Memorandum



DATE August 19, 2022

^{TO} Honorable Mayor and Members of the City Council

SUBJECT Office of Homeless Solutions- Proposed Shelter Support Funding

The purpose of this memorandum is to inform the City Council of the upcoming funding request for proposals to combat the increased need for housing and address the drivers of poverty contributing to these issues.

As a result of the COVID-19 pandemic, the City is seeing an increase in shelter space overflow due to record inflation, the housing crisis, and the aftereffects of an economic downturn. Accordingly, multiple sources cite the rise of homelessness, particularly family homelessness, as a growing national trend due to these issues and a change in the dynamic of the familial unit, which is seeing an increase in single-parent households.

In response to this need, OHS proposes to reallocate roughly \$1M in ESG CARES funding currently available in the FY22 budget to solicit support from homeless service providers to address shelter overflow. This will fund providers' use of existing hotel relationships to address the need for more shelter space and proactively encourage the establishment of those relationships. The need for this also reflects the importance of utilizing non-congregate shelter options to decrease the risk of COVID-19 and other atrisk situations.

An <u>article</u> published by the Houston Chronicle on August 14, 2022, refers to a record number of homeless families with children overflowing at the Haven for Hope facility, attributed to a spike in inflation and the expiration of eviction moratoriums. The City of Dallas is experiencing the same issue of shelter overflow, with Family Gateway seeing a marked increase in call volume, the number of new families requiring shelter, the number of families living in uninhabitable locations, those residing in hotels paid for by themselves, and those in danger of imminent homelessness / pending evictions. This is also a reflection of the increased need for shelter options across the larger homelessness services provider network for those who are single and in family units.

This increase in shelter space need does not negate the work underway by the OHS, homeless provider partners through the Continuum of Care (CoC) and other municipalities, and Metro Dallas Homeless Alliance (MDHA) to alleviate homelessness through the Dallas R.E.A.L. Time Rapid Rehousing (DRTRR) initiative. In the first year of the DRTRR, we have achieved high success rates with 1,042 individuals housed as of August 2022, and over 1,800 enrolled in the DRTRR. This initiative continues to achieve historic rates of supportive housing as we seek to address the need for increased shelter supports internally and move towards a larger focus on permanent supportive and affordable housing as directed by the United States Department of Housing and Urban Development (HUD).

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In addition to this proposed funding, OHS has two legislative priorities for discussion on the agenda for the August 22, 2022, Housing and Homelessness Solutions (HHS) Committee. The priorities will help to address the drivers of poverty tied to those experiencing homelessness and housing instability. These legislative priorities are designed to provide a stop-gap measure to bridge the gap to affordable housing and to stop individuals from being evicted for no cause beyond source of income.

During the August 10, 2022 City Council Budget Workshop, staff highlighted the need for increased shelter support and that the OHS' proposed solution was forthcoming and would be brought to the City Council soon for discussion.

Staff will be providing an overview of the proposed legislative priorities at the August 22, 2022, Housing and Homeless Solutions Committee.

Should you have any questions or if you need additional information at this time, please contact me or Christine Crossley, Director of the Office of Homeless Solutions.

Kimberly Bizor Tolbert Deputy City Manager

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T.C. Broadnax, City Manager Chris Caso, City Attorney Mark Swann, City Auditor Bilierae Johnson, City Secretary Preston Robinson, Administrative Judge Jon Fortune, Deputy City Manager Majed A. Al-Ghafry, Assistant City Manager M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager Dr. Robert Perez, Assistant City Manager Carl Simpson, Assistant City Manager Jack Ireland, Chief Financial Officer Genesis D. Gavino, Chief of Staff to the City Manager Directors and Assistant Directors