

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon. Jose L. Linares
v. :
: Criminal No. 17-
LUIS CANCEL :
: 18 U.S.C. § 371

INFORMATION

The defendant having waived in open court prosecution by indictment, the Acting United States Attorney for the District of New Jersey charges:

Defendant and his Co-Conspirator

1. At all times relevant to this Information:
 - a. Defendant LUIS CANCEL resided with co-conspirator Individual 1 in an apartment located at 248 North 10th Street in Newark, New Jersey (the "248 North 10th Apartment"). CANCEL was employed as a police officer with the Newark Police Department and as a security guard with the Robert Treat Hotel.
 - b. Individual 1 received low-income rental assistance from the Newark Housing Authority ("NHA"), located in Newark, through a federally-funded low-income housing benefits program (the "Section 8 Program").

The Section 8 Housing Program

2. The U.S. Department of Housing and Urban Development ("HUD") was an agency of the United States. HUD, among other things, provided federal grant money to NHA via the Section 8 Program. The Section 8 Program was a federal public housing assistance program administered by HUD that provided

rent subsidies to qualified low-income individuals and households.

3. Under the Section 8 Program, a tenant's rent was based upon the tenant's anticipated family gross annual income less deductions, such as dependents, disabilities and medical claims. Annual household income was the anticipated income from all sources received from the members of the household, including any members of the family 18 years of age or older.

4. Individuals receiving Section 8 rental assistance through NHA were required to submit applications and certifications that, among other things, truthfully set forth the members of the household and the annual household income.

The Conspiracy

5. From in or about January 2010 to in or about May 2015, in Essex County, in the District of New Jersey, and elsewhere, defendant

LUIS CANCEL

did knowingly and intentionally conspire and agree with Individual 1 to commit an offense against the United States, that is, to embezzle, steal, purloin, and convert to his own use and to the use of Individual 1, money and things of value of a department and agency of the United States, that is, HUD, contrary to Title 18, United States Code, Section 641.

Goal of the Conspiracy

6. The goal of the conspiracy was for defendant LUIS CANCEL and Individual 1 to obtain federally-funded low-income housing benefits to which

they were not entitled by submitting false and fraudulent information, applications, and certifications to the NHA.

Manner and Means of the Conspiracy

7. It was part of the conspiracy that:
 - a. Defendant LUIS CANCEL earned income from his employment with the Newark Police Department and the Robert Treat Hotel.
 - b. Individual 1 submitted annual forms to the NHA to qualify for Section 8 rental subsidies that failed, among other things, to list defendant LUIS CANCEL as a member of the household and to include defendant LUIS CANCEL's income.
 - c. Defendant LUIS CANCEL submitted annual letters to the NHA stating that he contributed child support to Individual 1 for the care of their daughter, in which he included a false return address for himself for a residence at which he did not reside.
 - d. Based upon their misrepresentations, defendant LUIS CANCEL and Individual 1 received thousands of dollars in annual low-income rental subsidies to which they were not entitled.


Overt Acts

8. In furtherance of the conspiracy and in order to achieve the goal thereof, defendant LUIS CANCEL and Individual 1 committed and caused to be committed the following overt acts, among others, in the District of New Jersey and elsewhere:

a. In or about April 2013, in Newark, Individual 1 submitted to the NHA a housing assistance eligibility form that: (i) falsely failed to include defendant LUIS CANCEL as an individual residing at the 248 North 10th Apartment in the section entitled "Household Composition"; and (ii) falsely failed to include defendant LUIS CANCEL's Newark Police Department and Robert Treat Hotel income in the section entitled "Income Information."

b. On or about April 25, 2013, defendant LUIS CANCEL signed and submitted a letter to the NHA, in Newark: (i) stating that he provided \$100 in child support on a bi-weekly basis to Individual 1; (ii) omitting that he resided at the 248 North 10th Apartment and earned income from the Newark Police Department and the Robert Treat Hotel; and (iii) falsely including a return address for a residence in Belleville, New Jersey, at which defendant LUIS CANCEL did not actually reside.

In violation of Title 18, United States Code, Section 371.

William E. Fitzpatrick by 
WILLIAM E. FITZPATRICK
Acting United States Attorney