

Scott Morrow  
Seattle Housing and Resource Effort

April 13, 2015

Dear Scott,

I've been following the continuing saga of the Nickelsville homeless camps. On February 7 the *Seattle Times* published a story about the residents of Nickelsville-Dearborn voting to sever their ties with you. I'm sure you've read it, but here's a link for reference:

<http://www.seattletimes.com/seattle-news/nickelsville-boots-leader-homeless-site-now-teetering/>

You are quoted in that story as saying that Nickelsville's 501c3 is in debt for \$15,000, and in your "resignation" letter to the Dearborn campers (see attached), you also mention liabilities incurred by the 501c3. In the letter, you tell campers you are expecting them to find someone to assume those liabilities within a five days or vacate the premises. I dare say it's not likely that a group of homeless people would be able to find someone to shoulder a \$15,000 debt on such short notice – to say nothing of being able to pay it off themselves – and I think a reasonable person would view this as coercion. Clearly, you are treating these liabilities as money being owed by Nickelsville residents rather than a debt owed strictly by you or by the Nickelsville 501c3. Moreover, **if the campers did indeed owe that money, that means you were in effect charging them a fee to stay at the camp.** I'm certain that the Mayor and City Council would not look favorably upon an arrangement like that.

I have two requests.

First, could you please send me a copy of the Nickelsville 501c3's current balance sheet? The sheet should show a liability of \$15,000 per your statement to the *Times* reporter. It should also show exactly how that liability was accrued. I have a summary statement of accounts that you sent to the Secretary of State's office in February (see attached) and that summary shows a liability of only about \$1,100 for the 2013 accounting year. According to your statement to the *Times*, Nickelsville would have acquired some \$14,000 in *net* liability since then.

Second, please send me a copy of whatever written agreement you have with the property owner and/or the host church for the Dearborn Ave site. In Item 2 of your resignation letter (attached) you speak of the Nickelsville 501c3 defaulting on "its legal obligations to both the property owner and the operator of Nickelsville." Since there are legal obligations, there must be a contract somewhere spelling out what those legal obligations are.

Please send this information to me by April 27th via this e-mail address or at the address below. Thank you.

Sincerely,

David Preston