

Memorandum



CITY OF DALLAS

DATE January 26, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Update on Bridge Steps FY2017-18 Amended and Restated Management Services Contract, Phase II**

Background

On November 17, 2017, the Office of Homeless Solutions (“OHS”) briefed the Citizen Homelessness Commission on the Amended and Restated Management Services Contract, Phase II (“Contract”) with Bridge Steps, as the operator of the City’s Homeless Assistance Center (“The Bridge”). OHS staff further briefed the Human and Social Needs Council Committee by memorandum on December 4, 2017, and City Council by memorandum on December 8, 2017.

On December 13, 2017, City Council approved Resolution No. 17-1865, to take the following action, as modified by floor amendment:

Authorize **(1)** an amended and restated Management Services Contract, Phase II (MSC), with Bridge Steps consistent with the original intent as a low-barrier, housing-focused shelter with proven results in housing placement, reduction in average length stay and reduction in returns to homelessness and to ensure The Bridge complies with all conditions for additional funding for the period October 1, 2017 through September 30, ~~2020~~ 2018, with the second renewal term, if the City elects to renew the contract, to begin on October 1, 2018 and end on September 30, 2023; **(2)** funding for Bridge Steps for the period October 1, 2017 through September 30, 2018 from General Funds in an amount not to exceed \$4,800,000; **(3)** funding for Bridge Steps for the period September 1, 2017 through August 31, 2018 from Texas Department of Housing and Community Affairs Grant Funds, under the Homeless Housing and Services Program in an amount not to exceed \$811,130, previously approved on September 13, 2017, by Resolution No. 17-1421; and **(4)** execution of the MSC - Total not to exceed \$5,611,130 - Financing: General Funds (\$4,800,000)

Over the past several months, OHS staff has consulted with the City Attorney’s Office, and met regularly with Bridge Steps management, for contract negotiations. Both parties negotiated extensively and in good faith in an effort to reach mutual agreement on final contract language.

I am pleased to inform you that, this past week, the Contract was executed by all parties. The executed Contract retains the terms outlined in the Council memo with you on December 8, 2017. Specifically, the executed Contract continues to reflect additional negotiated terms to increase accountability and transparency as it relates to service and data expectations, outcomes, and financial viability (including fundraising efforts), and to address the recommendations presented in the City Auditor’s Audit Report on the Homeless Responsible System Effectiveness issued on December 8, 2017.

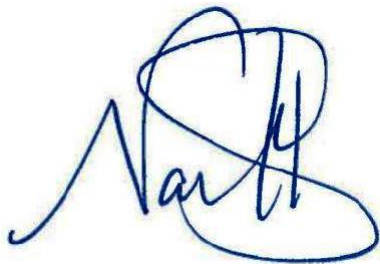
A copy of the executed Contract is attached for reference. Due to the volume of the exhibits (178 pages), the attachment includes only the Base Contract and Scope of Services (Exhibit A).

DATE January 26, 2018

SUBJECT **Update on Bridge Steps FY2017-18 Amended and Restated
Management Services Contract, Phase II**

OHS staff expects payment of the management services fees due to Bridge Steps under the Contract to be processed within three (3) weeks following receipt and approval of the required proofs of performance outlined in the Contract as well as the Accounts Payable processing time. Bridge Steps has expressed their intent to submit the required proofs of performance by today and staff will expedite the review so that disbursements can be made as soon as possible.

Should you have any questions or require an individual briefing, please let me know.



Nadia I. Chandler-Hardy
Chief of Community Services

[Attachment]

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Biliera Johnson, City Secretary (Interim)
Daniel F. Solis, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jo M. (Jody) Puckett, Assistant City Manager (Interim)
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

**MANAGEMENT SERVICES CONTRACT, PHASE II
(AMENDED AND RESTATED)**

between

THE CITY OF DALLAS

and

**BRIDGE STEPS
a Texas nonprofit corporation**

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STATE OF TEXAS § MANAGEMENT SERVICES CONTRACT, PHASE II
§ WITH BRIDGE STEPS
COUNTY OF DALLAS § (AMENDED AND RESTATED)

This Amended and Restated Management Services Contract, Phase II (the "Amended and Restated MSC" or "Contract") incorporates and supersedes the Management Services Contract, Phase II, and all prior agreements and amendments referenced herein and is entered into by and between the City of Dallas, a Texas municipal corporation of Dallas County, Texas ("City"), acting by and through its authorized officers, and Bridge Steps, a Texas nonprofit corporation, located at 1818 Corsicana Street, Dallas, Texas 75201 ("Bridge Steps" or "Contractor") acting by and through its authorized officers.

RECITALS

WHEREAS, City recognizes the importance of its role in serving the needs of indigent and homeless members of the community; and

WHEREAS, on June 23, 2004, the Dallas City Council ("City Council") approved Resolution No. 04-2168, by which City adopted a Ten-Year Plan to End Chronic Homelessness ("Ten-Year Plan"); and

WHEREAS, on January 24, 2007, by Resolution No. 07-350, City Council approved construction of the Homeless Assistance Center (the "HAC" or "The Bridge") as a key component of the Ten-Year Plan, which will open its doors to Dallas' indigent homeless ("Clients") in 2008; and

WHEREAS, this contract was exempted from competitive bidding or competitive proposals pursuant to Chapter 252.022(a)(F) of the Texas Local Government Code because of Bridge Steps' commitment to provide significant financial or other benefits; and

WHEREAS, City recognized Metro Dallas Homeless Alliance ("MDHA") as the regional leader in understanding and coordinating services to meet the needs of the homeless in the Dallas metropolitan area and desired MDHA to manage the HAC, and MDHA agreed to raise and pay for a significant portion of the HAC's annual operating budget; and

WHEREAS, on May 23, 2007, by Resolution No. 07-1556, City Council approved a Management Services Contract, Phase I ("Phase I Contract"), with MDHA to procure planning services for the management and operation of the HAC that are necessary prior to opening the HAC in 2008 in order to preserve and protect the public health and safety of City's residents; and

WHEREAS, the City recognizes a need to help individuals and families at risk of homelessness and chronic homelessness as defined by the Department of Housing and Urban Development (24 CFR 91.5) and in the McKinney-Vento Homeless Assistance Act, as amended (42 U.S.C. 11371 et seq.) and to address barriers to housing stability and challenges such as disability, addiction, or mental illness; and

WHEREAS, on December 12, 2007, by Resolution No. 07-3739, the Dallas City Council approved a Management Services Contract, Phase II, (the “MSC Phase II”) with MDHA to state the terms and conditions under which MDHA shall raise significant funds to manage and operate The Bridge, as amended (including by Resolution 08-2608 and 10-0865); and

WHEREAS, by Resolution No. 08-1679, approved on June 11, 2008, the City authorized an Interlocal Agreement (“ILA”) with Dallas County to provide additional funding for the management and operation of The Bridge, which ILA has been periodically amended to add subsequent County financial contributions; and

WHEREAS, by Resolution No. 09-2822, approved on November 9, 2009, the City amended the ILA with Dallas County to accept a contribution of federal Emergency Shelter Grant (“ESG,” now known as Emergency Solutions Grant) funds provided to Dallas County by the Department of Housing and Urban Development (“HUD”) for eligible costs at The Bridge; and

WHEREAS, by Resolution No. 10-0318, approved by the Dallas City Council on January 27, 2010, City accepted a grant from the Texas Department of Housing and Community Affairs (“TDHCA”) under Texas Homeless Housing Services Program (“HHSP”) to provide funding for eligible expenses at The Bridge; and has since accepted additional TDHCA grant funds; and

WHEREAS, on October 1, 2011, Bridge Steps assumed all of MHDA’s obligations under MSC Phase II and all amendments thereto including the obligations to comply with the conditions of TDHCA grant agreements, which assumption and assignment was consented to by the Parties and funding providers; and

WHEREAS, on December 14, 2011, by Resolution No. 11-3235, the Dallas City Council approved a Third Amendment to MSC Phase II to allow Bridge Steps to count the grant funds received from TDHCA toward Bridge Steps’ required contribution to The Bridge’s operating budget and to require that Bridge Steps comply with all conditions of the grant agreements between the City and TDHCA; and

WHEREAS, by Resolution No. 13-2159, approved on December 11, 2013, the Dallas City Council authorized a Seventh Amendment to allow Bridge Steps to use Emergency Solutions Grant Funding for the payment of utility costs of The Bridge and use any remaining balance of ESG funds, after utility costs are paid annually, to be used for other operational expenses of The Bridge and for Bridge Steps to comply with the requirements of the requirements of the ESG program, including documentation through the Homeless Management Information System (“HMIS”); and

WHEREAS, by Resolution No. 14-1080, approved by the Dallas City Council on June 25, 2014, City accepted a grant from the Texas Department of State Health Services (“DSHS”) to provide services for homeless individuals with mental health and substance abuse issues during the period from May 2, 2014 to August 31, 2015, and authorized this Eighth Amendment to allow Bridge Steps to count the grant funds toward its required contribution to operating budget; and

WHEREAS, by Resolution Nos. 15-1800 approved on September 22, 2015 and 15-1893 approved on October 14, 2015, the City Council authorized the City Manager to enter into the First Renewal (5 year renewal option) to the MSC Phase II with Bridge Steps for the continued operation,

programming and management of The Bridge for the period of October 1, 2015 through September 30, 2020; to provide funding from the City's General Funds for the operation of The Bridge; to execute an ILA and accept funds from Dallas County's General Fund to assist in providing homeless assistance at The Bridge for the period of October 1, 2015 through September 30, 2016; to execute an ILA and accept funds from Dallas County's allocation of ESG funds for shelter operations at The Bridge for the period of October 1, 2015 through September 30, 2016; to provide additional ESG funds from the City for shelter operations at The Bridge; and, to allow Bridge Steps to count the funds that were provided by Dallas County toward Bridge Steps' required contribution to The Bridge operating budget for the period October 1, 2015 through September 30, 2016; and

WHEREAS, by Resolution No. 16-1670, passed on October 11, 2016 the City Council authorized the City Manager to (1) execute the Second Amendment to the first five-year renewal option to the MSC Phase II with Bridge Steps for the continued operation, programming, and management of The Bridge for the period October 1, 2016 through September 30, 2020; (2) provide funding for the first year of the five-year renewal term of the MSC Phase II with the City's General Funds in an amount not to exceed \$3,800,000 for the period October 1, 2016 through September 30, 2017; (3) execute a new ILA with Dallas County to accept \$1,000,000, to assist in providing homeless assistance services at The Bridge through the City's contractor, Bridge Steps, for the period October 1, 2016 through September 30, 2017; (4) use FY 2016-17 ESG funds for shelter operations at The Bridge from the Homeless Assistance Center Operations line item in the amount of \$378,279; and (5) accept a grant from TDHCA through the HHSP in the amount of \$811,130 to provide services to the homeless through the City's contractor, Bridge Steps, for the period September 1, 2016 through August 31, 2017; and require Bridge Steps to comply with all conditions of the TDHCA grant agreements; and

WHEREAS, by Resolution No. 17-0686 approved on April 26, 2017, the City Council authorized the City Manager to execute the ILA with Dallas County, to accept the Dallas County ESG funds and to authorize an amendment to the MSC Phase II for the use of those funds; and

WHEREAS, by Resolution No. 17-1421, approved on September 13, 2017, the City accepted a grant from TDHCA under the HHSP for the period September 1, 2017 through August 30, 2018; and

WHEREAS, The Bridge serves more than 7,000 persons experiencing homelessness per year and the Parties desires to, restate and amend the MSC Phase II to ensure the financial stability of The Bridge, to reflect current best practices in homeless assistance, to adhere as closely as possible to the original intent of the City Council and the bond proposition that funded the HAC, and to clearly incorporate the financial, operational, and reporting requirements that arise from the range of funding sources supporting the facility and the operation, programming, and management of The Bridge, and

WHEREAS, the City Auditor conducted an Audit of Homeless Response System Effectiveness (Report No. A18-004) dated December 8, 2017, and found that the City is unable to determine how well its homeless response system including Bridge Steps is performing or how the City evaluates, coordinates, and monitors homeless services; accordingly, this Amended and Restated MSC was revised to address the issues raised in this audit report; and

WHEREAS, by Resolution No. 17-1865, approved on December 13, 2017, the City Council authorized this Amended and Restated MSC with Bridge Steps to restate and reinforce the original intent of The Bridge as a low-barrier, housing-focused shelter, to ensure Bridge Steps complies with all conditions for funding, to add funding for the October 1, 2017 through September 30, 2018 year and to reduce the first renewal term from 5 to 3 years, from September 30, 2020, to September 30, 2018.

NOW THEREFORE, in consideration of the mutual covenants and obligations contained herein, the MSC, Phase II, is amended and restated as follows:

SECTION 1. INCORPORATION OF RECITALS; DEFINITIONS; CONTRACT ADMINISTRATION

City and Bridge Steps hereby agree that the recitals set forth above are true and correct and form the basis upon which the Parties have entered into this Amended and Restated MSC (hereinafter referred to as “MSC” or “Contract”). Further, Bridge Steps represents that it is fully authorized, qualified, and competent to perform the services described in this Contract.

Capitalized terms used in this Amended and Restated MSC that are undefined herein have the same meanings as defined in the Regulations defined herein and attached as exhibits.

Annual Operating Budget means the annual operating budget for the operation of the HAC that covers the period from October 1st to September 30th of each year. The Annual Operating Budget shall include all funds received from all public and private sources including Program Income, and a detailed list of expenditures for the operation of the HAC. No in-kind goods or services from third parties shall be included unless approved by the Director. The lease value of the HAC and any other in-kind goods or services provided by the City shall not be included. The Annual Operating Budget is a component of the Scope of Services attached hereto as **Exhibit A**, and it is marked as **Exhibit A-1**.

Client means an individual eligible under an applicable funding source who receives services through The Bridge, whether at its facility or through programs administered by Bridge Steps pursuant to the Amended and Restated MSC.

Director means the City’s Director of the Office of Homeless Solutions or his/her designee.

Funds mean all funding provided by the City directly or that pass through the City and are made available to Contractor for the operation of The Bridge. Funds include, but are not limited to, City general funds or bond funds, County funds provided by ILA with the City, and federal or state grant funds provided by agreement with the City pursuant to this Amended and Restated MSC.

Fundraising Plan means a plan reflecting the fundraising activities that Bridge Steps will complete to ensure adequate funds are on hand to meet its required contribution to the Annual Operating Budget. The Fundraising Plan shall cover the period from October 1st to September 30th of each year. The Fundraising Plan is a component of the Scope of Services attached hereto as **Exhibit A**, and it is marked as **Exhibit A-3**.

Low-barrier Shelter means that the only criteria for accessing shelter or Services (defined herein) is that the Client is an adult who is homeless and impoverished. Low-barrier means that Contractor shall not deny access to shelter and/or services to a potential Client based on that Client's criminal history, mental status, sex offender status, or immigration status, nor shall Contractor give preferential treatment to Clients who have no such history.

Operating Utilities mean water, sewer, trash, gas, telephone, internet and electricity costs incurred in Contractor's operation of The Bridge.

Program shall mean the services performed by Bridge Steps or its contractors as part of the scope of work performed pursuant to this Amended and Restated MSC.

Program Income means monies or earnings Contractor realizes from all activities conducted under this Contract or from Contractor's management of funding provided or received hereunder. Such monies or earnings include, but are not limited to, any income from interest on funds held or invested by Contractor, usage or rental fees from The Bridge, income produced from Contract-supported services of individuals or employees, use of equipment or facilities provided pursuant to this Contract, or payments from Clients or third parties for services rendered by Contractor under this Contract. Program Income does not include monies or earnings Contractor realizes from activities funded through, and attributable to, private sources that require disposition of that program income in a manner specified in the award

Regulations mean all applicable local, state, and federal laws, rules and regulations now in effect or that become effective during the term of this Amended and Restated MSC. This Amended and Restated MSC, without limitation, incorporates the regulations governing the use of each of the state and federal grant funds made available to Bridge Steps to fund the Program. Specifically: Texas Administrative Code, Subchapter A, General Provisions and Subchapter J, HHSP; the Texas Health and Human Services Commission ("HHSC") "Uniform Terms and Conditions," as amended; 2 C.F.R. 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"; the ESG Regulations, including the most current version of Subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378) and 24 C.F.R. Part 576.

Security Officers means Contractor employees acting within the scope of this Contract that are licensed or registered commissioned security officers or noncommissioned security officers and in good standing with the Texas Department of Public Safety pursuant to the Texas Occupations Code and the Texas Administrative Code.

Staffing Plan means Contractor's plan for staffing Client services at the HAC, including: (i) a listing of all employees of Contractor, (ii) a description of any contractors, subcontractors, vendors, and volunteers that provide Client services at the HAC; and (iii) a listing of all co-located agencies providing Client services at the HAC. The plan shall ensure adequate staffing based on anticipated resident occupancy and the services to be provided at the HAC, for each contract year. Contractor shall maintain a written volunteer policy detailing Contractor's plans for recruiting and training volunteers and the duties that volunteers will be allowed to undertake. The volunteer policy shall be available to City

upon request. The Staffing Plan shall cover the period from October 1st to September 30th of each year. The Staffing Plan is a component of the Scope of Services attached hereto as **Exhibit A**, and it is marked as **Exhibit A-2**.

