

YVCOG EXECUTIVE COMMITTEE SPECIAL MEETING MINUTES  
November 29, 2016

CALL TO ORDER

John Hodkinson, YVCOG Vice-Chairman, called the November 29, 2016 meeting of the YVCOG Executive Committee to order at 1:30 pm

ROLL CALL &  
INTRODUCTIONS

Members present: John Hodkinson, Mike Leita, Dan Olson, Mario Martinez, Maureen Adkison, Janice Gonzales

Members Absent:

Call in: Jim Restucci

YVCOG staff present: Larry Mattson, Chris Wickenhagen, Jessica Hansen, and Crystal Testerman

Others present:

A quorum was present.

\*Indicates notice of absence received prior to meeting.

PUBLIC COMMENT  
POLICY

It is the policy of the Yakima Valley Executive Committee to accept public comment on agenda items at the time the item is being discussed. Public comments regarding items not on the agenda will be heard at the end of the meeting.

NEW BUSINESS

Homeless Program – Modify  
YNHS Contract to Allow Use  
of ‘2163’ Funds

Mr. Mattson reported that the purpose for the special meeting is to consider appropriating funds from the ‘2163’ account (local document filing fee revenue) in order to avoid the potential eviction of formerly homeless residents who have been housed by YNHS under contract with Yakima County (via YVCOG). This contract was originally funded using Emergency Solutions Grant (ESG) funds.

Mr. Mattson wanted to state for the record that YVCOG received a letter from Ms. Hauff, Yakima Neighborhood Health Services, that this is a one-time request made in order to avoid the potential eviction of 19 previously homeless individuals currently housed under the Huray program. YVCOG has a duty to serve our members and ensure compliance with funding rules and regulations and YNHS is not in compliance with the terms of the contract that they signed.

Mr. Mattson reported that the issue primarily revolves around master leasing and the fact that you cannot use ESG funds to do a master lease. Ms. Adkison, City of Yakima, asked if this was a new finding or if others knew that ESG funding couldn’t be used for this type of program. This is a concern to the Executive Board because it was reported that ESG Funding has not been allowed for this type of funding for years. Mr. Leita, Yakima County Commissioner, also stated that YNHS is in default in the sense that they were paying rent in excess of fair market value by ESG rules and standards.

Ms. Wickenhagen, YVCOG, stated that YVCOG wants the compliance of the ESG funding to stay in place except for allowing them to continue their Master Lease. YVCOG does not want contractors to have free rein to pay any amount of rent with the ‘2163 funds’ because these monies don’t have the restrictions as other funding has. YVCOG’s concern paying above market rent and then only having restricted monies left.

Ms. Adkison, City of Yakima, stated that homeless individuals are camping outside of YNHS ‘Depot.’ She stated that it is upsetting the business community and wondered what could be done. She stated that there is money for Hotel/Motel vouchers and wondered why that funding couldn’t be used to place the people camping. Ms. Wickenhagen, stated that the money is available for Hotel/Motel vouchers through NCAC and there are beds available at churches but these individuals are choosing not to go there. Mr. Leita, Yakima County Commissioner, stated that his understanding is that ‘the Depot’ is intended to be a day warming shelter. He also stated that he understands Ms. Adkison’s complaints but he feels as though the problem stems with where YNHS has chosen to have a warming

shelter. If the warming shelter was not there, the homeless in Yakima would be somewhere else. YVCOG cannot control what shelters YNHS provide and suggests that Ms. Adkison, City of Yakima, talk directly to YNHS and request that they move their shelter to another location. YNHS is allowing the homeless to camp on their private property and because it's private property they aren't breaking any rules. Mr. Mattson stated that the homeless campers could be going to churches and using hotel/motel vouchers since both are available.

Mr. Leita is also wondering about the YNHS 'Huray Program' stating that when the program was initially brought to the board for funding YNHS stated that they had 30 units lined up for housing homeless which turned out to not be true. YNHS believed they had 30 units that they could fill but they didn't have the apartments available which was a mischaracterization from YNHS in front of Yakima City Council. YNHS explained that because they didn't get funding quickly enough they weren't able to secure the apartments needed. After the City of Yakima conducted inspections on some of the apartments proposed for the Huray program by YNHS they were deemed uninhabitable. The money has been appropriated to YNHS but they have not been performing to what has been agreed upon. Ms. Wickenhagen wanted to reiterate that there are plenty hotel/motel vouchers available and church shelters that aren't being used.

*Ms. Gonzales, NCAC, joined the meeting.*

Mr. Mattson reported that he would like to hold workshops, in January or February, with the providers, local elected officials and staff to talk about the services they are providing within each of the city.

Mr. Leita stated that he had the opportunity to talk to the landlord's association and was told that the rental market is full. He was told that the master lease program does accommodate a landlord to a certain degree but the outstanding concern is when a homeless individual moves in and they invite their friends over and it creates problems because of the risk to other tenants that landlord may have. Ms. Gonzales stated that there are assurances that YNHS is able to offer the landlords for these types of things and YNHS is providing on-site counseling.

Mr. Leita stated that the purpose of this meeting was to endorse the concept, giving Mr. Mattson the authority to affirm, that this will be approved December 19<sup>th</sup>. He believes that on December 19<sup>th</sup> that the terms of the contract need to be clearly spelled out and reconciled so when the Executive Committee meets at their regularly scheduled time that they can approve the contract at that time.

Currently, all master leasing has been paid for by YNHS, and they haven't been reimbursed yet. The way it was setup ESG and 2163 funds were supposed to be used to pay for the Huray program on a 50/50 basis but because ESG has been removed the 2163 funds will have to back fill approximately \$170,000. The beginning fund balance was \$1.6 million dollars. If previous earmarks of a homeless shelter and demonstration project go forward, and now if we were to obligate ourselves to the City of Yakima's request which is an additional \$130,000 plus the \$171,000 to YNHS, the 2163 fund balance will be down to a balance of \$100,000 by year end. Mr. Leita wants to make it clear that he is for changing the monies to 2163 funds to assist the Huray program but there are still a lot of issues that need to be reconciled such as the earmark that hasn't had a response to for \$200,000 for a homeless shelter, a \$100,000 for a demonstration project, as well as the City of Yakima's request for 20 additional beds and hotel vouchers thru NCAC.

Ms. Gonzales stated that she supports using the 2163 funding to continue the master leases but doesn't understand where the miscommunication was. The program has always used ESG funds and this isn't the first time that the program has come across this problem. ESG funds have never allowed master leasing so why is this an issue now and when does a program have to take responsibility for their mistakes?

Mr. Leita asked how much money does YNHS state they have not been funded by ESG? How much 2163 money do they immediately need to ensure the 19 residents are not evicted? Ms. Testerman stated that she does not know. Mr. Leita stated that that's where the problem starts because YHNS is claiming that it's an emergency but aren't stating how much money they need. Out of the 30 people that were funded, only 19 have been housed, so how much money is YHNS short?

Mr. Leita moved to reimburse all ESG monies from the beginning of the contract until this point in time with 2163 monies and that amount is to be a specified requested by Yakima Neighborhood Health Services.

Ms. Testerman stated that she believed this could be a problem because even if the tenant leaves the landlord still has a year lease on file so YNHS will still be accountable for that year lease even if the apartment was left empty.

The concern is that this is a reoccurring problem YNHS knew that they could not use ESG funds for a master lease program. Mr. Restucci stated that this problem was first brought up at the November 14, 2016 Executive Committee meeting (reading directly from the November 14, 2016 draft minutes) and it was indicated that "Mr. Mattson was asked if YNHS had attempted to change the lease agreements to be direct between the homeless person and the landlord and YNHS co-signing. Mr. Mattson responded that YNHS is working on it. The Executive Committee would like to know what has been done in that regard." Mr. Restucci believes that is an important piece to this that the Executive Committee is not getting. The Executive Committee was promised information and action at the November 14<sup>th</sup> meeting that they still aren't getting and today the Executive Committee is supposed to be voting on money and YNHS's representative isn't even present.

