

I.

*While my family's experience is a personal heartbreak,
The tragedy would be if this continues to happen to other people;
Particularly when our public officials are aware of it.
An investigation will help assure future accountability.*

A City of Austin federal tax-funded ⇒
Home loan program rendered my ⇒

Home Improvement & Affordable
Home Demolished & UN-affordable

**The Actions & Negligence by the City of Austin (CoA) and its Contractor
Transformed an original \$17K home improvement project into excess of an \$86K+ Repair Nightmare:**

INVOLVES:

- **Possible Patterns of Practice**
- **Un-accounted for Federal Housing Grant Funds**
- **Forgery of Official Municipal Document(s)**
- **Possible Fraud**
- **Questionable Recordkeeping with Loan Servicing Documents**
- **City of Austin Inspection Practices**
- **Overall Substandard Shoddy Workmanship**
- **Hazardous Waste and Intent to Harm:**
- **Electric / Fire Hazards:**
- **Water Damage**
- **Foundation Damage**
- **Decay from Prolonged Exposure:**
- **Apparent Contractor Cronyism**
- **No enforcement / Evasion of Accountability to the Public**
- **Stonewalling**
- **Conflict of Interest & Insurance Issues**
- **Stacked Deck:**
 - **Retaliatory; Pressure Tactics; Knowledge to do Harm**
 - **Austin Energy**
 - **Legal System**
 - **Gate Keepers (Record Keeping)**
- **No Day in Court :**
 - **Blank-check access to legal funds (CoA & its Contractor; tax \$\$ & AHFC Insurance)**
 - **interference; obfuscation; misrepresentation**
 - **Compromised / lack of due process**

*While my family's experience is a personal heartbreak,
The tragedy would be if this continues to happen to other people;
Particularly when our public officials are aware of it.
An investigation will help assure future accountability*

Re. Loan #79090125 Tracee & Allissa Chambers

**A City of Austin federal tax-funded ⇒ Home "Improvement" & "Affordable"
Home loan program rendered my ⇒ Home Demolished & UN-affordable**

**The Actions & Negligence by the City of Austin (CoA) and its Contractor
Transformed an original \$17K home improvement project into excess of an \$86K+ Repair Nightmare:**

- **Inspection Practices – Electric (DTPA):** CoA & its Contractor demanded payment for electric "work" that they alleged had passed inspection. An electrician later confirmed the electric was not to code & posed a fire hazard. A light fixture later ignited.
- **Hazardous Waste:** CoA ignored interim controls for lead-paint. Contractor used a machine sander. Practices Contaminated the home with lead-paint dust to the point of it being classified as hazardous waste – The City Dump won't accept the yard soil.
- **Water Damage / Roof Replacement:** shoddy roof replacement caused a portion of the home to flood and incur water damage.
- **Foundation:** The contractor mistakenly removed the wrong pier; then alleged that dry-stacked cinder blocks were the new pier.
- **Decay from Prolonged Exposure:** After having degraded the integrity of the exterior paint; damaged my home, contaminated it with hazardous waste, & demanded payment for work that was not done per the specs, CoA's contractor abandoned the project. Then, CoA failed to resume the project. CoA never rehabbed my home. The Prolonged exposure destroyed all windows & siding.

(apparent) Contractor Cronyism -- CoA / AHFC Refusal to enforce accountability with its contractor

The only party who honored the contract (Chambers) was the only party who was held to the terms of the broken contract. CoA ("neutral" managing party") protected the contractor. AHFC ignored its own penalties for contractor debarment & awarded the contractor more contracts over the next decade. – more homes/lives were injured. CoA gave lipservice to the one it victimized & rewarded the one(s) who did the victimizing.

Criminal – Forgery & Unaccounted-for Federal Housing Grant Funds:

- **Forgery:** Chambers' signature was forged on at least one official municipal document(s).
- **Un-accounted for Federal Fund\$:** Fund\$ for Chambers' project were NOT disbursed from Austin Housing Finance Corp.'s (AHFC) escrow account. However, CoA documents reflect otherwise, when in fact the project was abandoned & no \$\$ disbursed.

Apparent Acts of Retaliation:

- **Intent to Harm:** CoA enforced a lien with power of sale of my home, that required my toddler & I to live amidst hazardous waste in a fire prone home for 6.5 years – in spite of CoA having knowledge of the hazards, & my requests to be released.
- **Austin Energy and Other:**
 - To date, CoA has withheld a several-hundred-dollar utility reimbursement (owed to me per the contract), which the contractor gave CoA in 1996 to give to me. CoA wrote: "In addition to resolving the utility reimbursement issue, we highly recommend that you pay the contractor."
 - Austin Energy (AE) recently FALSELY incriminated and penalized me for allegedly tampering with my meter – There was no due process.

Conflict of Interest / Insurance:

Liability policies for AHFC, its contractor & my project were issued by the insurance agency that was co-owned by (then) City Council Member Eric Mitchell. Unaware of this conflict, I established a file with, & sought CM Mitchell's assistance re. my project. CM Mitchell wrote me: "the construction department is waiting on the following from you: the letter dissolving the contract between you and (contractor)... It is imperative you forward the information as soon as possible." – I declined his directive to release his clients from liability & to nullify my contractual rights. AHFC Board = mayor & City Council (i.e. Mitchell)

(mis)Use of Local Tax Dollars to Suppress Due Process / Avoid Accountability:

City Council (AHFC) authorized no less than \$177K in local tax funds to suppress Chambers' efforts at enforcing, via litigation, the contract for which AHFC was entrusted with Federal grant funds, & for which CM Mitchell's insurance agency provided policies.

Insults to Injuries – Abuse of Due Process (Harrassment / Interference / Obfuscation / Politicization):

- **Incessant Abuse:** Our decade-long daily duress resulting from our literally broken home & broken health, was compounded by the equally injurious abuses we endured amidst a seeming "kangaroo-court". Counsel for CoA & its contractor, entered slanderous & potentially perjurous misrepresentations into record; yet I was denied my day in court – to ever set the record straight.
- **Exploitation/Manipulation of Due Process:** The City's & Contractor's open-ended blank-check access to legal funds fostered a decade long exploitation of due process at taxpayers' expense. The stacked & protracted ordeal ultimately starved me out.
- **Court dismissals – No Day in Court:** In the 9th year, the Judge dismissed (without hearing the merits of the case) all remaining claims with the exception of (interestingly) the only claim that AHFC's and the Contractor's insurance did not cover. – breach of contract (previous summary judgment ruling). Was the Judge's dismissal arbitrarily predetermined? "Last time we were here, I would have granted their motion to dismiss. I sent y'all to mediate because I didn't want y'all to walk away with zero." 11/07/'06

A City of Austin federal tax-funded ⇒ Home loan program rendered my ⇒	Home “Improvement” & “Affordable” Home Demolished & UN-affordable
--	--

The willfull and negligent actions taken by the City of Austin (CoA) and its Contractor transformed an original \$17K home improvement project into excess of an **\$86K+ Repair Nightmare.**

A. HOME OWNERSHIP:

Like many homebuyers, I purchased my only home with **my own down-payment funds**, and qualified through a traditional lending institution for a typical 30-yr. mortgage.

