

12-Person Jury

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

_____))
City of Chicago,))
))
Plaintiff,))
)) Case No. 2024CH10682
)) JURY TRIAL DEMANDED
v.))
))
Monique Rhivers,))
))
Defendant.))
_____))

COMPLAINT

Plaintiff City of Chicago files this Complaint because the Defendant has violated the Municipal Code of Chicago. In support, Chicago alleges as follows:

INTRODUCTION

1. Millions of renters struggled to make their monthly payments during the COVID-19 pandemic. To keep Chicagoans in their homes, the City participated in the United States Department of the Treasury’s Emergency Rental Assistance (ERA) program. Through ERA, the City received federal funds that it could use to provide financial assistance for the payment of rent, utilities, and other housing-related costs.

2. In May 2021, the City used ERA funds to launch its Emergency Rental Assistance Program (ERAP). Through ERAP, Chicago tenants who met certain hardship criteria could obtain up to 15 months of missed rental and utility-payment assistance and up to three months of future rent and utility payments. Tenants and landlords could both participate in the application process. When a tenant and landlord both participated in a successful application, the City paid ERAP funds directly to the landlord to cover the tenant’s missed rent.

3. Defendant, Monique Rhivers, who owns and manages a four-unit rental property, saw a profitable opportunity. Rhivers submitted at least five false ERAP applications to the City, seeking \$131,110. Three applications were approved, and Rhivers obtained \$79,355 in ERAP funds.

4. To execute this scheme, Rhivers created and submitted false lease agreements in which she listed as tenants the names of individuals who did not live in her building and did not owe her rent. Then, Rhivers posed as, or worked in concert with, the fraudulently listed tenants to submit false Income Attestation Forms to satisfy the ERAP income criteria.

5. The City brings this action to hold Rhivers accountable for her false claims, which enabled her to profit from a program designed to help struggling Chicagoans stay in their homes during the pandemic.

THE PARTIES

6. Plaintiff City of Chicago is a municipal corporation and a home-rule unit organized and existing under the laws of the State of Illinois.

7. Defendant Monique Rivers is a resident of Cook County, IL, the owner of the buildings located at 7814 S. Winchester Ave. and 2640 W. 85th St., and a former City employee in the Chicago Department of Transportation.

JURISDICTION AND VENUE

8. The Court has subject matter jurisdiction under Article VI, Section 9 of the Illinois Constitution, which grants Circuit Courts original jurisdiction in all causes other than those specifically enumerated therein.

9. The Court has general personal jurisdiction over Rhivers because she resides in Cook County, Illinois.

10. The Court has specific personal jurisdiction over Rhivers because the cause of action alleged herein arises from Rhivers' fraudulent conduct in Illinois.

GENERAL ALLEGATIONS

I. U.S. Treasury's ERA Program

11. The United States Government developed ERA to help cover the unpaid rent and utility expenses of low-income households affected by the economic consequences of the COVID-19 pandemic.

12. The Department of the Treasury disbursed ERA funds to states and other government entities. Government grantees receiving ERA funds were required to abide by the ERA parameters set forth by Congress and by the specific award terms set forth by the Department of the Treasury.

II. Chicago's Emergency Rental Assistance Program

13. The City received \$182.06 million in ERA funds. The Chicago City Council authorized the City's Department of Housing to use the ERA funds to create and administer ERAP.

14. Under ERAP, Chicago tenants whose applications were approved could receive a one-time grant matched to their specific need for up to 18 months.¹ Assistance included up to 15 months of missed rent and utility payments and up to three months of future rent and utility payments.

15. The City paid rental assistance grants directly to the landlord, unless the landlord did not complete their portion of the application.

¹ The City received two rounds of funding from the Department of Treasury. The first round, ERA-1, allowed for up to 15 months of rental assistance, and the second round, ERA-2, allowed for up to 18 months assistance.

16. Chicago tenants were eligible to receive ERAP assistance if they submitted information showing that:

- a. The applied-for housing unit was in Chicago and was the applicant's primary residence;
- b. The household experienced a financial hardship, including a loss of income or increased expenses, due to the COVID-19 pandemic; and
- c. The household's combined income in 2021, or at the time of the application, was below 80% of the Area Median Income (AMI), with preference given to households that make less than 50% of AMI. The income maximums, based on the number of people in the household, are in the right column of the table below.

