



The City of New York
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**DOI ARRESTS A DOZEN INDIVIDUALS ON NEARLY HALF A MILLION DOLLARS
IN HOUSING FRAUD AND THEFT CHARGES**

***-Arrests are part of a sweep by DOI's NYCHA and HPD Inspectors General
and includes the arrests of three current City and State employees-***

Mark G. Peters, Commissioner of the New York City Department of Investigation ("DOI"), announced a dozen arrests as part of a sweep by DOI to attack tenant housing fraud. The arrests originate from separate investigations and include charges associated with the theft of public housing funds through schemes that include underpaying rent, continuing to receive housing benefits while no longer living in a Section 8 apartment, failing to disclose familial relationships and failing to disclose additional income of tenants living in apartments. Several of the investigations resulted in the arrest of current City and other government employees on charges of defrauding the City's public housing agencies. In all 12 individuals have been arrested involving a total of more than \$500,000 in housing fraud, according to the charges.

On these cases, DOI referred its findings to, and worked with, the Bronx County District Attorney's Office, the Queens County District Attorney's Office, and the Office of the United States Attorney for the Southern District of New York. In addition, DOI worked with the Office of the City Comptroller, which referred matters to DOI as a result of data matches the office conducted with various City records that revealed potential fraud.

DOI Commissioner Mark G. Peters said, "Housing fraud is corruption – plain and simple. Housing fraud by the government employees we just arrested is doubly corrosive. These crimes diminish valuable public housing dollars and, in these cases, tally to more than half a million dollars, undermining efforts to provide affordable housing to needy New Yorkers, according to the charges."

Arrests began in April, with a number taking place this week. The following are some highlights:

- LATRICE GILMORE, 42, of Brooklyn, was charged with the federal offense of Theft of Government Funds.

According to the criminal complaint, GILMORE, a NYCHA Section 8 recipient and a Bus Operator for the Metropolitan Transportation Authority's ("MTA") New York City Transit Authority ("NYCTA"), listed only herself and her three children as living in the apartment on multiple forms filed with NYCHA, concealing the presence of her husband and the income he earned as a Bus Operator for the MTA. As a result of this conduct, GILMORE illegally received Section 8 rental subsidies totaling \$109,949 between July 2008 and October 2015.

The office of Preet Bharara, United States Attorney for the Southern District of New York, is prosecuting the case.

- VICTORIA KROUSER, 44, of New York, N.Y., was charged with Theft of Government Funds and Making False Statements or Entries.

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According to the criminal complaint, KROUSER, a NYCHA Section 8 recipient, reported only the presence of herself and her children in her Section 8 apartment, but omitted her husband's presence in the home in documentation to NYCHA, and the income he earned working at several companies and businesses, which totaled more than \$4,000 per month. DOI surveillance conducted also showed KROUSER's husband going to and from work daily from the apartment. As a result, NYCHA overpaid rental subsidies to KROUSER totaling \$142,145 between July 2002 and March 2016.

The office of Preet Bharara, United States Attorney for the Southern District of New York, is prosecuting the case.

- IASIA and TRENDORA ANDERSON, 31 and 54, of Queens, N.Y., were charged with Grand Larceny in the Third Degree, a class D felony; Falsifying Business Records in the First Degree, and Offering a False Instrument for Filing in the First Degree, all class E felonies.

According to the criminal complaint, TRENDORA ANDERSON, a New York City Correction Officer, claimed to be the former tenant of an apartment at the Ocean Bay Houses, allowing her daughter IASIA ANDERSON to become the tenant of record and significantly decreasing the rent. However, TRENDORA ANDERSON never moved out of the NYCHA apartment. The ANDERSONS' conduct resulted in underpaid rent in the amount of \$24,037 between December 2013 and April 2015.

The office of the Queens District Attorney Richard A. Brown is prosecuting the case.

The following defendants were also arrested in tenant housing fraud cases, according to the criminal complaints and investigations:

- ARACELI BATISTA, 55, of The Bronx, N.Y., failed to notify NYCHA that she was no longer living in her Section 8 apartment, instead, living in a private home owned by her husband. As a result, NYCHA overpaid rental subsidies on BATISTA's behalf in the amount of \$18,301 between January 2012 and January 2015. BATISTA was charged with Grand Larceny in the Third and Fourth Degree and other related charges.
- DIEU HO-DUONG, 56, of The Bronx, N.Y., failed to report to NYCHA the presence of a male friend, Tong Van Duong, in her former Section 8 apartment from November 2010 through 2012. HO-DUONG was charged with Offering a False Instrument for Filing in the First and Second Degree, class E felonies.
- CONSUELO MASON, 72, of The Bronx, N.Y., failed to report to NYCHA that her daughter, VENOL MASON, who was living in the apartment, was employed with the City's Human Resources Administration. VENOL MASON, 38, also created fraudulent letters to submit to NYCHA indicating that she was enrolled as a full-time college student. The MASON's underpaid rent in the amount of \$42,984 between February 2010 and January 2015. The MASON's were charged with Grand Larceny in the Third and Fourth Degree and other related charges.
- CHERISA JOHNSON, 50, of Queens, N.Y., failed to disclose the presence of her husband in her NYCHA apartment and the income he earned. JOHNSON underpaid rent to NYCHA in the amount of \$24,220 between April 2013 and January 2016. JOHNSON was charged with Grand Larceny in the Third Degree and other related charges.
- CHAMEKA BLACK, 33, of Queens, N.Y., a former Section 8 recipient and a New York City Department of Transportation ("DOT") employee, failed to disclose the presence of her husband in the Section 8 apartment and his DOT employment. As a result, BLACK received an overpayment of rental subsidies totaling \$38,158 between May 2011 and April 2015. BLACK was charged with Grand Larceny in the Third Degree and other related charges.
- ALBERT PETERS, 62, of Staten Island, N.Y., failed to report to NYCHA the presence of his wife and son in his Section 8 apartment and the income they earned. As a result, NYCHA overpaid rental subsidies on PETERS' behalf totaling \$67,965 between December 2008 and October 2015. PETERS was charged with the federal offense of Theft of Government Funds.
- BEVERLY JAGER, 66, of Brooklyn, N.Y., received Section 8 subsidies from HPD, however no longer lived in her Section 8 apartment. Instead, JAGER was living in a private home she owned in Brooklyn.

HPD paid \$50,716 in Section 8 subsidies for JAGER between January 2011 and February 2016. JAGER was charged with Theft of Government Funds.

Upon conviction, a class D felony is punishable by up to seven years in prison, a class E felony by up to four years in prison and a class A misdemeanor is punishable by up to a year's incarceration.

Upon conviction, the federal offense of Theft of Government Funds is punishable by up to ten years in prison, and the federal offense of Making False Statements is punishable by up to five years in prison.

DOI Commissioner Peters thanked New York City Comptroller Scott M. Stringer, Bronx County District Attorney Darcel D. Clark, Queens County District Attorney Richard A. Brown, United States Attorney for the Southern District of New York Preet Bharara, NYCHA Chair and Chief Executive Officer Shola Olatoye, HPD Commissioner Vicki Been, and their staffs, for their cooperation and assistance in these investigations.

This investigation was conducted by DOI's office of the Inspector General for NYCHA, specifically Confidential Investigators Patricia Sedacca and Wenny Hon, Special Investigators Robert Dianno, Daniela Fernandez and Dianna Oglio and Chief Investigator Ivonne Alvarado-DeJesus, under the supervision of Inspector General Ralph Iannuzzi and with assistance from Counsel Lauren Hintz; and the Inspector General for the City Department of Housing Preservation and Development, specifically Confidential Investigator Rafael Perez, under the supervision of Inspector General Jessica Heegan. The sweep was supervised by Associate Commissioner James J. Flaherty, Deputy Commissioner/Chief of Investigations Michael Carroll and First Deputy Commissioner Lesley Brovner.

The following prosecutors worked on these investigations. Their assigned case(s) are in parentheses:

From the Office of the Bronx County District Attorney Darcel D. Clark – Assistant District Attorney Rachel Ramjatan (BATISTA), Assistant District Attorney Jennifer Shaw (VENOL and CONSUELO MASON) and Assistant District Attorney Jennifer Shaw (HO-DUONG).

From the Office of the Queens County District Attorney Richard A. Brown – Assistant District Attorney Rosemary Buccheri (IASIA and TRENDORA ANDERSON, BLACK and JOHNSON).

From the Office of the United States Attorney for the Southern District of New York Preet Bharara – Assistant U.S. Attorney Karin Portlock (GILMORE), Assistant U.S. Attorney Catherine Geddes (PETERS), Assistant U.S. Attorney Martin Bell (KROUSER) and Assistant U.S. Attorney Elizabeth Hanft (JAGER).

Criminal complaints are accusations. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country and New York City's corruption watchdog. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City. DOI's strategy attacks corruption comprehensively through systemic investigations that lead to high-impact arrests, preventive internal controls and operational reforms that improve the way the City runs.

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