Clearly, since the lender approved me, I fulfilled at the very least, the 2 most basic requirements:

1. Financial ability / responsibility; &
1. My **home met the maintenance and structural standards necessary to qualify for homeowners’ insurance.***

** the destruction that later ensued upon my home¹ was the result of a botched CoA home “improvement” loan program. The damage was so extensive that my insurance agency considered withdrawing coverage.²*

A. HOME “IMPROVEMENT” LOAN – “AFFORDABLE” HOUSING:

After purchasing my home, I shopped for home improvement loans. The City of Austin (CoA) advertised the most competitively-priced loan of all through one of its CDBG (Community Development Block Grant) “Affordable” Home Loan Programs. Unfortunately, what the City advertised in order to attract clients **versus** what it delivered appears to be a **violation of the Public Trust** and a **bait and switch tactic**. What transpired next, propelled the **true price** of doing business with the City **out of orbit** – It cost my family our equity, our health, our livelihoods, our education, our option to give birth to another child, and caused **irrevocable grief**.

While a traditional loan application process rarely exceeds 3 months, the City took approximately 18 months to process my application. CoA and its contractor ultimately caused extensive damages to our home through their actions related to their federally-funded home “improvement” loan program. **My son was 1.5 years old** at the time we applied for the loan (1994). **He was 15 years old** before we were able to finish mitigating the vast majority of those damages. To date (2008), the City has neglected to cleanup the hazardous waste (still at our home) that resulted from the City’s and its contractor’s practices. **My experience with CoA’s so-called home “improvement” loan / “affordable” home program proved to be far more costly and disruptive to homeownership than a traditional loan ever would have been.**

Originally, I chose to work in **partnership** with the City of Austin because it advertised a desire to **retain & attract homesteaders** to my Central East Austin Neighborhood. Consequently CoA **marketed various attractive homestead incentives** through its federally-funded “affordable” housing programs. Sadly, standing amidst the aftermath, **I must now question whether CoA’s housing programs were (mis)used by those entrusted with taxpayer funds to exercise a form of Creative Eminent Domain / People-Removal.**

Serious questions about the City’s actions remain unanswered with regard to **violation of Federal criminal statutes**, i.e. forgery, misuse of Federal tax dollars, patterns & practices, fraud waste & mismanagement.

¹ Available upon request is dvd photo-documentation of the subsequent damages caused to the Chambers’ home as a result of CoA and its contractor’s actions.

² 05/25/2002 letter from Farmers Insurance Agency: “...I am quite concerned that you are in jeopardy of losing your homeowners insurance coverage. If the overall condition and pride of ownership does not change quickly, there is no question that underwriting will decline coverage.”

A. HOME “IMPROVEMENT” CONSTRUCTION / DESTRUCTION:

The willful and negligent actions taken by the City of Austin (CoA) and its Contractor **transformed an original \$17K home improvement project into excess of an \$86K+ Repair Nightmare.**

The City of Austin and its Contractor caused damage to my home and abandoned their obligations per the terms of the contract. For example: the contractor performed substandard work; the City and its contractor demanded payment for work that was either not done or not done in accordance with the contract.

Some Examples of the City’s and its contractor’s substandard work ethic include:

- Lead-paint **dust** contamination
- issues with the inspection department;
- electric;
- foundation;
- shoddy roof replacement (and subsequent water damage);
- inferior building materials;
- removing antique fixtures; and
- routinely leaving the home’s windows and doors open and/or unlocked – ***I returned home to discover used condoms in the home; and air ducts that had been urinated in.***

Lead-based paint dust:

It is believed that the City of Austin and its contractor may have ignored HUD’s lead-based paint **interim controls** (possibly even as a matter of practice). Additionally, the City’s Contractor stored lead paint-laden construction debris in my yard for a prolonged period of time; & **used a machine sander** to remove the majority of the home’s paint. HUD 24 CFR Subtitle A §35.24 (2)(ii) states with regard to paint removal: “...***Machine sanding, and use of propane or gasoline torches (open flame methods) are not permitted.***”

http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr_2004/aprqr/pdf/24cfr35.140.pdf

My home was contaminated with **lead-based-paint dust** to the point that it was **legally classified as hazardous waste**. The E.P.A. limit for a child’s play area is 200 ppm & 800 ug/ft². Subsequent to the actions of the City and its contractor, lead-paint **dust** levels for my home registered as high as 12,000 ppm in the yard, and 65,000 ug/ft² in the kitchen – **Consequently, the City dump would not accept the home’s yard soil.**

Based on a sampling of CoA Environmental Checklists from the early to mid-1990’s, it appears that **as a matter of practice**, the City of Austin NHCD/NHC (Neighborhood Housing & Community Development a.k.a. Neighborhood Housing and Conservation) **chose to ignore the question of Lead Based Paint:**

#20 on the Environmental Checklist asks: “***Has either the interior or exterior of the structure ever been painted with lead-based paint?***” – Although the majority of homes in question were constructed prior to 1978, **question # 20 was either left blank or checked “N/A” on eight-three percent (83%)** of the CoA Environmental Checklists that I sampled. In addition, the **City contractor who worked on my home claimed under oath to know nothing about “all those codes”** (re. lead paint).

CoA Inspection Practices & (apparent) DTPA (Deceptive Trade Practices):

The City of Austin and its contractor **demanded payment for**, and alleged to have **passed inspection for electric “work”** at my home. Later, an independent expert electrician confirmed that the **electric was not to code, not complete, and posed a fire hazard** – a kitchen light fixture later ignited within the home.

On another occasion, the contractor mistakenly removed the wrong pier from the home’s **foundation**. The contractor alleged to have had it replaced, but years later (when we were mitigating a related

portion of the contractor's foundation work), we discovered that the allegedly replaced pier was nothing more than cinder blocks that had been dry-stacked.

