



U.S. Department of Justice

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FOR IMMEDIATE RELEASE

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PRESS RELEASE

STATEN ISLAND COUPLE CHARGED WITH HURRICANE SANDY RELIEF FRAUD

Defendants Obtained \$750,000 from Relief Programs Intended for Residents Displaced by the Superstorm

A criminal complaint was unsealed today in federal court in Brooklyn charging Nagwa Elsilymy and Ahmed Arafa with fraud by making false statements to the Federal Emergency Management Agency (FEMA) and the United States Department of Housing and Urban Development (HUD) in connection with their obtaining more than \$750,000 in disaster relief from New York City's Build It Back program (BIB) and FEMA in the aftermath of Hurricane Sandy. The defendants allegedly misrepresented that a home in Staten Island, which they had abandoned months before the storm, was their primary residence at the time the superstorm devastated New York and New Jersey. The defendants unlawfully obtained over \$750,000 in aid intended for people displaced by the storm. Elsilymy was arrested this morning, and her initial appearance is scheduled for this afternoon before United States Chief Magistrate Judge Roanne L. Mann.

The charges were announced by Bridget M. Rohde, Acting United States Attorney for the Eastern District of New York, Christina Scaringi, Special Agent-in-Charge, United States Department of Housing and Urban Development Office of Inspector General (HUD OIG), Mark Tasky, Special Agent-in-Charge, Department of Homeland Security Office of Inspector General (DHS OIG), Washington Field Office, and Mark G. Peters, Commissioner, New York City Department of Investigation (DOI).

"Taking advantage of funds intended for disaster relief misappropriates taxpayer dollars, reduces monies available to true victims and erodes public confidence in relief programs," stated Acting United States Attorney Rohde. "This Office will continue to work with our law enforcement partners to root out such alleged illegal behavior."

"The Defendants' alleged conduct is disturbing, especially during this time when the public is reminded of the devastation that historic storms leave with thousands of victims," stated HUD OIG Special Agent-in-Charge Scaringi. "The taxpayer has no tolerance for those who would steal from Federal public aid – the sole goal of which is to help victims rebuild and

move forward with their lives. We, along with our federal and state law enforcement and prosecution partners, will continue to aggressively pursue fraudsters who engage in such unacceptable behavior to both the public and their neighbor.”

“DHS OIG will continue to target fraudsters who seek to turn the tragedy of a natural disaster into an opportunity of personal gain at the expense of taxpayers,” stated DHS OIG Special Agent-in-Charge Tasky. “Today’s arrest is a tangible step of our commitment with our law enforcement partners who work tirelessly to identify, investigate, and pursue prosecution of fraudulent activities that undermine federal programs.”

“Hurricane Sandy ravaged shoreside communities and displaced hundreds of thousands of New Yorkers from homes made uninhabitable by the storm,” stated DOI Commissioner Peters. “While homeowners applied for aid to rehabilitate and rebuild, these defendants were capitalizing on the destruction, collecting benefits to which they were not entitled and exploiting federal funds to restore property they didn’t live in, according to the charges. DOI has monitored the City’s rebuilding effort since its inception, and will continue to investigate the programs and those dishonest homeowners who take advantage of finite disaster relief funds.”

According to the complaint, in the days and months following Hurricane Sandy, which struck New York and New Jersey on October 29, 2012, the defendants obtained and attempted to obtain federal funds appropriated for Sandy disaster relief by submitting material misrepresentations in their applications for disaster relief. Specifically, the defendants falsely represented that a home they had abandoned before the storm was their primary residence at the time Sandy hit the Eastern District of New York. The defendants had been residing at a different address since at least March 2012, and, at the time Sandy struck Staten Island, the defendants’ alleged primary residence was vacant, and had been vacant for at least seven months. Evidence obtained in the investigation suggests that the defendants fraudulently obtained federal aid totaling more than \$750,000 based upon their misrepresentations in applications to FEMA, HUD and BIB, the New York City program established with federal funds to aid residents in rebuilding private homes damaged or destroyed due to Hurricane Sandy.

The charges in the complaint are merely allegations, and the defendants are presumed innocent unless and until proven guilty. If convicted, the defendants face a statutory maximum of 30 years’ imprisonment for major disaster relief fraud and five years’ imprisonment for making false statements to a federal agency.

The government’s case is being handled by the Office’s General Crimes Section. Assistant United States Attorney Elizabeth Losey Macchiaverna is in charge of the prosecution.

The Defendants:

NAGWA ELSILIMY

Age: 59

Staten Island, NY

AHMED ARAFA

Age: 59

Staten Island, NY

E.D.N.Y. Docket No. 17-MJ-805