



The City of New York
Department of Investigation

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DOI ARRESTS FIVE INDIVIDUALS FOR DEFRAUDING THE CITY HOUSING AUTHORITY OF MORE THAN \$80,000 IN RENTAL SUBSIDIES FOR APARTMENTS LOCATED IN QUEENS
-Those arrested include a paralegal, a school paraprofessional, an HRA employee and a City Transit security guard-

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced today the arrest of three Section 8 recipients and two New York City Housing Authority ("NYCHA") tenants for fraudulently collecting approximately \$82,760 in rent subsidies for apartments in Queens. These cases, which are being prosecuted by the office of Queens District Attorney Richard A. Brown, stem from DOI's continuing investigations of housing-benefit fraud throughout the City.

DOI arrested CHERESE BYRON, SUSAN YOUSEFI and LATISHA JOHNSON, who received Section 8 benefits through NYCHA, and ALEEMA GRAYS and NATASHA MCADDLEY, who were renting subsidized NYCHA apartments. The arrests took place this week. Each defendant is charged with Offering a False Instrument for Filing in the First Degree and Falsifying Business Records in the First Degree, class E felonies that on conviction are punishable by up to four years' imprisonment. In addition, four of the defendants – BYRON, YOUSEFI, JOHNSON and GRAYS – have also been charged with Grand Larceny in the Third Degree, and BYRON and GRAYS are charged with Criminal Possession of a Forged Instrument in the Second Degree, all class D felonies, each of which on conviction is punishable by up to seven years in prison.

Since January 2008, DOI has arrested 89 individuals on charges involving fraud and abuse of City housing programs, including thefts exceeding \$1.25 million.

DOI Commissioner Rose Gill Hearn said, "Housing fraud saps precious resources intended to help people with limited incomes afford decent places to live. It is a blatant abuse of the taxpayers and deprives needy families of housing opportunities. We appreciate the commitment of District Attorney Brown and his staff to ensuring that these cases receive the proper attention in the criminal justice system."

Queens District Attorney Richard A. Brown said, "The defendants are accused of cheating the City by stealing more than \$80,000 in rent subsidies at a time when many New Yorkers are facing tough choices regarding housing and employment. The theft of public monies deprives others of much needed support and will not be tolerated."

Following are summaries of the charges against the five defendants:

- CHERESE BYRON, 41, a Paraprofessional for the New York City Department of Education ("DOE") whose current annual salary is \$32,895, was arrested on October 6, 2008, and is charged in a criminal complaint with concealing her DOE employment and income from NYCHA from 2002 through 2006 and fraudulently obtaining \$32,774 in Section 8 rent subsidies for her apartment in Springfield Gardens. According to the

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complaint, BYRON told NYCHA that her sole income was from public assistance or sporadic part-time employment during those years, but in fact she collected between \$23,668 and \$29,707 from her full-time DOE job. By concealing her employment and income, BYRON paid only between \$6 and \$106 per month toward rent that ranged from \$702 to \$799.

- SUSAN YOUSEFI, 28, a paralegal, was arrested on October 7, 2008, and is charged with illegally obtaining \$23,925 in Section 8 rent subsidies for her apartment in Kew Gardens by concealing her income from two area law firms. DOI investigators determined that from 2003 through 2007 YOUSEFI, using a social security number other than the one she provided to NYCHA, collected yearly wages of \$8,795 to \$34,865 while filing affidavits with NYCHA stating that her only income was from public assistance. By understating her income, YOUSEFI paid only \$96 to \$158 per month toward her rent, when she should have been paying no less than \$335 and as much as \$958.
- LATISHA JOHNSON, 36, was arrested on October 7, 2008, and is charged with fraudulently obtaining \$14,605 in Section 8 rent subsidies for her Jamaica, Queens apartment between November 2003 and August 2005 by concealing her live-in companion's wages of \$68,335 to \$79,866 per year from his job with a Long Island City beverage distributor. By concealing her companion's presence and income, JOHNSON obtained Section 8 rent subsidies of \$933 to \$994 per month from NYCHA, when, it is charged, she was ineligible for Section 8 subsidies.
- ALEEMA GRAYS, 30, resident of a two-bedroom apartment in NYCHA's Pomonok Houses in Flushing, was arrested on October 6, 2008, and is charged with defrauding NYCHA of \$11,457 from December 2005 through June 2008, by concealing her employment and income as a Transit Property Protection Agent with the MTA/New York City Transit Authority. According to the complaint, GRAYS told NYCHA that she worked as a security guard at \$6.50 to \$7.00 per hour and submitted phony letters from a friend at a private security company as supposed proof. In fact, though, GRAYS never worked at the company and in 2006 received wages of \$36,890 from the MTA. DOI investigators determined that as a result of understating her income, GRAYS paid only \$118 to \$248 per month toward her rent, when she should have paid from \$495 to \$545.
- NATASHA MCADDLEY, 38, an HRA Eligibility Specialist with an annual salary of \$33,840, was arrested on October 7, 2008, and is charged with falsely claiming that from 2005 through January 2008 she was residing in an apartment in NYCHA's Astoria Houses, which she rented for \$495 per month, when in fact other individuals were residing there and MCADDLEY was residing elsewhere in Queens.

These investigations were conducted by NYCHA Inspector General Robert J. McSweeney and members of his staff, including Counsel to the Inspector General Kevin Smith, Deputy Inspectors General Bergia Telesford, Anthony Capek and Osa Omoigui, Assistant Inspector General Rosemary Caruso, Chief Investigators Christopher France, Emily Bizzarro and Graham Forbes, Confidential Investigators Martin Linter and Luciana Pace, and Deputy Counsel Lauren Hintz.

The Office of Queens District Attorney Richard Brown is prosecuting the cases, which have been assigned to Assistant District Attorney Rosemary Buccheri, under the supervision of Gregory Pavlides of District Attorney's Economic Crimes Bureau.

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.**