

# Memo



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

To: Metro Council  
From: Planning and Development Department  
Date: February 18<sup>th</sup>, 2020  
Memo: Potential Regional Supportive Housing Services Program Implementation

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As the Metro Council considers the referral of a regional ballot measure to provide funding for Supportive Housing Services, the Planning and Development Department has prepared this brief outline on supportive housing programs and current capacity in the region, demonstration of a regional need for further investment, and potential outcomes of additional investments through the measure.

## 1. Supportive Housing Services:

Supportive Housing is a widely demonstrated program that effectively ends homelessness for individuals who have experience prolonged and repeated homelessness due to complex medical needs including chronic medical and mental health needs, histories of addiction and other complex needs. This program pairs ongoing rental assistance and supportive services to ensure housing placement and stability for a formerly homeless individual or family. A regional measure for Supportive Housing Services would include programs technically defined as supportive housing, and additional programming to prevent and end homelessness for broader populations.

### **Rent Assistance**

Rent assistance is primarily administered by housing authorities in the form of tenant-based and project-based vouchers. The voucher permanently reduces the tenant rent obligation from market-rate prices such that they are affordable for individuals whose incomes are generally at and below 30% area median income. A significant portion of individuals experiencing prolonged homelessness due to disability have no monthly income for one to three years while their claims for federal disability are processed. Without a stable income, a rent assistance voucher can cover 100% of an individual's rent until ongoing disability income is secured. The average Social Security Disability Insurance income (SSDI) for someone with eligible work history is \$1258 per month. For individuals without eligible work histories, Social Security provides a Supplemental Security Income (SSI) of \$750 per month. Therefore, even when disability income is secured, rent assistance is necessary to afford rent costs for individuals with disabilities.

How rent assistance works:

Tenant income	Tenant monthly income	Average 1-bdrm rent	Tenant Rent Portion: 30% of income	Rent Assistance Voucher value: (remainder of rent)
No income	\$0	\$1133	\$0	\$1133
SSI	\$750	\$1133	\$225	\$908
SSDI	\$1258	\$1133	\$377	\$756

### **Support Services**

People experiencing prolonged homelessness due to complex physical and behavioral health needs often need ongoing care and case management to stabilize medical conditions, seek and secure housing, and regain skills for independent living. Medical services including primary care, mental health and recovery care, are often made available through health insurance. However, Oregon lacks adequate

mental health and recovery healthcare, such that many individuals can't access care even if their conditions and health insurance make them qualified for such care.

In addition to healthcare, individuals who have experienced prolonged homelessness face significant barriers to housing such that case management services are needed to help resolve application barriers and access new housing. Once placed in housing, individuals recovering from prolonged homelessness often need ongoing supports to remain stably housed. These supports can include on-site resident and property management staff, case managers to regularly provide support according to an individual's care plan, and more. These support services are often provided by public and non-profit social services agencies and affordable or supportive housing building operators. Over time an individual's need for support services may change or decline with stable housing.

## **2. Existing supportive housing efforts in the region**

The region and specifically, our housing authority partners, already administer supportive housing programs funded primarily through federal investments. Two of these programs are:

**VASH:** VASH is a partnership between HUD and the VA medical system to end chronic homelessness among disabled veterans. HUD provides the rent assistance voucher through housing authorities across the country, working in partnership with regional VA Medical Centers which provide the supportive services and healthcare. The region has as many as 1,264 VASH vouchers deployed to end veteran homelessness in our region.

**Shelter Plus Care:** This federal program provides a 'housing first' model for people with disabilities and experiencing prolonged homelessness. In this program, HUD provides rent assistance funding through local housing authorities, who partner with services providers to provide case management services and housing placement services for particular populations.

Due to the success of these federal programs that use 'housing first' and 'supportive housing' models to end homelessness, local communities have worked to increase capacity for these kinds of programs. In 2019, the Portland Housing Bureau, Home Forward and the Joint Office of Homelessness invested jointly to fund new supportive housing programs. They paired Portland Housing Bond funds, federal project-based vouchers, and ongoing services from the Joint Office on Homelessness, in a competitive notice of funding available (NOFA) to develop new supportive housing building programs. Together these funds will invest \$12 million in supportive housing buildings that will provide 78 units of supportive housing.

## **3. Remaining need for Supportive Housing Services**

Despite these federal and local investments in supportive housing and additional state and local investments to end homelessness, the need far exceeds our local capacity to provide sufficient supportive housing for people experiencing prolonged homelessness. The Point In Time Counts conducted in three metro area counties found as many as 5711 people experiencing homelessness, and 2362 people experiencing 'chronic homelessness' as defined by a disabling condition and repeated episodes of homelessness or a year or longer of continued homelessness.