This Contract shall be administered on behalf of City by the Director. Bridge Steps shall work closely with Director, his or her designee, and other appropriate City officials, and shall perform all related tasks required by Director in order to fulfill the purposes of this Contract. At the request of Director, Bridge Steps will provide reports and will participate from time to time in briefing of the City Council.

SECTION 2. TERM; RENEWAL

A. Term. The term of this Contract begins **December 12, 2007** and ends **September 30, 2015** ("Initial Contract Term"), subject to annual appropriation and approval by City Council.

B. First Term of the Contract. The "First Term" of the Contract began on December 12, 2007 and ended on September 30, 2008.

C. Renewal. At the end of the Initial Contract Term, City may renew the Contract for two (2) additional, consecutive periods of three (3) years and five (5) each (respectively, "First Renewal Term" and "Second Renewal Term").

The First Renewal Term began on **October 1, 2015** and shall end on **September 30, 2018**.

The Second Renewal Term, if the City elects to renew the Contract, shall begin on **October 1, 2018**, and end on **September 30, 2023**.

SECTION 3. SCOPE OF SERVICES AND KEY PROVISIONS

A. Low-Barrier Operations. Bridge Steps shall continue to provide services as described in the Contract and the City's grant agreements with Dallas County or the State of Texas attached hereto as **Exhibits H** and **I**, except as modified or required to be modified herein. The Scope of Services is attached as **Exhibit A** and describes the services to be provided and the number of individuals to be served. The Scope of Services includes the following additional components (collectively "Services" or "Scope of Services"):

Exhibit A-1: Annual Operating Budget and Budget Forecast

Exhibit A-2: Staffing Plan

Exhibit A-3: Fundraising Plan

Exhibit A-4: Bridge's Good Neighbor Requirements and Boundary Map

Exhibit A-5: Change Management Plan for Effective Emergency Shelter

Bridge Steps agrees to operate The Bridge as an emergency, Low-Barrier Shelter and service provider with immediate and easy access. Bridge Steps shall focus shelter services to rehouse Clients quickly, and to measure data on percentage of exits to housing, average length of stay in

shelter, and percentage of returns to homelessness. Bridge Steps agrees to identify and reduce barriers to accessing shelter or Services and to address the reasons that cause potential Clients not to seek shelter or Services at The Bridge. Bridge Steps shall exercise best efforts to efficiently utilize the HAC facility for these objectives.

In accordance with a written policy to be provided by Contractor and approved by the Director, Contractor may prioritize Clients for services based on their history or status if the Director determines that such prioritization is required to ensure compliance with federal or state grants (as set forth in the written policy) and such prioritization is consistent with the Low-Barrier Shelter policy. In accordance with a written policy to be provided by Contractor and approved by the Director Contractor may ban a Client from The Bridge if the Client commits crimes inside the facility or otherwise violates its code of conduct and such activity is documented to the satisfaction of the Director.

B. Monitoring of Services. The Services, together with the performance measures and outcome measures, shall be monitored by the City and is subject to annual review and approval by the Director. Bridge Steps shall not make changes to the approved Scope of Services without Director approval. The Director may require changes to the Services to increase the effectiveness of operations at The Bridge; to reduce redundancy among, or to coordinate services with, other service providers based on the Director's review of certain measures of performance and Client outcome evaluations; or to address the emerging or changing needs of Clients or potential Clients. Bridge Steps shall cooperate in good faith to reach mutual agreement on reasonable modifications to the Services.

C. Evaluation and Improvement of Operations – Lean Six Sigma. Bridge Steps agrees and understands that the City must evaluate, coordinate and monitor its homeless response system and may hire a consultant to evaluate the performance, resources and financial viability of Bridge Steps. If such a consultant is hired by the City, Bridge Steps shall cooperate and participate fully with such consultant including any Lean Six Sigma, Data Analytics as more fully described in **Exhibit C** to assist with the creation of a metrics system that sets out performance expectations for The Bridge. The review is to ensure that Bridge Steps operates a long-term outcome driven facility and to simultaneously eliminate waste and improve The Bridge's efficiency standards. Bridge Steps shall utilize these analytics, along with surveys and other methods specified by the City or said consultant to create and submit a detailed annual outcome report to the Director by a date certain. Such consultant may include a Lean Six Sigma-trained staff member from the City of Dallas Center for Performance Excellence.

D. Citizen Homelessness Commission Participation. To ensure participation from all stakeholders, any changes to the Services, shall be submitted to the Citizen Homelessness Commission for their review at the discretion of the Director. If required, such changes shall be subject to City Council approval.

E. Location of Services/Good Neighbor. The Services shall be provided at the HAC with the exception of the Good Neighbor Requirements, outlined in **Exhibit A-4**. The HAC includes the Drop-In Center, the Pavilion, the food service section, the residential section, and the exterior sections of the campus as depicted in the Site Plan attached hereto as **Exhibit A-4**. The Services further include: staffing, residential space, laundry, storage, and meal services for Clients; coordination of co-located and independent social, legal, governmental, medical, and dental services to be offered to Clients, facility maintenance, security; Client case management, Client

and services tracking and reporting; operational budgeting; fundraising for operation of the HAC; and any other necessary services or activities as further described in **Exhibit A**.

F. No delegation of Police Powers and Compliance with City Ordinances. Bridge Steps shall not construe this Contract or the Good Neighbor Requirements as authorization to remove encampments, or as a delegation of any of the City's Police Power. In particular Bridge Steps shall comply with Section 7A-3.1 of the Dallas City Code when removing or disposing of shopping carts and with Section 31-13.1 of the Dallas City Code when responding to unauthorized temporary shelters, as amended. Bridge Steps shall call Dallas Police, when necessary to assist with the removal of encampments or any clean-up efforts involving the removal of personal items within the Good Neighbor Boundary described in **Exhibit A-4**. Bridge Steps shall promptly notify Dallas Police Department when there is suspected criminal activity or a breach of the peace. Bridge Steps shall deploy staff in accordance with the Good Neighbor Requirements in **Exhibit A-4** and Bridge Steps' obligation to coordinate with other Dallas area homeless shelters to alleviate the waste of resources and redundancy among service providers to ensure homeless persons not entering The Bridge do not block streets and sidewalks and instead are connected to other shelters. This provision does not limit Bridge Steps' obligation to comply with any other law, statute, regulation, or ordinance either federal, state, or municipal governing removal of temporary shelters or shopping carts.

SECTION 4. ANNUAL OPERATING BUDGET, BUDGET FORECAST, AND HANDLING OF FUNDS

A. City and Bridge Steps Contributions in First Renewal Term/Years 9-11. Notwithstanding the funding history of the Contract set forth in Appendix A to this Contract, the following provisions shall apply. The City has exercised the First Renewal Term of the Contract with Bridge Steps, for years 9-11 of the Contract, from October 1, 2015 to September 30, 2018. During the First Renewal Term, the City's contribution to the HAC operating budget appropriated directly from City general funds or bond funds shall not exceed the lesser of \$3,800,000 or 50% of the total approved budget for HAC operations per year. All City general funds or bond funds are subject to annual appropriations and approval of the Dallas City Council. Bridge Steps shall contribute a minimum of 50% of the total approved budget for the HAC operations for the First Renewal Term of this Contract.

Subject to the foregoing, Contractor's Program will be funded in the amounts described in **Exhibit A-1** for the respective year. Funding sources and amounts may change during the term of this Contract and the amount of funding appropriated directly from City general funds or bond funds and provided pursuant to this Contract may be reduced in future years in accordance with this section. Each year, **Exhibit A** shall be amended to reflect the Funds available for that year, and the extent that Services funded from a particular source may be subject to obligations described in separate contracts.

B. City and Bridge Steps Contributions in Second Renewal Term/Years 12-16. If City exercises the Second Renewal Term of the Contract with Bridge Steps, in years 12-16 of the Contract, from October 1, 2018 to September 30, 2023, the City's contribution appropriated directly from general funds to the HAC operating budget shall not exceed the lesser of \$3,800,000 or 40% of the total approved budget for HAC operations per year, subject to annual appropriation and approval by City Council. Bridge Steps shall contribute a minimum of 60% of the total

approved budget for HAC operations for the Second Renewal Term of the Contract. The City reserves the right to require a percentage contribution from Bridge Steps that is greater than 60% of the HAC operating budget in consideration for a Second Renewal Term.

C. Use As Matching Funds. Subject to the prior written approval of the Director, Bridge Steps may use a portion of the City's Funding contribution under this Contract as matching funds for any funding source, including but not limited to local, state, or federal government funding source, as well as private or public foundation grants. Bridge Steps, however, shall not represent to anyone that the HAC facility was donated by the City. Bridge Steps understands that it remains committed to provide significant financial and other benefits in return for the use of the HAC facility in accordance with state law requirements for exemption from competitive bidding.

D. Annual Review of Services. By February 1st of each contract year, Bridge Steps shall submit a proposed Annual Operating Budget, one-year Budget Forecast, Staffing Plan and Fundraising Plan for the following Contract year/fiscal year, running from October 1st to September 30th of each year. By September 1 of each year (or at least 15 calendar days prior to City Council consideration of the annual funding amendment, whichever is earlier) Bridge Steps shall submit a final approved Annual Operating Budget, one-year Budget Forecast, Staffing Plan and Fundraising Plan, with any changes to the proposed plans that have been approved by the Director. The final approved plans shall be attached hereto as **Exhibits A-1, A-2, and A-3.**

E. Bridge Steps Proof of Funding. Bridge Steps shall engage in fundraising efforts to ensure that it has or will have sufficient funds to meet, at a minimum, its required contribution to the HAC's operating budget for each quarter, noted above, and to fund the cash operating reserve. Monies obtained from fundraising for the operating of the HAC shall be restricted as to use pursuant to Sections 6 and 7 below.

By the due date for each request for quarterly payment, Bridge Steps shall provide proof acceptable to the City for all the funds necessary to fulfill its contribution to the HAC's operating budget for that upcoming quarter, plus the cash operating reserve. Bridge Steps shall provide said proof of funds in the following forms: letter of commitment or pledge commitments (reduced by Bridge Steps pledge write-off percentage acceptable to the City), bank statements evidencing cash on hand for HAC operations, and other proof that the Director may deem acceptable. If Bridge Steps knows or anticipates that it will not have its funding contribution in place by the first day of each quarter, Bridge Steps must provide City with fifteen (15) days advance written notice. Notwithstanding the foregoing, no quarterly payment shall be made until Bridge Steps provides proof of funding for the quarter required hereunder.

F. Cash Operating Reserve. Bridge Steps shall maintain a two (2) month cash operating reserve; provided, however, Bridge Steps shall not be required to maintain a cash operating reserve exceeding \$1,500,000. The cash operating reserve must be fully funded and maintained throughout the term of the Contract to protect the City's quarterly advance of Funds for operation of the HAC and to ensure the City actually receives the Program services.

The City must approve any withdrawal from the cash operating reserve account in advance. Bridge Steps shall provide written notice to, and obtain written approval from, the City, before making a withdrawal.

If a withdrawal is made at any time (even with City's approval), City may, at its option, require Bridge Steps to establish a separate escrow account requiring City authorization for withdrawal, in an amount equal to the difference between: (i) the amount of each quarterly advance paid by the City under this Contract and (ii) the amount of the Treasury Bill described in Section 23.

If any of the following events occur, Bridge Step shall establish a separate escrow account, within three (3) business days of the triggering event, in the manner described above:

- a. Either party provides written notice of termination to the other party;
- b. Any withdrawal from the cash operating reserve account by Bridge Steps without City's prior written consent;
- c. Failure or refusal of Bridge Steps to provide documentation of expenditures of Funds under this Contract, to provide copies of monthly bank statements as required under this Contract, or to allow access to financial records for audit or monitoring purposes;
- d. Credible report to the City of actual or suspected fraud, waste, or abuse, or other malfeasance, by Bridge Steps, or any of its officers, employees, directors, or agents; or
- e. Any other reason in which the Director reasonably believes that there is increased risk to public funds paid under this Contract and provides with written notice to Bridge Steps of such reason.

G. Separate Accounts, Commingled Funds, and Financial Risk Mitigation. Bridge Steps shall maintain a separate bank account (or accounts) for the HAC operating funds and bank account (or accounts) for the HAC cash operating reserve. Bridge Steps shall not co-mingle funds for the HAC operating budget and cash reserve with funds for other Bridge Steps activities. City must be able to identify all expenditures for the operation of the HAC and must be able to identify the HAC cash operating reserve at all times. Upon request, Bridge Steps shall identify to Director, in writing the name of any other Bridge Steps' account and its account number at any institution, or maintained for record-keeping purposes, and shall advise Director in writing of any changes to such accounts. Bridge Steps shall take steps to mitigate risk of financial loss by monitoring the creditworthiness of banking institutions where funds are deposited, or where appropriate, utilizing a service to apportion funds to multiple banking institutions, so that account balances remain below the Federal Deposit Insurance Corporation (FDIC) insurance ceiling.

H. Bank Statements. Each month, Bridge Steps shall provide City a copy of its most current banking institution statements for all accounts related to the HAC.

I. In-Kind Goods and/or Services. In-kind goods and/or services from third parties will not count toward Bridge Steps' contribution to the HAC's operating budget unless each in-kind good and/or service has been approved by the Director for that purpose and added as a line item in the City approved operating budget for that year.

J. Budget Flexibility. Bridge Steps is authorized to make adjustments up to a maximum of twenty percent (20%) of a budget line item in the approved Annual Operating Budget without seeking further approval from Director, subject to the following limitations: If Bridge Steps wishes (i) to make adjustments to the operating budget to include items outside of budgeted line items or

(ii) to make adjustments to any of the items budgeted in the maintenance categories, Bridge Steps must obtain written approval from Director. Bridge Steps must also obtain written approval from Director if it wishes to make adjustments to budgeted line items of greater than twenty percent (20%).

SECTION 5. STAFFING PLAN

A. Staffing Plan. Bridge Steps shall employ and pay or contract with agencies to provide all the necessary operating personnel as detailed in the approved Annual Operating Budget and Staffing Plan, attached hereto as **Exhibits A-1 and A-2** respectively, to perform all of Bridge Steps' responsibilities under this Contract. The staffing plan shall identify the positions that are physically present at the HAC. It is understood that all operating personnel shall be employees of Bridge Steps and not of City and City assumes no obligation to such persons. City shall in no sense ever be deemed to be an employer of, partner, or joint venturer with Bridge Steps or any of its operating personnel. Bridge Steps agrees and thereafter shall defend and hold City harmless against any claims against City by any employees of Bridge Steps with respect to employee benefits of City.

B. Wage Floor. Bridge Steps and its first-tier subcontractors shall pay its employees a wage no lower than the "living wage" rate for an individual (currently \$10.94 per hour, but subject to change during the term of this Contract) as determined by the Massachusetts Institute of Technology Living Wage Calculator, or its successor, for Dallas County, Texas.

C. Training. Bridge Steps shall be responsible for providing orientation and training regarding the operations of the facility for all Bridge Steps employees, as well as for all City employees and staff of co-located agencies that will work on-site at the HAC.

D. Protection of Children at the Facility. Bridge Steps shall implement a policy to prevent any employee or volunteer from being the sole adult left in the presence of children at any time, unless the adult is the child's parent or legal guardian. Bridge Steps shall not assign or allow employees and volunteers to be in direct contact with children if the employee or volunteer would be barred from contact with children under the rules established for day care facilities by the Texas Department of Family and Protective Services. If children under the age of eighteen (18) are on campus at the HAC, Bridge Steps agrees to obtain a criminal background check on all employees and volunteers whose duties will place them in contact with such children under the age of eighteen (18).

E. Segregation of Duties and Responsibilities. Bridge Steps shall segregate duties of personnel by job classification, and clearly delineate the parameters of each job to minimize the risk of fraud, waste, and abuse. Bridge Steps should eliminate the allocation of multi-tier responsibilities to singular employees. For example, an employee determining a Client's eligibility for housing benefits should not be the same employee conducting housing placement for said Client

F. City Personnel at the HAC. City shall retain office space at the HAC for at least five (5) but no greater than ten (10) City employees, as well as dedicated parking spaces in the HAC parking lot for City employees whose offices are located at the HAC at any given time, plus one additional parking space. City programs to be housed at the HAC include: Homeless Outreach and HUD-funded housing. City employees shall follow the operational policies and procedures of

the HAC; however, City employees shall report to their City supervisor and are not Bridge Steps employees.

SECTION 6. FUNDRAISING; FOUNDATION; INVESTMENTS

A. Mandatory Fundraising Requirement and Use of Fundraising Monies. Bridge Steps agrees and understands that it shall exercise best efforts to diversify its mix of income sources to become less reliant on public Funds. Bridge Steps shall engage in fundraising efforts to ensure that it has the funds on hand to meet, at a minimum, its required contribution to the Annual Operating Budget. A Fundraising Plan shall be submitted and approved annually in accordance with Section 6 of this Contract. The current approved Fundraising Plan is attached as **Exhibit A-3**. General fundraising monies from private sources raised by Bridge Steps for the HAC shall be used to fund Bridge Steps' contribution to the HAC operating budget. The use of any funds raised from the sale of naming rights to the HAC, however, are subject to the restrictions described herein and in Section 7 below.

