

United States Attorney Southern District of New York

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FORMER NYC DEPARTMENT OF CORRECTIONS CHAPLAIN CHARGED IN MANHATTAN FEDERAL COURT WITH \$200,000 HOUSING FRAUD

PREET BHARARA, the United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced today the unsealing of a Complaint charging LEIB GLANZ and MENASHE GLANZ with one count of conspiracy to commit theft of federal funds and one count of theft of federal funds in connection with a \$200,000 housing fraud scheme. The defendants voluntarily surrendered to the U.S. Attorney's Office this morning.

Manhattan U.S. ATTORNEY PREET BHARARA stated: "As alleged in the complaint, Leib and Menashe Glanz engaged in a years-long subterfuge to take criminal advantage of federal housing subsidies. Especially in these trying economic times, we cannot tolerate stealing from the public. I commend the investigative work of the DOI that brought this fraud to light."

DOI Commissioner ROSE GILL HEARN stated: "Recipients of scarce Section 8 benefits are required to follow strict regulations that include accurately reporting their residency and household composition. The defendants deceived the City's housing agencies and stole over \$200,000 in public housing funds, according to the criminal complaint, making this the largest individual case of tenant fraud investigated by DOI. This kind of fraud depletes the precious taxpayer dollars available to individuals in need of housing assistance. DOI and the U.S. Attorney's Office for the Southern District of New York worked together to uncover and stop this pernicious abuse."

According to the Complaint, which was unsealed earlier today in Manhattan federal court:

LEIB GLANZ is a former Chaplain with the New York City Department of Corrections who worked at the Brooklyn Detention Complex, in Brooklyn, New York, and the Manhattan Detention Complex, in New York, New York, from October 2000 though June 2009.

From 1996 through September 2011, LEIB GLANZ and his brother, MENASHE GLANZ, participated in a scheme to fraudulently obtain Section Eight Program housing benefits. Under the Section Eight Program, the U.S. Department of Housing and Urban Development ("HUD") subsidizes the rent of low-income tenants who meet certain income and eligibility requirements. In New York City, this program is administered by the New York City Housing Authority ("NYCHA") and the New York City Department of Housing Preservation and Development ("HPD").

As part of this scheme, MENASHE GLANZ applied for and obtained Section Eight housing benefits to live in an apartment located in Brooklyn, New York (the "Section Eight Apartment"). After obtaining these benefits, MENASHE GLANZ permitted his brother LEIB GLANZ to permanently reside at this apartment from at least 1996 through September 2011, while MENASHE GLANZ lived at another apartment that was not subsidized by the Section Eight Program. Additionally, according to documents submitted to NYCHA and HPD, LEIB GLANZ previously signed contracts with NYCHA on behalf of the landlord of the Section Eight Apartment, the United Talmudical Academy, which also purportedly employed MENASHE GLANZ. In the course of this scheme, LEIB GLANZ and MENASHE GLANZ defrauded NYCHA and HPD of over \$220,000.

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LEIB GLANZ, 53, of Brooklyn, New York, and MENASHE GLANZ, 49, of Brooklyn, New York, each face a maximum total sentence of 15 years in prison if convicted.

Mr. BHARARA praised the investigative work of DOI, especially DOI's NYCHA Office of Inspector General in this investigation.

The case is being handled by the Office's Public Corruption Unit. Assistant United States Attorney STEVE C. LEE is in charge of the prosecution.

The charges contained in this Complaint are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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