

Memorandum



CITY OF DALLAS

DATE August 13, 2021

TO Honorable Mayor and Members of the City Council

SUBJECT **Office of Homeless Solutions – Dallas R.E.A.L. Time Rapid Rehousing Initiative**

The purpose of this memorandum is to provide the City Council with an update concerning the \$72 million Dallas R.E.A.L. Time Rapid Rehousing (DRTRR) joint Initiative to rehouse approximately 2,762 people experiencing homelessness by October 2023 following the Council briefing on August 4th, 2021.

OHS Presentation of the DRTRR Initiative and Follow Up

On August 4th, 2021, the Office of Homeless Solutions (OHS), presented an operational overview of the DRTRR initiative to the City Council. The presentation highlighted the key aspects of DRTRR, including:

- DRTRR would create a pathway for thousands of Dallas residents experiencing homelessness to attain and retain housing on a sustainable basis. Like similar Rapid Rehousing programs across the US, approximately 95% of clients served are expected to **stay housed long-term after the cessation of rental subsidies.**
- DRTRR represents unprecedented collaboration between the City of Dallas and other local governments, agencies, and non-profit homeless services organizations across the local Continuum of Care (CoC).
- DRTRR leverages a \$25 million investment by the City of Dallas into a \$72 million program, the primary beneficiaries of which will be Dallas residents, allowing the City of Dallas to receive \$3 of benefit for every \$1 invested.
- Every provider will have an opportunity to compete for contracts and participate in the process. We are working with MDHA to host provider sessions to ensure that everyone has the necessary information to access all opportunities through the CoC
- At the end of DRTRR, the City of Dallas can expect the following results:
 - The vast majority of people housed will stay housed and not return to homelessness.
 - The Continuum of Care will have permanently increased its capacity to perform at scale, making the experience for future people experiencing homelessness shorter.
 - Because of improved performance and reduction of the unsheltered population caused by DRTRR, the Continuum of Care will receive higher ratings from HUD, leading to increased Federal funding of homeless services in the future.

DATE
SUBJECT

August 13, 2021

Office of Homeless Solutions – Dallas R.E.A.L. Time Rapid Rehousing Initiative

- The DRTRR was then briefed to the Citizens Homeless Commission and the Dallas Area Partnership, with positive feedback and support from both bodies.
- Number of individuals who return to homelessness 6- and 12-months post-program

Following this briefing, City Council members asked several important questions, which are listed in the attached document.

Per the discussions surrounding DRTRR and following Mayor Pro Tem West's observation of DRTRR as the first step of a two-step plan, OHS agrees that DRTRR allows us to accomplish the first phase of providing immediate relief to unsheltered individuals and families. Long-term housing affordability is the critical second phase of this process that is being addressed in the Housing and Neighborhood Revitalization Department, through the existing 1,000-unit challenge for Transit Oriented Developments and \$10 million in ARPA funding for infrastructure proposed in the FY 21-22 budget. These actions are expected to produce 250 units of mixed income single family housing or 1,000 units of multi-family housing or some combination of the two.

While the creation of affordable housing is a long-term and ongoing process, DRTRR will accomplish the clearing of the back log of people experiencing homelessness who are situationally homeless (i.e., housing ready now). In addition, DRTRR would finally provide the City with an effective and humane tool to house people living in encampments, who need permanent housing solutions and are often emergency shelter-hesitant for a variety of reasons. DRTRR will utilize:

- 758 EHV vouchers from across the CoC = \$12M value
- \$32M in rental subsidies through the Dallas Housing Authority
- \$18M in comprehensive case management and the wraparound services they connect unsheltered residents to
- \$10M in private fundraising for
 - Move in kits (kitchen utensils, basic supplies and furniture)
 - Landlord incentives (e.g., additional deposits)

The Initiative will address homelessness in the City of Dallas and give participants the option to choose housing anywhere across the CoC. This allows for a wider range of affordable housing options and potential relocation to existing support systems outside of the City of Dallas. Progress will be tracked through a City collaboration with MDHA to develop a DRTRR dashboard to track and monitor various metrics, ensuring transparency throughout the entire Initiative.

DATE August 13, 2021
SUBJECT **Office of Homeless Solutions – Dallas R.E.A.L. Time Rapid Rehousing Initiative**

The dashboard will be built by MDHA with input from key stakeholders like the Citizen Homelessness Commission (CHC), Dallas Area Partnership (DAP), and CoC ecosystem and brought to the Housing and Homeless Solutions Committee (HHS) as a mockup prior to activation. Metrics tracked will include:

- Funding spent
- Demographic data of all program participants
- Status at program entry
- Number of housing placements
- Time from identification to program entry
- Time from program entry to lease up

The dashboard will also include analysis of each of these metrics by race and ethnicity to inform practices that advance racial equity.

