SECTION 23. Tri-County Planning

1. Metro will annually allocate a portion of resources from its administrative costs to provide the staffing and logistical support to convene and maintain a tri-county homeless services planning body. This body will develop and implement a tri-county initiative that will be responsible for identifying regional goals, strategies, and outcome metrics related to addressing homelessness in the region.
2. The counties must present to the regional services oversight committee for its approval a proposal to implement the tri-county planning requirement.
3. Each county must annually contribute no less than five percent of each of the counties' share of the Supportive Housing Services Revenue to a regional strategy implementation fund.
4. The proposed governance structure of the tri-county planning body must be inclusive of people representing at least the perspectives required in Section 6(4).
5. Within one year of the adoption of the tri-county initiative plan, and as needed thereafter, each county will bring forward amendments to its Local Implementation Plan that incorporate relevant regional goals, strategies, and outcomes measures.

DEFINITIONS

SECTION 24. Definitions

For the purpose of this measure, the terms used are defined as provided in this section unless the context requires otherwise.

Nonresident means an individual who is not a resident within the Metro jurisdictional boundary.

Person means, but is not limited to an individual, a natural person, proprietorship, partnership, limited partnership, family limited partnerships, joint venture (including tenants-in-common arrangements), association, cooperative, trust, estate, corporation, personal holding company, limited liability company, limited liability partnership or any other form of organization for doing business.

Resident means a taxpayer domiciled within the Metro jurisdictional boundary for any portion of the taxable year.

Supportive Housing Services means homeless prevention, support services and rent assistance that stabilize people experiencing homelessness and housing instability, including those specific services described in Section 4.

Supportive Housing Services Revenue means all funds received from the taxes imposed by Section 10.

Tax Year means the taxable year of a person for federal or state income tax purposes.

Taxpayer means any natural person, or married couple or head of household filing a joint return, whose income in whole or in part is subject to the tax imposed by this measure.

SECTION 25. Severability

If a court of competent jurisdiction finds any part, section or provision of this measure to be unconstitutional, illegal or invalid, that finding affects only that part, section or provision of the measure and the remaining parts, sections or provisions remain in full force and effect.

Exhibit B to Resolution No. 20-5083

BALLOT TITLE

Caption: Provides homeless services through higher earners' tax, business profits tax.
(10 words or less)

Question: Should Metro support homeless services, tax income over \$200,000/\$125,000
(20 words or less) (joint/single), profits on businesses with income over \$5 million?

Summary: Measure funds supportive housing services to prevent and reduce homelessness in
(175 words or less) Washington, Clackamas, and Multnomah counties. Prioritizes services to address unmet needs of people experiencing or at risk of experiencing long-term or frequent episodes of homelessness. Services funded by a marginal income tax of 1% on households with income over \$200,000 (over \$125,000 for individual filers) and a business profits tax of 1%. Income tax applies to resident income, and to non-resident income earned from sources within district. Exempts small businesses with gross receipts of \$5 million per year or less.

Declares funding for homelessness services a matter of metropolitan concern, directs regional funding to local services agencies, requires community engagement to develop localized implementation plans. Allocates funds to counties by estimated revenue collected within each county. Establishes community oversight committee to evaluate and approve local plans, monitor program outcomes and uses of funds. Requires creation of tri-county homeless services coordination plan.

Requires performance reviews and independent financial audits. Metro administrative and oversight costs limited to 5%. Requires voter approval to continue tax after 2030.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF RECOGNIZING THE) RESOLUTION NO. 20-5085
HERETOGETHER FRAMEWORK FOR)
SUPPORTIVE HOUSING SERVICES AND) Introduced by the Metro Council
DIRECTING THE DEVELOPMENT OF A)
WORKPLAN)

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

WHEREAS, tens of thousands of households in the greater Portland region need supportive housing services, and thousands more need housing assistance, according to the February 2020 ECONorthwest report entitled “Potential Sources and Uses of Revenue to Address the Region’s Homeless Crisis”; and

WHEREAS, communities of color have been directly impacted by a long list of systemic inequities and discriminatory policies that have caused higher rates of housing instability and homelessness among people of color and they are disproportionately represented in the housing affordability and homelessness crisis; 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, elected official, and resident that calls the region home; and

WHEREAS, a safe, affordable home is the cornerstone on which all other success is built, and the stable foundation all members of our community need to thrive; and

WHEREAS, the homelessness crisis is an issue of scale and services do not yet match the scope of the crisis; and

WHEREAS, a broad coalition of service providers, business leaders, elected officials, and advocates have come together as HereTogether over the course of the last two years to identify the needs, develop strategies, engage communities, and build regional consensus, which led to the development of a “Regional Policy Framework” and a “Governance Framework”; and

WHEREAS, the Regional Policy Framework presents a vision of services and investments to address homelessness and housing instability; and