The contractor, **after** having removed exterior paint and degraded the integrity of the home's remaining paint, the contractor quit (during the winter) and abandoned the project. The City of Austin never resumed the project and in fact, **The City of Austin never rehabbed my home**. – Rather, it was destroyed. My home incurred extensive decay from prolonged exposure to the weather. Shortly after the contractor abandoned the project, I attempted to hire someone to at least paint the exterior of my home. However, the integrity of the paint was undermined so severely, that my painter refused to have anything to do with it. **Ultimately, I had to replace all the windows and exterior siding.**

By 1999, the City's contractor had performed over 70 HUD-funded home rehabilitation jobs. She continued to be awarded more contracts by CoA and Travis County at least as late as May 23, 2006, when weeks earlier on May 4, 2006, a home incurred extensive water damage, allegedly resulting from her crew's negligent roof replacement. As of today (2008), some of the same CoA inspectors & project managers who were involved with my project, continue to oversee new projects.

- ❖ **How many other homes may have been contaminated &/or pose a fire hazard?**
- ❖ **And if the CoA inspection department approved the work anyway, how could a homeowner be any the wiser?**
- ❖ **What will the City of Austin and Travis County do NOW in order to safeguard the health & safety of its former clients and their families?**

A. HOME COMING:

The home improvement project was contracted to conclude within a 3-month span of time. However, Nine months later, my home remained abandoned and exposed to the elements. After the contractor abandoned the job, the City of Austin failed to take any effective action to resume the project, and instead consumed my energies with round-robin tasks that went nowhere.

My toddler son and I had already been **displaced from our only home for nine months and we still had no guarantee as to when or if CoA would ever resume repairs**. We had no other option for shelter and had to return home to the abandoned construction zone. At that time, we were unaware of the fire hazards and the elevated lead dust levels in our home.

Our home was now in worse condition than it was before, when we had initially left it in the **trust** of the City and its contractor. Upon returning to our home (*the abandoned construction zone*), I discovered a syringe, and used condoms littered throughout the house, yard and driveway. **The first words out of my 3-year old son's mouth were "House Broken"** – he immediately grabbed a bucket of primer and began painting – (*his little hand prints are still imprinted on our home today*).

In an attempt to reclaim a home for ourselves, and after being displaced for 9-months, we spent the next several weeks cleaning up and removing the contractor's construction debris – ***not being fully informed, at that time, of the hazards associated with lead-paint dust; and not-comprehending that its hazards still linger even after construction work has ended. Since that time, I have subsequently learned that lead paint dust is more harmful than paint chips because it becomes airborne and because its small particles are most easily ingested and assimilated within the brain and soft-tissues.***

Eventually, my son's declining health, and emerging neurological & behavioral challenges prompted someone to suggest that I have my home tested for lead-based paint dust. The results were off the chart. This is when I first became aware that the actions of CoA and its contractor had imposed lingering permanent poisonous hazards upon our home.

A. THE CITY OF AUSTIN'S STONEWALLING:

Approximately 1.5 years after the City's Contractor abandoned the project, the City had still failed to resume the project.

The City of Austin did not even respond to their contractor's abandonment until approximately 2-3 months after the fact, whereupon **CoA demanded that *"if I ever wanted to see my home fixed again"*, I had to dissolve the (already broken) contract and release the contractor** (however, examples of other CoA projects involving contractor abandonments reflect that CoA simply created an addendum to the original contract – *in other words: what was the need for dissolution and releasing someone who'd already broken the contract?*) (2013 Willow; & 6707 Canal St. = examples of CoA's addendums to original contracts).

Although I made every good faith effort to work with the City of Austin, my sister (who was also a party to the contract) and I did not dissolve the contract nor release their contractor from her contractual liability. Years later, the City of Austin continued its lip-service and round-robin posturing, yet still failed to take any effective action or follow through with its empty promises.

A. SUSPENDED ANIMATION:

If I had waited for CoA & its contractor to fulfill their contractual obligations; and if it were not for my family's own sweat equity & use of personal funds to mitigate the damages caused by CoA & its contractor, my home would still be incomplete & deteriorating, *abandoned* by CoA & its contractor.

My family and I lived for *years* out of boxes, never being settled – believing that *"any day now"* we would need to move back out of our home to resume repairs:

First we lived in limbo waiting, under the belief (*and false promise*) that CoA would resume the project. Then we lived in limbo waiting, under the belief that there would soon be resolution through the courts (but for one reason or another, trial dates were repeatedly postponed by both sides). We also lived in limbo waiting years just to regain a homeowners' basic option to take matters into our own hands and mitigate damages *ourselves*: We had to wait years for the City of Austin to remove its restrictive lien which prevented us from qualifying for an alternative home improvement loan. We had to wait years for our depreciated equity to recover from the damages incurred to our home by the City & its contractor; **and** for the equity to appreciate enough, so that we could pull funds out to be applied toward repairs.

My options to mitigate the contractor's damages to our home and resume our lives were stymied for a number of reasons:

3-Way Contract:

Unlike typical home improvement loans, where the lender holds the funds in escrow, and the consumer retains the capacity to manage the project and its contractor, the structure of CoA's loan differed in the sense that it was a 3-way contract between the City, the city's contractor, and the loan recipient. CoA acted as both the lender and the manager, retaining the capacity to qualify and replace the contractor itself. Therefore, **my ability to replace an incompetent contractor who walked off the job, with one who was a qualified professional, was out of my hands. It was dependent upon the City of Austin.**

Depreciated Equity:

The damages caused to my home, by the actions of CoA and its contractor, were extensive enough to put my mortgage "underwater" – in other words I had a deficit in equity. The mortgage balance exceeded my home's market value. **Selling it would have left us in debt and shelter-less.** I had to wait several years for my home's equity to appreciate enough, to equal the amount of cash needed to repair the damages.

CoA's Lien:

Under threat of foreclosure, for 6.5 years, CoA enforced an unjustified restrictive lien with Power of Sale against my property. This lien required me to use my home as my primary residence, **and prohibited me from selling, renting, &/or refinancing** my home. Our options to pull cash out and fix what the City broke were suspended by the City for no less than 6.5 years. In effect, CoA placed us under a type of "house arrest".