MDHA will be paid for all operations solely by reimbursement, based on approved expenditures. Encampment data will continue to be updated through the City's 311 database and GIS Heatmap. We will continue to learn from that data as it is gathered and tweak our best practices.

We realize that we must work now to ensure that we have a retention strategy beyond the two-year period and believe that the DRTRR Partners are the right stakeholders to have at the table. Data shows that going through a program like this with the full wrap around case management support strongly increases the stability of the clients served and their ability to maintain their livelihood. The national data shows that those individuals going through the program, **95% will remain sustainably housed.**

DRTRR does not create new affordable housing units, but it creates the opportunity for people to regain the ability to sustain housing. ***There is no other proven program that can resolve homelessness for so many people so quickly.*** In addition, DRTRR is a bridge to the next steps of the plan that connect unsheltered residents to the affordable housing policies the City Council has already put in place.

Next Wednesday as part of the ARPA funding budget discussion, we will update the City Council on the DRTRR and provide the analysis of the proposed options as requested via memorandum by Councilmember Mendelsohn. The three associated contracts are planned for City Council action on August 25th, 2021.

We will also provide the feedback from the listening sessions and briefings with stakeholders to the City Council prior to this date.

DATE August 13, 2021
SUBJECT **Office of Homeless Solutions – Dallas R.E.A.L. Time Rapid Rehousing Initiative**

Should you have any questions or concerns, please contact me or Christine Crossley,
Director of Office of Homeless Solutions.



Kimberly Bizer Tolbert
Chief of Staff

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

Councilmember Thomas

Question: Are we committed to making racial equity a priority and how will we ensure people will benefit from program?

Answer: We will ensure a focus on racial equity.

- Regina Cannon, Chief Equity and Impact Officer, *C4 Innovations* has worked closely with us throughout the process and her input is also reflected in the Continuum of Care's (CoC) Coordinated Access Working Group equity indicators. Regina provided the workgroups will multiple tools to analyze data through an equity framework.
- Demographic data will be de-segregated by MDHA and provided to the City of Dallas
- In partnership with Regina Cannon and MDHA, the CoC leaders have engaged in capacity building sessions where all levels of staff are trained on the importance of race, racism, and systemic racism in homelessness
- Having a wide stock of available units across the Continuum of Care with the understanding that housing choice is also key. This allows participants to access housing close to existing support systems.

Question: Page 21 of the briefing. You lay out a time frame for briefings and listening sessions. Will we be provided a summary of the listening sessions and/or a report?

Answer: Listening session feedback/report will be provided to the City Council prior to the August 25, 2021 City Council voting agenda.

Councilmember West

Question: When the COC in Houston reduced homelessness, competitive grants from HUD doubled. Is it a possibility here?

Answer: Yes, that is something that we see in other CoC areas and we have discussed this with MDHA.. We believe it is a strong possibility to see an increase in federal funding as a result of bold initiatives like DRTRR that can showcase rapidly improved system performance, the key factor in the CoC funding competition.

Question: What challenges do you anticipate over the next two years?

Answer:

- Starting and ramping up. That's why pushing out the vouchers and being ready to go is critical. By the time we get to Oct. 1, we will have an encampment strategy that is refined and being further tweaked as we solidify the infrastructure the DRTRR will create. We have worked over the last few weeks to revamp the encampment strategy to ensure alignment with the DRTRR. We will continue to work with the City Council to ensure that encampments are being reported through 311 so we have a robust database that identifies the locations of our unsheltered residents.

- We believe there are over 400 encampments across the city today so we will work with the City Council to prioritize the resolutions as we move through the DRTRR.
- The key ace in the hole here is our internal and external partnerships that allow us to troubleshoot encampment issues quickly and efficiently as we take the services to our homeless neighbors
- Securing 1-Bedroom Units is something we intend to navigate through private funding, new partnerships, and all the tools those provide to incentivize the rental market to participate in this program. Securing the number of 1-bedroom units needed for this project is a new challenge for the homeless ecosystem and we anticipate the need to be nimble and creative with our new tools to get this job done. We also acknowledge the importance of pushing the rental market to house our most vulnerable residents and appreciate the opportunity of the DRTRR Initiative to leverage private resources to aid us in creating a more efficient pathway to housing.

