



The City of New York
Department of Investigation

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**FIVE INDIVIDUALS CHARGED IN \$77,000 HOUSING AND
WELFARE FRAUD IN THE BRONX**

ROSE GILL HEARN, Commissioner of the Department of Investigation (DOI), and ROBERT T. JOHNSON, District Attorney for the County of the Bronx, announced today that five Bronx residents, including a New York City Health and Hospitals Corporation Nurse's Aide, a former New York City Department of Housing Preservation and Development Clerical Assistant, and an American Red Cross Operation Coordinator, have been charged with stealing more than \$77,000 in government rent subsidies and welfare benefits.

Four of the defendants charged received Section 8 subsidies for apartments in Concourse Village, the South Bronx, and the Norwood sections of the Bronx. The other defendant resides in the New York City Housing Authority's ("NYCHA") Betances Houses also in the South Bronx. They are accused of stealing, between April 1998 to February 2003, a total of \$73,368 in rent subsidies, in amounts ranging from \$5,988 and \$21,799, by concealing their employment or actual household income and family composition from NYCHA. Also, one of the defendants is accused of stealing \$3,824 in welfare benefits by concealing her income from the New York City Human Resources Administration.

These arrests are part of an ongoing Citywide crackdown by DOI and the local District Attorneys and United States Attorneys, which has, since 1995, resulted in the arrest of 280 residents--including 93 City, State and Federal employees--charged with stealing more that \$5.5 million in rent and welfare subsidies by hiding their income and assets from the City.

Since January 2003 alone, 22 individuals have been arrested for illegally receiving more than \$286,763 in government housing benefits by concealing their employment or household income from NYCHA. So far, 222 cases have resulted in convictions and nearly \$3 million in court-imposed restitution.

NYCHA manages 345 public housing developments providing shelter to over 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.

Commissioner Gill Hearn said, "The lesson these defendants 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 deceived into providing apartments to people who do not qualify for the scarce subsidized housing."

District Attorney Johnson added, "We will be vigilant in our efforts to protect the interest of the truly needy. Hopefully, the filing of these charges will act as a deterrent to anyone who thinks about breaking the law for personal financial gain at the expense of those who are less fortunate."

In today's cases, OPAL BAKER, Section 8 recipient since 1994 and tenant of record for a 4-room apartment in the Concourse Village section of the Bronx, has been charged with illegally obtaining \$21,799 in rent subsidies from November 1998 and February 2003. BAKER misrepresented to NYCHA the status of her employment as an Operation Coordinator with the American Red Cross, since April 1998, by submitting to NYCHA a forged American Red Cross letter falsely reporting that her employment has ceased. During this period, BAKER reported to NYCHA that her household income ranged from \$3,546 to \$16,432 a year. Meanwhile, her true household income ranged from \$18,146 to \$49,637 a year. BAKER's misrepresentation caused NYCHA to lower BAKER's monthly rent share, while NYCHA increased the amount of monies it directly paid to her landlord on her behalf. BAKER also failed to report to NYCHA the presence and income of her boyfriend, a North Central Hospital employee, in her apartment since the beginning of her tenancy in 1994. During this period, BAKER's rent share ranged from \$24 to \$387 a month, while she should have been paying rent that ranged from \$400 to \$844 a month.

VALENCIA BAXTER, a NYCHA Section 8 tenant since 1997 and the tenant of record for a 5-room apartment in the Soundview section of the Bronx, has been charged with failing to report to NYCHA her income earned from a private hair dressing business she had been operating out of the apartment from 1997 through 1998. On her Affidavit of Income forms filed with NYCHA, BAXTER falsely claimed that public assistance benefits/welfare were her sole source of household income, while the documents she filed with the Internal Revenue Service revealed that she was operating a business. BAXTER's misrepresentation of income caused NYCHA to overpay her rent subsidies by \$5,988 from July 1998 to June 2000. BAXTER's rent share for the apartment ranged from \$68 to \$70 a month, when she should have been paying between \$314 and \$317 a month. In addition, BAXTER is being charged with not reporting her business income to the Human Resource Administration and, thereby, unlawfully receiving \$3,824 in public assistance benefits/welfare to which she was not entitled.

