



# Housing & Homelessness

## KEY TAKEAWAYS

- The City is seven years into a State of Emergency on Housing & Homelessness and has invested \$1.7 billion in a broad array of services and affordable housing development. Record numbers of individuals and families have benefited from these programs, which involve multiple bureaus, government partners, and nonprofit and private providers.
- The original declaration was rooted in a narrowly and specifically scoped outcome measure, which has since expired. Circumstances have changed significantly since that time, and the need – at least by some metrics – is higher (and more complex) than ever.
- CBO has recommended convening a workgroup with staff from relevant bureaus to analyze specific data-rooted questions to help evaluate and inform funding decisions. With the looming expiration of a significant volume of one-time resources, prioritizing investments will require re-focusing on shared regional outcome goals.

## INTRODUCTION

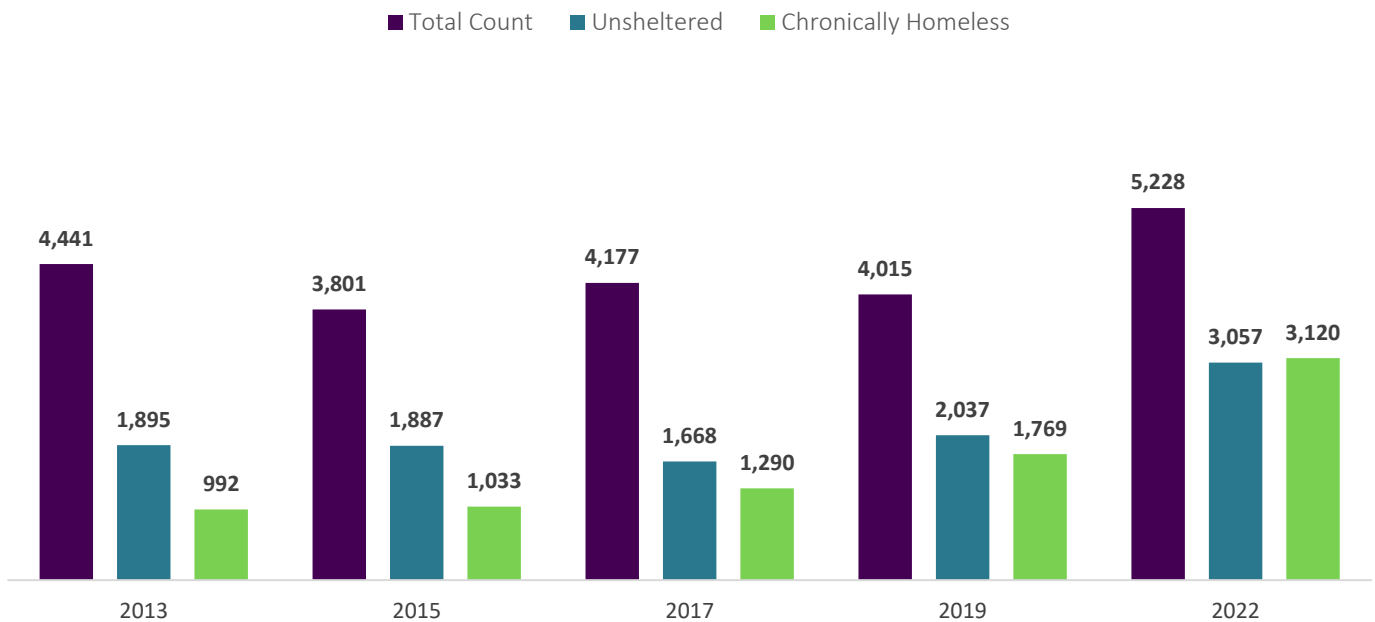
City Council first declared a housing emergency in October 2015, for a duration of one year. Since then, the declaration has been extended a total of five times and is [currently in effect](#) through March 22<sup>nd</sup>, 2025. During that time, the City has invested \$1.7 billion in specific programs along the affordable housing and homeless services continuum, from the Portland Housing Bureau's work to support low-income homeowners in accessing and retaining housing, developing new affordable housing units, and establishing a new Rental Services Office; to standing up the Joint Office of Homeless Services with Multnomah County; to more recent initiatives focused on helping Portlanders living outside through the Streets to Stability program and Street Services Coordination Center.

While Portland was the first jurisdiction to declare a housing emergency back in 2015, it was joined in quick succession by cities up and down the West Coast and the state of Hawaii in utilizing this tool to help move forward housing development and service provision. The shared challenges have allowed communities to borrow and adapt similar policies, programs, financing tools, voter-backed measures, organizational structures, and more. However, the collective crisis continues, exacerbated by the impacts of the COVID-19 pandemic, continued dearth of behavioral health services, and availability of cheaper, more potent street drugs. [Cities across the country](#) are grappling with the lack of policy tools, programs, and treatment options for people dealing with severe mental illness and/or substance abuse. Even jurisdictions that have managed to generate significant new revenue sources and programming, such as

Los Angeles' \$350 million annual Measure H, have experienced both actual and perceived increases in homelessness.

The [original housing emergency declaration](#) focused specifically on addressing immediate needs for people who were unsheltered, including temporary housing, emergency mass shelters, and day storage units. The ordinance cited the [2015 Point-in-Time-Count](#) of homelessness in Portland and Multnomah County, which identified 1,887 people who were sleeping on the streets, in cars, or other places not intended for human habitation. In 2022, that number went up to 3,057 people. Overall, the official count of literal homelessness is up by 38% since the declaration of the housing emergency, and the percentage of people identified as chronically homeless is up to 60% of the total count.<sup>1</sup>

### Point-in-Time Count 10-Year Snapshot



Council reaffirmed its commitment to the priority area of housing and homelessness in January 2021, and since that time has allocated approximately \$763 million for related programs and services. This represents 45% of the total funding allocated since the declaration of housing emergency and includes \$114.7 million in General Fund and American Rescue Plan Act resources (nearly 100% of which is one-time in nature). The largest new investments focus on addressing gaps and barriers in the current approach to reducing homelessness and unmet housing needs, as do the suite of resolutions Council adopted/considered in November 2022. However, given that the majority of recent Council-directed investments in this service area are from one-time revenue sources, there is an urgent need to define key outcome measures to help focus evaluation of current efforts and inform budget discussions moving forward.

<sup>1</sup> This figure does not include individuals and households who are living in unstable housing and/or otherwise at risk of becoming homeless. There are a number of additional caveats outlined in the [most recent count](#).

# ORGANIZATIONAL SUMMARY

## Key Policies and Strategies

From 2014 to 2022, [A Home For Everyone \(AHFE\)](#) was the local collaboration to end homelessness. AHFE was comprised of community members and leaders from Multnomah County, the Cities of Portland and Gresham, Home Forward, nonprofit service organizations, and many other community partners. The City of Portland and Multnomah County then created the new Joint Office of Homeless Services to meet an ambitious goal: reducing Portland’s unmet housing need by half by June 2017. The goal relied upon increasing systemwide capacity to meet specific targets for increasing housing placement and retention, prevention, and shelter beds. In all cases, the Joint Office and providers met or significantly exceeded these targets. Additionally, there has been a strong emphasis on building capacity in culturally specific organizations to work toward eliminating persistent racial disparities in homelessness. However, the outcome goal of reducing unmet housing need by half was not achieved, and although system capacity has significantly increased, this has been outpaced by inflow into homelessness.

More recently, Portland, Gresham, and Multnomah County joined the [Built for Zero collaborative](#), which has the goal of achieving functional zero – where homelessness is rare, brief, and non-recurring for specific populations. This initiative was built on the premise that there is a need not just to “**count up** to a certain number of housing placements, but **count down** to zero people experiencing homelessness” (emphasis in original text). As such, the work centers on creating a quality By-Name List to identify all individuals experiencing homelessness in a community in real time. The [Joint Office](#) is focusing on working with chronically homeless adult individuals.

A new regional [Supportive Housing Services](#) program approved by Metro voters in May 2020 established new 10-year metrics and goals for connecting people experiencing chronic homelessness to permanent supportive housing, stabilizing households at risk of or experiencing homelessness in permanent housing, increasing shelter capacity and access, building new outreach teams, and expanding the network of culturally specific and other service providers across Clackamas, Multnomah, and Washington counties. This ambitious program will dramatically shift the balance of services and funding for homelessness across the region and establishes shared key output metrics for service levels.