Question: For Mr. Broadnax or Dr. Johnson. Assuming this program is successful, we need to think about what to do about the clients coming out of this program. We need to see from community partners something that is this bold and dynamic. Clients need housing for the future. We need to start working on that now.

Answer: You are right. That is important. When housing and economic policies begin working together – workforce and affordable housing – we will do this over the next couple of years. As you know, the challenge becomes the acceptability of caring for persons of lower income.

Question: How can we help you reduce the stigma of LITC and lower income housing?

Answer: Just the acceptance of looking at affordable housing in all areas of the city. Changing the narrative and requiring more information from the affordable housing providers. Changing perspective through sustained projects and supporting efforts to make the community what people expect it to be – quality of life in all neighborhoods is critical. Concerns are based on the past history of projects.

Councilmember Bazaldua

Question: If you look at successful implementation of the program, it leaves 376 people without homes. Do we have a forecast of homelessness?

Answer:

- The national data shows that those individuals going through the program, **95% will remain sustainably housed**. There will still be some people who chose to stay on streets. As we move people from shelter to housing, there will still be opportunities to help people through the clearing of an existing backlog of housing-ready people in the shelters.
- We realize that we must work now to ensure that we have a retention strategy beyond the two-year period. We are already thinking through it now and will have the right folks at the table through the DRTRR partnership. Data shows that going through a program like this with the full wrap around case management support strongly increases the stability of the clients served and their ability to maintain their livelihood.
- Some people are going to need more than 12 months. There is funding for those individuals but it will not be the majority of participants.

- There are also great programs going on through the City's Office of Community Care (OCC) that further support the various social needs for the sheltered population.

Question: Long term metrics. I would like to see some feedback on the success rates of those we house through the RRH programs.

Answer: The number of individuals who return to homelessness, 6 and 12 months post-program will be required in the Interlocal Agreement with the Dallas Housing Authority (DHA) and the sole source agreement with Metro Dallas Homeless Alliance (MDHA).

A [national study of rapid rehousing](#) by the Urban Institute on homeless families and veterans has demonstrated truly inspiring results. In addition, rapid rehousing is such a promising intervention, [the Urban Institute](#), in a rare endorsement, called upon communities across the country to invest its COVID relief and recovery dollars in rapid rehousing as "Rapid rehousing [has been shown](#) to decrease the amount of time people experience homelessness and to help people reenter the private rental market without ongoing assistance. People who receive rapid re-housing generally [do not return to homelessness](#) (PDF) within two years and [have better employment and income outcomes](#) than people who remain without a home."

Question: I want to point out to the public and colleagues that the encampment investment has not been mitigating homelessness.

Answer: OHS Street Outreach goes out to meet with unsheltered residents daily. Most of the individuals know our team by site. The residents know the staff and are aware of the resources offered but are resistant because the path to housing through shelter has been historically slow. The influx of housing stock made available through this initiative will move that needle and re-focus City staff's efforts on housing instead of spending time and funds on resolving encampments that simply move to a nearby area.

Councilmember Willis

Question: I am curious as we look at success, how many people do we think are housing ready?

Answer: On the Housing Priority List under the Coordinated Access System, we have over 1,200 people ready for housing and estimate that 40% of our actively unsheltered residents are housing ready today.

Question: Are housing ready folks teed up to go into housing first?

Answer: We estimate looking at the number of people who are ready, plus the 200 vouchers that will be available this month to support families and domestic violence victims, we estimate that 500 clients will be ready for housing placement between October and November, 2021.

Question: How will the housing navigators and case managers be allocated?

Answer: It is going to be on a case-by-case basis based on what each, unique encampment needs. There are a lot of pieces going into what we are doing in the field. There are additional resources in the proposed budget to strengthen the outreach team who will be working with the case managers. We won't manage them directly – MDHA will do a competitive bid process for

case management and will have a ratio of 1 case manager to 25 individuals and 1 housing navigator to 8 case workers.

Question: Is the 1:25 case management ratio standard?

Answer: Yes. We have built additional capacity for a lower ratio of 1:10 into the model for those who need more intensive case management.

Councilmember Blackmon

Question: Thank you for thinking out of the box. What is going to be different now that will make this successful?

Answer: An important part of what will make this successful is that MDHA has not fulfilled their role as lead agency in past and are now under different leadership, with a different team and more than prepared today to fulfill the role of Project Lead for the DRTRR Initiative.

Question: How will we measure successes and communicate them?

