



Housing Authority of the City of Los Angeles

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Lucelia Hooper

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Contact: Annie Kim
Public Information Officer
Cell: (310) 403-8776, Office: (213) 252-1864
E-mail: Annie.Kim@hacla.org

Man convicted for Selling Counterfeit Housing Vouchers

LOS ANGELES – The Housing Authority of the City of Los Angeles today announced that Gregory Clayton plead guilty to grand theft for selling fake Housing Choice Program Vouchers, also known as Section 8 Vouchers. He was convicted and will serve 6 years in prison.

The investigation was initiated by the Housing Authority in 2008 after victims notified the agency they paid cash for what they thought were Section 8 vouchers. Clayton posted ads on Craigslist advertising Section 8 Vouchers for sale. To date, fourteen victims have come forward. The victims typically paid \$2,500 towards a fake voucher. The cases were later turned over to the Los Angeles Police Department.

Clayton posed as a Housing Authority employee with a fake agency badge. He asked his victims to meet him at the Housing Authority office at 2500 Wilshire Blvd. The victims paid Clayton in cash and in turn would receive a receipt for their payment along with a list of Section 8 properties. The victims were told to get in touch with Clayton once they located an apartment they would like to occupy; Clayton then promised the victims he would complete the process of getting them housed.

“This conviction should serve as an example to anyone who would think to take advantage of people looking for affordable housing. The Housing Authority will pursue legal action against anyone found to be involved in fraudulent activity,” said Rudolf C. Montiel, President and CEO of the Housing Authority. “We thank the LAPD and the District Attorney’s office for successfully completing the investigation and prosecuting this individual.”

Page 1 of 2

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In an effort to protect the public and the agency, the Housing Authority has implemented a new anti-fraud policy. The policy aims to prevent, detect and prosecute waste, fraud and abuse with the assistance of anonymous tips and fraud referrals. Individuals can visit www.mysafeworkplace.com or call 1-800-461-9330.

The Section 8 program, funded by the U.S. Department of Housing and Urban Development (HUD), provides housing assistance to extremely low and very low-income individuals, families, senior citizens, and persons with disabilities. Program participants typically pay about thirty percent of the cost of the fair market rent. HACLA, a state chartered public housing agency since 1938, now administers the second largest Section 8 Program in the country with an allocation of 44,462 Housing Choice Vouchers.

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Page 2 of 2

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