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MEMORANDUM FOR: Chet J. Drozdowski, Director
Office of Public Housing, 6HPH

FROM: D. Michael Beard
District Inspector General for Audit, 6AGA

SUBJECT: Housing Authority of New Orleans
Eviction Process

We have performed a limited review of the Housing Authority of New Orleans' (Authority) eviction process. Our review objective was to determine whether the Authority has an effective process for evicting tenants for drugs and criminal activity. The review did not include evaluating the Authority's ability to screen prospective tenants or ensure compliance with other lease provisions. During our examination, we obtained pertinent information regarding evictions and arrests and interviewed applicable Authority staff. We reported the results to you and Authority officials in a December 4, 1996 draft memorandum. The Authority provided verbal comments at a January 17, 1997 exit conference and written comments in a February 5, 1997 letter (see attachment). The Authority generally agreed with our recommendations.

The review found that the Authority's eviction policy for drugs and criminal activity needs strengthening in order to be effective.

Lease requirements and eviction policy

The Authority's recently enacted lease states:

One and only one act of the following types of criminal activity engaged in by the Tenant, any member of the household, any guest, or other person under the Tenant's control, shall be cause for termination of tenancy:

- (a) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of HANO's public housing Premises by other residents or employees/agents of HANO, or

(b) Any drug-related criminal activity on or near such Premises. Drug-related criminal activity means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use of a controlled substance as defined in sec. 102 of the Controlled Substance Act (21. U.S.C. § 802).

The Authority's eviction policy provides that "Violations of any provision of the lease, HANO Rules and Regulations, state, federal or local laws by any member of tenant's family, guests or invitee under the tenant's control shall be considered a violation of the lease and may lead to the eviction of the tenant and/or the entire family." However, the policy does allow management discretion on the first offense in a 12-month period.¹

Eviction process

The Security Director recommends evictions based on police incident reports. Presently, the Director of Security (Director) is the contact person for law enforcement to report crimes. The Director estimates he receives about 1,500 police incident reports each month from Multiple Agency safehome (MASH)², Community Orientated Policing units (COPS), the New Orleans Police Department, and other law enforcement agencies. The Director decides whether to recommend a tenant for eviction. The Director recommends a resident for eviction if law enforcement: (1) arrests the primary leaseholder (head of household) for drugs or (2) finds drugs in the unit. The Director estimates that he recommends eviction to the Authority attorney for about seven tenants a month.

The Authority attorney processes evictions. The (then) Authority attorney who handles evictions said that they receive approximately eight to ten requests for eviction due to drugs and violent crime per month. He said that of every ten requests, the Authority may pursue one or two for eviction. Major reasons he cited for not pursuing most recommended evictions include: the police report is not sufficient; drugs "disappear" or turn out not to be drugs; person arrested is not on the lease, and; lack of law enforcement support at the trial. The Authority rarely tries to evict a household when a person commits a violent crime.

Another problem notes by the Authority legal staff was the "on or near" provision of the lease. The Authority lost one case when the judge did not agree that the person was selling drugs "near" the development. The attorney indicated that an absolute distance would be better.

Very few offenders are being evicted

¹ According to the Authority's former legal counsel, the Authority intends to revise the eviction policy to reflect its new lease.

² The MASH task force report showed about 1,200 arrests from August 1995 through July 1996, or about 50 per month. However, we did not review the reported crimes because we experienced delays and difficulty in trying to obtain arrest/conviction information.

From January 1995 to May 1996, the Authority started eviction proceedings against 43 tenants; 37 of these proceedings involved drugs. Of the 43 cases:

Tenant evicted	4
Case in court	3
Tenant moved after receiving a notice to vacate	25
Tenant stays but son's name removed from the lease	4
Pending: cannot take action unless tenant convicted	3
Court case lost; person not a tenant; other	4

Relative to the huge number of arrests, it does not appear that the Authority's eviction process is very effective.³ Although the criteria for evictions appears to be clear and simple, the practice of evicting tenants is much more difficult.