WHEREAS, the Regional Policy Framework presents a strategy for providing homeless and support services to achieve housing stability; and

WHEREAS, Metro recognizes the community outreach and collaboration by HereTogether to build a broad coalition of service providers, business and philanthropic representatives, and community members; and

WHEREAS, the Governance Framework represents broad agreement among these coalition partners about the goals, purposes, and outcomes for implementation of the supportive housing services ballot measure; and

WHEREAS, continued regional collaboration with the broad coalition convened by HereTogether, as well as local governments and service providers, is necessary to implement the strategies and achieve the goals and strategies; now therefore,

BE IT RESOLVED:

1. That the Metro Council directs staff to use the Regional Policy Framework, attached as Exhibit A, and the Governance Framework, attached as Exhibit B, for further planning and implementation with Metro, local governments, service providers and other implementers, and the community, and to report on a regular basis to the Metro Council on progress made toward the development of a Supportive Housing Services work plan.
2. That the Metro Council commits to open, inclusive, and transparent community engagement in the development of the work plan and implementation of the measure, including ongoing consultation and coordination with service providers, HereTogether and jurisdictional partners.

ADOPTED by the Metro Council this ____ day of February 2020.

Lynn Peterson, Council President

Approved as to Form:

Carrie MacLaren, Metro Attorney



Regional Policy Framework: Funding Priorities

Introduction

The HereTogether Coalition is pursuing a dedicated source of funding for homeless services and housing stability. The purpose of this document is to guide the creation, distribution, accountability, and oversight of supportive service funds we intend to be approved by voters at a future election.

We are guided by the belief that a safe, affordable home is the cornerstone on which all other success is built, and the stable foundation all members of our community need to thrive. We value a community where all of our neighbors have a safe, affordable place to call home, and recognize that the housing affordability and homelessness crisis in the Portland Metro region impacts all of us. This crisis requires collective and individual action from every person, business, elected official, and resident that calls the region home. We believe we can come together to fund solutions that match the scale and scope of the issue.

We recognize that communities of color have been directly impacted by a long list of systemic inequities and discriminatory policies that have caused higher rates of housing instability and homelessness among people of color. Communities of color are disproportionately represented in the housing affordability and homelessness crisis, thus our efforts emphasize the need to focus on equity.

We have come together as a coalition of business leaders, elected officials, service providers, advocates, faith communities, culturally-specific providers, and people with lived experience of homelessness and housing insecurity understanding that it will take all of us to meaningfully address the Portland Metro region's housing affordability and homeless crisis.

We understand that our housing affordability and homelessness crisis is an issue of scale because, as we know, our services do not yet match the scope of the crisis. We understand that thousands of our neighbors experiencing homelessness and extreme poverty want to improve their situations, but for lack of resources, in many cases, all they can do is get on long waiting lists. We want to ensure that supportive services are available when they can be most effective — not weeks or months in the future, but right away.

We believe we can maximize our region's historic, billion-dollar investment in sticks and bricks affordable housing construction and development by securing highly flexible funding to invest in proven, outcome-driven, client-centered solutions like case management, job training, addiction and recovery services, mental health support, rent assistance (both long- and short-term), homelessness prevention services, housing placement, and other tools people need to be successful.

While we anticipate the funds will be initially prioritized for those experiencing chronic homelessness, as well as those most at risk of losing their homes and entering chronic or long-term homelessness, we have kept our strategies broad with the hope that they can remain client-centered with a focus on equity. As our regional partners address and stabilize these populations with various housing options, we anticipate the funds will be reprioritized to support other populations affected by our housing affordability crisis from becoming homeless. In doing so, we believe those who have experienced chronic or sporadic homelessness, as well as our region's lowest-income residents who might be at risk of homelessness, will have the greatest opportunity to thrive in our community over the lifetime of the investment.

Our Unique Opportunity: Why we must act now

The Portland Metro region is facing a severe housing affordability and homelessness crisis, which endangers the health and safety of thousands of our unhoused neighbors. Homelessness is a deeply traumatic and dehumanizing experience that no person should have to endure, regardless of their circumstances. Many of our neighbors are one missed paycheck or one unexpected medical expense away from homelessness. Seniors, children, people of color, people who identify as LGBTQ+, women, persons with disabilities, youth exiting foster care, people with criminal records, victims of domestic violence, unaccompanied homeless youth, and people living with certain chronic health conditions are disproportionately represented in our homeless population and most at risk of chronic homelessness.

We know that homelessness and the need to house our neighbors is a top priority for residents of all three counties in the Portland Metropolitan area. Between 2016 and 2018 voters in the region overwhelmingly approved two affordable housing bonds worth nearly \$1 billion, which will add more than 5,300 permanently affordable homes to our region. We now have a unique opportunity to capitalize on those victories and our community's priorities to enact measurable improvement on the lives of low-income residents in our region, and livability for everyone, while ensuring that for every one person this funding moves off the street, two more will not end up in similar predicaments.

