

Friday, September 14, 2007

Honorable Johnny Sutton  
United States Attorney for the Western District of Texas  
816 Congress Avenue, Suite 1000  
Austin, Texas 78701

**Attn:** Mr. Anthony Brown, Chief

**RE: Questionable Use of Federal Housing Funds by CoA Officials & related Issues**

Dear Mr. Sutton:

The purpose of this letter (w/attachments) is to exercise the right and duty of a Citizen and taxpayer within the jurisdictions of the City of Austin and Travis County, Texas, to raise specific questions regarding conduct of Public Officials (elected & appointed) on their legal/fiduciary responsibilities in expenditure of Federal funds.

Briefly, as background: Austinites Lobbying for Municipal Accountability (A.L.M.A.), group of neighborhood and community residents, a number with membership in & represented by the Gray Panthers' organization of Austin, have for several years been raising questions (reflected in the attachments) about CoA's documented misuse of Federal housing funds, especially 'minority rehabilitation contracting' areas, but being 'stonewalled'. (In fact, similar issues were considered by a Travis grand jury some years back, but we know of no report(s).

Specifically, as the attachments reflect (and to which CoA has refused to respond to either Gray Panthers or HousingWorks), we have specifically (officially) **raised questions in the attached 5 Apr '07 communication to Members of the Austin City Council – as individuals & a group - with respect to possible fraud, forgery and similar/related apparent violations of civil and criminal statutes.** As of today's date, **we have received neither an acknowledgement nor reply of any kind from these Public Officials to allegations of possible criminal conduct.**

It is with disappointment in our inability to achieve response from Local Public Officials, especially on serious questions of possible mis/mal/nonfeasance, - i.e., their **failure/refusal to act** on reports of possible criminal conduct, that we now request appropriate inquiry be initiated by the **U.S. Attorney's Office** into these matters.

Sincerely,

Allissa Chambers,  
A.L.M.A.

\*\* Travis County DA **Ronnie Earle's** office: despite investigation/grand jury proceedings, no action resulted.

**ATTACHMENTS: April 05, 2007 Letter (w/ attachments) to Council Member Mike Martinez & cc'd to other Council Members Leffingwell, Cole, Kim – w/ followup communication to the Mayor from Travis County Green Party summer '07**

- 03/29/2007 Gray Panthers
- 03/29/07 Housing Works



# Travis County Green Party

P. O. Box 1580  
Austin, TX 78767

tel. 1-888-496-8239  
e-mail: [info@traviscountygreens.org](mailto:info@traviscountygreens.org)

October 23, 2007

The Honorable Johnny Sutton  
United States Attorney  
Western District of Texas  
816 Congress Avenue  
Suite 1000  
Austin, Texas 78701

**Attn:** Anthony Brown, Chief

**Re:** Possible misuse of public funds by the City of Austin

Dear Mr. Sutton,

Earlier this year, The Gray Panthers of Austin (GP) and Austinites Lobbying for Municipal Accountability (ALMA), both of Austin and Travis County, contacted the Travis County Green Party ([traviscountygreens.org](http://traviscountygreens.org)) to advocate on their behalf regarding concerns about the City of Austin's expenditure of Federal housing funds. GP and ALMA have been raising questions regarding the city's possible misuse of such funds, through advocacy and numerous appeals for investigation or even acknowledgment of ALMA's and GP's concerns. To date, no public official has responded to their concerns. On September 14 of this year, ALMA appealed to you to help us find a way forward with their concerns. Their letter and attending material are attached.

The Travis County Green Party shares the concerns raised by GP and ALMA, especially now that a recent bond election has resulted in the granting of approximately \$55 million in bond money to the City of Austin for the purposes of supporting, improving, and expanding affordable housing options in the city. The Green Party believes that tax dollars should be the most carefully spent dollars in the country. They constitute a sacred trust between the people and their government -- that the government will responsibly use those dollars to serve the citizens with integrity.

In the interest of fair and impartial administration of justice for all of us, we would like to request that your office initiate an investigation into ALMA's, GP's, and our concerns.

