Housing Authority - County of Los Angeles

August 27, 2007

To: Each Supervisor

From: Carlos Jackson, Executive Director

SUBJECT: ITEM 17-D – AUGUST 28, 2007 SUPPLEMENTAL AGENDA STATUS REPORT BY EXECUTIVE DIRECTOR OF THE HOUSING AUTHORITY REGARDING NEGOTIATIONS WITH HUD TO CLARIFY ROLE OF HUD ADVISOR – AS REQUESTED AT THE MEETING OF AUGUST 21, 2007

At the meeting of August 21, 2007, your Board approved the Corrective Action Plan (CAP) for the Section 8 Program. At that time, you instructed me to report back regarding the Housing Authority's negotiations with the U.S. Department of Housing and Urban Development (HUD), to clarify the role of the advisor.

Pursuant to your instructions, on August 23, 2007, a conference call was held for that specific purpose. The attendees included myself, representatives from the Chief Executive Office, County Counsel, two of the Board offices, and HUD officials from the Washington, D.C. and Los Angeles offices.

HUD's D.C. officials overruled the HUD local office and stated that they could not agree to execute a legal instrument to clarify the role of the advisor, but confirmed verbally that the advisor's role would be strictly advisory. However, at that time, they notified us that the advisor was no longer a mandatory requirement but rather an option for us to accept or decline. I informed HUD that I would advise your Board of this option and get further direction from you. They indicated that we are to inform them of your Board's decision by Tuesday, August 28, 2007.

I am recommending that the Board accept HUD's offer to provide an advisor to assist in various areas of the Section 8 Program.

Should you approve my recommendation, I will notify HUD and take immediate steps to implement this effort.

CJ:sm

c: Lari Sheehan, Deputy Chief Executive Officer
Sachi Hamai, Executive Officer/Clerk of the Board
Raymond G. Fortner, Jr., County Counsel
Each Deputy