

Memorandum



CITY OF DALLAS

DATE May 10, 2019

TO Honorable Mayor and Members of the City Council

SUBJECT **Office of Homeless Solutions Strategy Update: Inclement Weather Shelters and Track 4 Bond Sites**

Summary

Attached is a briefing presentation on Office of Homeless Solution (OHS) Strategy Update: Inclement Weather Shelters and Track 4 Bond Sites. OHS requests direction from full City Council on staff recommendations.

Background

OHS briefed full City Council on Inclement Weather on April 17, 2019 and was directed to return to the next available City Council briefing with recommendations for clarifying the inclement weather season, programmatic operations, and specific recommendations to amend Chapter 51A. City staff recommends an amendment to Chapter 51A Dallas City Code to establish a temporary inclement weather shelter use. This will allow for inclusion of all interested and qualified operators/vendors and locations. The Citizen Homelessness Commission (CHC) also convened a special called meeting on Thursday, May 2, 2019, to discuss staff's recommendation regarding inclement weather sheltering. At that meeting, the Commission amended its original recommendation to issue a Request for Qualifications (RFQ) and to work with City staff to develop amendments to Chapter 51A.

On August 1, 2018 OHS briefed full City Council on Homeless Solutions Strategy which included Track 4: New Development of Supportive Housing Units. OHS has identified nine (9) properties (City-owned, other publicly-owned, and privately-owned sites) for consideration and requests direction from City Council on options to utilize the \$20 million bond funding.

Should you have any questions or concerns, please contact myself or Monica Hardman, Director of Office of Homeless Solutions.



Nadia Chandler Hardy

Assistant City Manager and Chief Resilience Officer

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer 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
Michael Mendoza, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors

Office of Homeless Solutions Strategy Update: Incremental Weather Shelters and Track 4 Bond Sites

**City Council Briefing
May 15, 2019**

**Monica Hardman, Director
Office of Homeless Solutions**

**Nadia Chandler-Hardy
Assistant City Manager
Chief Resilience Officer**



Inclement Weather Shelters



Inclement Weather Shelter Agenda

- City Council Feedback
- Inclement Weather Definitions and Duration
- City Staff Recommendation
- CHC Recommendation
- Next Steps



City Council Feedback and Direction

- City Council expressed support for the operation of inclement weather shelters
- Several Councilmembers asked OHS to look at a different process that would not change Chapter 51A
- City Council expressed desire for OHS to propose recommendations that would allow for faith based organizations to participate
 - Several Councilmembers expressed City eliminate SUP fee (approximately \$1,200) for churches or have a sliding scale based on size of faith based organization
- Mayor Rawlings directed the City Manager to work with OHS on specific recommendations to revise Chapter 51A
- City Council asked OHS to define inclement weather and duration timeframes

Inclement Weather Definition and Triggers

- Inclement Weather:
 - Actual temperature less than 36 degrees
 - Actual temperature more than 100 degrees during day with evening temperatures above 80 degrees
- Duration:
 - December 1 through March 1 when temperatures are forecasted to be below 36 degrees
 - June 1 through September 1 when temperatures are forecasted to be above 100 degrees during day with evening temperatures above 80 degrees

OHS Due Diligence

- OHS analyzed four main options over the past year:
 - Overnight General Purpose Shelter Chapter 51A amendment
 - City Council Resolution
 - Accessory Uses Chapter 51A amendment
 - Amendment to Chapter 51A to establish a temporary inclement weather shelter use
- City staff recommendation is Amendment to Chapter 51A to establish a temporary inclement weather shelter use and will be the focus of this presentation

City Staff Recommendation*

- Staff recommends an amendment to Chapter 51A Dallas Development Code to establish a temporary inclement weather shelter use. This will allow for inclusion of all interested and qualified operators/vendors and locations.
- Staff recommends creating a new chapter in city code to “Inclement Weather Shelter Program”
- Inclement weather shelter permit would ensure compliance with:
 - Minimum shelter requirements
 - Fire Marshall requirements
 - Health and Human Services requirements
 - Public Safety Requirements

*City staff is comprised of Department of Sustainable Development and Construction, Office of Homeless Solutions, and City Manager’s Office with assistance from the City Attorney’s Office.

