



Responses to Downtown Neighborhood Association Questions

4/18/2020

Questions related to the timing and impact of Covid-19

Q: Is this the right time for this vote given the Corona Virus is affecting everyone in our community and has created panic because of loss of jobs and concern about ability to survive?

A: Yes. Now, more than ever, is when our community needs to come together to support our most vulnerable neighbors so that the Portland metro region remains the type of community we want to live in. Everyone is safer when people dealing with drug addiction and mental health issues get the help they need and people who are homeless can get off the street and into stable housing. This measure was carefully constructed to not burden anyone who cannot afford to be taxed, now or in the future, but instead will provide the much-needed support to people currently experiencing and at risk of experiencing homelessness - a population that may very well increase and need these services more than ever as a result of COVID-19.

Q: Several business forecasts anticipate a COVID-19 driven recession this year..... Will this measure cause current Metro area businesses to choose not to reopen because the measure will add additional costs?

A: No, it will not. First, the measure is a 1% tax on profits for large businesses with more than \$5 million in local revenue. This measure was specifically constructed to avoid burdening any small businesses, and to place reasonable responsibilities on our largest companies. That is why we have the overwhelming support of the Portland Business Alliance and Business for a Better Portland. We are also proud to have support from marquee businesses such as Kaiser Permanente, Neil Kelly and both the Portland Timbers and Thorns.

Q: How will the tax amount be determined for individuals and businesses who were doing very well as of the end of 2019, but now face economic meltdown due to the virus? 2019 tax returns?

A: The tax will not go into effect until 2021, so individuals and businesses who do not meet the thresholds in 2021 will not be taxed. Measure 26-210 exempts small and medium-sized

businesses and all households earning under \$200,000 a year in combined income in order to allow us to rebuild a stronger community together.

Q: I am assuming that people being out of work because businesses have shut down is skewing your data? Is there a plan locally to help those people or are we depending on the federal government?

A: Our homelessness data came to us well prior to the coronavirus crisis. Despite the relatively strong economic position of the metro area at that time, Oregon already had the number one problem of children experiencing homelessness in the nation. 5,200 people experience homelessness in the Portland metro region every single night, 21,000 school-age children experienced homelessness in 2018-2019, and 56,000 more households are just one missed paycheck, medical bill, or vehicle repair away from homelessness. You are correct that all of those numbers will only be worse once new counts are tabulated in the wake of the coronavirus. This is why now, more than ever, these supportive services will help people get back on their feet, so a job loss or medical emergency doesn't spiral into homelessness.

This measure will provide critical funds to deal with the number one problem we had in the metro area prior to the COVID crisis. It is clear that the problem will only get worse, and that in the unfortunate world in which we were to contemplate defeat of this measure, federal funds are highly unlikely to effectively deal with the size of the problem we would experience, let alone the loss of the sense of community that still makes Portland a special place to be.

Questions related to the (homeless) people to be served by the tax

Q: Please describe the citizens who would be served by these funds. Who is serving them now?

A: Oregon ranks #1 in the nation for homeless children. 5,200 people experience homelessness in the Portland metro region every single night, 21,000 school-age children experienced homelessness in 2018-2019, and 56,000 more households are just one missed paycheck, medical bill, or vehicle repair away from homelessness — exacerbated even more with the COVID crisis happening now. The Portland metro region does not currently have the service capacity to meet the amount of support needed by the scope of the crisis. The HereTogether homeless services measure will allow case managers to help each person get the individual treatment and other supportive services needed to help end our homeless crisis.

Q: Do the homeless citizens served by these funds bear any unusual risks from COVID 19 or other heretofore unknown virus? If so, how?

A: As most of us have been sheltered at home this last month, most people experiencing homelessness have been without formal shelter, huddled for safety and warmth, and waiting in line for food. As a consequence, the coronavirus is both more widespread and more threatening

within homeless populations. As we begin to reemerge from Stay Home Stay Safe, the lack of effective response to COVID in the homeless population will continue to be a threat to everyone, and as the disease goes through inevitable infection waves, we can expect the homeless population to continue to be threatened intensely. This [Oregonian article](#) should give a primer on those risks. Now more than ever, we must invest in these services so that we emerge as a stronger and more united community.

Q: Would a Covid-19 recession result in an increased number of residents facing homelessness?

A: Absolutely. For most of us, COVID started as a threat to our health and now has become a threat to both our wellness and our economic stability. In the recession we expect to endure as we reemerge into employment and public life, we expect to see those twin threats to our fiscal and physical health begin to mutually influence each other in negative ways unless proactive policies are adopted by both government and business.

We, of course, could not have anticipated the COVID crisis, but now that it is upon us, it is more critical than ever that we prioritize dealing effectively with our homeless crisis. It is a strange but good thing that the HereTogether homeless services measure was put on the May ballot, so that plans can be put together as soon as possible to preserve our community values, health, and safety.