We are seeking funds that will take these bond investments in affordable housing to the next level. The Portland Metro region already has a strong network of community members, nonprofit agencies, government bureaus, and faith communities working together to find creative solutions that support our neighbors experiencing homelessness and extreme poverty. We are aiming to increase funding for their service-based work at a scale that matches the need evident on our streets and in our community, is client-focused, and helps people who have experienced homelessness successfully transition to housing and remain in their homes. We recognize that funding supportive services will not be enough, and that in order for programs to reach the populations they are designed to serve, we must fund experienced, trained, frontline outreach programs to actively intervene and actively connect people to services. We recognize that the crisis is immediate, but scaling up will take time and therefore immediate needs in terms of prevention and safety from the streets, including providing safe shelter and public health options, will need to be immediately available.

Caseworkers, nonprofit providers, government agencies, and faith communities help thousands of our neighbors experiencing homelessness get into housing every year, while helping thousands more remain stably housed. We have done this in spite of the federal government dramatically cutting funding for affordable housing and homelessness services. Research demonstrates that the longer someone is experiencing homelessness the harder it is for them to regain stability.

Our Approach

We propose alleviating people's homelessness in our community by:

- I. **Providing client-centered wraparound, highly flexible services, and creating genuine economic opportunity** for people who are currently experiencing homelessness and those populations most at risk of becoming homeless. These may include investing in a robust workforce of case managers who can help them navigate the existing systems and understand the services available to them, supporting with mental health and recovery services, providing rent assistance, helping those who are currently on the streets with street outreach programs that will transition people off the streets, job training, social security and benefits navigation and more.
- II. **Constantly striving to work together and improve our systems** by aligning our work, cultivating public, private, faith community, and nonprofit partnerships, and funding proven and innovative programs and services.
- III. **Transparency, Outcomes And Oversight:** We recognize that in order to earn and maintain community support, success will be based on critically recognized metrics that measure the results of the service provided and evidence that the communities disproportionately impacted are benefiting. We must establish a robust governance and oversight structure that is representative of diverse stakeholders, ensures that new revenue raised to fund these critical programs efficiently makes it to frontline service providers, is appropriately leveraged with existing service dollars, and is not used to replace existing funding. An official oversight entity must be legally empowered to track all revenue, evaluate program implementation, and take appropriate action to ensure outcomes match intentions. The regional oversight committee will have the power to approve or deny local implementation plans that do not meet this criteria. A new tax dedicated to these services will require periodic voter approval to be renewed.

**Please see our attached strategy document for more information.*

Our Desired Outcomes

We expect to reduce unsheltered and sheltered homeless populations by maximizing the potential of our region's new investments in affordable housing, to help those who are currently on the streets, and to help vulnerable residents succeed in remaining in their homes. To do this we will:

- Secure the stable, ongoing revenue necessary to reduce homelessness across our region, and prevent people from becoming homeless. The revenue mechanism should match the scale of the problem and should be flexible enough to meet the needs of individual people, and the changing realities of homelessness and poverty in our region so we can respond to needs for years to come.
- As our transitional housing and affordable housing stock expands, neighbors experiencing chronic homelessness are successfully, permanently housed because they received the help they needed. This will be tracked using annual research including the HUD Point in Time Count.
- Use additional funds secured to fully realize the value of existing capital construction dollars, and existing service investments across the community. We need region-wide systems to assess, inventory and integrate existing efforts while investing in proven solutions that combat chronic homelessness. We believe regional collaboration and innovation between local governments, culturally responsive and client-centered service providers, the faith community, nonprofits, and community-based organizations is a key way to measure our success and make an impact.
- Ensure that we are lowering the number of individuals experiencing long-term and new homelessness to prevent a net-negative effect. We must minimize the chance that people become homeless and minimize the amount of time they spend doubled up, couch surfing or on the streets if they do.
- Services should be client-centered, culturally-responsive, with demonstrated commitment to prioritizing equity with a focus on leading with race in service provision and outcomes.
- Grow and strengthen availability of services that promote education and access to justice for those most at risk of losing their homes.
- Once the funds are successfully secured, community-based oversight will oversee implementation of the principles outlined in this document.

