

ITEM #:	18
DATE:	06-24-25
DEPT:	CMO

### COUNCIL ACTION FORM

**SUBJECT:     AMENDMENT TO ASSET CONTRACT WITH THE SALVATION ARMY FOR  
TEMPORARY EMERGENCY SHELTER SERVICES**

**BACKGROUND:**

On June 11, 2024, the City Council approved the FY 2024/25 ASSET contracts totaling \$1,780,999. The Council also approved \$143,579 in funds not yet allocated to an agency, where:

- a. \$117,322 is reserved for needs that may arise for emergency shelter services;
- b. \$ 6,000 is reserved for needs that may arise for housing service coordination services; and,
- c. \$ 20,257 remains undesignated for any ASSET-related service need(s) that may arise in FY 2024/25.

In the approved contract with The Salvation Army (TSA) for FY 2024/25, the City approved \$5,000 towards purchasing emergency shelter services (hotel vouchers) at a per-unit rate of \$105.75. On June 25, 2024, the City Council approved an amendment to that contract for an additional \$100,000, thereby increasing the total appropriation for emergency shelter services to \$105,000. As of June 1, 2025, there remains \$31,579 in unallocated ASSET funds which can be used to meet needs that arise in FY 2024/25.

In winter 2024-2025, TSA provided emergency shelter services (hotel vouchers) for those needing shelter from the cold winter weather. **Although most of the funds had been expended, TSA continued providing services, feeling it was necessary to still assist with keeping individuals sheltered from cold weather conditions.** In January, Story County provided an additional \$20,000 in hotel vouchers to TSA for weather-related events, which was used in the month of January. The City at the time reserved its ASSET funds for extenuating circumstances when police officers may encounter a family needing shelter in the winter, which did not occur.

Staff has engaged in conversations with TSA about the use and need for emergency sheltering in Ames and Story County. From July 1, 2024, to May 31, 2025, TSA has provided 4,227 nights of hotel shelter. Funding has primarily been from the ASSET Funders and Story County Housing Trust Fund.

If the Council approves the additional \$25,000 request at the unit rate of \$105.75, the total amount approved from City funding for FY 2024/25 to TSA for emergency shelter services will be \$130,000. Therefore, the City will be purchasing a total of 1,229 units of service. (A unit of service includes 1 24-hour shelter service and a meal.) **Currently, there is not a clear long-term solution for emergency shelter services; however, there continues to be a community need for temporary housing.**

**ALTERNATIVES:**

1. Approve the amendment to The Salvation Army's FY 2024/25 ASSET contract for an additional \$25,000 to provide temporary emergency shelter services from July 1, 2024 - June 30, 2025, at a cost per unit of \$105.75, thereby increasing their total appropriation for this service to \$130,000.
2. Do not approve the amendment.

**CITY MANAGER'S RECOMMENDED ACTION:**

**Staff will continue to engage in conversations with service providers to find a more sustainable, long-term solution to sheltering needs. Until then, there continues to be a community need for emergency shelter services. In the interim, The Salvation Army has been meeting immediate needs through hotel vouchers.** Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No.1 as stated above

**ATTACHMENT(S):**

[Salvation Army - Second Amendment FY2024.25.docx](#)