



The City of New York
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Release #100-2008
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
MONDAY, NOVEMBER 3, 2008

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**DOI INVESTIGATION LEADS TO ARREST OF
CITY TRANSIT AUTHORITY EMPLOYEE ON FEDERAL HOUSING FRAUD CHARGE**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced the arrest today of HERMAN ANGEL on a federal charge of concealing his income as an employee with the New York City Transit Authority to collect \$49,989 in Section 8 rent subsidies he was not entitled to receive. The office of Michael J. Garcia, the United States Attorney for the Southern District of New York, is prosecuting the case.

ANGEL, 54, of Pottsville, Pennsylvania, has been charged with violating 18 USC §641 by fraudulently obtaining rental subsidies between 2004 and 2006 from the U.S. Department of Housing and Urban Development ("HUD") he was not entitled to receive. If convicted, he faces up to 10 years in prison. The Section 8 housing subsidies in this investigation were administered by the New York City Department of Housing Preservation and Development (HPD) and funded by HUD.

ANGEL has been employed by the City Transit Authority since 1991. He is Superintendent of Operations and currently receives an annual salary of approximately \$87,850.

DOI Commissioner Rose Gill Hearn said, "Anyone thinking about falsifying income to steal valuable housing funds should instead heed the warning of this arrest. DOI is actively working with its City and law enforcement partners to root out that kind of criminal behavior and preserve precious housing funds for those who need them."

According to the criminal complaint, from at least September 2004 through September 2006, ANGEL was receiving Section 8 subsidies as a resident in a Manhattan apartment. To obtain those subsidies, he submitted documents to HPD reporting that he was self-employed and earned \$49,000 annually and that his wife was unemployed. DOI's investigation found that during those years ANGEL was actually employed by the City Transit Authority and that he received at least \$82,397 in 2004 and at least \$77,514 in 2005 and that in 2006, by August, he had earned \$50,762. In addition, the investigation found that ANGEL's wife worked as a temporary employee; that the couple owned property in Bushkill, Pennsylvania; and that they were also listed at an address in Pottsville, Pennsylvania. Investigators also found that ANGEL had concealed the couple's income and assets from HPD and that by falsely reporting and misrepresenting his income, addresses and assets, he had illegally obtained \$49,989 in rental subsidies.

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The Section 8 rental assistance program is a federal government program for helping low-income individuals to afford housing in the private market. A housing subsidy is paid each month directly to the landlord on behalf of the participating individual, and that individual pays the difference between the actual rent and the amount subsidized by the Section 8 program.

DOI Commissioner Gill Hearn thanked HPD Commissioner Shaun Donovan and Rene Febles, Special Agent in Charge of the HUD Office of the Inspector General in New York, and members of their staffs, for their assistance and cooperation during the investigation. Commissioner Gill Hearn also thanked Michael J. Garcia, United States Attorney for the Southern District of New York, whose office is prosecuting the case, which has been assigned to Assistant U.S. Attorney Kenneth A. Polite.

This investigation was conducted by DOI's Office of the Inspector General for HPD, under the supervision of Associate Commissioner Julie Block and Deputy Inspector General David Jordan.

Criminal complaints are accusations. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

**Get the worms out of the Big Apple.
To report someone ripping off the city, call DOI at (212) 825-5959.**