Although, in all practical terms, our options were frozen, we still earnestly did whatever we could that was within our means to mitigate the situation. However, whenever we did have extra funds to apply toward mitigating damages, we still were not in a financial position to afford the luxury of moving out and paying rent and utilities **simultaneous** to our mortgage payment and utilities on a home that was essentially uninhabitable. Consequently, **for months, we lived in a ‘plastic bubble’ while we tried to remediate the most pressing hazards.** Plastic covered every window and doorway inside and out of the home. For a family of 3, our living space was at times, reduced to no more than 500 square feet of living space (a tiny galley kitchen, 1-2 bedrooms and 1 bathroom). Finally, in the 7th year, an act of Grace enabled my mother to allow us to live in her homestead with the agreement that we could reimburse her for mortgage payments as our finances permitted.

V. **Criminal Concerns:** RE: CoA CDBG Loan #79090125 – Tracee & Allissa Chambers

A. **FORGERY:**

My signature was forged on at least one official municipal document(s) relating to the contract. Additionally, at least one other signature relating to CoA’s **earliest** demands (that I pay their contractor and dissolve the contract) is also strongly disputed. The document is invalid – *as is evident by the fact that nearly a **year after the document was allegedly signed, CoA was still demanding the same thing from me.*** Additionally, for a number of reasons, I believe the signature on it is a forgery as well.

- ❖ **If the City is capable of forgery, what is to keep it from fabricating other official documents** (i.e. client surveys¹; contractor evaluations² & status of housing rehab/development projects)?

A. **UN-ACCOUNTED FOR FEDERAL HOUSING GRANT FUNDS:**

The Federal Housing Grant Funds that were earmarked for my project were not released from the City’s AHFC escrow account. Freezing these funds was enforced by a court injunction in 1997. However, CoA Loan Servicing documents imply otherwise, reflecting a gradually diminishing loan balance as if the project had been completed; funds disbursed; & as if the \$18K loan was being repaid per the terms of the contract by the client. Additionally, discrepancies with regard to loan balances & dates exist between the two Loan Servicing Companies (Austin Regulatory Finance Office; & U.S.E. Trust Deed Collections / AmeriNational.

The fact is: The City & its contractor failed to fulfill their contractual obligations. The contractor abandoned the project and was not paid. The City failed to resume the project and in fact, **the City of Austin never rehabbed my home.** No funds were released from CoA’s AHFC escrow account for my project. Nonetheless, CoA held me liable for these loan funds, totaling almost \$18,000. in federal grant money, *as if I’d accessed these funds, when in fact, the City of Austin retained these funds for itself in **its own** AHFC escrow account.*

- Contrary to what truly transpired with my project, two letters from the City of Austin also assert that the project at my home was completed per the terms of the contract:
 - September 23, 2008 Letter from CoA Asst. City Manager David Lurie: ***“In the mid 1990’s your home was rehabilitated thru the Austin Housing Finance Corporation’s single-family home repair program.”***³
 - May 19, 2003 Letter from CoA NHCD Director Paul Hilgers: ***“as all terms and conditions were met, no payments became due and a lien release was executed on May 17, 2002.”***

¹ **“Hodge indicted for Altering Convention Center Surveys”**: 12/28/’07 Austin Chronicle : <http://www.austinchronicle.com/gyrobase/Issue/story?oid=%3A575591>

² AHFC Homebuilder/Contractor Registration Requirements Section 3B – **“The client and AHFC staff will evaluate the contractor twice.”**-- **I was I not offered this opportunity to evaluate my contractor.** Based on information provided to me by other AHFC clients, they also, were not offered their option to evaluate the contractor.

³ For a **visual “definition”** of what CoA apparently considers to be a “rehabilitated” home, please refer to the **photo-documentation DVD** of my home’s condition in the mid-90’s – **after** CoA & its contractor abandoned their contractual duties.

- ❖ Where did the federal grant money that was earmarked for my project really go?
- ❖ Did CoA accurately report the true status of my project to the Federal Government?

VI.

Under the BIG Thumb

– Retaliatory & Pressure Tactics, Collusion, Conflict of Interest: RE: CoA CDBG Loan #79090125 – Chambers

A. RETALIATORY / PRESSURE TACTICS (*apparent*):

1. Intent to Harm:

Enforced by an **unjustified** lien with power of sale of my home, the City of Austin required that my toddler and I live amidst hazardous waste and in a fire prone home for 6.5 years.

The City of Austin had been made aware of the following: ^{1, 2 & 3}

- The home's **fire hazards**;
- The home's cadmium & **lead paint dust contamination** – *elevated enough to be legally classified as hazardous waste*;
- A **toddler** (my son) **resided in the home**;
- the lead paint dust **resulted from the paint's compromised integrity**;
- the paint's compromised integrity **resulted from the contractor's use of a machine sander**; **and**
- My son's emerging health, neurological, and cognitive challenges.

In 1999, my counsel wrote a letter to the City of Austin's representatives, requesting that my family and I be released from the City's restrictive lien and that we be permitted to move-out without penalty. Although CoA was cognizant of the home's hazards, the City of Austin instead enforced the unjustified lien until May 17, 2002 – approximately **1.5 years longer** than what would have been enforced *originally*, **had** the "rehab" project been completed per the terms of the contract; **and 1.5 years beyond** the time when my loan statement reflected a zero balance.

The City of Austin knowingly compelled my family and I (*incl. a young child*) to live in a fire prone & contaminated home, enduring prolonged exposure to hazardous levels of cadmium & lead paint dust.

One example of the daily health risks confronting my son that I had to be vigilant & alert to was:

On one occasion, I noticed my son chewing on his thumbnail. When I asked him what he was doing, he said he was trying to suck a piece of paint out that was lodged beneath his fingernail.

1. Austin Energy & Related Matters

- **To date, CoA has withheld from me a several-hundred-dollar utility reimbursement** (owed to me per the contract). During a meeting on May 17, 1996, the contractor agreed to pay me the utility reimbursements immediately. She allegedly gave the money to the City of Austin to give to me. When I inquired with the City, it promised to forward me the reimbursement as soon as I provided copies of my bills to them (which I did). When I inquired *again*, CoA added a new stipulation and demanded that I prove that I paid my utility bills. After providing CoA **several times** (*incl. via certified mail*) with copies of the utility bills, and my cleared checks as proof of payment, the City continued to pretend it never received these items and demanded that I send them *again and again* (which I did).

¹ Refer to the two (2) 1999 reports by Texas Licensed "Texas Lead Inspection and Environmental Services".

² I personally consider the City's refusal to clean up its toxic waste while knowingly imposing further injury with its enforced residence requirement -- **a form of child abuse enacted by the City of Austin**.

