



U.S. Department of Justice

*United States Attorney
Eastern District of New York*

*One Pierrepont Plaza
Brooklyn, New York 11201*

*Mailing Address: 147 Pierrepont Street
Brooklyn, New York 11201*

FOR IMMEDIATE RELEASE

June 15, 2006

Contact:

**Robert Nardoza
United States Attorney's Office
(718) 254-6323**

PRESS RELEASE

**CONTRACTOR SENTENCED TO 30 MONTHS IMPRISONMENT ON
FEDERAL CHARGES IN CONNECTION WITH BROOKLYN BUILDING
COLLAPSE AND MAIL FRAUD SCHEME**

KANG YEON LEE, a contractor and owner of Big Apple Development and Construction ("Big Apple"), was sentenced to 30 months' imprisonment and two years of supervised release for having caused the death of a worker by willfully failing to comply with Occupational Safety and Health Administration ("OSHA") regulations and for committing mail fraud in connection with a scheme to conceal his failure to pay workers the prevailing wage on a federally funded Postal Service construction project at John F. Kennedy International Airport. The sentencing proceeding was held this afternoon before United States District Judge Frederic Block at the U.S. Courthouse in Brooklyn.

The charges against LEE arose out of the government's investigation into the partial collapse of a three-story condominium structure located at 9718 Fort Hamilton Parkway in Brooklyn on May 20, 2004. Three of the workers fell approximately 35 feet to the courtyard below, while the fourth worker leapt to safety. One of the workers, Angel Segovia, died from injuries sustained in the fall, and the two others were badly injured. The investigation disclosed that Big Apple, the general contractor on the project, had not provided any of the four workers with the federally mandated fall prevention equipment. LEE and Big Apple had received prior OSHA citations in 2001 for failing to provide fall protection equipment for its workers.

The investigation also revealed that in August 2000, Big Apple, then operating as Big Apple Construction and Restoration, intentionally failed to pay its workers the required locally prevailing wage rate at a Postal Service-financed construction project at JFK Airport, and that LEE directed his site supervisors to falsely certify on payroll records that Big Apple's workers were paid at the required wage rate.

“Those who willfully violate OSHA regulations will be held criminally responsible for their actions to the maximum extent allowed by law,” stated **Roslynn R. Mauskopf**, United States Attorney for the Eastern District of New York. “I am hopeful that this criminal conviction and sentence will deter future violations of this sort as well as provide some measure of justice to the family of Angel Segovia and the other victims of the Fort Hamilton Parkway building collapse.”

As part of his sentence and pursuant to his plea agreement with the government, LEE has agreed to pay a total of more than \$2,000,000 to compensate the victims of his crimes and to satisfy penalties owed to the government. Specifically, LEE has already forfeited criminally \$96,551.12 for the prevailing wage violation and has been ordered to pay \$1,000,000 in restitution to the victims of the collapse. In addition, LEE will pay \$157,940 in penalties to settle the 12 OSHA citations issued in connection with the collapse, \$55,193.80 to settle overtime wage violations with the Department of Labor, Wage and Hour Division, and forfeit civilly \$750,000 to settle his past failure to make contributions to a pension plan on behalf of workers covered by a collective bargaining agreement.

The investigation was conducted by the United States Attorney’s Office; the Office of Inspector General, the Wage and Hour Division, the Employee Benefits Security Administration, and the Occupational Safety and Health Administration of the Department of Labor; the Office of Inspector General of the United States Postal Service; and the New York City Department of Investigation. The government’s case was prosecuted by Assistant U.S. Attorney Sarah Coyne.

The Defendant:

KANG YEON LEE
DOB: 2/05/49