Our Guiding Principles

- **Focus on equity and lead with race.** People in communities disproportionately impacted by homelessness must have a leadership role in shaping programs and services. In addition, we must improve outcomes through targeted investments and by expanding culturally specific and responsive services in all counties. When we directly address the barriers people of color face, we also remove barriers from other disadvantaged groups and create solutions that work for everyone. Leading with race begins the reversal of a long list of systems and policies that have caused disproportionate rates of housing instability and homelessness among people of color, including exclusionary zoning laws, overcharging for housing, disproportionate rates of evictions, fewer opportunities for home-ownership, gentrification, and persistent, significant disparities in economic opportunity.
- In order to **prioritize equitable outcomes**, we expect a robust racial equity lens, will be employed that outlines expected results, data collection and analysis, community engagement,

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targeted strategies and approaches, implementation and accountability. County level oversight and planning boards shall adopt a racial equity plan to guide their work.

- We know that the only way to truly end homelessness is to make sure people are housed. Thus, funds raised from this measure will **prioritize getting people permanently housed**.
- Homelessness is a multi-dimensional problem which necessitates active, sustained **region-wide collaboration** among counties, cities, other public agencies, nonprofit, business and community partners.
- We will be **transparent** in our motives, work collectively to solve issues, and share our successes.
- Understanding that people who are homeless are experts in their own experience, we will **center their perspectives** and experiences whenever possible.
- We will be **provider-informed** in developing and adopting strategies for reducing homelessness using client-centered approaches and culturally responsive support.
- **Efficient and measurable outcomes**. We will require defined outcomes based on broadly recognized public metrics that measure the number of people currently experiencing homelessness in the region. This transparency and accountability is vital to maintain the long term support of voters and the community.
- We will **stay accountable to long-term impact** by requiring and supporting innovative and evidence-based programs and services with concurrent data analysis to evaluate progress toward stated goals, prioritizing equity, aligning systems and processes that ensure public accountability, and ensuring ongoing communication and feedback from individuals served to maximize the effectiveness of service delivery.



STRATEGY

Provide client-centered wraparound, highly flexible services, and genuine economic opportunity

A. Expand case management and outreach services by:

1. Prioritizing permanent supportive housing services.
2. Expanding professionally trained, culturally appropriate street outreach programs to actively connect people who are chronically homeless with services and housing.
3. Expanding access to culturally responsive and appropriate service providers in all counties.
4. Increasing flexible funding streams to help people transition out of homelessness.
5. Address the immediate crisis at hand by helping those who are currently on the streets with outreach and basic survival support designed to help them move into housing and support services.
6. Use best practices, including assertive engagement, along with emerging research to place client need and experience at the center of solutions.

B. Expand clinical services by:

1. Improving access to behavioral health: mental health services and interventions, and addiction services to support people in crisis and people in recovery.
2. Expanding access to services and interventions for people with physical impairments and disabilities.

C. Increase access to income opportunities including:

1. Financial literacy, employment, job training and retention, education, peer support services and workplace supports.
2. Assisting individuals to access veterans benefits, Social Security, disability income, and other benefits.

D. Homeless prevention to include:

1. Rent assistance, displacement, eviction prevention services, education and legal services among other programs, for those most at risk of becoming homeless to prevent a net-negative effect, ensuring people can remain successfully housed.
2. Prevention services tailored to rural households.

E Expand access to housing placements that are affordable and culturally appropriate to our community's most vulnerable, including:

1. Maximize federal, state, and local housing programs and subsidies that meet the needs of individuals where they are.
2. Shelters, bridge/transitional housing placements, including for people exiting institutions, foster care, etc. so unsheltered homeless individuals are provided the option to sleep indoors.
3. Long-term housing subsidies for the elderly, those disproportionately at-risk of long-term homelessness, youth and people with disabilities.

Constantly strive to work together and improve our systems

F. Improve systems coordination, state, and regional alignment by:

1. Incentivizing regional coordination efforts, including data collection, and use metrics that measure the size of the region's sheltered and unsheltered homeless population.
2. Maximizing resources by leveraging existing local, state and federal service dollars and other investments and coordinate with other services (Medicaid, hospitals, jails, child welfare, aging services, etc.).
3. Encouraging innovation and collaboration with nonprofit, business, faith communities, government agencies, etc.

Transparency, outcomes and oversight

G. Be transparent, outcome-driven and allow for strong community oversight of the funds, program implementation and evaluation of outcomes.

1. Align systems and processes to ensure public accountability through data analysis and program evaluation and ongoing communication and feedback from individuals served to maximize the effectiveness of service delivery.
2. Use incentives, including matching or challenge grants and funding and other strategies, to ensure that existing community investments are increased and not reduced.
3. Employ a racial equity lens to prioritize equitable outcomes for communities that are overrepresented in our homeless population, are most-at-risk of chronic homelessness, and/or have been historically marginalized.



Governance Framework--Final

Amendments, edits and final agreements approved by HereTogether Advisory Committee
February 21, 2020

1) Regional Oversight

- a) Expand scope of existing Metro Housing Bond Oversight committee, or use it as a model to create new committee to oversee homeless services.
- b) Expansion of existing oversight committee or creation of a new committee includes:

- i) Composition and membership of Regional Services Oversight Committee:**

- 1) Convener of body:** Metro

- 2) Purpose of body:** Monitor the ongoing implementation of the Regional Services Initiative by the counties on behalf of Metro, the county boards and the public.

