

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA

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CRIMINAL NO. 10-043

v.

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SECTION: "C" MAG. 1

**RUTH LESLIE GOODMAN**  
a/k/a Meagan McKinney

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VIOLATION: 18 U.S.C. § 1546(a)

18 U.S.C. § 1001

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18 U.S.C. § 1341

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18 U.S.C. § 641

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18 U.S.C. § 2

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**FACTUAL BASIS**

If this matter had proceeded to trial, the government would have proven, through the introduction of competent testimony and admissible tangible exhibits, the following facts beyond a reasonable doubt to support the allegations in the First Superseding Indictment now pending against the Defendant.

**COUNT 1 - POSSESSION OF A FALSELY-OBTAINED CANADIAN PASSPORT -  
TITLE 18 U.S.C. § 1546(a)**

The Government would submit documents and testimony from witnesses that between January, 1999 and December, 2009, the defendant resided at 1329 Seventh Street, New Orleans, Louisiana 70115 in the Garden District of the City of New Orleans. The property was known by the name "Nevermore."

The Government would submit documentation from the State of Minnesota and

testimony that the defendant was born in Minneapolis, Minnesota, on February 27, 1961. Since birth, the defendant was been an United States citizen and has never renounced her citizenship.

The Government would submit testimony of several Louisiana State Police Officers who would state that on June 9, 2004 they searched the defendant's residence at 1329 Seventh Street, New Orleans, Louisiana pursuant to a state issued search warrant. While searching the residence, the officers found a Canadian Passport in the name of Ruth Leslie Goodman, bearing Passport Number VF150869, stating the defendant's birth date was February 27, 1961 and the defendant was born in Quebec, Canada. This passport was returned to the defendant.

Additionally, the Louisiana State Police Officers would testify they found a blank baptism certificate and the same certificate completed stating that on February 27, 1961, the defendant was baptized at Grace Church in Quebec, Canada, signed by the Reverend Stawn W. Taylor. Also, they found a blank birth certificate in the name of Grace Church and Grace Hospital, Quebec, Canada with a signature line for the Pastor Stawn W. Taylor. Also, they found a copy of the same document completed stating the defendant was born in Canada on February 27, 1961, purportedly signed by the defendant's parents and the Pastor Stawn Taylor.

The Government would submit the file of the Passport Department for the Canadian Government as to Passport Number VF150869 as well as testimony of Canadian officials of the Passport Department. Documents and testimony would demonstrate the defendant prepared a Canadian passport renewal application requesting the Canadian government reissue Passport Number VF150869 in the name of the defendant. The renewal application was dated February 9, 2005 in New Orleans, Louisiana, and the signature of the guarantor was dated February 10, 2005. On or about February 11, 2005, the renewal application, the false baptismal certificate, and the original passport were mailed from New Orleans, Louisiana to the Passport Department

for the Canadian Government in Quebec, Canada. Records of the Department of Passport will show the renewal application, the false baptismal certificate, and the original passport were received on February 18, 2005.

Canadian officials would testify this passport had been previously flagged in its system for issues of possible fraud. On or about March 18, 2005, the Department denied the renewal application and refused to return the original passport to the defendant even though she had requested its return. The official reason for denying the 2005 renewal application was an issue of fraud due to the fact the defendant was born in the United States and not Canada.

An official of the Passport Division of the United States Department of State would testify that a Canadian passport was an official foreign document and permit prescribed by United States statutes and regulations for entry into or as evidence of authorized stay in the United States.

**COUNT 3 - FALSE STATEMENTS TO FEMA - TITLE 18, U.S.C. § 1001**

The Government would submit documents and testimony of officials of the Notarial Archives Office of the City of New Orleans demonstrating the defendant became the titled owner of the property bearing the address of 1329 Seventh Street, New Orleans, Louisiana 70115 on or about January 28, 1999. On or about July 1, 2005, the defendant transferred title to the property by Act of Sale and Assumption to her father.

Testimony and documentation would be presented proving the defendant continued to reside at 1329 Seventh Street, New Orleans, Louisiana from July 1, 2005 until the time of indictment.

The Government would present documents of the State of Maryland and the United States proving the defendant's father was a resident of and domiciled in the State of Maryland from at

least 1998 to the present.

An official of the Federal Management Emergency Agency (FEMA) would testify that on August 29, 2005, Hurricane Katrina devastated the City of New Orleans causing widespread damage to the City of New Orleans. FEMA immediately provided disaster assistance to individuals affected by the hurricane including emergency assistance funding. FEMA was an agency of the United States providing emergency assistance which was funded by the United States. FEMA provided emergency assistance to qualified individuals including moving expenses to eligible victims of Hurricane Katrina if they utilized legal and reputable moving companies to ship and move their personal possessions.

Telecommunication records would demonstrate the fax phone number of 504-899-8XXX was subscribed and assigned to the defendant at 1329 Seventh Street, New Orleans, Louisiana 70115 during the years of 2005 through 2008.

Testimony and documentary evidence would demonstrate the defendant's father never lived in the State of Louisiana or the State of Texas during the years 2005 through 2008.

Records of FEMA would prove that on or about January 17, 2008, the FEMA division in Hyattsville, Maryland received from fax number 504-899-8XXX in the Eastern District of Louisiana, two false receipts for reimbursement of moving expenses in the name of Castillo Moving, each receipt in the amount of \$6,950.00. Records of FEMA would demonstrate the defendant contacted FEMA and requested reimbursement of the two moving expense invoices for Castillo Moving for moving the defendant's and her father's household possessions back from Texas to Louisiana as a result of their emergency move to Texas due to the hurricane.

J.C. would testify there never was a Castillo Moving Company in the State of Louisiana during the years of 2005 through 2008. Further, J.C. would testify he did not receive \$13,900

from the defendant in payment of any moving invoices and he did not move any personal or household goods of the defendant or her father from Texas to Louisiana.

The defendant admits the entire application for reimbursement and the moving receipts were false and fraudulent and she submitted these documents to FEMA as detailed above to falsely and fraudulently attempt to obtain FEMA emergency assistance she knew she was not entitled to.

**COUNT 5 - THEFT OF DISASTER ASSISTANCE LOAN FUNDS FROM THE SMALL BUSINESS ADMINISTRATION - TITLE 18, U.S.C. §641**

The Government would submit evidence from 2005 to the present, the United States Small Business Administration (SBA) was an agency or department of the federal government charged with the duty of providing disaster loans to individuals and businesses affected by Hurricane Katrina and all of its funding of disaster loans was federal money.

Evidence would be submitted to show that Hurricane Katrina devastated the New Orleans area on or about August 29, 2005, causing wide spread damage to the city of New Orleans. