# Monica Martinez Should not be a Supervisor

Recent revelations of legal complaints filed in 2018 by Community Foundation of Santa Cruz (CFSC) against Encompass Community Services (ECS) and CEO Monica Martinez for her unauthorized transfers from CFSC equaling $1M are further evidence of Ms. Martinez’s poor judgement, lack of ethics and fiscal irresponsibility. Although the suit was settled and we will never know the outcome, I submit that Board Members of a charitable, non-profit would not file a lawsuit without reasonable cause. At the same time, our community was subjected to an egregious abuse of power, fraud and obstruction of our legal rights perpetrated by Monica Martinez and County officials.

In July of 2017, County and ECS officials, under the direction of Monica Martinez, purchased a residential property using a $1.126M grant funded by the State of California (CHFFA). The sole purpose of the funds was to find a property that could support an 8 "bed" crisis, mental health facility. According to the grant, "guests", in crisis, could "respite" for no more than 2 weeks at a time for a minimum of 273 individual “stays” per year **(See the attached “Exhibit D - Project Description” with the definitive term ”will” increase)**. However, residential zoning does not allow a facility where more than 6 "persons" "reside".  Nowhere in residential zoning codes are the terms “respite”, “guests” or hundreds of “stays” mentioned. Does this sound like a residential application? Would you want this facility in your neighborhood within 500 feet of an elementary school? The zoning codes say NO.

By law, an eight "person" residential care facility where individuals “reside”, would require a change of zoning, e.g. a Level 5 Zoning Review, a Public Hearing and posted notice to the public. These rules exist for a reason and are the only safeguards for homeowners to protect their rights. County facilities owned by private non-profits are not exempt. Any attempt to misrepresent these facts is a violation of the rights of the community and a violation of the CA Code of Conduct for charitable non-profit Directors and Officers.

At a community meeting on 8/21/17, County and ECS officials led by Monica Martinez, misrepresented the intent and scope of the project. Specifically, when asked repeatedly, when the **mandatory** increase to 8 "beds" would occur, they reiterated three blatant lies:

1. There was no plan to increase capacity to 8 "beds”.

2. No licensing for the program was required.

3. They had a 2-year extension to complete the implementation.

**(See the attached Community Meeting Transcripts)**

On 8/8/2017, just 2 weeks before the community meeting, Ms. Martinez executed a **Performance Deed of Trust (see attached)**.  This deed was a promise by Encompass to follow the rules and requirements of the grant agreement as a condition of receiving the grant funds.  This confirms that she was keenly aware of the 8 “bed” mandate and 12/2017 licensing deadline.

Internal emails received through a FOIA request revealed that County and ECS officials had conspired to misrepresent the project to avoid the required legal proceedings. In other words, obstruct the rights of our community.  Martinez was a recipient and responder on these emails and she was 100% responsible for the conduct of her employees. The emails clearly show that she and her staff knew, before taking possession of the funds and the property, that there was no legal path to successfully implement the program, without going through the rezoning and licensing process. On day one, the community would need to be given notice of the pending change of zoning. Nine days prior to the purchase of the property, emails include a “direction” to expand to 8 "beds" and explicitly stated that licensing was mandatory by December of 2017, ergo there was no 2-year extension **(see Erik Riera’s direction and Pam Rogers-Wyman email 7-14-17 and )**.  Our claims were validated at a meeting in Sacramento on 12/7/17 at which the County and ECS requested a change to the program description from 8 to 6 "beds" and a 2-year extension, which they claimed already existed.  Both requests were denied. They were given a 1-year extension to complete the project at 8 “beds”.

It is critical to note here that the grant was specific to the experimental “peer respite” program, which is an open-door, unsecured facility staffed by unlicensed, “lived experience” individuals. Conversion to another type of facility was strictly prohibited and would result in the sale of the property and the funds returned to the state. The plan, at the time of the purchase was to “convert” the program to an 8 “bed” Social Rehabilitation facility. There were several references to the conversion before and after the purchase.

These emails directly contradict the statements made at the community meeting and show intent to deceive the public. Subsequent emails from a County Compliance Officer dated 10/2/17 and 10/3/17 show the continued disinformation campaign **(see attached Code Compliance Investigation – Wanda Williams emails)**. The Compliance Officer, responding to our official request for an investigation, stated that “she” the "operator" of the facility claimed there was “never any discussion about going to 8 beds". Based on this obvious deception, our concerns were dismissed.  When asked who made the statement, the county declined to answer, stating there was no record. I find that answer dubious **(see County Response – Operator False Statement to Wanda Williams).** I contend that lying to a County Compliance Officer, during a state sanctioned investigation, is a criminal violation.

At the end of 2018, notice was given that the program was deemed “fiscally unsustainable”, and the property would be sold. By that time, they had seen our evidence and had been caught red-handed misusing taxpayer funds, deceiving the public and had violated the codes of conduct for Directors and Officers of charitable nonprofits **(see attached CA Codes of Contact)**. At the eleventh hour, ECS received a large, anonymous gift to save the program.  Instead of banking the funds for its future fiscal sustainability, they repaid a perfectly good grant with no required repayment, IF they met the original terms.  This was an implicit admission the program could never be deemed legal and was a complete mismanagement of vital, public and private funds needed to serve the community.  Repayment does not diminish the severity of the deceit, especially since the repaid funds were no longer available to other counties that, years before, had been denied those funds in favor of Santa Cruz County. Where did the “gift” come from? Is it a coincidence that Ms. Martinez had taken funds without authorization from the Community Foundation at nearly the same time? Are there other incidents of fiscal mismanagement? These questions must be answered. The emails and documents provided are just the tip of the iceberg. Additional documents, show intent to defraud, incompetence and an attempt across county departments to obstruct our rights and hide their malfeasance. (see “I think we can say emails”- Erik Riera and Monica Martinez 8-11-17)

Our county is amid a severe fiscal crisis and facing serious social and mental health issues. It is going to take people of unquestionable integrity, transparency and a record of fiscal responsibility and accountability to guide us forward. Monica Martinez is clearly not that person. In the end, character matters!