# Local Government's Role in Auditing Homelessness

**Dallas AGA Professional Development Training**
**October 25, 2018**

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**Office of the City Auditor**
**City of Dallas**

# Introductions

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- Appreciate the importance of local government's role in addressing homelessness

- Understand a three-pronged approach to auditing homeless response system effectiveness

- Learn tips and resources for auditing homelessness and lessons learned that may apply to any audit

# Learning objectives

# Homelessness is Rising Nationally in Large Cities

## "This is not a federal problem, it's everybody's problem ... "

\- U.S. Housing and Urban Development Secretary Ben Carson

# Understanding Local Issues

"The impact of homelessness in Dallas is **severe** and **pervasive**. It wears on our neighborhoods, depresses our businesses, and **shocks our visitors when they see such extreme deprivation alongside extreme prosperity.** The human condition in our numerous tent encampments is deplorable, yet there is little excess shelter capacity, a lack of affordable housing, and no community-wide supportive housing plan to relieve the pressure on the system and move people experiencing homelessness into housing."

**DALLAS COMMISSION ON HOMELESSNESS**

| Dallas Public Library | Dallas Police Department | Dallas Fire-Rescue | 311 |
|---|---|---|---|
| Code Compliance | Housing and Community Services | Park and Recreation | Mobility & Street Services |
| City Attorney's Office | Sanitation | Economic Development | Fair Housing |

# Homelessness is a Local Issue

Homelessness affects many aspects of city government

# Homelessness is Rising in Dallas

The number of unsheltered homeless residents in the Dallas area increased sharply from 2013 to 2017 as the total homeless population increased more gradually.

Unsheltered Homeless Population increased from 251 to 1,087 as
Total Homeless Population rose from 3,163 to 3,789
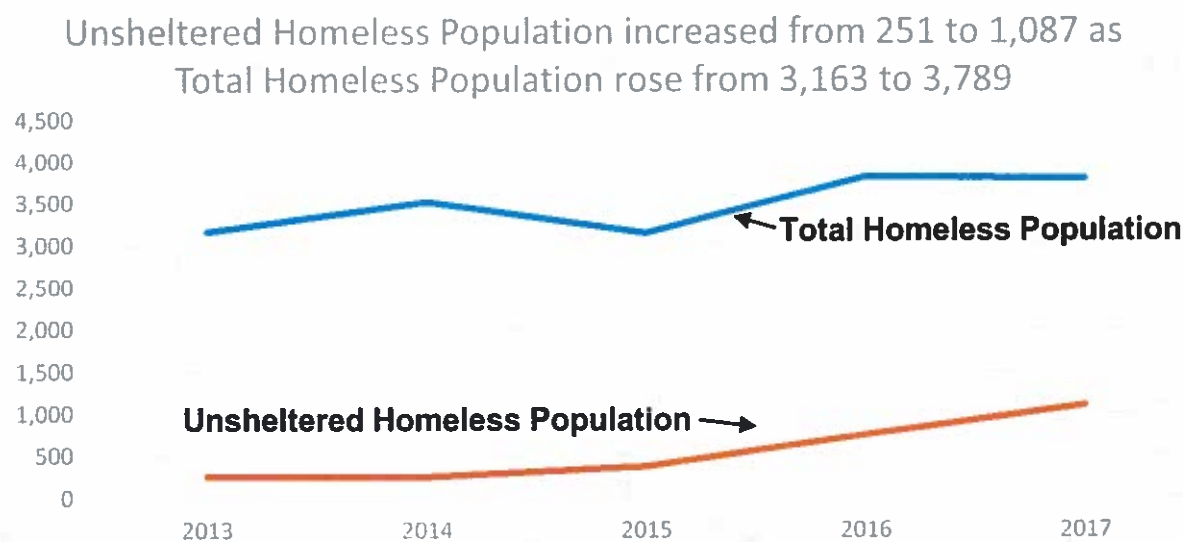


**Source:** Dallas City & County / Irving CoC Point in Time Counts 2013 through 2017. Note: Point in time counting methodologies improved during the period.

