

Multnomah County Chair Jessica Vega Pederson
Chief Operating Officer Serena Cruz



April 10, 2024

Simone Rede
City of Portland Auditor
1221 SW 4th Ave, Room 310
Portland, OR 97204

RE: Audit of the Joint Office of Homeless Services

Dear Auditor Rede,

The Joint Office of Homeless Services (JOHS), Chief Operating Officer Serena Cruz and I are grateful to the City of Portland Auditor's office for this report. Specifically, we appreciate your thorough and thoughtful approach to reviewing the County's progress in addressing one of the most important issues facing our community right now: the thousands of people living unhoused in the County.

The JOHS is in agreement with, and will continue to prioritize, the recommendations in this audit. We are proud that your office has confirmed that our programs are designed to reduce racial disparities. We acknowledge that these disparities still exist, often due to forces beyond the control of JOHS, and we continue to center racial equity and the reduction of disparities in our programs. We will continue to monitor our progress and adjust these strategies as needed to have the most impact.

This report includes recommendations related to shelter planning and coordination, and we are pleased to share that work to expand and improve our shelter system — building on previous work since 2016 to add not only shelter beds but also different shelter types — is already underway in many of the recommended areas.

We acknowledge that much has changed within JOHS over the duration of this audit, and appreciate the audit team's responsiveness to changing circumstances as they developed their findings and recommendations, including acknowledging initiatives such as our multi-jurisdictional Community Sheltering Strategy that are already in progress.

Homelessness Response Action Plan

As noted in your audit, in March 2024 Multnomah County and the City of Portland unveiled a strategic reset of the community's response to homelessness, the Homelessness Response Action Plan (HRAP). This plan is a comprehensive two-year road map for improving our community's response to homelessness. The plan commits to pursuing detailed goals and metrics; budgeting with increased transparency, data sharing and financial reporting; and a new governance structure that broadens and unifies the work of addressing homelessness and all of its root causes

beyond just one downstream department, the Joint Office of Homeless Services.

Among other key goals, the plan includes new metrics and other concrete steps on how the community can work together to house or shelter at least 2,700 more unhoused individuals over the next two years.

Community Sheltering Strategy

One vital strategy within the HRAP is the Community Sheltering Strategy, which was also announced in March 2024 and was noted in your audit. The strategy is focused on achieving one of the goals outlined in the HRAP: adding 1,000 shelter beds in two years, and providing the housing and health resources people need to move through shelters more quickly.

The Community Sheltering Strategy was jointly developed by the city of Portland, the city of Gresham and Multnomah County leaders, along with a range of shelter operators. The work to develop the plan was in line with the first shelter recommendation in the audit: following a data and stakeholder-led process to identify needs in the shelter system — including the services needed to ensure that shelters are pathways to housing — and to set specific shelter creation goals for each system of care. More detail can be found below in our response to specific recommendations.

Transfer of HMIS to Multnomah County

The Homeless Management Information System (HMIS) is the software that stores all of the publicly funded homeless services data for the Portland Metro Region. This includes Multnomah, Clackamas and Washington counties. This software is critical for tracking services and outcomes, and it provides all of the reporting to City, County, regional, State, and Federal agencies including the U.S. Department of Housing and Urban Development.

Since 2006, this software has been managed by the Portland Housing Bureau on behalf of the tri-county region. Over the past two years, we have been in the process of transferring that responsibility to Multnomah County. This change was envisioned to provide better support to the three counties as well as increased access to technical staff who could support the growing and changing needs of JOHS.

On March 25, 2024, the transfer of the HMIS from the City of Portland to Multnomah County was completed. This is a huge milestone for our data-driven work, and it will allow for further improvements to our HMIS system over the coming years.

Racial equity work

The Joint Office takes a multi-team approach to advancing racial equity. Last year, the U.S. Department of Housing and Urban Development changed its data standards to be more inclusive of multiple racial and ethnic identities. With this improvement, we are able to more accurately and expansively collect data around race and ethnicity that better reflects the population we serve.

In addition to better data collection, we are building the ability to review racial disaggregations of shelter outcomes by race. The outcome disaggregation can be viewed at both the shelter system level and individual shelter level. This

disaggregation allows the JOHS program team to understand the extent to which people leave shelter for permanent housing placements, and how these numbers vary across racial and other demographics. Understanding these disparities is an important step toward building racial equity in the shelter system. See the specific recommendations on racial equity work for more detail on these ongoing efforts.

In addition to providing this overarching progress, we are pleased to be able to respond to the provided recommendations.

Recommendations (A) Shelter

To help ensure that it funds the right number and types of shelter, the Joint Office should:

- 1. Develop a systematic, data-informed process to analyze the need for shelter, the current inventory of shelter units, and existing gaps.**

We agree with this recommendation, and as noted previously, in recent months the JOHS has built upon its previous strategic work to create a comprehensive Community Sheltering Strategy. The two-year strategy includes an inventory of current shelter, identifies gaps, and outlines clear goals for improving the shelter system.

Central to the strategy is achieving the goal outlined in the Homelessness Response Action Plan to add 1,000 shelter beds in two years (including both beds currently in development and new beds), and to provide the housing and health resources people need to move through shelters into housing more quickly.

The development of the strategy took place between October 2023 and February 2024 and was overseen by both a workgroup and a steering committee. The workgroup was made up of JOHS program staff with expertise in the populations we serve, JOHS research and evaluation staff, staff from the cities of Portland and Gresham, and representatives from four service provider organizations. The steering committee was made up of elected officials from the City of Portland and the County, along with Joint Office executive leadership.

The workgroup met weekly, and performed a systematic analysis of shelter system goals, needs and gaps. For this analysis, the workgroup reviewed JOHS data on shelter models, outcomes, services, exits and demographics, and had robust discussions with our service providers and staff. Through all of this, the workgroup discussed not only what would be needed and feasible in terms of more shelter units, but also what is needed in those shelters to ensure that people are safe, successful, and able to use the shelters as an efficient and supportive pathway to housing.

This work has laid the groundwork for ongoing processes for analyzing our shelter system, including outlining key goals that will allow us to measure our progress.

- 2. Use the analysis to develop strategies for right-sizing shelter supply based on need. The Joint Office should adjust strategies over time as the system becomes more effective.**

We agree with this recommendation. As noted above, the Community Sheltering Strategy outlines goals for adding shelter over the next two years, increasing the number of shelter beds by 1,000 across our system. This increase is in service of the goal outlined in the Homelessness Response Action Plan to resolve unsheltered homelessness for 2,700 people over the next two years — equivalent to half the current number of people living unsheltered as of January 2024.

We acknowledge that implementation of the sheltering strategy, and adjustments over time, will require continued data and community-driven strategic thinking and planning.

To support this ongoing strategic work, the JOHS is in the final stages of hiring a Shelter Strategy and Operations Manager who will develop and lead ongoing shelter strategy and development.

But achieving these goals around expanded and more effective shelter, as the Community Sheltering Strategy notes, is going to take more than just JOHS. JOHS is responsible for its parts of the strategy, but right-sizing our supply across the community requires commitments, urgency and interest from a much larger variety of stakeholders. The governance structure created by the Homelessness Response Action Plan will take on the role of leading that larger body of work.

We also want to acknowledge that housing is what ultimately resolves homelessness, and while shelter is an incredibly important community need, every analysis of shelter needs should be considered within a full analysis of the correct balance of housing-related resources. For instance, if more people can find affordable housing and move through shelter beds more quickly, that frees up beds in our existing stock. Likewise, existing beds will see less demand if fewer people become homeless in the first place because housing is more available. As such, the JOHS is focusing on using overall system data to model shelter needs as part of an overall continuum of services.

As the JOHS analyzes both the need for shelter and the effectiveness of shelters as pathways to housing, we will continue to focus on data and metrics that help us understand shelter and housing program need and effectiveness, including exits to housing, and long-term housing retention.

To improve shelter access, the Joint Office should:

- 3. Assess referral processes for the set-aside shelter bed program, including its impact on shelter operations.**

JOHS agrees with this recommendation. We will begin planning for this assessment process with the City of Portland in alignment with the evaluation and assessment work mentioned in our response to recommendations 4 and 5.

Without expanded shelter supply, it may be difficult to improve shelter access. Once shelter supply is expanded, the Joint Office should:

4. **Evaluate shelter access to understand where people encounter barriers to finding a shelter that meets their needs.**
5. **Use the evaluation to develop strategies to improve access to shelter. One strategy might be to develop a source of real-time, system-wide information about available shelter beds.**

JOHS agrees with these recommendations. The process of accessing shelter should be straightforward and easy to understand, and information on shelter availability should be widely accessible. JOHS has been considering ways to streamline access to shelter, and has begun a project to develop a tool that will identify shelter availability within the system. The project will first develop an interim tool for identifying shelter availability, with a longer-term plan to create a permanent tool in alignment with the implementation of a new Homelessness Management Information System (HMIS).

Further, JOHS is currently leading several studies responsive to this recommendation, including an evaluation of alternative shelter models (such as village-style shelters) conducted in partnership with Portland State University's Homelessness Research and Action Collaborative, and an in-depth qualitative study of pathways from unsheltered homelessness to housing. Both of these studies will examine barriers to entering and staying in shelter.

