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ATTORNEY GENERAL RAOUL: COOK COUNTY MAN CHARGED WITH FRAUD

Former Chicago Housing Authority Contractor Allegedly Bribed Applicants Seeking Housing Assistance

Chicago — Attorney General Kwame Raoul today announced charges against a Cook County man for allegedly soliciting bribes from applicants to the Chicago Housing Authority's (CHA) Housing Choice Voucher Program.

Brian Rice, 42, faces 34 charges including forgery, a Class 4 felony; theft by deception of between \$500 and \$10,000, a Class 3 felony; wire fraud, a Class 3 felony; and bribery, a Class 2 felony. Rice will appear in court for a bond hearing on Saturday.

"The defendant used his position and access to abuse a lengthy application process and steal from individuals in need of affordable housing," Raoul said. "My office is committed to holding accountable those who use their positions to line their pockets at taxpayers' expense."

Between October 2018 and January 2019, Rice was an employee of Nan McKay and Associates, which is contracted to administer the CHA's Housing Choice Voucher HCV Program. According to Raoul, Rice used his CHA credentials to solicit bribes from individuals applying to be placed on CHA's waiting list and those already on the list waiting to receive HCVs. The Chicago Housing Authority, Office of the Inspector General opened an investigation after the CHA received more than 50 applications submitted under the same circumstances.

"I would like to commend CHA's Office of the Inspector General for continuing to seek out and identify cases of theft and fraud," said CHA Acting CEO James L. Bebley. "We will not tolerate abuse of CHA programs that are designed to provide housing assistance for CHA's families."

Raoul alleged that between November 2018 and June 2019 – even after his employment was terminated – Rice used his CHA identification card and email to help applicants bypass the waiting list in exchange for several thousand dollars. Upon receiving payment, Rice allegedly provided applicants with an HCV and false information to provide to landlords. Once a landlord submitted the fraudulent information to the CHA, they were informed that neither the HCV nor the required tenant number could be verified.

According to Raoul, individuals allegedly paid between \$1,800 and \$2,500, and it is estimated that Rice collected more than \$116,000 in bribes. While Rice repaid some of the money, in other instances he allegedly changed his phone number so that individuals who paid bribes could no longer contact him.

"Rice perpetrated despicable crimes against the most vulnerable citizens desperate for subsidized affordable housing motivated by his unadulterated greed," said CHA Inspector General Elissa Rhee-Lee. "The OIG applauds the many victims who cooperated with the investigation to exact justice from Rice."

The public is reminded that the defendant is presumed innocent until proven guilty in a court of law.

Assistant Attorney General Jonas Harger is handling prosecution of the case for Raoul's Public Integrity Bureau. Investigator Justin King handled the case for the CHA's Office of the Inspector General.