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Housing agency probe OK'd

By Pamela Martineau -- Bee Staff Writer

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The Yolo County Board of Supervisors on Tuesday appointed a retired judge to investigate the Yolo County Housing Authority, which a grand jury report stated was in "complete chaos" financially and rife with employee intimidation.

The supervisors unanimously approved the appointment of retired Placer Superior Court Judge Richard L. Gilbert, saying the allegations raised by the grand jury in its report last week warranted an immediate response.

"His marching orders are to give us a comprehensive, thorough analysis and let the chips fall where they may," said Yolo County Supervisor Mike McGowan.

Prior to the board's vote, Richard Estes, chairman of the board of commissioners of the Housing Authority, told supervisors the allegations in the grand jury report were baseless and would be the subject of defamation lawsuits if a regular citizen had brought them forward publicly.

"I hope that the Yolo County court does something to get this grand jury under control," Estes said. "I think we have to publicly speak out when any organization like the grand jury abuses its power."

Grand jury representatives a group impaneled to investigate citizen complaints and make recommendations about county programs and services did not return phone calls placed by The Bee to the jury office on Tuesday.

The Housing Authority has been the subject of several critical grand jury reports over the past five years. This year's report levied the most serious charges, accusing agency Executive Director David Serena of financial mismanagement and employee harassment and intimidation.

"The executive director treats the (Housing Authority) as his own personal fiefdom," the report states. "It is clear that he lacks the qualifications and experience to properly administer this multimillion-dollar department. However, this does not excuse the apparent criminal neglect, corruption, malfeasance and incompetence, which are rife throughout the (Housing Authority)."

Serena and agency administrators denied each allegation, calling the report a "witch hunt" by grand jurors and disgruntled former employees of the Housing Authority. Serena told supervisors Tuesday that he supports the review by Gilbert.

"It's about time that we have an impartial and fair person review the operations of the agency," he said.

The grand jury report recommended that supervisors immediately disband the county-appointed board that oversees the Housing Authority, and assume oversight of the agency until the charges are thoroughly investigated.

The county generally has little authority over the agency, other than to appoint and remove its commissioners. The Housing Authority is funded through the U.S. Department of Housing and Urban Development to provide housing to low-income residents.

With an annual budget of about \$14 million, the Yolo County agency serves about 1,400 families. Its clients include seniors, migrant workers and people with Section 8 vouchers for low-income housing. The authority receives funding for 44 employees.

Larry Bush, a spokesman for HUD in San Francisco, said federal officials are considering an investigation.

In its report, the grand jury said:

- * The executive director knowingly hired undocumented workers and people with criminal records and bankruptcies;
- * New employees were hired, not for their qualifications, but for their potential to be loyal to the executive director;
- * A manager failed to bill the state for more than \$1 million for the Migrant Worker Program. He was fired, then rehired at \$50 an hour as a consultant;
- * Witnesses claimed that employees within the authority are taking kickbacks from tenants;

* A Housing Authority college scholarship fund for teens gives money to recipients who were never required to prove they used the funds for college;

* Administrators knowingly allowed gang members to live in federally subsidized housing units in violation of federal laws.

"The reprehensible state of affairs at the (Housing Authority) is so widespread and substantial that the grand jury believes it must be deliberate," the grand jury said in its report.

In its response to the report, administrators with the Housing Authority said: "The grand jury's reprehensible presentation of baseless claims, undocumented allegations, and scurrilous accusations against not only the executive director but other YCHA employees is so blatant that it must be deliberate."

The board requested that Gilbert, the retired judge and a former Yolo County district attorney, complete his investigation within 90 days.

GRAND JURY RECOMMENDATIONS

Some of the grand jury's recommendations to the Yolo County Board of Supervisors:

- Take over management and oversight of the county Housing Authority and disband a county-appointed board of commissioners.
- Place the agency's executive director and assistant director on leave - without pay - effective immediately.
- Investigate charges of "bribery, kickbacks and threats."
- Demand a federal investigation into alleged wrongdoing.
- Order an independent audit of the agency.

About the writer:

- The Bee's Pamela Martineau can be reached at (530) 757-7119 or pmartineau@sacbee.com.

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