The Point In Time Counts are broadly understood as a snapshot of the unmet need to end and prevent homelessness. Thousands more households are at risk of homelessness due to extreme rent burden and medical and mental health needs that go unaddressed due to limited services and the high cost of rent. An incident such as lost income due to illness, a surprise medical or household bill, or a mental health episode could result in homelessness for these households. Furthermore, it is not logistically possible for every person experiencing homelessness to be counted, and therefore, the Point In Time Counts are widely recognized as an undercount.

For these reasons, local experts in homelessness have conducted analytical research to more adequately estimate the rates of homelessness and need for Supportive Housing Services.

<b>Point In Time Count (2019)</b>	<b>Unsheltered Homelessness</b>	<b>Chronic Homelessness</b>	<b>Total Homelessness</b>
Multnomah County	2037	1769	4015
Clackamas County	371	454	1166
Washington County	232	139	530
<b>Total</b>	<b>2640</b>	<b>2362</b>	<b>5711</b>

<b>Student Homelessness Oregon Department of Education (2017-2018)</b>	<b>Students</b>
Multnomah County	3349
Clackamas County	1147
Washington County	2638
<b>Total</b>	<b>7134</b>

<b>ECONorthwest report (February 2020)</b>	<b>Households</b>
Estimated need for supportive housing (Based on CSH and Portland State University: Homeless Research and Action Collaborative reports)	3123 to 4935
Estimated households who need rent assistance to prevent or end homelessness (Based on Portland State University: Homeless Research and Action Collaborative)	17,500

#### **4. Potential Regional Supportive Housing Services programs to end and prevent homelessness**

Significant and sustained funding is needed to scale up supportive housing capacity, expand long-term rent assistance vouchers as homelessness prevention, and temporarily increase short-term emergency homeless services to address the crisis of homelessness across the region. Depending on available revenue to meet this regional need, a selection of programming options is offered below.

Regarding programmatic costs: Rental assistance and supportive services are ongoing programmatic commitments to individual households and must be ensured permanently. Therefore, revenue source must be stable or anticipated economic changes or collection limitations must be considered prior to programming commitments. Programmatic priorities and associated costs may change over time as prolonged homelessness is addressed and households experience increased housing stability. Furthermore, the program cost do not account for local or regional administrative costs.

##### **Step 1: Address prolonged homelessness with supportive housing**

<b>Supportive Housing</b>	<b>Support Services program (administered by Counties)</b>	<b>Rent Assistance program (by Housing Authorities)</b>	<b>Total Annual Program</b>
3125- 4935 households	\$ 31.25 – 49.35 million (\$10,000/ household average)	\$ 31.25 – 49.35 million (\$10,000/ household average)	<b>\$62.5 - \$ 98.7 million</b>

##### **Step 2: End short-term homelessness and prevent homelessness caused by severe rent burden**

Thousands of very low income households across the region are homeless or at risk of homelessness economic reasons that would be resolved with ongoing rent assistance alone. These household incomes are far below what is needed to afford market housing, and even affordable housing regulated for 60% area median incomes, and therefore these households experience extreme rent burden. Depending on

available resources, a Supportive Housing Services program could serve significant portions of this regional population, and do so in partnership with the regional housing bond program. The average cost of a rent assistance program is about \$10,000 per household, possible impact outcomes of such a program are as described below:

<b>Homelessness Prevention Rent Assistance Vouchers</b>	<b>Rent Assistance program (by Housing Authorities)</b>	<b>Total Annual Program</b>
5,000 households	\$10,000/ household average	<b>\$50 million</b>
10,000 households	\$10,000/ household average	<b>\$100 million</b>
15,000 households	\$10,000/ household average	<b>\$150 million</b>

### **Step 3: Respond to local and urgent homeless services needs**

In addition to scaling Supportive Housing Services to meet the regional need, and providing rent assistance voucher to prevent economic homelessness, the implementation partners may consider other programming strategies to respond to short-term and immediate needs in their homeless services system. Such programming could include expanded shelter capacity, especially in suburban communities where little of no shelter capacity exists; and short-term services and rent assistance that can resolve episodic but not chronic homelessness. These programs could be responsive to funding capacity and local needs.

### **5. Regional considerations for programmatic implementation**

In addition to the programmatic considerations described above, additional consideration should be given towards the regional collaboration that will be critical to ensure programmatic outcomes that end homelessness. New resources through supportive housing services programs should be aligned with existing capital resources for affordable housing development, especially the regional housing bond. Regional policies, practices and metrics will need to be established to ensure consistency in programmatic approaches and outcomes reporting among partners and across systems. Data sharing and regional data systems will need to be built and maintained to coordinate access to services and consistently measure programmatic outcomes. Thoughtful distribution of resources will allow local communities to respond to local needs and share regional responsibility for responding to concentrations of homelessness in the urban core. Finally, investments in capacity at every level of partnership throughout implementation will need to be scaled to the new level of resource, in order to achieve programmatic outcomes and sustain housing stability across the region.