JOHS is also continuing to collect information on services provided in different shelters to assess the effectiveness of different shelter models in housing shelter clients. All of these studies will assess how well shelters meet clients' needs, reduce exits to a different shelter or to the street, and rapidly connect them to housing.

To help ensure that shelters create effective pathways to permanent housing, the Joint Office should:

6. **Establish consistent, realistic, and meaningful housing outcome performance targets for shelters.**

We agree with this recommendation. Shelter outcome goals should be clear, and performance targets should communicate these expectations and allow for progress to be effectively measured. We currently track outcomes and performance measures across our contracted services. But to continue improving our ability to analyze outcomes and refine our policy and programming, the JOHS is also working to standardize performance measures across contracts for the majority of JOHS-funded services, including shelter and shelter diversion programs.

While significant strides have been made over the past year to standardize shelter performance measures, further improvements are being made to establish consistent and meaningful contract deliverables. JOHS is working to set more consistent performance targets by each shelter type (e.g. congregate, alternative, family, etc.) for, at a minimum, the three performance outcomes described in the audit report and recommended by the National Alliance to End Homelessness. These consistent targets will allow JOHS to more meaningfully track provider outcomes against contract targets as well as shelter system-level outcomes against community shelter strategy goals. Shelter access and outcome equity metrics will also be recommended in this fiscal year's contracts, with consistent equity goals set across shelter types.

As noted in the audit report, the Homelessness Response Action Plan also set new performance targets for shelter, and the Joint Office is in the process of changing programmatic expectations and contractual obligations to align with those targets. Goals for individual programs and contracts must align with the system-wide goals set out by County leadership, and that means the outcome targets may continue to evolve in accordance with those system-wide goals. Moving forward, if programmatic standards change, outcomes will evolve with them, and alignment will be a continuous process.

- 7. Measure and report shelter progress toward meeting their housing outcome performance targets.**
- 8. Use the data to evaluate shelters' housing outcomes and develop strategies to increase successful placements from shelter to permanent housing.**

We agree with these recommendations, and we are pleased to share that this work has also been well underway. With the transfer of HMIS from the City of Portland to Multnomah County now complete, JOHS is in the process of (1) being able to act on our existing plan to develop an HMIS “data mart” to ensure HMIS data are more readily available and (2) developing a series of contract monitoring reports and systems-level dashboards. Together, these tools will allow us to ensure that progress toward housing outcome targets are measured on a consistent and ongoing basis, and allow us to analyze outcomes by shelter provider, shelter site and shelter type.

These tools will allow JOHS to expand existing provider-level contract monitoring with improved reports that measure progress toward contract targets. Shelter system dashboards will measure progress toward the goals in the Community Sheltering Strategy, including performance trends over time. Shelter equity goals will also be incorporated into reporting tools and dashboards to allow for more consistent monitoring of the progress made toward reducing disparities in shelter access and outcomes.

These measurement and reporting tools will build the foundation for JOHS to evaluate how effective each program is at supporting placements into permanent housing, allowing for continuous improvement of shelter programs' effectiveness as pathways to housing.

Recommendations (B) Racial Equity


To further its efforts to reduce and address racial disparities in homelessness, the Joint Office should:

- 9. Continue to design programs to reduce racial disparities.**
- 10. Evaluate the performance of its racial equity efforts to learn more about where there are gaps and continually monitor and adjust strategies as needed to better achieve racial equity goals.**

We agree with these recommendations, and plan to continue to design programs to reduce racial disparities. As previously mentioned, JOHS has implemented better practices for race and ethnicity data collection, and has focused on developing foundational methods for understanding where disparities might exist in our system. In addition to this work, the JOHS data and equity teams have formed a collaborative partnership to expand our racial equity focus. This partnership is pulling together a cohort of staff who will expand our ability to track outcomes for people across racial and ethnic identities, allowing us to improve our understanding of disparities. These insights will guide our work of implementing a more equitable system of care with a focus on reducing disparities.

Coupled with program design adjustments, this group will establish clear goals and targets, as well as a clear process to determine the extent to which equity goals and targets are being met. This multi-team approach will ultimately incorporate a cycle of racial disparities measurement, program design alterations, target setting and measurement. This cyclical approach is aligned with the Plan-Do-Study-Act model of continuous quality improvement. This work will go beyond our shelter system and be implemented across our entire systems of care.

JOHS is also currently implementing a process to improve engagement, monitoring and support of our contracted providers' equity work. This process includes the subject matter expertise of our Equity Advisory Committee as well as that of our culturally specific providers.



Jessica Vega Pederson
Multnomah County Chair



Serena Cruz
Chief Operating Officer