Respectfully Yours,

William J. Holloway, III  
Chairperson  
Travis County Green Party

## Austinites Lobbying for Municipal Accountability

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Allissa Chambers  
3000 Trail of the Madrones  
Austin, Texas 78746  
512.732.7399

Wednesday, March 19, 2008

Honorable Johnny Sutton  
United States Attorney for the Western District of Texas  
816 Congress Avenue, Suite 1000  
Austin, Texas 78701

**Attn:** Mr. Anthony Brown, Chief

RE: Follow up regarding 09/14/2007 request for investigation -- **Questionable Use of Federal Housing Funds by City of Austin Officials & related Issues**

Dear Mr. Sutton:

The purpose of this letter is to follow up with regard to my September 14, 2007 request for investigation (attached below), and to provide additional information. **I have not received a response pursuant to the questions of possible criminal activity.**

Questions of fraud, waste and mismanagement, including documentation of shoddy electrical and other code-related work, and allegations of forgery still remain unanswered. Complaints by previous housing program participants and questions raised by other social advocacy groups remain unresolved.

The City of Austin intends to implement additional taxpayer funds for affordable housing programs; therefore, it is imperative that the above questions be thoroughly investigated. **Taxpayers have a right to know whether public officials will manage public funds appropriately. The health and safety of past and future housing program participants depends on an investigation and its outcome.** If questions remain unresolved, if public officials remain unaccountable, and if past and future practices continue to go unchecked, then families and children could be exposed to potential health and safety risks without their knowing. **Fraud and forgery with regard to the use of Federal funds is a question that taxpayers deserve an answer.**

The attached documents include testimony under oath, a forged municipal document, and other supporting evidence that raise questions of misuse of federal funds, obfuscation of evidence, altered survey reports, and possible perjury by the City of Austin and its associates. Additionally, a district judge at one time seriously considered **referral to the District Attorney for possible perjury** involving the city's contractor's attorney and a municipal official.

I hope you will find this information helpful in pursuing an investigation. Should you have any questions please feel free to contact me.

Very Sincerely,

Allissa Chambers, President, Austinites Lobbying for Municipal Accountability

Attachments:

Forged municipal document (compared to one that is not forged)  
Deposition excerpts of municipal officials, municipal contractor and expert witnesses  
Loan servicing documents  
Other official documents  
Program participant complaints (there are other complaints in addition to the ones included)  
Chambers' experience

cc:  
Gray Panthers of Austin,  
Travis County Green Party

**From:** alma@austinaccountabilityproject.com\_  
**To:** lee.leffingwell@ci.austin.tx.us, nancy.williams@ci.austin.tx.us  
**Subject:** Autin Energy billings & Questionable use of Federal Housing Funds\_  
**Date:** April 23, 2008 10:08:13 AM CDT

**CM Leffingwell &  
Ms. Nancy Williams:**

Dear Ms. Williams,

Thank you for the telephone conversation this morning. Attached is the information that I informed you I'd be forwarding for you to bring to Council Member Leffingwell's attention.

For your convenience, you may also want to retrieve the actual hard copies of this **previously sent correspondence within Council Member Leffingwell's own email files**. The dates should be **04/05/2007, and 04/07/2008**.

This material regards the questionable use of Federal Housing funds, involving questions of possible criminal activity, including forgery and mis/mal/non feasance.

A.L.M.A. has referred these questions to the U.S. Attorney for the Western District of Texas, Johnny Sutton.

I hope this information is helpful.

Additionally, per our conversation this morning, I also discussed a concern I have as an individual, involving discrepancies with my Austin Energy Bills.

The energy consumption appears questionably high for the past few months, considering the fact that the home has been vacant.

Most concerning is that Austin Energy recently fined me for allegedly tampering with the meter; and for an allegedly broken seal. I have not tampered with the meter, and I have not seen a broken seal on the meter.

I am gravely concerned about Austin Energy's billing practices and the authenticity of some of its charges on my bill. Have you received other complaints of this nature?

I appreciate your taking the time to look into these concerns and please enjoy your day.