Questions related to organizations receiving funding from the tax

Q: How will Metro determine what organizations will receive funding if voters approve the ballot Issue?

A: It was important to both the business community and homeless advocates at the table in designing this measure that accountability be explicitly woven into the structure. As a consequence, all funding decisions will be made at the local level within each county, to distribute funds generated within the county by decision-makers drawn explicitly from the county. The local boards will have representation from the community, underrepresented populations, advocates, and service organizations, as well as local business leaders. Metro's job will be to present the funding guidelines and then conduct independent auditing of both the funding decisions and success of the programs funded. More information on the requirements for regional and local implementation can be found in Sections 1 & 2 of the [HereTogether Governance Framework](#).

Q: How will funds be allocated to the organizations qualifying for support? Grants? Contracts? Low interest loans?

A: Because of the local control over funding decisions, the possibility exists for flexibility in the method of fund allocation depending on the specific program need. Funds will generally be distributed via existing procurement processes. Annual audit of funding and outcomes will be

made publicly available and posted on the internet. More can be found in the [HereTogether Governance Framework](#), Section 2)d)vii.

Q: Multnomah County (according to slide 18) has 49% of the population of Metro, but would receive only 45.3% of the benefits of the initiative....why?

A: Currently, Multnomah County carries the lion's share of the burden for homeless services across the region. Distributing funds at the county level for local decision-making will, quite frankly, help to alleviate the disproportionate burden now carried by Multnomah County. The distribution formula was negotiated and agreed to by the counties themselves to accommodate the need for Clackamas and Washington counties to, in some cases, create entirely new programs. This structure has met with strong support from Multnomah County officials who see the regional approach as the best way to both serve the homeless population and to distribute costs across county governments.

Questions relate to fund administration and accountability

Q: What expertise does Metro bring to the homeless issue that is lacking in the City of Portland and the counties of Clackamas, Multnomah, and Washington?

A: Homelessness knows no county boundary lines. A regional homelessness crisis demands a regional solution, which includes regional funding. It is necessary for Metro to act in conjunction with county and community representatives, as a committee overseeing the dispersal of the funds and ensuring proper accountability, oversight, and collaboration between the three county governments. It is worth noting that the example set by Metro's housing bond has been received positively by former critics within both the business and advocacy communities.

Q: What metrics have you designed for taxpayers to refer to when they wish to judge the success of the programs that may be funded by this initiative?

A: Accountability has been a key value in structuring this measure, to allow local flexibility in distribution of funds within a context of transparency of both funding decisions and outcomes. The funds will be subject to an annual audit. Results of the audits will be made publicly available on the internet. Each county will be responsible for addressing the needs of its community members by outlining and reporting back on its own local implementation strategy. Additionally, after 10 years, voters will be asked to review and revote on the measure. More can be found in Sections 1-3 of the [HereTogether governance framework](#).

Questions related to how the tax benefits taxpayers

Q: Why should the taxpayer care whether the beneficiaries of the tax get supportive services? Won't some other entity pay for them?

A: Clearly there are not sufficient funds allocated through nonprofits and existing government programs to address the homeless crisis. The tragedy is that service organizations know what works to solve homelessness on a case by case basis; they just lack the resources to take those solutions to scale. Oregon would not be number one in the nation in children experiencing homelessness if enough were being done currently. Everyone is safer when people get the mental health, physical health, and addiction treatment they need, and when people who are homeless can be successfully transitioned off the street into stable housing. If we want the Portland metro area to remain the community we want to live in, we need to act quickly as the need is only going to increase.

Q: How do businesses asked to pay this tax 'suffer' if the tax is defeated? Do people who might benefit from these services really have an adverse impact on the Portland business climate?

A: As our strong support from the Portland Business Alliance and Business for a Better Portland indicates, businesses in our area are well aware and deeply concerned with the homeless crisis. Everyone is safer when people get the mental health, physical health, and addiction treatment they need, and when people who are homeless can be successfully transitioned off the street into stable housing. And our community is stronger and more reflective of our values when we act together to end the homeless crisis.

Q: Slides 15 - 17 discuss those individuals and businesses likely to be taxed as a result of a successful ballot initiative. How are they distributed among Clackamas, Multnomah, and Washington counties?

Clackamas County: 21.3% of funds
Multnomah County: 45.3% of funds
Washington County: 33.3% of funds

It will also be different as a result of COVID-19 and related matters by 2021, when the tax will be implemented. However, it is important to remember that to be subject to the tax, businesses have to make at least \$5 million in gross profits. An estimated 94% of businesses in the region will be exempt from paying this small 1% tax on profits earned in the metro area.

Question about Here Together Coalition

Q: Slide 5 mentions 150 organizations in the coalition. Please provide a complete list of these organizations.

A: Our growing list of more than 400 endorsers can be found at [WeAreHereTogether.org](https://www.wearehere.together.org).