Number of People in Household	50% Area Median Income (Preference)	80% Area Median Income (Eligibility)
1	\$32,600	\$52,200
2	\$37,300	\$59,650
3	\$41,950	\$67,100
4	\$46,600	\$74,550
5	\$50,350	\$80,550
6	\$54,100	\$86,500

17. ERAP also required tenant applicants to provide the following documentation in support of their applications:

- a. A government-issued photo ID;
- b. Proof of address (if the address on the ID was not current), such as a bank, credit card, or utility statement, a lease, or other document showing the tenant's current address;

- c. Proof of household income, such as paystubs, tax filings, bank statements, a signed statement from an employer or case worker, or a signed statement from the applicant; and
 - d. Proof of the monthly rent amount, such as a lease, a statement from the tenant's landlord, a bank statement, a check stub, or other documents showing a pattern of paying rent.
18. When a tenant submitted an ERAP application, the City contacted the tenant's landlord to obtain additional information. ERAP required landlords to provide the following documents in support of ERAP applications:
- a. Proof of property ownership, such as a tax filing, property tax bill, deed, or mortgage document;
 - b. The property management agreement (if a property manager was applying on behalf of the unit owner); and
 - c. The tax identification number of the property owner.
19. If the landlord completed their portion of the ERAP application, the City reviewed the application for approval. If approved, the City issued a check to the landlord.
20. ERAP did not allow applicants—whether tenants or landlords—to receive rental assistance for the same months from different government assistance programs.

III. Rhivers' Scheme

21. Rhivers owns two properties in Chicago: a four-unit rental property at 7814 S. Winchester Ave. During the pandemic, Rhivers knowingly submitted multiple false ERAP applications in pursuit of personal financial gain. As a purported landlord, Rhivers created false lease agreements in which she claimed that certain individuals, at least one of whom was a personal

acquaintance, were renting units in her building and owed her unpaid rent. Then, Rhivers either posed as, or worked in concert with, the fraudulently listed tenants to submit false Income Attestation Forms or other documents that misrepresented the purported tenants' ERAP eligibility.

22. Rhivers' ERAP applications are facially suspicious. First, each included an "Income Attestation Form" to satisfy the ERAP income criteria, rather than W-2s or other accepted documents. Multiple Forms were signed electronically and one omitted a signature block.

23. Second, all of the lease agreements begin on January 1, 2020, and request unpaid rent for the same period—summer 2020 through summer 2021.

24. Beyond these facial indicators of fraud, Rhivers' ERAP applications included documents that misrepresented tenant identity, tenant residence, tenant income, and rent owed. These misrepresentations were material to a tenant's ERAP eligibility. *See supra* ¶¶ 16-17.

25. Rhivers obtained checks from the City in connection with the following three units at 7814 S. Winchester Ave.

A. Basement Unit Application - \$21,455

26. In June 2021, Rhivers applied to the City for \$21,455 in ERAP funds for a "Basement Unit" to her rental property at 7814 S. Winchester. Rhivers sought \$1,435 a month for allegedly unpaid rent from July 2020 through September 2021 and claimed she was renting to Individual A.

27. Pretending to be Individual A, or in concert with Individual A, Rhivers submitted or caused Individual A to submit: Individual A's passport, an Income Attestation Form stating that Individual A had no qualifying income, and a lease agreement beginning January 2020 between Rhivers and Individual A.

28. Rhivers knowingly made or caused Individual A to make the following material misrepresentations to the City in her ERAP submission for the basement unit.

29. First, Rhivers submitted a lease agreement falsely stating that Individual A was renting the Basement Unit and owed her rent. A commercial research database listed a different address for Individual A; the City could find no documentation linking Individual A to 7814 S. Winchester. Indeed, Individual A created social media posts that showed Individual A living in a luxury high rise apartment in the South Loop at the time of Rhivers' ERAP application. Individual A likewise filed business documents with the Illinois Secretary of State listing the South Loop address as the "Principal address" of Individual A's corporation. In addition, utility and water records for 7814 S. Winchester suggest that no utilities or water accounts were set up for a basement unit, making it highly unlikely that somebody lived there during the applied-for period.

30. Rhivers' misrepresentation that Individual A lived in the basement unit of 7814 S. Winchester is material because ERAP's identity-specific criteria require the applied-for unit to be the applicant's primary residence, *see supra*, ¶ 16(a), and require documentation to prove the applicant's address and rent owed, *see supra* ¶ 17(b, d).

31. Second, Rhivers knowingly submitted or caused the submission of an Income Attestation Form that falsely stated that Individual A had no qualifying income in 2020. Individual A's public LinkedIn profile shows that they worked as a Senior Property Manager for a Chicago-based real estate company at the time. Publicly available postings list the salary of similar positions in Chicago as over \$65,000. Individual A's Illinois Secretary of State business filings, moreover, show that the amount of paid-in-capital for Individual A's corporation was \$10,000 as of March 2021 (three months before Individual A's ERAP application). Individual A also composed several social media posts in the summer of 2021 highlighting Individual A's

ownership of expensive, high-end merchandise, including products from Burberry, Fendi, and Gucci.

