

INTRODUCED: July 7, 2025

AN ORDINANCE No. 2025-163

To amend Ord. No. 2025-057, adopted May 12, 2025, which adopted the Fiscal Year 2025-2026 General Fund Budget and made appropriations thereto, by (i) transferring \$200,000.00 from the Outside Agencies and Central Appropriations agency Heart of Richmond line item, (ii) transferring \$109,000.00 from the Department of Neighborhood and Community Services, (iii) creating a new line item in the Outside Agencies and Central Appropriations agency called “CARITAS (Surge Shelter Operations)” and (iv) appropriating such transferred funds in the amount of \$309,000.00 to such new line item in the Outside Agencies and Central Appropriations agency for the purpose of providing surge overflow shelter operations during inclement winter weather season.

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUL 28 2025 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:

(a) Transferring funds in the amount of \$200,000.00 from the Outside Agencies and Central Appropriations agency Heart of Richmond line item;

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

(b) Transferring funds in the amount of \$109,000.00 from the Department of Neighborhood and Community Services;

(c) Creating a new line item in the Outside Agencies and Central Appropriations agency called “CARITAS (Surge Shelter Operations)”;

(d) Appropriating the funds in the amount of \$309,000.00 transferred by subsection (a) of this section in the amount of \$200,000.00 and the funds in the amount of \$109,000.00 transferred by subsection (b) of this section to the new line item in the Outside Agencies and Central Appropriations agency created by subsection (c) of this section called “CARITAS (Surge Shelter Operations),” all for the purpose of providing surge overflow shelter operations during inclement winter weather season.

§ 2. This ordinance shall be in force and effect on October 1, 2025.

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: Wednesday, June 16, 2025

TO: The Honorable Members of City Council

THROUGH: The Honorable Dr. Danny Avula, Mayor

THROUGH: Sharon Ebert, Interim Chief Administrative Officer

THROUGH: Sheila White, Director of Finance

THROUGH: Meghan Brown, Director of Budget and Strategic Planning

THROUGH: Amy Popovich, DCAO for Human Services

FROM: Dominic Barrett, Senior Policy Advisor

RE: To amend the FY26 budget to reappropriate funds into a new CARITAS (Surge Shelter Operations) line item in the Non-Departmental Agency budget in the amount of \$309,000.00.

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 thereto, by (i) transferring \$200,000.00 from the Outside Agencies and Central Appropriations agency Heart of Richmond line item, (ii) transferring \$109,000.00 from the Department of Neighborhood and Community Services, (iii) creating a new line item in the Outside Agencies and Central Appropriations agency called “CARITAS (Surge Shelter Operations)” and (iv) appropriating such transferred funds in the amount of \$309,000.00 to such new line item in the Outside Agencies and Central Appropriations agency for the purpose of providing surge overflow shelter operations during inclement winter weather season.

BACKGROUND: During extreme cold snaps and heavy snowfall in January and February 2025, the 106-bed inclement weather shelter (IWS) operated by the Salvation Army at 1900 Chamberlayne Ave. was insufficient to meet demand for people experiencing homelessness seeking shelter. The City initiated a temporary overflow IWS to protect people living outdoors from dangerous weather conditions. The overflow shelter was activated four times during those two months, for a total of 28 nights.

Shelter space was provided on the first floor of the Department of Social Services building located at 900 E. Marshall St. It was staffed primarily by City employees. On several nights, staff from the neighboring localities and the non-profit Daily Planet helped.

The source of staffing and location cannot be sustained for the upcoming and future winters. City Administration met with senior leaders from the surrounding counties of Henrico, Chesterfield and Hanover to discuss alternative, more suitable locations, to be staffed by an experienced operator of homeless shelter services. Homeward, which supports the Greater Richmond Continuum of Care, requested its network of providers to consider ways to help. One of those organizations, CARITAS, submitted an unsolicited proposal to Henrico County for sharing with the other localities.

CARITAS currently operates two year-round emergency shelters for men (36-beds) and women (28 beds). For more than 40 years, CARITAS has coordinated and then staffed shelters for people experiencing homeless. They propose a two-fold approach to address the need for overflow shelter during winter weather emergencies.

- 1) Increase the number of people experiencing homelessness served during the year in their existing bedspace, to reduce winter demand. By adding 3 full-time staff (a shelter and surge director, housing navigator, and case manager), CARITAS expects to serve and place 50 more persons per year.
- 2) Dedicate space in one of their buildings for a temporary 60-bed overflow winter shelter when the capacity of Salvation Army's 106-bed IWS cannot meet demand on the coldest

nights. The added and current experienced year-round staff would be deployed on short notice to staff the overflow shelter. CARITAS proposes to make those beds available up to 30 24-hour periods December 2025 through March 2026.

The CARITAS proposal submitted to Henrico would cost \$618,400 per year. (Renewal for a second year to be later negotiated.) Of that total, \$100,000 would be available to help shelter guests resolve financial difficulties that prevent them from finding or returning to more stable housing arrangements. Salaries and benefits for added year-round staff would cost \$220,900, and the \$297,500 balance of funding would support surge shelter operations, including staff, security, building retrofits, utilities, maintenance, cleaning, linens, and meals.

Henrico would prepare and manage the contract with CARITAS. The localities have agreed to share the cost of the proposal in proportion to the approximate percentage of people experiencing homelessness from each locality. For the City of Richmond, which accounts for about 50% of the unsheltered population in the region, the cost would be \$309,000.

COMMUNITY ENGAGEMENT: The attached ordinances are heavily informed by multiple years of community engagement, particularly through the Education and Human Services Standing Committee, including that Committee's special meeting on homelessness in March of 2025. The ordinance is also informed by the Strategic Plan to End Homelessness 2020-2030 which was released in May of 2020 and involved extensive community engagement including Advisory Board leadership, public surveys, and public meetings.

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 input from members of the Homelessness Advisory Council.

FISCAL IMPACT: This will reduce the Neighborhood and Community Services budget by \$109,000.00 and the "Heart of Richmond" Non-Departmental line by \$200,000.00.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: July 7, 2025

CITY COUNCIL PUBLIC HEARING DATE: July 28, 2025

REQUESTED AGENDA: Consent agenda

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

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

ATTACHMENTS:

STAFF: Steve Harms, Senior Policy Advisor, stephen.harms2@rva.gov; Dominic Barrett, Senior Policy Advisor, Dominic.Barrett@rva.gov; J.D. Ratliff, Policy Advisor, 804-646-6056, James.Ratliff@rva.gov