



The City of New York
Department of Investigation
ROSE GILL HEARN
COMMISSIONER

80 MAIDEN LANE
NEW YORK, NY 10038
212-825-5900

Release #61-2011
nyc.gov/html/doi

**FOR IMMEDIATE RELEASE
WEDNESDAY, NOVEMBER 2, 2011**

**CONTACT: DIANE STRUZZI
(212) 825-5931**

**DOI STATEMENT ON PRISON SENTENCE OF A FORMER TENANTS ASSOCIATION PRESIDENT
IN \$98,600 THEFT FROM HER BUILDING'S ACCOUNTS**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI") issued the following statement on today's sentencing of a former Tenants Association president to one to three years in prison for stealing approximately \$98,604 that should have been used for her Manhattan building under an affordable housing program administered by the City Department of Housing Preservation and Development ("HPD"). RENEE HERNANDEZ, 53, was sentenced by Judge Gregory Carro in Manhattan Supreme Court. She pleaded guilty last month to Grand Larceny in the Second Degree. The office of New York County District Attorney Cyrus R. Vance, Jr., prosecuted the case.

DOI Commissioner Rose Gill Hearn said, "This sentence sends a powerful message that stealing public housing funds is a serious crime that can end in a prison term. DOI continues to work with its law enforcement partners to identify and bring to justice individuals who illegally siphon public housing funds from those who need them."

HERNANDEZ, of Manhattan, was arrested in May 2011 for the theft, committed while she was president of the 244-246 Elizabeth Street Tenants Association ("TA"), a part of HPD's Tenant Interim Lease Program ("TIL"). DOI's investigation found the defendant used her TA position to steal money from the building's TA bank account by withdrawing funds from certificates of deposit and opening a credit card linked to the account, and that she used those stolen funds to make personal purchases, including clothing, beauty services, and a resort stay in Florida.

The TA at 244-246 Elizabeth St. collected rent under the City's TIL program, which offers tenants who live in City-owned buildings an opportunity to manage them and eventually buy their apartments from the City and operate their buildings as low-income cooperatives. The program requires that tenants elect officers and create a TA, which collects rents and deposits them in a TA bank account to pay for building expenses such as maintenance. TAs must submit monthly financial reports to HPD. The building at 244-246 Elizabeth St. is not occupied and is expected to undergo renovations.

Commissioner Gill Hearn thanked HPD Commissioner Mathew M. Wambua and New York County District Attorney Cyrus R. Vance, Jr., and their staffs, for their assistance in this investigation.

The investigation was conducted by DOI's Office of Inspector General for HPD.

Assistant District Attorney Jose Fanjul of the New York County District Attorney's Office prosecuted the case under the supervision of Archana Rau, Deputy Chief of the Special Prosecution Bureau, and Tom Wornom, Bureau Chief.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. 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 press releases can also be found at twitter.com/doinews
Get the worms out of the Big Apple. To report someone ripping off the City, call DOI at (212) 825-5959.**