



The City of New York
Department of Investigation

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DOI ARRESTS SIX INDIVIDUALS IN \$130,000 HOUSING FRAUD CASE

ROSE GILL HEARN, Commissioner of the Department of Investigation (DOI), announced today the arrest of six current and former residents of the New York City Housing Authority for fraudulently receiving nearly \$130,000 in government rent subsidies for apartments in Manhattan. They allegedly concealed income so that they could receive rent subsidies ranging from \$11,256 to \$46,330.

The six defendants – JOY FELDER, BERQUILA PAULINO, TRACEY HANNON, THERESA AHMED, MICAH BROWN, and LEONARD WALTERS - have been charged with filing false documents and theft of public monies. If convicted, they each face up to seven years in jail.

DOI Commissioner Rose Gill Hearn said, "These defendants have learned the perils of their greedy behavior. Housing scams do not work. DOI investigates these types of cases so that tax payers' money is not wasted and so that those who need and qualify for affordable public housing will receive it."

In today's cases, JOY FELDER, 33, a Section 8 recipient since 1995 in an apartment on the upper Westside, allegedly submitted Affidavits of Income to NYCHA indicating that she lived in her Section 8 apartment when she was in fact subletting it, and living as an unreported tenant in her mother's NYCHA apartment at Jefferson Houses in Manhattan. FELDER was an employee of Yeshiva University at the same time she told NYCHA her only income was Public Assistance and/or family contributions. FELDER's concealed residency and income allegedly defrauded NYCHA of about \$46,000 from 1997 to 2003.

THERESA AHMED, 45, a Section 8 tenant since 1984 in an apartment on the upper Eastside, is a current Health and Hospital Corporation employee. DOI investigators determined AHMED either didn't report income or grossly underreported her income as a Registered Nurse at Interfaith Hospital. At one point, AHMED said she was unemployed and only received Public Assistance. At another time, she submitted forged documents stating she earned \$15,000 even though she actually earned nearly \$70,000 a year. AHMED allegedly defrauded NYCHA about \$21,500 from 1996 to 2001.

BERQUILIA PAULINO, aka BELKIS PAULINO, 33, a Harlem Section 8 tenant since 1991 and a current Department of Education (DOE) employee, failed to inform NYCHA she was employed by DOE. From 1997 to 2002, she falsely told NYCHA she worked as a paraprofessional in the New York City School public school system even though she was a per diem teacher. Also, PAULINO allegedly forged the signatures of DOE staff on income verification forms that contained false low salary information and submitted these forged forms to NYCHA. PAULINO allegedly defrauded NYCHA roughly \$22,000 from 1997 to 2003.

TRACEY HANNON, 34, a Section 8 tenant since 1991, allegedly gave NYCHA forged payroll information from her employer, Healthfirst, and underreported her income on Affidavits of Income she submitted. HANNON allegedly defrauded NYCHA approximately \$11,000 from 1998 to 2001.

MICAH BROWN, a 40-year old resident of NYCHA's Lehman Village development in Spanish Harlem and employee of Project Return Foundation, Inc., allegedly failed to tell NYCHA he earned \$19,800 to \$24,000 a year. As a result, BROWN paid NYCHA only \$90-a-month in rent for his three-room apartment, rather than the \$421-a-month he would have been charged if he had accurately reported his income. BROWN allegedly defrauded NYCHA about \$13,000 from 1998 to 2001.

LEONARD WALTERS, 39, a former NYC Department of Transportation (DOT) Assistant Highway Repairman who lives in NYCHA's Taft Houses development in Spanish Harlem, allegedly failed to tell NYCHA he earned anywhere from \$28,871 to \$33,115 a year. As a result, WALTERS paid NYCHA \$171 to \$230-a-month in rent for his five-room apartment instead of the \$619-a-month he would have been charged if he had reported his correct income accurately. WALTERS allegedly defrauded NYCHA roughly \$11,983 from 1999 to 2002.

These arrests are part of an ongoing City-wide crackdown by DOI and New York area prosecutors that has resulted since 1995 in the arrest of 305 residents, including 100 City, State and Federal employees, who were charged with stealing more than \$6.1 million in rent and welfare subsidies by hiding their income and assets from the City. So far, 240 cases have resulted in convictions and nearly \$3.3 million in court-imposed restitution. Since January 2004, 10 individuals have been arrested for illegally receiving nearly \$200,000 in government housing benefits.

DOI Commissioner Rose Gill Hearn thanked NYCHA's Leased Housing and Manhattan Borough Management Departments and the United States Housing and Urban Development's Office of the Inspector General for their assistance in the investigations and arrests.

These investigations were 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, Chief Investigator Rosemary Caruso, Special Investigator Christopher France, and Confidential Investigators Alexandra Hampton and Patricia Carvajal.

The Office of Robert M. Morgenthau, District Attorney, New York County, will prosecute the cases.

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. Joy Felder, 33, Manhattan, (\$46,330 in Section 8 rent subsidies)
2. Theresa Ahmed, 45, Manhattan, (\$21,518 in Section 8 rent subsidies)
3. Berquilina Paulino, 33, Manhattan, (\$22,171 in Section 8 rent subsidies)
4. Tracey Hannon, 34, Manhattan, (\$11,256 in Section 8 rent subsidies)
5. Micah Brown, 40, Manhattan, (\$13,494 in rent subsidies)
6. Leonard Walters, 39, Manhattan, (\$11,983 in rent subsidies)

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