The Salt Lake Tribune

New homeless resource centers facing ‘emergency’ $3 million shortfall

(Francisco Kjolseth | Tribune file photo) The Gail Miller Resource Center, seen here on Friday, Sept. 6, 2019, is one of the new homeless resource centers built to replace the Road Home.

By Taylor Stevens  •  Published: 1 day ago  •  Updated: 23 hours ago

The Salt Lake City area’s three new homeless resource centers are proving substantially more expensive to operate than originally thought and are now facing an expected $3 million budget shortfall that some in the homeless services network hope state leaders will step in to fill.

Otherwise, the operators may have to reassess or cut their services in a system that’s already stretched to capacity.

It’s a reality Josh Romney, a board member of Shelter the Homeless, the nonprofit that owns the new centers, called an “absolute emergency.”

As the final days of the legislative session approach, partners in the homeless arena, including Salt Lake County Mayor Jenny Wilson, have brought their appeals for more funding to state leaders. But it’s unclear how complex legislative conditions following
The end of last year, cost $3.5 million per year to run. By contrast, The Road Home's old emergency shelter, which the new resource centers replaced at costs and bring the total for operations across the three shelters to $17 million a year. Want under their best case scenarios — represent an increase of about $7.6 million in represent a "realistic plan" that doesn't include all the money operators would altogether, the new requests for resource center funding — which homeless leaders have 2020 is "Forgotten and Legitimated." For whom one of the resource centers is named. I think that message has been would be additional needs that went along with it, said Utah Jazz owner Gail Miller, would bring additional costs, that it would be a totally different system and that there would bring additional costs, that it would be a totally different system and that there was very clear that it the shift was made from a shelter to a resource center, it was very clear that it up a new operator. increased treatment for bedbugs. There are also extra expenses expected with setting additional security staff, transportation for clients, building maintenance and since opening, service providers have identified a need for money to go toward situation. According to a narrative provided to the board that explains this year's funding hypothesis, that based upon the best information that was available at the time, when the operators first created their budgets for the new resource centers, it was investments. Federal dollars, funding for private donations or increased city and county of federal dollars, funding for private donations or increased city and county homelessness leaders are also considering ways to close the gap through a potential mix at a meeting last week, "The budget is very much in flux right now." There's so many moving pieces," IT Gov Spencer Cox told his fellow board members which counties on state funding at least staying stable.
But those involved in homeless services caution that it’s not an apples-to-apples comparison. The Road Home’s old shelter was based on a cheaper but less effective warehousing model, while the new resource centers provide people experiencing homelessness with more services, including job and housing help, access to health care and three meals a day — all in an effort to more efficiently move people off the streets for good.

“When we start making comparisons, it undermines the magnitude of what we’re achieving with the new model,” Salt Lake City Mayor Erin Mendenhall said at the Shelter the Homeless board meeting. “It’s difficult, I think, to compare.”

Closing the funding shortfall before the next fiscal year is seen as especially important as the Shelter the Homeless board seeks a new service provider to operate the 200-bed men’s and women’s shelter in Salt Lake City after Catholic Community Services announced earlier this year that it would not be renewing its contract.

Preston Cochrane, executive director of Shelter the Homeless, said he has reached out to the operators of the other two resource centers — The Road Home and Volunteers of America Utah — to see if they would be interested in taking on a second center.

Their responses were “yes, we would be interested if there’s a strong funding plan," he told the board. "And I think that’s kind of what it boils down to. If the funds are there or not there, what’s the responsibility of the operator going to be in terms of raising
debts. That bill, HB 440, has yet to receive a committee hearing.

Road Home shelter was located to go to Shelter the Homeless toward paying off its
concerns, allowing the money generated from the site's sale of the land where the old
A new bill from State Rep. Steve Ellison, R-Sandy, would help address those

them.

nearly $17 million of capital debt associated with the $60 million spent to construct

In addition to this year's budget shortfall, the new resource centers are carrying

she said in explaining the organization's decision to the board.

"How do we keep our funding dollars focused on the specific programs and not have

services it was already offering.

other programs, and Hill said it became challenging to keep dollars focused on the

The organization operates a day shelter in the Rio Grande neighborhood and runs

Salt Lake City.

According to Jean Hill, director of Government Relations for the Catholic Diocese of

not to renew its contract with the Gall Miller Resource Center in Salt Lake City,

Budgetary shortfalls were one of the "big reasons" Catholic Community Services chose

find a new operator for the Gall Miller Resource Center.

funding situation, Cournane said. The Shelter the Homeless Board has until July 1 to

Two other groups have expressed interest, pending a better understanding of the

those dollars to be able to operate the facility."