



UNITED STATES ATTORNEY'S OFFICE

Southern District of New York

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70 CURRENT AND FORMER NYCHA EMPLOYEES CHARGED WITH BRIBERY AND EXTORTION OFFENSES

Please note: Defendant list below has been updated

In the Largest Number of Federal Bribery Charges on a Single Day in DOJ History, 70 Current and Former Employees of the NYCHA Have Been Charged with Allegedly Accepting Cash Payments from Contractors in Exchange for Awarding NYCHA Contracts

Damian Williams, the United States Attorney for the Southern District of New York; Merrick B. Garland, the Attorney General of the United States; Jocelyn E. Strauber, the Commissioner of the New York City Department of Investigation ("DOI"); Ivan J. Arvelo, the Special Agent in Charge of the New York Field Office of Homeland Security Investigations ("HSI"); Rae Oliver Davis, the Inspector General of the U.S. Department of Housing and Urban Development, Office of Inspector General ("HUD OIG"); and Jonathan Mellone, the Special Agent in Charge of the Northeast Region of the U.S. Department of Labor, Office of Inspector General ("DOL-OIG"), announced the unsealing of bribery and extortion charges against 70 current and former employees of the New York City Housing Authority ("NYCHA"). 66 of the 70 defendants were arrested this morning in New York, New Jersey, Connecticut, and North Carolina. Defendants who were arrested in the New York area are scheduled to appear before U.S. Magistrate Judges Stewart D. Aaron, Sarah L. Cave, Valerie Figueredo, Sarah Netburn, Katharine H. Parker, Gary Stein, and Ona T. Wang in Manhattan federal court later today.

U.S. Attorney Damian Williams said: "Instead of acting in the interests of NYCHA residents, the City of New York, or taxpayers, the 70 defendants charged today allegedly used their jobs at NYCHA to line their own pockets. This action is the largest single-day bribery takedown in the history of the Justice Department. NYCHA residents deserve better. My Office is firmly committed to cleaning up the corruption that has plagued NYCHA for far too long so that its residents can be served with integrity and have the high-quality affordable homes that they deserve. The culture of corruption at NYCHA ends today."

Attorney General Merrick B. Garland said: "The Justice Department will prosecute to the fullest extent of the law those who abuse their positions in public service in order to enrich themselves. The crimes alleged in this case are serious violations of the public trust, and I am grateful to the agents and our partners across government who worked on this case, and to the prosecutors in the Southern District of New York for their tireless efforts to root out corruption."

DOI Commissioner Jocelyn E. Strauber said: "As charged, these 70 current and former NYCHA supervisors and other staff used their positions of public trust and responsibility to pocket bribes in exchange for doling out no-bid contracts. The extensive bribery and extortion alleged here calls for

significant reforms to NYCHA’s no-bid contracting process, which DOI has recommended and NYCHA has accepted. I thank the U.S. Attorney’s Office for the Southern District of New York and our federal law enforcement partners for their commitment to protect scarce public resources intended to maintain public housing, and to hold accountable public servants who abuse their authority, and NYCHA’s senior leadership for its cooperation in this important investigation.”

HSI Special Agent in Charge Ivan J. Arvelo said: “These 70 defendants are accused of demanding kickbacks and bribes for access to no-bid contracts and lucrative, under-the-table deals. Make no mistake, this alleged pervasive corruption had the biggest impact on NYCHA residents themselves, who may have been cheated out of better services and programs. I commend the outstanding work of HSI New York’s Document and Benefit Fraud Task Force for today’s historic operation. As one of the largest investigative agencies, the public can rest assured: Homeland Security Investigations will pursue all avenues of justice for the people of this great city.”

HUD-OIG Inspector General Rae Oliver Davis said: “The pay-to-play bribery schemes alleged in the complaints unsealed today waste millions of dollars and risk residents staying in unacceptable living conditions. The alleged conduct identified during this investigation harms the effectiveness of housing programs that support more than 200,000 residents. It also poses a significant risk to the integrity of the HUD rental assistance programs that support housing assistance in New York City and erodes the trust of NYCHA residents in HUD’s programs. We will continue our work with the U.S. Attorney’s Office and our law enforcement partners to prevent and detect these and other schemes.”

DOL-OIG Special Agent in Charge Jonathan Mellone said: “An important part of our mission is to investigate corruption and fraud involving matters within the jurisdiction of the Office of Inspector General. We are committed to working closely with our law enforcement partners to investigate those who exploit governmental programs and the American workers.”

