

PIH RHIIP Message # 2011-04

From: PIH.RHIIP.TA

Sent: Friday, January 14, 2011 11:54 AM

To: PIH.RHIIP.TA

Subject: PIH RHIIP Message #4: HUD OIG Semiannual Report to Congress as of 09/30/10 - Rental Assistance Fraud Cases

Below are fraud cases highlighted in the HUD's Office of Inspector General (OIG) Semiannual Report to Congress, which is available online at:

<http://www.hud.gov/offices/oig/reports/congress.cfm>. The content of the report and this email is public information which may be shared with others.

Additional information regarding HUD OIG is available online at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/oig.

Contact information for the local HUD OIG office is available online at:

<http://www.hud.gov/offices/oig/locations/index.cfm>.

Rental Assistance Fraud Cases:

Fourteen Palm Beach County Housing Authority (Palm Beach County) subsidized housing recipients or landlords were each arrested and charged in the 15th Judicial Circuit Court, **Wellington, FL**, with allegedly committing public assistance or homestead exemption fraud, grand theft, or an organized scheme to defraud. In addition, Palm Beach County housing recipient Stephanie Porter entered into a pretrial diversion and agreed to perform 25 hours of community service and pay Palm Beach County \$2,660 in restitution, and former housing recipients Sonya Stewart and Anthony Brides were collectively sentenced to 48 months supervised release and ordered to pay Palm Beach County \$62,215 in restitution for their earlier guilty pleas to committing grand theft or public assistance fraud. Between April 2001 and July 2010, the above defendants allegedly failed to report income, assets, unauthorized residents, or the subleasing of their subsidized units, and from January to December 2009, Stewart failed to report the criminal histories of authorized residents on housing certifications. Collectively, the above defendants obtained more than \$590,000 in housing assistance they were not entitled to receive.

Michael Chezan and Calvin Early, a Chicago Housing Authority (Chicago) Section 8 landlord and former Chicago housing recipient, were each indicted in U.S. District or Cook County Circuit Courts, **Chicago, IL**, for allegedly committing theft, theft by deception, or mail fraud. In addition, former Chicago housing recipient Hubert Williams was sentenced to 9 months home detention and 27 months probation and ordered to pay HUD \$24,218 and the SSA and others \$56,485 in restitution for his earlier guilty plea to committing theft of government funds, and former Chicago Section 8 landlord Jonathan Hon was sentenced to 30 months incarceration and 5 years supervised release and ordered to pay HUD \$200,000 and others \$1.89 million in restitution for his earlier guilty plea to committing wire fraud. Between July 2002 and July 2008, Chezan allegedly provided false documents and obtained housing assistance payments for properties he did not own, Early allegedly failed to report his receipt of dual housing subsidies, Williams

failed to report income and used the Social Security number (SSN) belonging to another individual, and Hon failed to report the sale of his subsidized properties and provided fraudulent documents used by unqualified borrowers to obtain conventional mortgages. Collectively, the above defendants obtained about \$404,218 in housing assistance and \$56,486 in SSA and other benefits they were not entitled to receive.

Thirty-four current or former Georgia Department of Community Affairs subsidized housing recipients were each arrested and charged in various Georgia Courts, **GA**, with allegedly making false statements and writings, committing theft by taking or deception, or obtaining public assistance through fraud. Between April 2004 and January 2010, the above defendants allegedly provided false information or failed to report income, accurate household compositions, or unauthorized residents on housing certifications and collectively obtained \$376,329 in housing assistance they were not entitled to receive.

Nine New York City Housing Authority (New York City) housing recipients or landlords were each charged in U.S. District Court, **Manhattan, NY**, with allegedly making false statements or committing theft of government funds. In addition, New York City housing recipient Rhonda Jordan was sentenced to 36 months supervised release and ordered to perform 100 hours of community service and pay New York City \$37,783 in restitution for her earlier guilty plea to making false statements to HUD. Between May 2002 and July 2010, Jordan admittedly and the remaining defendants allegedly failed to report income, assets, their nonresidency and the subleasing of their subsidized unit, dual housing subsidies, accurate household compositions, or familial relationships to their Section 8 landlords or used the identity of another and attempted to obtain housing assistance. Collectively, the above defendants obtained \$358,848 in housing assistance they were not entitled to receive.

