



The City of New York
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Release #02-2010
nyc.gov/html/doi

**FOR IMMEDIATE RELEASE
FRIDAY, JANUARY 22, 2010**

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**DOI ARRESTS THREE BRONX RESIDENTS ON CHARGES OF DEFRAUDING THE CITY HOUSING AUTHORITY
-One individual is also charged with illegally obtaining more than \$50,000 in public assistance benefits-**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced the arrests, in separate instances, of two current recipients of New York City Housing Authority ("NYCHA") Section 8 benefits and a resident of NYCHA's McKinley Houses in the Bronx on charges of concealing facts about their household income to obtain approximately \$76,188 in rent subsidies, which they were not entitled to receive. As a result of an investigation by the City Human Resources Administration's ("HRA's") Bureau of Fraud Investigation, one of the Section 8 recipients is also charged with defrauding HRA of more than \$50,000. The Office of Bronx County District Attorney Robert T. Johnson is prosecuting the cases.

DOI Commissioner Rose Gill Hearn said, "Concealing information to drain valuable City housing and public assistance subsidies is a failing strategy that will end in arrest and prosecution. DOI investigators continue to work with other City agencies and law enforcement to expose and stop a type of corruption that saps precious taxpayer dollars."

Arrested on Thursday, January 21, 2010, was LINDA PADILLA, 39, of the Bronx, who was charged with Grand Larceny in the Third Degree, a class D felony, and six counts of Offering a False Instrument for Filing in the First Degree, a class E felony.

On Tuesday, January 19, 2010, DOI arrested LEISY MORALES, 42, of the Bronx, who was charged with Grand Larceny in the Second Degree, a class C felony, Grand Larceny in the Third Degree and Criminal Possession of Stolen Property in the Third Degree, class D felonies, and three counts of Offering a False Instrument for Filing in the First Degree, a class E felony. In addition, MORALES was charged with Grand Larceny in the Second Degree, Grand Larceny in the Third Degree, Criminal Possession of Stolen Property in the Third Degree, and five counts of Offering a False Instrument for Filing in the First Degree in connection with defrauding the HRA of more than \$50,000.

Also on Tuesday, January 19, 2010, DOI arrested ROBIN RAMOS, 39, of the Bronx, who was charged with Grand Larceny in the Third Degree and Offering a False Instrument for Filing in the First Degree.

Upon conviction, a class C felony is punishable by up to 15 years in prison, a class D felony is punishable by up to seven years in prison and a class E felony is punishable by up to four years in prison.

According to the criminal complaints:

- PADILLA received Section 8 subsidies from NYCHA, in which NYCHA paid the defendant's landlord rent subsidies for privately-owned apartments in the University Heights and the Pelham sections of the Bronx. The amount of the subsidies was based, in part, on the household composition and income that PADILLA reported to NYCHA. DOI's investigation found that PADILLA received income and unemployment benefits between 2002 and 2004 that ranged between \$8,050 and \$12,600 and that another adult who also received income resided with PADILLA in her Section 8 subsidized apartments. The investigation also found that PADILLA submitted six Affidavits of Income to NYCHA that concealed her income between 2002 and 2004 and, since 2005, the presence of another adult in the home and his

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income. As a result of these misrepresentations, between May 2003 and April 2009, PADILLA received approximately \$18,845 in subsidies she was not entitled to receive.

- MORALES received Section 8 subsidies from NYCHA for an apartment in the Melrose section of the Bronx. DOI's investigation found that MORALES filed three recertification forms with NYCHA that concealed the presence of her husband in her apartment who received yearly income and that MORALES knew if she reported these facts to NYCHA her rent would increase. The investigation found that as a result of these misrepresentations, between December 2003 and September 2008, MORALES received more than \$50,000 in Section 8 subsidies that she was not entitled to receive. An investigation by HRA's Bureau of Fraud Investigation found that MORALES also received food stamps and other public assistance benefits between 2003 and 2008; that she failed to report to HRA that her husband resided with her and received income and, instead, reported she did not know where her husband lived. As a result of these misrepresentations, between December 2003 and September 2008, MORALES obtained more than \$50,000 in public assistance benefits, including food stamps, which she was not entitled to receive. The investigation found that MORALES was not entitled to any public assistance benefits.
- RAMOS is a resident of NYCHA's McKinley Houses, a housing development located in the Melrose section of the Bronx, whose rent was based, in part, on the household income and composition that RAMOS reported to NYCHA. DOI's investigation found that RAMOS failed to report that he received monthly Social Security benefits from 2005 to 2008, which ranged between \$908 and \$998. As a result of this misrepresentation, between May 2006 and April 2008, RAMOS received approximately \$7,343 from NYCHA that he was not entitled to receive.

Commissioner Gill Hearn thanked NYCHA Chairman John B. Rhea; HRA Commissioner Robert Doar, and Bronx County District Attorney Robert T. Johnson and their staffs for their assistance in these investigations.

These investigations were conducted by DOI's Inspector General for NYCHA, Kelvin Jeremiah, and members of his staff, including Senior Deputy Inspector General Ralph Iannuzzi, Deputy Inspector General Osa Omoigui, First Assistant Inspector General Rosemary Caruso, Assistant Inspector General Suzanne Vitti and Special Investigators Virginia Arana, Stephen Mattei, and Samuel Polland.

The Bronx County District Attorney's Office is prosecuting the cases, specifically Assistant District Attorney Joseph Bernard is prosecuting the Ramos and Padilla cases and Assistant District Attorney Jennifer Troiano is prosecuting the Morales case.

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

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.

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