



## Legislation Text

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File #: 23-2002, Version: 1

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**STRATEGIC PRIORITY:** Housing & Homelessness Solutions

**AGENDA DATE:** September 27, 2023

**COUNCIL DISTRICT(S):** 12

**DEPARTMENT:** Office of Homeless Solutions

**EXECUTIVE:** Kimberly Bizer Tolbert

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### SUBJECT

Authorize Supplemental Agreement No. 2 to the contract with Family Gateway, Inc. for property management, supportive services, **and renovations and for** temporary and permanent housing, to: **(1)** extend the contract term by one year, from September 30, 2023 to September 30, 2024; and **(2)** provide alternate funding for a total amount not to exceed \$700,000.00 per year sourced with FY 2022-23 Emergency Solutions Grant (ESG) Funds in the amount of \$131,565.00 and, beginning October 1, 2023, FY2023-24 ESG Funds in the amount of \$568,435.00, in lieu of unspent ARPA Homelessness Assistance and Supportive Services Program Funds **and expiring General Funds** and **expiring** FY2021-22 ESG Funds, to be used for the continued provision of property management for eligible operating costs and essential services - Total not to exceed \$700,000.00 - Financing: FY 2022-23 Emergency Solutions Grant Funds (\$131,565.00) and FY 2023-24 Emergency Solutions Grant Funds (\$568,435.00) (subject to appropriations)

### BACKGROUND

On November 12, 2020, the Office of Procurement Services received and opened proposals from solicitation number BR21-00014989, for property management, supportive services and renovations for temporary and permanent housing for the Office of Homeless Solutions (“OHS”). The solicitation provides that contracts would be for a period up to twenty-four months, with up to two five-year renewal options, subject to extension or renewal at the sole discretion of the City of Dallas (“City”).

On June 23, 2021, the City Council authorized two-year contracts, with two five-year renewal options, for property management, supportive services, and renovations for temporary and permanent housing, with CitySquare in the amount of \$3,291,666.00 and Family Gateway, Inc. (“Family Gateway”) in the amount of \$2,911,856.00, for a total amount of \$6,203,522.00 by Resolution No. 21-1124.

Funding for the Family Gateway contract for property management, supportive services and renovations at the Candlewood hotel property (“Candlewood”) owned by the City of Dallas (“City”) included 2020 CARES Act Relief ESG #2 Funds (“ESG CARES”) and ARPA Homelessness Assistance and Supportive Services Program Funds (“HOME ARPA”) for shelter operations and supportive services, as well as bond funds for renovations.

Some grantors, like the U.S. Department of Housing and Urban Development (“HUD”), recommend that separate subrecipient agreement document be executed for each grant funding source, to ensure that each document clearly delineates the applicable grant requirements for each funding source.

In accordance with Council Resolution No. 21-1124, on September 15, 2021, the City and Family Gateway executed a CARES-Emergency Solutions Grant Agreement for Property Management and Supportive Services (“CARES-ESG Agreement”) in the amount of \$1,674,571.00, from ESG CARES funding. On September 16, 2021, City and Family Gateway executed an agreement in the amount of \$500,000.00, from funding source Homeless Assistance (J) Fund, for renovations at the Candlewood property. Execution of an agreement for HOME ARPA funding was delayed pending appropriation of HOME ARPA funds and timely expenditure of ESG CARES funding.

On May 25, 2022, the City Council authorized a Facility Use Agreement (the “Facility Use Agreement”) with Family Gateway for the Candlewood property to be used as a facility to promote and address the needs for families and individuals experiencing homelessness and serve the City’s public purpose, by Resolution No. 22-0802. The Facility Use Agreement was executed on August 25, 2022.

On June 8, 2022, the City Council authorized an amendment to Resolution No. 21-1124 to reallocate funding from the 2020 ESG CARES in the amount of \$704,095.00, from \$2,378,666.00 to \$1,674,571.00, and the HOME ARPA in the amount of \$208,450.00, from \$979,583.00 to \$771,133.00 to General Funds in the amount of \$737,155.00 and FY 2021-22 Emergency Solutions Grant (“ESG”) Funds in the amount of \$175,390.00, by Resolution No. 22-0869.

On December 6, 2022, the City and Family Gateway executed Supplemental Agreement No.1 to Facility Use Agreement to include revised exhibits, as authorized by Administrative Action No. 22-6611.

On May 2, 2023, the City and Family Gateway executed Supplemental Agreement No. 1 to CARES-ESG Agreement to extend the initial term of the Agreement by three months from July 1, 2023 to September 30, 2023, as authorized by Administrative Action No. 23-5644.

The City recognizes the need to assist homeless families by providing temporary and permanent housing in conjunction with support services. Communities have demonstrated, and research has shown, that a variety of strategies are needed to quickly transition individuals and families from homelessness into housing.

This contract provides for property management, supportive services, and renovations for temporary and permanent housing for persons experiencing homelessness. The agency provides property management covering all aspects of the operation of the facility. The agency also provides on-site supportive services at the facility to include case management, vocational services, employment support, mental health service, substance abuse services, and transportation.

Unspent funds for the CARES-ESG Agreement for property operating costs and services in General Funds and FY 2021-22 ESG Funds are expiring, and unspent funds for supportive services under HOME ARPA will not be utilized. As such, alternate funds through FY 2022-23 ESG Funds and, beginning October 1, 2023, FY 2023-24 ESG Funds are needed, up to \$700,000.00, to continue providing property management operating costs and essential services for homeless families with children.

This item will extend the CARES-ESG Agreement for one year and provide alternate funding through ESG Funds to continue the provision of property management and services for homeless families during that one-year period. This item does not exercise, or otherwise affect, the renewal options under the contract pending an assessment of the ongoing property management needs for the project.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On June 23, 2021, the City Council authorized contracts with CitySquare and Family Gateway, Inc. for property management, supportive services and renovations for temporary and permanent housing for the Office of Homeless Solutions for a term of two years, with two five-year renewal options, by Resolution No. 21-1124.

On May 25, 2022, the City Council authorized a facility use agreement between Family Gateway, Inc., a Texas nonprofit corporation, or its successor and assigns, as user, and the City of Dallas, as owner, for approximately 72,032 square feet of land improved with a 34,109 square foot former hotel located in Dallas, Collin County, Texas, to be used as a facility to promote and address the needs for families and individuals experiencing homelessness and serve the City’s public purpose by Resolution No. 22-0802.

On June 8, 2022, the City Council authorized an amendment to Resolution No. 21-1124, previously approved on June 23, 2021, for contracts with CitySquare and Family Gateway, Inc. for property management and supportive services for temporary and permanent housing, to reallocate funding from 2020 CAREs Act Relief ESG #2 Fund and ARPA Homelessness Assistance and Supportive Services Program to General Fund and Emergency Solutions Grant (ESG) Fund by Resolution No. 22-0869.

~~The Housing and Homelessness Solutions Committee will be briefed by memorandum regarding this matter on September 19, 2023.~~

**FISCAL INFORMATION**

Fund	FY 2023	FY 2024	Future Years
FY 2022-23 Emergency Solutions Grant Fund	\$0.00	\$131,565.00	\$0.00
FY 2023-24 Emergency Solutions Grant Fund	\$0.00	\$568,435.00	\$0.00
Total	\$0.00	\$700,000.00	\$0.00