- 3) Selection of members**

- (a) To be finalized by ballot drafting sub-committee.*

- 4) Membership number and composition**

- (a) Total of 18 members, 15 voting members, 3 ex-officio*

- (b) Metro must ensure that appointments achieve the following representation:*

- (i) Voting membership must comprise 50% people of color.*

- (ii) Have demonstrated experience in overseeing, providing or administering services as defined in Section 7.*

- (iii) Have lived experience of homelessness or severe housing instability.*

- (iv) Have experience in the development and implementation of supportive housing and other services including behavioral health, designed to serve the priority population.*

- (v) Have experience in the delivery of culturally specific services.*

- (vi) Represent the private for-profit sector.
- (vii) Represent the philanthropic sector.
- (viii) Represent communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community, people with disabilities, and other underserved and/or marginalized communities.
- (ix) Representative from continuum of care.
- (x) Representatives from each county's commission will serve as ex-officio members.

5) Considerations for Convener

- (a) One person may represent more than one of the required perspectives.
- (b) Counties should ensure geographic representation from within the Metro boundaries of each of the respective counties.
- (c) Provide stipends or other resources to support member participation.
- (d) Metro may contract with an independent 501(c)3, housing authority, or other government agency for staffing and research support.
- (e) New or existing committees may be used to achieve this.

6) Responsibilities of Regional Oversight Committee

- (a) Review Local Implementation Plans, both the initial plan and all amended plans, for consistency with the commitments made to voters in the Regional Services Initiative, and recommend to Metro council for adoption, adoption with amendments, or rejection.
- (b) Accept and review annual reports from each county for consistency with approved Local Implementation Plans (LIS) and present results to Metro Council and county boards annually.
Current reporting models that address the LIS plan and results will meet this requirement.

7) Staffing and resources: Metro shall provide staffing and resources to support community engagement and facilitate equitable participation by community members, CBOs and others.

2) Local Planning & Implementation

- a) Each county will be responsible for developing and periodically updating a Local Implementation Plan that documents the uses of Regional Services Initiative funds and

how these uses align with the commitments made to voters in the Regional Services Initiative.

b) Requirements for developing and updating Local Implementation Plan:

- i) Each county shall use a locally convened body that includes a broad array of stakeholders, to develop its Local Implementation Plan. It may convene a new committee or use a standing committee (if the standing committee can demonstrate a track record of achieving equitable outcomes in service provisions to regional oversight committee), provided that the committee responsible for drafting the Local Implementation Plan must:
 - 1) Use a racial equity lens to design and implement its decision making process and to develop the content of the Local Implementation Plan.
 - 2) Use the best available quantitative and qualitative data to develop the content of the Local Implementation Plan.
 - 3) Develop, implement, and use the results of a comprehensive community engagement process that prioritizes the voices of people with lived experience and from communities of color to develop the content of the Local Implementation Plan.
 - 4) Include as members of the committee:
 - (a) People with lived experience of homelessness and/or extreme poverty.
 - (b) People from communities of color and other marginalized communities.
 - (c) Culturally responsive and culturally specific service providers
 - (d) Elected officials, or their representatives, from the county and any CDBG cities.
 - (e) Representatives from the business, faith, and philanthropic sectors.
 - (f) Representatives of the county/city agencies responsible for implementing homelessness and housing services, and that routinely engage with the unsheltered population.
 - (g) Representatives from health and behavioral health who have expertise serving those with health conditions, mental health and/or substance use disorder from culturally responsive & culturally specific service providers.

c) Process for approving local implementation plan:

- i) Each county shall develop and present their initial Local Implementation Plan to the Regional Services Oversight Committee for its review, comment and recommendation.
- ii) Following the Regional Services Oversight Committee's review and

recommendation, each county's Local Implementation Plan must be approved by Metro and that County's Board.

d) Each County's Local Implementation Plan must demonstrate the following:

- i) Geographic Equity:** A commitment to and a strategy to ensure that services funded through the Regional Services Initiative are equitably geographically distributed throughout each county.
- ii) Community Engagement:** A demonstration that the Local Implementation Plan was created by a committee, and through a process, that meets the requirements of 2) b) i).
- iii) Racial Equity:** A thorough racial equity analysis and strategy that includes: (1) an analysis of the racial disparities within the homeless population in county and the Priority Service Population (see Section 6) in particular; (2) disparities in access and outcomes within the county's current services for the homeless population and the Priority Service Population in particular; (3) clearly defined service strategies and resource allocations intended to remedy existing disparities and ensure equitable access to Regional Services Initiative funds; and (4) an articulation of how perspectives of communities of color/culturally specific groups were considered/incorporated.
- iv) Needs/Gaps Analysis:** A review of current system investments/capacity benefitting the priority population, an analysis of the nature and extent of gaps in services to meet the needs of the priority population, broken down by service type, household types, and demographic groups. Each County's gaps analysis should include an inflow analysis that identifies likely inflow of people in the priority population based upon a review of data related to who are in jails, adult care facilities, hospitals, etc., as well as an assessment of people who meet the extremely low income and disabled definition who are still in housing, and those who are rent-burdened in excess of 50%. Existing data and reports may be used.
- v) Services & Service Delivery:** A description of the planned investments of Regional Services Initiative funds that will speed access to permanent housing (e.g. housing first) through services that include: (1) the types of services that will be invested in (e.g. outreach, shelter, supportive housing, transitional housing, prevention), and how these proposed investments align with need/gaps analysis in v (above); (2) the scale of the investments proposed in (1) and how these address the needs/gaps identified in v (above); (3) the outcomes anticipated by the investments identified in (1) and (2) (this section); and (4) the service delivery models/best practices that will be used in each service area to ensure the best and most equitable outcomes from the expenditure of Regional Services Initiative funds.
- vi) Outcome Tracking, Reporting & Evaluation:** Each county shall propose in the Local Implementation Plan how it will track outcomes from Regional Services Initiative funded services, a plan for reporting those outcomes (no less often than annually), and a plan for the evaluation of Regional Services Initiative funded services and programs.

- vii) **Procurement:** Each county's Local Implementation Plan must include a description of how Regional Services Initiative funds will be allocated to public and non-profit service providers. It is expected that counties will use their established procurement processes for public funds to ensure funds are made available through transparent and accountable processes.
 - viii) **Prohibition on displacement of funds:** For the purposes of ensuring augmentation of existing investments in homeless services, counties shall annually confirm to the Regional Services Oversight Committee, either in the progress report set out in 3) a) or separately, that they have conducted the review required in their local implementation plans and that regional services initiative funds were not used to offset reductions in county general fund investments in homeless services. Increases or decreases in municipal investments in homeless services within the Metro UGB will be noted. In the event that a county has identified an extreme circumstance that necessitates displacement of funds to remedy (e.g. recession, natural disaster, force majeure), the county shall request an emergency review of their local implementation plans and any amendments.
- e) **Reporting:** Each county shall provide a report annually on its progress under the local implementation plan to the regional services oversight committee that will include a discussion of progress towards outcomes in each of the service areas identified in the local implementation plan and a separate analysis of progress toward the implementation of the county's racial equity strategy, as set out in d) iv). Reports will also include municipal investments from cities within the Metro UGB who have either increased or decreased contributions to homeless services for the priority population. Existing reports may be used.
- f) **Process for changing local implementation plans:** A county wishing to use Regional Services Initiative funds in a manner that substantially deviates from what is contemplated in the original Local Implementation Plan, either because it wishes to change its strategies or service delivery for the priority population, or because it wishes to begin serving people at risk of or experiencing homelessness who are not in the priority population, shall follow procedures outlined in Section 2.

3) Local Accountability

- a) **Progress Reporting:** Following the approved Local Implementation Plan outcome, reporting, and evaluation plan, each county shall provide a report on the uses and outcomes achieved with Regional Services Initiative funds to the Regional Services Oversight Committee and the public at least annually. The Regional Services Oversight Committee shall hold a public forum(s) to share and receive public feedback on the annual county progress reports.
- b) Counties shall annually confirm to the Regional Services Oversight Committee, either in the progress report set out in 3)a) or separately, that they have conducted the review

required in their Local Implementation Plans and that Regional Services Initiative funds were not used to offset reductions in county general fund investments, or existing municipal investments within the Metro boundary, in the Regional Services Initiative authorized services provided to the priority population.

4) Local Administrative Expenses

- a) Local government administrative costs will be limited to 5% over 10 years.
- b) Metro administrative expenses must not exceed 5% of the RSI.
- c) Administrative costs do not include costs directly associated with program and service delivery.

5) Funding Allocation

Funds distributed according to the county they are collected in (i.e. money collected in Clackamas County is returned to Clackamas County).

6) Funding Priorities/Priority Service Population(s)

Summary: The following would place the highest priority for RSI on addressing the growing number of people of color and members of other historically marginalized communities who are struggling with disabling conditions, extremely low-incomes, and are experiencing long-term street and shelter homelessness. If they are currently doubled up, they are presumed to be imminently at risk of “literal homelessness” and thus in the first priority category. After that, priority is given to addressing the housing and support service needs of all who have disabling conditions, extremely low-incomes and are experiencing, or are at imminent risk of long-term street and shelter homelessness. In both of these cases, being doubled up involuntarily suffices to demonstrate an imminent risk of literal homelessness. Once the needs of these populations are met, remaining funds are prioritized to people of color and members of other historically marginalized communities who are experiencing any form of homelessness, including being doubled up, or who are at substantial risk of becoming homeless by virtue of their low income and substantial rent burden or other circumstances.

