



Department of Justice

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FOR IMMEDIATE RELEASE

February 28, 2008

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SECOND FORMER TAMPA HOUSING AUTHORITY OFFICIAL PLEADS GUILTY TO CONSPIRACY AND EMBEZZLEMENT CHARGES

Tampa, FL - United States Attorney Robert E. O'Neill today announced CARLTON MILES, a 38-year-old resident of Tampa, Florida, pleaded guilty to conspiracy to defraud the U.S. Department of Housing and Urban Development (HUD) and embezzle funds intended to be used as housing subsidies for low-income families. The maximum penalty MILES faces is ten years' imprisonment, a \$250,000 fine, and three years of supervised release.

According to the plea agreement, MILES was employed as a "Section 8" counselor for the Tampa Housing Authority (THA) from May 2003 to October 2004. The THA receives thousands of dollars each year from HUD to subsidize housing for low-income families, the elderly, and disabled individuals, as part of the Housing Choice Voucher Program, previously known as "Section 8." Prior to March 2004, MILES and another THA counselor discussed ways in which the THA database could be manipulated to facilitate fraud and embezzlement of federal rent subsidies. MILES and the other counselor recruited numerous individuals to serve as bogus landlords, who in fact neither owned approved rental properties, nor had leases with legitimate Section 8 tenants. MILES and

the other counselor caused checks to be issued to these bogus landlords, who cashed them and paid a kickback to the counselors. In all, MILES recruited four men to serve as fictitious landlords, all of whom reside in Tampa and were charged in the same indictment as MILES: Jeffery Larkins, age 41; Joenathan Haile, age 39; Jonathan Denson, age 34; and Brian Montgomery, age 37. All four of these men have pleaded guilty within the past two months to conspiracy to steal government funds. The total amount of HUD funds stolen by CARLTON MILES and his four bogus landlords is \$114,607.

MILES and the four other men listed above were among thirteen individuals charged in December 2007 with theft of federal housing subsidy payments through the bogus landlord scheme. MILES is the seventh person, and the second former THA employee, to plead guilty in the scheme.

The case was investigated by the Department of Housing and Urban Development-OIG. The case was prosecuted by Assistant United States Attorneys Cherie L. Krigsman and Thomas N. Palermo.