Establish “Inclement Weather Shelter” as a lodging use in Chapter 51A

- Conditions will include:
 - Definition of the use
 - Definition of inclement weather
 - Zoning districts where the use is permitted (either by right or by SUP)
 - Minimum parking and loading requirements
 - Compliance with the Inclement Weather Shelter Program
 - Distance separation from other inclement weather shelters (to avoid concentration)

Create New Chapter “Inclement Weather Shelter Program” in City Code

- A new Chapter would be necessary to give OHS authority through designation by the City Manager to implement, administer, and enforce temporary inclement weather shelters
- Permit would include requirements for:
 - Minimum shelter requirements
 - Fire Marshall requirements
 - Health and Human Services (Dallas County) requirements
 - Public Safety Requirements
- Require internal layout plan
- Emergency preparedness, intake and assessment, health, security, and community engagement
- Transition and Close Out plan
- Monitoring and evaluation process: OHS will monitor, evaluate, and assess program on biennial basis

Revised May 2, 2019 CHC Recommendation: Request for Qualifications

Description	<ul style="list-style-type: none"> Issue Request for Qualifications (RFQ) to identify interested and qualified vendors/operators. Request City Attorney's Office (CAO) work with CHC and staff to draft an amendment to Chapter 51A to create a temporary inclement weather shelter use.
Logistics	<ul style="list-style-type: none"> Interested vendors/operators would apply to RFQ to determine qualification The Department of Sustainable Development and Construction would initiate amendment to Chapter 51A. Amendment would go to ZOAC, then CPC, then City Council for final approval. Anticipated 4-6 month approval process once placed on ZOAC's agenda. Future RFP would be necessary to identify eligible locations and potential City funding
City Involvement	<ul style="list-style-type: none"> Chapter 51A amendment, RFQ (establishes minimum requirements for vendor/operator qualification), and RFP (eligible locations and potential funding allocation selected through competitive process)
Implications	<ul style="list-style-type: none"> RFQ will only determine qualified vendors/operators. If Chapter 51 revisions are not approved by City Council, these qualified vendors/operators may not have any facilities to operate inclement weather shelters
Fiscal Impact	<ul style="list-style-type: none"> Unknown. Cannot be determined until receive responses from RFQ and RFP



Next Steps

- Approval from full City Council to proceed with CHC recommendation
- Approval from full City Council to proceed with City recommendation
- OHS to work with City Attorney's Office, Department of Sustainable Development and Construction, and others to establish new main lodging use "Inclement Weather Shelter" in Chapter 51A
 - Proposed amendments would require ZOAC, CPC, and full City Council approval
 - Anticipated timeline of four to six months once placed on ZOAC agenda
- OHS to work with City Attorney's Office and others to establish new city chapter "Inclement Weather Shelter Program"

Track 4 Bond Sites

The proposition will fund \$20 million for transitional and permanent supportive housing to target chronic homelessness, rapid rehousing for the elderly, disabled and families with children and day centers for seamless wrap-around services.

Track 4 Bond Agenda

- Bond Investment Strategy
- Bond Site Selection Criteria
- Review of Proposed Bond Sites
- Staff Recommendation for City Council Consideration
- Next Steps

Investment Strategy⁺

Bond Development Goal: 1,000 units over 3-5 years

Innovation

Public private partnerships to deliver transformative projects

Collaboration

Developed and managed by entities with shared values and mission

Leverage

Stretch City's investment funding to achieve exponential impact

Inclusion

Mixed-income provide affordable, workforce, and market rate housing in high-opportunity areas

Accommodation

Located near transportation, full-scale grocery stores, major employment centers, public parks and libraries