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# Homeless Response Systems are Complex

# Homelessness Data is Critical and Complex

The U.S. Department of Housing and Urban Development (HUD) and other planners and policymakers use aggregate Homeless Management Information System (HMIS) data to better inform homeless policy and decision making at the federal, state, and local levels. HMIS can be used to:

- Count unduplicated persons experiencing homelessness

- Describe the nature and extent of homelessness regionally and nationally

- Identify patterns and measure program effectiveness

# Homelessness Data is Critical and Complex

With enactment of the HEARTH Act, HMIS participation became a statutory requirement for recipients and subrecipients of CoC Program and Emergency Solutions Grants (ESG) funds. <u>Low HMIS participation means less federal government funding for homeless programs at the local level.</u>

## Objective

Assess the effectiveness and/or efficiency of the City of Dallas (City) homeless response system which may include an evaluation of the contracting procedures for homeless services, including how contracted services meet assessed needs and are monitored for quality performance.

# Planning is Key

*Extensive planning helped Auditors identify three key areas to address during the audit:*

What is the City doing to address homelessness?

- *City Homeless Services Effectiveness*

- *Data Adequacy*

- *Contract Management and Oversight*

Other risks we identified we didn't pursue:

- *Vouchers / Affordable Housing*

- *Homeless Encampments*

# Three-Pronged Approach

1. Survey those involved in the Homeless Response

2. Analyze oversight of two critical homeless services organizations

3. Analyze City Planning Efforts and Management of Homeless Services

- *Strategic planning*

- *Program Fragmentation*
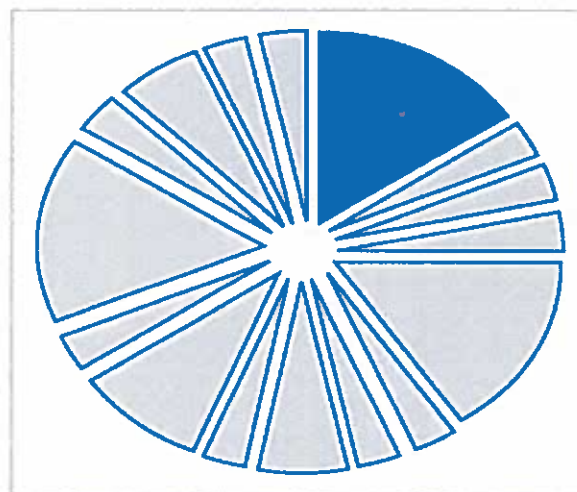


Source: GAO. | GAO-15-49SP

# Audit Results



Source: The Bridge Steps

# Need for Better Information

**Our Overall Conclusion**

The City of Dallas cannot tell how well the homeless response system is performing and needs to improve oversight of the nonprofit organizations and The Bridge and how the City evaluates, coordinates, and monitors homeless services.

# Better Data Needed to Determine Effectiveness

The Dallas area consistently lagged nationwide in the percent of homeless beds captured in the HMIS



National VS Dallas Area HMIS Bed Coverage
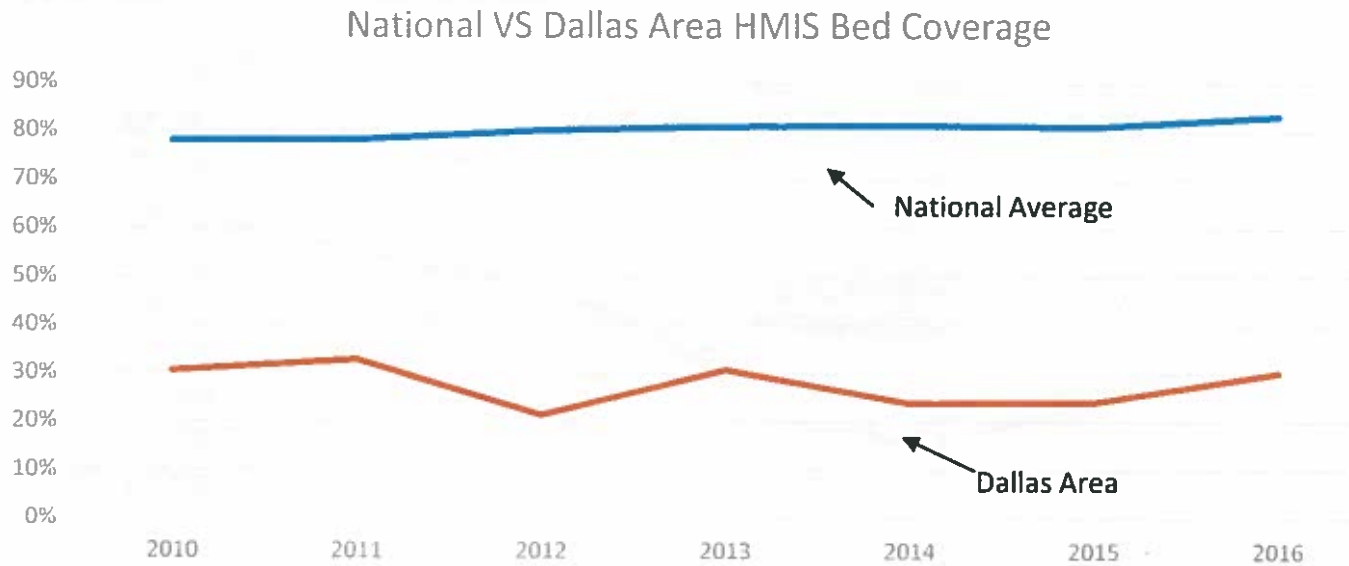
**Source:** National Homeless Information Project report, 2010 through 2016