B. Foundation. Bridge Steps may establish a foundation or obtain access to an existing foundation to invest and produce income from funds raised for the HAC and other homeless programs and initiatives that are not immediately required to support HAC operations.

C. Approval of Foundation Instruments' Naming Rights Terms. If Bridge Steps chooses to establish a foundation, Bridge Steps shall submit all terms of the instruments creating and/or governing the operation of the foundation that are related to the deposit of funds obtained from naming rights with the foundation to Director and the City Attorney for review and approval prior to depositing any naming rights funds with the foundation. Any instrument terms related to naming rights shall conform to the requirements herein and in Section 7.

D. Foundation Accounts. If Bridge Steps establishes a foundation, Bridge Steps shall separate funds raised from naming rights and funds raised from other sources into separate accounts or funds within the foundation and shall prevent any commingling of accounts during the term(s) of the Contract.

E. Bridge Steps and/or Foundation Investments. Bridge Steps (or a foundation) shall invest City advances of Funds, Program Income and all funds raised for the HAC, whether from naming rights or otherwise, and any income earned on those funds in accordance with the investment policies and strategies prescribed in Chapter 2256 of the Texas Government Code, Public Funds Investment Act. Section 2256.005(d) of the Texas Government Code provides that such public funds shall be invested to achieve the following investment objectives, in order of priority: (1) an understanding of the suitability of the investment to the financial requirements of the entity; (2) preservation and safety of principal; (3) liquidity; (4) marketability of the investment if the need arises to liquidate the investment before maturity; (5) diversification of the investment portfolio; and (6) yield. In addition, Bridge Steps shall comply with the City of Dallas Investment Policy adopted by the City Council on September 22, 2015, and attached hereto as **Exhibit L** for all such public funds.

F. Funds Raised and Termination. If this Contract is terminated, for any reason, all money raised by Bridge Steps for the operation of the HAC shall be used to fund both Bridge Steps' and

City's contributions to the HAC operating budget for the remainder of City's fiscal year or six (6) months after the date of termination of the Contract, whichever period of time is greater.

G. Diversification of Funding. Bridge Steps shall exercise best efforts to become less reliant on public Funds and move toward greater sustainability through private philanthropic funding. Bridge Steps shall reduce the percentage of public Funds required to meet the HAC's Annual Operating Budget under this Contract (regardless of funding source), as set forth in **Exhibit A**. The balance of monies needed to operate The Bridge shall be derived through Bridge Steps' fundraising efforts. Nothing contained in this Section or **Exhibit A** is intended to alter the City's contribution toward the Annual Operating Budget set forth in Section 4 of this Contract.

SECTION 7. FUNDRAISING FROM NAMING RIGHTS

A. Limitations on the Sale of Naming Rights of the HAC. Any solicitation of funds in exchange for the right to name the HAC or portions of the HAC are subject to City Council approval. The City Council may adopt a process and policy, including criteria for how naming rights to the HAC or portions thereof will be made available for donors. Separate portions of the HAC may include the Pavilion and Drop-In Center, sections, departments, and rooms of the HAC; and physical components of the HAC such as benches or pavers. The City Council may delegate the implementation of such a naming rights process and policy to the City Manager who shall then be authorized to implement the policy. All agreements for naming rights to the HAC or portions thereof shall be approved as to form by the City Attorney.

B. Approval of Names. The City Manager shall have the sole right and discretion to approve the names suggested for the HAC or any portion thereof. The City Manager shall not approve any names related to alcohol or tobacco products or sexually oriented businesses.

C. Use of Naming Rights Funds. Funds raised by Bridge Steps derived specifically from naming rights for the HAC shall only be used for HAC operations. These funds may not be used to pay any of Bridge Steps' separate costs or activities that are not a part of the approved Annual Operating Budget. Further, naming rights revenue may only be used in so far as is allowable under federal, state, or local law pertaining to tax-exempt bond-financed projects.

D. Naming Rights Funds and Termination. If this Contract is terminated, for whatever reason, all the funds in the separate account for naming rights, whether located at a foundation or elsewhere, shall revert to City. City shall hold the naming rights funds in an account separate from City's general fund or any other funds. The naming rights funds will continue to be restricted in use to pay only for the operation of the HAC.

SECTION 8. PROGRAM INCOME

A. Determination of Program Income. It is Bridge Steps' responsibility to obtain from City a prior determination as to what income arising directly or indirectly from this Contract, or the performance thereof, constitutes Program Income which determination shall identify the source and use of that Program Income. Bridge Steps must maintain records of the receipt and disposition of Program Income in the same manner as required for other Contract funds.

C. Sharing of Program Income and Uses.

Program Income determined to be earned on Funds received through grants shall be governed by 2 CFR Part 200 (for federal grants), state law or regulations (for state grants), or other applicable requirements.

Program Income determined to be earned on Funds (other than those received through grants) shall be shared between City and Bridge Steps in an amount equal to the parties' funding contribution split in a particular year of the Contract. For example, in Year 11 of the Contract, 50% of Program Income shall be City's and 50% shall be Bridge Steps'.

Bridge Steps shall ensure that Program Income is re-invested into the HAC and used to provide additional services at the HAC, and must ensure that it is used first, prior to any City or Bridge Steps funds being used. The amount of Program Income and its uses shall be reported by Bridge Steps to City on a monthly basis. For any Program Income that is not re-invested by Bridge Steps to provide additional services at the HAC, City shall deduct City's share of such Program Income, not including Program income from Bridge Steps or foundation investments, which may be re-invested to increase the principal of investments, from its quarterly payment to Bridge Steps.

Upon termination of this Contract, Program Income shall be disposed of in accordance with Section 17 of this Contract.

SECTION 9. PAYMENT PROCEDURES

A. Payments Subject to Contract Requirements. All services shall be performed to the satisfaction of Director and in accordance with the terms of this Contract. City shall not be liable for any payment under this Contract for Services that are unsatisfactory. No final payment due under this Contract will be paid until all requested documents and reports have been received and approved by Director, including, but not limited to, proof of insurance coverage required by this Contract, as shown in the attached **Exhibit E**, all proofs of performance as shown in **Exhibit F**. Subject to the provision below, Bridge Steps shall maintain records to demonstrate proper expenditure of both City and Bridge Steps funds for the operation of the HAC. Bridge Steps shall provide City monthly reports of operational activities, invoices, and expenses, as specified in **Exhibit F**. Any payment under this Contract may not be deposited in any foundation fund or account that may be contemplated pursuant to Section 6 above.

Reimbursement requests, regardless of the source of funding for the reimbursement, must be made in accordance with the "Request for Payment Procedures" attached hereto as **Exhibit D** and incorporated by reference for all purposes.

B. Deadline. Contractor shall submit the Request for Payment form monthly together with the appropriate "Proofs of Performance" attached hereto as **Exhibit F** and incorporated by referenced for all purposes. These monthly submissions are due within ten (10) days after the end of the month for expenses incurred under TDHCA grants and by the 20th of each month for expenses incurred during the previous month under other sources described by this Contract.

C. Backup Documentation. In accordance with **Exhibit F**, for a reimbursement request to be considered complete, Contractor must also submit back-up documentation for each expense, together with the source of funding from which it seeks reimbursement:

- a. For reimbursement of payroll expenses, documents acceptable to the City must be provided to substantiate eligible activity and hours worked. These documents must be signed by both the employee and the employee's supervisor, unless a funder authorizes an alternative method of approval in writing. Any overtime paid with grant funds must be consistent with Contractor's overtime policy, which must be reviewed and approved by the City.
- b. For non-payroll expenses, invoices for each expense listed with an explanation as to how the expense pertains to the Program.
- c. Sufficient evidence of payment, which may be satisfied by invoices, cancelled checks, bank or account statements, or similar proofs of payment.

D. Incomplete or Untimely Reimbursement Requests. If any submitted Reimbursement Request is incomplete or otherwise not in compliance with this Contract or Regulations as determined by City, City will notify Contractor in writing of such deficiency. If Contractor fails to cure the deficiency and resubmit a complete Reimbursement Request within 30 days of receipt of City's notification, Contractor may forfeit such reimbursement. CITY HAS NO OBLIGATION TO MAKE PAYMENT ON ANY REIMBURSEMENT REQUEST FOR A FUNDED YEAR THAT IS NOT RECEIVED WITHIN 45 DAYS OF THE END OF THE FUNDED YEAR. CITY HAS NO OBLIGATION TO MAKE PAYMENT FOR ANY EXPENSE INCURRED BY CONTRACTOR PRIOR TO OR AFTER THE TERM OF THIS CONTRACT.

E. Quarterly Payment. On or about the first day of each quarter (or upon execution of the annual amendment to this contract which provides the amount of annual funding, whichever is later), City will remit its contribution for the quarter, within thirty (30) days following receipt of and approved Quarterly Advance Request for Payment in accordance with **Exhibit D**, and receipt of all required Proofs of Performance in accordance with **Exhibit F**, provided there is no outstanding Uncured Default. Bridge Steps will be paid a quarterly advance, based on the projected monthly expenses from the Annual Operating Budget. For each quarter, the payment to Bridge Steps will be based on a pro rata share of Bridge Steps' required percentage contribution to the Annual Operating Budget for that year. For example, if the total operating budget for a quarter in the First Year of the Contract were \$1,000, then City would pay Bridge Steps \$700 per quarter and Bridge Steps would contribute \$300 toward the operating budget during that quarter, because in the First Year of the Contract the funding contribution of City is 70% and the funding contribution of Bridge Steps is 30%. Prior to City making any quarterly payment, Bridge Steps must provide City proof of funding as specified in Section 4. Bridge Steps shall spend the City's payment concurrently with its own contribution to the budget every month and in proportion to each party's percentage contribution. Bridge Steps must submit documentation supporting payment as specified in **Exhibit F**, by the monthly due date specified in **Exhibit D**.

F. Monthly Reimbursement. City will remit payment for reimbursement requests within thirty (30) days, following receipt of an approved Reimbursement Request for Payment in accordance with **Exhibit D**, and receipt of all required Proofs of Performance in accordance with **Exhibit F**, provided there is no outstanding Uncured Default.

G. Bridge Steps Monthly Shortfalls. In the event that Bridge Steps is unable to meet its monthly financial obligations under the Contract, City may, but shall not be required to, make up the shortfall by advancing Contract funds from the City's pro rata amount under the Contract. If City elects to advance the shortfall, City shall subtract the amount advanced by City to Bridge Steps from the next quarter's advance as an adjustment. Three (3) such monthly shortfalls in any Contract year may result in recommendations from Director to reduce expenditures, lower City's contribution, or terminate the Contract.

SECTION 10. OFFSET

City may, at its option, offset any amounts due and payable under this Contract against any debt (including taxes) lawfully due to City from Bridge Steps, regardless of whether the amount due arises pursuant to the terms of this Contract or otherwise and regardless of whether or not the debt due to City has been reduced to judgment by a court.

SECTION 11. PROCUREMENT REVIEW

City shall have the right of concurrent review with the right of disapproval of any contracts that Bridge Steps wishes to enter that will last in excess of one year. All of Bridge Steps' contracts for procurement or any services to be provided at the HAC shall contain a provision permitting the assignment of Bridge Steps' interest in the contract to City without a requirement for any approval by any of Bridge Steps' contractors, subcontractors, vendors, or any of the agencies co-located at the HAC.

SECTION 12. OWNERSHIP AND USE OF PROPERTY

A. Acceptance of HAC by Bridge Steps. Bridge Steps accepts the HAC "AS IS, WHERE IS, WITH ALL FAULTS."

B. Ownership. City is the sole owner of the property and improvements that comprise the HAC, located at 1818 Corsicana Street, Dallas, Texas 75201. Ownership and title to all capital acquisition, supplies, materials, or any other property purchased with Funds received under this Contract, Program Income, and all funds raised for the HAC, whether from naming rights or otherwise, and any income earned on all such public funds belongs to and is vested with City and such property shall, upon termination of the Contract, be delivered to the City upon request. Ownership and title to any property purchased with non-public funds contributed by Contractor shall remain with Contractor, provided that Contractor maintains, and can provide upon request, an inventory (or other property records) sufficient to identify such property and the source of funding for such property. In all cases, property acquired with grant funds shall be governed by 2 CFR Part 200 (for federal grants), state law or regulations (for state grants), or other applicable requirements. Bridge Steps shall provide and execute any instruments required by City to evidence City's ownership at any time. Nothing in this Contract shall be constructed to inhibit or affect the authority of City in exercising its power of approval and supervision of ownership of the property in which it has title.

C. Use of Property. During the term, Bridge Steps shall have the right, power, responsibility and authority to use, manage and operate the HAC as a low-barrier emergency shelter, and to retain any and all revenue, income, proceeds and other amounts that may be generated at or from the HAC. Bridge Steps shall be liable and obligated to pay all of the costs to operate, maintain, repair and use the HAC during the Term except for those items expressly provided to be paid directly by the City.

D. Compliance with Laws. Bridge Steps agrees not to use the HAC for any use or purpose in violation of any applicable law, regulation or ordinance of the United States, the State of Texas, the City of Dallas or other lawful governmental authority having jurisdiction over the HAC. Certain contract requirements are listed in **Exhibit B** attached hereto and incorporated herein, however the following laws and regulations may also apply: the Fair Labor Standards Act, as amended, and the Americans with Disabilities Act of 1990, as amended; provided, however, there shall be no violation by Bridge Steps of this provision (i) so long as Bridge Steps shall, in good faith within a reasonable time after Bridge Steps acquires actual knowledge thereof, by appropriate proceedings and with due diligence, contest the alleged violation or the validity or applicability of the law, regulation or ordinance; (ii) until Bridge Steps has had a reasonable time after a final adjudication that such law, regulation or ordinance, in fact, has been violated; and (iii) so long as neither the City nor any portion of the HAC, during the period of such contest, will be subject to any liability, loss, penalty or forfeiture. Bridge Steps shall promptly comply with all governmental orders and directives for the correction, prevention, and abatement of nuisances caused by Bridge Steps, its officers, agents, or employees, in or upon or connected with the HAC, and shall pay for the costs of compliance.

E. Prohibited Uses. Without in any way limiting the foregoing Section, Bridge Steps shall not permit the HAC to be used in any manner that would render the insurance thereon void or the insurance risk more hazardous. Bridge Steps shall not use or occupy the HAC, or permit the HAC to be used or occupied, (i) contrary to any statute, rule, order, ordinance, requirement, or regulation applicable thereto or (ii) in any manner which would violate any certificates of occupancy or permit affecting same, cause structural injury to then existing improvements, cause the usefulness of the HAC to diminish, constitutes a public or private nuisance or waste or is a threat to the welfare of the general public. Bridge Steps shall not use or occupy the HAC or allow the HAC to be used or occupied in any manner that would violate or otherwise invalidate the tax-exempt status of the HAC, Bridge Steps, and/or the City.

F. No Required City Insurance. City may, but is not required to purchase any insurance for the HAC or for HAC operations. Contractor shall, at all times, maintain the insurance required under Section 22.

G. No Rents. Bridge Steps may not charge any rent to any contractor, sub-contractor, vendor, or co-located agency for the use of space at the HAC without the prior written approval of Director.

SECTION 13. LICENSES AND PERMITS

Bridge Steps must obtain or ensure all licenses and permits required by any regulatory authority or entity for the operation of, or activities in the HAC are obtained and kept current for Bridge Steps and its contractors, subcontractors, vendors, and co-located agencies.

SECTION 14. HAC UTILITIES

All utilities for the HAC shall be budgeted for in the operating budget. All utilities for the HAC shall be placed and maintained in the name of Bridge Steps during the term of the Contract and paid directly by Bridge Steps. Bridge Steps shall be liable and obligated to pay all charges, fees, costs and assessments incurred for the use of all utilities and utility services at the HAC, including, without limitation, gas, electricity, water, sewer, telecommunications and cable. Notwithstanding Bridge Steps' obligation to pay utilities, Bridge Steps shall undertake all reasonable efforts to minimize utility expenses at the HAC and institute utility efficiencies.

SECTION 15. HAC FACILITY MAINTENANCE

A. General Obligation. Bridge Steps shall keep the HAC in a state of good, safe, and attractive repair on a regular and ongoing basis. At all times during the term, Bridge Steps shall neither commit nor suffer any waste to the HAC. In the event this agreement shall terminate, Bridge Steps shall deliver up the HAC as then constituted in good condition, reasonable wear and tear, obsolescence, and loss by casualty and condemnation excepted. If the HAC is not in substantial conformity with this section, the City may, at its option and in addition to any other remedies under this agreement, direct Bridge Steps to return the HAC to such condition, at its sole cost and expense. Specific written maintenance and operation requirements and procedures, provided to City upon City's acceptance of the HAC from the construction contractor, have been provided to Bridge Steps. Repairs due to Bridge Steps' failure to maintain the HAC in line with the maintenance and operations specifications will be charged to Bridge Steps and deducted from City's quarterly payments to Bridge Steps.

B. Preventative Maintenance. Bridge Steps shall be responsible for "Preventative Maintenance" of the HAC. Preventative Maintenance is the systematic day-to-day maintenance or upkeep of the HAC to control deterioration of the HAC and to keep it clean, sanitary, and healthy. Preventative Maintenance includes site maintenance, grounds maintenance, housekeeping, and activities that comply with manufacturers required or suggested programs such as changing filters and belts and checking fluid levels on equipment.