- (a) Regional Services Initiative (RSI) funds shall first prioritize the provision of housing and services for people of color, and members of other historically marginalized communities, who have extremely low-incomes and one or more disabling conditions and: (a) are experiencing long-term or frequent episodes of literal homelessness, or (b) are at imminent risk of experiencing long-term or frequent episodes of literal homelessness. Meeting this need shall include investments in long-term rental assistance and culturally specific supportive housing services scaled to meet the needs of this population.

(b) Regional Services Initiative funds remaining upon satisfying (a) shall prioritize the provision of housing and support services to address the needs of persons who have extremely low-incomes and one or more disabling conditions and who: (a) are experiencing long-term or frequent episodes of literal homelessness, or (b) are at imminent risk of experiencing long-term or frequent episodes of literal homelessness. RSI funds shall be used to scale rental assistance and culturally responsive and culturally specific wrap around support services to the level necessary to meet the needs of this population.

75% of Regional Services Initiative Funds will be devoted to sections (a) and (b).

(c) RSI funds available upon satisfying (a) and (b) shall prioritize rental assistance and support services for people who are experiencing homelessness, by virtue of being very low income and extremely rent-burdened or other circumstances, or face a substantial risk of homelessness. Within this population, priority shall be given to people of color and members of other historically marginalized communities.

25% of Regional Services Initiative Funds will be devoted to section (c).

For purposes of paragraphs (a)-(c):

Extremely low income: a household earning less than 30% of AMI.

Very low income: a household earning less than 50% of AMI.

Extremely rent burdened: paying 50% or more of income toward rent and utilities.

Literal homelessness: as defined by HUD (unsheltered, in emergency shelter or transitional housing, or living in a place not meant for human habitation).

Homelessness: as defined by the U.S. Department of Education:

Imminent risk of literal homelessness: any circumstance, including being involuntarily doubled up, someone exiting an institution (including but not limited to exiting incarceration or foster care), fleeing a domestic violence or abuse situation, that provides clear evidence that a person will become literally homeless but for the investment of RSI funds.

Substantial risk of homelessness: a circumstance that exists if a household is very low income and extremely rent burdened, or any other circumstance that would make it more likely than not that without support through RSI the household would find themselves literally homeless or living involuntarily doubled-up.

7) Services

Provide client-centered wraparound, highly flexible services, and genuine economic opportunity.

a) Expand case management and outreach services by:

- i) Prioritizing permanent supportive housing services.
- ii) Expanding professionally trained, culturally appropriate street outreach programs to actively connect people who are chronically homeless with services and housing.
- iii) Expanding access to culturally responsive and appropriate service providers in all counties.
- iv) Increasing flexible funding streams to help people transition out of homelessness.
- v) Address the immediate crisis at hand by helping those who are currently on the streets with outreach and basic survival support designed to help them move into housing and support services.
- vi) Use best practices, including assertive engagement, along with emerging research to place client need and experience at the center of solutions.

b) Expand clinical services by:

- i) Improving access to behavioral health: mental health services and interventions, and addiction services to support people in crisis and people in recovery.
- ii) Expanding access to services and interventions for people with physical impairments and disabilities.

c) Increase access to income opportunities including:

- i) Financial literacy, employment, job training and retention, education, peer support services, and workplace supports.
- ii) Assisting individuals to access veterans benefits, Social Security, disability income, and other benefits.

d) Homeless prevention to include:

- i) Rent assistance, displacement, eviction prevention services, education and legal services among other programs, for those most at risk of becoming homeless to prevent a net-negative effect, ensuring people can remain successfully housed.
- ii) Prevention services tailored to rural households.

e) Expand access to housing placements that are affordable and culturally appropriate to our community's most vulnerable, including:

- i) Maximize federal, state, and local housing programs and subsidies that meet the needs of individuals where they are.
- ii) Shelters, bridge/transitional housing placements, including for people exiting institutions, foster care, etc., so unsheltered homeless individuals are provided the option to sleep indoors.

- iii) Long-term housing subsidies for the elderly, those disproportionately at-risk of long-term homelessness, youth and people with disabilities.

f) Improve systems coordination, state, and regional alignment by:

- i) Incentivizing regional coordination efforts, including data collection, and use metrics that measure the size of the region's sheltered and unsheltered homeless population.
- ii) Maximizing resources by leveraging existing local, state and federal service dollars and other investments, and coordinating with other services (Medicaid, hospitals, jails, child welfare, aging services, etc.).
- iii) Encouraging innovation and collaboration with nonprofit, business, faith communities, government agencies, etc.

g) Be transparent, outcome-driven and allow for strong community oversight of the funds, program implementation and evaluation of outcomes.