Alignment

Compliant with all City policy and strategic priorities



City of Dallas

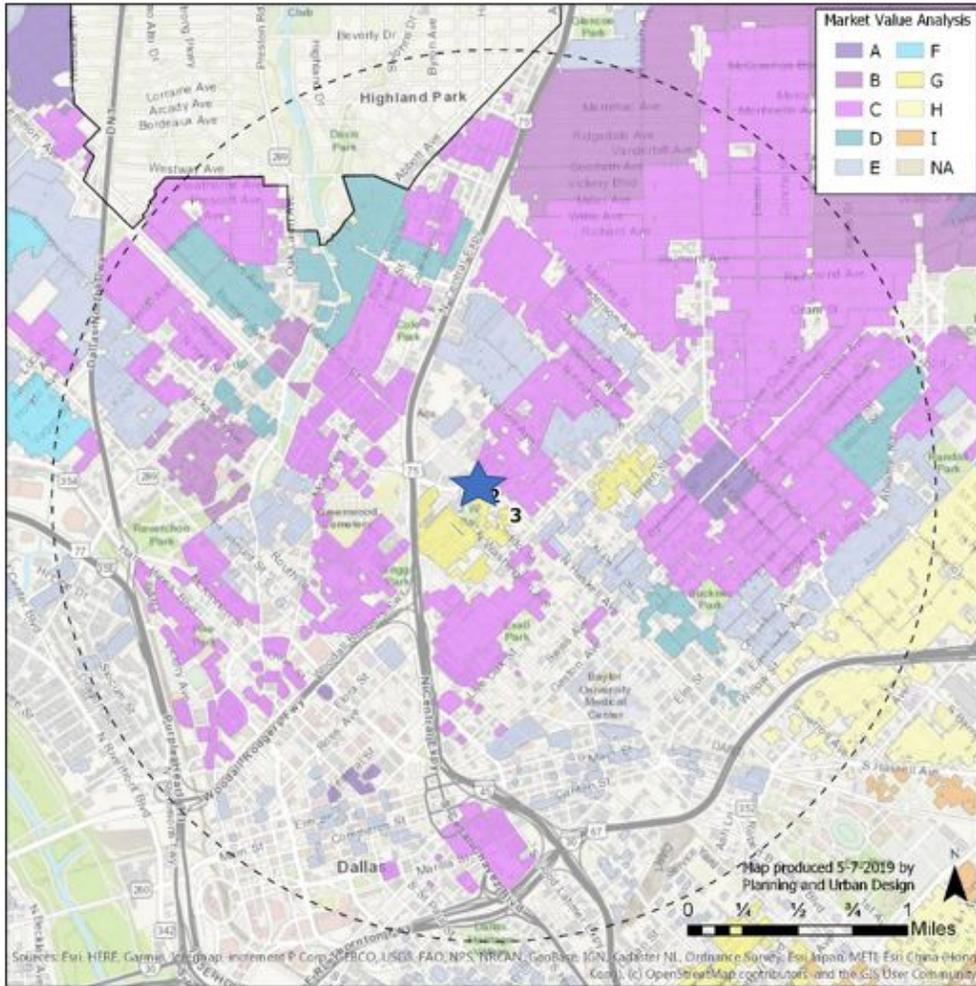
Bond Site Selection Criteria

- Available and Reasonable Acquisition Price
 - Less than \$5 million acquisition cost
- Market Value Analysis (MVA)
 - Preference for sites with stronger MVA ratings. This emphasizes focus on sites that are not located in areas with large concentrations of poverty
- Access to Amenities
 - Proximity to public transportation, libraries, parks, and hospitals
- OHS Site Selection Criteria
 - Used to inform, not a pass/fail
 - Some of criterial will not apply until after development is complete
 - Focused on Development Location and Proximity to Amenities



