



Los Angeles Police Department
Los Angeles, California



News Release

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Suspects Arrested for Attempted Bribery of Housing Authority Employee Multi-Agency Operation Nets Multiple Arrests

Los Angeles: The Los Angeles Police Department's Major Crimes Division Criminal Investigation Section, Rampart Division, Housing Authority Investigators, and the United States Department of Housing and Urban Development partnered in a joint investigation that resulted in the arrest of eight suspects for 'Bribery of a Housing Authority Section-8 Advisor.'

Section-8 Housing is a program intended to help low-income families, elderly and disabled persons afford housing in the private market.

In March 2012, the primary suspect approached a Section-8 Advisor for the Housing Authority of the City of Los Angeles (HACLA) and offered \$2,000 for every client the Advisor would bypass and subsequently approve for Section-8 without meeting the required criteria and screening process. The HACLA immediately notified law enforcement officials, prompting a multi-agency operation.

Multiple undercover operations were conducted to substantiate the suspects' criminal intent which resulted in the issuance of numerous search warrants to obtain additional evidence. As a result of these efforts, evidence of the crime were recovered, which included thousands of dollars paid by the suspects to the primary individual in this case as down payment to get the applicants bypassed for the process and approved for Section-8.

It was discovered that some of these applicants and recipients of Section-8 had multiple businesses directly connected to them and again failed to truthfully disclose under penalty of perjury their business and income.

"We are committed to protecting program integrity by cracking down on fraud," said HACLA President and CEO Doug Guthrie. "This program is meant to help struggling families with rental assistance and criminal acts that hinder the mission of this agency will not be tolerated. The agency will pursue legal action against anyone attempting to defraud the agency." Chief Charlie Beck was extremely proud of the collaboration between his investigators and the partnering agencies. "This is the kind of crime that is just deplorable, and the arrests of these seven criminals should serve as a warning to all, that we will continue to actively investigate and arrest anyone who engages in such illegal behavior" said Chief Beck.

The Los Angeles County District Attorney's Office filed multiple felony counts for bribery and fraud against the primary suspect. Based on the evidence recovered, multiple other suspects were identified working in concert with the primary suspect. Strong probable cause was developed for a multi-seven location search and arrest warrants were then conducted in the areas of Glendale, Hollywood, Northeast Los Angeles and West Valley areas. Seven suspects were arrested, and over \$175,000 was recovered during the arrests. The primary suspect pled guilty to bribing a public official.

Housing Authority's Section 8 program has a dedicated fraud investigation unit. Investigators take all allegations seriously and if any fraud is committed, the participant will be removed from the program. In cases involving criminal wrongdoing, the case is turned over to the District Attorney's Office and the HUD Office of Inspector General (OIG). In 2011, HACLA was recognized by OIG for its effort to reduce fraud in the rental assistance program.

Anyone with more information regarding this crime or other Section 8 fraud is encouraged to contact Detective Carlos Llamas, LAPD Major Crimes Division at (213) 486-7220. During non-business hours or on weekends, calls should be directed to 1-877-LAPD-24-7 (1-877-527-3247). Anyone wishing to remain anonymous should call Crime Stoppers at 1-800-222-TIPS (800-222-8477). Tipsters may also contact Crime Stoppers by texting to phone number 274637 (C-R-I-M-E-S on most keypads) with a cell phone. All text messages should begin with the letters "LAPD." Tipsters may also go to www.lapdonline.org, and click on "Anonymous Web Tips." You may also contact HACLA's tip line, www.MySafeWorkplace.com/1-800-461-9330.

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