According to the allegations in the Complaints and publicly filed documents in these cases:¹

NYCHA is the largest public housing authority in the country, providing housing to 1 in 17 New Yorkers in 335 developments across the City and receiving over \$1.5 billion in federal funding from the U.S. Department of Housing and Urban Development every year. When repairs or construction work require the use of outside contractors, services must typically be purchased via a bidding process. However, at all times relevant to the Complaints, when the value of a contract was under a certain threshold (up to \$10,000), designated staff at NYCHA developments could hire a contractor of their choosing without soliciting multiple bids. This “no-bid” process was faster than the general NYCHA procurement process, and selection of the contractor required approval of only the designated staff at the development where the work was to be performed.

The defendants, all of whom were NYCHA employees during the time of the relevant conduct, demanded and received cash in exchange for NYCHA contracts by either requiring contractors to pay up front in order to be awarded the contracts or requiring payment after the contractor finished the work and needed a NYCHA employee to sign off on the completed job so the contractor could receive payment from NYCHA. As alleged, the defendants typically demanded approximately 10% to 20% of the contract value—between \$500 and \$2,000 depending on the size of the contract—but some defendants demanded even higher amounts. In total, these defendants demanded over \$2 million in corrupt payments from contractors in exchange for awarding over \$13 million worth of no-bid contracts. The map below shows the developments affected by the alleged conduct:

¹ As the introductory phrase signifies, the entirety of the text of the Complaints and the description of the Complaints set forth herein constitute only allegations, and every fact described therein should be treated as an allegation.



If you believe you have information related to bribery, extortion, or any other illegal conduct by NYCHA employees, please contact OIGNYCHA@doi.nyc.gov or (212) 306-3356. If you were involved in such conduct, please consider self-disclosing through the SDNY Whistleblower Pilot Program at USANYS.WBP@usdoj.gov.

* * *

The names of the defendants, the charges against them, their ages, and their cities and states of residence are set forth below.

The maximum potential sentences are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendants will be determined by a judge.

Mr. Williams praised the outstanding investigative work of DOI, HSI, HUD OIG, and DOL-OIG, which work together collaboratively as part of the HSI Document and Benefit Fraud Task Force, as well as the special agents and task force officers of the U.S. Attorney's Office for the Southern District of New York. Mr. Williams thanked the New York City Police Department and the U.S. Marshals Service for their assistance with today's arrest operations. Mr. Williams also expressed appreciation for the cooperation and support of NYCHA's senior executive leadership and thanked NYCHA Federal Monitor Bart Schwartz for his assistance with the investigation.

These prosecutions are part of an Organized Crime Drug Enforcement Task Forces ("OCDETF") operation. OCDETF identifies, disrupts, and dismantles criminal organizations using a prosecutor-led, intelligence-driven, multi-agency approach. Additional information about the OCDETF Program can be found at <https://www.justice.gov/OCDETF>.

These cases are being handled by the Office's Public Corruption Unit. Assistant U.S. Attorneys Jerry J. Fang, Jacob R. Fiddelman, Meredith Foster, Catherine Ghosh, and Sheb Swett are in charge of the prosecutions.

The charges contained in the Complaints are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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Defendant	Age	Residence	Charges and Potential Maximum Prison Term
James Baez	58 years	Valley Stream, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Selwyn Barley	61 years	Brooklyn, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Gwendolyn Bell	38 years	Baldwin, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Nymiah Branch	44 years	Elmont, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Marc Buckner	54 years	Stroudsburg, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Patrick Butler	58 years	Brooklyn, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years

Roberto Cartagena	48 years	Union City, NJ	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Vernon Chambers	45 years	Brooklyn, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Rigoberto Charriez, a/k/a "Ricky"	34 years	Toms River, NJ	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Hector Colon	45 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Michael Davis	54 years	Groton, CT	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Victor De Los Santos	54 years	Bushkill, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Mauricio Escobar	55 years	East Elmhurst, NY	Solicitation and Receipt of a Bribe: 10 years

			Extortion Under Color of Official Right: 20 years
Jose Espinal	57 years	Howard Beach, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Joseph Fuller	42 years	Brooklyn, NY	Conspiracy to Solicit and Receive a Bribe: 5 years Solicitation and Receipt of a Bribe: 10 years Conspiracy to Commit Extortion Under Color of Official Right: 20 years Extortion Under Color of Official Right: 20 years
Manuel Garcia	59 years	Lecanto, FL	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Tuesdai Gaskin	57 years	Staten Island, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Corey Gilmore	45 years	Garnerville, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years