REBECCA COAKLEY, a resident since 1972 of a 5-room apartment at NYCHA's Betances Houses in the South Bronx, has been charged with illegally obtaining \$15,824 in rent subsidies by concealing from NYCHA between April 1998 and March 2001, her employment at Lincoln Medical Center as a Nurse's Aide. COAKLEY's hospital earnings ranged from \$13,629 to \$48,728 a year. Meanwhile at various times she reported to NYCHA that she was receiving a fraction of that in public assistance benefits, social security benefits, and/or child support payments. As a result of her actions, COAKLEY paid rent ranging from \$132 to \$162 a month. In fact, COAKLEY should have paid a monthly rent of \$619, the maximum rent for an apartment that size.

CARMEN SUAREZ, a former Clerical Assistant at the New York City Department of Housing Preservation and Development and a former Department of Citywide Administrative Services employee, was also a Section 8 recipient since 1999. SUAREZ, the tenant of record of a 4-room apartment, in the Norwood section of the Bronx, has been charged with unlawfully obtaining \$20,462 in rent subsidies from November 2000 to February 2003. SUAREZ vacated the apartment in November 2000, without informing NYCHA but continued to submit annual Affidavits of Income indicating that she still resided there. SUAREZ's actions caused NYCHA to continue paying rent subsidies on her behalf until February 2003, although she was not entitled to receive any benefits from the date she vacated the apartment.

MARISOL UMPIERRE, a Section 8 recipient since 1994 and the tenant of record for a 4-room apartment in the South Bronx is charged with unlawfully obtaining \$9,295 in rent subsidies from April 1999 to February 2002. UMPIERRE, a Patient Service Representative at Montefiore Medical Center since 1999, obtained those rent subsidies by underreporting her income to NYCHA. UMPIERRE reported earning between \$3,546 and \$23,857 a year, while she actually earned between \$18,908 and \$29,187 a year. During that time, UMPIERRE's share of the monthly rent ranged from \$35 to \$539, while she should have paid from \$419 to \$673 a month.

BAKER, BAXTER, COAKLEY, SUAREZ and UMPIERRE have each been charged with Grand Larceny in the Third Degree, a Class D Felony. If convicted they could face up to 7 years in prison. BAXTER has been additionally charged with a second count of Grand Larceny in the Third Degree for the Welfare Fraud

Commissioner Gill Hearn thanked NYCHA's Leased Housing and Borough Management Departments and HRA's Bureau of Fraud Investigation for their cooperation and assistance during the course of the investigation.

The investigation was conducted by DOI Assistant Commissioner and NYCHA Inspector General Steven A. Pasichow and members of his staff, including Deputy Inspectors General Kevin Smith and James Ernst, Assistant Inspectors General Bergia Telesford and James Hylton, Confidential Investigators Alexandra Hampton and Anette Eriksson, Special Investigator Christopher France and Senior Investigative Attorney Karen Cohen. Additionally, Peter Jenik, Assistant Deputy Commissioner of HRA's Bureau of Fraud Investigation, and Frank Pira, an investigator at BFI, worked on the case.

The Office of the Bronx District Attorney Robert T. Johnson is prosecuting the cases. Assistant District Attorneys Pamela Brown, Patrick Breen, Ameenah Karim, and Linda Tacoma, under the supervision of Assistant District Attorney Richard Baker, Chief, and Supervising Assistant District Attorney Andrew Kampel, of the Arson, Auto, and Economic Crimes Bureau, are handling the prosecutions.

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DEFENDANT INFORMATION:

1. OPAL BAKER, 31, of the Bronx (\$21,799 in rent subsidies)
2. VALENCIA BAXTER, 33, of the Bronx (\$5,988 in rent subsidies and \$3,824 in welfare benefits)
3. REBECCA COAKLEY, 58, of the Bronx (\$15,824 in rent subsidies)
4. CARMEN SUAREZ, 30, currently of Massachusetts (\$20,462 in rent subsidies)
5. MARISOL UMPIERRE, 32, of the Bronx (\$9,295 in rent subsidies)