

Fifth person charged in Hempstead Housing Authority scandal

April 14, 2015 By ROBERT E. KESSLER robert.kessler@newsday.com



Peter Caras, a steamfitter, is accused of receiving alleged kickback money for repairs made at Hempstead Housing Authority developments including this one on Yale Street, pictured above. (Credit: Howard Schnapp)

A fifth person has been charged for his alleged role in the \$420,000 Hempstead Housing Authority kickback scandal, his attorney and sources said Tuesday.

Peter Caras, 47, of Hauppauge, was arrested at Kennedy Airport Friday night as he returned from a vacation in Jamaica, said his attorney Edward Sapone, of Manhattan.

Caras, who is accused of splitting a \$9,000 kickback with former housing authority director Stacey Stackhouse, was arraigned before U.S. Magistrate Arlene Lindsay in Brooklyn on Saturday and released on \$150,000 bond. He was not required to enter a plea to the charge of conspiracy to commit wire fraud.

Sapone said Tuesday that his client is "a husband and father who has worked all his life to provide for his family. He has faith in the criminal justice system and is confident that the truth will come out."

According to court documents, Caras, Stackhouse and three contractors arrested earlier this month are accused of involvement in a scheme to vastly inflate the cost of repairs and replacement work at authority developments and pocket the excess charges as kickbacks.

Caras, a steamfitter, is accused of receiving \$9,000 in alleged kickback money in his role as a consultant to the authority and passing half of it back to Stackhouse, according to Sapone and several sources.

The \$9,000 was for his role in the authority's

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payment for a 2011 roof repair at the 32-family Clinton Court development on Yale Street and the 2012 repair of piping and a boiler at the 30-family unit Gladys Gardens development, according to court papers and sources.

A third project in the scheme was identified in court papers as the 2011 project to repair the intercom system at the 75-unit senior citizens development, Totten Towers.

The four are accused of inflating the authority's repair costs by \$420,000, according to the investigation by agents of the inspector general's office of the Department of Housing and Urban Development and the FBI.

Stackhouse, 51, of Dobbs Ferry, and two of the contractors, Demetrios Kaouris, 47, of Plainview, and Michael Lambros, 48, of Jamaica, were each released last week on \$150,000 bond following arraignment in federal court in Central Islip. A third contractor, James Alimonos, 51, of Bethpage, was released later, after he came up with acceptable collateral to support a \$150,000 bond, according to officials.

The four were charged with conspiracy to commit wire fraud. They were not required to enter a plea. Their attorneys have declined to comment.

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