Homeless Shelter Discussion

2020 Retreat

A successful homeless shelter has three fundamental components: an effective operator, a proper facility, and sustainable funding. Since the closure of Visions of Hope, the City has made limited progress on these three fronts. A potential operator has expressed interest, but a facility has not been secured and sustainable funding remains undetermined. City staff have long recommended that a 501(c)(3) nonprofit organization operate a homeless shelter, rather than the City doing so directly. City staff maintain that recommendation. Though municipalities in North Carolina have the legal authority to operate homeless shelters, it would be far more expensive for the City to operate a shelter. This is primarily because the City would have to hire a shelter manager and possibly support staff. The City's personnel costs could add $100,000 or more to the cost of shelter, whereas a nonprofit might operate the shelter at a fraction of that cost thanks to lower salaries and volunteer labor. Zoning ordinances and fire safety codes place numerous restrictions on the siting and characteristics of a shelter facility. The City's Unified Development Ordinance provides that a homeless shelter must: provide a facility contained within a building and operated by a government agency or nonprofit organization; provide a minimum floor space of 50 square feet for each individual sheltered; and the facility operator shall provide "continuous on-site supervisions by an employee(s) and/or volunteer(s) during the hours of operation."

Additionally, building codes provide that, if the building is not fully covered by a sprinkler system, every sleeping room must have a window or door leading directly outside for emergency exit. The NC Fire Code also requires that a homeless shelter must be sprinkled, with an exception for a house with a maximum occupancy of five people, including residents and staff.

Further, a homeless shelter may be operated on certain residential and office institutionally zoned properties contingent upon approval of Special Use Permit by the Planning Commission and Board of Adjustment. If the property is located in a commercially zoned district, a rezoning would be required, or the City could initiate a text amendment to the Unified Development Code to allow for homeless shelters in commercials districts.

Due to very limited funds, City staff have sought to repurpose an existing structure, rather than build one. However, even this approach has led the City to face considerable expense. Purchasing residential property in good condition and offering adequate square footage for an 8 to 10-person shelter could cost $100,000 or more. Foreclosed properties may be acquired at little to no cost, but those savings will likely be offset by the need for extensive repair and renovation. Additionally, a large house converted into a homeless shelter is likely to need a sprinkler system, another considerable expense. Due to constant, high occupancy, homeless shelters also put significant wear and tear on a residential structure. That has prompted City staff to instead focus on repurposing commercial or institutional property. City staff are looking

for viable properties for sale, but, barring a generous donation, acquisition and renovation costs will still be substantial.

Staff has identified two commercial structures in the downtown area, which could be converted to a shelter. City staff has not taken any action to determine the owners' willingness to sell. Beyond each facility's purchase price, the costs to renovate and operate either property as a shelter is to be determined. Notably, in discussions with Pasquotank County, City staff estimated 2,000 square feet would be adequate for an eight-person shelter. Both of these properties offer buildings more than double that area.

The last component of a successful homeless shelter – sustainable funding – also remains unresolved. Unfortunately, the City has seen several nonprofits start shelters only to face a loss of donations and other support after a few years. This raises the risk that the shelter's quality of operations will suffer and it will close despite support from the City. City staff strongly urge Council to require any potential shelter operator to provide a detailed budget with realistic, sustainable revenues – otherwise, paying facility costs may ultimately be a waste of money.

DISCUSSION POINTS:

1. With no state funds secured for the homeless shelter, is the Council prepared to spend $100,000 or more to acquire/renovate a property to serve as a homeless shelter? Is it prepared to raise taxes or limit spending on core services to accomplish this?
2. Will the shelter serve homeless women and children, or homeless men? (Gender segregation is required to ensure safe, orderly operations. To serve both populations would require two shelters, with all the associated costs.)
3. If Elizabeth City opened a shelter, it would be one of the few in the region. This creates a likelihood that homeless persons from surrounding communities will seek to come to Elizabeth City for shelter and other services – effectively competing with homeless persons who have long resided in Elizabeth City. Is this a concern, and how should it be addressed?
4. What level of recurring funding is the City willing to provide a shelter operator?
5. What will be the City's expectations/benchmarks for a successful homeless shelter? Is the Council prepared to reduce funding or revoke a lease agreement if the shelter fails to follow its operational plan or proves ineffective in guiding people to permanent housing?
6. Who are the key partners a shelter operator should work with to ensure the success of the shelter, and what role does the City have in facilitating those partnerships?

7. Even when a shelter is opened, the City will not be able to provide temporary shelter to every homeless person in Elizabeth City. What are the key services and collaborations City staff should pursue to help homeless persons outside of a shelter?