



Department of Investigation

Press Releases

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BROOKLYN COUPLE CHARGED In \$8,000 NYCHA TENANT FRAUD

EDWARD J. KURIANSKY, Commissioner of the Department of Investigation (DOI), today announced the felony arrest of two public housing tenants, BENJAMIN and CLARA PERLSTEIN, for fraudulently receiving \$8,000 in rent subsidy benefits by failing to reveal to the New York City Housing Authority (NYCHA) their ownership of a 5-bedroom home in Orange County, New York.

According to Commissioner Kuriansky, NYCHA manages 344 housing developments providing shelter to more than 600,000 tenants. The PERLSTEINS have been residents of NYCHA's Independence Towers, located in the Williamsburg section of Brooklyn, since December 1, 1981.

Commissioner Kuriansky noted that today's arrests are part of a continuing joint investigation -- OPERATION GLASS HOUSE -- by DOI and the Manhattan District Attorney's Office, which has since 1995 resulted in the arrest of more than 140 tenants, charged with stealing over \$2.7 million in rent subsidy benefits by concealing their income or assets from NYCHA.

DOI began an investigation of the PERLSTEINS after receiving a complaint alleging that they had not disclosed to NYCHA the fact that they owned property. The investigation determined that on November 20, 1989, eight years after the PERLSTEINS moved into their NYCHA apartment, they had purchased a \$65,000, five-bedroom house, located at 38 Acres Road, in Monroe, New York. The PERLSTEINS failed to disclose their ownership of this home on successive, annual affidavits of income filed with NYCHA, from the time of its purchase until they sold the house in June 1993. Their repeated failure to disclose the asset allegedly resulted in an illegal reduction of their NYCHA apartment rent charges, totaling \$8,000.

BENJAMIN PERLSTEIN, 49, and CLARA PERLSTEIN, also 49, of 130 Clymer Street, Brooklyn, New York, have been charged with Grand Larceny in the Third Degree, a Class D felony punishable by up to 7 years in prison.

The investigation was conducted by DOI Assistant Commissioner and NYCHA Inspector General Steven A. Pasichow, and members of his staff, including Deputy Inspector General James Ernst, Investigative Auditor Bergia Telesford, and Confidential Investigator Frank Carubia.

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The Office of Manhattan District Attorney Robert M. Morgenthau is prosecuting the case. Assistant District Attorney Marc Krupnick, of the Welfare Fraud Unit, has been assigned to handle the matter.