



**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**THE DEPUTY SECRETARY**  
WASHINGTON, DC 20410-0500

April 24, 2007

**Confidential Work Product and Attorney-Client Communication**

Kenneth Donahue  
Inspector General  
United States Department of Housing  
And Urban Development  
451 7<sup>th</sup> Street SW  
Washington, D.C. 20410

Dear Inspector General Donahue:

As you may be aware, the Department of Housing and Urban Development (HUD) has been reviewing operations and conditions at the Miami-Dade Housing Agency (MDHA). Our office of Public and Indian Housing commissioned a review by the accounting firm of Deloitte and Touche to examine some of the areas of concern at the Agency. Subsequently, HUD sent its own team of experts to follow up on the Deloitte and Touche preliminary review and to review issues beyond the scope of the Deloitte and Touche review.

I am enclosing a copy of both the preliminary Deloitte and Touche report, and the report prepared by HUD's Real Estate Assessment Center entitled "Review of the Miami-Dade Housing Agency's Administration of the Public Housing and Housing Choice Voucher Programs." Based on the information HUD has received, HUD has today sent the Miami-Dade County Board of Commissioners Notices of Default setting forth a number of violations committed by MDHA. HUD intends to fully enforce its mission to protect the residents who are dependent on MDHA, as well as the citizens of Miami-Dade County and the taxpayers of the United States.

Based upon the serious nature of the facts that have been brought to light, I hereby request that your office immediately undertake a full audit and investigation of MDHA in regard to its extensive financial mismanagement, program mismanagement, and numerous regulatory and statutory violations. I hope that the HUD and Deloitte reviews will assist your office's investigation.

Please be assured that HUD will undertake all necessary steps to ensure that this distressed housing agency follows all required statutory, regulatory and contractual obligations and, more importantly, effectively serves the housing needs of the Miami-Dade County community.

Sincerely,

Roy A. Bernardi

Enclosures