C. Routine Maintenance and Security. Bridge Steps shall be responsible for "Routine Maintenance" of the HAC. Routine Maintenance involves day-to-day maintenance of all building systems including operation of HVAC equipment, repair of plumbing and electrical problems, and repair of any system or item that breaks or stops functioning. Bridge Steps shall maintain and provide janitorial, trash collection, and security service for the HAC during the term, including routine repairs to the interior, exterior and structural portions of the facility.

D. Major Maintenance. City shall be responsible for "Major Maintenance" of the HAC. Major Maintenance involves the repair or replacement of major building systems including the roof, HVAC equipment, electrical, plumbing, and structural problems.

E. Landscaping Maintenance. Bridge Steps shall maintain its grounds to ensure the HAC is aesthetically pleasing, including without limitation, the mowing of grass, care of shrubs, and general landscaping.

F. Maintenance Records. Bridge Steps shall document maintenance activities performed at the HAC and provide copies of all maintenance records for inspection by City at any time.

G. Computer Equipment. Bridge Steps shall maintain all computer equipment in good working condition, and all software should be up-to-date.

H. Bridge Steps' Repairs. Bridge Steps shall make any and all additions, alterations or repairs in and about the HAC that may be required or permitted by this agreement in a good and workmanlike manner, and shall otherwise observe and comply with all public laws, ordinances, and regulations that from time to time are applicable to the HAC. Before Bridge Steps commences any material renovation, plans and specifications for same shall be submitted to the Director for approval, and Bridge Steps shall furnish to City (i) an estimate of the cost of the proposed work; (ii) satisfactory evidence of sufficient contractor's comprehensive general liability insurance covering the HAC, builder's risk insurance, and workers' compensation insurance; (iii) a performance and payment bond satisfactory in form and substance to the director; and (iv) such other security as the City may reasonably require to insure completion of or payment for all work free and clear of liens.

I. Right of City to Make Repairs. At all times, after reasonable prior notice to Bridge Steps, the City, its agent and employees shall have the right to enter the HAC for the purpose of inspection or, if Bridge Steps is in default after the expiration of any applicable cure period or in the event of an emergency, making any repairs or alterations to the HAC, both interior and exterior, and of every kind or nature which are required of Bridge Steps under this Agreement but which Bridge Steps has failed to perform; and Bridge Steps shall not offer any obstruction, or hindrance to any such repairs or alterations; provided; however, that nothing contained in this Section shall be deemed to impose on the City any obligation to so act.

J. Employment/Volunteer or Community Service Opportunities for Individuals Experiencing Homelessness. Bridge Steps will require participation in community service activities for Clients who receive night shelter at the HAC and do not have a disability that prevents them from doing so. Bridge Steps agrees to take into consideration providing opportunities for individuals experiencing homelessness to be employed or volunteer at the HAC, including cleaning the interior and exterior of the HAC, where such employment or volunteer opportunity is consistent with Bridge Steps policy.

K. Securing Client Belongings. Bridge Steps shall provide secured storage for the belongings of Clients who receive night shelter at the HAC. Bridge Steps shall employ adequate security personnel to ensure the safekeeping of Client belongings.

SECTION 16. INDEPENDENT CONTRACTOR

In performing services under this Contract, the relationship between City and Bridge Steps is that of independent contractor, and City and Bridge Steps by the execution of this Contract do not change the independent status of Bridge Steps. Bridge Steps shall exercise independent judgment in performing work under this Contract and is solely responsible for setting working hours, scheduling or prioritizing the work flow and determining how the work is to be performed. No term or provision of this Contract or act of Bridge Steps in the performance of this Contract shall

be construed as making Bridge Steps the agent, servant or employee of City, or making Bridge Steps or any of its employees eligible for the fringe benefits, such as retirement, insurance and work's compensation, which the City provides its employees.

SECTION 17. DEFAULT; TERMINATION; RECAPTURE OF FUNDS

- A. Bridge Steps Default. Contractor shall be in default under this Contract if:
- a. Contractor fails to perform or observe or otherwise breaches any term, condition, obligation or covenant contained herein; or
 - b. any statement, warranty or representation contained herein is determined by City to be false (each, a "Default"), and such Default remains uncured 30 days after the date of written notice to Contractor by City ("Uncured Default").
- B. Notice by Contractor. Contractor shall immediately notify the City in writing upon becoming aware of any event or condition constituting a Default, or that would, with the giving of notice or passage of time, or both, constitute a Default under this Contract. Such notice shall specify the nature of the event or condition, the period of existence thereof, and the action Contractor is taking or proposes to take with respect thereto.
- C. Remedies of City. In the event of an Uncured Default, City shall have the right to elect any or all of the following actions in its sole discretion:
- a. terminate this Contract effective ninety (90) days after providing written notice of such intent to Contractor;
 - b. demand immediate repayment by Contractor of any Funds plus Program Income and all funds raised for the HAC, whether from naming rights or otherwise, and any income earned on such funds and said funds shall be immediately due and payable by Contractor without further or additional notice; and/or
 - c. pursue any other legal remedies available at law or equity.

In the event of termination of this Contract under (a), any Funds awarded but unpaid to Contractor pursuant to this Contract shall be immediately rescinded and Contractor shall have no further right to such Funds. In the event of repayment of the Funds under (b), any amount due and owing after the demand date shall accrue interest at the maximum rate of interest allowed by law. Any provisions of this Contract related to repayment or recapture of Funds or interest thereon shall survive the termination of this Contract.

Contractor does hereby grant to City the right to prosecute or take appropriate action, at law or in equity, against Contractor to recover any Funds or to enforce any other covenant or agreement contained in this Contract. If the City prevails in a legal proceeding against Contractor, the City is further entitled to recover damages, attorney's fees, and court costs from Contractor.

- D. No Funds Disbursed While in Breach. Contractor understands and agrees that no funds will be paid to or on behalf of Contractor until any Uncured Defaults are cured to the satisfaction of City, provided, however, that nothing in this section or paragraph shall require payment of funds

until the request for payment procedures set forth in **Exhibit D**, are met, and all required proofs of performance set forth in **Exhibit F**, have been submitted and approved.

E. Waiver of Breach Not Waiver of Subsequent Breach. The waiver of a breach of any term, covenant, or condition of this Contract shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

F. Immediate Termination for Public Purpose. Where the City's Director reasonably believes that there is situation or condition that the City reasonable determines is a threat to the health or safety of the general public or the patrons of the HAC, or there is a threat of loss of Funds provided under this Contract, the Director may, without prejudice to any other remedy City may be entitled to at law, in equity or elsewhere under this Contract, terminate further work under this Contract immediately, in whole or in part, giving written notice of immediate termination to Contractor, with the understanding that all performance being terminated shall cease as of a date to be specified in the notice. The City shall have the right, but not the obligation, to assume the operation of the HAC, but in no event shall the City be liable for any obligation or indebtedness of Contractor, unless otherwise expressly agreed in writing.

G. Other Termination. Notwithstanding the foregoing, the City's Director may, at its option and without prejudice to any other remedy City may be entitled to at law, in equity or elsewhere under this Contract, terminate further work under this Contract, in whole or in part, for failure to appropriate funds or for the convenience of City, by giving at least ninety (90) days advance written notice of termination to Contractor. All services shall cease as of the date specified in the notice.

H. Settlement Upon Termination. Upon termination, all contracts relating to the HAC entered into by Contractor will automatically expire or terminate; provided the City has the right to request that Contractor assign and transfer to City all of Contractor's rights and obligations under existing subcontracts it has to perform Contract work in the event of termination under this Section. City shall compensate Contractor in accordance with the terms of this Contract for Contract work properly performed prior to the date of termination specified in the notice, following inspection and acceptance of same by City's Director which shall completed within thirty (30) days of termination. Contractor shall not, however, be entitled to lost or anticipated profits should City choose to exercise its option to terminate. In no event shall Bridge Steps ever be entitled to receive or the City ever be liable for consequential, exemplary or punitive damages by reason of this Agreement. Upon termination, Program Income and the cash operating reserve shall be used in the following order to pay outstanding obligations in connection with the operation of the HAC:

- a. First, Bridge Steps shall use Program Income to pay such obligations.
- b. Second, Bridge Steps shall use operating funds to pay such obligations in the same manner set forth in Section 9, paragraph D, which requires Bridge Steps to spend the City's payment concurrently with its own contribution to the budget every month and in proportion to each party's percentage contribution, for example, in the Years 9-13 of the Contract, 50% for City and 50% for Bridge Steps.
- c. Last, Bridge Steps shall use the cash operating reserve to pay such obligations in the same manner as operating funds set forth above.

If, after all obligations of the HAC are satisfied, Program Income, cash operating funds, or cash operating reserves remain unspent, all remaining Program Income shall be returned to the City for disposition, and remaining operating funds and cash operating funds shall be divided in proportion to each party's percentage contribution, for example, in the Years 9-11 of the Contract, 50% for City and 50% for Bridge Steps.

SECTION 18. CONTRACT NON-ASSIGNABLE

Bridge Steps shall not sell, assign, transfer or convey its interest or rights in the Contract, or any claim or cause of action related thereto, in whole or in part, without the prior written consent of City's Director.

SECTION 19. OWNERSHIP OF WORK PRODUCT

All of Bridge Steps' work product under this Contract shall become the property of City without restriction on future use. Bridge Steps shall deliver to the Director all data, reports, and other documents which result from Bridge Steps' services in such form as is reasonably satisfactory to the Director. Copies may be retained by Bridge Steps. Bridge Steps shall maintain strict confidentiality in the performance of this Contract and shall not disclose any information or documentation related to the subject matter of this Contract without the written approval of the Director.

Such work product shall include, but is not limited to, all deliverables approved by Director that were developed by Bridge Steps pursuant to the Phase I Contract, or planning services for the management and operation of the HAC, except as modified or required to be modified herein, which are incorporated by referenced herein, including but not limited to: fundraising, procurement, licensing, food service, maintenance, security, the Work-Life program, care standards, case management, laundry services, housing standards, engagement programs, and a residents association.

SECTION 20. CONFIDENTIAL WORK

Except for information required to be disclosed in the course of the performance of Services under this Contract or necessary to be disclosed in order for Bridge Steps to meet its obligations under this Contract, or required to be disclosed under the provisions of the Texas Public Information Act, no reports, information, evaluations, data, or any other documentation developed by, given to, prepared by, or assembled by Bridge Steps under this Contract shall be disclosed or made available to any individual or organization by Bridge Steps without the approval of Director.

Bridge Steps understands that City is subject to the provisions of the Texas Public Information Act ("Act"), and cannot agree to any non-disclosure of Bridge Steps' reports that are not otherwise exempt under the Act. Bridge Steps is acting as an agent of City for the sole purposes of compliance with the Act.

SECTION 21. BRIDGE STEPS LIABILITY

Approval of City shall not constitute nor be deemed a release of the responsibility and liability of Bridge Steps for the accuracy and competency of its reports, information, and other documents or services, nor shall approval be deemed to be the assumption of such responsibility by City for any defect, error, or omission in the documents prepared or services rendered by Bridge Steps.

SECTION 22. INSURANCE REQUIREMENTS

Bridge Steps shall procure, pay for, and maintain during the term of this Contract with a company authorized to do business in the State of Texas and otherwise acceptable to City, the minimum insurance coverage contained in **Exhibit E**, attached to and made a part of this Contract. Approval, disapproval, or failure to act by City regarding any insurance supplied by Bridge Steps or its subcontractors shall not relieve Bridge Steps of full responsibility or liability for damages, errors, omissions, or accidents as set forth in this Contract. The bankruptcy or insolvency of Bridge Steps' insurer or any denial of liability by Bridge Steps' insurer shall not exonerate Bridge Steps from the liability or responsibility of Bridge Steps set forth in this Contract. Certificates evidencing such insurance to be in force shall be provided to the Director. The City, its officers, agents, and employees, shall be named as additional insureds. Each policy shall require that thirty (30) days written notice shall be given to City prior to expiration, cancellation, non-renewal, or material change in coverage. Bridge Steps and City hereby mutually waive subrogation for loss or damage to the extent such is covered by the proceeds of insurance.

SECTION 23. TREASURY BILL

Bridge Steps shall have purchased and maintain a United States Treasury Bill ("Treasury Bill") in the amount of \$175,000 in lieu of purchasing a payment bond and a performance bond. The Treasury Bill shall be pledged to City pursuant to a Pledge and Security Agreement between City and Bridge Steps (as successor to MDHA), attached to the First Amendment to the Contract and included here as **Exhibit G**. Bridge Steps shall maintain a safekeeping account in which the Treasury Bill shall be held during the term of the Contract (including any Renewal Term). Any maintenance fees or other fees for the safekeeping account shall be paid by Bridge Step. Within ninety (90) days of executing this Contract, Bridge Steps agrees to execute a new Pledge and Security Agreement between City and Bridge Steps.

SECTION 24. INDEMNITY

CONTRACTOR AGREES TO DEFEND, INDEMNIFY AND HOLD CITY, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY CONTRACTOR'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS CONTRACT, OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE

PERFORMANCE OF THIS CONTRACT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE SOLE NEGLIGENCE OR FAULT OF CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF CONTRACTOR AND CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES TO THIS CONTRACT AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. CONTRACTOR AND CITY ACKNOWLEDGE AND AGREE THAT THE PROVISIONS OF THIS SECTION 24 SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THE TERM OF THIS CONTRACT.

SECTION 25. REPORTS AND AUDITS

A. Records. Bridge Steps shall maintain records to demonstrate proper expenditure of all City Funds, Program Income and all funds raised for the HAC, whether from naming rights or otherwise, and any income earned on those funds and any other Bridge Steps funds for the operation of the HAC. Bridge Steps shall promptly submit to City unaudited monthly statements of finances and operations and, upon request, monthly statements, as described in Section 9 above, and audited annual statements of finances and operations. Each type of statement shall detail receipts, disbursements, and such other information as may be required to accurately disclose its operations during the preceding month, quarter, or year, as applicable, or as may be requested by City. In addition, Bridge Steps will secure an annual independent audit by a certified public accountant at its own expense for both HAC finances and operations and Bridge Steps fundraising revenues and expenditures. Bridge Steps will ensure that the independent auditor communicates to City all significant deficiencies and material weaknesses in internal control over financial reporting that the independent auditor identifies during the course of the audit. The City Auditor's Office has the right to review the certified public account's independent audit working papers.

B. Reporting. Contractor will submit to City monthly reports that include Program activities, outcomes, and other information required by the City. These monthly submissions are due within ten (10) days after the end of the month for which reimbursement is sought for expenses to be reimbursed from TDHCA and by the 20th of each month for services provided the previous month for expenses to be reimbursed from other sources described in this Contract. Failure to submit any report or documentation described in this Contract to City shall be an event of default under this Contract and City may exercise all of its remedies for default under this Contract. City retains the right to change reporting requirements and forms at its discretion and agrees to work collaboratively with Contractor to determine the appropriate measures of performance. City will notify Contractor in writing of any such change.

C. Record Keeping and Retention. Accurate record keeping and retention are material to the Contractor's performance of this Contract. Specifically, Contractor will keep or cause to be kept accurate records of: (i) Clients accepted into the Program, (ii) the services provided to each Client, (iii) the progress of each Client, and (iv) a description of Fund expenditures (by source including

Program Income and all funds raised for the HAC, whether from naming rights or otherwise, and any income earned on such funds) sufficient to allow City to monitor the effectiveness of the Program and compliance with this Contract and any grant requirements. Contractor shall promptly provide City with copies of any document the City deems necessary to fulfill the City's monitoring and evaluation responsibilities. Contractor will maintain all records and documentation related to this Contract for 5 years after termination of this Contract. If any claim, litigation, or audit is initiated before the expiration of the 5-year period, the records must be retained until all such claims, litigation or audits have been resolved. Contractor understands and agrees that City and any representatives of a grant funding entity shall have access at all reasonable hours to the Contractor's offices and records dealing with the use of the Funds.

D. Client Feedback. Bridge Steps shall maintain a system for the acceptance and evaluation of Client feedback. Bridge Steps shall follow up on Client feedback, share such feedback with the City when requested and, in consultation with the Director, make changes where appropriate.

SECTION 26. CITY'S RIGHT OF REVIEW AND AUDIT

City has the right to review and audit any and all of the services performed by Contractor under this Contract, including financial records and operations of the HAC. City is also hereby granted the right to review and audit Bridge Steps' financial records supporting fundraising revenues and expenditures for the HAC. Bridge Steps agrees to retain all such records for a minimum of five (5) years following completion of this Contract. Bridge Steps must require that any of its contractors, subcontractors, vendors, or agencies co-located at the HAC allow City to review and audit their financial records pertaining to their contracts with Bridge Steps or otherwise.