# Better Data Needed to Determine Effectiveness

**Dallas Area's Federal CoC Funding Declined from 2014 to 2016**
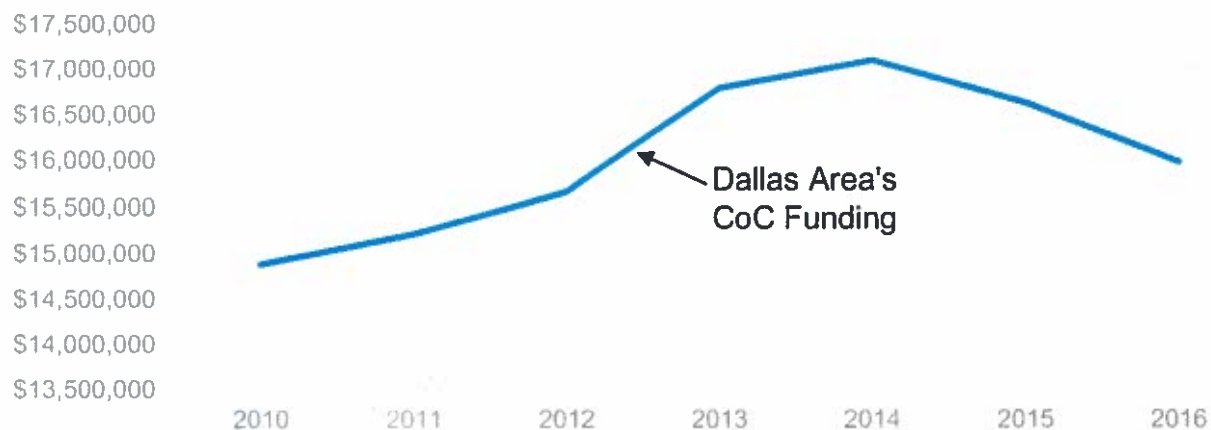


**Source:** Metro Dallas Homeless Alliance Documents

# Inadequate Planning, Coordination, and Implementation of HMIS

The implementation of the HMIS did not meet the needs of The Bridge and other large homeless emergency shelters

# Inadequate Planning, Coordination, and Implementation of HMIS

## *HMIS Implementation Challenges:*

- A non-competitive process selected a vendor without previous HMIS experience and did not comply with Federal Requirements

- The City did not adequately oversee the HMIS procurement and launch of the HMIS

# Inadequate Planning, Coordination, and Implementation of HMIS

*Survey Results and Best Practices Emphasize Homeless Emergency Shelter Involvement in System Development*

- Extensive consultation and customization to make the system work for shelters

- Incentivizing the use of the HMIS through reduced or subsidized license fees or costs

- Emphasizing benefits of HMIS participation

# Inadequate Oversight of the City's Homeless Assistance Center

- *Efforts to require The Bridge to fully report in HMIS without proper planning pushed the shelter to the brink of closure*

- *The City's monitoring of The Bridge Management Contract is inadequate*

# Evaluation of the Effectiveness of Homeless Services

- *The City's planning for homeless services has significant gaps*

- *Fragmentation and insufficient coordination and monitoring of homeless services*
  - Fragmentation in case management
  - Inadequate monitoring of homeless services program performance

# Other Key Survey Results

- *Few other cities surveyed employed City staff to provide homeless services*

- *Other cities had greater oversight and input on their CoC, but with varying degrees of influence*

