

Dear Members of the Metro Audit Committee,

The Metro Council bears a fiduciary responsibility to ensure proper stewardship of public funds—particularly federal grant monies subject to strict compliance requirements—and also a fundamental duty to ensure the safety of Nashville's citizens, most especially its most vulnerable residents sheltered in facilities overseen by Metro. Council created and tasked the Office of Homeless Services (OHS) with this responsibility in regard to Nashville's unhoused population.

Since the creation of the office, serious questions have been raised regarding the leadership of OHS Director April Calvin, and numerous documented examples of mismanagement have been brought forth, including but not limited to:

- Financial mismanagement and/or potential fraud related to expenditures of both federal ARP and Metro funds as well as contract compliance;
- Lack of oversight of Metro facilities, including Strobel House, resulting in harm to residents and staff opening Metro to liability;
- Staffing and hiring mismanagement;
- Overall mismanagement resulting in the failure to improve housing outcomes despite a massive influx of federal and Metro dollars, and failure to deliver on its chartered obligations to coordinate Nashville's homelessness response through shelter management, outreach, planning council support, and maintaining an inventory of third-party service providers.¹

Financial Crisis

Local journalists and advocates have reported **\$3.2M+ in suspected financial irregularities** requiring immediate forensic examination:

- **\$568,923** in improper invoices to Depaul USA related to contract L-6054²
 - 10 months of invoices submitted to and paid by Metro outside of the contract dates^{3,4}
 - Invoices referenced contract value of \$1.2 million; actual contract value of L-6054 was \$500,000
- **\$565,577** from Landlord Engagement funds:
 - \$500,000 allegedly misallocated, currently under internal audit by Metro
 - \$65,577⁵ in temporary employee expenses charged to this restricted fund although these temporary employees allegedly did not provide landlord engagement services
 - \$29,951 purportedly for Director Calvin's administrative assistant
- **\$130,109** charges on a single department credit card, in addition to \$46,994.14⁶ of documented reimbursements to the department Director and staff
 - Large sum of questionable expenses, including excessive expenditures at restaurants
 - \$1,800.00 billed to "WP COLEYSJJ" which appears to be Cooley's Jook Joint, operated by Director Calvin's sister
- **\$2,000,000** of temporary ARPA funds used for permanent positions and supportive housing, creating a future "funding cliff" that will require an injection of Metro general budget funds.⁷
 - **\$194,097** in temporary staffing costs used to effectively circumvent Civil Service hiring rules

Miscellaneous Finance Questions

- **\$11,000,000** in payments to service providers coded as "temporary service" for contracts that do not align with this definition¹⁷
 - (Including Community Care Fellowship, Room In The Inn, The Salvation Army A Georgia Corporation, The Salvation Army Nashville Area Command, Step Up On Second Street, Inc., United Neighborhood Health Services, Park

Center, Inc, Metro Government of Nashville & Davidson Co, Nashville Electric Service, Mending Hearts Inc, Randstad North America Inc, Randstad USA LLC, Colby's Army Inc, The Contributor Inc, Dismas Inc, Nashville Safe Haven Family Shelter Inc, Safe Haven Family Shelter, The Hospitality Hub of Memphis)

- **3,482** ledger edits totalling \$8,901,763 made from 7/7/2023 - 6/30/2025⁹
- Significant amounts of money moved from resolution [RS2022-1697](#) to [RS2022-1698](#) without an amendment to either resolution. Expenditures do not appear to align with Metro Finance's Interagency Agreement for SLERF usage with [OHS](#)¹⁰
- Multiple pledges to landlords not honored in a timely manner resulting in financial hardships and strained relationships between tenants and landlords
 - During a recent encampment closure, OHS approved a house with **extensive documented code violations**¹¹ **for residents to move in to**; OHS then failed to pay agreed rent and deposit in a timely manner, resulting in letter from landlord outlining intent to evict

Unsustainable Staffing Structure

- Requirement that OHS staff without proper training work double, over-time shifts at the cold weather shelter
- Circumvention of Metro HR hiring policies to hire full-time temporary staff using temporary federal funds, later converted to full-time staff

Lack of Transparency Surrounding Safety Incidents at Strobel House

Multiple incidents and conditions opening Metro government to liability due to a lack of an active contract:

- **August 2025 fire incident** that caused extensive damage to Strobel House 2nd floor, not included in the director's report to the Metro Council's Public Health and Safety Committee
 - Question of the existence of an evacuation plan for wheelchair residents on upper floors
- **October 4, 2024 stabbing** at Strobel House - incident not available on public databases, and not reported to Public Health & Safety Committee or District 19 Council Member, despite Director Calvin being on-site immediately following incident¹²; malfunctioning security cameras¹³
- **October 25, 2024 staff injury** from operating equipment without training, purportedly resulting in chronic injury¹⁴

