



The City of New York
Department of Investigation

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**DOI ARRESTS FOUR INDIVIDUALS ON CHARGES OF DEFRAUDING
THE NEW YORK CITY HOUSING AUTHORITY OF MORE THAN \$44,244**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced the arrests of four individuals on charges of concealing household income in order to obtain more than \$44,244 in housing benefits administered by the New York City Housing Authority ("NYCHA"). Two defendants received Section 8 subsidies and the other two defendants received rent subsidies for apartments at NYCHA developments.

DOI Commissioner Rose Gill Hearn said, "Concealing income to obtain publicly-funded housing subsidies is a foolish act. It's also a crime that saps the City's limited supply of housing funds intended for those households most in need. DOI continues to work with other City and law enforcement agencies to protect those precious resources."

The following individuals were arrested Thursday, August 20, 2009: EMMA MINTER, 49, and SHAKEMA SMITH, 34, both of Brooklyn. Each was charged with Grand Larceny in the Third Degree, a class D felony; three counts each of Offering a False Instrument for Filing in the First Degree and Falsifying Business Records in the First Degree, both class E felonies; and one count of Petit Larceny and three counts each of Falsifying Business Records in the Second Degree and Tampering with Public Records in the Second Degree, which are class A misdemeanors. Upon conviction a class D felony is punishable by up to seven years in prison, a class E felony by up to four years in prison and a class A misdemeanor by up to a year's incarceration.

On Wednesday, August 19, 2009, DELORES DAVISON, 60, of Brooklyn, was charged with Grand Larceny in the Third Degree and three counts each of Offering a False Instrument for Filing in the First Degree and Falsifying Business Records in the First Degree.

The office of Kings County District Attorney Charles J. Hynes is prosecuting the cases against MINTER, SMITH and DAVISON.

On Tuesday, August 18, 2009, CARMEN PALMA, 58, of Puerto Rico, was charged in Manhattan federal court with Theft of Government Funds. Upon conviction, this federal offense is punishable by up to ten years in prison. The office of United States Attorney for the Southern District of New York Preet Bharara is prosecuting the case, which has been assigned to Assistant U.S. Attorney Jason Masimore.

According to the criminal court complaints:

- Between March 2004 and August 2007, MINTER received Section 8 subsidies administered by NYCHA for a privately-owned apartment in Brooklyn. The amount of the subsidies was determined, in part, by the employment and income the defendant reported to NYCHA. DOI's investigation found that MINTER concealed her employment with a private company on Affidavits of Income filed with NYCHA, reporting she was not employed and her household income consisted of public assistance benefits of between \$59 and \$94 every two weeks, when in fact she received an annual income of between approximately \$25,400 and \$29,650. The investigation found that by under-reporting her actual income MINTER defrauded NYCHA of more than \$3,000 in Section 8 subsidies.

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- Between January 2006 and April 2008, SMITH received Section 8 subsidies administered by NYCHA for a privately-owned apartment in Brooklyn. DOI's investigation found that SMITH concealed her employment with the MTA/New York City Transit Authority on Affidavits of Income submitted to NYCHA and on two of them reported that she was not employed and received only public assistance of about \$260 per month, when in fact, SMITH was employed at the MTA/New York City Transit, earned income ranging from \$8,767 in 2005 to \$47,832 in 2007, which she did not report to NYCHA. The investigation found that by failing to report her employment income, SMITH defrauded NYCHA of approximately \$14,004 in Section 8 rental subsidies.
- Between February 2006 and January 2008, DAVISON was a tenant in NYCHA's Carey Gardens in Brooklyn and received rent subsidies that were determined, in part, on what the defendant represented to NYCHA was her household income. DOI's investigation found that DAVISON failed to report to NYCHA that she was employed as a personal assistant and between 2005 and 2007 received income of between \$11,898 and \$45,211. The investigation found that DAVISON reported that her only income came from contributions given by her children that ranged between \$3,600 and \$6,600. Because of the failure to report that income, the investigation found DAVISON defrauded NYCHA of approximately \$9,490.
- Between July 2004 and August 2008 PALMA was a tenant in NYCHA's Washington/Lexington Houses in Manhattan and received rent subsidies administered by NYCHA for the U.S. Department of Housing and Urban Development and signed Affidavits of Income reporting that her household income ranged from \$3,360 to \$3,800 per year. DOI's investigation found that PALMA failed to report to NYCHA that a family member resided with her in the apartment and earned between approximately \$39,128 and \$44,695 from employment with NYCHA as a building caretaker. The investigation found that by misrepresenting her household composition and income PALMA, between August 2004 and December 2007, received more than \$17,750 in housing subsidies to which she was not entitled.

Commissioner Gill Hearn thanked NYCHA Chairman John B. Rhea, Kings County District Attorney Charles J. Hynes and Preet Bharara, U.S. Attorney for the Southern District of New York, and their staffs, for their assistance in this investigation.

These investigations were conducted by NYCHA's Acting Inspector General Kelvin Jeremiah and members of his staff, including Deputy Inspector General Anthony Capek, Deputy Inspector General Bergia Telesford, First Assistant Inspector General Rosemary Caruso, Assistant Inspector General Robin Jacknow, Special Investigator J. Graham Forbes, and Confidential Investigators Martin Lintner and Thomas Kaleda.

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.

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