



The City of New York  
Department of Investigation

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**DOI ARRESTS TWO CHILD CARE PROVIDERS ON CHARGES OF UNDERSTATING THEIR CITY-SUBSIDIZED INCOME AND FRAUDULENTLY OBTAINING ABOUT \$18,762 IN HOUSING SUBSIDIES**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced the arrests, in separate cases, of SHARON GIST and ADRIANE DRYE on charges of understating their City-subsidized income from their work as child care providers and illegally obtaining approximately \$18,762 in Section 8 housing subsidies from the City's Housing Development Corporation ("HDC"). GIST and DRYE provide babysitting services to individuals who qualify for City-subsidized child care services and are paid through funds from the City Administration for Children's Services ("ACS"). DOI began its investigation after a Brooklyn management company reported irregularities on these defendants' housing certification forms. The office of Kings County District Attorney Charles J. Hynes is prosecuting the cases.

DOI Commissioner Rose Gill Hearn said, "Intentionally hiding income to steal public housing benefits is a crime that deprives eligible and needy New Yorkers of precious housing funds. DOI is committed to exposing this kind of fraud and protecting these taxpayer dollars."

GIST, 57, and DRYE, 52, both of Brooklyn, were charged late Wednesday, December 2, 2009, in separate complaints, with Grand Larceny in the Third Degree, Forgery in the Second Degree and Criminal Possession of a Forged Instrument in the Second Degree, which are class D felonies; Grand Larceny in the Fourth Degree, Falsifying Business Records in the First Degree and Offering a False Instrument for Filing in the First Degree, which are class E felonies; and Petit Larceny, Forgery in the Third Degree, Criminal Possession of a Forged Instrument in the Third Degree, Falsifying Business Records in the Second Degree and Offering a False Instrument for Filing in the Second Degree, which are class A misdemeanors. Upon conviction, a class D felony is punishable by up to seven years in prison; a class E felony is punishable by up to four years in prison, and a class A misdemeanor is punishable by up to a year's incarceration.

The Section 8 Rental Assistance Program is a federal program to help low-income individuals afford housing in the private market. Each month, a Section 8 subsidy is paid directly to the landlord and the participating individual pays the difference between the actual rent and the Section 8 subsidy. The program is funded by the U.S. Department of Housing and Urban Development ("HUD") and in these cases was administered by HDC.

According to the criminal complaint, GIST resided in a Section 8-subsidized apartment in Brooklyn when she submitted signed certifications to the building's management company that her projected earnings between 2006 and 2008 would be between \$2,600 and \$5,200 per year. DOI's investigation found that GIST actually earned income funded through ACS of between \$9,722 and \$25,870 during that same timeframe. DOI's investigation also found that GIST submitted a forged Internal Revenue

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Service (“IRS”) form to the management company indicating she did not file a tax return for 2007 when in fact she did. Based on these misrepresentations, GIST fraudulently obtained approximately \$12,546 in Section 8 subsidies between 2006 and 2008.

According to the criminal complaint, DRYE resided in a Section 8-subsidized apartment in Brooklyn when she submitted signed certifications to the building’s management company that her projected earnings would be \$3,900 in 2005 and \$4,160 in 2006. DOI’s investigation found that DRYE actually earned income funded through ACS of \$17,938 in 2005 and \$17,406 in 2006. DOI’s investigation also found that DRYE submitted a forged IRS form to the management company indicating that she did not file a tax return for 2006 when in fact she did. Based on these misrepresentations, DRYE fraudulently obtained approximately \$6,216 in Section 8 subsidies between 2005 and 2006.

Commissioner Gill Hearn thanked Kings County District Attorney Charles J. Hynes, Rene Febles, Special Agent-in-Charge of the New York Field Office of the HUD Office of Inspector General, HDC President Marc Jahr, and ACS Commissioner John B. Mattingly, and their staffs, for their assistance and cooperation in these investigations.

These investigations were conducted by DOI’s Office of the Inspector General for HDC, with the assistance of investigators from the New York Field Office of the HUD Office of Inspector General, including Special Agent Michael Granatstein.

Criminal complaints are 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.*

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