32. Lying about Individual A's income is a material misrepresentation because it makes Individual A ineligible for ERAP funds—\$65,000 exceeds the 80% Area Median Income requirement for ERAP eligibility. *See supra*, ¶ 16(b).

33. Rhivers' material misrepresentations caused the City to approve the ERAP application for the Basement Unit and pay Rhivers \$21,455.

B. Unit 1 - \$29,025

34. In July 2021, Rhivers applied to the City for \$29,025 in ERAP funds for Unit 1 of her rental property at 7814 S. Winchester. Rhivers sought \$1,935 a month for allegedly unpaid rent from July 2020 through September 2021 and claimed she was renting to Individual B.

35. Pretending to be Individual B, or acting in concert with Individual B, Rhivers submitted or caused Individual B to submit: Individual B's driver's license, an Income Attestation Form stating that Individual B had no qualifying income, and a lease agreement beginning January 2020 between Rhivers and Individual B.

36. Rhivers knowingly made or caused Individual B to make the following material misrepresentations to the City in her ERAP submission for Unit 1.

37. First, Rhivers knowingly submitted a lease agreement falsely stating that Individual B was renting Unit 1 and owed her unpaid rent. A state driver's license issued in December 2020 and a commercial database list a different address for Individual B. Individual B likewise submitted documents to the Illinois Secretary of State in which they listed this other address as Individual B's address, not 7814 S. Winchester Ave. And Individual B submitted two ERAP applications under that different address, beginning in January 2022. Further, ComEd

records show a third-party individual, not Individual B, consistently made utility payments for Unit 1 during the purported lease period. A commercial database similarly shows that the individual who made the utility payments lived in Unit 1 during the lease period.

38. The tenant's identity is material because ERAP's identity-specific criteria require the applied-for unit to be the applicant's primary residence, *see supra*, ¶ 16(a), and require documentation to prove the applicant's address and rent owed, *see supra* ¶ 17(b, d).

39. Second, Rhivers knowingly submitted or caused the submission of an Income Attestation Form that falsely stated that Individual B had no qualifying income in 2020. Individual B represented on LinkedIn that they worked as a Health Information Manager at an assisted living facility during the lease period. Individual B submitted a copy of a paystub to the City in connection with a different ERAP application that confirmed Individual B was being paid by the same company listed on LinkedIn at least as of 2022. In addition, public records indicate that Individual B received a Payroll Protection Plan loan of over \$20,000 in March 2021.

40. Lying about Individual B's income is a material misrepresentation because, on information and belief, Individual B's income makes them ineligible for ERAP funds. *See supra*, ¶ 16(c).

41. Rhivers' material misrepresentations caused the City to approve the ERAP application for Unit 1 and pay Rhivers \$29,025.

C. Unit 3 - \$28,875

42. In December 2021, Rhivers applied to the City for \$28,875 in ERAP funds for Unit 3 of her rental property at 7814 S. Winchester Ave. Rhivers sought \$1,925 a month for allegedly unpaid rent from May 2020 through July 2021 and claimed that she was renting Unit 3 to Individual C.

43. Pretending to be Individual C, or in concert with Individual C, Rhivers submitted or caused Individual C to submit: Individual C's identification card, an Income Attestation Form stating that Individual C had an annual income of \$0 in 2020, and a lease agreement beginning January 2020 between Rhivers and Individual C.

44. Rhivers knowingly made or caused Individual C to make the following material misrepresentations to the City in her ERAP submission for Unit 3.

45. First, the tenant-side submission provided by Rhivers and/or Individual C lied about Individual C being a tenant at Unit 3. Rhivers and/or Individual C submitted a false lease agreement listing Individual C as the tenant, but Individual C's State Identification Card and a commercial database search showed that Individual C lived elsewhere.

46. Individual C's tenancy was also contradicted by Rhivers' own landlord-side submission: Rhivers submitted a lease agreement listing a third-party individual, not Individual C, as the tenant.

47. Moreover, the lease provided with Rhivers' landlord-side submission identified the monthly rent as \$1,825. By contrast, the lease provided with the tenant-side submission identified the monthly rent as \$1,925. Rhivers requested and received the latter, larger amount in ERAP funds.

48. Second, Rhivers submitted or caused Individual C to submit a false Income Attestation Form. While Individual C claimed that they earned no income in 2020, employment records the City obtained demonstrate that Individual C earned over \$60,000 in 2020. This is a material misrepresentation because it makes Individual C ineligible for ERAP funds—\$60,000 exceeds the 80% Area Median Income requirement for ERAP eligibility. *See supra*, ¶ 16(c).