Sincerely,  
Allissa Chambers

'08-3:19\_CM\_Kim.doc [~40K]  
'07-4:5\_CM\_Martinez\_copy.doc [~51K]  
'08-4:7\_CM\_Kim.doc [~62K]

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**From:** "clint smith" <hitt80@hotmail.com>  
**To:** alma@austinaccountabilityproject.com, [jennifer.kim@ci.austin.tx.us](mailto:jennifer.kim@ci.austin.tx.us)  
**CC:** sgonzales@statesman.com, graypanthers@grandecom.net, bill.holloway@gmail.com  
**Subject:** re Confirmation of/& Support by Gray Panthers of Questions/Issues raised by A.L.M.A.  
**Date:** Wed, 19 Mar 2008 22:08:19 -0500

**Date:** Thu, 20 Mar 2008 08:28:25 -0500

**From:** "Gray Panthers" <graypanthers@grandecom.net>

**To:** poppell@statesman.com

**CC:** dhiott@statesman.com

**Subject:** re Confirmation of/& Support by Gray Panthers of Questions/Issues raised by A.L.M.A.

TO WHOM IT MAY CONCERN; This acknowledges receipt by the Gray Panther Organization's Austin Network of this electronic communication of 19 Mar from Ms Allissa Chambers, President of A.L.M.A., w/attachments presented as support and documentation of charges of violation(s) - by Elected & Appointed Officials of the City of Austin (including certain contractor personnel) - of a variety of civil & criminal statutes - including Title 18, U.S. Code mandating Official action upon report of such.

Clint Smith

Convener (Chair)

Gray Panthers/AUS

**Clint Smith** Gray Panthers of Austin <[graypanthers@grandecom.net](mailto:graypanthers@grandecom.net)>

**From:** alma@austinaccountabilityproject.com

**To:** [jennifer.kim@ci.austin.tx.us](mailto:jennifer.kim@ci.austin.tx.us)

**CC:** sgonzales@statesman.com; graypanthers@grandecom.net;  
alma@austinaccountabilityproject.com; bill.holloway@gmail.com

**Date:** Wed, 19 Mar 2008 15:42:40 -0500

**Subject:** Req investigation: possible criminal activity re. Federal Housing Funds incl. forgery, fraud, waste, mismanagement

**Jennifer Kim**

**City of Austin Council Member Place 3**

Dear Council Member Kim,

The purpose of this email is to update you on matters related to my [April 05, 2007 email to Council Member Martinez which was cc'd to you.](#)

As of today, I have sent U.S. Attorney for the Western District Johnny Sutton additional information. The letter is attached here for your reference.

Sincerely,

Allissa Chambers, President, Austinites Lobbying for Municipal Accountability

## Attachments

### Files:

[\\_08\\_3\\_19\\_to\\_US\\_Atty\\_Sutton\\_.doc](#) (33k) [[Preview](#)]

### Photos:

[\\_1\\_forgery\\_\\_p1of2.jpg](#) (2.6MB) [[View](#)]

[\\_1\\_forgery\\_\\_p2of2.jpg](#) (2.2MB) [[View](#)]

[\\_2\\_forgery\\_\\_.jpg](#) (2.6MB) [[View](#)]

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**From:** [alma@austinaccountabilityproject.com](mailto:alma@austinaccountabilityproject.com)  
**To:** "Jennifer Kim" [jennifer.kim@ci.austin.tx.us](mailto:jennifer.kim@ci.austin.tx.us)  
**CC:** [graypanthers@grandecom.net](mailto:graypanthers@grandecom.net), [delbosque@texasobserver.org](mailto:delbosque@texasobserver.org), [info@jasonforaustin.com](mailto:info@jasonforaustin.com),  
[lee.leffingwell@ci.austin.tx.us](mailto:lee.leffingwell@ci.austin.tx.us), [info@randishade.com](mailto:info@randishade.com), "Bill Holloway"  
<[bill.holloway@gmail.com](mailto:bill.holloway@gmail.com)>, "David Kobierowski" <[cleanair999@yahoo.com](mailto:cleanair999@yahoo.com)>,  
"Suzannah Gonzales" [sgonzales@statesman.com](mailto:sgonzales@statesman.com)  
**Date:** Mon, 7 Apr 2008 08:14:01 –  
**Subject:** Possible Misuse of Federal Housing Funds & other...

**Jennifer Kim**

City of Austin Council Member 3:

**Dear Council Member Kim,**

I appreciate the recent questions you raised with regard to the hiring process of our City Manager, and for your recent decision to focus on Human Service solutions for our homeless community.

I recently brought to your attention (**March 19, 2008**) material regarding the possible misuse of Federal housing funds, which I also **cc'd to council members last year (April 4, 2007)** (attached).

**In your opinion as a council member and representative of the people, do you think Council's decision to hire a privately-contracted attorney to proceed against me was a good thing?**

**What information do you perceive council should rely upon and from WHOM when voting to release tax dollars to be used against a citizen?**

I hope the attachments will clarify A.L.M.A.'s questions regarding the possible misuse of Federal Housing Funds.