³ Refer to Testimony by Allissa Chambers.

Several months later, in a letter written to me on 10/28/1996, a CoA official wrote: *“In addition to resolving the utility reimbursement issue, we highly recommend that you pay the contractor.”*

○ **Austin Energy (AE):**

Recently, AE **FALSELY incriminated & penalized me** for allegedly tampering with my meter.

As part of Austin Energy’s **Current Diversion Program**, AE considers this a crime, with repeat **alleged** offenses punishable with jail-time. A first time **alleged** offender is fined a few hundred dollars. When jail-time is not involved, Austin Energy reserves the right to determine guilt of 1st time offenders (*and possibly second-time etc*), **exclusively based on its own inside investigations – tagging certain clients as criminal offenders**, and penalizing them accordingly. AE can also involve law enforcement. Once AE determines (*apparently arbitrarily & capriciously*) that a client is “guilty”, the client is denied the option of **ever** working out a payment plan (now or in the future).

As of Spring-Summer ‘08, **AE has falsely accused & penalized me for an alleged crime; denied me due process; rebuffed my attempts to resolve the bill; failed to answer my questions relating to other questionable billings; & has fined me a few hundred dollars, disconnected my utility service & turned the partially false bill over to collections (*while* I was disputing & attempting to resolve the bill with AE).**

- ❖ **Any consumer who has been falsely found guilty even once, by AE for this type of criminal offense, is more susceptible to law enforcement involvement & jail-time, if they are ever accused of the same crime again.**
- ❖ **Does Austin Energy’s tactic of apparently arbitrarily finding someone guilty of a crime, exclusive of any objective outside investigation, and without providing due process, violate a consumer’s Civil Liberties?**
- ❖ **When questions of systemic abuse are raised by an individual, how can One protect themselves from the possibility of being victimized by apparent arbitrary and capricious actions enacted by agencies, such as Austin Energy, that possess unilateral authority over accusing and determining a person’s guilt?**

Neutralizing “Neutrality” / CoA’s “Blind Eye:

RE: CoA CDBG Loan #79090125 – Chambers

1. **Contractor Cronyism;**
2. **Conflicts of Interest; &**
3. **Lop-sided Contracts (*apparent*)**

1. **CONTRACTOR CRONYISM:**

- ❖ **The only party who honored the contract (Chambers) was also the only party that the City held to the terms of the broken contract.**

The terms of the loan program, required that the City of Austin be a “neutral” managing party”. Instead, CoA demanded things of me on behalf of the contractor; manufactured misleading documents in support of her *and adverse to me*; and held me to the terms of the contract while it **simultaneously pardoned and protected** the one who violated the contract (the contractor).

- ❖ **What is neutral about protecting the one who broke the contract and penalizing the only party that honored the contract?**

The City of Austin and its affiliate LLC, the Austin Housing Finance Corporation (AHFC), refused to apply its own suggested penalties (including debarment) against the contractor – *as defined in the contract and in AHFC’s “Homebuilder/Contractor Registration Requirements”* – Section 3, Parts B & F; Section 4F; Section 7, numbers 2, (possibly 3), 4, 7, 8, & 9.

For example:

- Section 7 – *“The contractor may be suspended for any of the following reasons:*
 - #7 – *if the contractor did not complete projects within the contract time frame.”*
 - #8 – *if the contractor completes a project 30 days past the agreed specified project completion date...”*
 - #9 – *Violation of any contract provision with AHFC or its clients.”*
- A summary judgment ruling exists against the contractor for breach of contract & project abandonment.
- Section 4F – *“The contractor shall have no unresolved complaints which have been registered with the Better Business Bureau, the City of Austin, or the Austin Housing Finance Corporation.*
- I addressed written complaints about the contractor to the City of Austin, City Council, **and** AHFC Secretary / Trustee Bill (William) Cook as early as 1996. They remained unresolved for years. (The BBB will not allow a consumer to file a complaint if it is in litigation).

Contrary to its own protocols, AHFC ignored its prescribed penalties and instead **awarded the contractor more contracts over the next decade.** – **more homes and lives were injured.**

CoA gave lipservice to the one(s) it victimized and rewarded the one(s) who did the victimizing.

The contract states:

- *“If the construction is not completed...then the amount of the consideration subject to the Contractor’s lien shall be diminished by the amount reasonably necessary to complete the construction as agreed.”*
- *“Owners shall be entitled to deduct from any disbursement or payment due Contractor \$100.00 for each day past the agreed completion date as Owner’s liquidated damages.”*
- *“Failure of the Contractor to perform any work for a period longer than fourteen calendar days without the approval of Owners shall constitute a breach and shall entitle the Owners to terminate this contract and recover damages thereby.”*

In spite of my contractual rights and AHFC’s prescribed protocols, the City instead did the following:

- i. **CoA applied a type of ‘ransom’ against me** by refusing to resume the project **unless** I paid the contractor, released her of liability and dissolved the contract. ❖
- ii. CoA awarded the contractor additional contracts **and then enforced the loan agreement against me with a lien that granted the City Power of Sale of my home.**

- ❖ **Can the City avoid reporting the status of a failed project to the federal government if the contract is dissolved? – in other words, is a dissolved contract treated as if it never existed?**
- ❖ **Can dissolving a failed contract artificially inflate a City’s & Contractor’s score on their performance profile?**

2. CONFLICTS OF INTEREST:

Liability policies for AHFC, its contractor and my project were issued by the insurance agency that was co-owned by (then) City Council Member Eric Mitchell. At that time, **I was not informed of this apparent conflict of interest.** H.U.D. Subpart K, 570.611 “Conflict of Interest” sections b & c state:

“Conflicts prohibited...no persons described in paragraph c...who exercise or have exercised any functions or responsibilities with respect to CDBG activities...or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate

family ties, during the tenure or for one year thereafter... Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any subrecipient that are receiving funds under this part.
http://a257.g.akamaitech.net/7/257/2422/12feb20041500/edocket.access.gpo.gov/cfr_2004/aprqr/pdf/24cfr570.611.pdf

This above referenced definition is also re-iterated within CoA's HOME program documents.

Unaware of his business associations with the contractor and AHFC, I sought Council Member Mitchell's assistance in resolving the issues with the contractor and my CDBG AHFC project. I even established a running file with Council Member Mitchell's office, reflecting ALL correspondence between the contractor, Neighborhood Housing, AHFC and myself.

