



Department of Investigation

Press Release

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3 INDIVIDUALS -- INCLUDING RIKERS ISLAND CORRECTION OFFICER -- CHARGED IN \$47,000 HOUSING FRAUD IN MANHATTAN

ROSE GILL HEARN, Commissioner of the Department of Investigation (DOI), and ROBERT M. MORGENTHAU, Manhattan District Attorney, announced today that 3 public housing residents -- including a New York City Department of Correction (DOC) Officer -- have been charged with stealing more than \$47,000 in government benefits. The investigation focused on people who lied about their employment or household income and thereby fraudulently received subsidized housing benefits from the New York City Housing Authority (NYCHA), the agency responsible for managing the 345 public housing developments in the City.

Commissioner Gill Hearn and District Attorney Morgenthau said that these arrests are part of an ongoing Citywide crackdown by DOI and the local district attorneys, which has, since 1995, resulted in the arrest of 238 residents -- including 79 City, State and Federal employees -- charged with stealing over \$4.8 million in rent and welfare subsidies by hiding their income and assets from the City. Within the past year alone, 55 individuals have been arrested for illegally receiving more than \$1 million in government housing benefits by concealing their employment or household income from NYCHA. So far, 182 cases have resulted in convictions and more than \$2.6 million in court-imposed restitution.

Commissioner Gill Hearn added, "The lesson these defendants and others would be wise to learn is that, with so many needy New Yorkers on long waiting lists for affordable public housing, the City will simply not be deceived into providing subsidized apartments to people who can well afford to pay more or even live elsewhere."

District Attorney Morgenthau said, "These arrests should send a clear message to those individuals who are not eligible for public housing and are involved in defrauding the system that they will be caught and prosecuted."

The 3 defendants charged today lived in government-funded housing developments in Manhattan. They are accused of stealing, between January 1994 and July 2000, a total of \$47,547 in rent subsidies, in amounts ranging from \$7,919 to \$24,456, by concealing their employment or actual household income from NYCHA.

SUSIE ALICEA, a Correction Officer assigned to DOC's West Facility on Rikers Island, was charged with fraudulently receiving \$24,456 in rent subsidies between January 1994 and July 2000. ALICEA, a NYCHA tenant from 1989 to 2001, had been receiving rent subsidies for a 4-room apartment at NYCHA's Douglass

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Houses on the Upper West Side. Although ALICEA had been employed as a Correction Officer since January 1994, earning between \$39,874 and \$50,738 a year, she failed to report this employment and income to NYCHA. Instead, ALICEA reported that, during this period, her household income ranged from \$3,866 and \$10,400 a year and was derived from her employment as a part-time receptionist with the James Earl Chaney Foundation, a not-for-profit human rights law office located at 36 East 12th Street in Manhattan. Between 1994 and 2000, ALICEA's rent for her apartment ranged from \$137 to \$239 a month. In fact, ALICEA should have paid rent totaling \$495 per month, the maximum rent for an apartment of that size.

CARMEN SANCHEZ, currently a daycare worker at the Ten Eyck Daycare Center in Albany, New York, has been the tenant of record of a 4-room apartment at NYCHA's Washington Houses in Spanish Harlem since February 1996. SANCHEZ has been charged with illegally obtaining \$15,172 in rent subsidies by concealing from NYCHA, between 1998 and 2000, the presence in the apartment of her son, who earned between \$20,130 and \$37,749 a year as a New York City Police Officer. SANCHEZ falsely claimed that her household consisted only of herself and her school-aged daughter, and that her total household income ranged from \$4,206 to \$7,200 a year and was wholly derived from public assistance and contributions from her son. SANCHEZ' rent share between 1998 and 2000 ranged from \$137 to \$238 a month, while she should have paid a rent share of \$495 a month, the maximum rent for an apartment of that size. In September 1997, SANCHEZ relocated to Albany with her daughter and left the NYCHA apartment to her son without NYCHA's permission.

KAREN PATRICE BRINSON, an administrative assistant at Cantor Epstein, a law firm located at 57 West 28th Street in Manhattan, has been a resident, since April 1990, of a 4-room apartment at NYCHA's Grant Houses in Harlem. BRINSON has been charged with illegally obtaining \$7,919 in rent subsidies by concealing from NYCHA, between February 1997 and June 2000, her true income earned from Cantor Epstein. BRINSON submitted false documentation to NYCHA, purportedly completed by her employer, stating that her earned income ranged from \$12,419 to \$15,982 a year. During this time, however, BRINSON actually earned between \$17,765 and \$48,672 a year. Between 1997 and 2000, BRINSON's rent share ranged from \$223 and \$316 a month. In fact, BRINSON should have paid rent totaling \$495 per month, the maximum rent for an apartment of that size.

The 3 defendants have each been charged with Grand Larceny in the Third Degree, a Class D felony, and Offering a False Instrument for Filing in the First Degree, a Class E felony. If convicted, they each face up to 7 years in prison.

Commissioner Gill Hearn and District Attorney Morgenthau expressed their sincere appreciation to NYCHA's Borough Management Department for its cooperation and assistance during the course of the investigation.

The investigation was conducted by DOI Assistant Commissioner and NYCHA Inspector General Steven Pasichow and members of his staff, including Deputy Inspector General James Ernst, Assistant Inspector General James Hylton, Special Investigator Christopher France and Confidential Investigator Jessica O'Neill.

The prosecutions are being handled by Assistant District Attorneys Justin Shur, Melissa Waiser, and Michael Flowers, under the supervision of Assistant District Attorney Gary Fishman of District Attorney Morgenthau's Welfare Fraud Unit.

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