

INTRODUCED: June 8, 2026

AN ORDINANCE No. 2026-139

To amend Ord. No. 2025-057, adopted May 12, 2025, which adopted the Fiscal Year 2025-2026 General Fund Budget and made appropriations pursuant thereto, by transferring funds in the amount of \$80,000.00 from the Outside Agencies and Central Appropriations agency Venture Richmond, Inc. line item in the Organizational Subsidy category for the Administration and Finance portfolio and appropriating such transferred funds in the amount of \$80,000.00 to the Department of Neighborhood and Community Services for the purpose of funding CARITAS Surge Shelter Operations.

\_\_\_\_\_  
Patron – Mayor Avula

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: JUN 22 2026 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Article I, Section 1 of Ordinance No. 2025-057, adopted May 12, 2025, which adopted a General Fund Budget for the fiscal year commencing July 1, 2025, and ending June 30, 2026, and made appropriations pursuant thereto, is hereby amended by transferring funds in the amount of \$80,000.00 from the Outside Agencies and Central Appropriations agency “Venture Richmond, Inc.” line item in the Organizational Subsidy category for the Administration and

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSTAIN: \_\_\_\_\_

ADOPTED: \_\_\_\_\_ REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

Finance portfolio and appropriating such \$80,000.00 to the Department of Neighborhood and Community Services for the purpose of funding CARITAS Surge Shelter Operations.

§ 2. This ordinance shall be in force and effect upon adoption.

# CITY OF RICHMOND

## O&R REQUEST

**DATE:** April 10, 2026

**EDITION:** 1

**TO:** The Honorable Members of City Council

**THROUGH:** The Honorable Dr. Danny Avula, Mayor

**THROUGH:** Odie Donald II, Chief Administrative Officer

**THROUGH:** Tanikia Jackson, DCAO for Finance and Administration

**THROUGH:** Letitia Shelton, Director of Finance

**THROUGH:** Meghan Brown, Director of Budget and Strategic Planning

**THROUGH:** Amy Popovich, Deputy Chief Administrative Officer for Human Services

**FROM:** Eric Mai, Policy Advisor

**RE:** To transfer \$80,000 from the Venture Richmond, Inc. (for operational costs) line to the Department of Neighborhood and Community Services for the purpose of funding CARITAS Surge Shelter Operations.

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** To amend Ord. No. 2025-057, adopted May 12, 2025, which adopted the Fiscal Year 2025-2026 General Fund Budget and made appropriations pursuant thereto, by transferring funds in the amount of \$80,000.00 from the Outside Agencies and Central Appropriations agency Venture Richmond, Inc. line item in the Organizational Subsidy category for the Administration and Finance portfolio and to appropriating such transferred funds in the amount of \$80,000.00 to the Department of Neighborhood and Community Services for the purpose of funding CARITAS Surge Shelter Operations.

**BACKGROUND:**

On July 28, 2025, Council adopted Ord. No. 2025-163 to allocate a total sum of \$309,000.00 to a new line item in the Outside Agencies and Central Appropriations called “CARITAS (Surge Shelter Operations)” for the purpose of providing surge overflow shelter operations during inclement winter weather season.

In January 2026, Winter Storm Fern brought dangerous freezing temperatures and icy conditions to Richmond. Both Governor Spanberger and Mayor Avula declared States of Emergency. To protect people from the extreme cold, the City needed to keep its Surge overflow shelter —

## CITY OF RICHMOND

operated by CARITAS — open longer than originally planned. The City extended its existing contract with CARITAS for up to 60 additional days of shelter operations through March 31, 2026.

Virginia law allows localities to act quickly during declared emergencies to protect public safety, without going through the normal process. The City used that authority to extend the contract.

This ordinance seeks to reconcile the FY26 General Fund Budget by reappropriating the Department of Neighborhood and Community Services for spending incurred during this State of Emergency. Outside Agency funding allocated to Venture Richmond, Inc. for operational support in the FY26 General Fund Budget is being reappropriated for this use after Venture Richmond notified the City that these funds were not needed for the appropriate purpose in FY26.

**COMMUNITY ENGAGEMENT:** N/A

**STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL:** RES. 2020-R031 expressing support for the Strategic Plan to End Homelessness 2020-2030 and RES. 2020-R037 requesting the CAO to develop a housing policy plan to address homelessness and affordable housing in the City of Richmond, along with Mayoral Action Plan Pillars, Thriving Families and Thriving Neighborhoods.

**FISCAL IMPACT:** This will increase the Neighborhood and Community Services budget by \$80,000.

**DESIRED EFFECTIVE DATE:** Upon adoption.

**REQUESTED INTRODUCTION DATE:** June 8, 2026

**CITY COUNCIL PUBLIC HEARING DATE:** June 22, 2026

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Finance

**AFFECTED AGENCIES:** Budget and Strategic Planning, Neighborhood and Community Services, Office of the DCAO for Human Services

**RELATIONSHIP TO EXISTING ORD. OR RES.:** Res. No. 2020-R031; Res. No. 2020-R037; Ord. No. 2024-099; Ord. No. 2025-057, Ord. No. 2025-163

**ATTACHMENTS:** CARITAS Contract Agreement

**STAFF:** Eric Mai, Policy Advisor, Office of the DCAO for Human Services

## FIRST AMENDMENT TO OUTSIDE AGENCY CONTRACT

THIS FIRST AMENDMENT TO OUTSIDE AGENCY CONTRACT (this “First Amendment”) is made effective as of January 12, 2026 (the “Effective Date”) between the City of Richmond, Virginia, a municipal corporation and political subdivision of the Commonwealth of Virginia (the “City”), and CARITAS, a Virginia non-stock corporation, authorized to transact business in the Commonwealth of Virginia (the “Recipient”).

### STATEMENT OF PURPOSE

- A. The City and the Recipient are parties to that certain Outside Agency Contract dated September 10, 2025 (the “Original Contract”), pursuant to which the Recipient provides surge overflow shelter operations during inclement weather and additional staffing and services on a year-round basis. Capitalized terms not defined herein shall have the meanings attributed to them in the Original Contract.
- B. The Original Contract contemplated surge capacity in excess of the surge capacity used in the 2024-2025 season; however, in light of surge capacity already necessitated by weather conditions in December 2025, the City and the Recipient anticipate that the 2025-2026 season will require more surge capacity than the Original Contract contemplated.
- C. By Ordinance No. 2025-057 and was adopted April 14, 2025, the City Council of Richmond, Virginia (“Council”) appropriated certain funds to the General Fund Budget for the Department of Neighborhood and Community Services (the “Appropriated Funds”).
- D. Section 15.2-953(B) Code of Virginia of 1950, as amended, authorizes the City to make gifts and donations to any nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code that is engaged in providing emergency relief to residents.
- E. The City desires to make a gift and donation in the amount of \$224,250.00 of the Appropriated Funds (such amount, the “Additional Funds”) to the Recipient in order that the Recipient continue to provide such emergency relief to the residents in the form of surge overflow shelter operations during inclement weather, all in accordance with the terms and conditions of the Original Contract, as amended hereby.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, the City and the Recipient, intending to be legally bound, agree as follows:

- 1. Payment, Utilization & Refund of Additional Funds.** The Additional Funds shall be added to the definition of “Funds” in the Original Contract for all purposes thereof, except as modified hereby. The City and the Recipient acknowledge and agree that (i) the Additional Funds, when combined with the contributions of Henrico County, Virginia, are based on the cost of up to sixty (60) additional days (each overnight period described in the Original Contract shall be referred to as a “day” for purposes of this First Amendment) of surge

overflow shelter operations during the 2025-2026 inclement weather season which shall expire on March 31, 2026 (the "Current Season"), and (ii) the Additional Funds represent sixty-five percent (65%) (the "City's Portion") of the cost of said up to sixty (60) additional days of surge overflow shelter operations, which days need not be activated consecutively. The City and the Recipient acknowledge and agree that the City's infusion of the Additional Funds, or the applicable portions thereof, shall be paid, advanced, utilized and refunded by the City and the Recipient, as applicable, as follows:

(a) **Initial Extension Period & Initial Payment:** Concurrently with execution of this First Amendment, the Recipient shall invoice the City for one-half (1/2) of the Additional Funds, in the amount of One Hundred Twelve Thousand One Hundred Twenty-Five and 00/100 Dollars (\$112,125.00) (the "Initial Extension Payment"). Within ten (10) days after receipt of such invoice, City shall pay the Initial Payment to the Recipient. The Initial Payment is intended to represent the City's Portion of up to thirty (30) additional days of overflow shelter activation beyond that which was contemplated and paid for pursuant to the Original Contract (the "Initial Extension Period").

(b) **Additional Extensions Periods & Additional Extension Payments:** Subject to the continuation of weather conditions during the Current Season that may necessitate activation of surge overflow capacity further in excess of the Initial Extension Period, the City may, at its sole discretion, authorize up to two (2) additional extension periods of fifteen (15) days each (each, an "Additional Extension Period"), which days and Additional Extension Periods need not be activated consecutively, for a total of up to thirty (30) additional days of surge overflow shelter operations. In order to exercise an Additional Extension Period, the City shall provide written notice to the Recipient at least ten (10) days before the first anticipated activation of the surge overflow shelter after expiration of the Initial Extension Period or the first (1<sup>st</sup>) Additional Extension Period, as applicable (each, an "Additional Extension Exercise Notice"). Such Additional Extension Exercise Notice may be provided via email to the Recipient's designated contact. The Recipient shall invoice the City immediately upon receipt of any such Additional Extension Exercise Notice in the amount of Fifty-Six Thousand Sixty-Two and 50/100 Dollars (\$56,062.50) (each, an "Additional Extension Payment"). Promptly after receipt of any such invoice, the City shall pay the applicable Additional Extension Payment to the Recipient. In the event that the City does not exercise either of the Additional Extension Periods, notwithstanding anything to the contrary contained in the Original Contract, as amended hereby, the Recipient shall not be entitled to payment of any portion of the Additional Funds other than the Initial Extension Payment.