Ms. Wickenhagen stated that YNHS was told when the master leasing program was first presented to the HPPC, that it was a request of 2163 funds and then when it was presented to the Executive Committee it was changed to ESG funds. At that time, Tim Sullivan (previously Homeless Program Manager) thought there was an abundance of ESG funds. Ms. Wickenhagen stated that she does not know what happened at the HPPC meeting and what was approved but at the Executive Committee meeting it was presented with ESG funds.

Mr. Leita stated that there is poor communication going on here but he does not believe that the Executive Committee, in this matter, took exception to the recommendation that came to it by the HPPC. The Executive Committee endorsed it and it was passed. That recommendation included the usage of ESG monies so that is a fault of the providers that sit on the HPPC specifically YNHS.

*Mr. Restucci seconded the motion to continue the discussion further and have Ms. Gonzales expand on her position as a service provider.*

Ms. Gonzales stated that this has always been ESG money and when YNHS signed the contract it was ESG funds. ESG does not allow master agreements and this issue has come up before. Once YNHS discovered that they couldn't pay for the master agreements with ESG money they should have come to the Executive Board at that point to work out funding.

Mr. Restucci asked if there was going to be some type of additional caveat to Larry's request of YNHS before YVCOG allows funding. Mr. Mattson requested that YNHS provide information regarding the reason for the request and a solution for assisting clients with direct leases and the proposed resolution. Mr. Restucci noticed that YNHS did not respond to the question in the letter that asked what have you done so far with the monies allowed for the program. Mr. Restucci feels as though it's important to learn from

mistakes for the progression of the program and future plans so things are addressed much faster.

*Call for the question: Motion Carried.*

Mr. Leita stated that he would like to know how much 2163 monies will be needed to reimburse YNHS for past Huray grant funding. This will be to reimburse and replace ESG monies for the purposes of funding the Huray grant. The Executive Committee requests and require YNHS to use a master leasing program.

Mr. Leita would again like to voice his concern that the 2163 monies is not a bottomless pit and if we were to honor all previous and existing requests the fund would be down to \$100,000 by fiscal year 2017.

Mr. Martinez asked if the \$200,000 that was initially earmarked for a shelter at Roy's Market could be pulled out to allow some additional funding. Ms. Testerman said that she is still waiting to receive paperwork from Rhonda Hauff (YNHS) or Lowel Krueger (YHA) but still has not received any kind of commitment to this project. Mr. Leita suggests that all old earmarks be removed. Ms. Gonzales stated that she believes that the money that was set aside for Roy's market was approved and that they are in minutes somewhere. Mr. Leita asked who had the authority to approve the money? Mr. Mattson responded that at the time when the money was earmarked it was approved by the Yakima County Homeless Network. Mr. Mattson went on to say that he wrote a letter of support to YNHS, at their request. YNHS has an application in to Washington State Housing Trust Fund for a funding package to start the conversion of Roy's market, subject to terms with the City of Yakima. Mr. Mattson's letter did offer support for the \$200,000 contingent upon the approval of whomever is in charge of the 2163 filing fees, which would be the County at the current time.

Mr. Leita stated that if the \$200,000 was part of the 10-year plan, that is currently 2 years out of date that the County endorsed and signed off on, that plan has expired and those monies were not used prior to its expiration. Although the Executive Director made a verbal commitment to honor that pledge that is something that we need to continue to demonstrate our support and our resolve.

Mr. Mattson stated that his understanding was that they could get the contract modification taken care of, with signatures, working with the County financial services office within a week or two.

OTHER BUSINESS

none

PUBLIC COMMENT


none

ADJOURN

With no other business, Mr. Hodkinson adjourned the meeting at 2:16 p.m.

Respectfully submitted,

  
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John Hodkinson, YVCOG Vice-Chairman

  
\_\_\_\_\_  
Date signed

ATTEST:

  
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Jessica Hansen, Office and Communication Specialist