The program is intended to help fund the services to complement new affordable housing capacity achieved through the [Metro Affordable Housing Bond](#), authorized by regional voters in 2018, two years after Portland voters approved a [local housing bond](#). Both programs include output goals for specific populations, income levels, unit sizes, and more. The Portland Housing Bond has allocated all resources and [exceeded all goals](#) with the units that are in development, under construction, or open. The Metro bond has [committed approximately 57%](#) of total resources expected over the life of the bond. Both initiatives are one-time in nature and would require renewal from voters to continue.

Despite these efforts, homelessness – particularly unsheltered and chronic homelessness – have significantly increased over the last decade. In early 2022, Mayor Wheeler issued an Emergency [Declaration to Delegate Property Management](#) to help expedite implementation of the Safe Rest Villages Program and another to activate a [Street Services Coordination Center](#) to create a unified command structure for programs related to health and well-being of Portlanders experiencing outdoor homelessness. Based on the information available, both orders appear to have expired as of the end of September, but the work continues – bolstered significantly by a [suite of resolutions passed by Council in November 2022](#) and subsequent [\\$27 million dollar investment](#) toward ambitious new programs to be

managed by the SSCC.

Combined, these resolutions include plans to reduce homelessness and create affordable housing, including creating a diversion program for individuals experiencing homelessness, connecting mental health and substance abuse recovery services to unhoused individuals, and assessing options to increase coordination and enhance unhoused access to paid non-standard work. Moreover, one of the resolutions directs City bureaus and Council offices to work together to identify policy and regulatory adjustments, investments, and public-private partnerships to catalyze the production of 20,000 units of affordable housing by 2033 – double the original goal established in the 2035 Comprehensive Plan. In recognition of the importance of new funding partners and dramatically increasing support for behavioral health, City budget priorities were set to implement affordable housing, connect homeless individuals with sanitary, mental health and substance abuse recovery services and request assistance from the County, Metro, the State, and federal partners.

## City-Supported Programs

This report focuses on the following programs that directly provide housing and homeless services: Rental Services, Homeowner Access & Retention, Affordable Multifamily Housing, Homeless Services, Alternative Shelter & Streets to Stability, and the Street Services Coordination Center. It does not include other programs that impact and/or work with people experiencing homelessness, such as Portland Street Response and the Impact Reduction Program, or policies and programs that support incentives for creating new affordable units, like Inclusionary Housing.

Even with this more focused review of the housing and homeless services continuum, programs span several offices, bureaus, and jurisdictions, reporting to multiple directors, leaders, and decision-makers. The complexity of this organizational landscape hints at the particular challenges of this issue area, which is supported by a growing web of funds, influenced by a diverse array of policy perspectives, and driven by many stakeholders who struggle to collectively articulate and agree on what success looks like.

### Portland Housing Bureau

- **Rental Services** develops and implements policy and regulation associated with landlord-tenant and fair housing law, including policy and planning associated with contract management, rental unit registration, rental unit application and screening process rules, and rental unit security deposit rules.
- **Homeowner Access & Retention** invests in services to increase access to homeownership opportunities and to close the minority homeownership gap, and to help low-income homeowners stay safely and stably housed.
- **Affordable Multifamily Housing** supports the long-term successful production and operation of multifamily affordable housing projects along with the bureau's partners. The bureau provides resources to make up a financing gap typically found with affordable housing projects. These gap funds cover the difference between the equity a project attracts and the money that can be borrowed against the project as part of the financing package.

### Joint Office of Homeless Services

- **Homeless Services** previously managed by the City of Portland and Multnomah County were consolidated in 2016 under the Joint Office of Homeless Services (JOHS) to fund community

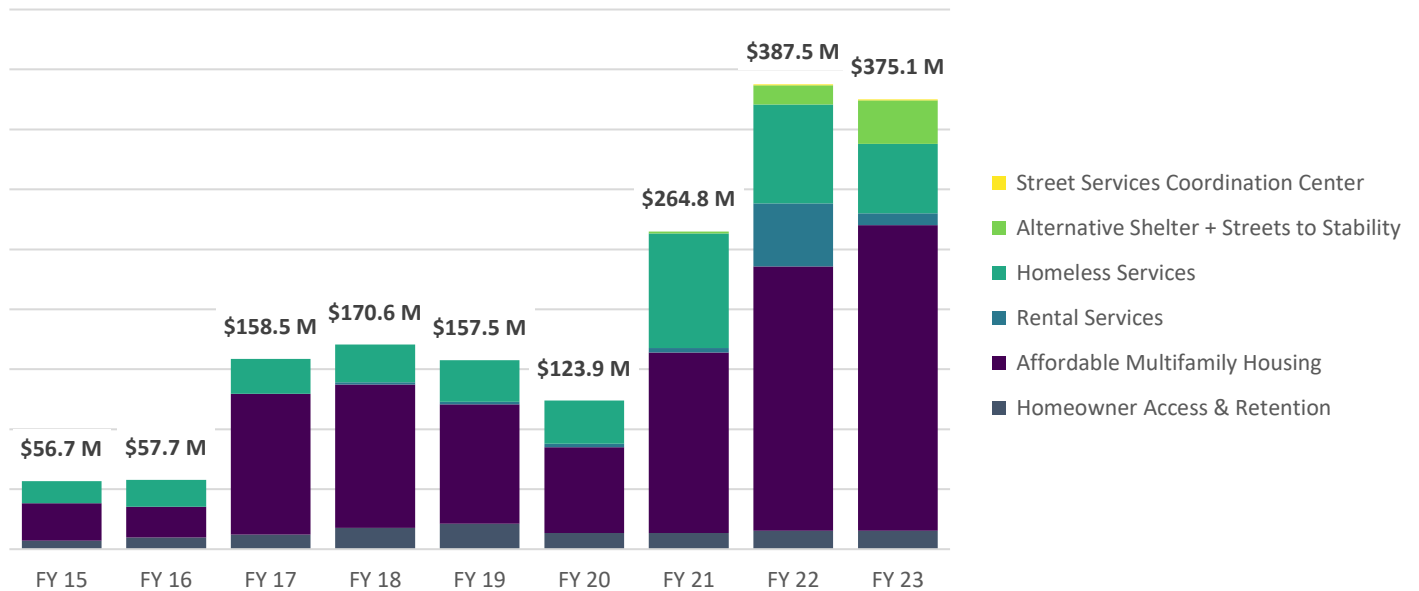
initiatives to prevent and ultimately end homelessness. The JOHS administers contracts for homeless services, plans and manages systems of care, oversees system reporting and evaluation, conducts homeless street counts and one night shelter counts, and writes proposals to and monitors funds issued by the U.S. Department of Housing and Urban Development’s Continuum of Care program.

**Office of Management & Finance and Special Appropriations**

- **Street Services Coordination Center** is a new initiative to expedite and streamline services to those living outside. SSCC engages in outreach to unsheltered individuals through a coordinated command structure and works to connect individuals experiencing homelessness to shelter and other services while supporting the coordination of encampment cleanings and removals.
- **Alternative Shelter & Streets to Stability** includes programs funded by federal relief dollars. The largest initiative is the Safe Rest Villages program, which are outdoor shelters serving as alternative points of entry for Portlanders on the continuum from living on the streets to finding stability in permanent housing.

**OVERALL BUDGET**

Since the declaration of the State of Emergency on Housing & Homelessness in October 2015, the City has invested \$1.7 billion in programs along the affordable housing and homeless services continuum



The City has prioritized existing funds and created new resources to help reduce unmet housing need. This includes, but is not limited to:

- Increasing the percentage of Tax Increment Financing (TIF) dollars set aside for affordable housing development

