



The City of New York
Department of Investigation

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**DOI ARRESTS TEN MANHATTAN RESIDENTS FOR ALLEGEDLY CONCEALING
OVER \$1 MILLION IN HOUSEHOLD INCOME IN ORDER TO FRAUDULENTLY OBTAIN MORE THAN
\$190,000 IN RENT SUBSIDIES FROM THE NEW YORK CITY HOUSING AUTHORITY
-- DOI arrested 52 other individuals this year on charges of similar conduct --**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (DOI), announced today the arrest of eight New York City Housing Authority (NYCHA) residents and two NYCHA Section 8 recipients, for allegedly concealing approximately \$1.2 million in household income to fraudulently obtain more than \$190,000 in rent subsidies for apartments located throughout the Borough of Manhattan. The rent subsidies are designed to assist low-income individuals to afford housing.

Arrested this week were New York City Housing Authority residents SABRINA CABAN, YUEN YIN KWAN, DENISE LOPEZ, CARMEN LORENZI, JUANA and FERMIJON MARRERO, NICOLAS SANTIAGO and PATRICIA STEWARD, and Section 8 recipients WENDY MONTAS and ISABEL TAMAREZ. Each has 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. MONTAS and TAMAREZ were additionally charged with Criminal Possession of a Forged Instrument in the Second Degree, a class D felony. If convicted, each faces up to seven years in prison.

Those arrested include an individual accused of concealing employment in which he earned up to approximately \$80,000 one year; three City employees who allegedly did not report or underreported their income in order to receive rental subsidies and an individual who allegedly concealed her and her daughter's employment and received approximately \$35,000 in rent subsidies over eight years.

This week's arrests are part of an ongoing City-wide crackdown by DOI and New York area prosecutors since 1995. Since January 2007, 62 individuals have been arrested for illegally receiving over \$1.7 million in government housing benefits. Arrests this year have taken place in the Bronx and Queens and include a federal indictment of 30 individuals charged with defrauding New York's Section 8 housing subsidy program.

DOI Commissioner Rose Gill Hearn said, "The arrests this week highlight DOI's continuing commitment to investigate housing fraud and ensure that valuable rent subsidies go to help those in

need. This type of criminal conduct is especially troubling at a time when there are so many on waiting lists for affordable housing and for Section 8 subsidies.”

Those arrested are:

- SABRINA CABAN, 51, resident of NYCHA’s Lillian Wald Houses, allegedly concealed from NYCHA the employment income she and her daughter earned. As a result, between 1997 and 2005, CABAN allegedly received approximately \$35,000 for which she was not entitled, according to the criminal complaint. A DOI investigation found that CABAN allegedly paid rent ranging between \$53 and \$192 per month when she should have paid between \$402 and \$495 per month.
- YUEN YIN KWAN, 65, resident of NYCHA’s Smith Houses, allegedly concealed from NYCHA her employment income at a jewelry wholesaler where she worked as a Clerical Aide, earning between \$24,000 and \$30,000 annually. Between 1997 and 2005 she allegedly received \$33,232 in rent subsidies for which she was not entitled, according to the criminal complaint. A DOI investigation found that KWAN allegedly paid between \$133 and \$228 per month, when she should have paid \$495 a month.
- DENISE LOPEZ, 44, resident of NYCHA’s Amsterdam Houses, allegedly concealed her employment at the City’s Human Resources Administration (HRA). Between 2004 and 2006 she allegedly received approximately \$7,000 in rent subsidies for which she was not entitled, according to the criminal complaint. A DOI investigation found LOPEZ allegedly paid rent ranging between \$265 and \$270 per month when she should have paid between \$567 and \$619 each month.
- CARMEN LORENZI, 60, resident of NYCHA’s Baruch Houses, allegedly concealed from NYCHA the employment income she earned working for the New York City Department of Education (“DOE”). Between 1997 and 2004, LORENZI was employed with DOE and earned between approximately \$16,000 and \$23,700 per year. As a result, between 1996 and 2004, LORENZI allegedly received approximately \$27,000 in rent subsidies to which she was not entitled, according to the criminal complaint. A DOI investigation found that LORENZI allegedly paid rent of \$164 each month when she should have paid between \$209 and \$509.
- JUANA and FERMIJON MARRERO, 58 and 60 respectively, residents of NYCHA’s Rutgers Houses, allegedly concealed from NYCHA the income JUANA MARRERO earned as a Home Attendant. As a result, between 1997 and 2004 the MARREROS allegedly received approximately \$28,300 in rent subsidies to which they were not entitled, according to the criminal complaint. A DOI investigation found that the MARREROS paid rent ranging between \$146 and \$445 per month when they should have paid \$619 per month.
- WENDY MONTAS, 34, a Section 8 recipient for an apartment in the Hamilton Heights section of Manhattan, allegedly underreported her employment income from the New York City Health and Hospitals Corporation (HHC), stating that she earned between \$11,100 and \$26,228 between 2003 and 2006, when, in fact, MONTAS actually earned between \$30,216 and \$42,395 during that time. In addition, MONTAS allegedly filed four false employment certification forms. Between 2003 and 2006, she allegedly received approximately \$18,000 in Section 8 rental subsidies to which she was not entitled, according to the criminal complaint. A DOI investigation found that MONTAS allegedly