Lateisha Harley	48 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Joy Harris	48 years	Bushkill, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Jose Hernandez	57 years	New York, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Veronica Hollman	47 years	Brooklyn, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Deshon Hopkins	47 years	Bethlehem, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Nena Huntley	36 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Michael Johnson	58 years	Staten Island, NY	Solicitation and Receipt of a Bribe: 10 years

Extortion Under Color of Official Right: 20 years

George Kemp	49 years	Irvington, NJ	Conspiracy to Solicit and Receive a Bribe: 5 years Solicitation and Receipt of a Bribe: 10 years Conspiracy to Commit Extortion Under Color of Official Right: 20 years Extortion Under Color of Official Right: 20 years
Jaime Lan, a/k/a "Jimmy"	57 years	Stewartsville, NJ	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Dexter Lino	51 years	Rockaway Park, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Nirmal Lorick	58 years	South Richmond Hill, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Tara Lucas	50 years	Linden, NJ	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years

Vincent Machado, a/k/a Vincent Arcelay	30 years	New York, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Marlon Mackey	51 years	Jamaica, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Danny Matos	48 years	Effort, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Nakia McCoy	49 years	Brooklyn, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Erik McCreary	55 years	Far Rockaway, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Henry McPhatter	44 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Joacim Mendez	47 years	Milford, CT	Solicitation and Receipt of a Bribe: 10 years

			Extortion Under Color of Official Right: 20 years
Juan Mendez	52 years	Stroudsburg, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Juan Mercado	49 years	West Babylon, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
James Miller	55 years	Stroudsburg, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Daniel Muniz	64 years	Long Island City, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Denise Newby-Bovian	54 years	New York, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Alexis Nieves	41 years	Stratford, CT	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years

Raymond Nunez	56 years	Glendale, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Evelyn Ortiz	55 years	Freeport, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Brett Owens	49 years	New York, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Orlando Pardo	56 years	Maywood, NJ	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Jorge Perez	54 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Curtis Priester	58 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Eddie Quetell	57 years	Philadelphia, PA	Solicitation and Receipt of a Bribe: 10 years

			Extortion Under Color of Official Right: 20 years
Carmen Rivera	53 years	Long Pond, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Jaime Rivera	50 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
John Rivera	56 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Herbert Rosa	45 years	New York, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Dwarka Rupnarain	63 years	Middletown, NJ	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Chrisie Salter	46 years	Brooklyn, NY	Conspiracy to Solicit and Receive a Bribe: 5 years Solicitation and Receipt of a Bribe: 10 years

			<p>Conspiracy to Commit Extortion Under Color of Official Right: 20 years</p> <p>Extortion Under Color of Official Right: 20 years</p>
Clarence Samuel	53 years	Irvington, NJ	<p>Solicitation and Receipt of a Bribe: 10 years</p> <p>Extortion Under Color of Official Right: 20 years</p>
Tanisha Sands	51 years	Brooklyn, NY	<p>Solicitation and Receipt of a Bribe: 10 years</p> <p>Extortion Under Color of Official Right: 20 years</p>
Carolyn Scott	58 years	East Stroudsburg, PA	<p>Solicitation and Receipt of a Bribe: 10 years</p> <p>Extortion Under Color of Official Right: 20 years</p>
Garth Small	55 years	Mount Vernon, NY	<p>Solicitation and Receipt of a Bribe: 10 years</p> <p>Extortion Under Color of Official Right: 20 years</p>
Charles Starks	57 years	Elmont, NY	<p>Solicitation and Receipt of a Bribe: 10 years</p> <p>Extortion Under Color of Official Right: 20 years</p>

Elizabeth Tapia	54 years	Pocono Summit, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Alex Tolozano	57 years	Maywood, NJ	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Luis Torres	38 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Segundo Torres	56 years	Blakeslee, PA	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Frankie Villanueva	51 years	Bronx, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Lindsay Wade	53 years	Brooklyn, NY	Solicitation and Receipt of a Bribe: 10 years Extortion Under Color of Official Right: 20 years
Angela Williams	64 years	Fayetteville, NC	Conspiracy to Solicit and Receive a Bribe: 5 years

			<p>Conspiracy to Commit Extortion Under Color of Official Right: 20 years</p> <p>Destruction of Evidence: 20 years</p> <p>False Statements: 5 years</p>
Willie Williams	60 years	Staten Island, NY	<p>Solicitation and Receipt of a Bribe: 10 years</p> <p>Extortion Under Color of Official Right: 20 years</p>
Calvin Wright	52 years	Brooklyn, NY	<p>Solicitation and Receipt of a Bribe: 10 years</p> <p>Extortion Under Color of Official Right: 20 years</p>