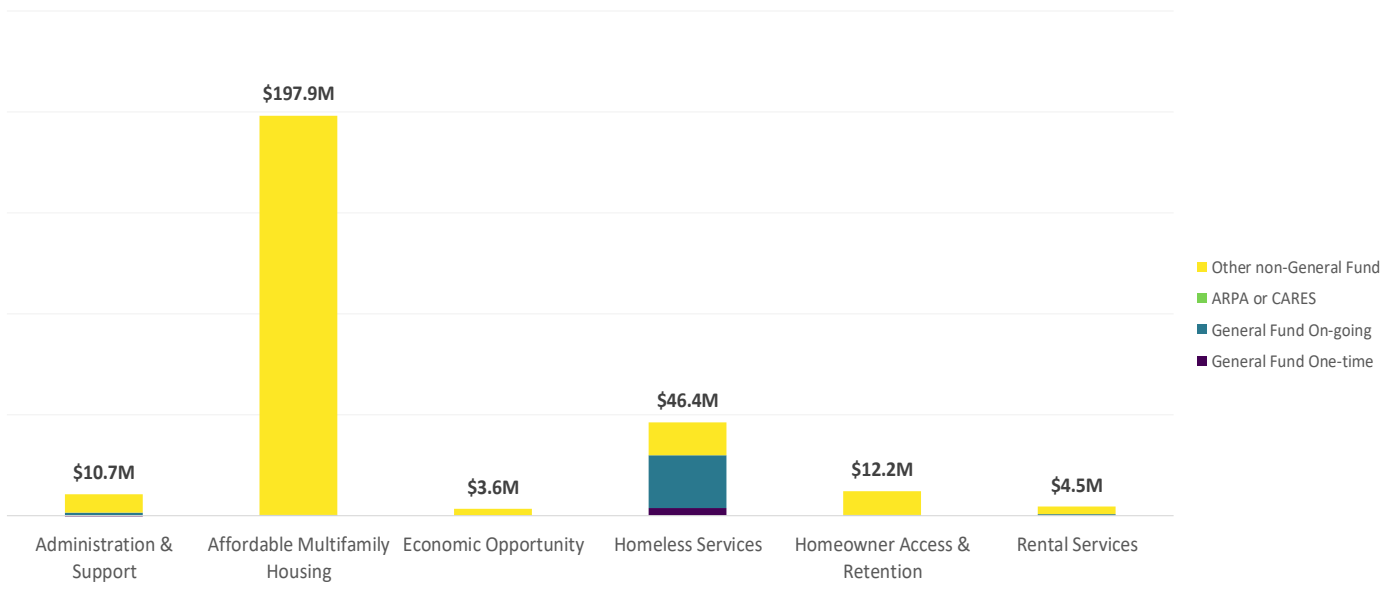
- Through approval of the voters, adopting one local and one regional housing bond (discussed in the “key policies and strategies” section above)
- Dedicating the City’s portion of short-term rental revenue for housing and homeless services
- Establishing an additional per-night fee on short-term rentals for similar purposes
- Implementing a rental registration fee to help support the Rental Services Office
- Increasing General Fund discretionary support for a variety of programs (primarily homeless services) through both allocating new revenues and cuts to existing City programs and bureaus
- Allocating a significant portion of federal pandemic grant funding for rent relief, eviction prevention, land banking, homeless services, and alternative shelter options

## RECENT INVESTMENTS AND CHANGES

### FY 2020-21 Adopted Budget: The Start of the Pandemic

The FY 2020-21 Budget was adopted just months after the State of Oregon declared an emergency due to the COVID-19 pandemic. As a result of the pandemic, the City adjusted several fund forecasts late in the budget development process to expect a sudden decline in available resource. Even so, funding to housing and homeless services remained relatively stable aside from nominal cost reduction strategies applied Citywide, with a total of \$275.3 million budgeted in the Portland Housing Bureau’s Adopted budget, allocated as shown in the chart below.

Portland Housing Bureau FY 2020-21 Adopted Budget  
by Category and Funding Type



The Housing Bureau’s resource streams were insulated from initial impacts of the pandemic, with the two largest revenue sources being bond revenues (\$109.8 million) - including the City’s Housing Bond and Metro’s Affordable Housing Bond - and grant revenues (\$81.4 million) for various purposes. At \$33.5 million, General Fund discretionary resources made up the third largest revenue source, with \$29.4 million of that consisting of ongoing resources and \$4.0 being one-time. Local revenue sources include Tax Increment Financing (per City policy, 45% of all TIF resources go toward affordable housing), the Construction Excise

Tax, Inclusionary Zoning fees, rental registration fees, and short-term rental revenue.

In the FY 2020-21 Adopted budget, \$38.0 million of the funding for Homeless Services were allocated to the Joint Office of Homeless Services (JOHS), and these City funds were pass-through payments to support contracted services. The City’s contribution to the JOHS budget in that year included resources from the City’s General Fund and two federal grants: the Emergency Solutions Grant (ESG) and the Housing Opportunities for Persons with AIDS (HOPWA) grant. The total JOHS budget is represented in the Multnomah County budget where the office is hosted.

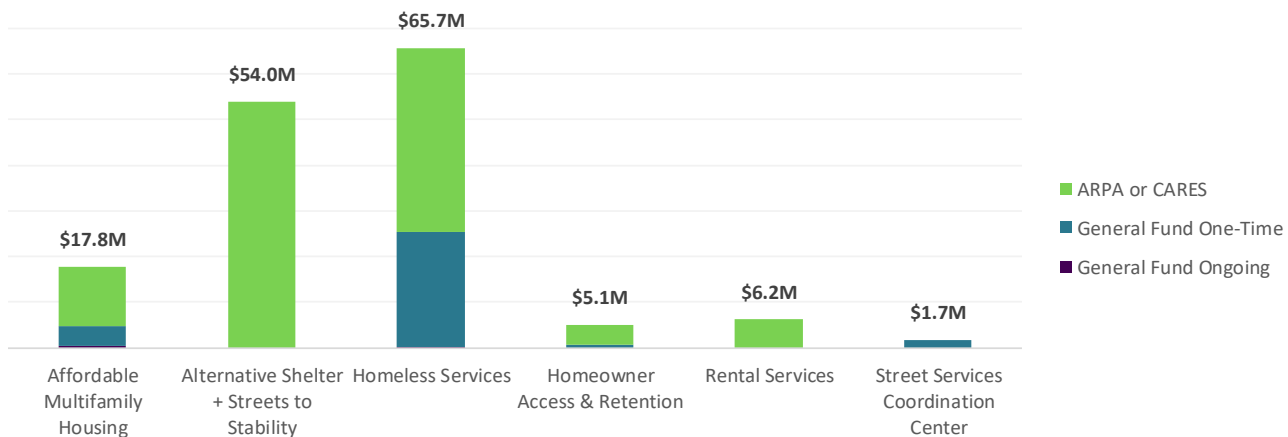
**Fall 2021 through FY 2022-23 Adopted Budget: Significant Increases with One-Time-Only Resources**

As illustrated in the Budget Overview chart on page 5, the total budget in this issue area has increased significantly in the last few years. This primarily reflects dedicated bond revenues for affordable housing development.

**\$150.5 million**  
invested in housing & homeless services since Fall 2021

In terms of discretionary spending, Council has chosen to allocate a significant portion – totaling over \$150 million – of the City’s total federal relief dollars and available one-time General Fund resources to support a variety of investments across the housing and homeless services continuum.

**\$150.5 million in CARES/ARPA and General Fund resources devoted to Housing & Homeless Services**  
*FY 2020-21 Fall BMP through FY 2022-23 Adopted Budget*



These investments and other actions taken by the City combined for a robust investment approach towards the many different needs along the housing and homeless services continuum. Notable investments over this time period are listed in the subsections below.

**Affordable Multi-family Housing**

The City retained robust base budget Housing Bond and other non-General Fund investments to build affordable housing through this time, which is not reflected in the chart above since the chart shows allocations above the base budget. The chart shows that the City invested over \$17 million in additional federal and general fund one-time resources for land banking and preservation of currently affordable

housing. This included \$8.0 million of previously unobligated CDBG funds from FY 2021-22 through FY 2023-24 to the Anna Mann Limited Partnership to acquire and renovate an existing building and construct two new buildings to develop affordable housing. The project was expected to provide 128 affordable units, including 42 units at 30% area median income (AMI) with 12 being Permanent Supportive Housing (PSH) units having Project Based Section 8 voucher rental support and JOHS service subsidy. The remaining 86 units would be restricted to households earning up to 60% AMI.

#### Alternative Shelter & Streets to Stability

In 2021, the Streets to Stability Program was launched, which is a new approach to outdoor shelter developed and managed primarily by the City of Portland (with services contracted through the JOHS). In the past two years, a total of \$52.3 million has been allocated towards this new program.

Outside of the budget development processes, the City allocated \$3.0 million of General Fund and \$1.7 million of CARES funding to Alternative Shelter projects, including for St. John's Village and other shelters, as the City commenced or continued efforts to mitigate the impacts of the COVID-19 pandemic.

#### Homeless Services

A total of nearly \$66 million in one-time federal and General Fund resources has been allocated to homeless services through the Joint Office of Homeless Services over the past two years. In addition to maintaining base budget funding, the City invested over \$21 million for rent assistance and eviction prevention and over \$25 million for COVID-19-related programming in the Joint Office of Homeless Services, including socially-distanced congregate shelter, motel shelters, supplies, and more. Additionally, the City invested \$7.0 million for shelter capital investments. Other investments included funding for homeless service provider incentives, and ongoing General Fund resources to assist transgender individuals to address challenges they experience accessing services. Multnomah County also invested significant resources towards these efforts.

#### Homeowner Access & Retention

Outside of the budget processes, significant amounts of CARES and ARPA resources were appropriated in FY 2021-22 for two Homeowner Access & Retention efforts in FY 2021-22: \$2.5 million for Homeowner Foreclosure Prevention and \$2.0 million for Mortgage Assistance. In addition, of the \$7.5 million of General Fund one-time resources the City devoted to homelessness and affordable housing efforts in the Fall Supplemental of that year, \$600,000 was appropriated for the Homeowner Access and Retention program, specifically for Kelly Butte Multi-Dwelling Units (MDUs).

#### Rental Services

The FY 2020-21 Adopted Budget for the Rental Services program totaled \$4.5 million. This budget was reduced by \$49,000 during the FY 2020-21 Fall Supplemental budget to meet the requirement for all bureaus receiving General Fund discretionary resources to reduce their allocation. However, during the same budget process, PHB reprogrammed General Fund resources held in reserve in the event Rental Registration Fee income was slowed by economic conditions surrounding the COVID-19 pandemic. The Rental Registration Fee revenues did not end up being adversely impacted by the pandemic, and the bureau reprogrammed \$500,000 of the amount held in reserve for rent relief in East Portland.

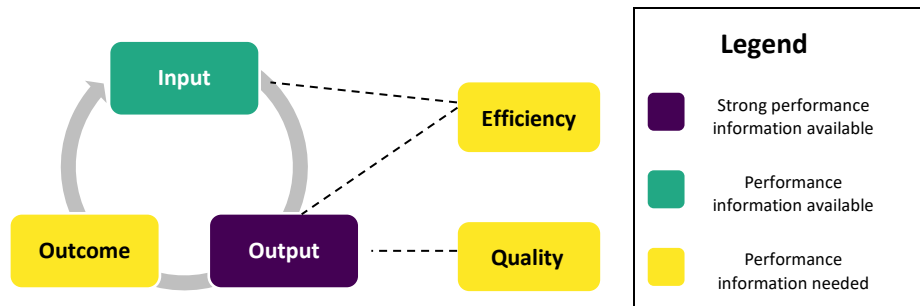
#### Street Services Coordination Center

In 2022, the Mayor issued an emergency declaration creating the Street Services Coordination Center to expedite and streamline services to those living outside. \$1.7 million in one-time resources has been allocated to this new initiative as of the FY 2022-23 Adopted Budget.



## PERFORMANCE TRENDS

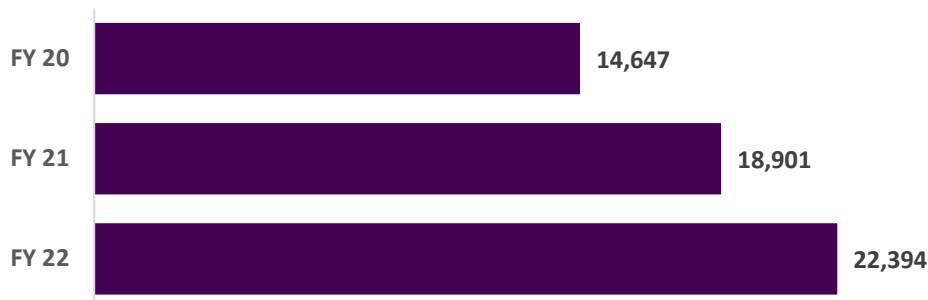
### Rental Services



The Rental Services program's five officially reported performance measures reference Chapter 5 (Housing) of the City's 2035 Comprehensive Plan, mostly the policy on Housing Stability, but also the policy on Fair Housing. All five measures report on output, e.g., the number of households served, and thus the bureau lacks performance measures that report on outcomes, efficiency, and quality. In FY 2021-22, PHB met or exceeded its fiscal year targets, as well as its strategic targets, for four out of the five measures. The annual targets for these measures, as well as many of the output measures in the other programs, were derived from negotiations with subrecipient service providers who indicated that they were able to provide a certain level of service given the resources the City was able to provide them, in addition to estimations of how much service the bureau itself was able to provide.

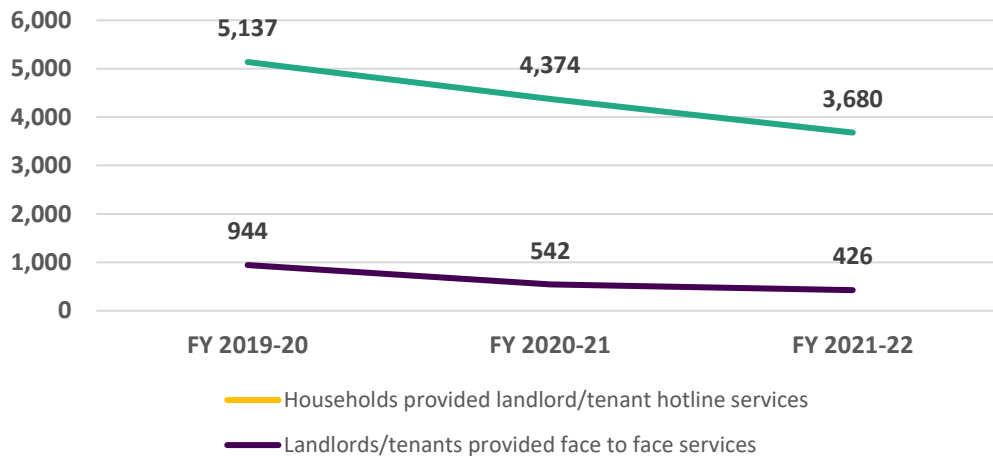
The bureau reported that the ongoing challenges of the pandemic and the resulting economic insecurity had increased demands for Fair Housing education and services, and many of the subrecipient organizations that provide these services rose to the challenges and exceeded their target service goals. Indeed, that the bureau exceeded its output targets for most of these measures may be an indication of the expanding need for services. Last year, PHB provided 22,394 landlords or tenants with outreach, education, and engagement services, 39.5% in excess of the target of 13,550. Due to the pandemic, the bureau reported that many of its subrecipient service providers pivoted to online formats for their education and outreach services, which expanded their reach within the community. The trend for this measure has been increasing since at least FY 2019-20, at 14,647 landlords or tenants served that year, and 18,901 served in FY 2020-21.

**Number of landlords/tenants provided outreach, education, and engagement services**



Counterintuitively, the trends for two other measures show decreases from FY 2019-20 to FY 2021-22: the number of households provided landlord/tenant hotline services and the number of landlords/tenants provided face to face services. As noted above, the pandemic resulted in less services provided face-to-face and more services provided online.

**Number of Clients Provided with Services**

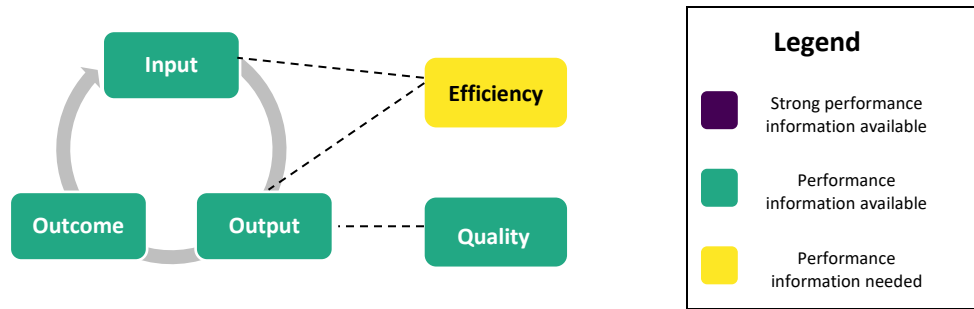


While exceeding an annual target for an output measure may point to an increased need, it is impossible to know the full scope of need without greater context. CBO recommends that if possible, PHB adopt measures that provide some kind of indication of how well PHB is performing in meeting particular needs citywide, for example, the percentage of households needing a particular service who actually end up getting it. Other measures that should be added include those that measure outcomes, for example, the percentage of households receiving a particular service that actually worked to positively resolve their issues, and those that measure efficiency and quality, such as cost per service or turnaround time to resolution. CBO also recommends that measures be added that pertain to important bureau efforts that are not reported on in the current suite of measures, such as measures for emergency rent assistance.

