

HUD Inspector General to review Turlock funds

Homeless grant's whereabouts questioned by local insurance man

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Last weekend, during the pouring rain, Turlock insurance man Grant Davis' son ran across an old friend in a convenience store. Ragged and drenched, the old friend was now homeless, the victim of problems at home—not drug addiction.

Instead of a house, apartment, car, or even cardboard box, the place this man now called home was, quite literally, a hole in the ground he'd found in a local field, now flooded with the rain.

"We (the City of Turlock) have the money and the ability to do something about homelessness," Davis said. "(The U.S. Department of Housing and Urban Development) gave the city the money, but we're either so incompetent we can't manage it ... or we're keeping the money because we don't like the idea of a shelter.

"But what about this poor kid right there," he continued. "What's the value of one person's life?"

According to Davis, Turlock Police ignored the young man's plight, telling him to "just stay out of the public eye"—just as the Turlock City Council turned a blind eye to Davis' offer to purchase the city-owned warehouse at 400 B St. to open a new, modern homeless shelter in the site of the former Emergency Cold Weather Shelter.

But, where the voiceless homeless cannot, Davis is making a stand. His shelter offer has yet to receive a formal reply from the City, so Davis is attempting to bring some pressure from on high, referring HUD to investigate what exactly happened to the \$3 million grant Turlock received to build a shelter.

"I gave them (HUD) all the information," Davis said, "and filed a formal complaint for mismanagement and misuse of public funds."

Davis has also laid out his concerns in letters to California's U.S. Senators Barbara Boxer and Diane Feinstein, asking for their support in his shelter proposal.

"I found myself wondering how the city can legitimately use a homeless grant to get (\$3 million in) federal money then not use those resources for its intended purpose," wrote Davis in his letter to Boxer. "... I wonder where that money is now 3 years later. Since it wasn't used for the homeless shelter we need to get an accounting for these funds and ensure that they are put to their proper use."

According to a Feb. 10 memo penned by Robert Ashworth, Director of Program Integrity with HUD, a case has been opened to address the issues Davis raised. Either the HUD Office of Inspector General or an impartial HUD official will conduct a review, addressing all issues before closing the case.

HUD is unable to comment on any in-progress reviews, but will notify Davis upon completion of the review.

Davis called an audit of HUD grant money a "critical step towards putting together a common sense solution so that we can step up as a community to serve the homeless living in Turlock and our surrounding communities."

Interim City Manager Gary Hampton said he was not aware of any HUD investigation, but that the City had received a letter from HUD regarding repayment of funds.

"At this point the property is still being listed for sale and we are proceeding according to Council's direction (to reappraise the structure and sell it)," Hampton said.

The 400 B St. site was purchased in 2005 for \$350,000 in HUD grant

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money to house the Emergency Cold Weather Homeless Shelter. Earlier this year the structure was appraised at a value of \$300,000.

When Turlock's attempts to sell 400 B St. at an asking price of \$300,000 did not receive a single bid, the City dropped the price tag to \$150,000. Again, no offers were received at the discounted price, and the Council requested a reappraisal of the property.

Because the grant funds Turlock received were only to be used to buy and remodel a homeless shelter, the City of Turlock must repay HUD any difference

between the sale price of 400 B St. and the appraised value. Additionally, should Turlock sit on the unused piece of property for too long the City would need to repay HUD.

If the purchaser of 400 B St. intended to use the site for a HUD approved purpose, however, the City of Turlock would no longer be under any obligation to repay HUD funds. According to Davis, his shelter would be HUD approved.

Turlock Planning Department staff held a predevelopment meeting last week to meet with a potential buyer of the 400 B St. warehouse who was interested in using the warehouse for ancillary storage for his existing business. According to Planning

Director Debbie Whitmore, that potential buyer has not yet made an offer for the property and was just in the preliminary stages of seeing what he could do with the site.

Even if that offer does come in, however, Davis hopes the City of Turlock turns it down.

"We the people are willing to do the work," Davis wrote in his letter to Boxer. "We just need our officials in Turlock to account for the project, allow private citizens to rally around the project, and get it finished so we can do important work."

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