



The City of New York
Department of Investigation

ROSE GILL HEARN
COMMISSIONER

80 MAIDEN LANE
NEW YORK, NY 10038
212-825-5900

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CONTACT: EMILY GEST
(212) 825-5931

DOI ENDS A FAMILY'S 20-YEAR HOUSING SCAM IN ROCKAWAY

Mother and daughter arrested for defrauding NYCHA and the Social Security Administration of \$180,000

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (DOI), and EDWARD J. RYAN, Social Security Administration (SSA) Regional Inspector General, announced today the arrest of JUANA LOPEZ and TOMASINA LOPEZ for allegedly defrauding both the New York City Housing Authority (NYCHA) and SSA of more than \$180,000.

JUANA LOPEZ, 63, of Inwood, N.Y., has been charged with Grand Larceny in the Second Degree, Criminal Possession of a Forged Instrument in the First Degree, Identity Theft in the First Degree, Offering a False Instrument for Filing in the First Degree, Scheme to Defraud in the First Degree, and Conspiracy in the Fourth Degree. If convicted, she faces up to 15 years in jail.

TOMASINA LOPEZ, 41, of Rockaway Beach, has been charged with Grand Larceny in the Third Degree, Falsifying Business Records in the First Degree, Offering a False Instrument for Filing in the First Degree, and Conspiracy in the Fourth Degree. If convicted, she faces up to seven years in jail.

JUANA LOPEZ has been a tenant of a two-bedroom apartment at NYCHA's Oceanbay/Edgemere Houses in Far Rockaway since at least 1984. She has received \$75,272.03 in Supplemental Security Income (SSI) benefits since 1989. She reported these benefits, currently \$587/month, as her only source of income to NYCHA and, as a result, paid a low rent, currently \$258/month. However, DOI investigators found that JUANA LOPEZ used a bogus Social Security number while working at Madelaine Chocolate Novelties in Rockaway Beach since 1984. She never reported this employment to NYCHA or to SSA. As a result, JUANA LOPEZ allegedly defrauded NYCHA \$69,695 in rent and defrauded SSA \$75,272 in SSI benefits.

While a NYCHA tenant and SSI recipient, JUANA LOPEZ, purchased a house on July 25, 2003, for \$315,000 at 329 Beach 86th Street, in Rockaway Beach, Queens. JUANA LOPEZ then leased the home to her daughter, TOMASINA LOPEZ, who had lived there since 1999 as a NYCHA Section 8 tenant. In order to circumvent NYCHA regulations which prohibit the payment of rent subsidies to landlords who are close relatives of tenants, JUANA LOPEZ filed a letter with NYCHA that falsely stated that she was not related to her tenant/daughter, TOMASINA. To circumvent this restriction, JUANA gave NYCHA the same bogus Social Security number she used at Madelaine Chocolate Novelties rather than her actual Social Security number, which NYCHA and SSI had on file, respectively, for the aforementioned rent subsidies and SSI benefits. In this matter, NYCHA was defrauded \$9,370 in Section 8 rent subsidies.

TOMASINA LOPEZ, an employee of the Head Start Program in Far Rockaway, concealed from NYCHA the fact that her husband, Darren Baker, lived with her from May 1999 until February 2005. She also did not report the income he earned as director of security at Tribeca Film Center. As a result, NYCHA paid subsidies ranging from \$381 to \$637 for TOMASINA LOPEZ' rent. If TOMASINA LOPEZ had reported properly her husband's presence and income,

she would have been ineligible for the \$37,425 in Section 8 rent subsidies NYCHA had paid on her behalf from period May 1999 until February 2005.

DOI Commissioner Rose Gill Hearn said, "Today's defendants received valuable and scarce housing subsidies at the expense of others who may sorely need this help and wait years, even a decade for assistance. The conduct charged is an insult to all New Yorkers who work hard to make a living and have to spend well over a third of their income on rent. Today's charges prove that bilking the government doesn't work – we will investigate scammers of all kinds and make sure they are prosecuted."

SSA Regional Inspector General Edward J. Ryan said "Juana Lopez has been charged with not only pilfering from the subsidized public housing program, but also the Supplemental Security Income (SSI) Program for over fifteen years. The purpose of SSI is to provide basic income for the disabled poor, and we will continue to ensure that it is not used to line the pockets of swindlers"

Queens District Attorney Richard A. Brown said, "New York City's social service safety net includes subsidized public housing for families truly in need. The members of the family charged as defendants in this case used deceit and fraud to feign a need for rent support and now will be prosecuted and held accountable for ripping off the system for tens of thousands of dollars."

This investigation was conducted by DOI's Inspector General for NYCHA Inspector General Judith F. Abruzzo and members of her staff, including Deputy Inspector General Kevin Smith, Acting Assistant Inspector General Rosemary Caruso, and Confidential Investigator Alexandra Hampton, as well as Social Security Administration Office of the Inspector General Special Agent Angel Rodriguez. Assistant District Attorney Christine Burke, under the supervision of Assistant District Attorney, Bureau Chief, Gregory Pavlides of District Attorney Brown's Economic Crimes Bureau, is handling the prosecutions.

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.

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To report someone ripping off the city, call 311 or DOI directly at (212) 825-5959.***