Operational Collapse Despite Massive Funding Increases

- **FY2020-2021:** Under former leadership, total funding (Metro and federal funds) increased from \$8.8M to \$20.4M¹³, housing placements increased from approximately 975 to 1,875.¹⁵
 - 21 FTEs in 2021
- **FY2021-2024:** Despite funding more than doubling from \$20.4M to \$46.6M¹⁴ housing placements did not substantively increase (1,875 housing placements in 2021 compared to 1,912 in 2024)
 - Federally mandated annual count of outdoor and unsheltered homeless individuals (PIT Count) essentially unchanged (2,016 in 2020 to 2,180 in 2025)¹⁴
 - **528% total funding increase** from FY2020 with zero verified improvement¹⁴
 - **\$26.2M additional annual spending** producing no demonstrable increase in permanent housing placements¹⁴
 - Staffing doubled from 2021 to 2025 to 43 FTEs
- **80+** non-permanent units at Rodeway (97 Wallace Road) held empty for a year
- **Additional units** and services available but inaccessible due to a lack of timely referrals from OHS through the Coordinated Entry process, which landlords and service providers are required to use to fill units.
- **Breakdown of partnership between OHS and private developer resulting in removal of 14 units** of permanent housing at Shelby House; \$2 million returned and residents forced to relocate

- **\$1,900,000** Salvation Army contract dispute with conflicting claims about scope, resulting in TSA terminating the contract in October 2024¹⁶
- Overall shift of funding and prioritization of resources to temporary responses to outdoor homelessness over sustainable, permanent housing placements
 - **Hundreds of people** displaced from encampments since 2022 with no significant increase in permanent housing placements

The Office of Homeless Services is tasked with coordinating how we as a community address the homelessness crisis we face. Yet, to date, no significant progress has been made toward permanently housing our most vulnerable despite a massive increase in resources, and the relationships within the community central to reaching that goal have been fractured, perhaps beyond repair.

The vulnerable deserve protection. The public deserves truth. And the law demands action. An audit at this time is both warranted and necessary, before further violations occur, before additional federal funds are compromised, and before another preventable tragedy befalls those we have sworn to protect.

Sincerely,

Councilmember Ginny Welsch
ginny.welsch@nashville.gov

Endnotes

1. Metro Charter duties for OHS:
https://library.municode.com/tn/metro_government_of_nashville_and_davidson_county/codes/code_of_ordinances
2. Depaul contract as attached to RS2024-459:
<https://nashville.legistar.com/View.ashx?M=F&ID=12951337&GUID=63DD1B1F-D3DE-4164-84C3-6E1170A67704>
3. PRR provided scans of Depaul USA invoices:
https://drive.google.com/file/d/1qrtOAPKSGnKxsg6A9LfuaOXG64tlpc7/view?usp=drive_link
4. PRR provided transactions for Depaul USA:
https://docs.google.com/spreadsheets/d/1uvMmhK7zT-v4MDZAOrlNe7sl8za7n7O6/edit?usp=drive_link&oid=100515604662042074395&rtpof=true&sd=true
5. Temp Staff Table: <https://sites.google.com/view/ohs-community-audit/temp-staff>
6. Reimbursement expense: <https://drive.google.com/file/d/1KRed8wYQZrNRbDAgkLyW0jvbd0xCYdrV>
7. Quote from CM Courtney Johnston:
<https://fox17.com/news/local/metro-council-member-warns-of-funding-cliff-in-nashvilles-homeless-services-budget>
8. Ledger Book with \$11M of "Temporary Services" expenses
<https://docs.google.com/spreadsheets/d/1cKYPXT5vp3EYrJPvLOUBuJTYpRljknHM>
9. Journal Ledger Edits: <https://drive.google.com/file/d/1Z9gBI9M3z7ApQOyoUjCFjBpwosl4q4nw>
10. OHS SLERF: https://drive.google.com/file/d/1_t2NSZ3hCfeaWrZsUepR7r0F4GltvAKb/view?usp=drive_link
11. Documentation of code violations:
<https://docs.google.com/document/d/1dszyEtkl1oFaJgx8mqEVGV0JSvIndg2rVREmWHUjF98/edit?tab=t.0>
12. Text messages with Director Calvin being notified of stabbing and responding "On my way":
https://drive.google.com/file/d/1hW89nHET_MSv9QvSJUTp7Lxq75VQ-Dz-/view?usp=sharing
13. Emails from period during the incident: https://drive.google.com/file/d/11NujE5CBTIOhgNG9A_y52PazAlcba0ix
14. Staff grievance letter to Depaul supervisor detailing incidents and injuries at Strobel House while operating without a contract:
<https://drive.google.com/file/d/1v-Zb79O41kB8qOnFxYbbI2EvV1skUWuq/view?usp=sharing>
15. Homelessness Budget and Allocations, including for all years HUD CoC pass through funding:
https://docs.google.com/spreadsheets/d/1VlyxnyUc5GER4O-_OXmek5dRXpl5E6Yz6nsyGCrfxl
16. Salvation Army Fallout:
https://www.nashvillescene.com/news/pithinthewind/salvation-army-metro-temporary-housing/article_a74bf35a-8caf-11ef-854e-6f28f711bfb6.html
17. Temporary Service Definition drawn from legal source documents
<https://www.lawinsider.com/dictionary/temporary-services>