

Memorandum



CITY OF DALLAS

DATE August 29, 2018

Honorable Mayor and Members of the City Council:
TO Councilmember Casey Thomas, II (Chair), Deputy Mayor Pro Tem Adam Medrano
(Vice Chair), Councilmember Omar Narvaez, Councilmember Mark Clayton,
Councilmember B. Adam McGough

SUBJECT **Bridge Steps Management Services Contract**

Summary

Attached is a briefing presentation on Bridge Steps Management Services Contract. Presentation highlights the Second Renewal Option to the Management Services Contract through September 30, 2023 providing FY18-19 funding in the amount of \$4,470,000; includes new Good Neighbor provisions; and provides \$235,000 for pay-to-stay shelter beds as part of Track 1 of Homeless Solutions Strategy.

Next Steps

Citizen Homelessness Commission informational briefing is scheduled for September 12, 2018; Human and Social Needs 2nd Briefing by Memo on September 17, 2018; and item on City Council voting agenda on September 26, 2018.

Please contact me if you have any questions or require any additional information.

A handwritten signature in blue ink, appearing to read 'Nadia Hardy', with a large, stylized flourish.

Nadia Chandler Hardy
Assistant City Manager and Chief Resilience Officer

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Carol A. Smith, City Auditor Interim
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizar Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Raquel Favela, Chief of Economic Development & Neighborhood Services
Directors and Assistant Directors

Bridge Steps Management Services Contract

Human and Social
Needs Committee

September 4, 2018

Monica Hardman, Managing Director
Office of Homeless Solutions



City of Dallas

Overview

- Purpose
- Background/History
- Proposed Action – Agenda Item
- Staff Recommendation
- Next Steps

Purpose

- Provide an overview of the September 26 agenda items related to the Bridge Management Services Contract, Phase II (MSC)
- Agenda item requests City Council authorization for:
 - (1) Interlocal Agreement with Dallas County to accept \$1,000,000 in revenue for homeless services at The Bridge
 - (2) Second Renewal Option to the Management Services Contract through 9/30/23 to:
 - Provide funding for FY 2018-19 in the amount of \$4,470,000 (offset by \$1,000,000 in County revenue, for net cost of \$3,470,000)
 - Include new good neighbor provisions
 - Provide \$235,000 for pay-to-stay shelter beds for FY2018-19

Background/History

- In 2008, the City of Dallas used 2005 Homeless Assistance Bond funds to build the Bridge Homeless Assistance Center located at 1818 Corsicana.
- The Bridge opened on May 20, 2008 – to provide a centralized entry point for homeless persons to access multiple services at one location.
- The City owns the facility, but contracts with Bridge Steps (private non-profit organization) to operate and provide on-site services and programming at the facility, under a Management Services Contract.

Background/History

- The Bridge provides overnight shelter with 249 beds.
- The Bridge offers day services:
 - Meals, Showers, Laundry, Storage, Kennel
 - Case Management & Housing Attainment Services
 - Peer Support
 - Co-Located Partner Services (for example):
 - Parkland (primary medical care)
 - Metrocare (behavioral health care)
 - Texas Workforce Solutions (employment services)
 - Veterans Administration (veterans services)

Background/History

History of Contract

- **12/12/07-09/30/15** - Initial Term (Yrs 1-8)
 - Original Agreement provided for two five-year renewal terms
 - First Renewal Term: 10/1/15 – 9/30/20 (Yrs 9-13)
 - Second Renewal Term: 10/1/20 – 9/30/25 (Yrs 14-18)
- **10/1/15-9/30/18** - First Renewal Term (Yrs 9-11)
 - On December 13, 2017 (by floor amendment), Council accelerated the end date of the first renewal term to 9/30/18
- **10/1/18-9/30/23** - Second Renewal Term (Yrs 12-16)
 - Pending City Council approval on September 26, 2018

Background/History

- Prior to FY2017-18, MSC was amended each year to include annual funding by the City and County.
- Last year (FY2017-18), MSC was amended and restated in its entirety
 - Consistent with the original intent of The Bridge as a low-barrier, housing-focused shelter
 - Homeless Management Information System (HMIS) Participation
 - Financials and Internal Controls

Background/History

- Last year (FY2017-18), MSC was also amended to include supplementary provisions:
 - Clearer service expectations
 - Good neighbor expectations
 - Continued emphasis on using HMIS to record client and service data
 - Additional performance metrics, reporting, and monitoring
 - Increased emphasis on fundraising and financial sustainability
 - Refer to Appendix for summary of supplementary provisions.
- Provisions included to address recommendations in the City Auditor's Report on its *Audit of Homeless Response System Effectiveness*, issued on December 8, 2017.