Answer: Communication of our data through a DRTRR Dashboard is going to be key. We are requiring demographics and service data be reported back to us monthly by MDHA and DHA through a DRTRR-specific dashboard. It is vital that information be readily available to the City Council and citizens. The data should provide real-time updates on the status of not only meeting but exceeding our goal. We will provide reports to the City Council Housing and Homeless Solutions Committee, key stakeholders, and advisory boards and commissions. We hope to continue holding listening sessions with the public and unsheltered residents to ensure transparency and that our communication channels are effective.

Question: How will you move around the City to address encampments? How will prioritization be tackled?

Answer: We utilize 311 reports of where encampments are and have an estimated 400+ encampments. Those with immediate safety issues/criminal activities are addressed within 24 hours. Those posing a safety issue via being on Parks land or in an similarly unsafe location can be removed within the more traditional 72 hour window. This Initiative will add a 3rd track to tackle encampments through providing a direct pathway to housing on site. Utilizing heatmaps based on 311 data, we know where these encampments are and have been building to a more sustainable engagement model that will be ready come October 1st. That said, we ask for your patience as we cannot tackle all 400+ at one time. The infrastructure will be built starting with the activation of the contracts that would begin on October 1st. From there, the Initiative will start with smaller encampments (5 -10 people) as the program ramps up and the infrastructure solidifies. The goal is to keep them from coming back out of housing, into encampments.

Question: I appreciate bringing all private sector partners on this. Can you outline the landlord incentives? Explain landlord incentives.

Answer: This will include monetary incentives of 1st month's rent and deposits, along with move in kits (kitchen utensils, basic furniture) so that new residents are not moving into empty units. The monetary incentive will be key in securing units that might otherwise discriminate against

the source of income being through a homeless service provider or Emergency Housing Voucher (EHV).

Councilmember Schultz

Question: I echo my colleague's support for this project. I want to continue with Councilmember Blackmon's questions. Can you provide more information about landlords and housing providers?

Answer: We anticipate securing 1,300-1,400 apartments over the next year.

Question: Are all of these units in the private sector?

Answer: It is difficult to say. Efforts to secure housing for clients will not end. Housing guests currently in shelter will continue.

Question: Do we know how the housing will be distributed around the city?

Answer: As stated in the briefing, participant choice is key. Our goal is to secure housing in bulk across the CoC to provide the widest range of locations possible so individuals can locate close to their existing support structures.

Question: I have another question about landlords. Will the lease be with MDHA or the tenant?

Answer: It will be between the tenant and landlord.

Question: Is there any CARES money left at all?

Answer: The remaining \$4.3 ESG Cares money is being put into this program

Councilmember Atkins

Question: How will this process of connecting people in encampments work?

Answer: The case management piece is so critical. This is a trust building process. We have a robust understanding of those unique needs and will connect those in encampments with case management through this Initiative. It is key that information is getting to us through 311 so we can continue to build on our current data.

Question: Walk through the process and procedure when you find a location under a bridge, a park. How does the case worker work when they are approached? Does the case manager come right away? You identify the person and service doesn't come.

Answer: Keeping up with persons experiencing homelessness daily will be a challenge. These residents move around. The answer to your question will depend on the specific encampment. The assessment piece is what the team does now. Once assessment is done, case management comes into this process. It is no longer about just closing an encampment.

Question: Will apartments be available?

Answer: We believe so and are working with MDHA through the Apartment Association of Greater Dallas on a more detailed snapshot of available units to bring back to you.

Question: Have you met with DHA and the apartment association?

Answer: Those meetings have started and are in the planning stage. Once the housing navigators and coordinators are hired through the approval of the upcoming contracts on August 25th, we will be able to start securing units. We will be getting together with large landlords, utilizing existing relationships through DHA and the Apartment Association of Greater Dallas.

Question: Since you have taken a new challenge, when do you think you will have your arm around this with the structure and how you will handle this vast problem?

Answer: We are utilizing the full lead up time to October 1st to continue building out the operational side of this infrastructure. We will of course continue to tweak the process as we move forwards and further solidify our process. This will be a two-year process so it will not solve every issue right away – we ask for patience as we move through this and make the necessary adjustments, as needed.

Question: Have you all been in the room with the partners?

Answer: Yes. We have had everyone in the room and informally briefed the advisory groups, whose Chairs have been integral to the planning phase. That schedule at end of presentation shows briefings to other boards. We wanted to start with the policy body. Partners have been at the table and stakeholders have been engaged throughout this planning process.

Question: Speaking of service providers. Do all service providers have all access to funding?