- *Other cities had significant diversity in funding for homeless services*

# Audit Impact



Source: DallasCityNews.net

# Tone at the Top

*"From my understanding of previous audits, and not just in the homeless area, it's clear we don't always cross our t's and dot our i's and our policies and processes are sometimes lacking. I look forward to implementing the things that were recommended and we agreed to, and working more closely with our providers and our own internal departments to do a better job at how we deal with homelessness in this community."*

**- T.C. Broadnax, December 2017**

Source: Dallas Morning News

# Tone at the Top
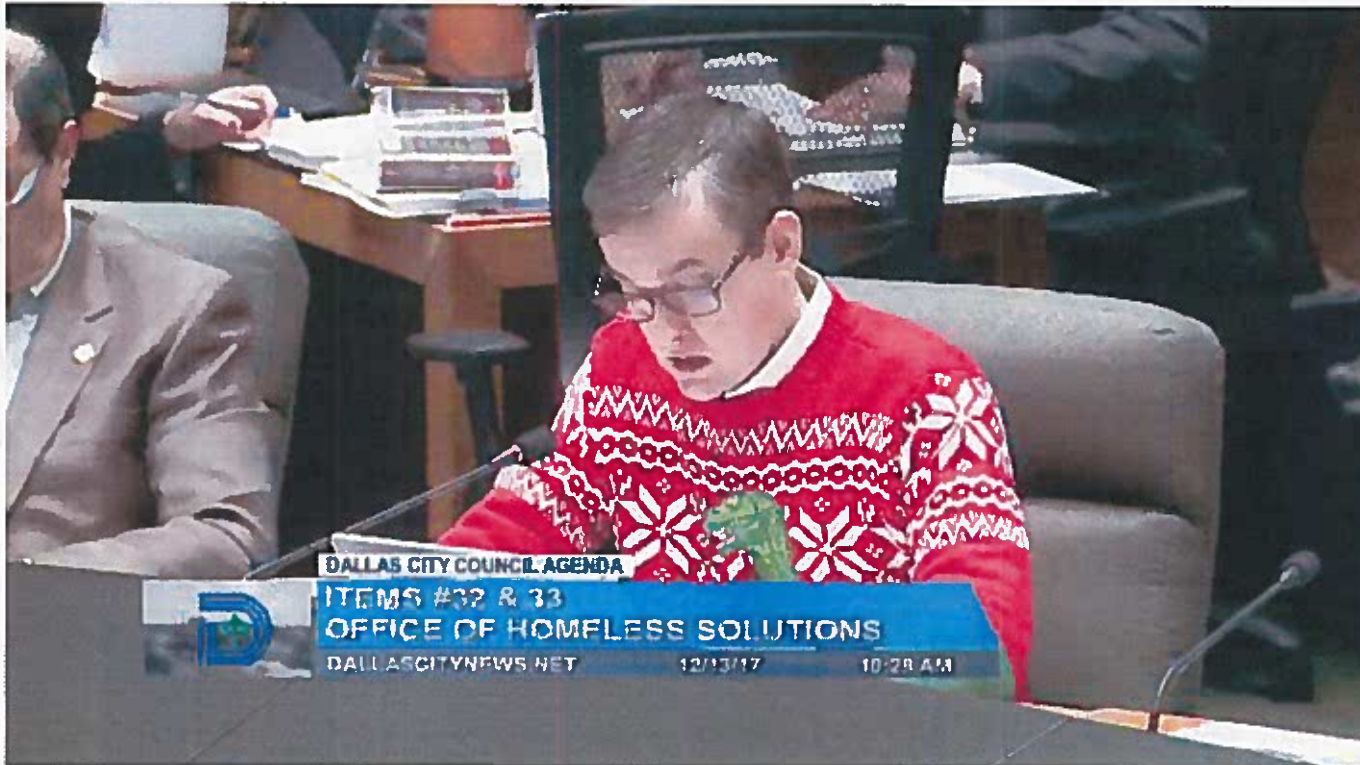
# What's Has the City Done So Far?

- *Renegotiated a contract to increase accountability and oversight*

- *Increased oversight on Dallas area CoC Board of Directors*

- *New Office created to reduce fragmentation*

- *Direct incentives to HMIS participation for Dallas shelters*

**Office of Homeless Solutions
Audit and Management Report**

Human and Social Needs Committee
January 16, 2018

Charletra Sharp
Interim Managing Director
Office of Homeless Solutions

# What's Under Way?

- *A four-track strategy on homelessness was presented to the City Council on August 1, 2018. This strategy is a work in progress.*

- *A new strategic plan will be presented to the Human & Social Needs Committee later this year*

## TRACK 1
### INCREASE SHELTER CAPACITY

Expand capacity of existing providers through contracted pay-to-stay shelter beds.

