



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 6/23/26

REQUESTER: Anthony Purinton, Assistant City Attorney

PRESENTER: Anthony Purinton, Assistant City Attorney

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2526-192: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA AND CITY CARE, INC., A SERVICE AND LEASE AGREEMENT FOR THE OPERATION OF AN EMERGENCY OVERNIGHT SHELTER AND BUDGET APPROPRIATION OF FISCAL YEAR 2027 FUNDS. (WARD 4)

BACKGROUND:

Since October of 2022, the City has contracted with a provider to operate an emergency overnight shelter at a City-owned facility located on 109 West Gray. In January 2025, City Care Inc. took over as operator of the facility under contract K-2425-58, the term of which extended to the end of the City's fiscal year, June 30, 2025. A new contract, K-2526-192, is necessary to continue shelter operations for the 2026-2027 fiscal year.

DISCUSSION:

Overview of Contract Terms

This agreement, Contract K-2526-192, remains functionally the same as City's current contract with City Care, K-2425-128. Some of the basic provisions of the agreement are briefly summarized below:

- Term:** The term of the agreement is for one full year, July 1, 2026, to June 30, 2027.
- Location:** The agreement leases specific areas of the City-owned property at 109 West Gray for use as an overnight shelter. An amendment or new agreement will be necessary if the shelter operation moves to a different location.
- Compensation:** Compensation for shelter expenses and staffing is on a reimbursement basis, subject to adequate funding appropriation by City Council. The contractor is required to provide services subject to

and in accordance with a Program Budget, which is attached as an exhibit to the contract.

Necessary expenses for shelter operations will be reimbursed at cost, in addition to an admin fee of 12.5% of the total budget amount, paid monthly.

The Program Budget remains the same going into FYE27 – with a monthly budget of approximately \$67,437.65, for a total annual operating budget of \$809,251.77. It should also be noted that the budget is for reimbursement of expenses, meaning that actual expenses may be less than the total budget amount.

Reporting: The contract requires financial and statistical reporting on a regular basis. Additionally, the monthly reimbursement schedule will require detailed reporting on expenditures prior to payment.

Scope of services: The contractor will operate a “low-barrier” overnight shelter with a maximum of 52 beds for adults. Clients shall, either directly or through another local agency, be offered access to housing, mental health, substance abuse, and employment services. As a part of the services provided, City Care will employ “Housing Navigators” (housing case managers) who will work directly with those staying at the shelter to provide case management services. The hours of operations will be 5:00pm-7:00am, with the ability to expand hours in the event of adverse weather. On-site security will be provided during the evening.

Funding

The FYE 27 budget includes \$752,400 in funding in Professional Services – Community Intervention (10110110-44029). An additional appropriation of \$56,852 is needed.

RECOMMENDATION NO 1:

Staff presents contract K-2526-192 for City Council’s consideration.

RECOMMENDATION NO 2:

Staff requests appropriation of \$56,852 from General Fund Balance (10-29000) to Professional Services – Community Intervention (10110110-44029) of Fiscal Year 2027 funds.