(c) **Refund:** Notwithstanding anything to the contrary contained in the Original Contract, as amended hereby, in addition to any refund events set forth in the Original Contract, in the event that surge capacity is deployed for fewer days than are contemplated by the Initial Extension Period or any activated Additional Extension Period(s), the unutilized portion of any and all Additional Funds advanced hereunder to the Recipient shall be refunded to the City within thirty (30) days following the end

of the Current Season, calculated on a pro-rata basis with the City's Portion calculated at Three Thousand Seven Hundred Thirty Seven and 50/100 Dollars (\$3,737.50) per day (the "City's Per Diem").

- 2. Scope of Services.** In consideration of the City's gift and donation of the Additional Funds to the Recipient, the Recipient shall perform all services set forth in the Henrico Contract, attached to the Original Contract as Exhibit A and incorporated therein. For the avoidance of doubt, the Recipient, without the need to confer with the City, shall take the initiative to determine when to active surge capacity in accordance with the terms and conditions of the Original Contract, as amended hereby, using good faith, reasonable efforts.
- 3. Performance Measures.** The City will use the following performance measure to evaluate whether the Recipient has performed the services required by the Original Contract in a manner that achieves the City's purpose in providing the Additional Funds to the Recipient: those certain Recipient Performance Goals set forth on Exhibit E attached to the Henrico Contract.
- 4. Recipient's Representations and Warranties.** The Recipient represents and warrants as follows:

  - A. The Recipient is and will be for the duration of this Contract a charitable institution or association as detailed in a Section 15.2-953(B) of the Code of Virginia.
  - B. The Recipient's signatory below is duly authorized by the Recipient to enter into this First Amendment and thereby bind the Recipient to this First Amendment's terms and conditions.
- 5. Miscellaneous.**

  - C. Notwithstanding anything in the Original Contract, as modified hereby, to the contrary, Tenant's obligation to pay any amounts other than the Additional Funds in connection with any performances under the Original Contract, as modified hereby, are subject to and dependent upon funds appropriated for such purpose by the Council; consequently, the Original Lease, as modified hereby, shall bind the City only to the extent that the City possesses sufficient funds to perform its obligations hereunder and under no circumstances shall the City's total liability under the Original Contract, as modified hereby, exceed the total amount of funds appropriated by Council for any payments or performance of the City hereunder.
  - D. Nothing in the Original Contract, as amended hereby, may be construed as a waiver of the sovereign immunity granted to the City by the Commonwealth of Virginia, statutes, and applicable case law, nor may anything in the Original Contract, as modified hereby, be construed as an agreement by the City to indemnify the Recipient. The City and the Recipient waive any and all rights to punitive, consequential, special and indirect damages against the other party with respect to any matter arising out of or in any way relating to the Original Contract, as amended hereby.
  - E. The above Statement of Purposes is hereby incorporated into this First Amendment as if fully set forth herein.

- F. Except as modified by this First Amendment, the Original Contract shall remain in full force and effect and is hereby ratified and affirmed by the parties. By entering into this First Amendment, neither party waives its rights under the Original Contract except as otherwise expressly provided in this First Amendment. To the extent any terms of this First Amendment conflict with the Original Contract, the terms of this First Amendment shall prevail and govern.
- G. This First Amendment, together with the Original Contract, shall constitute the entire agreement between City and the Recipient with respect to their subject matter and supersedes any other prior communications, representations or statements. This First Amendment may be executed in counterparts, facsimile, scanned pdf format, electronic signature such as DocuSign, or otherwise, each of which shall constitute one and the same instrument.

*[The remainder of this page is intentionally left blank. Signatures to follow on the next page(s).]*

SIGNATURE PAGE TO FIRST AMENDMNET TO OUTSIDE AGENCY CONTRACT

Effective as of the date first written above.

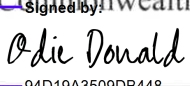
**RECIPIENT:**

**CARITAS,**  
a Virginia non-stock corporation

By:   
\_\_\_\_\_  
Karen O'Brien  
President & CEO

**CITY:**

CITY OF RICHMOND, VIRIGNIA,  
a political subdivision and municipal corporation  
of the Commonwealth of Virginia

By:  1/22/2026  
\_\_\_\_\_  
04D19A3509DB448...  
Odie Donald  
Chief Administrative Officer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Deputy City Attorney