49. Court records further demonstrate that Rhivers and Individual C are acquainted outside of the landlord tenant relationship—a public court filing shows that they have been involved in an ongoing family law case since 2016.

50. Rhivers' material misrepresentations caused the City to approve the ERAP application for Unit 3 and pay Rhivers \$28,875.

D. Rhivers' Other ERAP Applications

51. In addition, Rhivers submitted or assisted in the submission of two ERAP applications for 7814 S. Winchester Ave., Unit 2.

52. These applications, like the applications described more fully above, included material false statements about tenants. While unsuccessful, Rhivers knowingly attempted to gain an additional \$51,755 from the City through these applications.

53. Rhivers' application for Individual D provides an example.

54. In February 2022, Rhivers applied to the City for \$25,900 in ERAP funds for Unit 2 of her rental property at 7814 S. Winchester. Rhivers sought \$1,850 a month for allegedly unpaid rent from May 2020 through June 2021 and claimed that she was renting the unit to Individual D.

55. Pretending to be Individual D, or acting in concert with Individual D, Rhivers submitted or caused Individual D to submit: Individual D's identification card, an Income Attestation Form stating that Individual D had an annual income of \$0 in 2020, and a lease agreement beginning January 2020 between Rhivers and Individual D.

56. Rhivers knowingly submitted or caused Individual D to submit a false lease agreement stating that Individual D was renting Unit 2. A state identification card and commercial database list a different address for Individual D. Public court records likewise indicate that Individual D had entered into a lease for a different property for the same timeframe claimed by

Rhivers. In connection with another ERAP application, Rhivers submitted a lease for the same unit and timeframe with a different individual.

57. The tenant's identity is material because ERAP's identity specific criteria require the applied-for unit to be the applicant's primary residence, *see supra*, ¶ 16(a), and require documentation to prove the applicant's address and rent owed, *see supra* ¶ 17(b, d).

58. The City rejected this application due to exhausted ERAP funding. Even so, Rhivers knowingly made material misrepresentations to acquire an additional \$25,900 in ERAP funds.

IV. Rhivers Invokes the Fifth Amendment.

59. In May 2023, the City served Rhivers with an investigative subpoena. The subpoena contained sixteen requests for information about Rhivers' ERAP applications.

60. In July 2023, Rhivers informed the City that she would not provide any information in response to the subpoena because she was invoking her Fifth Amendment right against self-incrimination. At the same time, Rhivers requested the City consider working out a repayment plan.

61. The City accordingly spent the next 8 months negotiating a repayment plan with Rhivers through her counsel. In March 2024, the parties were close to finalizing an agreement when Rhivers fired her attorney and hired new counsel. Later that month, Rhivers' new counsel informed the City that Rhivers would not provide information and was no longer interested in pursuing any sort of settlement.

COUNT 1

Violation of the False Claims Ordinance

62. The City incorporates all preceding allegations as if they were set forth herein.

63. The False Claims Ordinance provides that any person who knowingly makes a false claim to the City “is liable to the city for a civil penalty of not less than \$5,000.00 and not more than \$10,000.00, plus three times the amount of damages which the city sustains because of the act of that person.” MCC § 1-22-020(a).

64. A person makes a false claim when the person “knowingly presents, or causes to be presented, to an official or employee of the city a false or fraudulent claim for payment or approval,” “knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the city,” or “conspires to defraud the city by getting a false or fraudulent claim allowed or paid.” *Id.*

65. Rhivers knowingly made materially false claims as described above in violation of MCC § 1-22-020, including by submitting ERAP applications that (a) falsely identified tenants and the incomes of tenants; and (b) providing forged or falsified income attestation forms and leases.

66. These materially false claims caused the City to pay ERAP funds to Rhivers in three cases. In others, the false claims were nonetheless material in that they had the natural tendency to influence the City’s decisions about whether to grant rental assistance.

67. The City respectfully requests that the Court enter an order (a) awarding judgment in the City’s favor on Count I; (b) declaring that Rhivers violated MCC § 1-22-020(a); (c) assessing Rhivers fines of \$10,000 for each false claim made to the City; (d) awarding the City the costs of its investigation and suit, including reasonable attorneys’ fees and costs; (e) assessing

Rhivers three times the amount of damages sustained by the City; and (f) awarding such other relief as this Court deems reasonable and just.

JURY DEMAND

Chicago requests a trial by jury of all claims.

Dated: December 10, 2024

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