Angie Quiroz and Konrad Seisl, a former Easton Housing Authority Section 8 tenant and landlord, were each indicted in U.S. District Court, **Boston, MA**, for allegedly committing a conspiracy and theft of public money. In addition, former Chelsea Housing Authority (Chelsea) public housing tenant Lizbeth Valerio and Boston Housing Authority (Boston) Section 8 tenant Martine Bastien were collectively sentenced to 24 months and 1 day incarceration, 1 year probation, and 3 years supervised release and ordered to pay Chelsea and Boston \$75,114 and the SSA and others \$110,592 in restitution for their earlier conviction or guilty plea to making a false claim to a government agency or committing mail fraud, identity theft, or larceny. Between 1995 and January 2010, Quiroz and Seisl allegedly (Valerio was found guilty) and Bastien admittedly failed to report income, assets, or unauthorized residents on housing certifications and collectively obtained \$105,534 in housing assistance they were not entitled to receive.

Five current or former Montgomery County Housing Opportunities Commission (Montgomery County) subsidized housing recipients were each charged in Montgomery County District Court, **Baltimore or Silver Spring, MD**, with allegedly making false statements or committing public assistance fraud and theft. In addition, former Montgomery County housing recipient Rogie Hancock was sentenced to 4 years supervised probation and ordered to pay Montgomery

County \$22,386 in restitution for her earlier guilty plea to making false statements. Between June 2004 and May 2009, the above defendants allegedly and Hancock admittedly failed to report income on housing certifications and collectively obtained about \$100,806 in housing assistance they were not entitled to receive.

Jennifer Mathias-Kraft and Harrison Fobb, former Adams County Housing Authority (Adams County) housing recipients, were each charged in Adams County District Court, **Thornton, CO**, with allegedly committing theft or forgery. In addition, former Adams County housing recipient Jacquelyne Garcia was sentenced to 2 years probation and fined \$1,658 for her earlier guilty plea to committing forgery. Between 2004 and 2009, Mathias-Kraft and Fobb allegedly and Garcia admittedly failed to report income or accurate household compositions on housing certifications and collectively obtained \$93,436 in housing assistance they were not entitled to receive.

April Brown, Tamara Cunningham, and Shakeya Dorsey, McKeesport Housing Authority housing recipients, were each charged in Allegheny County Court, **McKeesport, PA**, with allegedly committing theft by deception. The above defendants allegedly failed to report income on housing certifications and collectively obtained \$93,173 in housing assistance they were not entitled to receive.

Five former Salt Lake City or Salt Lake County Housing Authorities authorized and unauthorized housing recipients or a landlord were each charged in Utah State Court, **Salt Lake City, UT**, with allegedly obtaining housing assistance through fraud. In addition, former Salt Lake City housing recipient Katinia Tuupo was sentenced to 36 months supervised probation and ordered to pay Salt Lake City \$23,963 and the Utah Workforce Services \$5,775 in restitution for her earlier guilty plea to attempted housing and public assistance fraud. Between November 2005 and January 2010, the above defendants allegedly and Tuupo admittedly failed to report income or unauthorized residents on housing certifications and collectively obtained \$86,982 in housing assistance they were not entitled to receive.

Shichella Wiley, a former Indianapolis Housing Agency (Indianapolis) Section 8 tenant, was charged in Marion County Superior Court, **Indianapolis, IN**, with allegedly committing theft, welfare fraud, and perjury. In addition, former Indianapolis housing recipient Annette Perry pled guilty to committing welfare fraud, and Indianapolis Section 8 tenant Jonessa Gillespie was sentenced to 2 years electronic monitoring and 1 year probation and ordered to pay Indianapolis \$20,651 in restitution for her earlier guilty plea to committing welfare fraud. Between 2005 and 2010, Wiley allegedly and Perry and Gillespie admittedly failed to report income, accurate household compositions, or their criminal histories on housing certifications and collectively obtained \$86,648 in housing assistance they were not entitled to receive.

Nelson Torres, Isabel Gonzales, and Ana Rodriguez, a Brookhaven Housing Authority Section 8 landlord and tenants, were each arrested and charged in Suffolk County District Court, **Coram, NY**, with allegedly committing grand larceny and offering a false instrument for recording. From

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2005 to August 2010, the above defendants allegedly failed to report assets or their joint residency on housing certifications and collectively obtained about \$85,000 in housing assistance they were not entitled to receive.

Tracy Webster, a former Cambridge Housing Authority Section 8 tenant, was arrested and charged in U.S. District Court, **Cambridge, MA**, with allegedly making a false statement. From May 2005 to August 2008, Webster allegedly failed to report income on housing certifications and obtained \$81,828 in housing assistance she was not entitled to receive.

This email message was prepared by Nicole Faison

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Initial and Updated EIV system 9.1.1 training with Security Awareness training webcasts aired on September 23-24, 2010 are posted for your viewing convenience at

<http://portal.hud.gov/portal/page/portal/HUD/press/multimedia/videos>. For more information, go to: <http://www.hud.gov/offices/pih/programs/ph/rhiip/training.cfm#3>.