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Board of Supervisors Humboldt County 825 5th St Eureka, CA 95501

7/6/2021

Dear Board,

For 30 years, Arcata House Partnership has worked to address the needs of the county's houseless population, including seniors, children, veterans, and people with disabilities. Providing permanent housing, emergency shelter, food, clothing, and case management services, AHP's contributions to improve Humboldt County's quality of life is irrefutable.

Our ability to continue to serve this county is now jeopardized. As of today, Humboldt County owes Arcata House Partnership \$507,394.00. That amount is 30% of our ANNUAL operating budget. Here are some of the ways this enormous debt has impacted our agency: both of our lines of credit are maxed out, we cannot pay our utility bills AND our payroll this week, our accounts payable is in arears.

Some of the outstanding invoices we submitted to the county are now more than six months PAST DUE. DHHS Director, Connie Beck has assigned her staff to find ways to simplify the process and they have been working with our staff to try to get us paid, but we are no longer able to accommodate the delays.

We will not accept another contract from the county at this time because we cannot afford to do so. This means the Continuum of Care is in danger of needing to return most of the \$5.4 million that was allocated to Humboldt County for homeless services.

If we do not receive our contracted reimbursement soon, this Board must consider the probability that we will default on our contracts, suspend services for which we are currently contracted, and lay off staff in an effort to maintain some part of the viability of what remains of Arcata House Partnership.

As stated earlier, we can no longer accommodate further delays. Your immediate response to this untenable situation is now necessary. We greatly hope this matter can be resolved at the county level with the sense of immediacy that it deserves.

Sincerely, Arcata House Partnership Board of Directors

Susan Riesel, President Connie Thomas, Vice President Cassi Carter Darlene Spoor, Executive Director Cindy Woods, Secretary Gene Joyce, Treasurer Judy Longshore