



Housing Authority of the City of Los Angeles

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Court Orders Former Consultant to Pay \$1.9 M to Housing Authority

Los Angeles – The Housing Authority of the City of Los Angeles (HACLA) today announced the agency has won a lawsuit it filed against former consultant, Dwayne E. Williams, formerly doing business as D.E. Williams & Associates. Los Angeles Superior Court ordered a judgment of \$1.9 million against Mr. Williams for fraud. Mr. Williams received fees for services his company did not provide. Mr. Williams also double billed committing invoice fraud.

Mr. Williams' contracts were approved under the leadership of former Housing Authority executives Donald Smith and Lucille Loyce. Mr. Smith and Ms. Loyce were found liable for mismanaging federal funds and ordered to repay HACLA \$528,000 in 2008. The suit filed in 2006 also claimed Ms. Loyce steered millions of dollars to her friend, Mr. Williams, for "consulting" work. Mr. Williams was contracted to provide resident training for Resident Management Corporations at multiple public housing developments.

"Our agency has a Zero Tolerance Policy that we are committed to enforcing," said HACLA President and CEO, Rudolf C. Montiel. "Anyone suspected of unethical behavior and conflicts of interest will be investigated. The funds this agency receives is meant to help our low income families and it is unacceptable that the former leadership of the agency betrayed the trust of those we serve."

"Since the transition to new leadership in 2004, Mr. Montiel has transformed this agency into a high performer while setting an exemplary standard for excellence that puts transparency and ethical behavior as one of the top priorities," said HACLA Board of Commissioners Chair, Beatriz Stotzer. "We are pleased with the judgment and hope that it sends a strong message that we will not tolerate dishonest acts."

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