



The City of New York  
Department of Investigation

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**DOI INVESTIGATION LEADS TO ARREST OF WOMAN ON FEDERAL MAIL FRAUD CHARGES  
IN CONNECTION WITH BOGUS AFFORDABLE HOUSING AD REQUESTING \$5 APPLICATION FEE**

ROSE GILL HEARN, Commissioner of the Department of Investigation ("DOI"), announced today that a DOI investigation has resulted in the arrest of RAADIYA JAMES, charged with fraudulently advertising for non-existent New York City Housing Preservation and Development ("HPD") apartments in Manhattan and soliciting application fees from prospective tenants. The United States Postal Inspection Service assisted in the investigation, and the office of the United States Attorney for the Southern District of New York is prosecuting the case.

JAMES, 22, of Manhattan, has been charged with federal mail fraud in violation of 18 U.S.C. §§ 1341 and 1342. Upon conviction, a violation of Section 1341 is punishable by up to 20 years in prison and a violation of Section 1342 is punishable by up to five years in prison.

DOI Commissioner Rose Gill Hearn said, "The complaint describes a con artist's brazen ploy to fleece hard-working New Yorkers who need affordable housing. It even charges that the phony ad misused the HPD logo and the names of Commissioner Shaun Donovan and the Mayor. Anyone who piggy-backs a scam on the City's housing programs will be exposed, arrested and prosecuted, and will risk a substantial prison term. I want to thank the Postal Inspectors and the U.S. Attorney's Office for their quick and thorough work on this case and HPD for alerting us to the matter."

DOI began its investigation on December 4, 2008, after it was notified by HPD about the phony advertisement that ran that day in the daily newspaper *am New York*.

According to the criminal complaint, on December 2, 2008, JAMES purchased a print ad in *am New York*, which simulated an official announcement from HPD and announced a supposed affordable-housing lottery for rental apartments located at 113 West 57<sup>th</sup> Street in Manhattan. The ad directed potential applicants to mail \$5 money orders to a post office box and, in return, each individual would receive an application for an apartment in a building under development by "Westside Apartments." The investigation revealed that the post office box was registered to JAMES and that on December 9, 2008, JAMES sent a letter to the post office to retrieve withheld mail, stating that she was the sole proprietor of Westside Apartments. In addition, the investigation found that a number of victims had sent \$5 payments for an application, HPD had not created or commissioned the advertisement that ran in *am New York*, and HPD has no projects or lotteries planned at 113 West 57<sup>th</sup> Street, according to the criminal complaint.

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Individuals interested in applying for HPD housing should know that HPD does not require application fees for its apartments. The U.S. Postal Service placed a hold on the post office box. Postal Inspectors have prevented more than 1,000 envelopes mailed by potential victims from reaching the defendant. The investigation is ongoing. *am New York* promptly pulled the ad from running a second time.

Anyone who was defrauded by this ad is asked to contact DOI at (212) 825-5959 so we can put them in touch with HPD.

Commissioner Gill Hearn thanked Ronald J. Verrochio, Inspector-in-Charge of the New York Division of the United States Postal Inspection Service, Lev L. Dassin, Acting U.S. Attorney for the Southern District of New York, and Shaun Donovan, HPD Commissioner, and their staffs, for their assistance in this investigation.

The investigation was conducted by DOI's Office of the Inspector General for HPD, including Confidential Investigator Hamid Beltre and Assistant Inspector General Ondie Frederick, under the supervision of HPD Inspector General Peter L. Zanolin and Associate Commissioner Richard Sullivan, with assistance from DOI's squad of New York City Police Department detectives.

Assistant United States Attorney Jennifer E. Burns of the office of the United States Attorney for the Southern District of New York is prosecuting the case.

Criminal complaints are merely 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 at (212) 825-5959.**