- i) Align systems and processes to ensure public accountability through data analysis and program evaluation and ongoing communication and feedback from individuals served to maximize the effectiveness of service delivery.
- ii) Use incentives, including matching or challenge grants and funding and other strategies, to ensure that existing community investments are increased and not reduced.
- iii) Employ a racial equity lens to prioritize equitable outcomes for communities that are overrepresented in our homeless population, are most-at-risk of chronic homelessness, and/or have been historically marginalized.

8) Revenue

- a) High earners income-tax up to 2% on Oregon taxable income starting at \$150K single-filers/\$300K joint-filers (includes people who reside or earn their money in the region).
- b) Requires voter renewal after 10 years of tax collection.

9) Racial Equity

a) Focus on equity and lead with race/center perspectives and experiences:

- i) Within other priorities already stated, employ a racial equity lens to plan development and implementation to prioritize equitable outcomes for communities that are overrepresented in our homeless population, are most-at-risk of long term homelessness, and/or have been underserved and/or marginalized and under-served due to lack of culturally specific and/or linguistic specific services.
- ii) Meaningfully engage and make decisions with communities of color, Indigenous communities, people with low incomes, immigrants and

refugees, the LGBTQ+ community people with behavioral health disorders, people with disabilities, and other underserved and/or marginalized communities in identifying, prioritizing, planning, developing, selecting, and funding of projects.

- iii) Actively remove barriers for organizations and communities to ensure full participation by providing stipends, scheduling events at accessible times and locations, and other supportive engagement tactics.
- iv) Prioritize funding to providers who demonstrate a commitment and delivery to under-served and over-represented populations, with culturally specific and/or linguistic specific services, as well as those programs that have the lowest barriers to entry and actively reach out to communities often screened out of other programs.
- v) Use shared community values to set aspirational goals for investing in a robust and diverse workforce committed to achieving equitable outcomes among communities most impacted. These goals should include robust and fair compensation for service providers that considers the lived experience and expertise frontline services workers bring, while also celebrating their professionalism, dedication to the work, and recognizing the traumatic impact of front line work.

b) Ensure equity in outcomes:

- i) Demonstrate accountability for tracking outcomes and reporting impacts, particularly as they relate to communities of color, Indigenous communities, people with low incomes, LGBTQ+ community, and other underserved and/or marginalized communities.
- ii) Set measurable goals for advancing racial equity and identify metrics for monitoring outcomes:
 - 1) Establish meaningful and ongoing communication with community-based organizations to review metrics and methods used to evaluate program impact.
 - 2) Use evaluation as a tool to expand community engagement in the program, identify challenges and opportunities for further progress, improve program implementation to achieve identified outcomes, and celebrate accomplishments and successes.
 - 3) County reporting on LIS outcomes must include tracking outcomes and reporting impacts, particularly as they relate to communities of color, Indigenous communities, people with low incomes, immigrants and refugees, the LGBTQ+ community people with-behavioral health disorders, people with disabilities, and other underserved and/or marginalized communities.

c) Stay accountable to long term impact.

- i) Include strategies to prevent or mitigate displacement and/or

gentrification resulting from investments of resources made under this measure.

- ii) Teach equity: Provide ongoing/continuing education equity training opportunities that include anti-racist curricula for all project partners, including building owner and management staff, resident services staff, and partners that support residents.

10) Tri-County Planning Initiative

- a) Metro shall annually allocate a portion of resources from its share of their administrative cap to provide the staffing and logistical support to convene and maintain a tri-county homeless services planning body. This body is responsible for the development and implementation of a tri-county initiative that will be responsible for identifying regional goals, strategies, and outcome metrics related to addressing homelessness in the region.
- b) The counties shall present to the regional services oversight committee for its approval a proposal for the implementation of the tri-county initiative no later than 1 year after the adoption of the regional services initiative, May 2021.
- c) An annual allocation of no less than 5% of each of the counties' share of RSI funding shall be contributed by the counties to a regional strategy implementation fund.
- d) The regional strategy shall be approved by the RSI Oversight Committee.
- e) The proposed initiative governance structure must be inclusive of people representing at least the perspectives required in Section 1b4, including local electeds from each of the counties, except that elected leaders and government employees shall be full voting members.
- f) Within one year of the adoption of the tri-county initiative plan, and as needed thereafter, each county shall bring forward amendments to its Local Implementation Plan that incorporate relevant regional goals, strategies, and outcomes measures.

11) Ballot Drafting: Continuing Work

Metro shall continue to work with the body currently appointed as the HereTogether ballot drafting committee post-referral to develop a work plan and finalize details not included in the referral language.