

## Memorandum

TO: Michael Murawski, Advocate  
FROM: Sylvia Batista, Investigator  
DATE: 08/06/15  
RE: Maria Lopez re. Conflict of Interest – Public Housing Program; K14-129

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On December 8, 2014, the COE received an e-mail from Sharon Montealegre, Compliance Reviewer with the Compliance Unit of Public Housing and Community Development (PHCD). Ms. Montealegre requested advice regarding Maria Lopez, a participant in the Public Housing Program. Ms. Lopez was determined to have a conflict of interest due to her participation in the Public Housing Program and her position as an Assistant AMP Administrator in the Public Housing Program.

Ms. Montealegre explained that, in reviewing her case, she found that the Option-to-buy lease, a requirement of the home ownership program, was not complete thereby making it invalid. Additionally, Ms. Lopez had an executed Public Housing Rental Lease as a Public Housing resident, and not as a Homeowner. Ms. Lopez was thus categorized as having a conflict of interest due to her participation in the Public Housing Program.

Ms. Lopez was provided a Conflict of Interest letter on 12/19/14 in which she was informed of the findings. Ms. Lopez contacted the division director of the PH Homeownership program who confirmed that she is a homeowner under the PH Homeownership program because she lives in a Homeownership property and has an escrow account. However, the PHCD Finance Division found that there was no active escrow account in Ms. Lopez' name, which led Ms. Montealegre to conclude that Ms. Lopez was living in a homeownership property as a public housing resident, and not as a homeowner. Due to her position in the Public Housing Program, Ms. Lopez had a conflict of interest.

In the 12/19/15 conflict of interest letter, Ms. Lopez was told by PHCD Director that she was living in a homeownership property as a public housing resident, not as a homeowner, and was directed to remedy her situation and given a twelve (12) month extension to secure the necessary financing to purchase the property, or abandon her position in the Public Housing Program.

On 07/30/15, Ms. Lopez notified Julie Edwards, Assistant Director of PHCD, that she decided to vacate the subject unit on 07/06/15. In so doing, Ms. Lopez eliminated the conflict of interest.