

UNITED STATE OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Washington, D.C.

In the Matter of:

CHAIM PURETZ,

Respondent.

24-AF-0274-DB-004

October 1, 2024

DEBARRING OFFICIALS' DETERMINATION

Information and Background

By Notice of Suspension dated April 17, 2024 (“Notice”), the U.S. Department of Housing and Urban Development (HUD) notified CHAIM PURETZ (“Respondent”) that HUD suspended him from future participation in procurement and non-procurement transactions as a participant or principal with HUD and throughout the Executive Branch of the Federal Government. The Notice advised the Respondent that this action is in accordance with the procedures set forth at Title 2, Code of Federal Regulations (C.F.R.), Parts 180 and 2424 and was based on a criminal information, filed on March 26, 2024, in the Marion, Indiana Superior court, Case No. 49D32-2403-F5-008520, charging Respondent with corrupt business influence and twelve counts of theft. The criminal information alleges that from approximately 2020 through January 2023, the Respondent stole over \$1.6 million in utility payments from the residents of several multifamily properties in Indianapolis. The Respondent was also notified that his suspension is for a temporary period pending the outcome of the criminal proceedings or any related debarment action.

In a letter dated May 16, 2024, the Respondent, through his attorney, submitted a Request for Hearing, which included responses as to why HUD’s suspension should be terminated. On May 24, 2024, the Suspending Official referred the suspension to the Office of Hearings and Appeals to conduct a hearing and provide a recommendation for decision. The referral was docketed and the matter was scheduled for hearing in accordance with 2 C.F.R. § 180.745

HUD timely filed the Government’s Motion for Judgment on the pleadings pursuant to 2 C.F.R. § 26.16(a) on July 3, 2024. The Respondent did not file a response to the Government’s Motion.

DISCUSSION

This matter was before the Tribunal (Office of Hearings and Appeals) pursuant to a referral from the Suspending Official requesting a Recommended Decision regarding HUD's suspension of Respondent from procurement and nonprocurement transactions. An Order Granting Motion for Judgement on the Pleadings and Recommended Decision dated August 26, 2024, under 2 C.F.R. Parts 180 and 2424, among other things, the Administrative Judge found that HUD demonstrated that no genuine issues of material fact exist in this matter. The Respondent, who is Subject to federal Suspension Regulations, has been charged with one count of corrupt business influence and twelve counts of theft in Marion County, Indiana.

I have carefully read through the Recommended Decision, especially the facts found by the Administrative Judge, and do not dispute his findings in that regard. The Respondent's arguments, as stated in the May 16, 2024, letter from his attorney, included that the Indiana action (criminal information) is without merit, that Respondent is entitled to the presumption of innocence and his suspension based on the criminal information raised Fifth Amendment Due Process Concerns, and finally, that the four apartment complexes at-issue in the criminal information do not receive federal assistance from HUD.

Federal regulations provide that a criminal information or indictment constitutes adequate evidence for purposes of suspension actions. See 2 C.F.R. §§ 180.705, 180.955. Additionally, a respondent is not entitled to an additional opportunity to fact-finding where the suspension is based on a criminal information or indictment. 2 C.F.R. § 180.735(a)(1). The Respondent here is subject to suspension as he is an active participant in HUD programs (Section 8 housing assistance). The fact that the alleged criminal misconduct does not involve HUD-assisted properties is immaterial. Any adequate evidence to suspect the commission of a serious offense listed under 2 C.F.R. § 180.800 or any other offense indicating a lack of business integrity or honesty is cause for suspension. See 2 C.F.R. § 180.700(a). As such, Respondent's arguments fail to provide a valid basis to terminate his suspension.

Conclusion

Accordingly, based on the administrative record, and in particular the Recommended Decision, I have determined in accordance with 2 C.F.R. §§ 180.700 and 180.705 to affirm your Suspension dated April 17, 2024. Your suspension is for a temporary period pending the outcome of the criminal proceedings or any related debarment action. The Department will notify you when your suspension is terminated.

MARK BORUM
Digitally signed by: MARK BORUM
DN: CN = MARK BORUM C = US O = U.S.
Government OU = Department of Housing and
Urban Development, Office of General Counsel
Date: 2024.10.01 14:42:30 -04'00'

Mark G. Borum, Debarring Official