

Memorandum



CITY OF DALLAS

DATE September 10, 2018

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

SUBJECT **Bridge Steps Management Services Contract**

Background

On December 13, 2017, by Council Resolution 17-1865, City Council authorized the amended and restated Management Services Contract, Phase II (“MSC” or “Contract”), with Bridge Steps, for continued operation, programming, and management of The Bridge Homeless Assistance Center (“HAC”), as a low-barrier, housing-focused shelter committed to ending and preventing homelessness, with continued emphasis on using the Homeless Management Information System (“HMIS”) to record and report client and services data, and increased emphasis on fundraising and financial sustainability. By floor amendment, the end date for the first contract renewal term was accelerated from September 30, 2020 to September 30, 2018, with a second five-year renewal term, if the City elects, to begin on October 1, 2018 and end of September 30, 2023.

Status

On December 8, 2017 and January 26, 2018, staff briefed City Council by memorandum on key negotiated terms of the MSC designed to increase accountability and transparency relating to services 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 Response System Effectiveness issued on December 8, 2017. Please see an [update](#) on those key provisions.

Financial Expectations	Status
<p><u>Fundraising/Sustainability:</u> Bridge Steps will move toward sustainability through private philanthropic funding and reduce the percentage of HAC’s annual operating budget funded under the MSC. Total MSC funds contributed by the City to Bridge Steps will not exceed the following percentages:</p> <ul style="list-style-type: none"> • FY2017-18 – MSC Funds will not exceed 85% of HAC annual budget • FY2018-19 – MSC Funds will not exceed 65% of HAC annual budget • FY2019-20 – MSC Funds will not exceed 55% of HAC annual budget 	Fully implemented
<p><u>Financial Management:</u> Bridge Steps will:</p> <ul style="list-style-type: none"> • Submit a proposed annual comprehensive plan for operations, including an annual operating budget, staffing plan, and fundraising plan by February 2 • Take steps to mitigate the risk of financial loss by monitoring credit worthiness of banking institutions where funds are deposited • Submit copies of bank statements for all accounts related to the HAC • Maintain a minimum cash reserve in a separate account, equal to the lesser of 2 months expenses or \$1,500,000 • Execute a new pledge agreement for the \$175,000 Treasury Bill (provided in lieu of bond) 	Fully implemented and in compliance based on staff desk reviews of monthly reports (current as of June 30, 2018)

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Service and Data Expectations	Status
<p><u>Best Practices:</u> Bridge Steps will follow best practices for emergency shelters, including shelter first/housing first approach; immediate and low barrier access; safe and appropriate diversion; housing-focused, rapid exit services; client-centered care, and using data to measure performance.</p> <p><u>HMIS:</u> Bridge Steps will participate in the local HMIS system. Bridge Steps will provide monthly reports from the HMIS system to document, and note any discrepancies in the HMIS data compared to Bridge Steps internal systems and efforts to resolve those discrepancies with the HMIS lead agency (MDHA).</p>	<p>Fully implemented and HMIS compliant based on staff desk reviews of monthly reports (current as of June 30, 2018)</p>

Good Neighbor Expectations	Status
<p><u>Good Neighbor Commitment:</u> On an ongoing basis, Bridge Steps commits to:</p> <ul style="list-style-type: none"> • Operate the HAC in a manner that is respectful of its neighbors and surrounding community, and use its best efforts to abate quality of life nuisances. • Acknowledge the importance of establishing and maintaining positive relationships with neighbors, and preserving safety and well-being of all in the neighborhood. • Expect its staff and guests to show respect for their neighbors by obeying all laws and community standards. • Respond quickly to any questions or concerns from neighbors and provide contact information whenever requested. <p><u>Good Neighbor Agreements:</u> Bridge Steps agreed to engage neighborhood bodies representing The Cedars, Farmers Market, and Central Business District, with the goal of executing Good Neighbor Agreements. Documentation of this engagement would include:</p> <ul style="list-style-type: none"> • Copies of executed Good Neighbor Agreements, or • If, after good faith negotiation with the neighborhood body, the neighborhood body refuses or declines to sign an agreement, Bridge Steps will provide written documentation of the negotiations. <p>Bridge Steps provided copies of the following Good Neighbor Agreements:</p> <ul style="list-style-type: none"> • Neighborhood Safety and Maintenance Services Agreement with Hines Nut Company • Neighborhood Safety and Maintenance Services Agreement with Millet the Printer • Partner Agreement with Dallas IDIS / CityLab High School • Neighborhood Safety and Maintenance Services Agreement with 1701 Cadiz Street property owner <p>Bridge Steps also provided written documentation of their efforts to engage with neighborhood bodies representing The Cedars, Farmers Market, and Central Business District in a letter to the City dated April 20, 2018.</p> <ul style="list-style-type: none"> • On March 6, Bridge Steps staff met with representatives from the Downtown Dallas Neighborhood Association (“DDNA”), who expressed that they felt a written agreement was unnecessary. • The neighborhood bodies representing The Cedars and Farmers Market declined to meet with Bridge Steps, without staff from the Office of Homeless Solutions and City Attorney’s Office present. During the months of April and May, several meetings were held among the neighborhood groups, Bridge Steps’ Board members and staff, and City of Dallas staff (including Office of 	<p>In compliance</p>

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Homeless Solutions, City Attorney’s Office, Dallas Police Department, and Code Compliance). While discussions were helpful, no written agreements have resulted.	
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Performance Measures and Outcomes	Status
Bridge Steps will report monthly on progress toward meeting the performance and outcome goals, as follows: <ul style="list-style-type: none"> • Overall Unduplicated Persons Served: 8,600 persons (5,711 persons YTD) • Housing Attainment Services: 1,450 persons (2,350 persons YTD) • Unduplicated Persons in Day Services: 8,600 persons (5,711 persons YTD) • Unduplicated Persons in Night Shelter: 2,100 persons (1,863 persons YTD) • Permanent Housing Placements: 365 persons (227 persons YTD) • Night Services – Returns to Homelessness within 7 months: 20% reduction (4 of 365 persons placed in housing returned to homelessness in 7 months) • Night Services – Reduction in Average Length of Stay: 3% reduction (reduced from 224 days to 137 days YTD) 	Fully implemented and in compliance based on staff desk reviews of monthly reports (current as of June 30, 2018)

Upcoming Action

The Bridge Steps Management Services Contract Second Renewal Option through September 30, 2023 provides FY18-19 funding in the amount of \$4,470,000; includes new Good Neighbor provisions; and provides \$235,000 for pay-to-stay shelter beds as part of Track 1 of Homeless Solutions Strategy. Staff briefed Human and Social Needs on September 4, 2018 and Citizen Homelessness Commission on September 13, 2018. Staff expects to seek City Council approval for the second five-year renewal period and funding for the upcoming FY2018-19 contract period on the September 26 agenda.

Please contact Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer, or Monica Hardman, Managing Director, with any additional questions or concerns.

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

Nadia Chandler Hardy
Assistant City Manager and Chief Resilience Officer

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

- Majed A. Al-Ghafry, Assistant City Manager
- Jon Fortune, Assistant City Manager
- Joey Zapata, Assistant City Manager
- M. Elizabeth Reich, Chief Financial Officer
- Directors and Assistant Directors