



The City of New York
Department of Investigation

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DOI ARRESTS CITY EMPLOYEE AND SPOUSE CHARGED IN \$100,000 HOUSING SUBSIDY FRAUD

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on the arrest today of a Brooklyn couple for failing to report the husband's presence in the home and his income as a New York City employee, thereby defrauding the New York City Housing Authority ("NYCHA") of \$100,492 in Section 8 subsidies. DOI initiated its investigation after receiving an anonymous letter alleging that the defendants were fraudulently receiving Section 8 funds. The office of Loretta E. Lynch, United States Attorney for the Eastern District of New York, is prosecuting the case.

DOI Commissioner Rose Gill Hearn said, "Anyone, especially a City employee, foolish enough to conceal income to obtain housing subsidies illegally risks arrest and prosecution. Today's arrest underscores the steep price of siphoning precious housing dollars from the taxpayers and needy families. DOI will continue to work with the U.S. Attorney for the Eastern District of New York and with our fellow-City agencies to expose and stop this kind of fraud."

JOHN MIRANDA, 48, and EVELYN MIRANDA, 50, both of Brooklyn, were arrested and charged today with conspiracy to steal \$100,492 in Section 8 funds between 2002 and 2010. Upon conviction, this federal offense is punishable by up to five years in prison. Assistant U.S. Attorney Christopher Caffarone of the U.S. Attorney's Office for the Eastern District of New York is assigned to the prosecution of the case.

According to the criminal complaint, DOI's investigation found that between 2002 and 2010, EVELYN MIRANDA received federally funded Section 8 subsidies administered by NYCHA but failed to report that her husband, JOHN MIRANDA, resided with her and his income as a City employee. Between 2001 and 2008 JOHN MIRANDA was employed at NYCHA and subsequently was employed at the Department of Citywide Administrative Services ("DCAS") and received annual income that ranged between \$50,967 and \$77,280. The amount of Section 8 subsidies distributed to participants is based, in part, on the income and household composition they report. Participants must re-certify annually. As a result of their failure to report JOHN MIRANDA's income between June 2002 and November 2010, the defendants defrauded NYCHA of \$100,492 in Section 8 subsidies.

MIRANDA was a mechanical installations and maintenance supervisor at NYCHA, receiving an income of approximately of \$63,266 when he left in March 2008 to work for DCAS, where he is currently employed as an associate project manager and receiving an income of approximately \$73,885.

Commissioner Gill Hearn thanked Loretta E. Lynch, U.S. Attorney for the Eastern District of New York, Rene Febles, Special Agent in Charge of the New York office for the Office of Inspector General for U.S. Department of Housing and Urban Development, and his staff NYCHA Chairman John B. Rhea, and DCAS Commissioner Edna Wells Handy, and their staffs for their assistance in this investigation.

The investigation was conducted by DOI's Inspector General for NYCHA Kelvin Jeremiah and members of his staff, including Deputy Inspector General Bergia Telesford, First Assistant Inspector General Rosemary Caruso, and Special Counsel Coleen Friel Middleton.

A criminal complaint is 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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