

ASSOCIATES

FI-202604

COVER

INCORPORATED

To: Pat Morgan

Date: 9/10/97

From: David Ervin

Pages: 12

Phone #: 301/469-3422

(includes this cover page)

COMMENTS:

Enclosed is one new FOIA request

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**ERVIN and  
ASSOCIATES  
INCORPORATED**

FI-202604

September 9, 1997

Ms. Pat Morgan  
Director, Office of the Executive Secretariat  
U.S. Department of HUD  
451 Seventh Street, SW, Room 10246  
Washington, D.C. 20410-0500

Via Facsimile to (202) 619-8365

Re: Freedom of Information Act Request  
Re-Delegation of Note Sale Authority

Dear Ms. Morgan:

Enclosed is a cc: Mail dated November 12, 1996, in which Angelo Aiosa informs Carole Wilson that Sarah Rosen "is now Office of Housing's Deputy Assistant Secretary for Operations" but "She has NOT been given responsibility for the mortgage sales program" because "That remains with Kathryn Rock, the FHA Comptroller."

Also enclosed are the following:

- A memorandum from Nicolas Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner, to Sam Hutchinson, Associate General Counsel, Office of Human Resources, dated December 6, 1995, requesting that "a delegation of authority be prepared for publication in the Federal Register to transfer authority for certain actions related to the sale of multifamily mortgages from the Deputy Assistant Secretary for Multifamily Housing Programs (Chris Greer at the time) to the Deputy Assistant Secretary for Operations in FHA (Helen Dunlap at the time).
- A memorandum from Nelson Diaz, General Counsel, to Nicolas Retsinas, dated March 7, 1996, recommending against this transfer. In the memo, Mr. Diaz indicates that 'since the impact of the re-delegation goes beyond Housing because it contains 'the authority to execute agreements in the name of the Secretary,' the document was placed in departmental clearance.' Mr. Diaz indicates that the proposed re-delegation was reviewed by "Housing, OGC (Associate General Counsel for Insured Housing), Administration, OIG, and CFO."
- The actual re-delegation, signed by Mr. Retsinas on March 25, 1996.

It is clear from the above-three documents that transferring Note Sales authority to

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the DAS for Operations required significant justification, met with opposition by the General Counsel of HUD, and required approval by numerous high ranking officials throughout HUD to be effective. We would assume that any subsequent transfer of authority from the DAS for operations to the FHA Comptroller would have required similar justification and approvals, however, we are not aware of any notice in the Federal Register announcing this transfer.

Considering this, we are requesting through the Freedom of Information Act, copies of the following:

- All documentation concerning the transfer of Note Sale authority from the Deputy Assistant Secretary for Operations to the FHA Comptroller, including memorandums and notices similar to those enclosed relating to the previous re-delegation;
- Any documentation which specifically mentions Kathy Rock's personal knowledge or experience as being a factor in this decision, as opposed to the responsibilities of the FHA Comptroller;

The United States Attorney's Office and the HUD Inspector General are currently conducting a fifteen month long criminal investigation into allegations that were brought to light by Ervin. Additionally, the U.S. District Court for the District of Columbia has held that "the government and plaintiffs [Ervin] share an interest in pinpointing and eliminating corrupt practices at HUD." Through this FOIA request, we are exercising our right as citizens and taxpayers to pinpoint and eliminate "corrupt practices at HUD," and the request is not for profit making activities.

Considering this, for the purposes of this request, Ervin should be treated as a non-commercial requester and any applicable fees should be subject to the restrictions placed on non-commercial requesters. Ervin agrees to pay up to \$50 for the processing of this request. If the anticipated fees are to exceed \$50, please call me at (301) 469-3422 so I may have an opportunity to reformulate the request.

Very truly yours,  
ERVIN and ASSOCIATES, INCORPORATED

  
David J. Ervin