PHB does keep track of outputs related to the ARPA funding it was allocated for rent assistance and for eviction legal defense. For rent assistance, the bureau reported that \$1.5 million was distributed to landlords on behalf of tenants and 610 households have been served. For eviction legal defense, \$141,448 in financial assistance have been provided to landlords or other third parties, with 213 individuals or households served. There is still no data on the number of clients with legal representation

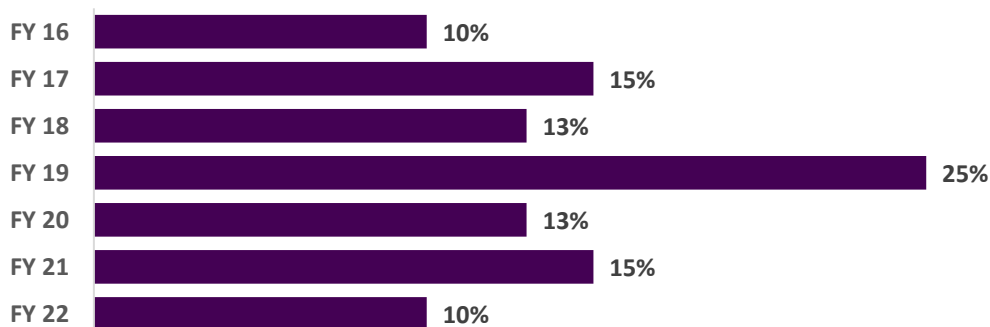
not receiving a court judgement/being evicted and either retaining or not retaining housing.

## Homeowner Access & Retention



Four of the six performance measures for the Homeowner Access & Retention program are also derived from Chapter 5 (Housing) of the City’s 2035 Comprehensive Plan, specifically the policies on Affordable Homeownership and Housing Preservation, with two other measures that do not have any strategic plans referenced. This program has a good mix of measures that provide a good overview of not only how much was “produced” (output), but also what that output achieved (outcomes). For example, PHB reported that in FY 2021-22, 1,787 households received homebuyer education or counselling, exceeding both the annual and the strategic targets of 975 households. The bureau stated that this number was high last year due to partners reengaging in outreach efforts as the COVID-19 pandemic restrictions began to lift, and with the discouraging market conditions and increasing rental costs, more families may have decided to postpone their homebuying search and instead seek guidance and/or financial assistance by engaging or reengaging with PHB’s agency partners. Nevertheless, at 10%, the bureau was able to achieve its annual (and strategic) target for the percentage of households receiving homebuyer education or counseling and subsequently purchasing a home. In terms of trends, the number of households receiving homebuyer education or counselling has been increasing since FY 2019-20 (1,429 households), with the FY 2020-21 figure being 1,589 households. The trend for the percentage subsequently purchasing a home is trending down, though, from the 25% in FY 2018-19 and the mid-teens in the two subsequently years.

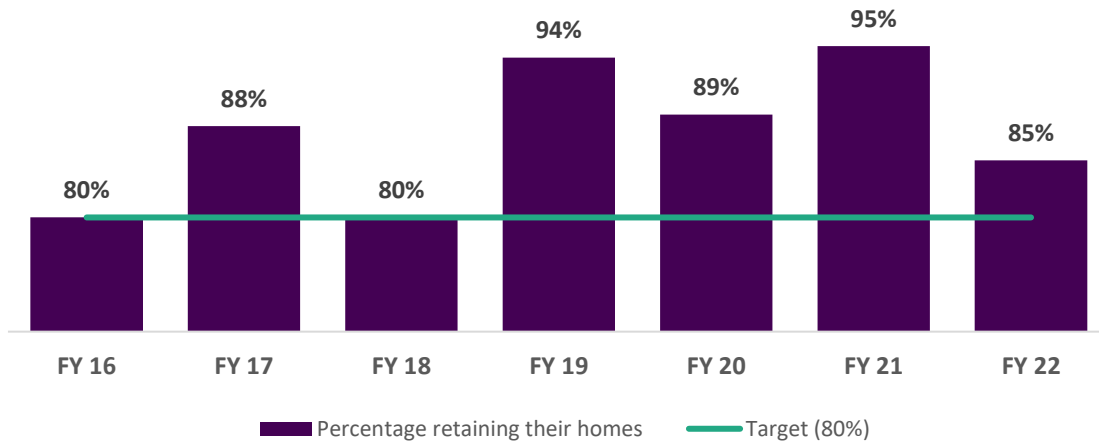
**Percentage of households receiving homebuyer education or counseling and subsequently purchasing a home**



Another good pairing of an output measure with a corresponding outcomes measure pertains to home repairs. At 545 households, PHB exceeded its annual (and strategic) target for the number of households receiving home repairs, and the bureau was also able to report that 85% of households that received

such repairs were subsequently able to retain their homes 12 months after, exceeding the annual (and strategic) target of 80%. This outcome measure may be trending downwards, though, as the average percentage for the prior three years was 92.7%. The lower percentage last year is due to more homeowners selling their homes after receiving repairs.

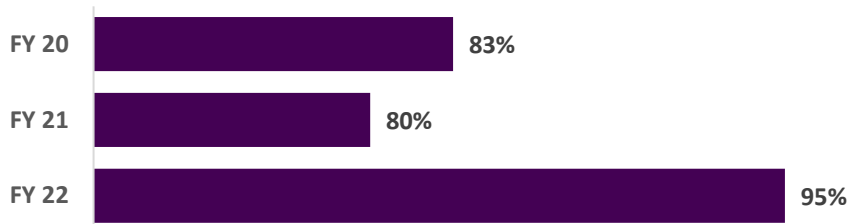
**Percentage of households receiving home repairs and retaining their homes 12 months after services**



After consistent decreases each year in the number of households receiving repairs from FY 2018-19 to FY 2020-21, the number of households receiving repairs increased slightly in FY 2021-22, perhaps indicating a greater need and the devotion of more resources to address the need.

One of the program’s measures designated as an outcome measure may also be considered a “quality” measure: the percentage of households receiving homebuyer subsidies who are from Communities of Color. At 95% last year, the bureau significantly exceeded its 60% annual (and strategic) target for this measure, which was based on the homeownership rate for the white population. Quality measures are a comparison of specific outputs to total outputs and help to answer the question of how well a certain body of work was done. They indicate how much of the work meets certain criteria as determined by a program goal, policy, professional standard, etc., and can focus on inclusiveness.

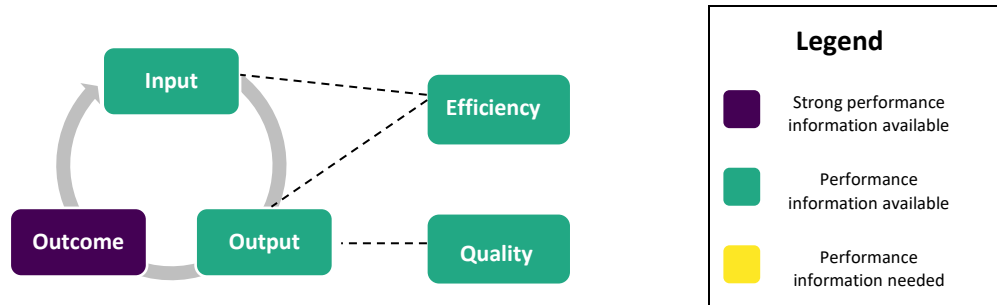
**Percentage of households receiving homebuyer subsidies who are from Communities of Color**



Overall, the Homeowner Access and Retention program has a decent mix of different types of performance measures. The bureau may benefit from adding more measures for those programs that are not already reflected in the current suite of measures. In regard to ARPA funding, the bureau is keeping track of outputs related to the funding it received for Homeowner Foreclosure Prevention, noting that

152 individuals or households have received foreclosure prevention counseling, but no financial assistance has been provided. There is yet not data on outcomes or quality of service.