The following additional provisions are incorporated herein:

- A. Monitoring. Contractor understands and agrees that it will be subject to monitoring by City and the City's grant providers for compliance with all legal requirements and the grant terms for the term of this Contract and up to 5 years thereafter.
- B. City Inspection. City reserves the right to perform desk reviews or on-site monitoring of Contractor's compliance with the terms and conditions of this Contract, and of the adequacy and timeliness of Contractor's performance under this Contract. After each monitoring visit, City shall provide Contractor with a written report of its findings. If the monitoring report notes deficiencies in Contractor's performance, the report shall include requirements for the timely correction of said deficiencies by Contractor. Failure by Contractor to take the action specified in the monitoring report may be cause for suspension or termination of this Contract as provided herein.
- C. Audit. City reserves the right to perform an audit of Contractor's Program operations and finances at any time during the term of this Contract and for 5 years after the termination thereof. Contractor Agrees to allow access to all pertinent materials as described herein. If such audit reveals a questioned practice or expenditure, such questions must be resolved within the timeframe described in the Audit report letter provided by the City. If questions are not resolved to City's satisfaction within this period, City reserves the right to withhold further funding under this and/or future contract(s) with Contractor. **IF AS A RESULT OF AN AUDIT IT IS DETERMINED THAT CONTRACTOR HAS FALSIFIED ANY**

DOCUMENTATION OR MISUSED, MISAPPLIED, OR MISAPPROPRIATED FUNDS OR SPENT FUNDS ON ANY INELIGIBLE ACTIVITIES, CONTRACTOR AGREES TO REIMBURSE CITY THE AMOUNT OF SUCH MONIES PLUS THE AMOUNT OF ANY SACTIONS, PENALTY OR OTHER CHARGE LEVIED AGAINST CITY BY THE FEDERAL OR STATE GOVERNMENT BECAUSE OF SUCH ACTIONS.

SECTION 27. NON-WAIVER OF PERFORMANCE

In no event shall any payment to Bridge Steps hereunder, the acceptance or receipt of reports, or any other act or failure of the City to insist in any one or more instances upon the terms and conditions of this Contract constitute or be construed in any way to be a waiver by the City of any breach of covenant or default which may then or subsequently be committed by Bridge Steps. Neither shall such payment, act, or omission in any manner impair or prejudice any right, power, privilege, or remedy available to City to enforce its rights hereunder, which rights, powers, privileges, or remedies are always specifically preserved. No representative or agent of City may waive the effect of this provision.

SECTION 28. NO LITIGATION

Bridge Steps acknowledges that it is not currently involved in any litigation adverse to City and Bridge Steps agrees that it will not undertake any litigation adverse to City or to an employee or office of City, except with prior disclosure to and consent by City.

SECTION 29. NOTICE OF CONTRACT CLAIM

This Contract is subject to the provisions of Section 2-86 of the Dallas City Code, as amended, relating to requirements for filing a notice of a breach of contract claim against City. Section 2-86 of the Dallas City Code, as amended, is expressly incorporated by reference and made a part of this Contract as if written word for word in this Contract. Contractor is expected to fully comply with the requirements of this ordinance in the event of a claim, in addition to all other requirements in this Contract related to claims and notice of claims.

SECTION 30. CONFLICT OF INTEREST OF CITY EMPLOYEES

A. Contractor and its employees, agents or associates are required to make regular, timely, continual and full disclosures to the Director of all significant outside interests and responsibilities that may give rise to a direct or indirect conflict of interest, including, but not limited to, any and all significant outside interests and responsibilities that could reasonably be expected to impair independence of judgment in Contractor's performance of all of the services under this Contract. Such disclosures must be made no later than ten (10) days following the event giving rise to the potential or actual conflict of interest for the duration of the Contract term. A potential or actual conflict of interest exists when commitments and obligations to the City or widely recognized professional norms are likely to be compromised in Contractor's performance of its duties under this Contract by the existence of Contractor's other professional relationships, contracts, obligations, or commitments. Failure to disclose such a conflict of interest may result in the City's immediate termination of this Contract by the City Manager.

B. The following section of the Charter of the City of Dallas shall be one of the conditions, and a part of, the consideration of this Contract, to wit:

“CHAPTER XXII. Sec. 11. FINANCIAL INTEREST OF EMPLOYEE OR OFFICER PROHIBITED.

(a) No city official or employee shall have any financial interest, direct or indirect, in any contract with the city, or be financially interested, directly or indirectly, in the sale to the city of any land, materials, supplies or services, except on behalf of the city as a city official or employee. Any violation of this section shall constitute malfeasance in office, and any city official or employee guilty thereof shall thereby forfeit the city official’s or employee’s office or position with the city. Any violation of this section, with knowledge, express or implied, of the person or corporation contracting with the city shall render the contract involved voidable by the city manager or the city council.

(b) The alleged violations of this section shall be matters to be determined either by the trial board in the case of employees who have the right to appeal to the trial board, and by the city council in the case of other employees.

(c) The prohibitions of this section shall not apply to the participation by city employees in federally-funded housing programs, to the extent permitted by applicable federal or state law.

(d) This section does not apply to an ownership interest in a mutual or common investment fund that holds securities or other assets unless the person owns more than 10 percent of the value of the fund.

(e) This section does not apply to non-negotiated, form contracts for general city services or benefits if the city services or benefits are made available to the city official or employee on the same terms that they are made available to the general public.

(f) This section does not apply to a nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board. A nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board, must comply with any applicable conflict of interest or ethics provisions in the state law and the Dallas City Code.”

SECTION 31. GIFT TO PUBLIC SERVANT

City may terminate this Contract immediately if Contractor has offered, or agreed to confer any benefit upon a City employee or official that the City employee or official is prohibited by law from accepting.

For purposes of this section, “benefit” means anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose welfare the beneficiary has a direct or substantial interest, but does not include a contribution or expenditure made and reported in accordance with law.

Notwithstanding any other legal remedies, City may require Contractor to remove any employee of Contractor from the Project who has violated the restrictions of this section or any similar state or federal law, and obtain reimbursement for any expenditures made as a result of the improper offer, agreement to confer, or conferring of a benefit to a City employee or official.

SECTION 32. POLITICAL AND RELIGIOUS ACTIVITIES

No portion of the funds received by Bridge Steps under this Contract or raised by Bridge Steps to fulfill its obligations under this Contract shall be used for any political activity, including, but not limited to, any activity to further the election or defeat of any candidate for public office, or any activity undertaken to influence the passage, defeat, or final content of legislation; or for any sectarian or religious purposes. In addition, the HAC facility shall not be used for any political or religious activities such as allowing the HAC facility to be used for public political speeches supporting or opposing a candidate or legislation, the distribution of political literature relating to the campaign of a candidate, circulating petitions for a candidate, or soliciting votes or campaign contributions for a candidate. The HAC facility and no portion of City Funding may be used to support any religious activities, such as worship, religious instruction or proselytizing. Bridge Steps shall comply with any further restrictions for Faith-based activities pursuant to state or federal law.

SECTION 33. NOTICES

Except as otherwise provided, any notice, payment, statement, or demand required or permitted to be given under this Contract by either party to the other may be effected by personal delivery in writing or by mail, postage prepaid. Mailed notices shall be addressed to the parties at the addresses appearing below, but each party may change its address by written notice in accordance with this section. Mailed notices shall be deemed communicated as of three (3) days after mailing.

If intended for City, to:

Charletra Sharp, Interim Managing Director
City of Dallas
Office of Homeless Solutions
1500 Marilla Street, Room 6BN
Dallas, Texas 75201

If intended for Contractor, to:

Bridge Steps
1818 Corsicana
Dallas, TX 75201
Attn: Dr. David Woody III,
Interim President and CEO

With a copy to:

City Attorney's Office
City Hall, Room 7DN
1500 Marilla Street
Dallas, Texas 75201
Attn: Barbara Martinez
Assistant City Attorney

SECTION 34. LEGAL CONSTRUCTION

In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Contract.

SECTION 35. CAPTIONS

The captions to the various clauses of this Contract are for informational purposes only and shall not alter the substance of the terms and conditions of this Contract.

SECTION 36. GOVERNING LAW AND VENUE

The obligations of the parties to this Contract shall be performable in Dallas County, Texas, and if legal action is necessary in connection with or to enforce rights under this Contract, exclusive venue shall lie in Dallas County, Texas.

This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

SECTION 37. COUNTERPARTS

This Contract may be executed, including electronically, in one or more counterparts, each of which when so executed shall be deemed to be an original and constitute one and the same instrument. If this Contract is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Contract to be executed.

SECTION 38. SUCCESSORS AND ASSIGNS

This Contract shall be binding upon and inure to the benefit of the parties and their respective administrators, successors and, except as otherwise provided in this Contract, their assigns.

SECTION 39. AMENDMENTS; ENTIRE AGREEMENT

This Amended and Restated MSC (with all referenced exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both parties, superseding all oral or written previous and contemporary agreements between the parties relating to matters set forth in this Contract. All terms of the MSC Phase II not addressed in this Contract remain in effect. In the event of conflict between this Contract and any previous version of the MSC Phase II, this Contract shall control. If there is any conflict between this Contract and any one or more of the Exhibits attached hereto, the terms and conditions of this Contract shall control and shall be final

and binding on all parties. This Contract may be modified or amended only by written agreement of the parties, to be attached and made a part of this Contract.

SECTION 40. COMPLIANCE WITH STATE GRANT REQUIREMENTS

A. Compliance with State Grant Requirements Generally. Bridge Steps understands that a portion of City's contribution to the HAC operating budget for year 9 of the Contract will come from grant funds awarded to City by Texas Department of Housing and Community Affairs (TDHCA) to provide services to the homeless through the Homeless Housing and Services Program (HHSP) under Contract No. 63160002287 (the "TDHCA Grant Agreement"), attached hereto as **Exhibit I**. Bridge Steps understands that a portion of the HAC operating budget during year 9 of the Contract will come from grant funds awarded to City under the TDHCA Grant Agreement and that Bridge Steps may count the TDHCA Grant Agreement toward its required contribution to The Bridge operating budget for year 9. Bridge Steps agrees that it shall comply with all requirements of the TDHCA Grant Agreement, including, but not limited to, the requirements that specified in this Section 40, in order to ensure that TDHCA grant funding is not jeopardized.

B. TDHCA Right of Review and Approval. TDHCA shall have the right to approve any subcontractors, contractors, consultants, and/or service providers of the City and Bridge Steps that are providing services under the TDHCA Grant Agreement, and to directly review, monitor, and/or audit the operational and financial performance and/or records of any of subcontractors, contractors, consultants, and/or service providers of the City and Bridge Steps that are providing services under the TDHCA Grant Agreement.

C. Record Keeping Requirements. Bridge Steps shall specifically comply with Section 9 of the TDHCA Grant Agreement.

D. Nondiscrimination, Fair Housing, Equal Access and Equal Opportunity. Bridge Steps shall specifically comply with Section 28 of the TDHCA Grant Agreement.

E. Debarred and Suspended Parties. Bridge Steps certifies that it, nor any of its subcontractors, contractors, consultants, and/or services providers to perform under this Contract, are included in the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA). Bridge Steps certifies:

“CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION-SUBCONTRACTORS/LOWER TIER COVERED TRANSACTIONS”

- (1) The prospective lower tier participant/subcontractor certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant/subcontractor is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

F. Monthly Expenditure and Performance Reports. On or after the 20th day of each month, Bridge Steps shall complete and deliver to City, the TDHCA HHSP Monthly Expenditure Report and the TDHCA HHSP Monthly Performance Report, on the forms attached as **Exhibit D** and **Exhibit E**, respectively, to the First Renewal Term.

G. Addendum A. Certification Regarding Lobbying For Contracts, Grants, Loans, And Cooperative Agreements. Bridge Steps shall certify and disclose accordingly.

SECTION 41. HOMELESS MANAGEMENT INFORMATION SYSTEM AND CONTINUUM OF CARE COORDINATION

A. Homeless Management Information System. Bridge Steps shall continue to participate in the existing local homeless management information system (HMIS) selected by the local Continuum of Care (“CoC”) and managed by the HMIS lead agency in accordance with 24 CFR 576.400(f) and the provisions of the ESG HMIS Manual for Emergency Shelters included in **Exhibit J**. Bridge Steps will ensure that appropriate staff:

- a. Complete an HMIS User Agreement with MDHA and agree to confidentiality and security practices;
- b. Obtain and maintain access to HMIS, including signing into the HMIS system at least once a month in order to keep password active;
- c. Participate in all training for HMIS;
- d. Enroll all individuals seeking services into HMIS within five (5) days of initial contact (participant intake); collect and enter data on provision of services for such individuals; and exit all such individual within five (5) days of program exit, all regardless of the source of funding;
- e. Use HMIS to coordinate services for clients across programs; and
- f. Pay any incremental costs associated with HMIS user fees for a Data Quality Report for any quarter in which the project scores less than 9 points (i.e., below Grade B or other comparable scoring threshold).

City shall pay HMIS Standard Costs associated with HMIS usage on behalf of Bridge Steps. HMIS Standard Costs will include the annual base project fee, variable quarterly client volume fee, and variable quarterly data quality score fee for any quarter in which the project scores more than 8 points (i.e., Grade A or B or other comparable scoring threshold). HMIS excess costs means any incremental costs associated with HMIS user fees for a data quality score for any quarter in which a project scores less than 9 points (i.e., below Grade B or other comparable scoring threshold).

NOTE: HMIS does not take the place of other data collection and reporting. While participation in HMIS is mandated as outlined above, Bridge Steps is not required to use HMIS as its primary client service system.

B. Continuum of Care Coordination. To meet federal, state, and local goals to end/prevent homelessness, making homelessness rare, brief, and non-recurring, an effective homeless response

system is required. Bridge Steps is an integral part of that homeless response system. Bridge Steps agrees to coordinate and collaborate with the local Homeless CoC, its lead agency and member providers, the existing Continuum of Care centralized/coordinated access system in accordance with 24 CFR 576.400(d), to achieve these system goals, as well as to meet individual client housing and service needs in a coordinated manner. In so doing, Bridge Steps shall work to minimize lengths of stays in the HAC and obtain placements in appropriate housing for clients as rapidly as possible, as well as prioritizing chronically homeless and those most at need. This includes, but is not limited to, the following:

- a. Bridge Steps will participate in the Continuum of Care Coordinated Access System (CAS) operated by MDHA, including obtaining Documentation of Priority Status (DOPS) to add and/or maintain HAC clients on the Basecamp Housing Priority List from which to obtain housing.
- b. Bridge Steps will ensure that at least one program staff member regularly attends monthly CoC General Assembly meetings.
- c. Bridge Steps will ensure that at least one program staff member regularly attends monthly Case Management Round Table trainings.
- d. Bridge Steps will ensure that at least one program staff member engages in “Your Texas Benefits” program.
- e. Bridge Steps will ensure that at least one program staff member completes and maintains certification under the Substance Abuse/Mental Health Services Administration (SAMHSA) SSI/SSDI Outreach, Access, and Recovery (SOAR).
- f. Bridge Steps will take into consideration having at least one program staff member participates in the annual Homeless Point in Time (PIT) Count in January of each year.

Upon request, Bridge Step’s Program staff shall provide a copy of the certificate of completions (if provided by MDHA or trainer) to the City of Dallas of any training upon completion.

SECTION 42. COMPLIANCE WITH LAWS AND REGULATIONS

This Contract is entered into subject to and controlled by the Charter and ordinances of the City of Dallas, as amended, and all applicable laws, rules, and regulations of the State of Texas and the Government of the United States of America. Contractor shall, during the course of performance of this Contract, comply with all applicable City codes and ordinances, as amended and all applicable State and Federal laws, rules and regulations, as amended.

SECTION 43. EQUAL EMPLOYMENT OPPORTUNITY; NONDISCRIMINATION; CITY’S BUSINESS INCLUSION AND DEVELOPMENT PLAN (M/WBE)

A. Contractor shall not discriminate against any employee or applicant for employment because of race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance, either directly or indirectly or through contractual or other arrangements. Contractor shall take affirmative action to ensure that applicants are employed and

that employees are treated during their employment without regard to their race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance. This action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. Contractor shall also comply with all applicable requirements of the Americans with Disabilities Act, 42 U.S.C.A. §§12101-12213, as amended; Fair Labor Standards Act, as amended; and City's non-discrimination policies. Contractor agrees to post in conspicuous places a notice, available to employees and applicants, setting forth the provisions of this non-discrimination clause.

B. Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, age, color, ancestry, national origin, place of birth, religion, sex, sexual orientation, gender identity and expression, military or veteran status, genetic characteristics, or disability unrelated to job performance.

C. Bridge Steps shall keep, retain and safeguard all records relating to this Contract or work performed hereunder for a minimum period of three (3) years from final Contract completion (or, with respect to applicable funding, such longer period as may be required under any agreement that is made a part of this Contract), with full access allowed to authorized representatives of City, upon request, for purposes of evaluating compliance with this and other provisions of the Contract.

D. Contractor shall furnish all information and reports required by the City Manager or his designee and shall permit the City Manager or his designee to investigate its payrolls and personnel records which pertain to current professional services contracts with City for purposes of ascertaining compliance with this equal employment opportunity clause.

E. Contractor shall file compliance reports with City as may be required by the City Manager or his designee. Compliance reports must be filed within the time, must contain information as to the employment practices, policies, programs, and statistics of Contractor, and must be in the form that the City Manager or his designee prescribes.

F. If Contractor fails to comply with the equal employment opportunity provisions of this Contract, it is agreed that City at its option may do either or both of the following:

- (1) Cancel, terminate or suspend this Contract in whole or in part;
- (2) Declare Contractor ineligible for further City contracts until it is determined to be in compliance.