City-Owned Properties

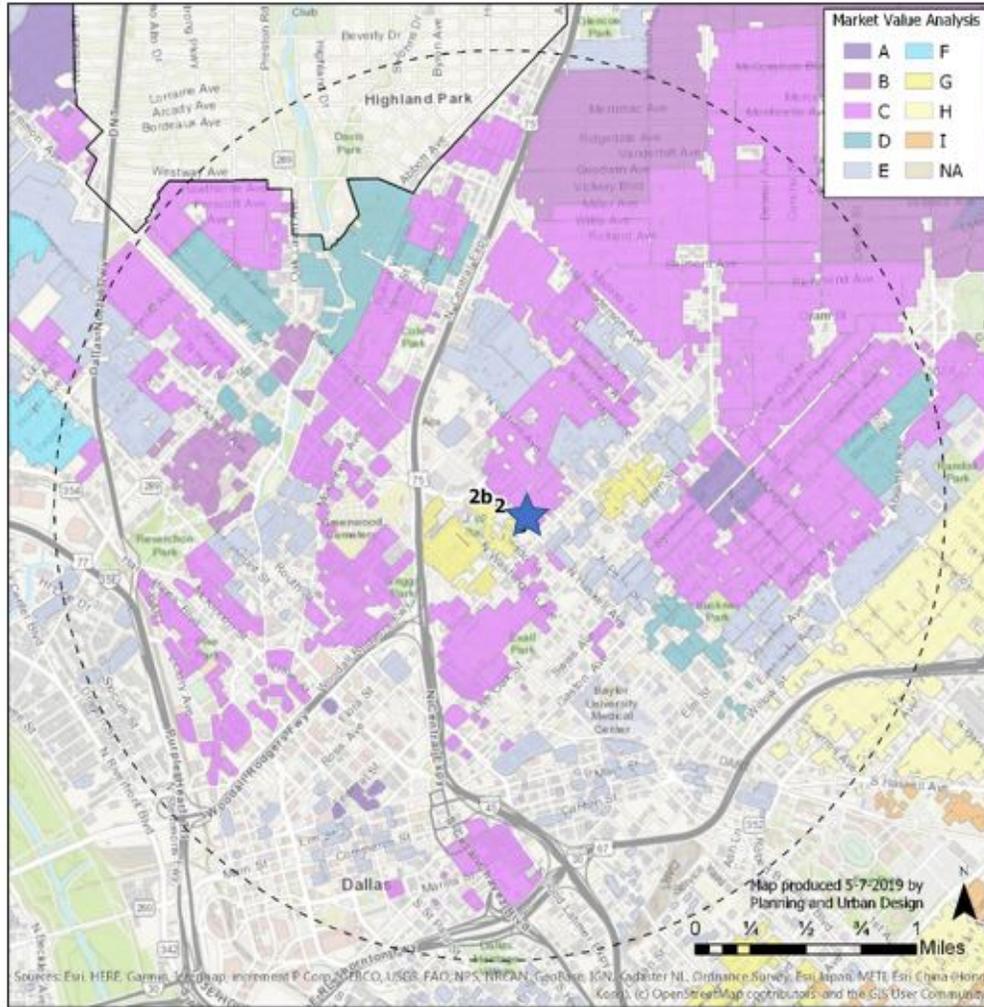
Proposed Site #2: 2009 & 2011 N. Haskell



Site Characteristics	
Ownership	City
Council District	14
Closest MVA	C
Zoning	CR
Land condition	Vacant
Proposed No. of Units	8
Development Type	Residential Duplex or townhouses
Est. Project Cost	\$1,600,000
Supportive Housing Site Selection Criteria	14/48
Proposed Target Population	Seniors, transitional age youth and veterans



Proposed Site #3: 1805 N. Haskell Ave



Site Characteristics	
Ownership	City
Council District	14
Closest MVA	C
Zoning	CR
Land condition	Vacant
Proposed No. of Units	3
Development Type	Residential townhomes or duplex
Est. Project Cost	\$600,000
Supportive Housing Site Selection Criteria	15/48
Proposed Target Population	Seniors, transitional age youth, and veterans



Other Publicly and Privately-Owned Sites

- OHS is interested in considering the following:
 - Two (2) publicly-owned sites
 - Four (4) privately-owned sites
- Sites of interest are located in five City Council Districts
- These six (6) sites will be discussed in detail today during Executive Session

Section 552.105 of the Texas Public Information Act (the "Act") exempts from required disclosure any information related to the proposed location of a project site for a public purpose including appraisals or purchase price (or lease price) of real property prior to public announcement of the project. This exception protects the city's planning and negotiating position for a particular real property transaction; accordingly, this exception only applies to non-city-owned properties.

Recommendations for City Council Consideration

- **Option 1: “Acquisition first”**
 - Use bond funds to secure all recommended sites
 - Maximize leverage opportunities through philanthropic/private partnerships
 - **Option 2: “All in one”**
 - Pursue one site to invest entire \$20 million bond
 - No assumption of private investment
 - Preferably a City-owned site
 - **Option 3: “Strategic Placement”**
 - Pursue a combination of City-owned and privately-owned sites
 - Equitable distribution throughout the city
- All options would require the issuance of a Request for Developer Interest (RDI) for qualified developers.

Next Steps

- **Direction from City Council on which option(s) to pursue**
- **Acquisition of properties (if necessary)**
- **Release Request for Developer Interest (RDI)**
 - RDI is formal process for developers to express interest for particular sites and get qualified to submit proposal to future Request for Proposal (RFP)/Notice of Funding Availability (NOFA)
 - If selected to respond to future RFP/NOFA, developers will include renderings, drawings, specifications, sources and uses of funds, development proforma and operating budget, etc.
 - OHS would come back to City Council with term sheets for recommended projects/qualified development teams

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