I mentioned earlier that the **City told me that "if I ever wanted to see my house fixed again", I had to dissolve the (already broken) contract and release the contractor.** Interestingly, CoA demanded this of me within 48 hours of my first alerting Council Member Mitchell of the situation involving his client(s) (AHFC, and the contractor).

In a subsequent letter dated 10/16/1996, Council Member Mitchell wrote to me: *"the construction department is waiting on the following from you: the letter dissolving the contract between you and (contractor)... It is imperative you forward the information as soon as possible"*

– Naturally, I declined my public representative's directive that I release his clients from liability & nullify my contractual rights. Incidentally, AHFC Board Members comprise the mayor & City Council (i.e. CM Mitchell).

3. LOP-SIDED CONTRACTS:

The City represented itself to prospective clients as the '**objective**' "**'neutral' managing party**" to be **entrusted** with the duty of objective management and enforcement of its programs. Additionally, CoA was entrusted with drafting all contracts & legal paperwork associated the housing programs. **Loan clients had no reason to question the process or the terminology within the legal documents because of the City's chartered role as the so-called "neutral-managing party".**

However, upon closer inspection, the more finer and subtle details of the contract(s) appear to be weighted in favor of the City & its contractor, while placing the client/homeowner at greatest risk and with the least ability to seek redress. This apparent disparity is especially disconcerting when One considers the fact that the homeowner risks forfeiture of their home to the City of Austin because of the City's capacity to enforce a lien with Power of Sale.

For instance, these loans have typically been marketed to Senior Citizens and to the Disabled. A stipulation in the contract requires that the client:

- i. maintain their home to code; and
- ii. use their home as their primary residence for a specified number of years (usually 10).

Families who've maintained their homesteads collectively for generations and who have no intention of selling or renting can potentially be misled for the following two reasons:

- ❖ **If the City's contractor performed shoddy work in the first place, HOW can the homeowner maintain it to code?**
- ❖ **What happens if the homeowner becomes deceased or enters a convalescent home before they have fulfilled the term of the City's residential requirement? – legally speaking, the City of Austin has the right to demand full repayment of the loan within 30-days, OR foreclose* – Regardless of if other family members' intend to continue the tradition of maintaining the Family Homestead.**

** the repayment/forgiveness terms of the loan are typically a balloon-structure – this means that the last annual payment/credit equals the majority of the entire original loan balance – thereby making it more unrealistic for a grieving family to come up with the difference in the loan balance within only 30 days.*

A. RESOLUTION ATTEMPTS:

The willful and negligent actions of the City and its contractor created additional damages to my home. The cost to put my home back in the condition that it would have been, *had* the City and its contractor fulfilled their contractual agreement was last bid for **\$87,000**. Early on (before filing suit), I attempted several efforts at resolution and ultimately offered to settle cost of repairs for **\$25,000**. (*a fraction of the actual total cost of repairs*). The City Council instead authorized **no less** than **\$177,000**, of taxpayer money to hire outside private legal counsel to suppress my attempts to pursue relief through the courts **and enforce the contract** (for which CoA was entrusted with federal tax funds).

B. “KANGAROO COURT” / STACKED DECK:

Insults to Injuries: Our decade-long daily duress that we endured while living amidst a literally broken home and with our broken health was only the half of our Nightmare:

The salt in the wound was the equally injurious abuses that we endured (*simultaneously*) amidst a seemingly futile “kangaroo-type” court process that landed some of our claims in the Third Court of Appeals. The City of Austin and its contractor were afforded “**blank-check**” **access to legal funds**, and were able to exploit and manipulate the legal process indefinitely at taxpayers’ expense (*and to our family’s prolonged duress*). Counsel for CoA and its contractor papered us **incessantly** and capitalized on a **minutiae of legal “rabbit-holes”** that exhausted us financially and emotionally. The stacked and protracted ordeal ultimately **starved us out in the 10th year in 2007**.

In our attempts to enforce the contract (*for which the City of Austin was entrusted with federal tax funds*), we witnessed what appeared to be a routine bias in favor of the City of Austin and its contractor. In the 6th year, The City of Austin finally wriggled out of its accountability by claiming Sovereign Immunity, **in spite of the fact** that our evidence appeared to meet several prongs that constituted their waiver of S.I..

A visiting Judge was among the few, who granted anything in our favor. The visiting Judge granted a summary judgment ruling for breach of contract against the contractor. – Additionally, the Judge seriously considered District Attorney referral of the apparent perjury enacted by the contractor’s attorney and a City of Austin official.

In the 9th year, a Judge, without reviewing the merits of the case, dismissed **ALL but the one claim** that AHFC’s & its contractor’s insurance would **not cover** (*that one remaining claim involved the ruling for Breach of Contract*). **These broad-based dismissals appeared to be automatic and pre-determined:**

During the initial 2006 hearing for dismissal, the Judge suspended her ruling, **pending the results** of her subsequent order for mediation (our 5th one). The Judge ordered us to report back after mediation, whereupon she would finalize her decision. The “mediation” results were that the City offered zero, and its contractor offered an amount totaling less than a fraction of the cost of my legal fees.

At the follow-up hearing the Judge stated on record:

“Last time we were here, I would have granted their (CoA & its contractor) motion to dismiss. I sent y’all to mediate because I didn’t want y’all (Chambers & her atty) to walk away with zero.” – 11/07/2006.

Although the dismissal hearing was limited to testimony relating to a technicality, Counsel for CoA and its contractor were permitted carte blanche to expand their testimony beyond the hearing’s limitations. However, we were denied the opportunity to prepare for these arguments; nor were we able to cross-examine or provide witness testimony to refute the opposing counsel’s potentially perjurious misrepresentations.

Requested six months earlier, we had a pre-set trial date pending in 5 months. The Judge, however moved the trial date up by 2 months – knowing that the new date coincided with when the contractor’s attorney would be recuperating from surgery.

The Judge then stated:

“There will be no continuances. Obviously, Mr. Clark (contractor’s atty), if there’s some problems with your operation – like I said, the Court is not heartless--”

Needless to say, the contractor’s attorney filed a motion for continuance only days before trial. His continuance was granted; **and** the Judge ordered us **back** to mediation **again** (our 6th “mediation” at \$1,500. a pop).

All but the one claim had been dismissed. The Insurance company said it would not cover that last claim; yet it nonetheless continued to grant the contractor “blank-check” access for additional legal fees. The contractor subsequently threatened bankruptcy with regard to the last remaining claim (for which we’d previously won a summary judgment); and **I had to choose between the cost of yet another mediation or paying my mortgage. – We were starved out**.