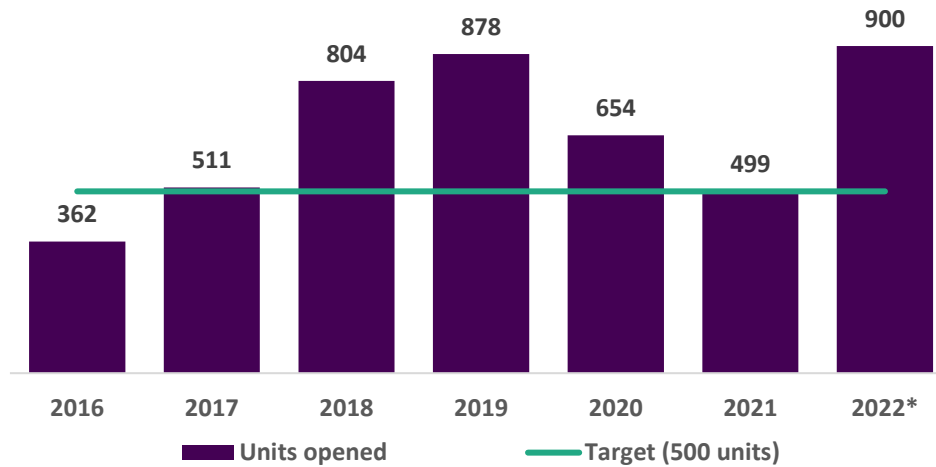
## Affordable Multifamily Housing



The PHB program with perhaps one of the most comprehensive suite of performance measures is the Affordable Multifamily Housing program. Three policies from Chapter 5 (Housing) of the City’s 2035 Comprehensive Plan guide the development of the program’s measures, including Housing Preservation, Regulated Affordable Housing Target, and Inclusionary Housing. In the past, goals from A Home For Everyone were also important in the development of the measures, particularly the goal to decrease the unmet housing need by half by 2017. Policy 5.26 of the Comprehensive Plan (Regulated affordable housing target) states that the City shall strive to produce and fund at least 10,000 new regulated affordable housing units citywide by 2035 that will be affordable to households in the 0-80% median family income (MFI) bracket, and this may have been the greatest driving force behind the numerical goals and targets of the Affordable Multifamily Housing program. With the recent (November 2022) passage of a resolution to build 20,000 affordable housing units in the city by 2033, the program’s numerical goals will certainly need to be revised.

The program’s performance measures can be classified in a number of ways, with the measures on the housing units themselves to be discussed here first. Note that this data is reported on a calendar year basis, rather than by fiscal years. After opening 878 units in 2019, the measure tracking the number of new housing units affordable to families with incomes at or below 60% Area Median Income (AMI) had been trending downward for a couple of years, with 499 units opened in 2021. During the Fall Supplemental budget of FY 2022-23, PHB reported that it is on track to open 900 units in 2022, exceeding the annual target of 500 units.

### Housing units opened that are newly affordable

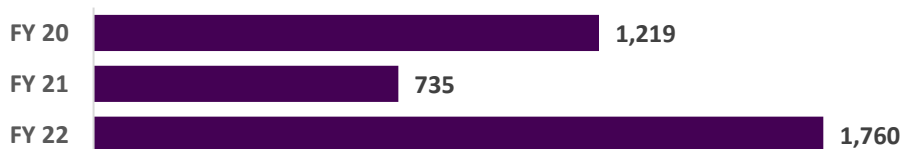


\*Estimate

PHB targets funded development in high-opportunity areas with access to transportation, family wage jobs via transit, childhood education, employment density, healthy eating, and active living. The percent of total PHB-funded affordable housing units completed located in high-opportunity areas was 63% last year, exceeding the target of 50% which reflects the program goal to have a majority located in such areas. At \$124,263 last year, the bureau was also able to keep the average investment per rental housing unit to below the target of \$125,000. However, the cost per unit has been rising over the last couple of years, most likely due to pandemic related supply chain issues. These performance measures pertaining to housing units can be classified as output, efficiency, and quality measures, but do not necessarily reflect the outcomes for those who need them.

In terms of outputs and outcomes, PHB reports that 1,760 persons were housed in newly opened affordable rental units last year, exceeding the annual (and strategic) target of 1,000, which is based on the target to open 500 affordable housing units each year (thus averaging two persons housed per unit). In addition, the vacancy rate of units built for households earning 0% to 60% median family income remained at 3% last year, which was also the annual and strategic targets, and the actuals for this measure have remained at 3% since at least FY 2018-19. CBO notes that this particular measure may currently not be useful as the bureau has been consistently able to attain the target, and CBO expects the vacancy rate to remain low in the foreseeable future due to the high demand for affordable housing.

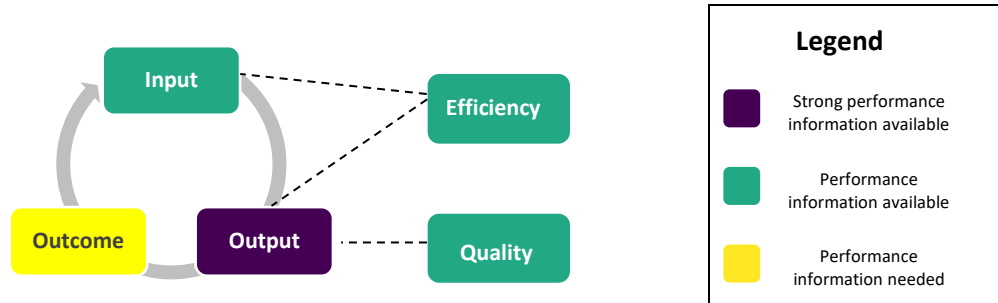
### Number of people housed in newly opened affordable rental units



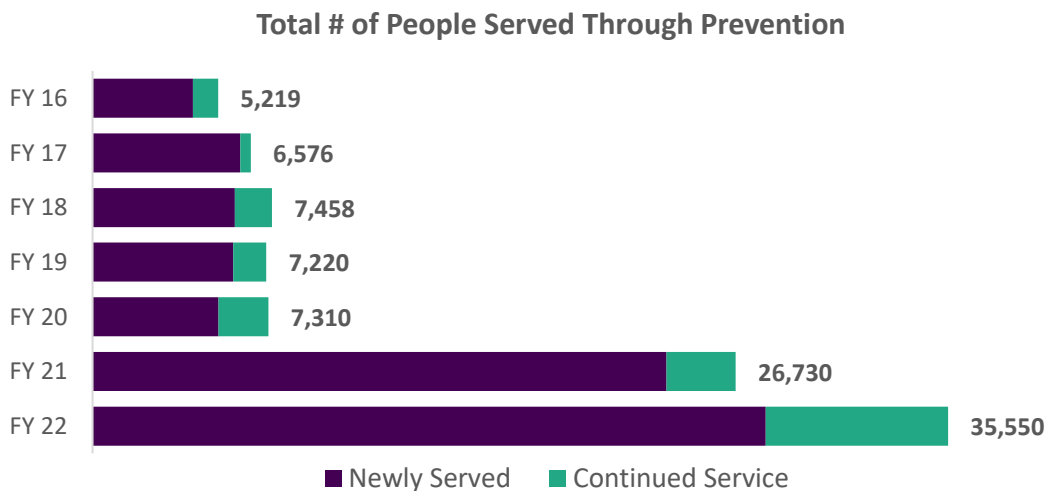
While there is a robust mix of the types of measures that PHB reports on for its Affordable Multifamily Housing program, what may be unclear is the magnitude of the need. While the 2035 Comprehensive Plan has a goal of producing 10,000 new regulated affordable housing units citywide by 2035 that will be

affordable to households in the 0-80% MFI bracket, and this accounts for the annual target of 500 units opened that are newly affordable, it is unclear if this number of affordable units is what is needed. That the City recently dedicated itself to producing 20,000 units by 2033 would suggest that the need can be much greater. CBO recommends that PHB analyze and report on data that would provide more context to the various efforts it is undertaking on the affordable housing front.

## Homeless Services



Data related to homeless services is primarily tracked through the Homeless Management Information System (HMIS), which was previously administered by the Portland Housing Bureau and has fully transitioned to the responsibility of the Joint Office of Homeless Services. The JOHS provides regular reporting on [system performance measures](#). These largely focus on service levels, or output measures.

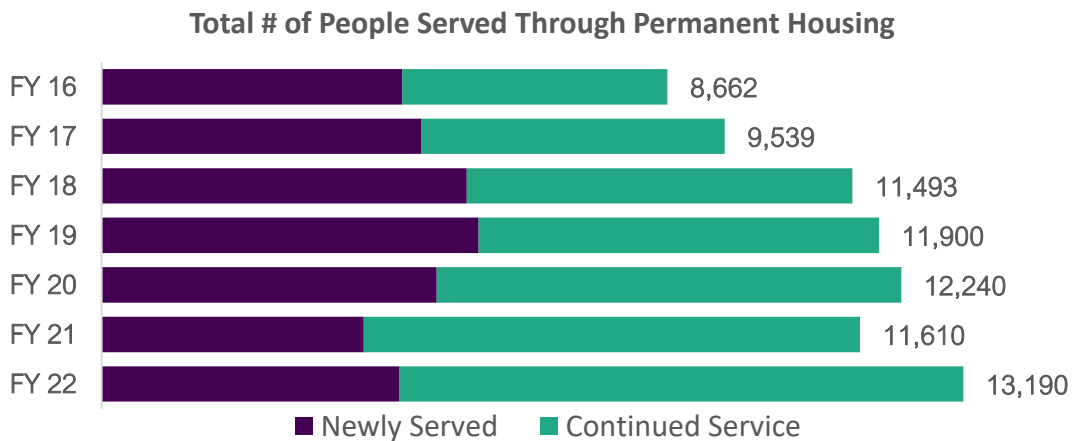


The significant increase in individuals and households receiving prevention services directly relates to the influx of federal relief dollars. The data reflects a jump both in the total number of people served and the percentage of those who are receiving continued services from the prior year.

