



The City of New York  
Department of Investigation

ROSE GILL HEARN  
COMMISSIONER

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**DOI ARRESTS TWO MEN FOR DEFRAUDING GOVERNMENT OF \$205,000**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation (DOI), announced today the arrest of PAUL FEDER and YOSEF SCHORR for fraudulently receiving more than \$127,000 in government rent subsidies from the New York City Housing Authority (NYCHA) in Brooklyn. FEDER was also charged with receiving more than \$78,000 in fraudulent Public Assistance benefits from the Human Resources Administration (HRA).

SCHORR, 48, and FEDER, 48, both of Brooklyn, have been charged with Grand Larceny in the Second Degree, Offering a False Instrument for Filing in the First Degree and Falsifying Business Records in the First degree. If convicted, they each face up to 15 years in jail.

DOI investigators determined that SCHORR was a Section 8 tenant at 2021 52<sup>nd</sup> Street, Brooklyn; property he had purchased under another name. His misrepresented income gave him monthly rent subsidies of \$394 to \$563.84. As the owner of the building, SCHORR was not entitled to subsidies. He received \$70,423.04 in Section 8 benefits from July 1, 1987 to November 30, 2002.

DOI investigators also determined that FEDER, a NYCHA Section 8 tenant from October 1, 1995 to December 31, 2002, used an alias, Arthur Salom Berger, to purchase 1071 East 2<sup>nd</sup> Street, Brooklyn. Because FEDER concealed his ownership and claimed his family's sole source of income was Public Assistance, NYCHA paid rent subsidies of \$877 to \$919.16 a month. Also, in order to receive food stamps and other Public Assistance benefits, FEDER falsely claimed he was unemployed, did not receive Section 8 housing and did not own any real estate. FEDER received \$56,814.40 in Section 8 benefits from January 1, 1997 to April 30, 2002. He received \$44,896.50 in Public Assistance benefits and \$33,937 in food stamp benefits from October 12, 1996 and December 31, 2002.

These arrests are part on an ongoing City-wide crackdown by DOI and New York area prosecutors that has resulted since 1995 in the arrest of 295 residents, including 97 City, State and Federal employees, who were charged with stealing more than \$5.9 million in rent and welfare subsidies by hiding their income and assets from the City. So far, 237 cases have resulted in convictions and more than \$3.1 million in court-imposed restitution.

Since January 2003 alone, 37 individuals have been arrested for illegally receiving more than \$677,374.62 in government housing benefits by concealing their employment or household income from NYCHA.

NYCHA manages 345 public developments, which provide housing to more than 418,000 tenants. In addition, NYCHA administers a federally-funded leased housing program known as Section 8. Under that program, tenants living in privately-owned dwellings can receive a government rent subsidy. The program presently covers more than 83,000 families.

The Office of Charles J. Hynes, Kings County District Attorney will handle these cases with Assistant District Attorney ADA Patricia McNeill prosecuting. The NYCHA Section 8 fraud investigation was conducted by DOI Assistant Commissioner and NYCHA Inspector General Steven A. Pasichow and members of his staff, including Deputy Inspector General Kevin Smith and Assistant Inspector General Bergia Telesford. The Public Assistance Fraud investigation was conducted by HRA Assistant Deputy Commissioner Peter Jenik of the Bureau of Fraud Investigation and members of his staff, including Fraud Investigator Kathy Lawson.

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.

**DEFENDANT INFORMATION:**

1. Yosef Schorr, 48, of 2021 52<sup>nd</sup> Street, Brooklyn (\$70,423.04)
2. Paul Feder, 48, of 1071 East 2<sup>nd</sup> Street, Brooklyn (\$56,814.40 Section 8 benefits; \$78,833.50 public assistance benefits)

***Get the worms out of the Big Apple.  
To report someone ripping off the city, call 311 or DOI directly at (212) 825-5959.***