



U.S. Department of Justice

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FOR IMMEDIATE RELEASE

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PRESS RELEASE

**FOUNDER AND CEO OF NON-PROFIT AND TWO OTHERS CHARGED WITH
FRAUD, BRIBERY AND MONEY LAUNDERING OFFENSES**

**Through Kickbacks and Bribes, Defendants Illegally Diverted Tens of Millions of Dollars
from COVID-19 Emergency Housing Program to Enrich Themselves**

Earlier today, at the federal court in Brooklyn, an indictment was unsealed charging Julio Medina, Christopher Dantzler and Weihong Hu with conspiracy to commit wire fraud, honest-services wire fraud, money laundering conspiracy, conspiracy to violate the Travel Act and the use of a facility of interstate commerce in aid of commercial bribery. This morning, Dantzler was arrested on Long Island, Hu in Manhattan and Medina in the Bronx. They will be arraigned this afternoon before United States Magistrate Judge James R. Cho.

John J. Durham, United States Attorney for the Eastern District of New York, Jocelyn E. Strauber, Commissioner, New York City Department of Investigation (DOI) and James E. Dennehy, Assistant Director in Charge, Federal Bureau of Investigation, New York Field Office (FBI), announced the arrests and charges.

“The defendants’ brazen and illegal kickback scheme stole money from the City of New York that was intended to provide emergency housing and support services during the pandemic,” stated United States Attorney Durham. “Shamefully, the defendants saw the pandemic as an opportunity to line their pockets with stacks of cash, finance a luxury vehicle, purchase homes and pay off personal debts. While New York City was trying to curb the spread of COVID-19, the defendants exploited a nonprofit organization to enrich themselves. My Office will relentlessly pursue those who steal public funds and deprive members of our community of crucial resources.”

DOI Commissioner Strauber stated: “As charged, these defendants, an Executive Director of a City-funded nonprofit and the principals of the nonprofit’s subcontractors, engaged

in and concealed a bribery and kickback scheme, pocketing millions of dollars of funds intended to provide emergency housing and support services in New York City during the COVID-19 pandemic. I thank the Mayor's Office of Risk Management and Compliance for the referral to DOI that prompted this investigation and the U.S. Attorney's Office for the Eastern District of New York and the FBI for their partnership and commitment to protect critical public resources.”

“These three defendants allegedly pocketed millions of dollars from public funds allocated for emergency housing during the pandemic,” stated FBI Assistant Director in Charge Dennehy. “This alleged kickback scheme abused a program designed to provide a vulnerable population with healthier, unexposed lodging alternatives, to finance enhancements to the defendants’ lifestyles. The FBI will never tolerate any individual who twists public programs into a mechanism to sell services for personal profit.”

As alleged in the indictment, Medina founded and served as the Executive Director and Chief Executive Officer of a non-profit organization that, among other things, provided various reentry services to formerly incarcerated individuals (the “Organization”). In June 2020, the New York City Mayor's Office of Criminal Justice (MOCJ) contracted with the Organization to administer an emergency transitional housing program (the “Emergency Housing Program”), in partnership with local hotels and other businesses, to combat the spread of COVID-19 in New York City jails. The Organization subsequently entered into agreements with various hotels to operate as reentry hotels under the Emergency Housing Program. In total, between June 2020 and December 2023, the Organization received approximately \$122 million in public funds from MOCJ to operate the Emergency Housing Program at these hotels.

Dantzler and Hu each operated or controlled businesses that received tens of millions of dollars in public funds from the Organization under the Emergency Housing Program. Dantzler's company purported to provide security services at the reentry hotels but was not a licensed security company and did not, in fact, provide security services. Hu operated or controlled two hotels in Queens that operated as reentry hotels under the Emergency Housing Program and was a member of a repurposed catering company that provided food services to formerly incarcerated individuals residing at reentry hotels under the Emergency Housing Program.

Medina solicited and accepted bribes and kickbacks from Dantzler and Hu in exchange for Medina providing business through the Organization to Dantzler's and Hu's respective businesses under the Emergency Housing Program. Among other bribes and kickbacks, Dantzler and Hu purchased Medina an approximately \$1.3 million townhouse; Hu, through one of her businesses, financed a luxury vehicle for Medina valued at approximately \$107,000; and Dantzler paid to purchase and renovate a house for Medina for approximately \$750,000.

As depicted in the following photograph, during an in-person meeting in September 2020, Hu also provided Medina with a stack of wrapped U.S. currency in exchange

for two checks from the Organization made out to Hu's catering company, totaling more than \$187,000.



In total, Dantzler and Hu provided Medina with at least \$2.5 million in U.S. currency and in-kind benefits in exchange for Medina steering approximately \$51 million in public funds from the Emergency Housing Program to Dantzler's and Hu's businesses. In turn, Dantzler's security company received approximately \$21 million in public funds from the Organization under the Emergency Housing Program, of which Dantzler personally retained approximately \$9 million in public funds. Hu's hotels received approximately \$12 million in public funds from the Organization under the Emergency Housing Program, while her repurposed catering company received approximately \$17 million in public funds.

The charges in the indictment are allegations and the defendants are presumed innocent unless and until proven guilty.

The government's case is being handled by the Office's Public Integrity Section. Assistant United States Attorneys Meredith A. Arfa, Eric Silverberg and Sean M. Sherman are in charge of the prosecution, with assistance from Paralegal Specialists Kavya Kannan and Rebecca Roth.

The Defendants:

JULIO MEDINA

Age: 64

Clifton Park, New York

CHRISTOPHER DANTZLER

Age: 49

Baldwin, New York

WEIHONG HU
Age: 59
Manhattan, New York

E.D.N.Y. Docket No. 25-CR-54 (RPK)