




MEMORANDUM
CHICAGO HOUSING AUTHORITY
OFFICE OF THE INSPECTOR GENERAL

To: CHA Board of Commissioners
Tracey Scott, Chief Executive Officer
Cheryl Burns, Chief Housing Choice Voucher Officer

From: Kathryn B. Richards, Inspector General 

Date: January 17, 2023

Subject: Significant OIG Activity – Guilty Plea of former HCV Landlord Lanell Townsend
People v. Townsend, 22-CR-0017401

On January 12, 2023, Lanell Townsend, a former Housing Choice Voucher (HCV) landlord, pleaded guilty in the Circuit Court of Cook County to one count of theft by deception greater than \$100,000.00, relative to a scheme to defraud the Chicago Housing Authority (CHA). He was sentenced to 12 months' probation and ordered to pay restitution to the CHA in the amount of \$106,634.00, including \$20,000 payable on the date of the plea. On the same day, Townsend tendered the \$20,000 payment in court.

The CHA Office of the Inspector General's (OIG's) investigation, worked in conjunction with the U.S. Department of Housing and Urban Development (HUD) OIG, revealed that, from approximately February 2010 to January 2020, Townsend fraudulently received Housing Assistance Payments (HAP) as an HCV landlord by residing with the HCV participant and their daughter in two subsidized properties that he owned.

First, from February 2010 through May 2015, Townsend received payments from the CHA as a landlord for a property he owned in Chicago, IL. Later, from May 2016 to January 2020, Townsend received payments from the Housing Authority of Cook County (HACC) as a landlord for a property he owned in Sauk Village, IL. For both properties, he failed to disclose he resided with the HCV participant and was the father of a minor occupant on the voucher. While receiving HAP for the property in Sauk Village, HACC administered the voucher, but the CHA was still responsible for the HAP funds. In total, Townsend fraudulently received HAP totaling over \$106,000.00.

Prosecution of the matter was handled by the Illinois Attorney General's Office, Special Prosecutions Bureau. The CHA OIG investigation is now closed.