Cordially,

Allissa Chambers, A.L.M.A. - Austinites Lobbying for Municipal Accountability.

**ATTACHMENTS:**

3/19/07 Email w/ attachments

**Attachments**

**Files:**

[\\_08\\_3\\_19\\_to\\_US\\_Atty\\_Sutton\\_.doc](#) (33k) [[Preview](#)]

**Photos:**

[\\_1\\_forgery\\_\\_p1of2.jpg](#) (2.6MB) [[View](#)]

[\\_1\\_forgery\\_\\_p2of2.jpg](#) (2.2MB) [[View](#)]

[\\_2\\_forgery\\_\\_.jpg](#) (2.6MB) [[View](#)]

Attachments

**Files:**

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[\\_08\\_3\\_19\\_to\\_US\\_Atty\\_Sutton\\_.doc](#) (33k) [[Preview](#)]

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[\\_07\\_3\\_31\\_GP\\_acknowledgement.doc](#) (33k) [[Preview](#)]

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[\\_07\\_12\\_9\\_ALL\\_Rep\\_Rodriguez.doc](#) (87k) [[Preview](#)]

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[\\_07\\_9\\_14\\_ALMA\\_US\\_AttyLetter.doc](#) (128k) [[Preview](#)]

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[\\_07\\_4\\_5\\_CM\\_Martinez\\_copy.doc](#) (50k) [[Preview](#)] cc'd to CM's **Leffingwell, Cole, Kim**

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[\\_07\\_4\\_9\\_GP\\_copy\\_1.doc](#) (68k) [[Preview](#)]

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[\\_07\\_Let\\_s\\_Clean\\_House.doc](#) (132k) [[Preview](#)]

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[\\_07\\_3\\_29\\_GP\\_55M\\_DlyTXan.doc](#) (99k) [[Preview](#)]

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[\\_07\\_4\\_9](#) (135k) [[Preview](#)]

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[Housng\\_\\_CoA\\_depends\\_on\\_Participants.doc](#) (273k) [[Preview](#)]

: "Allissa Chambers" <wyldcraft@sbcglobal.net>  
ct: Fwd: Acknowledgement: Your e-comm re Accountability, \$55M, DailyTXan, Housing  
[mike.martinez@ci.austin.tx.us](mailto:mike.martinez@ci.austin.tx.us)  
[lee.leffingwell@ci.austin.tx.us](mailto:lee.leffingwell@ci.austin.tx.us), [sheryl.cole@ci.austin.tx.us](mailto:sheryl.cole@ci.austin.tx.us), [jennifer.kim@ci.austin.tx.us](mailto:jennifer.kim@ci.austin.tx.us), [kalexander@statesman.com](mailto:kalexander@statesman.com), [04/05/07 CM Martinez Page 7 of 8](mailto:graypant</a></p></div><div data-bbox=)

Dear CM Martinez,

Per today's CM meeting and performance review of City Manager Toby Futrell, & Per my other email sent just a few minutes ago (and listed directly below), I've forwarded GP's response to 2 letters written last week for HW & GP. (GP response below).

Cordially,

Allissa Chambers -- A.L.M.A. (Austinites Lobbying for Municipal Accountability)

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Date: Thu, 5 Apr 2007 13:15:58 -0700 (PDT)  
From: "Allissa Chambers" <[wyldcraft@sbcglobal.net](mailto:wyldcraft@sbcglobal.net)>  
Subject: CM Martinez ' quote re. Wed.Statesman Article & City Manager's Performance Review  
To: [mike.martinez@ci.austin.tx.us](mailto:mike.martinez@ci.austin.tx.us)  
CC: [lee.leffingwell@ci.austin.tx.us](mailto:lee.leffingwell@ci.austin.tx.us), [sheryl.cole@ci.austin.tx.us](mailto:sheryl.cole@ci.austin.tx.us), [jennifer.kim@ci.austin.tx.us](mailto:jennifer.kim@ci.austin.tx.us),  
[kalexander@statesman.com](mailto:kalexander@statesman.com), [graypanthers@grandecom.net](mailto:graypanthers@grandecom.net)

Dear CM Martinez,

I am writing in reference to the following 2 recent articles in the Austin American Statesman:

1) Wednesday's April 4, 2007

**"Altered surveys led to Austin Convention Center firing, city officials say -- Financial issues, criminal inquiry also dogging department."**

(written by Kate Alexander).