For over a decade, the City, its contractor and their counsel wove fallacies and were able to enter slanderous and apparently perjurous misrepresentations into record; yet I was ultimately denied my day in court to ever set the record straight.

VIII. ***From the Ashes & Rising:*** RE: CoA CDBG Loan #79090125 – Tracee & Allissa Chambers

A. REPERCUSSIONS:

The City’s and its contractor’s evasion of accountability imposed tremendous grief and hardship onto my family. We were left to clean up *their* mess and endure unimaginable consequences. Our hopes and ambitions were postponed, blocked and some were even shattered forever. This travesty happened to us during a critical **turning-point** in my husband’s and my life: **We were at the age when most people are beginning new chapters:** Finishing their Education; Planning Families; and Pursuing Careers (the American Dream). **This travesty persisted for the entirety of that chapter of our lives.** During that time, it took every ounce of our energy and resources to simply hold the line and hang onto to a few bits and pieces of what our previous lives comprised.

The City’s enforced residence requirement exposed my family and I to extremely elevated levels of lead paint dust for a prolonged and chronic period of time. Our health endured setbacks and my child’s educational path was radically altered as his emerging neurological, learning, and behavioral challenges became more pronounced (all classic symptoms of lead exposure).

Lead (pb) has a half-life of one month in the blood stream. That means a person can test positive for elevated levels of lead in one month, and then in another month, his tests can appear unremarkable, regardless of whether he’d ingested toxic levels a month or two before. 70%-90% of lead (pb) is stored in a person’s bones and soft tissues (i.e. brain & liver). At any given time over the course of a person’s life, these lead (pb) stores can be excreted back into the blood stream and cause additional harm. These **Total Body Lead Burden** levels are undetectable with a blood test.

Other credible **lab tests for my family and I have confirmed our elevated Total Body Lead (pb) Burdens.** My levels were off the chart. We have undergone some painful and expensive chelation therapies, and have been advised to consider doing more. Additionally, my son’s lab tests have indicated a stressed liver. A nationally recognized peer-reviewed specialist confirmed that my family and I incurred **bodily injury** as a result of the prolonged and chronic exposure to lead paint dust. Our family has suffered from bone, joint and overall body pain for several years (This is especially challenging for my husband who earns his livelihood as a massage therapist.). Lead (pb) can cause a

person to become infertile; and **lead (pb) can be passed onto an unborn fetus** and cause damage to an unborn child. **My husband and I had to abandon our hope to bring another child into our family for this reason and for the fact that our home was/is contaminated.**

Our home's equity is permanently & adversely affected by the fact that legally, I must disclose to any potential buyer the prior results of the lead contamination, that resulted to our home from CoA's & its contractor's actions.

Our income capacity was compromised for a number of reasons:

- My son's emerging health and educational needs demanded my **full-time** attention. For one year (as a condition of our son's enrollment), my husband and I attended our son's school everyday. Ultimately, we resorted to Home-Schooling after our son's challenges became more pronounced within the Public System.
- Our attentions and resources were divided and stretched between home repairs, our son's needs, and the persistent and chronic legal shenanigans enacted by the opposing parties.
- The chronic unpredictability required that my husband switch vocations & take jobs that allowed flexible hours.

The **subsequent expenses** imposed upon my family from all the fallout [*i.e. home repairs, health and educational interventions, legal expenses, back-mortgage payments (during the 5-yrs we secured 2ndry shelter), and a myriad of other consequential effects*] has damaged our credit, rendered our home UN-affordable, plummeted us into debt and backed us into a corner.

When I first embarked upon the journey with the City of Austin's quote "affordable" housing program, I was virtually debt-free, owned an affordable home, had great credit and was full of hope and possibility.

Sadly, I purchased my once affordable home with my own money and at market value, so that my child (who was a baby at that time) **could avoid the very sense of perpetual displacement that CoA's gross mismanagement of their quote "Affordable" Housing Program inflicted upon our family.** **The chronic state of unsettledness that ensued defined the span of my son's childhood.** It altered the course of our family life, our social life, our health, our education and careers. The cost to repair the damages incurred to our home by the City and its contractor, has **rendered our home unaffordable.** In hindsight, a traditional loan would've been far less costly and more supportive of promoting homesteads in my neighborhood.

B. STILL STANDING – MOVING ON:

When things like this happen, we move forward because **WE MUST**. But we do not do it in Silence. – Our previously trampled hopes are resurrected into Hope for Others: Hope that Our Voices might serve to spare others from similar abuse. We move forward because we survive – but when obstacles such as *these* are thrown in One's path, moving forward is done from a very different reality and at a very different pace. It is done **NOT** by putting one foot in front of the other. – *rather* it is done with one-toe-at-a-time; and many times falling back and stubbing all ten toes along the way.

Nonetheless, we are a resilient family and we have chosen to redefine what determines our quality in life. We are a resilient family and we press on (*although not always gracefully*) to overcome the odds. But it has not been easy and it has not been done alone: We are grateful that others have stood beside us as our family journeyed through this very heartbreaking path. We have overcome much, although we are still not out of the woods yet.

THE BEGINNING...

A. OTHER HOMES, OTHER LIVES:

By 1999, the City's contractor (who had abandoned the CoA project at my home) had performed over 70 HUD-funded home rehabilitation jobs. In spite of the fact that the contractor violated the contract, damaged my home and billed me for work that was either not done or was substandard, the contractor continued to be awarded more contracts by CoA and Travis County at least as late as May 23, 2006, when weeks earlier on May 4, 2006, a home incurred extensive water damage, allegedly resulting from her crew's negligent roof replacement. As of today (2008), some of the same CoA inspectors, project managers and other public officials, who either alleged to have passed inspection on the electric "work" that was later discovered to be a fire hazard; or who turned a blind eye with regard to the contractor's violations; lead-based paint interim controls and the subsequent contamination of my home, **continue to oversee new projects and new housing & redevelopment programs** that are currently in the works **today**.

- ❖ **How many other homes and lives have been/will be put in harm's way?**
- ❖ **How many other families have been victims of the apparent arbitrary/capricious pass/fail practices of CoA's Inspection Department?**
- ❖ **What will the City of Austin and Travis County do NOW in order to safeguard the health & safety of its former and future clients and their families?**

B. NEW WAVE OF HOUSING AND REDEVELOPMENT PROGRAMS:

A new wave of housing and redevelopment programs is being introduced by the City of Austin.

