Old knish bakery tied to loansharking

New York City's oldest knish bakery may have been involved in a lot more than making pastries, according to charges filed by the city's Department of Investigation and the Federal Bureau of Investigation.

The owner of Yonah Schimmel's Kosher Bakery at 137 E. Houston St., for generations a favorite of 14 people on Feb. 2, including three employees of the New York City Human Resources Administration, on charges commonly known as loansharking. The knish bakery was cited as a drop-off and pick-up point for the illegal loans, according to the allegations. An arrest warrant has also been issued for Shlidie Keltz, the owner of Yonah Schimmel's. Officials know he is out of the country and believe he is in Russia.

"If he returns, he will be arrested," Lawrence Gerecz, of the United States Attorney's Office, said.

The bakery is still operating and a man who identified himself as the manager said he did not know when Keltz would be back. However, he did say he knows he is in Russia.

"He doesn't tell me anything," the man said in broken English. "He comes back when he wants to."

The "managers" said the only thing he knows about the investigation is what he read in the newspaper.

"The investigation is continuing and more arrests are expected," Gerecz said. "Any employee of the knish bakery are being investigated."

According to the District Attorney's Office and the FBI, leader of the loansharking ring, Harvey Ochilch, had loaned money to three H.R.A. employees, Joe Bridges, Keesha Robinson and Lucannelaw, Alfred Distefuno of the Lower East Side and Marvin Perkins of the Bronx. But Ochilch's customers quickly volunteered to be his employees and the three got involved in the loansharking.

D.A.'s Office is probing Pueblo Nuevo Housing

By Michael Haberman

The District Attorney's Office has launched an investigation into the Pueblo Nuevo Housing and Development Company, one of the Lower East Side's largest housing organizations. Just weeks after its executive director left.

In a Jan. 30 letter, Pueblo Nuevo's chairman, Robert Lee, announced that his executive director, Robert Caballero, had left the non-profit corporation.

Pueblo Nuevo manages hundreds of low-income housing units. Some of the buildings are owned by New York City, some are low-income co-ops and some are rental buildings. The group managed as many as 600 units at one time but some buildings are reported to have been sold at the time.

Several members then resigned from the board and now there are only two people on the board, although the bylaws require at least seven.

In January, Caballero was reportedly told by the board chairman, Father Dominic, to submit his resignation or be fired. He submitted the resignation but then went to the board, which overturned the resignation. However, Father Dominic, according to sources, refused to accept that and the resignation was submitted.

Before he resigned, Caballero convinced the board to hire Lisa Kaplan and Josephine Dunk, the two people who are now the "Transit Advocacy Committee," according to Father Dominic's letter. Kaplan was a member of the board who resigned and Kaplan is said to be a friend of Caballero.

Kaplan, who could not reach for comment, served as the executive director of Pueblo Nuevo for 18 years and has been a member of the Cooper Square Housing Development Corporation.

U.D.C. report may hold fate of conservancy

Governor George Pataki's budget proposal sheds no light on the future of the Hudson River Park Conservancy but a report on the conservancy'sParamount, the U.D.C., could do so as early as today.

The Park budget did not, according to people who have inspected the 80-page document, even mention H.R.P.C. But the budget did mention the U.D.C. and Pueblo took the axe to it - a capital budget of $14 million was reduced to $72 million.

Some people see the fact that there were so few specifics on the H.R.P.C. as a good sign because most of the programs mentioned specifically in the budget were eliminated or had their funding drastically reduced.

"The budget didn't seem to address the project directly which I see as a good sign because the ones addressed directly were cut," Community Board 2 Chairperson Carol Feiman, who is also a member of the conservancy'sAdvisory Board, said. "Hopefully that will hold under consideration."

Assemblymember Richard Gottfried said he does not remember H.R.P.C. ever being a separate line in the budget, while Assemblymember Deborah Glick said H.R.P.C.'s absence is characteristic of the lack of specificity throughout the entire budget.

Yesterday, a spokesperson for the Governor's office said a thorough report on U.D.C. would be released, probably today.

So now all eyes are looking at the Governor and the man he appointed to be his H.R.D.C. James Gargano. For those who oppose