

Policy Briefing Summary

City Council



Regarding:	Resolution to reallocate \$469,000 originally appropriated for Low Barrier Shelter Operations to the continuation and implementation of alternative shelter programming as one-time investments (1 of 2 readings)
Staff Contact(s):	Samuel Sanders, Jr., City Manager
Presenter:	Samuel Sanders, Jr., City Manager
Date of Proposed Action:	February 2, 2026

Issue

Emergency situations continue to plague the continuum of care for the unhoused in our community. These concerns are tied to a high volume of service delivery needed, challenges with federal posture on longstanding programming, and uncertainty in the resources being available as needed to sustain current efforts.

Three of our local entities are in need of one-time support to strengthen and maintain critical service delivery:

- PACEM is currently experiencing a budget shortfall and needs \$65,000 to close its operating gap for the current fiscal year.
- Blue Ridge Area Coalition for the Homeless (BRACH) is seeking \$234,000 to replace funds needed for the permanent supportive housing program that currently serves 32 households with direct rental assistance. This need results from an interruption of federal programming that may also end with major rules changes and further reduce the long-term ability to serve unhoused individuals through this program.
- The Salvation Army has invested resources in currently available space at its Ridge Street Facility to begin housing up to six (6) unhoused families. The apartment-style dwelling will be open once the full year of operating funds have been secured. The need is \$340,000 and the recommendation is to provide half of the funds (\$170,000) requested.

Background / Rule

City Council originally appropriated \$500,000 for support a new low barrier shelter operation in support of the unhoused in the city. The funds were expected to underwrite operating costs to serve a 7 day a week operation to house adults overnight. While a committed effort to launching such an initiative at recently acquired property (2000 Holiday Drive), the City has not yet been able to use these funds in support of operations.

Analysis

Financial Impact

No new funds are being requested. Funds previously appropriated for low barrier shelter operations as part of the FY 2026 budget will be reallocated and used for the continuation and implementation of alternative shelter programming as one-time investments.

Recommendation

City Manager recommends approval of the Resolution.

Recommended Motion (if Applicable)

Move to reallocate four hundred sixty-nine thousand dollars (\$469,000) in one-time funding from the low-barrier shelter appropriation to support homelessness services, as follows: \$65,000 to PACEM; \$234,000 to the Blue Ridge Area Coalition for the Homeless (BRACH); and \$170,000 to The Salvation Army.

Attachments

1. Resolution to Reallocate \$469,000 originally appropriated for Low Barrier Shelter Operations