G. In addition, Contractor agrees to comply with the requirements of City's Business Inclusion and Development Plan, relating to participation by Minority and Women-owned Business Enterprises (M/WBE) participation.

SECTION 44. MISCELLANEOUS

A. Pursuant to Section 2270.002, Texas Government Code, the Contractor hereby (i) represents that it does not boycott Israel, and (ii) subject to or as otherwise required by applicable

federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of the Contract. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2270.001, Texas Government Code.

B. The Contractor hereby represents that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under Section 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, "foreign terrorist organization" shall have the meaning given such term in Section 2252.151, Texas Government Code.

SECTION 45. CERTIFICATION OF EXECUTION


The person or persons signing and executing this Contract on behalf of Contractor, or representing themselves as signing and executing this Contract on behalf of Contractor, do hereby warrant and certify that he, she or they have been duly authorized by Contractor to execute this Contract on behalf of Contractor and to validly and legally bind Contractor to all terms, performances and provisions herein set forth.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

EXECUTED as of the 1st day of October, 2017, by City, signing by and through its City Manager, duly authorized to execute same by Resolution No. 17-1865, approved on December 13, 2017, and by Bridge Steps.

APPROVED AS TO FORM:
LARRY E. CASTO
City Attorney

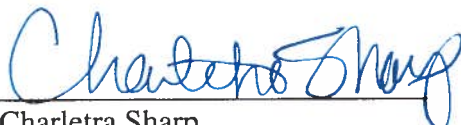
CITY OF DALLAS
T.C. BROADNAX
City Manager

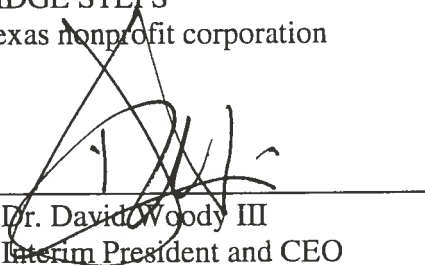
By: 
Barbara Martinez
Assistant City Attorney

By: 
Nadia Chandler Hardy
Chief of Community Services

RECOMMENDED BY DIRECTOR:

BRIDGE STEPS
a Texas nonprofit corporation

By: 
Charletra Sharp
Interim Managing Director
Office of Homeless Solutions

By: 
Dr. David Woody III
Interim President and CEO

EXHIBITS AND ATTACHMENTS

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Exhibit A

Bridge Steps
Management Services Contract, Phase II (Amended and Restated)

Scope of Services
October 1, 2017 through September 30, 2018

Program Description

The Homeless Assistance Center (“The Bridge” or “HAC”) and Bridge Steps are integral parts of City’s homeless and crisis response system – to ensure that residents have a safe and decent place to stay on an emergency or crisis basis (in lieu of staying on the streets or other places not meant for human habitation), while at the same time acting as a Good Neighbor (see Attachment 1 below) and having an impact on homelessness, particularly in the Dallas Central Business District.

As outlined in Section 3 of the Management Services Contract, Phase II (“Contract”), Bridge Steps shall perform all services necessary to successfully manage and operate The Bridge. Bridge Steps shall have complete operating responsibility for the shelter as low-barrier and housing-focused with proven results in housing placement, reduction in average length of stay in the shelter, and reduction in the percentage of persons returning to homelessness.

Service Expectations: Services provided at The Bridge will, at all times, utilize best practices for emergency shelters, including:

Best Practice	Service Expectation
Shelter First / Housing First Approach Immediate & Low Barrier Access	Align shelter eligibility criteria, policies, and procedures with a Housing First approach to that anyone experiencing homelessness can access shelter without prerequisites, making services voluntary, and assisting people to access permanent housing options as quickly as possible. Ensure immediate and easy access to shelter by lowering barriers to entry and staying open and accessible 24/7. Eliminate sobriety and income requirements and other policies that make it difficult to enter shelter, stay in shelter, or access housing and income opportunities <ul style="list-style-type: none">• Individuals will be encouraged to participate in available services but not required.• Sobriety will not be required; however, there will be no drug or alcohol use or sale on the premises. <i>Those found using or selling drugs or alcohol will be given the opportunity to dispose of the items or asked to exit the shelter for the night.</i>• Each person who comes to The Bridge will have a formal intake with a trained staff member, but will not be denied services for lack of valid ID.• There will be secure storage space for personal items for guests accessing Night Shelter.• Services animals and companion pets will be accommodated.• Access to shelter and/or services is not denied or terminated to a Client or potential Client based on that Client’s criminal history, mental status, or sex offender status, nor give preferential treatment to Clients who have no such history

	<ul style="list-style-type: none"> • Access to shelter and/or services is not denied or terminated to a Client or potential Client based on a perceived, assumed, or stereotypical risks (safety or otherwise), but denied or terminated solely based on actual behavior posing a safety risk at that time.
Safe and Appropriate Diversion	Provide diversion services to find safe and appropriate housing alternatives to entering shelter and staying on the streets through problem-solving conversations, identifying community supports, and offering professional dialog regarding alternatives and options; provided that no one seeking shelter would intentionally be diverted to the streets or an encampments
Housing-Focused, Rapid Exit Services	Focus services in shelter on assisting people to access permanent housing options as quickly as possible, with proven results in housing placement, reduction in average length of stay in the shelter, and reduction in the percentage of persons returning to homelessness
Client-Centered Care	Offer accessible, coordinated, high quality services that respond to the unique needs of each individual based on an assessment and matching to the appropriate housing resource. Services must fit the individual's need rather than follow strict program guidelines.
Using Data to Measure Performance	Measure data on percentage of exits to housing, average length of stay in shelter, and returns to homelessness to evaluate the effectiveness of shelter and improve outcomes. All client demographic and service data must be captured, recorded, and reported through the local Homeless Management Information System (HMIS) in accordance with Section 48 of the Contract.

Bridge Steps agrees to have key staff (Chief Executive Officer, all senior operational staff, and key front line staff) complete the “Five Keys to Effective Emergency Shelter” technical assistance curriculum under the *Emergency Shelter Learning Series* published by the National Alliance to End Homelessness (NAEH), including viewing all curriculum webinars, completing all self-assessments and action plans, and sharing the results with the Board of Directors (with a goal of evaluating and, where appropriate, making operational improvements, consistent with shelter best practices. The target date for completion is September 30, 2018 (with up to one extension of time, not to extend 90 days, approved by the City in advance). Documentation of completion of the curriculum, to be provided to the City by the target completion date, will include copies of: (1) certifications from staff that webinars were viewed, which may be in the form of attendance sign-in sheets for group viewing; (2) completed self-assessments and action plans; and (3) relevant minutes of Board of Director meetings at which results are shared with the Board of Directors. Bridge Steps agrees to share verbal updates on progress during monthly partner meetings.

Provision of Services: Taking into account those service expectations, Bridge Steps will provide the array of services for the HAC listed below.

(1) Day Shelter Services – Day Shelter Services at The Bridge consist of the following services. Except as noted below, day shelter services are available from 6a.m. to 5p.m., 7 days a week, 365 days a year. New guests who have not accessed The Bridge within the last year and/or do not have a Bridge identification card will have an intake/triage assessment completed to assess and prioritize client needs.

- Care Coordination – Through care coordination staff, Bridge Steps provides triage, information and referral, shelter seekers services, health and behavioral health care coordination, income seeker services, and housing seeker services. Care coordination services are available from 6a.m. to 10p.m., 7 days a week, 365 days a year.
- Housing Attainment Services – Activities include facilitating affordable housing and supportive housing searches and placements
- Peer Support Services Program – Peer support services are available 24 hours, 7 days a week, 365 days a year
- Meals – Breakfast is available from 7:30 to 8:30 a.m., lunch from 12to 1p.m., and dinner from 6 to 7 pm
- Showers – Shower facilities are available to guests 24 hours, 7 days a week, 365 days a year.
- Laundry – Laundry facilities are available to guests from 6:00 a.m. to 5:00 p.m., 7 days a week, 365 days a year
- Kennel – Kennel services for animals and companion pets are available to guests who receive Night Shelter services, and sign a contract in which they agree to walk, feed and care for the animal.
- Storage of Client Belongings – The Bridge facility includes storage from 6:00 a.m. to 5:00 p.m. for belongings of guests who receive Night Shelter services. Bridge Steps will take all reasonable actions necessary to secure those belongings.
- Other Services
 - Provided by Contractor (through staff or volunteers):
 - Library
 - Barber Shop
 - Computer Lab
 - Land Line Telephones
 - Alcoholics Anonymous (AA) 12 Steps Program
 - Story Circle
 - Art Classes
- t Referrals to Partner Shelters - Guests receiving Day Shelter Services may receive Night Shelter from The Bridge (see below) or from other local emergency shelters through referral partnerships. These include:
 - Austin Street Center
 - Union Gospel Mission
 - Dallas Life Foundation
 - The Salvation Army

Bridge Steps will document its efforts to provide walking directions or identify transportation options to travel from The Bridge to other shelter facilities.

(2) Night Shelter Services – Night Shelter Services include 249 shelter beds providing overnight shelter stays for individuals (no families), as shown below. Night shelter services are available from 5 p.m. to 6a.m., 7 days a week, 365 days a year. New guests who have not access The Bridge within the last year and/or do not have a Bridge identification card will have an intake/triage assessment completed to assess and prioritize client needs.

- Pavilion Beds - Capacity: 149
- Transitional Beds - Capacity: 100

Bridge Steps agrees to reserve at least five (5) shelter beds each night to be filled by City of Dallas street outreach staff, provided that City staff notify Bridge Steps, in the manner agreed by the parties, by 4:30 p.m. if those beds will be needed for that night.

(3) Co-Located Agencies/Services - The following co-located agencies/services will be available at The Bridge campus:

Agency Name	Type of Services (and Staff On-Site)	Appr. Days/Times Services Provided On-Site
Parkland Hospital Clinic	Primary Health Clinic	Monday – Friday 8 a.m. – 5p.m.
Metrocare Services	Behavioral Health Services	Monday – Friday 8a.m. – 5p.m.
City of Dallas – Benefits & Disability Counseling	Assessment of Eligibility for SSI and Other Resources	Monday – Friday 9 a.m. – 5 p.m.
Veteran’s Administration	Assessment of Veteran Eligibility for Services	Monday – Friday 9 a.m. – 5p.m.

Bridge Steps will provide City with advance written notice of changes to co-located agencies/services. City reserves the right of disapproval for co-located agencies/services at the campus.

(4) Engagement Encounters with Shelter Adverse (within Good Neighbor Boundaries) – On a daily/nightly basis, Bridge Steps will engage (through at least two (2) staff members) with shelter adverse individuals who are found within the Good Neighbor Boundary (shown in Attachment 1), and strongly encourage (and make accommodations for) those individuals to stay at The Bridge or a partner shelter. Engagement staff will work in pairs and, at all times, exercise safety precautions. Staff will maintain a daily log of engagement activities, including a count of each encounter and the outcome of the encounter (i.e., accepts or rejects shelter).

Collaboration and Partnerships: Bridge Steps will coordinate and collaborate with other Dallas area homeless shelters and providers to provide a seamless and coordinated effort to end and prevent homelessness (particularly in the Central Business District), and to alleviate redundancy and duplication of efforts among providers. The comprehensive plan of operations, as required in Section 7 of the Contract, for The Bridge shall include a plan for coordinating with homeless shelters and providers (particularly in the Central Business District), including but not limited to:

- List of The Bridge’s collaborative network partners (including agencies co-located on The Bridge campus, as listed above).
- Engagement with homeless persons not entering shelter (including The Bridge) to evaluate alternative accommodations or services needed to give them a safe and decent place to stay, off the streets.
- Coordination with other homeless shelters and providers, designed to meet Client needs, and alleviate Client confusion regarding the services that each agency provides and the times of day these services are provided.
- Coordination with other homeless shelters and providers on the timing for discharge of Clients to prevent concentrated discharge of Clients at the same time.
- Coordination with City of Dallas outreach and crisis intervention staff (as well as Dallas Police Department) relating to shelter placements from encampments or other locations.
- Collaboration and coordination with Parkland relating to hospital discharges for persons with no housing plan.
- Collaboration and coordination with Dallas County Criminal Justice relating to jail discharges for persons with no housing plan.
- Collaboration and coordination with Metro Dallas Homeless Alliance (MDHA) and the Continuum of Care (as outlined in Section 48 of the Contract).

Performance (Outputs) Measures

On a monthly basis, Bridge Steps will capture and report on the following performance measures, compared to the goals shown below, on Exhibit F, Monthly Target Analysis and Monthly Performance Report. Unduplicated client counts represent the number of unique individuals served overall or for a unique service over the entire fiscal year (October through September), regardless of funding source.

Services	Performance Measure	Goal
Overall	<u>Unduplicated Client Count: Individuals</u> served at The Bridge (across all services) - Demographic data is reported for unduplicated clients on the Monthly Performance Report)	8,600 Unduplicated Clients
	<u>Housing Attainment Services:</u> Unduplicated Clients Receiving Housing Attainment Services	1,450 Unduplicated Clients
Emergency (Day) Services	<u>Day Shelter Services:</u> Unduplicated Clients Receiving one or more Day Shelter Services (including Care Coordination)	8,650 Unduplicated Clients
	<u>Care Coordination:</u> Of total receiving Day Shelter Services, Unduplicated Clients Receiving Care Coordination	6,650 Unduplicated Clients
Transitional (Overnight) Services	<u>Night Shelter Services:</u> Unduplicated Clients Receiving Night Shelter Services	2,100 Unduplicated Clients

In addition to the above performance measures, Bridge Steps also agrees to report on the following additional metrics in the format provided in Exhibit F:

- Day Services – Unduplicated Count of Persons Who Self-Resolve/Divert from Homelessness (Homelessness is not required to be documented for self-resolved/diverted persons.)
- Day Services – Unduplicated Number Added to Continuum of Care Housing Priority List
- Day Services – Average Daily Client Count
- Night Services- Shelter Utilization Bed Nights
- Night Services – Average Length of Stay (in days) for Clients Exiting to any Destination (data used for outcome measure below)
- Night Services – Number of Engagement Encounters
- Night Services – Length of Stay in Housing Placement (less than 7 months; 7 months or more)

Outcome Measures

On a monthly basis, Bridge Steps will capture and report on the following outcome measures, compared to the goals shown below, on Exhibit F, Monthly Target Analysis, regardless of funding source.

Outcome Measure	Goal
<u>Housing Placements (Permanent Housing):</u> Unduplicated Clients exiting to permanent housing destinations	365 Unduplicated Clients
<u>Returns to Homelessness- Housing Placements Who Return to Shelter:</u> Percentage reduction in Housing Placements Who Return to The Bridge (using Oct count as the baseline)	20% Reduction (from Oct to Sept)
<u>Reduction in Average Length of Stay:</u> Percentage reduction in Average Length of Stay (using Oct average length of stay (in days) as the baseline)	3% Reduction (from Oct to Sept)

In addition to the above outcome measures, Bridge Steps also agrees to report on the following additional metric in the format provided in Exhibit F:

- Housing Placement (to Temporary/Transitional Housing)
- Unduplicated Housing Placements Who Return to The Bridge (within 7 months) (data used for outcome measure above)

Operational Report

In addition to demographic/performance/outcome reporting, Bridge Steps will also submit an operational report each month to include *significant* events or changes in operation during the month as shown below. These are reported on Exhibit F, Operational Report.

- Operational events or changes
- Actual or anticipated changes in revenue or expenses
- Actual or anticipated staffing changes or issues
- Law enforcement activity (at or around the facility)
- Complaints (by Clients, neighbors, or others)
- Issues arising under the Good Neighbor Policy

- Disciplinary actions or bans issued to Clients
- Operational barriers and actions taken to address those barriers
- Other issues

Monthly Partner Meetings

Bridge Steps agrees to participate in monthly partner meetings with the City of Dallas to review progress on performance and outcome measures, as well as operational matters.

Overview of Accomplishments

Bridge Steps will provide a written report with the "Final" Request for Payment (or Monthly Report) for the year that describes: (1) successes in meeting goals/objectives and outcome measures; and (2) any barriers that were encountered affecting those goals and outcomes and the actions taken to address those barriers. For reporting purposes, the "Final" Request for Payment is determined upon expiration of the fiscal year. This report is made on Exhibit F, Overview of Accomplishments.

Budget

The annual operating budget for The Bridge is included in Exhibit C, and is governed by the provisions of Section 7 of the Contract. The City's maximum contribution, and Bridge Step's minimum contribution, to the annual operating budget are outlined in Section 8 of the Contract.

Budget revisions are governed by Section 7 (paragraph H) of the Contract.

The City will pay HMIS Standard Costs for The Bridge. Bridge Steps shall be responsible for any HMIS Excess Costs (which may be paid of the annual operating budget and paid through Bridge Step's contribution). HMIS Standard Costs include the annual base project fee, variable quarterly Client volume fee, and variable quarterly data quality score fee for any quarter in which the project scores more than 8 points (i.e., Grade A or B or other comparable scoring threshold). HMIS Excess Costs means any incremental costs associated with HMIS user fees for a data quality score for any quarter in which a project scores less than 9 points (i.e., below Grade B or other comparable scoring threshold).