(1) Agenda Item: Dallas County Interlocal Agreement

- Agenda item requests City Council to authorize Interlocal Agreement to accept \$1,000,000 (in quarterly installments) as revenue applied toward the operation of the Bridge
- Dallas County has supported the operation of the Bridge since FY2007-08.

(2) Agenda Item: Management Services Contract

- Agenda item requests City Council to authorize an the Second Renewal Option to the Management Services Contract with Bridge Steps
- Retains amended and restated provisions from FY2017-18

(2) Agenda Item: Management Services Contract

- **First:** Authorize exercise of the second renewal option for October 1, 2018 through September 30, 2023
 - Five-year renewal term (per original agreement)
 - Still subject to annual appropriation of funding by City Council

(2) Agenda Item: Management Services Contract

- **Second:** Authorize funding for FY2018-19 in the amount of \$4,470,000
 - Offset by \$1,000,000 in revenue
 - Net cost to City of \$3,470,000
 - Down from \$3,800,000 (or \$330,000) from prior year (consistent with Audit recommendations related to diversification of funding for MSC funds)

(2) Agenda Item: Management Services Contract

- **Second:** Authorize funding for FY2018-19 in the amount of \$4,470,000
 - Net funding of \$3,470,000 reflects City's required cost-sharing of Bridge's annual operating budget
 - Bridge's approved annual operating budget for FY2018-19 is \$8,675,000 (\$9,006,513 in FY2017-18)
 - Bridge Steps' Board of Directors may approve budget supplement over \$8,675,000 (at their sole responsibility and not subject to cost-sharing with City)

(2) Agenda Item: Management Services Contract

- City funding to the Bridge includes:
 - Under Management Services Contract
 - General Fund - \$4,470,000
 - TDHCA Homeless Housing and Services Program (HHSP) Grant Funds - \$837,283
 - Other
 - Emergency Solutions Grant (ESG) Federal Grant Funds – \$388,910 (for FY2017-18)
 - Healthy Community Collaborative (HCC) State Grant Funds – \$504,201 (for FY2017-18)

(2) Agenda Item: Management Services Contract

- **Third:** Second Renewal Option will include new good neighbor provisions
 - Good neighbor provisions incorporated in FY2017-18 are retained, except for provisions relating to good neighbor agreements
 - Provisions relating to good neighbor agreements are proposed to be replaced, since the neighborhood bodies declined to move forward with formal written agreements.

(2) Agenda Item: Management Services Contract

- **Third:** Second Renewal Option will include new good neighbor provisions
 - In April and May 2018, five meetings were held at City Hall with representatives from the Cedars, Farmers Market, and Downtown neighborhood associations; Bridge Steps staff and Board members; and staff from several City departments.
 - Although the meetings did not result in formal good neighbor agreements (as originally contemplated in the FY2017-18 contract), the discussions were helpful to identify areas in which Bridge Steps and the City could promote change.

(2) Agenda Item: Management Services Contract

- **Third:** Second Renewal Option will include new good neighbor provisions
 - Bridge Steps and City staff have taken feedback from those meetings and have incorporated new good neighbor provisions into MSC (community engagement and internal/external operational changes)

(2) Agenda Item: Management Services Contract

- Good Neighbor Provision:
 - Community Engagement
 - Attend neighborhood meetings when requested
 - Solicit participation of neighborhood representatives on community advisory board
 - Host standing good neighbor meetings
 - Enlist volunteers (including Community Courts) for neighborhood clean-up opportunities/events as scheduled

(2) Agenda Item: Management Services Contract

- Good Neighbor Provision:
 - Internal Operational Changes
 - Implement procedures and training for staff on appropriate manner to divert patrons to other shelters when the Bridge is full and unable to accept additional patrons
 - Implement procedures to cultivate a “no trash” and “no harassment”
 - Implement procedures to direct guests from other shelters inside the Bridge upon drop off

