



Department of Investigation

Press Release

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FORMER HHC NURSE CHARGED IN \$25K HOUSING FRAUD

EDWARD J. KURIANSKY, Commissioner of the Department of Investigation (DOI), announced today that MILAGROS LAMBOY-FUENTES, a registered nurse formerly employed by Kings County Hospital Center, has been charged with stealing nearly \$25,000 in government housing benefits, by fraudulently concealing her true employment and household income from the New York City Housing Authority (NYCHA).

Commissioner Kuriansky said, "The lesson this defendant and others would be wise to learn is that, with so many needy New Yorkers on long waiting lists for affordable public housing, the City will not be duped into providing subsidized apartments to people who can well afford to pay more or even live elsewhere."

Commissioner Kuriansky noted that NYCHA -- which manages 346 public housing developments providing shelter to more than 535,000 tenants, and additionally, administers the federally-funded Section 8 Leased Housing Program, providing government rent subsidies to nearly 75,000 needy families living in privately-owned dwellings -- introduced a rent amnesty program for its public housing residents on September 1, 2001, extending through January 31, 2002. The Amnesty Program is an opportunity for under-reporting residents to voluntarily come forward, declare all household income and assets, and pay back any monies owed, or else face prosecution and eviction if they are later discovered. To date, more than 3,300 NYCHA residents and Section 8 participants have filed applications under the Amnesty Program.

In the past 8 months alone, DOI's Inspector General for NYCHA has arrested a total of 35 residents for stealing more than \$620,000 in subsidized housing benefits by concealing their employment or actual household income from NYCHA.

This recent arrest is part of an ongoing Citywide crackdown by DOI and the local district attorneys, which has, since 1995, resulted in the arrest of 218 residents -- including 74 City, State, and Federal employees -- charged with stealing over \$4.4 million in rent and welfare subsidies by hiding their income and assets from the City. So far, 169 cases have resulted in conviction and more than \$2.2 million in court-imposed restitution.

In today's case, MILAGROS LAMBOY-FUENTES, a resident, from 1971 to 1999, of a 4-room apartment at NYCHA's Wise Towers on the Upper West Side, was arrested for illegally obtaining \$24,948 in rent subsidies by concealing from NYCHA, between June 1987 and November 1998, her salary and employment as a full-time nurse at Kings County Hospital Center located at 451 Clarkson Avenue in Brooklyn. During this time, LAMBOY-FUENTES earned between \$12,000 and \$52,000 a year. LAMBOY-FUENTES instead

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submitted false documentation to NYCHA between 1988 and 1998, purportedly completed by her employer, which stated that she was working part-time at a local doctor's office, earning income ranging from \$10,000 to \$15,600. Between 1988 and 1998, LAMBOY-FUENTES' rent for her apartment ranged from \$137 to \$316 a month. In fact, LAMBOY-FUENTES should have paid rent ranging from \$363 to \$495 a month.

LAMBOY-FUENTES, 50, currently residing at 123 East 102nd Street in Manhattan, has been charged in a criminal complaint with Grand Larceny in the Third Degree, a Class D felony. If convicted, she faces up to 7 years in prison.

Commissioner Kuriansky expressed his sincere appreciation to NYCHA for its cooperation and assistance in the investigation.

The 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 Office of Manhattan District Attorney Robert M. Morgenthau is prosecuting the case. Assistant District Attorney Lynn Kaseta, under the supervision of Assistant District Attorney Gary Fishman, of the DA's Welfare Fraud Unit, is handling the matter.