Annual Funding – Current Year

In Year 11 of the Contract, from October 1, 2017 through September 30, 2018 (except as noted below), Contractor's Program will be funded in part in the amounts described in this section.

City General Funds shall be provided not to exceed \$3,800,000 to support the Program during the period October 1, 2017 through September 30, 2018

Dallas County General Funds shall be provided in the amount of \$1,000,000 to support the Program during the period October 1, 2017 through September 30, 2018 for the purposes described and subject to the requirements of the Interlocal Agreement, attached hereto as **Exhibit H**. These funds will count towards Bridge Steps' required contribution to the HAC operating budget.

Texas Department of Housing and Community Affairs (TDHCA) Homeless Housing and Services Program (HHSP) Funds shall be provided in the amount of \$811,130 to support the Program during the period September 1, 2017 through August 31, 2018 (FY2018) for purposes described

and subject to the requirements of the TDHCA HHSP Contract Number 63180002757, attached hereto as **Exhibit I**.

Subject to Section 8 of the Contract, Contractor’s Program will be funded in the amounts described in this Exhibit A for the respective year. Funding sources and amounts may change during the term of this Contract and the amount of Funds provided pursuant to this Contract may be reduced in future years in accordance with this section. Each year, Exhibit A shall be amended to reflect the Funds available for that year, and the extent that services funded from particular sources may be subject to obligations described in separate contracts. The funding history of the Contract shall be maintained in this Exhibit A.

Diversification of Funding

As provided in Section 10 (paragraph G), of the Contract, Bridge Steps shall move toward sustainability through private philanthropic funding, and shall reduce the percentage of the HAC’s annual operating budget funded using moneys contracted under this Contract (regardless of funding source) (hereinafter referred to a “MSC Funds”). For purposes of determining MSC funds, all funds contracted under this Contract (regardless of funding source) shall be counted as MSC funds, except as provided below. The total MSC funds contributed to Bridge Steps shall not exceed the following percentages for the respective contract years:

Contract Year	Maximum Percentage
2017-18	MSC Funds will not exceed 85% of HAC annual operating budget; provided that, for this contract year only, Dallas County General Fund Pass-Through Funds (\$1 million) will not be included as MSC Funds in this calculation
2018-19	MSC Funds will not exceed 65% of HAC annual operating budget
2019-20	MSC Funds will not exceed 55% of HAC annual operating budget

The balance of monies needed to operate The Bridge shall be derived through Bridge Steps’ fundraising efforts. Nothing contained in this Section is intended to alter the City’s contribution toward to the HAC operating budget set forth in Section 8 of this Contract.

Funding Contingency Plan

Bridge Steps agrees to develop a contingency plan for operations at the HAC in the event of loss of one or more significant funding sources vital to fulfilling the purpose of the HAC within the homeless response system, and to update the plan at least annually. Bridge Steps agrees to provide a copy of the initial contingency plan to the City within 120 days of execution of this Contract and provide a copy of the latest contingency plan at the time of submission of approved Comprehensive Plan of Operations each year or, if earlier, upon request of City.

Program Income

Refer to Section 8 of the Contract regarding program income.

Exhibit A-1

**Annual Operating Budget
(Excluding In-Kind)
October 1, 2017 through September 30, 2018**

REVENUES*

Public Sources**		
City of Dallas - Local General Funds (Management Services Contract)	3,800,000	
Dallas County - Local General Funds (through City of Dallas)	1,000,000	
TDHCA - State HHSP Grant (through City of Dallas)	811,130	
TDSHS - State HHC Grant (through City of Dallas)	504,200	
FEMA - Emergency Food & Shelter Program (through United Way)	-	
HUD - City of Dallas - ESG Grant	-	
HUD - Dallas County - ESG Grant (through City of Dallas)	90,684	
HUD - TDHCA - ESG Grant	200,300	
	<u>6,406,314</u>	70.35%
Total - Public Sources		
Private Sources (refer to Fundraising Plan)		
Corporate Contributions	275,000	
Foundations	1,100,000	
Organizations	25,000	
Individuals/Small Business Contributions	200,000	
Special Events	1,100,000	
	<u>2,700,000</u>	29.65%
Total - Fund Development		
Other Income		
Other	-	
	<u>-</u>	0.00%
Total - Other Income		
	<u>9,106,314</u>	
TOTAL REVENUES		

EXPENSES

Personnel (refer to Staffing Plan)	4,703,095	52.22%
Supplemental Benefits (refer to Staffing Plan)	1,435,637	15.94%
Materials & Supplies	232,700	2.58%
Contractual	1,652,456	18.35%
Occupancy (e.g., Utilities, Maintenance)	559,442	6.21%
Other Expenses	423,183	4.70%
	<u>9,006,513</u>	
TOTAL EXPENSES		
	<u>99,801</u>	
NET SURPLUS (DEFICIT)		

***Revenue Analysis**

City of Dallas Funding Sources

62.61%	Management Services Contract Funds Through City of Dallas (as Percent of Total Revenues)
68.15%	Total Funding Contracted Through City of Dallas (as Percent of Total Revenue)

All Funding Sources

70.35%	Total Public Funding (as Percent of Total Revenues)
29.65%	Fund Development (as Percent of Total Revenues)

****Public Sources Key**

Agencies: TDHCA - Texas Department Housing and Community Affairs
TDSHS - Texas Department of State Health Services
FEMA - Federal Emergency Management Agency
HUD - U.S. Department of Housing and Urban Development

Grants: HHSP - Homeless Housing and Services Program
HCC - Healthy Community Collaborative
ESG - Emergency Solutions Grant

Exhibit A-1

**Budget Forecast
(Excluding In-Kind)**

October 1, 2018 through September 30, 2019

REVENUES*

Public Sources**		
City of Dallas - Local General Funds (Management Services Contract)	3,800,000	
Dallas County - Local General Funds (through City of Dallas)	1,000,000	
TDHCA - State HHSP Grant (through City of Dallas)	811,130	
TDSHS - State HHC Grant (through City of Dallas)	504,200	
FEMA - Emergency Food & Shelter Program (through United Way)	-	
HUD - City of Dallas - ESG Grant	-	
HUD - Dallas County - ESG Grant (through City of Dallas)	90,684	
HUD - TDHCA - ESG Grant	200,300	
	<u>6,406,314</u>	70.35%
Private Sources (refer to Fundraising Plan)		
Corporate Contributions	275,000	
Foundations	1,100,000	
Organizations	25,000	
Individuals/Small Business Contributions	200,000	
Special Events	1,100,000	
	<u>2,700,000</u>	29.65%
Other Income		
Other	-	
	<u>-</u>	0.00%
	<u>TOTAL REVENUES</u>	<u>9,106,314</u>

EXPENSES

Personnel (refer to Staffing Plan)	4,703,095	52.22%
Supplemental Benefits (refer to Staffing Plan)	1,435,637	15.94%
Materials & Supplies	232,700	2.58%
Contractual	1,652,456	18.35%
Occupancy (e.g., Utilities, Maintenance)	559,442	6.21%
Other Expenses	423,183	4.70%
	<u>TOTAL EXPENSES</u>	<u>9,006,513</u>
	<u>NET SURPLUS (DEFICIT)</u>	<u>99,801</u>

***Revenue Analysis**

City of Dallas Funding Sources		
62.61%	Management Services Contract Funds Through City of Dallas (as Percent of Total Revenues)	
68.15%	Total Funding Contracted Through City of Dallas (as Percent of Total Revenue)	
All Funding Sources		
70.35%	Total Public Funding (as Percent of Total Revenues)	
29.65%	Fund Development (as Percent of Total Revenues)	

****Public Sources Key**

Agencies: TDHCA - Texas Department Housing and Community Affairs
TDSHS - Texas Department of State Health Services
FEMA - Federal Emergency Management Agency
HUD - U.S. Department of Housing and Urban Development

Grants: HHSP - Homeless Housing and Services Program
HCC - Healthy Community Collaborative
ESG - Emergency Solutions Grant

Exhibit A-2

Staffing Plan

October 1, 2017 through September 30, 2018

POSITIONS AND SALARY

Note: The positions below represent those that are anticipated to be filled to provide services during FY2017-18; a change in needs or operating conditions may necessitate a change in staffing.

Function	Brief Description of Function	PLANNED # Positions	Position Titles	PLANNED # FTEs	Average Annual Salary	Total Salary Budget
Safety	Provides protection, safeguarding, and security of the guest, volunteers, visitors, and staff of Bridge Steps	1	Safety Manager	25	\$35,825	\$895,625
		2	Safety Supervisor			
		1	Assistant Safety Supervisor			
		1	Associate Safety Coordinator			
		1	Lead Safety Officer			
		19	Safety Officer			
Intake/Assessment	Provides triage assessments and links guests to services through intake, outreach, and scheduling opportunities. They work in partnership with Peer Support Associates and Care Manager Associates to ensure guests have access to on-site services, such as meals, showers, mail, locker storage, personal care, intake/case management and partner services.	1	Triage/Intake Coordinator	8	\$41,153	\$329,224
		7	Triage/Intake Specialist			
Peer Support	Provides a variety of recovery-oriented services to facilitate greater independent, community integration, and recovery from homelessness.	1	Peer Support Services Coordinator	11	\$34,191	\$376,101
		10	Peer Support Specialist			
Care Management	Provides care management, information and referral, shelter seeker services, health and behavioral health coordination, income seeker services, and housing seeker services for clients accessing services at The Bridge.	1	Intensive Homeless Recovery Mgr	20	\$46,420	\$928,400
		1	Homeless Recovery Manager			
		9	Intensive Care Manager			
		8	Care Management Associate			
		1	Care Management Associate Asst			
Facilities Maintenance	Provides daily cleaning, along with routing and preventive maintenance of the campus facility and grounds	1	Facilities Manager	15	\$32,900	\$493,500
		1	HVAC Technician			
		1	Facilities Plumber			
		1	Facilities Technician			
		11	Maintenance Technician			
Human Resources	Responsible for staff recruitment and hiring, oversees employee benefits, and ensures compliance with applicable labor laws.	1	Human Resources Director	2	\$68,880	\$137,760
		1	Human Resources Coordinator			
Information Technology	Maintains computer network, email system, computer equipment, and software utilized by the organization	1	IT Administrator	1	\$67,500	\$67,500
Fund Development	Responsible for fund development activities from non-public sources (individuals, corporations, foundations).	1	Development Director	3	\$65,639	\$196,917
		1	Development Manager			
		1	Community Relations & FR Admin			
Facility Operations	Provides administrative support for all shelter operation activities	1	Operations Administrator	1	\$73,500	\$73,500
Services Admin & HMIS	Responsible for ensuring the accuracy and timely reporting of program services data	1	Services Administrator	2	\$72,188	\$144,376
		1	Research Analyst & HMIS Admin			

Function	Brief Description of Function	PLANNED # Positions	Position Titles	PLANNED # FTEs	Average Annual Salary	Total Salary Budget
Accounting/Grants/Procurement	Responsible for all accounting and financial functions, including accounts payable, payroll, cash management, grants administration, and procurement.	1	Accounting Manager	4	\$66,500	\$266,000
		1	Contracts & Procurement Manager			
		1	Staff Accountant			
		1	Financial Clerk			
Volunteer/Communications	Responsible for publicizing volunteer opportunities and recruitment according to departmental and organizational needs. They also train and track volunteer service.	1	Community Outreach Coordinator	1	\$61,183	\$61,183
Administrative Staff	Provides administrative support for management and the organization overall.	1	Executive Assistant	1	\$50,000	\$50,000
Officers	Responsible for overall management of the organization.	1	Chief Executive Officer	4	\$134,625	\$538,500
		1	Chief Operating Officer			
		1	Chief Financial Officer			
		1	Chief Services Officer			

98

98 PLANNED SALARY \$4,558,586
Market Changes/Bonus/Contingencies \$144,509

TOTAL SALARY \$4,703,095

SUPPLEMENTAL BENEFITS

Bridge Steps supplemental benefits package includes the employer cost for: Medical, Dental, Life, Disability, Retirement, FICA/Medicare, Workers Compensation

TOTAL BENEFITS \$1,435,637

TOTAL PERSONNEL BUDGET

TOTAL PERSONNEL BUDGET \$6,138,732

Non-Staff Service Providers

The following contractors/vendors provide direct services or essential functions on-site at The Bridge:

<u>Service</u>	<u>Contractor/Service Provider</u>
Meals	First Presbyterian Church (Stewpot)
Safety/Security	Maximum Crime Protection
Barber	Sacrenette Moore

Exhibit A-3

Bridge Steps

Private Fundraising Plan October 1, 2017 through September 30, 2018

Corporate Contributions

- Provided through unsolicited and solicited gifts, as well as pledge payments.
- The Bridge forecasts a \$275,000 projection in contributions from corporations

Foundations

- The Bridge actively manages a strategic schedule of cultivating and establishing new prospects, grant-writing, and grant reporting.
- The Bridge is a beneficiary of Dallas Morning News Charities, and contributions from the DMN Charities campaign come to The Bridge from a community foundation.
- The Bridge forecasts a \$1.1M projection in contributions from foundations.

Organizations

- The Bridge submits annual applications to various employee-giving campaigns across the city, state and federal levels.
- The Bridge forecasts a \$25,000 projection in contributions from organizations, such as giving campaigns.

Individuals

- Our Annual Fund program, which encompasses end-of-year giving efforts, has a goal of \$100,000.
- The Bridge's Annual Fund program will be a direct mailed as well as digitally mailed piece for a strategic selection of The Bridge's database.
- The Bridge's Annual Fund will run from December 2017 – May 2018.
- The Bridge maintains recurring (monthly) donors.
- The Bridge forecasts a \$200,000 projection in contributions from solicited individuals (Annual Fund) and unsolicited individuals throughout the fiscal year.

Special Events

- The Bridge will celebrate **10 years of homeless recovery** in May 2018.
- Previous years, The Bridge's major fundraising event was a breakfast fundraiser, which generated approximately \$400K net revenue.
- The Bridge is in the process of planning an evening fundraising event, chaired by a new Board Member with a noteworthy city presence, that The Bridge anticipates will net \$700K in revenue.

Total Projection: \$2,700,000

Exhibit A-4

Bridge Steps Management Services Contract, Phase II (Amended and Restated)

Good Neighbor Requirements

Bridge Steps will operate the HAC in a manner that is respectful of its neighbors and surrounding community, and will use its best efforts to abate quality of life nuisances within the boundaries defined in this Exhibit (the "Good Neighbor Boundary"). Bridge Steps acknowledges the importance of establishing and maintaining positive relationships with neighbors, and preserving safety and well-being of all in the neighborhood. Bridge Steps will expect its staff and guests to show respect for their neighbors by obeying all laws and community standards. Bridge Steps will respond quickly to any questions or concerns from neighbors and provide contact information whenever requested.

Good Neighbor Requirements:

At a minimum, Bridge Steps will:

- Continue its current Good Neighbor activities, consisting of the following:
 - Providing safety and maintenance services for businesses adjacent to the HAC through execution of Good Neighbor Agreements
 - Working closely with the Dallas Police Department and Downtown Dallas, Inc. to reduce crime
 - Coordinating neighborhood clean-up events with volunteer and Clients
 - Requiring eligible Clients to participate in community services activities

- Ask Clients (and others who visit the facility) to abide by a Good Neighbor Policy that includes:
 - No littering, loitering, yelling or fighting, weapons, or panhandling, in the neighborhood.
 - No purchasing/selling of drugs or drug paraphernalia or prostitution in the neighborhood.
 - No harassing or disturbing neighbors, businesses, or other people in the neighborhood

- Engage neighborhood bodies representing The Cedars, Farmers Market, and Central Business District, with the goal of executing Good Neighbor Agreements that address, at minimum, the following matters:
 - Security measures implemented, or to be implemented, by Bridge Steps for the facility and premises;
 - Maintaining the facility and premises free of litter, garbage, refuse, and rubbish;
 - Compliance with occupancy limits of the facility and addressing overflow guests or potential guests
 - Dealing with persons under the influence of alcohol or drugs, or in possession of drugs and/or weapon(s).
 - Dealing with those loitering outside the facility and premises
 - Reporting obligations for observed, known, or suspected criminal activity and/or code violations in or around the facility and premises

- Working with the neighborhood on crime prevention and crime reduction efforts, including an agreed-upon process for meeting and engaging with representatives of the neighborhood to discuss concerns of the neighborhood
- Process for accepting and addressing written and verbal complaints or concerns (including a timeline for response)

Documentation of Bridge Steps engagement with these neighborhood bodies will include:

- (1) Copies of executed Good Neighbor Agreements, or
- (2) If, after good faith negotiation with the neighborhood body, Bridge Steps presents a signed Good Neighbor Agreement to the neighborhood body that reflects the matters that, at minimum, Bridge Steps can commit to without additional funding, but the neighborhood body refuses or declines to sign the agreement, Bridge Steps will provide a copy of the agreement signed by Bridge Steps with a cover letter outlining the specifics of the negotiations (dates, times, persons involved).

