Third Former NYCHA Superintendent Convicted Of Bribery And Extortion Offenses At Trial

Friday, December 13, 2024

For Immediate Release U.S. Attorney's Office, Southern District of New York

In the Third Trial Following a 70-Person Takedown in February 2024, Corey Gilmore, a Former New York City Housing Authority Superintendent, was Convicted of Bribery and Extortion for Accepting Cash from NYCHA Contractors in Exchange for Awarding Contracts

Damian Williams, the United States Attorney for the Southern District of New York, announced that Corey Gilmore, a former NYCHA superintendent, was convicted of bribery and extortion under color of official right for taking thousands of dollars from contractors in exchange for awarding those contractors no-bid contracts or approving payment on previously awarded contracts at NYCHA developments for approximately six years. The verdict followed a four-day trial before U.S. District Judge Lewis J. Liman.

U.S. Attorney Damian Williams said: "Corruption is an insidious crime—difficult to detect, corrosive in its effect on government agencies, and damaging to the public's trust in government institutions. As a NYCHA Superintendent, Corey Gilmore abused his position of public trust by demanding thousands of dollars of bribes from contractors, betraying his duty to NYCHA residents, the City of New York, and taxpayers. The jury's unanimous verdict sends a clear message that those who use their public offices for personal gain will be held accountable."

According to the evidence presented in court during the trial:

NYCHA is the largest public housing authority in the country, providing housing to New Yorkers across the City and receiving over \$1.5 billion in federal funding from the U.S. Department of Housing and Urban Development ("HUD") every year. When repairs or construction work at NYCHA housing require the use of outside contractors, services must typically be purchased via a bidding process. However, when the value of a contract was under a certain threshold, designated staff at NYCHA developments, including superintendents, could hire a contractor of their choosing without soliciting multiple bids. With either type of contract, a NYCHA employee needed to certify that the work was satisfactorily completed in order for the contractor to receive payment from NYCHA.

GILMORE, a superintendent at three NYCHA developments in the Bronx between 2016 and 2023—Bronx River Houses, Eastchester Gardens, and Forest Houses—demanded and received cash in exchange for NYCHA contracts. GILMORE typically demanded \$1,000 for each contract he awarded. In total, GILMORE demanded and received tens of thousands of dollars in bribes in exchange for hundreds of thousands of dollars in NYCHA contracts.

Of the 70 individual NYCHA employees charged with bribery and extortion offenses in February 2024, 59 have pled guilty, and three have been convicted after trial.

If you believe you have information related to bribery, extortion, or any other illegal conduct by NYCHA employees, please contact OIGNYCHA@doi.nyc.gov or (212) 306-3356. If you were involved in such conduct, please consider self-disclosing through the <u>SDNY Whistleblower Pilot Program</u> at USANYS.WBP@usdoj.gov.

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GILMORE, 46, of Garnerville, New York, was convicted of one count of federal program bribery, which carries a maximum term of 10 years in prison, and one count of extortion under color of official right, which carries a maximum term of 20 years in prison.

The maximum potential sentences in this case are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendant will be determined by the judge.

Mr. Williams praised the outstanding investigative work of the New York City Department of Investigation, U.S. Department of Homeland Security – Homeland Security Investigations ("HSI"), the HUD Office of Inspector General, and the U.S. Department of Labor – Office of Inspector General, which work together collaboratively as part of the HSI Document and Benefit Fraud Task Force, as well as the special agents and task force officers of the U.S. Attorney's Office for the Southern District of New York.

This prosecution is part of an Organized Crime Drug Enforcement Task Forces ("OCDETF") operation. OCDETF identifies, disrupts, and dismantles criminal organizations using a prosecutor-led, intelligence-driven, multi-agency approach. Additional information about the OCDETF Program can be found at https://www.justice.gov/OCDETF.

This case is being handled by the Office's Public Corruption Unit. Assistant U.S. Attorneys Emily Deininger, Matthew King, and Derek Wikstrom are in charge of the prosecution, with the assistance of Paralegal Specialist Braden Florczyk.

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