received rental subsidies between \$478 and \$593 a month for which she was not entitled.

- NICOLAS SANTIAGO, 42, resident of NYCHA's Wagner Houses, submitted Affidavits of Income that allegedly concealed his employment income. SANTIAGO worked as a Mechanic at Mount Sinai Medical Center since 1994 and also worked at Amsterdam Nursing Home from 2002 to 2005, earning a combined yearly income in 2004 and 2005 of \$77,830 and \$80,402, respectively. Between 1998 and 2005, he allegedly received \$14,381 in rent subsidies to which he was not entitled, according to the criminal complaint. A DOI investigation found that SANTIAGO allegedly paid rent ranging between \$248 and \$366 each month when he should have paid \$495 per month.
- PATRICIA STEWARD, 58, resident of NYCHA's Woodrow Wilson Houses, allegedly concealed her employment on Affidavits of Income she filed with NYCHA. By not reporting her income between 2002 and 2005, STEWARD allegedly received \$15,911 in rent subsidies for which she was not entitled, according to the criminal complaint. A DOI investigation found that STEWARD allegedly paid rent ranging between \$160 and \$166 a month when she should have paid \$619 per month.
- ISABEL TAMAREZ, 32, a Section 8 recipient for an apartment located in the Hamilton Heights section of Manhattan, allegedly underreported some income, failed to report other income and falsely stated she was employed at one company. TAMAREZ allegedly received \$10,007 between 2001 and 2005 for which she was not entitled, according to the criminal complaint. A DOI investigation found that TAMAREZ allegedly received between \$161 and \$404 per month in subsidies to which she was not entitled.

These investigations were conducted by NYCHA Inspector General Robert J. McSweeney and members of his staff, including Senior Deputy Inspectors General Kevin Smith and Ralph Iannuzzi, Deputy Inspector General Bergia Telesford, First Assistant Inspector General James Hylton, Assistant Inspectors General Rosemary Caruso and Anthony Capek, Chief Investigators Christopher France, John Reatz and Suzanne Vitti, Special Investigators Patricia Carvajal and Virginia Arana, Confidential Investigator Martin Lintner and Deputy Counsel Laureen Hintz.

Assistant District Attorneys Victoria Phillips and Aaron Sato from the Office of New York County District Attorney Robert M. Morgenthau are prosecuting the cases under the supervision of Bureau Chief Tom Wornom of the Special Prosecutions Bureau.

Criminal complaints are merely an accusation. 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.**