(2) Agenda Item: Management Services Contract

- Good Neighbor Provision:
 - External Operational Changes
 - Implement and maintain a dedicated phone or email for feedback, referrals, or other information from neighbors
 - Implement procedures to communicate with entities within or outside of the area when the Bridge is full and unable to accept additional patrons

(2) Agenda Item: Management Services Contract

- **Fourth:** Second Renewal Option will provide \$235,000 for up to 50 pay-to-stay shelter beds for 10/1/18 to 9/30/19
 - Add capacity in the facility's Welcome Center (within building/fire safety codes)
 - Will serve an additional 200 unsheltered persons in a year (tracked separately)
 - Part of Track 1 (Increase Shelter Capacity) of Office of Homeless Solutions Strategy

(2) Agenda Item: Management Services Contract

- **Fourth:** Second Renewal Option will provide \$235,000 for up to 50 pay-to-stay shelter beds for 10/1/18 to 9/30/19
 - City will pay a daily rate of \$12 per person (for up to a 90-day stay)
 - Referrals will go through City Street Outreach staff
 - Budget - \$16,000 (to purchase beds) and \$219,000 (for daily rate)

Staff Recommendation

- Authorize Interlocal Agreement with Dallas County for \$1,000,000 as revenue to provide homeless services at The Bridge
- Authorize Second Renewal Option to the Management Services Contract with Bridge Steps to provide annual funding of \$4,470,000, include new good neighbor provisions, and provide for up to 50 pay-to-stay shelter beds at the Bridge at \$235,000

Next Steps

- Citizen Homelessness Commission Informational Briefing – September 12, 2018
- Human and Social Needs 2nd Briefing by Memo – September 17, 2018
- City Council Voting Agenda – September 26, 2018

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Appendix

(FY2017-18 Amended and Restated
Management Services Contract)



FY2017-18 Amended and Restated Management Services Contract

- **Original Terms Restated**

- City provide funding for operation, programming, and management of City's Homeless Assistance Center (HAC), known as The Bridge
- Bridge operate the HAC, including Drop-In Center, Pavilion, food service section, residential section, and exterior sections of campus (includes facility maintenance and coordination of co-located services)
- Bridge must receive City approval for Change in Scope of Services
- Bridge submit a proposed comprehensive plan for operations and operating budget for the following contract year/fiscal year

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FY2017-18 Amended and Restated Management Services Contract

- **Original Terms Restated (cont.)**

- Quarterly advance of General Funds based on projected monthly expenses from annual budget and City prorated portion
- Bridge engage in fundraising efforts to ensure it has funds to meet its required contribution
- Ownership remains with City and Bridge is the independent contractor
- HAC utilities shall be in Bridge's name and included in operating budget
- Bridge responsible for preventive, routine, and landscaping maintenance; City responsible for major maintenance

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FY2017-18 Amended and Restated Management Services Contract

- **Original Terms Restated (cont.)**
 - Bridge shall develop staffing plan for employees, contractors, subcontractors, vendors, co-located agencies, and volunteers based on anticipated resident occupancy and services to be provided
 - Grounds for termination include:
 - Default by the Bridge;
 - At convenience of the City; and
 - For non-appropriation of City's contribution
 - Bridge will maintain records to demonstrate proper expenditure of funds, submit monthly unaudited financial statements, and secure an annual independent audit and provide to the City

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FY2017-18 Amended and Restated Management Services Contract

- **Terms Added in Amendments Prior to FY2017-18**
 - **FY2015-16** - Use of HMIS for all funding under the agreement and required coordination with Continuum of Care
 - **FY2016-17** - Revised scope of services to specify performance goals for housing attainment and day and night services
 - **FY2016-17** - Included additional provisions around program funding, data collection, monitoring, and additional payment requirements

FY2017-18 Amended and Restated Management Services Contract

- **Terms Added or Modified in FY2017-18**
 - Service Expectations
 - Shelter first approach
 - Immediate and low barrier access
 - Housing-focused, rapid exit services
 - Client-centered care
 - Engagement with shelter adverse persons
 - Good neighbor policy
 - Outcome Expectations
 - Increased housing placements
 - Reduction in average length of shelter stay
 - Reduction in returns to homelessness
 - Financial Expectations
 - Sustainability and increased fundraising
 - Data Expectations
 - HMIS utilization for all funding sources

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