CBO has previously and continues to recommend breaking out this data by the type of intervention to better assess the cost per service compared to outcomes, including by provider and population. While preventing homelessness from occurring is generally considered to be the least expensive and most effective strategy, we need to look at a more robust dataset that includes information on the cost per household, duration of assistance, and how this impacts individuals and families over a longer time

frame. Although 89% of all households that received prevention assistance and 97% of those successfully contacted were confirmed to still be in housing 12 months after ending a prevention subsidy, looking at housing stability two and five years after receiving a subsidy would provide additional insights on the effectiveness of prevention investments.

Conversely, while it's not possible to determine which households would have retained housing without the prevention subsidy, CBO suggests considering what available data may help to inform which populations most benefit from prevention services and who may be better served through other programs; this may lead to reallocating funds within homeless services or potentially directing people to other, more appropriate systems of care for their specific needs.

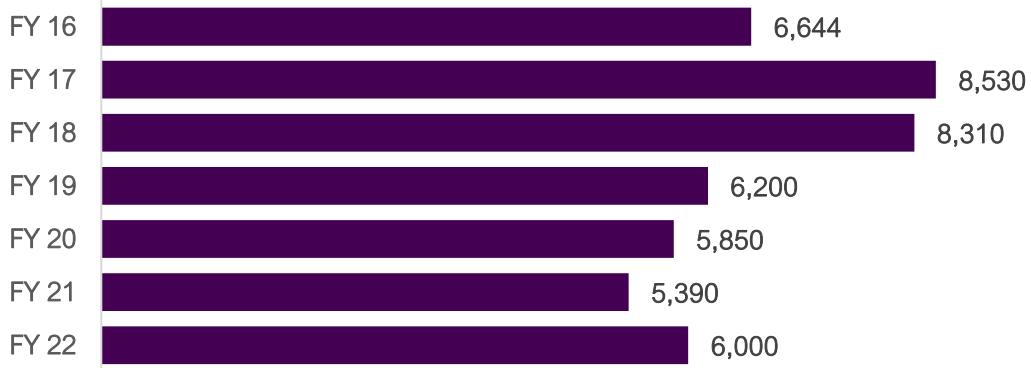


Permanent housing placements have generally increased along with ongoing system capacity expansion. It's notable that the percentage of people newly served has declined from 53% in FY 2015-16 to 35% for the last two years. Similar to the recommendations for prevention above, there is a need to look at the length and amount of assistance provided by household (again broken down by provider and population) to understand the cost of service and effectiveness of permanent housing placements. In FY 2021-22, 72% of total households with an attempted contact were confirmed to be in housing 12 months after ending a permanent housing placement subsidy; this number increased to 87% for those successfully contacted.

However, it is important to note that these figures are based on the number of people who were due for a follow-up AND had a contact attempt by staff, which is reported as 700 – or 6% of the total households receiving a subsidy in the prior year of FY 2020-21. The reason this figure is so low is due to the decision not to require providers to do follow-up for assistance provided through federal relief dollars, given the number of providers who were new to this type of service provision or were significantly scaling up operations. One option moving forward may be to utilize a random sampling strategy to get a better sense of how many people have actually retained housing.



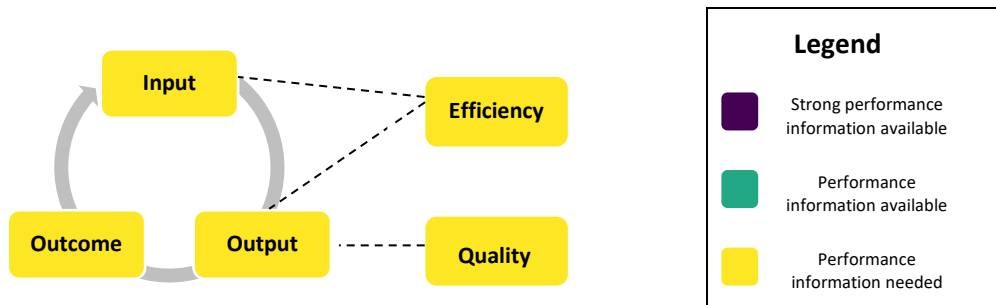
### Total # of People Served in Shelter



The total number of people served in shelter over time has actually declined, based on the closure of temporary spaces utilized early in the housing emergency and the need to reduce shelter capacity in congregate settings during the pandemic. These figures do not reflect new capacity that is expected to come online based on recent capital investments. Between July 2020 and July 2022, a net total of 824 beds were added to the housing inventory count, and the “starting inventory” as of 7/1/2022 was 2,221 shelter beds.

From a policy perspective, the provision of shelter comes with a diverse array of perspectives on what it is and is not intended to be, what problem it does or does not help to solve, and what role it plays in the larger goal of reducing homelessness. There is also a wide array of data integrity based on the capacity of the individual shelter. As such, it may be useful to look at smaller, specific data questions – such as, what are the inputs, outputs, and outcomes of shelters that provide robust support services?

### Alternative Shelter & Streets to Stability



The City has funded a [variety of outdoor shelter programs](#) with federal relief dollars. The largest allocation from the American Rescue Plan Act is for the Streets to Stability program, which includes Safe Rest Villages, BIPOC Village, and Queer Affinity Village. Reporting measures include but are not limited to:

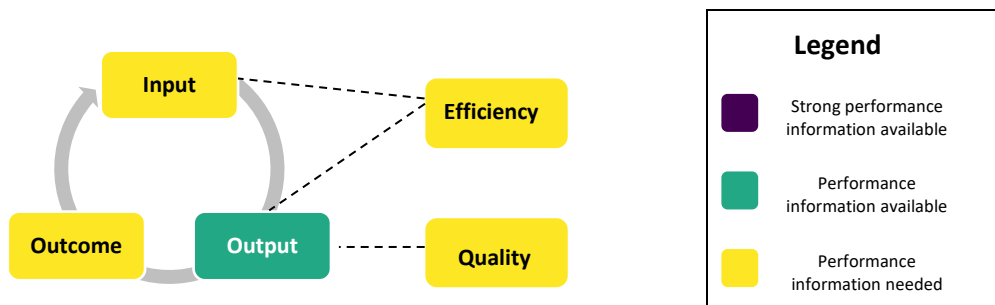
- Unduplicated number of individuals served
- Number of bed nights provided
- Length of completed stays

- Exit destination

The first safe rest village was opened in June 2022. As of fall 2022, two of the six planned Safe Rest Villages are open, and a third is complete but does not yet have an operator. In addition, there are two alternative shelters with similar goals and slightly different programming that remain open and are now supported through ARPA resources: the BIPOC Village and Queer Affinity Village. The program is still in its initial phases and more data is expected to become available as additional sites become operational.

This programming is supported with one-time resources and intended to phase out after ARPA funds expire in December 2024. However, the data will help to provide a comparison point to more traditional shelter offerings, such as congregate shelter, both in terms of cost efficiency and outcomes for individuals from different populations. There has been significant interest in alternative shelter models since the beginning of the state of housing emergency, but limited implementation and data collection has made it challenging to understand to what extent funding should be prioritized for these type of shelter options for those who are not well-served in congregate shelter settings. Early data across multiple sites shows that 46% of folks who exit a Safe Rest Village or Alternative Shelter exit to temporary or permanent housing.

## Street Services Coordination Center



There are currently an estimated minimum of 3,057 people living unsheltered in the continuum of care that includes Portland. A variety of programs across City bureaus have evolved over the last few years to respond to the related public health, safety, and space management impacts. Several years after a Government Accountability, Transparency, and Results session on this topic, the Mayor’s Office established the Street Services Coordination Center to help facilitate a more coordinated response across these programs and to “get more houseless Portlanders compassionately placed into safe shelter”.

