



TO: Elizabeth Pauli, City Manager
FROM: Katie Johnston, Interim Director, Neighborhood and Community Services
Caleb Carbone, Manager, Neighborhood & Community Services, Homeless Strategy,
Systems & Services (HSSS)
COPY: City Council and City Clerk
SUBJECT: Resolution Authorizing the Use of General Funds for The Rescue Mission Men's Shelter
Expansion
DATE: April 8, 2025

SUMMARY AND PURPOSE:

Resolution related to homelessness; authorizing the execution of an agreement with The Rescue Mission ("TRM") in the amount of \$3,500,000 is budgeted from the General Fund (GF). This contract will run from April 8th, 2025 to March 31, 2026 to support the cost of The Rescue Mission Men's Shelter expansion at 425 South Tacoma Way, Tacoma, WA 98402 of 100 beds to reduce the number of individuals residing in unauthorized encampments and areas unfit for human habitation. The total project cost is projected at \$19,101,267. The project funding also includes contributions of \$5,500,000 from Pierce County, \$5,000,000 by Washington State Commerce thru a separate agreement, \$1,101,267 paid directly by TRM and \$4,000,000 in Community Project Funding dollars from U.S. Department of Housing and Urban Development (HUD) that shall be deposited into the City's Federal Housing and Urban Development Fund and passed thru to TRM thru the execution of a separate contract.

BACKGROUND:

The Tacoma City Council has identified homelessness and housing stability as a top priority, emphasizing the need to create sustainable solutions to address unsheltered homelessness, expand affordable housing opportunities, and ensure equitable access to essential services.

Established in 1912, The Rescue Mission (TRM) offers meals, shelter, and recovery services to people experiencing homelessness. TRM's Men's Shelter Expansion Project is a critical initiative developed to address the increased demand for emergency shelter in the City of Tacoma. Through this project, TRM will increase its capacity in the men's wing congregate shelter space at TRM's downtown campus by 100 permanent shelter beds to provide basic emergency shelter and services.

The City of Tacoma has been operating under a state of emergency in response to rising number of people experiencing homelessness since May 2017. Given the growing urgency to expand emergency shelter capacity, the City is committed to providing \$3,500,000 to increase shelter capacity and supportive services for people experiencing homelessness. This project is in partnership with Pierce County and in alignment with the Comprehensive Plan to End Homelessness shelter plan. The \$3,500,000 from the General Fund will become available to TRM after the City has finalized its agreement with U.S. Department of Housing and Urban Development (HUD) for the \$4,000,000, the \$4,000,000 will be provided to TRM thru the execution of a separate contract.

ISSUE: The City of Tacoma is facing a critical shortage of shelter capacity resulting in growing encampments and an increased burden on existing resources and emergency response services. There are currently 1,099 shelter beds available in the City for single adults, families, youth, young adults, and survivors of domestic violence experiencing homelessness. The Pierce County comprehensive plan to end homelessness has projected a need for an additional 200 shelter beds in the City of Tacoma. This shortage negatively impacts public health, safety, stability, and wellbeing. This shortage also exacerbates issues related to unsheltered homelessness including



poor health outcomes, higher rates of mental illness and substance abuse, and increased need for support from law enforcement, emergency response, and medical services.

The Rescue Mission’s Men’s Shelter Expansion Project will help address this urgent need and will add 100 permanent shelter beds, for year-round availability and access to supportive services to help individuals transition to stable housing for at least five years after completion.

ALTERNATIVES: The alternative to approving the contract and funding would be to not fully fund the shelter expansion project, which would result in less capacity/availability of permanent shelter beds in the City’s Homelessness response system. This shortage would place additional strain on existing resources, exacerbating issues related to unsheltered homelessness such as worsening health outcomes, higher rates of mental illness and substance abuse, and increased reliance on law enforcement, emergency services and medical care. Furthermore, this would cause an increased burden on the existing shelter system, potentially contributing to more burnout among shelter workers and case management support and weakening the overall effectiveness of the City’s response to the homelessness crisis.

STAFF RECOMMENDATION:

It is recommended that the City Council authorize the proper officers of the City to enter into a Funding and Operations Agreement with The Rescue Mission in the amount of \$3,500,000 budgeted from the General Fund (GF) to support the emergency shelter expansion at The Rescue Mission at 425 South Tacoma Way to increase the availability of 100 permanent shelter beds to reduce the number of individuals residing in unauthorized encampments and areas unfit for human habitation.

FISCAL IMPACT:

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
0010-General Fund (NCS)	91190	5330100	\$3,500,000
TOTAL			\$3,500,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$3,500,000, plus applicable taxes, budgeted from the General Fund (GF)

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes