

**ERVIN and
ASSOCIATES**
INCORPORATED

PT-189167

May 19, 1997

Secretary Andrew Cuomo
U.S. Department of HUD
451 Seventh Street, SW
Room 10000
Washington, D.C. 20410

Via Facsimile to (202) 619-8365

Ms. Pat Morgan
Director, Executive Secretariat
U.S. Department of HUD
451 Seventh Street, SW, Room 10139
Washington, D.C. 20410

Via Facsimile to (202) 619-8365

Re: Freedom of Information Act (FOIA) Request
Ex-HUD Employees Receiving Benefits From HUD

Dear Secretary Cuomo and Ms. Morgan:

I read with great interest the story in the *Washington Post* on May 9, 1997, entitled HUD Grant To Be Focus of Review (Page B1), in which Secretary Cuomo is reported to have frozen all development fees to a firm headed by H.R. Crawford and ordered an Inspector General's review of a grant. According to the *Post*:

"Cuomo called for the Inspector General's review of Crawford's selection and the performance on Tuesday, a day after the *Washington Post* asked whether Crawford's public record was considered during the selection process

"Victor Lambert, a HUD spokesman, said that although Cuomo could not comment on the case because of the investigation, he has raised serious questions about how any person forced to resign from HUD could receive a grant from the Agency."

Under the provisions of the Freedom of Information Act, please provide us with the following information relating to C. Austin Fitts, the former FHA Commissioner who is now President of Hamilton Securities:

- Any documentation on Ms. Fitts being fired or forced to resign from her position as FHA Commissioner during the Kemp Administration, including any memos on her proposals to dispose of HUD's portfolio that led to her conflict with Secretary Kemp.
- Documentation on the total benefits Ms. Fitts or her Company Hamilton Securities has received, either directly or indirectly (through subcontracting

RE-189164

arrangements), from HUD since her firing/resignation.

Ervin and Associates agrees to pay up to \$50 for the processing of this request. If the anticipated fees are to exceed \$50, please call me so I may have the opportunity to reformulate the request.

Please note that Ervin and Associates shares Secretary Cuomo's concern that somebody who is asked to resign from a senior level HUD position could then obtain extraordinary benefit from relationships obtained while at the Department. As concerned citizens, we have a right to receive this information although it will have no commercial benefit to us. Considering this, any fees assessed for the processing of this request should be subject to the limitations on fees for non-commercial requestors.

Very truly yours,
ERVIN and ASSOCIATES, INCORPORATED


David J. Ervin