The command structure was modeled after San Francisco and Seattle and intends to complement the work of the First Responders, the Impact Reduction Program, and Navigation Teams to help ensure that individuals - particularly those living in high impact encampments and RVs and vehicles - are connected with shelter options. 100 shelter beds in the existing homeless services system are being reserved for referrals from this program. According to FAQs published by the program, the current metrics used to measure success are:

- The number of people placed into a shelter
- The number of engagements with people experiencing homelessness
- The total number of referrals to different service types
- The total number of encampment resolutions
- Quarterly tent and car counts to determine geographic need

Currently, data regularly reported by the program focuses on shelter referrals and utilization. As of approximately six months into the program<sup>2</sup>, a total of 1,252 shelter referrals had been provided and 494 people have used a shelter bed. CBO’s understanding is that, due to provider data limitations, it is not possible to track the duration of stay or what happens to those individuals after utilizing a shelter bed.

The SSCC is currently poised for a significant expansion of responsibility through Council’s [recent resolution](#) to connect mental health and substance abuser recovery services to unhoused individuals. While the implementation plan is expected to be developed over the next 18 months, the resolution points to the larger challenges of lack of mental and behavioral health system capacity that limit the success of simply offering shelter and service referrals to individuals with significant and complex needs. The most obvious outcome measure is the same one at the core of the original state of housing emergency: reducing the number of people experiencing homelessness, with a focus on the unsheltered and chronically homeless populations.

## RECOMMENDATIONS

Funding for housing and homeless services has increased dramatically since the original state of Housing Emergency was declared in 2015, with \$1.7 billion invested from multiple funding sources. In the past two years, funding for housing and homeless services has again dwarfed prior investments and – at \$150.5 million – has comprised the City’s largest priority issue investment of discretionary and federal resources.

As a result, programs in the housing and homeless services continuum have continued to serve record numbers of people, with an emphasis on equity and reducing historic inequities in service levels and outcomes. The City, JOHS, and providers have overcome impressive obstacles to expand existing services and deploy new programs in response to the COVID-19 pandemic. In the last two years:

- 62,280 people were provided with homelessness prevention services
- 11,390 people were served in shelter
- 24,800 people were placed in permanent housing
- 670 households were provided with housing stabilization services
- 1,153 housing units were opened that are newly affordable
- 3,376 households received homebuyer education or counseling

Even so, the homeless crisis persists and worsens. Given this trend and given that so much of the City’s allocated funding to these programs was one-time in nature, it remains imperative to shift from a focus on measuring and counting outputs – such as individuals served – to outcomes, quality, and efficiency measures. Having strong housing retention measure data and cost of service measure data can help us ensure we are

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<sup>2</sup> Reported on 11/29/2022, cumulative data since 4/11/2022

prioritizing resources and interventions that maximize the impact of our limited resources. Quality and Efficiency measures can also help us more realistically understand and plan for what is needed to ensure services are successful.

Specifically, CBO recommends that Council direct bureaus involved in this service continuum to convene a data workgroup to assist with:

- Standardizing the definition of different outputs and reports in alignment with the Homeless Management Information System, in coordination with other jurisdictions, nonprofits, and private funders; this may help to reduce the reporting burden for the JOHS and providers, and help shift toward a better regional understanding of progress toward shared housing and service goals.
- Reviewing the outcomes and cost per service of different types of homeless services prevention services to help determine which populations most benefit from prevention services and who may be better served through other programs
- Determining the duration and amount of permanent housing assistance provided for each household by intervention type and the outcomes of those services
- Identifying the inputs, outputs, and outcomes of shelters that provide robust support services
- Utilizing the Safe Rest Villages data as a comparison point to more conventional shelter cost per service and exit destinations
- Better defining the “theory of change” for newer efforts aiming to reduce unsheltered and chronic homelessness, allowing for performance evaluation and data tracking to measure success
- For the Rental Services program, adopting measures that provide some kind of indication of how well PHB is performing in meeting particular needs citywide, as well as additional outcome measures
- Adding measures for important programs or efforts that are not already reflected in the current suite of measures, e.g., for rent assistance
- Analyzing and reporting on data that would provide more context to the various efforts PHB is undertaking on the affordable housing front, including the need for such housing in comparison to the number of units the City is aiming to build and establish.

These recommendations will help ensure the City can measure the relative success of our many different initiatives addressing homelessness, leading to the ability to maximize impact with limited resources. Ultimately, however, we can't know if we've achieved success if we haven't articulated and agreed upon what we are trying to achieve. The Joint Office was first envisioned in 2015 with a clear goal – to reduce the unmet housing need by half - and with funding based on modeling on what it would take to achieve this goal by June of 2017. As circumstances have changed significantly since that time, we must clarify the new regional shared outcome measures to meet the needs of different populations. For each service across the continuum, there is a need to look more closely at short, intermediate, and long-term outcomes for different types of services and revisit old modeling about what is needed to help people access and retain housing. Newer services need to be assessed and integrated on the continuum to define what success looks like in a longer-term way.

As the City transitions to a new form of government, the County transitions to new leadership, and society at large transitions to a new normal of living with COVID-19, the time is ripe for a robust and thoughtful reset of our collective goals, strategies, targeted outcomes, and agreed-upon performance metrics for housing and homeless services.

# APPENDIX

## Budget Decision Detail – Last Two Years

Appropriation Process	Decision Package	Amount	Program
FY 20-21 Outside of budget process	COVID-19 Shelters	1,208,129	Alternative Shelter + Streets to Stability
FY 20-21 Outside of budget process	St Johns Village	485,862	Alternative Shelter + Streets to Stability
FY 20-21 Fall Supplemental	Reprogram Rental Registration Reserve (from contingency)	515,890	Rental Services
FY 21-22 Adopted	Inclusionary Housing Study	150,000	Affordable Multifamily Housing
FY 21-22 Adopted	JOHS - Transgender Housing Services	250,000	Homeless Services
FY 21-22 Adopted	JOHS Alternative Shelter	3,000,000	Homeless Services
FY 21-22 Adopted	JOHS Continuation of One-Time Funding	6,338,897	Homeless Services
FY 21-22 Adopted	JOHS Shelter Capital	2,000,000	Homeless Services
FY 21-22 Adopted	N/NE Preference Policy	298,259	Affordable Multifamily Housing
FY 21-22 Outside of budget process	Streets to Stability	16,020,000	Alternative Shelter + Streets to Stability
FY 21-22 Outside of budget process	Rent Assistance	1,500,000	Rental Services
FY 21-22 Outside of budget process	Eviction Legal Defense	4,700,000	Rental Services
FY 21-22 Outside of budget process	Homeowner Foreclosure Prevention	2,500,000	Homeowner Access & Retention
FY 21-22 Outside of budget process	Joint office of Homeless Services	17,150,000	Homeless Services
FY 21-22 Outside of budget process	Mortgage Assistance	2,000,000	Homeowner Access & Retention
FY 21-22 Outside of budget process	Rent Assistance	15,000,000	Homeless Services
FY 21-22 Fall Supplemental	COVID Grant Adjustments	56,422,599	Rental Services
FY 21-22 Fall Supplemental	Service Provider Hiring and Retention Incentives	500,000	Homeless Services
FY 21-22 Fall Supplemental	Increase the Number of Available Shelter Beds Citywide	5,000,000	Homeless Services
FY 21-22 Fall Supplemental	Investment in Direct Engagement with High-Need Unsanctioned Encampments	687,500	Homeless Services
FY 21-22 Fall Supplemental	Kelly Butte MDUs	600,000	Homeowner Access & Retention
FY 21-22 Fall Supplemental	Street Services Coordination Center	725,214	Street Services Coordination Center
FY 21-22 Spring Supplemental	Funding for Land Acquisition	3,500,000	Affordable Multifamily Housing
FY 21-22 Over Expenditure Ordinance	Unobligated CDBG Funds to the Anna Mann Project	8,045,000	Affordable Multifamily Housing
FY 22-23 Adopted	82nd Avenue Anti-displacement Program	2,500,000	Affordable Multifamily Housing
FY 22-23 Adopted	Continuation of City/County Strategic Investments in Houselessness	925,000	Homeless Services
FY 22-23 Adopted	Land Banking for Affordable Housing	5,840,000	Affordable Multifamily Housing
FY 22-23 Adopted	Ongoing Services Funded With One-Time Only Funding	6,592,453	Homeless Services
FY 22-23 Adopted	Preservation of Currently Affordable Housing	5,175,000	Affordable Multifamily Housing
FY 22-23 Adopted	Revenue Replacement - Services Coordination Team (\$356,707)	-	Homeless Services
FY 22-23 Adopted	Surplus Properties for Affordable Housing	375,400	Affordable Multifamily Housing
FY 22-23 Adopted	Streets to Stability	36,239,210	Alternative Shelter + Streets to Stability
FY 22-23 Adopted	Motel Shelter Strategy	8,261,000	Homeless Services
FY 22-23 Adopted	Street Services Coordination Center	1,019,717	Street Services Coordination Center