



The City of New York
Department of Investigation
ROSE GILL HEARN
COMMISSIONER

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

Release #11-2012
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
WEDNESDAY, APRIL 26, 2012

CONTACT: DIANE STRUZZI
(212) 825-5931

DOI ARRESTS TWO ON HOUSING FRAUD CHARGES

Separate cases charge illegal subletting through Craigslist and the theft of \$123,000 in Section 8 funds

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced today the arrest of a Manhattan man charged with stealing public housing funds by posing as the tenant of record at a New York City Housing Authority ("NYCHA") apartment in Manhattan, illegally subletting the apartment, and advertising the sublets on Craigslist. In a separate case, a DOI investigation led to the arrest of a Queens woman who was charged with illegally obtaining \$123,029 in Section 8 benefits over an eight-year period for an apartment in Brooklyn in which she did not reside. The office of Preet Bharara, United States Attorney for the Southern District of New York is prosecuting both cases.

DOI Commissioner Rose Gill Hearn said, "Fraudsters continue to create new ways to profit illegally from public housing benefits and apartments. But DOI investigators are just as innovative, meticulously tracking down the facts and exposing the scams."

SHERMAN GAMBLE, 52, of Manhattan, was charged on Tuesday, April 24, 2012, with Theft of Public Funds. Upon conviction, this federal offense is punishable by up to 10 years in prison.

According to the criminal complaint, tenants of record in NYCHA public housing must submit affidavits of income certifying their annual income, assets, household composition, and income of household members, among other things. DOI's investigation found that the authorized tenant of an apartment in NYCHA's Baruch Houses, who purportedly completed the annual affidavits of income received by NYCHA, actually resided in the State of Washington since at least 2001. The investigation also found the defendant controlled access to the apartment, sublet it to several individuals, filed the annual affidavits of income failing to list the occupants, and even impersonated the authorized tenant in face-to-face meetings with NYCHA, presenting a false identification card. The investigation further revealed that a sublessee who occupied a room in the apartment for at least seven years found the sublet through an ad on Craigslist and paid the defendant approximately \$850 a month in rent, that the living room in the two-bedroom unit was converted into a third bedroom, and that all three rooms were illegally sublet to different individuals.

JOANNE SIMMONS, 50, of Queens, was charged on Wednesday, April 25, 2012, with Theft of Public Funds and False Statements. Upon conviction, these federal offenses are punishable by up to 10 years in prison and up to five years in prison, respectively.

According to the criminal complaint, the defendant was a Section 8 recipient for an apartment in Brooklyn, paid only about \$72 for her share of the rent, and signed affidavits of income annually that falsely stated the apartment was her principal place of residence. The investigation found the defendant actually resided in a home in Queens Village. The defendant's driver's license, voting registration record at the New York City Board of Elections, and a bankruptcy filing each indicated that her residence was in Queens Village. The investigation also found the defendant only visited the Section 8 apartment in Brooklyn to pay rent. As a result of those misrepresentations, the defendant illegally obtained \$123,029 in public funds between 2004 and 2012.

Commissioner Gill Hearn thanked Preet Bharara, U.S. Attorney for the Southern District of New York, and NYCHA Chairman John B. Rhea and their staffs for their assistance and cooperation on this investigation.

The investigation was conducted by DOI's Office of Inspector General for NYCHA.

Assistant U.S. Attorneys Christopher J. Dimase and Damian Williams of the U.S. Attorney's Office for the Southern District of New York have been assigned to prosecute the GAMBLE and SIMMONS cases, respectively.

Criminal complaints are accusations. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

DOI's press releases can also be found at twitter.com/doinews
Get the worms out of the Big Apple. To report someone ripping off the City, call DOI at (212) 825-5959.