



The City of New York  
Department of Investigation

ROSE GILL HEARN  
COMMISSIONER

80 MAIDEN LANE  
NEW YORK, NY 10038  
212-825-5900

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**CONTACT: EMILY GEST**  
**(212) 825-5931**

***3 Bronx Residents Busted in \$55K Housing Scam***  
***-DOE Teacher lies about her income-***

ROSE GILL HEARN, Commissioner of the Department of Investigation (DOI), announced today the arrests of three Bronx residents— including a teacher with the New York City Department of Education—for scheming to defraud the New York City Housing Authority (“NYCHA”) of over \$55,000 in rental subsidies.

The defendants have been charged with Grand Larceny in the Third Degree and Offering a False Instrument for Filing in the First Degree by the Bronx County District Attorney’s Office. If convicted, they face up to seven years in jail.

XIOMARA RODRIGUEZ-VELOZ, 30, of Bronxdale, Bronx, a NYCHA Section 8 participant from December 9, 1997 through March 31, 2003, allegedly failed to report to NYCHA her employment and income earned as a teacher with the NYC Department of Education (DOE). DOI investigators determined that RODRIGUEZ-VELOZ earned as a teacher between \$30,000 and \$39,000 a year from 1999 until 2002. Instead of reporting her salary, RODRIGUEZ-VELOZ falsely reported her income was less than \$15,220 from babysitting and child support. As a result of underreporting her income, RODRIGUEZ-VELOZ was eligible for Section 8 rent subsidies ranging between \$387 and \$545/month. If she had accurately reported her income, RODRIGUEZ-VELOZ would have been ineligible for subsidies. RODRIGUEZ-VELOZ allegedly defrauded NYCHA of \$13,943 in rental subsidies from January 2001 through March 2003. She was removed from the Section 8 program in March 2003 as a result of DOI’s investigation.

MAGDALENA CLOTTER, 50, a NYCHA Bronx River Houses resident in a 4-room apartment, failed to inform NYCHA about her Supplemental Security Income (“SSI”), ranging from \$455 to \$575 a month, that she received on behalf of her three children. As a result, CLOTTER paid NYCHA reduced rent, ranging from \$105 to \$169 a month, from August 1992 to April 2003. If her income had been reported correctly, her rent would have been \$495 a month. CLOTTER allegedly defrauded NYCHA \$32,468 in rent subsidies.

VILMARIS RIVERA, 22, a NYCHA Section 8 participant who has lived in Crotona, Bronx since April 2002, allegedly concealed her boyfriend’s presence in her apartment from April 2002 and September 2003. RIVERA allegedly falsely claimed on documents filed with NYCHA in 2002 and 2003 that her family composition consisted solely of herself and her three children. Also, her yearly affidavits filed with NYCHA did not list her boyfriend’s income. As a result, NYCHA paid monthly rent subsidies ranging between \$607 and \$812 on RIVERA’s behalf between April 2002 and September 2003. RIVERA’s portion of the rent during that time ranged from \$86 to \$291. She allegedly defrauded NYCHA \$9,367.

Commissioner Rose Gill Hearn also thanked NYCHA’s Borough Management Offices and NYCHA’s Leased Housing Department for their cooperation and assistance in the case.

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, James Hylton and Confidential Investigators Anette Eriksson, Andre Gorelkin, and Christopher France. The Office of Robert T. Johnson, District Attorney, Bronx County, is prosecuting the cases. ADAs Maureen Sheehan-Balchon, Earamichea Brown, and Ameenah Karim, are handling the matters.

Criminal complaints are merely an accusation. Defendants are presumed innocent until proven guilty.

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