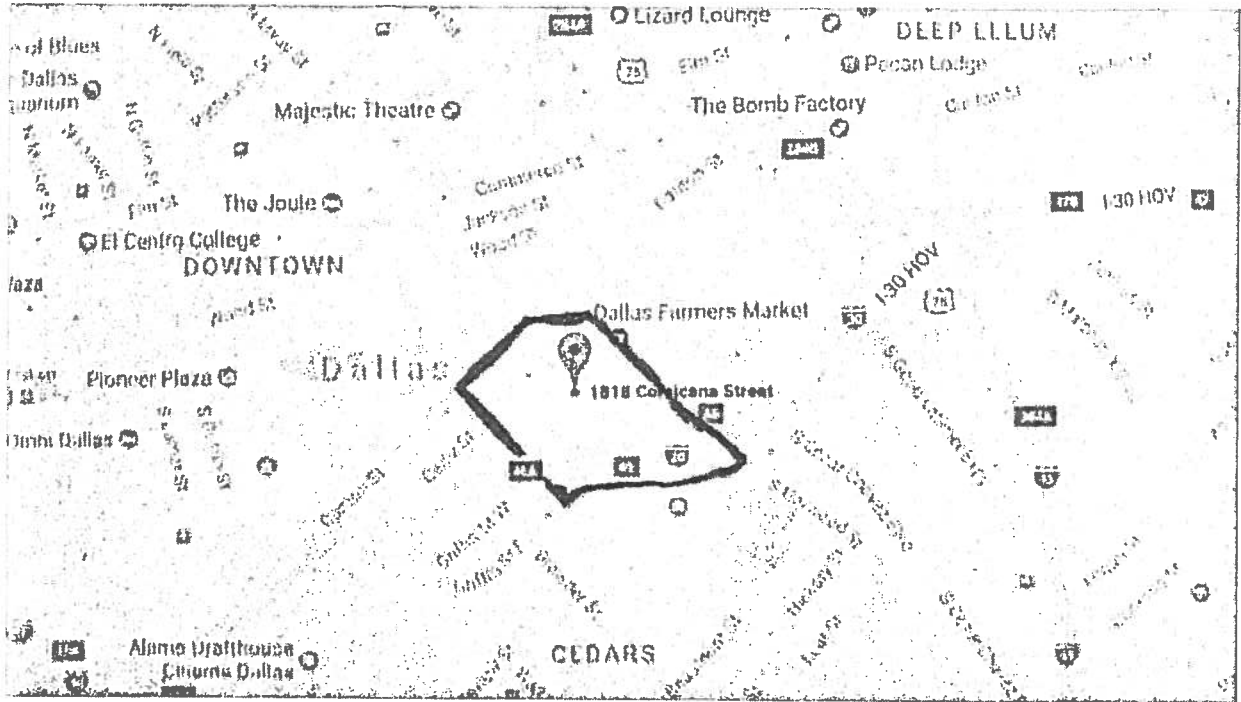
For matters to which the parties are unable to agree or that may require additional funding, the parties may include those matters in a separate document signed by both parties as a joint recommendation for possible or proposed action by the City, County, or any of their advisory bodies.

- Provide copies of the Good Neighbor Agreements entered into pursuant to the preceding section, as well as any other existing Good Neighbor Agreements, and any copies of any joint proposals signed by the parties, to the City within 90 days following execution of this Contract. Subsequently Bridge Steps will provide copies of all Good Neighbor Agreements (and any revisions thereto) entered into the neighborhood body within 90 days following execution of such agreement.
- Deploy at least two (2) current staff members to perform, among their other duties, street engagement on a daily basis, during the week and on weekends, to engage with shelter adverse individuals who are found within the Good Neighbor Boundary, and maintain a count of those activities for reporting purposes.
- Follow all applicable laws and procedures when observing and reporting quality of life offenses.

The parties acknowledge that no additional or alternative funding will be provided by the City for these Good Neighbor activities, unless authorized by City Council or Administrative Action.

Good Neighbor Boundary:

The Good Neighbor Boundary shall include a radius around The Bridge perimeter bounded by Canton Street (north), Ervay Street (south), Harwood Street (east), and Griffin Street (west). See attached map.



Memorandum



CITY OF DALLAS

DATE January 26, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Status Update on Citizen Concerns Related to Homeless Encampment**

This memo is in response to homeless encampment concerns raised by three speakers during the open microphone session of City Council's meeting on January 24th. The referenced homeless encampment area is bound by Stemmons Trail, West Northwest Highway and Storey Lane.

On January 18, 2018, after outreach and engagement of the homeless individuals by the Office of Homeless Solutions staff, the public property was cleared. Unfortunately, the encampment and largest concentrations of trash and bulk items are on private property located at 2300 Storey Lane and 2397 Stemmons Trail. Both properties are owned by one individual.

The Code Compliance Department officer inspected the encampment area on January 25, 2018. Notices of violation for litter were issued to the property owners at 2300 Storey Lane, 2397 Stemmons Trail and 2380 W. Northwest Highway. The property owners must abate the nuisance before the reinspection which is scheduled for February 1, 2018. Failure to comply will result in the properties being referred to nuisance abatement for clean-up on February 2, 2018. Assigned street outreach workers will continue to patrol the area and make every effort to connect individuals residing at the site with shelter and other identified services.

Should you have any questions or require an individual briefing, please let me know. Additional updates may be provided by Kris Sweckard, Director of Code Compliance.

A handwritten signature in blue ink, appearing to read 'Nadia I. Chandler-Hardy'.

Nadia I. Chandler-Hardy
Chief of Community Services

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Biliera Johnson, City Secretary (Interim)
Daniel F. Solis, Administrative Judge
Kimberly Bizar Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jo M. (Jody) Puckett, Assistant City Manager (Interim)
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Memorandum



CITY OF DALLAS

DATE January 26, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Monthly Interagency Transportation Report**

As requested by Councilmember Kleinman at the City Council meeting on Jan. 24, 2018, we will begin sharing the monthly Interagency Transportation Report (ITR) prepared for the Mobility Solutions, Infrastructure and Sustainability (MSIS) Committee with the full City Council.

The ITR for January 2018 is attached for your review. This report was prepared for the MSIS Committee meeting on Jan. 22, 2018, and contains updates on recent activities by the following entities:

- Regional Transportation Council (RTC)
- Texas Department of Transportation (TxDOT)
- North Texas Tollway Authority (NTTA)
- Dallas Area Rapid Transit (DART)
- Dallas Regional Mobility Coalition (DRMC)
- Dallas-Fort Worth (DFW) International Airport
- High-Speed Rail (HSR) project team

Please feel free to contact me if you have any questions or concerns.

A blue ink signature of Majed A. Al-Ghafry, written in a cursive style.

Majed A. Al-Ghafry
Assistant City Manager

[Attachment]

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billierae Johnson, City Secretary (Interim)
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Interagency Transportation Report RTC / TxDOT / NTTA / DART / DRMC / DFW Airport / HSR January 2018

Regional Transportation Council (RTC)

Federal Agencies Certify North Texas Transportation Planning. The federal government recognizes three urbanized areas within the North Texas Region – (1) Dallas-Fort Worth-Arlington, (2) Lewisville-Denton and (3) McKinney – for the purpose of conducting transportation planning activities. The RTC (policy) and NCTCOG (staff) oversee the planning process for all three areas. The Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) conducted their once-every-four-years review and have certified that our region meets federal transportation planning requirements.

Equitable Transit Access. The RTC committed up to \$1 million to study and fund a program to support affordable transit fares for citizens who are least able to afford transportation services – e.g., low income, elderly, and disabled. This would be a region-wide effort with partners that would include cities, counties, transit agencies, and social service agencies. The \$1 million commitment is intended to show that the RTC is serious about addressing this issue and wants to partner with other agencies. The specific source of the funding has not been identified and would be dependent on how the program is structured. This project is not directly related to Dr. Hamidi's (University of Texas at Arlington) work on transportation equity that was done in conjunction with the City's "Resilient Dallas" effort. However, it presents an opportunity for the City of Dallas to help shape the program so that it enhances equitable transportation access.

General Motors and the Modern People Mover. NCTCOG has been developing the concept of a "modern people movers" over the past 2-3 years as a transportation mode to enhance access and circulation for urban activity centers in the region. The RTC endorsed, in concept, a proposal to use the General Motors assembly plant in Arlington as a potential test track that could show proof of concept for a modern people mover while also serving a specific transportation need, i.e., connecting the GM plant with their shipping railhead which are on opposite sides of SH 360. Project specifics, including funding, would require additional RTC approvals. The two areas in the City of Dallas that are currently identified as potential locations for future people mover projects are the Midtown project in the Galleria/Valley View area, and the Medical District area.

STBG Funding Program: Federal / Local Funding Exchanges. The RTC approved a Surface Transportation Block Grant (STBG) funding program designed to swap "federal funding" for a project in exchange for "local funding" from the implementing agency. Since the RTC does not generate local funding on its own, this is a way for the RTC to accumulate local funds that can be used to implement NCTCOG projects and/or programs without the additional requirements that come with the use of federal funding. This round of Federal / Local Exchanges did not involve any projects in the City of Dallas.

Texas Department of Transportation (TxDOT)

Update on TTC "Big Projects" Initiative and IH 635 LBJ East Project. Now that the Texas Transportation Commission (TTC) has taken a step back from their "Big Projects" initiative by rejecting the use of toll managed lanes as a mechanism to help fund large projects, local attention has become focused on working with the Commission to keep the IH 635 LBJ East

project moving. The use of toll managed lanes on the LBJ East project are strongly supported by the North Texas community and are needed to adequately fund the project. The Commission is being encouraged to approve the design-build procurement for LBJ East as soon as possible so that the design can proceed while the funding issues continue to be worked out. Local transportation leaders, including City of Dallas representatives, are planning to attend the January 25th TTC meeting in Austin to voice their support for the project as well as the need to include toll managed lanes as a funding mechanism. At the time this report was compiled, the TTC had not posted their agenda for the January meeting.

Southern Gateway Construction. The \$666 million reconstruction of IH 35E and US 67 from downtown to IH 20 is ready to get underway. TxDOT and the City of Dallas are coordinating on a date in late February or early March for a ceremony to commemorate the start of construction.

North Texas Tollway Authority (NTTA)

Roadside Assistance – Call #999. The NTTA has initiated a new way to call for roadside assistance on any toll facility in the region. The agency receives over 40,000 calls per year for motorist assistance, debris in the roadway, and abandoned cars. Drivers can dial #999 on their mobile phone, and be connected directly to the NTTA Safety Operations Center which can dispatch NTTA Roadside Safety Services crews or DPS Troopers. The NTTA is in the process of installing new signs along their roadways advising drivers of the new, easy-to-remember number.

Annual NTTA Board Retreat. The NTTA Board held its annual retreat on January 19th and 20th at Beaumont Ranch in Grandview, Texas. The agenda included a review of 2017 achievements, department-by-department updates on 2018 priorities, and a discussion of agency strategic goals and objectives.

Dallas Area Rapid Transit (DART)

Transit Fare Structure and Increases. The Board had an extended discussion at their retreat on January 5th about proposed revisions to DART's fare structure and price increases. According to Board policy, the agency reexamines fares every five years. Some of the key points from the staff recommendation and board discussion were:

- Across-the-board 20% price increase except Mid-day pass increase of 14%, change to AM/PM passes from two-hour, and paratransit increase from \$3 to \$3.50.
- Retain current ratios: monthly pass = 16 day passes; annual pass = 10 monthly passes; annual corporate pass = 75% of annual pass; regional pass = 2 times a local pass – except regional reduced fares will remain ½ the local fare.
- Reintroduce a single-ride fare for bus service at \$2.50 – the price of the two-hour pass today.
- Reduced fare for high school students would be expanded from Monday through Friday to the full week.
- Trade school students would remain in the reduced fare program.
- Mid-day pass availability would be extended to weekends.
- Reduced fares remain regional passes.

A new payment system will be introduced using contactless payment cards available at retail locations throughout the service area. The payment cards will reduce the number of cash

transactions, improve ridership counting, and allow single payment riders to take advantage of lower monthly pass prices through fare-capping. It was also noted that DART currently offers a reduced fare for individuals and families who qualify as low income under the State's Temporary Assistance for Needy Families (TANF) program. The Board indicated that they want to have further discussion about reduced fares for low income persons as part of the 2019 Budget and 20-Year Financial Plan work this summer.

Dallas Regional Mobility Coalition (DRMC)

Texas Transportation Commissioner (TTC) Victor Vandergriff was the speaker for the Friday, January 5th DRMC meeting. Mr. Vandergriff represents the interests of North Texas on the Commission. He was appointed by former Governor Rick Perry and is nearing the end of his term. Mr. Vandergriff's appearance was timely because of the TTC's recent position against the use of toll managed lanes on new projects and its effect on the implementation of the IH 635 LBJ East and Skillman/Audelia bridge projects. He spoke candidly to the DRMC about the difficulty of getting TTC approval for projects that have any toll component because of the political climate at the state level. He advised local transportation leaders to continue to make the case for additional transportation funding and financing tools, encouraged representatives to have a strong presence at the January 25th TTC meeting in Austin, and indicated the need to aggressively mobilize citizen voters that support transportation projects like the LBJ East project.

The City of Dallas has four positions on the DRMC Executive Board. Council member Casey Thomas will be joining the DRMC as the City's fourth representative, joining Lee Kleinman, Sandy Greyson, and Adam McGough. Mr. Kleinman currently serves as co-chair.

Dallas-Fort Worth International Airport (DFW Airport)

Federal Grant Funds for Runway Rehabilitation. DFW Airport will rebuild and install new technology on one of its busiest runways thanks in part to federal grant funds. DFW has received two grants for airfield improvement from the Federal Aviation Administration (FAA) totaling over \$52 Million. The bulk of the Airport Improvement Program (AIP) grants, about \$49.5 Million, will be used for refurbishment of Runway 17-Center/35-Center and associated taxiway improvements. In addition, \$2.6 Million will help fund a lighting upgrade for the terminal ramp areas. The rehabilitation project is scheduled to take place in mid-2018. The runway will close for about four months, but DFW's six additional runways will allow a full schedule of flight operations. Customers should not see significant air traffic delays due to the closure.

New Duty-Free Center Opens. DFW Airport recently opened its new, two-story, duty-free center in Terminal D. This state-of-the-art center is being recognized as the biggest duty-free shopping space in the Americas and will provide a transformative customer experience for all travelers who come through DFW. The duty-free center will feature name brands such as Dior, Chanel, Armani, and locally-made TX Whiskey. The duty-free center is the latest initiative by the airport to improve the customer experience.

High Speed Rail (HSR)

FRA Releases Dallas-Houston HSR DEIS. The Federal Railroad Administration (FRA) has released its Draft Environmental Impact Statement (DEIS) for the Dallas-to-Houston high-speed rail (HSR) project. The FRA is the lead federal agency for the environmental review process; Texas Central Railway (TCR) is the private entity that would construct and operate the system.

The report identifies a single preferred route between North Texas and Houston, with a midway stop in the Brazos Valley. Written comments concerning the DEIS must be provided to the FRA on or before February 20, 2018. The FRA will conduct a series of public hearings in ten counties along the route between January 29th and February 6th. The Dallas County meeting will be held on Monday, January 29, 2018, 5 p.m. to 9 p.m. at Wilmer-Hutchins High School, 5520 Langdon Road. The meeting will begin with an open house where the public can interact with FRA and TCR staff, followed by a formal presentation and comment period that begins at 6 p.m.

Memorandum



DATE January 26, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **City License Applications**

Attached is a list of the most recent Dance Hall and/or Sexual Oriented Business applications received for the week of January 15-22, 2018 by the Strategic Deployment Bureau Licensing Squad of the Dallas Police Department.

Please have your staff contact Sergeant Lisette Rivera, #7947 at (214) 670-4811 and/or by email at lisette.rivera@dpd.ci.dallas.tx.us should you need further information.



Jon Fortune
Assistant City Manager

[Attachment]

cc: T.C. Broadnax, City Manager
Larry Casto, City Attorney
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Weekly License Application Report

January 15, 2018 - January 22, 2018

<i>BEAT</i>	<i>DIST.</i>	<i>NAME OF BUSINESS</i>	<i>ADDRESS</i>	<i>LICENSE</i>	<i>STATUS</i>	<i>LATE HOUR</i>	<i>DATE</i>	<i>APPLICANT</i>
521	6	Stereo Live	2711 Storey Lane	Dance Hall-A	NEW	NO	01/17/2018	Long, Michael
546	14	Roundup Saloon	3912 Cedar Springs Rd	Dance Hall-A	Renewal	NO	01/22/2018	Miller,Gary
515	6	Mockingbird Video	708 W Mockingbird Ln	SOB	Renewal	NO	01/16/2018	Coorlas,Peter

License Definitions: ***DH - Class "A" -Dance Hall - Dancing Permitted 3 Days Or More A Week***
DH - Class "B" Dance Hall - Dancing Permitted Less Than Three Days a Week
DH - Class "C"Dance Hall - Dancing Scheduled One Day At A Time
DH - Class "E" Dance Hall - Dancing Permitted Seven Days A Week for Persons Age 14 through Age 18 Only
LH - Late Hours Permit - Can Operate A Dance Hall Until 4:00
BH - Billiard Hall - Billiards Are Played
SOB - Sexually Oriented Business - Adult Arcade / Adult Book/Video Store / Adult Cabaret / Adult
Adult Theater / Escort Agency / Nude Model Studio

Tuesday, January 25, 2018

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