## TRACK 2
### TEMPORARY HOMELESS CENTERS

Provide shelter and support services for up to 90 days in the 4 quadrants of the city simultaneously.

FOUR-TRACK

## TRACK 4
### NEW DEVELOPMENTS

Funding for permanent supportive housing targeting chronic homeless; rapid rehousing addressing the elderly, disabled, families with children and young adults. Day Centers for seamless wrap-around services.

## TRACK 3
### MASTER LEASE/LANDLORD INCENTIVE

Provide security deposits, rent, utilities and incentives to tenants as well as incentives and risk mitigation services to participating landlords.

# Lessons Learned

# Auditing a Moving Target

# Take Advantage of Continuing Education

- Qualitative Analysis for Survey Results

- Agile Project Management



| Themes | Instances (out of 102) | # of Respondents (out of 6) |
|---|---|---|
| Lack of housing availability/ high rental costs | 9 | 3 |
| Lack of coordination & collaboration with MDHA/Pieces Tech | 12 | 4 |
| lack of system components/capability | 12 | 4 |
| lack of funding for HMIS/ double entry | 10 | 3 |
| Misuse of resources/ transparancy/accountability | 2 | 2 |
| lack of supportive services/ resources for homelessness | 3 | 2 |

# Tools, Resources, & Criteria

# Criteria

*Practices for Effective Agency Strategic Reviews* – Government Accountability Office (GAO) July 2015

*Homelessness – Fragmentation and Overlap in Programs Highlight the Need to Identify, Assess, and Reduce Inefficiencies* – GAO May 2012

Resources from the National Alliance to End Homelessness and National Homelessness Information Project

**Western Intergovernmental Audit Forum**

City of Dallas

# Tools and Resources
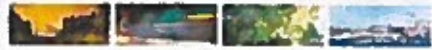


KING COUNTY AUDITOR'S OFFICE

**Homeless Crisis Demands Unified, Accountable, Dynamic Regional Response**

King County

Austin

City of Austin
Office of the City Auditor

Audit Highlights
November 2017

Homelessness Assistance Audit Series:
City Policies Related to Homelessness

City and County of Honolulu

Office of the City Auditor

City and County of
Honolulu
State of Hawai'i

**Audit of Housing First, Community Assistance Program, and Hale Mauliola Homeless Programs**

Report to the Mayor
and the
City Council of Honolulu

# Tools and Resources

Audit of Homeless Response System Effectiveness
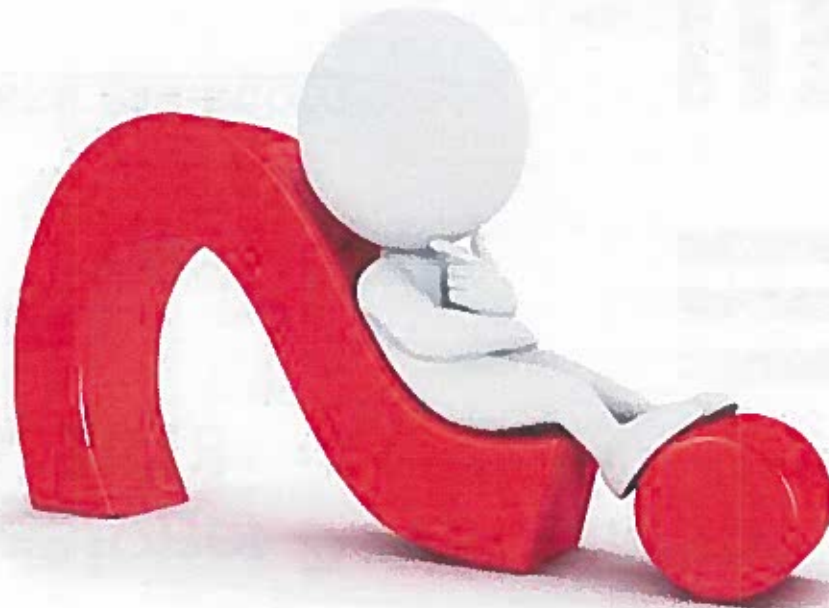
GAO Resources on Fragmentation and Strategic Planning

Audits from King County, Austin, Honolulu, and Denver

Alliance to End Homelessness

National Homeless Information Project

# Questions?

# Local Government's Role in Auditing Homelessness

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