



The City of New York
Department of Investigation

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**DOI ARRESTS FIVE MANHATTAN RESIDENTS FOR ILLEGALLY OBTAINING
MORE THAN \$90K IN HOUSING BENEFITS BY CONCEALING THEIR INCOMES**
-- Including a husband and wife who concealed the husband's NYC Department of Education employment --

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (DOI), announced today the arrest of five New York City Housing Authority (NYCHA) residents, for fraudulently receiving \$91,885 in rent subsidies for apartments located throughout Manhattan.

Arrested were DOE employee GILBERT HOWLETT and his wife LINDA, JACQUELINE PEREZ, LEISA ALLEN-DIABY and RUSSELL BRIM. Each defendant has been charged with Grand Larceny and Filing False Documents. BRIM was also charged with Criminal Possession of a Forged Instrument. If convicted, each one faces up to seven years in prison.

DOI Commissioner Rose Gill Hearn said, "These defendants concealed or underreported their yearly salary from NYCHA in order to pay significantly less rent than they should have. With so many New Yorkers in need of low income housing, the defendants' actions seem all the more selfish. DOI will continue to investigate and arrest those individuals who commit fraud and keep rental subsidies from those who are most deserving of them."

In today's cases, GILBERT HOWLETT, 55, and LINDA HOWLETT, 56, residents since 1988 of a 4 bedroom apartment in NYCHA's Drew Hamilton Houses, in the Hamilton Heights section of Manhattan, were found by DOI Investigators to have illegally obtained \$29,228 in rent subsidies by failing to report GILBERT's DOE employment to NYCHA. Each year between 1996 and 2005, the HOWLETTs reported GILBERT's part-time employment with the Association of Black Social Workers where he earned between \$12,000 and \$14,000 per year, as their sole source of income. DOI investigators determined, however, that GILBERT was also employed as a Stock Worker with the DOE during the same period earning between \$20,483 and \$32,573 a year. As a result of their failure to report both incomes, NYCHA undercharged them rent. The HOWLETTs paid monthly rent ranging between \$206 and \$319 during the years 1997 through 2004, when they should have paid rent ranging between \$464 and \$693 per month.

JACQUELINE PEREZ, 34, resident of a 2 bedroom apartment in NYCHA's Washington/Lexington Houses in the Carnegie Hill section of Manhattan, concealed from NYCHA, between 1999 and 2006, over \$223,000 of employment income she earned with Flash Clinic Inc., a photographic lighting company. On yearly Affidavits of Income JACQUELINE filed with NYCHA, she continuously listed child support ranging between \$63 per week and \$90 per week as her sole source of household income and lists "N/A, NO, or NONE" under the section pertaining to employment. As a result of JACQUELINE's failure to report her employment income, which ranged between \$29,150 and \$34,450 per year, JACQUELINE paid rent ranging between \$137 and \$238 per month. In fact, had NYCHA been aware of her employment, she would have had to pay monthly rent of \$495, the maximum rent for an apartment of that size.

LEISA ALLEN-DIABY, 39, resident of a 2 bedroom apartment in NYCHA's Harlem River Houses failed to report to NYCHA on her yearly Affidavits of Income from 1998 through 2005, her employment with Maimonides Medical Center where

she works as a Nursing Attendant earning yearly income ranging from \$19,298 to \$29,455 a year (except for 2001 when she only earned \$9,129). Instead, LEISA reported either public assistance, \$500 monthly family contributions, or from 2002 through 2004, the income of her husband who entered the household in 2002. As a result of LEISA's actions, LEISA paid monthly rent ranging from \$117 to \$379. Had LEISA reported her employment income, she would have paid maximum rent of \$495 per year (except for 2001).

RUSSELL BRIM, 40, a resident of a 2 bedroom apartment in NYCHA's Dyckman Houses located in the Inwood section of Manhattan, is charged with unlawfully obtaining \$14,068 in rent subsidies over a four year period by underreporting his income from his employment with EAB and/or Citibank. Instead of reporting his full-time employment and yearly income of between \$19,036 and \$21,254, on his yearly Affidavits of Income and supplemental employment earnings forms, RUSSELL reported only part-time employment of between \$8,752 and \$12,721. As a result of RUSSELL's actions, NYCHA calculated RUSSELL's rent at a lower monthly amount, ranging between \$171 and \$200 during the period March 2003 through April 2006, when RUSSELL should have paid rent ranging between \$375 and \$495 during that time period.

These arrests are part of an ongoing City-wide crackdown by DOI and New York area prosecutors that have resulted since 1995 in the arrest of 464 residents, including 148 City, State, and Federal employees, who were charged with stealing more than \$9.1 million in rent and welfare subsidies by hiding their income and assets from the City. So far, 360 cases have resulted in convictions and nearly \$5.1 million in restitution. Since January 2006, 55 individuals have been arrested for illegally receiving a close to \$1,000,000 in government housing benefits.

These investigations were conducted by NYCHA Supervising Inspector General Vincent E. Green and members of his staff, including Deputy Inspectors General Bergia Telesford and Kevin Smith, First Assistant Inspector General James Hylton, Assistant Inspector General Rosemary Caruso, Chief Investigator Christopher France, and Special Investigator Patricia Sedacca.

The Office of Robert M. Morgenthau, District Attorney, New York County, is prosecuting the matters

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.

***Get the worms out of the Big Apple.
To report someone ripping off the city, call DOI directly at (212) 825-5959.***