2) Thursday, April 05, 2007

**" City manager's job performance up for review Thursday -- Council members praise Futrell but cite some concerns from the past year."**

CM Martinez, Regarding Wednesday's article you were quoted, **"I hope at some point we stop finding problems and start fixing them."**

Because of your stated desire to remedy problems that are cited within the article, such as management issues with the Department of Small & Minority Business Resources; as well as questions raised regarding authenticity and accuracy of evaluation reports, I believe that it is timely that I share 2 letters that I sent to Gray Panthers last week (and intend to send hard copy to Housing Works by Monday).

My letter is in response to City Manager's Ms. Futrell's questions that she raised regarding East Austin Development and the number of East Austin homeowners losing their property.

Within my letter, I raise questions pertaining to authenticity and accuracy of evaluation reports, CoA's management of small & minority businesses, who contract with them, and questions pertaining to City Council's previous approach toward some of these issues.

I believe that the 2 Statesman articles, coupled with City Manager's performance evaluation today, and the recent Daily Texan Article where Ms. Futrell is quoted, all tie into the relevance of my 2 recent letter to Housing works and Gray Panthers.

Finally, your quote within Wednesday's article, illustrates your interest in resolving matters. Therefore, I hope my 2 letters (attached below) will be of service to you and the rest of City Council.

Additionally, I will forward the attachment via a separate email with GP's response/endorsement of my letter.

Kind Regards,

Allissa Chambers -- A.L.M.A. (Austinites Lobbying for Municipal Accountability) (512)732-7399

Attachments:

- 03-29-07 - GP - \$55M – Daily Texan.doc
  - 03-29-07 – HW - \$55M – Daily Texan.doc
-

--- Gray Panthers <[graypanthers@grandecom.net](mailto:graypanthers@grandecom.net)> wrote:

> From: "Gray Panthers" <[graypanthers@grandecom.net](mailto:graypanthers@grandecom.net)>  
> To: <[wyldcraft@sbcglobal.net](mailto:wyldcraft@sbcglobal.net)>  
> CC: <[fferguson@nw.org](mailto:fferguson@nw.org)>, <[hitt80@yahoo.com](mailto:hitt80@yahoo.com)>  
> Subject: Acknowledgement: Your e-comm re  
> Accountability, \$55M, DailyTXan, Housing  
> Date: Sat, 31 Mar 2007 15:32:23 -0600

>  
> Ms Allissa Chambers 31  
> March 2007  
> 3000 Trail of Madrones Austin, TX 78746

> -  
Dear Ms Chambers: This is to acknowledge your communication(s) of 29 March (attached) to Gray Panthers and <proposed> to HousingWorks.

> -  
Thank you for bringing to our attention the serious issues/questions you've directly experienced over several years now in efforts toward affordable housing for your family via local rehabilitation programs. Your communication, reflecting detailed documentation of many adverse and discouraging developments in your dealings with Public agencies and officials, properly addresses issues of official Accountability. - Gray Panthers, as a Community Advocacy organization w/a mission of promoting economic and social justice, welcomes the opportunity to bring these matters to the attention of HousingWorks, as you request. <Accordingly, this e-comm is fwd'd for HousingWorks' consideration.>

> -  
The Gray Panther organization appreciates your interest and active support of our initiatives and advocacy for availability of a wide range of affordable housing to meet diverse needs of individuals in our population – including elderly, disabled & the general public. Be assured we intend to followup on the Accountability issues, as well. -

Sincerely, -  
Clint Smith

>  
> -----Original Message-----

> From: Allissa Chambers  
> [mailto:[wyldcraft@sbcglobal.net](mailto:wyldcraft@sbcglobal.net)]  
> Sent: Thursday, March 29, 2007 3:30 PM  
> To: [graypanthers@grandecom.net](mailto:graypanthers@grandecom.net)  
> Subject: Accountability, \$55M, DailyTXan, Housing

>  
> Please refer to the attached documents re. the above topic.

> Thank You,  
> Allissa Chambers

Attachments:

- 03-29-07 - GP - \$55M – Daily Texan.doc
- 03-29-07 – HW - \$55M – Daily Texan.doc