For example:

- Green building;
- Homestead Preservation Districts,
- Point of Sale Energy Ordinances,
- \$55M bond Money for Affordable Housing;
- Tax Rebates to certain incoming businesses;
- Other

Conceptually-speaking, these programs might have the potential to improve the quality of life for Austinites. **However, as is evident with CoA's handling of my project, when these programs fall into the wrong hands of a select few, these kinds of programs can also be (mis)used to: drive people out of their home(s); drive local merchants out of business; & drive ethical homebuilders out of town.**

A program is only as good and as **healthy** as the **system** it functions within. For quite some time now, City of Austin Officials have been cognizant of the **Criminal allegations** related to my project **and** of other alleged misdeeds related to other people's homes & small businesses. To their credit, the new City Manager and City Council Member, have at least recently acknowledged my questions. **However**, to date, I have received no confirmation of whether CoA has referred the information (that is criminal in nature) to the US attorney – (as required by Title 18 of the United States code).

- ❖ **What good are these new housing and redevelopment programs unless our City can demonstrate its commitment to accountability?**
- ❖ **Why install a new sink before the leak is fixed?**
- ❖ **Will these new housing and redevelopment programs be used to enhance the lives of all Travis County Citizens; OR will these programs be (mis)used to determine: who gets to live here, who gets to work here and who must go?**

C. YOUR TAX DOLLARS NOT AT WORK: (Federal & Local)

1) Duplication & Waste:

When programs and projects like the one I was involved in, fail, our tax dollars go a fraction of the distance for what they were obligated for.

To clarify:

Regarding any botched project that the City of Austin fails to take responsibility for, clients of one program must often seek remedies by applying to yet another tax-funded program. This can starve out funds budgeted for other projects, other clients and other nonprofits. Basically, the **City's evasion of its own accountability promotes duplication and waste** because federal grant money is being applied more than once for the same or similar purpose.

For example:

a) Austin Urban League:

Roughly-speaking, the allocation of Federal Housing Grant funds are structured in the following fashion: A participating jurisdiction (pj), such as the City of Austin, receives grant money from the federal government. CoA then divides and distributes these funds to programs managed by CoA **and** also to various private nonprofits, such as the Urban League, to implement various housing programs of their own.

The **funding pinch** is potentially amplified for some nonprofits, when eventually, a former client of a possibly botched CoA project must then appeal to another nonprofit (like the Urban League) to repair what the City did not do right in the first place. This means that the subsidiary nonprofit is potentially saddled with the task of applying its funds toward fixing a problem that originated out of one of CoA's other housing programs **and** for which tax dollars were previously applied from the same original pot.

b) CoA's LeadSmart Program & CoA's Single Family Home Loan Program (SFLP) (re. my project):

CoA received approximately \$18,000. in federal grant funds to apply toward rehabilitating my home through its Single Family Home Loan Program (SFLP). Instead, extensive damage to my home, including the **contamination of cadmium & lead-paint dust was caused as a result of CoA's (mis)handling of its federally-funded SFLP project at my home**. As of today, the City of Austin cannot account for this \$18,000. federal grant money; **nor** will it take responsibility for cleaning up the lead (pb) contamination at my home resulting from its federally-funded SFLP project.

Since 2002, approximately \$5.3 Million Dollars (1.8M & 3.5M) in federal grant money has been awarded to CoA's LeadSmart Program, for the purpose of remediating lead-paint hazards within people's homes. Although CoA has avoided taking responsibility for the mess it created at my home over 10 years ago, CoA is now considering qualifying my home for their LeadSmart program. – *in other words*, **CoA plans to consider using another batch of federal funds to clean up a mess that CoA created from its initial batch of federally-funded grant programs.***

mind you, if CoA qualifies me, it will want to enforce yet another residential requirement, enforced by yet another lien, simply so that I **might be able to get CoA to clean up the mess it made at my house over a decade ago.*

**** CoA's recent (2008) consideration to (maybe) qualify my home for their LeadSmart program, does NOT change the fact that CoA knowingly and deliberately exposed a toddler and his family to poison for several years; requiring us, under threat of foreclosure, to live in the hazardous waste.**

The City of Austin is entrusted with federal grant funds **and the responsibility** to see that these monies are applied effectively the **FIRST** time around, so as to minimize the possibility of having another nonprofit or another program foot the bill for something that was already paid for by a previous tax-funded program.

- ❖ **Has the City of Austin relied upon other federal grant monies/programs to cover-up/fix its mistakes resulting from its initial federally-funded programs?**

2) Are Local Tax dollars suppressing Local Corruption?:

CoA spent several times more in local tax dollars than it would have **originally** cost CoA to simply take responsibility and fix what it broke at my house. Initially I offered to settle all costs of repairs for **\$25K**. Instead, City Council authorized no less than **\$177,000**, in local taxpayer money to hire outside private counsel to suppress and cover up how CoA handled my project.

Recently (2008), CoA also authorized local tax dollars when it hired outside private counsel with regard to Proposition II.

- ❖ **Why does CoA authorize so much local tax money to apparently evade paying a fraction of the cost it would take to heed Public Interests? What does the City of Austin have to hide?**

D. HOMESTEAD INCENTIVES OR CREATIVE EMINENT DOMAIN?

Based on my own experience & the experiences of some other CoA clients who've contacted me; and with regard to the Homestead Loan incentives that CoA marketed through its "affordable" housing programs:

- If the City's objective was to remove targeted people from targeted redevelopment areas, then I would say their "affordable" / "homestead" programs succeeded.
- However, if the City's objective was to retain and enhance affordability for existing and incoming residents, then I would have to say that it is time for a serious systemic review.

I must question whether CoA's housing programs were (mis)used by those entrusted with taxpayer funds to exercise a form of Creative Eminent Domain / People-Removal.

X.

Conclusion

– the Need for Investigation: (Criminal & Systemic Abuse): RE: CoA CDBG Loan #79090125 – Chambers

Serious questions of CoA's actions remain unresolved with regard to violation of Federal Criminal Statutes.

Some of these criminal concerns include:

- **Forgery;**
- **Unaccounted-for Federal tax dollars;**
- **apparent patterns & practices;**
- **possible fraud waste & mismanagement**

To their credit, both the new city manager and council member, CM Marc Ott and CM Laura Morrison, both recently (Summer '08) at least acknowledged the questions of criminal conduct that were reported to them.

However, they have not responded to my request for referral of the information to the US attorney – (subject to Title 18 of the United States code).

- ❖ **What will Travis County and City of Austin officials do NOW to address these concerns about systemic abuse?**