Quadel's October 1995 Public Housing Management Assessment Program (PHMAP) confirmatory report discussed the need for a more effective eviction system:

"The Authority's lease enforcement efforts have been weak particularly with respect to criminal and drug-related criminal activity. HANO is not able to document and verify the extent of its drug and crime problem, and therefore the impact of crime and fear is only anecdotal and the information on which to base a winnable eviction is minimal. There is a very strong and active criminal element operating in many of HANO's communities. The fact that the Director of Security and Drug Affairs prepares a monthly report on the number of homicides that take place on Authority property is testament to that fact. CHA [sic] employs a security staff of 32, City Liaison Officers are provided office space and supplies at each development, and HANO has received approximately \$4,600,000 in Public Housing Drug Elimination funds, yet thus far in 1995 only 10 drug-related evictions have been initiated."⁴

Current Authority efforts

According to the Director, the Authority is in the process of establishing and implementing a database to track people who have been arrested on Authority property and/or people who are no longer allowed on Authority property.⁵ The system would allow law enforcement to easily determine if a person is trespassing on Authority property. If so, the person would be arrested. The Authority has spent approximately \$60,000 for the hardware to implement the system and has

³ Contrast this with other evictions not related to crime. Quadel's report states "According to records provided to Quadel, the Authority files on-average 560 evictions for non-payment each month and successfully evicts an average of 36 residents per month."

⁴ The Authority received approximately \$3.4 million in Drug Elimination Grant funds from HUD for each of the 1994 and 1995 fiscal years. Of these amounts, the Authority spent \$2.5 million in 1994 and \$2.8 million in 1995 for the reimbursement of law enforcement activities.

⁵ This would include eviction cases that resulted in court order settlements that allows a head of household to remain in public housing if they remove the malefactor from the lease.

permission to use two National Guardsmen for initial data entry. A listing of persons may be provided to management and posted on the premises to assist in identifying trespassers.

The system appears to have many beneficial qualities. However, various logistical concerns still need to be answered. These include the development of procedures to control access, ensure protection of individual's rights, and define responsibilities of parties. The procedures should answer who will be stopped and questioned, defining the Authority's property as opposed to public property, the difference between a trespasser and visitor, documentation needed to prove a trespassing offense including exact location of apprehension, among other things. The system's procedures should be flexible enough to acknowledge additional issues once implemented, including legal and social issues. The objective should not be how many people the Authority evicts, but whether the Authority effectively removes and keeps out those people who threaten the Authority's ability to provide decent, safe, and sanitary housing.

Authority comments

The Authority generally agreed with the draft recommendation, although it took exception to various aspects for the review or report. The response stated: (1) the Authority did not have formal notice of the audit; (2) the information upon which the draft was based was incomplete; (3) the Authority's Legal Department records were apparently not reviewed; (4) the report does not provide detailed information regarding the 1,500 police incident reports; (5) the conclusion that the Authority's eviction policy is not effective is inaccurate because the report did not include evictions for other than criminal and drug activity; and (6) contrary to the draft report, a new lease had not been approved and implemented. In addition, the response partially disagreed with recommendation 1C, stating that the Authority relies on the cooperation and assistance of other agencies to properly enforce criminal activity clauses and leases.

OIG evaluation of Authority comments

The Authority is correct in that the review was limited in scope and was not an audit performed in accordance with generally accepted government auditing standards. Regarding the draft not having complete information or sufficient details, we believe it is precisely the lack of information (e.g., whether persons arrested live in public housing) that to a large extent hampers the Authority's effectiveness to deal with crime-related evictions. Based on the Authority's comments, the report now more accurately states the purpose of the review was to examine *crime-related* evictions. OIG staff interview the (then) Authority attorney and reviewed the "Status of Criminal/Drug Evictions" report he prepared. The former Authority legal counsel told us the new lease had been enacted. The lease provisions cited in this report differ from the prior lease primarily in the "one strike and you're out" aspect. The OIG does not view the Authority's comments for recommendation 1C as a disagreement but rather an acknowledgement that the Authority does not have complete control over the legal and enforcement processes involved in criminal evictions.

Recommendations

We recommend you require the Authority to:

- 1A. Continue its efforts to implement and evaluate its database to assist in evictions. The database should be linked to a database that identifies persons residing on the properties.
- 1B. Document its procedures for operating the database.
- 1C. Ensure it is properly screening tenants and enforcing leases and documenting lease violations.
- 1D. Have its officials meet periodically with law enforcement, resident leaders, and HUD officials to ensure every effort is being made to remove problem tenants.

Within 60 days please give us, for each recommendation made in this report, a status report on: (1) the corrective action taken; (2) the proposed corrective action and the date to be completed; or (3) why action is considered unnecessary. Also, please furnish us copies of any correspondence or directives issued because of this review.

If you have any questions, please contact me or Frank Baca, Assistant District Inspector General for Audit.

Attachment