

Former housing authority employees sue OHA

By Jennifer Johnson
Metro Editor

Yet another former top employee of the Orange Housing Authority is stepping forward to say that their cooperation with a federal probe of the local housing agency has cost them their job.

Aaron Ledet, former project manager director for OHA, said he was subject to retaliation and subsequent firing for being what he said was “completely honest” with HUD investigators looking



Ledet

into potential improprieties by the quasi-governmental agency. Ledet and his attorney, Cade Bernsen, asked the Board of Commissioners of OHA to re-evaluate their decision to terminate his employment or face possible whistleblower sanctions. The board was unmoved and voted to uphold its prior decision to terminate Ledet's employment with the agency.

Former OHA executive director Tanya Wilson has already filed a whistleblower lawsuit against the agency,

offering a story strikingly similar to Ledet's. Wilson has also hired Cade Bernsen to represent her interests in the ongoing fight against what she calls a blatant act of retaliation to cover up misdeeds.

According to the lawsuit filings, “(Wilson) became aware that Defendant (OHA), specifically (former) Board Chairperson (Mary) McKenna and other Board Members, were committing various illegal and/or unethical acts. (She), in good faith, reasonably believed that the Defendant Board's actions violated the law.”

Wilson then made a report to the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Housing and Urban Development Office of Inspector General (OIG).

“Plaintiff's cooperation and reports to HUD and HUD (OIG) resulted in her harassment and ultimate termination from employment,” the lawsuit contends.

The litigation further documents what the plaintiff calls corruption in the OHA.

“The Housing Authority of the City

of Orange, Texas, has come to represent one of the most glaring examples of how waste, fraud and abuse of taxpayers' money can occur with incompetent and/or corrupt people at the helm,” the filing asserts. “On or about the fall of 2011, OHA Executive Director Frank Anderson resigned from his position after a HUD/OIG investigation revealed breathtaking unethical and possibly illegal activity.

“On or about Oct. 12, 2011, HUD wrote a scathing letter to the OHA Board taking aim at various improprieties concerning Executive Director Anderson's conduct as well as the conduct and failure of duties of the Board itself. Board members McKenna, (Michael) Combs and (Patricia) Coppage were members at that time and were in control of the Board at the time of Plaintiff's wrongful termination.

“The serious and material irregularities in the financial operations of the Housing Authority included but were not limited to: Using an undeclared bank account under the sole control of the ED. An insurance proceeds check

made out jointly to the Housing Authority of Orange, Texas, and the U.S. Department of Housing and Urban Development was deposited (with fraudulently signed HUD endorsement). Cash withdrawals by the ED and checks written to the ED, endorsed and cashed by the ED. Circumventing procurement regulations. The Fiscal Year 2009 Independent audit failed to disclose



Wilson

insurance proceeds of \$2,223,397 received by (OHA) for damage to housing units caused by Hurricane Ike in September 2008. (And) Inadequate monitoring of contract expenditures and disbursements by the Board of Commissioners.”

But the lawsuit doesn't stop there. Additional grievances concerning Anderson were also noted, as were grievances that the board essentially turned the other cheek regarding Anderson's criminal behavior.

“Instead of firing former Executive Director Anderson, McKenna and the Board allowed him to resign,” the filing adds. “However, Board members

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McKenna, Combs and Coppage remained in place.”

Wilson, who took over as executive director after Anderson's departure, said she became concerned that an inappropriate business relationship existed between ITEX Developers, LLC (ITEX) and Board Members McKenna, Combs and Coppage. “Plaintiff observed that ITEX imposed an undue and inappropriate influence on the

Board and was more often than not given an unfair competitive advantage over other competitors,” the filing states. “In fact, ITEX was allowed to make ‘proposals’ to the Board without money even first being secured.

“In the fall of 2012, Plaintiff and OHA employees Aaron Ledet, LaNita Brown and others met in HUD's Houston offices with HUD/OIG officials. During these meetings, Plaintiff reported to HUD/OIG that it was her belief the OHA Board was committing illegal acts with Developer

ITEX. In particular, Plaintiff reported to HUD/OIG that OHA and ITEX were purposely violating HUD policies and regulations concerning the contract procurement process.

“After the OHA Board became aware of Plaintiff's reports to the HUD/OIG, she was harassed and ultimately terminated.”

Wilson is seeking actual damages, compensatory damages, back pay, front pay, non-economic damages and exemplary damages in excess of \$1,000,000.