Answer: Yes. The procurement process for providers will be the responsibility of MDHA. They will manage the process and adhere to the City's procurement guidelines and standards. Every provider will have an opportunity to compete for contracts and participate in the process. We are working with MDHA to host providers sessions to ensure that providers have necessary information and can access all opportunities through the CoC. The only requirement is that participating providers take sheltered and unsheltered residents from the Coordinate Access System (CAS) from which all eligible participants of this Initiative will derive.

Question: Provide me with contact name at MDHA for the procurement process.

Answer: Contact information provided to Councilmember Atkins via e-mail on August 4th, 2021.

Councilmember Mendelsohn

Question: Has this been briefed to the CHC?

Answer: We briefed the CHC Chair and he and the Vice Chair attended the June 2021 press conference on the DRTRR Initiative. The DRTRR was briefed to the CHC at their August 12, 2021 meeting, with positive support and feedback on the Initiative received.

Question: I don't think we have ever had this much money. They (CHC) should've been briefed before this meeting. Has this been briefed to the DAP? They should've been briefed first.

Answer: The County is one of the partners involved in the discussions of this initiative. County Commissioner Daniels, the Co-Chair of the DAP was briefed and was consulted heavily throughout the formation of this process. The DAP board was briefed at their August 5, 2021 meeting with positive feedback and support given by all members.

Councilmember Ridley

Question: Do we have confidence that the vouchers will be accepted?

Answer: The vouchers are tenant based so they remain with the client. They are not tied to a specific property.

Question: Then you will be able to place people in 1,300 units?

Answer: Yes. With the aid of the landlord incentives and the move in kits, we have confidence that these will be accepted by private market landlords.

Question: What criteria are being established to ensure the vouchers are in high opportunity areas?

Answer: We need to acknowledge choice. We will ensure these are acceptable places for you and I to live. We have access to over 4k landlords who work with DHA. I cannot promise they will all be in high opportunity areas. Folks have to be able to choose. We are dealing in scale and because we can cut larger deals with larger landlords and utilize incentives, we have more opportunities.

Ridely: Will someone be preparing a list of criteria? Access to other services.

Answer: Clients will make their housing selection based on DHA standards. We are working hard to target landlords all over the city.

Ridley: What is the return to homeless rate?

Answer: The national data shows that 95% of the clients placed into a rapid rehousing program remain stably housed. About 5% may need additional support. We expect that there will also be new folks entering into homelessness during the time period.

Ridley: Given the scope of the initiative, has OHS abandoned the strategy of periodic encampment clean ups and moving homeless?

Answer: No. We are ramping up to a more sustainable strategy across the board. The challenge is that because of the number of shelters we have, when they reach capacity there is no place for them to go. This will allow us to clear the backlog of housing-ready people in shelter and open the pathway to shelter for more people.

We have talked about encampment closures and inability to close encampments. We need something more than humane. The DRTRR slows down the engagement follow up a little bit but directs dollars to housing. On average, it's about \$1M a year to do encampment clean up and that is not getting to a sustainable result of fewer unsheltered residents. Just cleaning up encampments is not making a dent in the problem.

Ridley: Are we going to stop pushing people out of encampments during inclement weather?

Answer: That has not been our policy, especially under the CDC guidelines per COVID. We did focus on getting people into inclement weather shelters to keep them safe/alive but outside of that, an encampment not posing a safety or health hazard is cleaned and outreach done but it is not removed at this time.

Councilmember McGough

McGough: What are the qualifications for RRH piece to be used in this regard?

Answer: The qualifications for a rapid rehousing client are that there is a viable way for them to be financially self-sufficient given 12 months of rental assistance.

McGough: We are also talking about using this for encampment reduction. Can you please explain?

Answer: Unsheltered residents face a range of issues per barriers to housing whether it's the need to do a credit check, get help navigating an old eviction, expunge a Class C misdemeanor ticket through Community Court, or pay for a deposit. This is also a largely shelter-resistant population so the services that would address those issues through shelter are not at play here. To solve for that issue, we will take case management to them, in the encampments and provide access to those services, which then lead to housing.

McGough: I see a couple of issues – long term sustainability. What are we doing to build long term infrastructure? What steps are we taking to address sustainability?

Answer: The partnerships that have been established are a key element of this Initiative which is why we are identifying additional funding. The achievements of the DRTRR program will improve the CoC's performance, resulting in additional funding from HUD. We will not address the homelessness problem without building more affordable housing. As a reminder, \$7.7 million in Bond (Proposition J) funds remains available. City staff are still working on the expending the bond funds per an additional 128-unit hotel and option with: 140 units, 2 – 3 other buildings, and space for a new, affordable housing build and will provide an update to City Council in the near future.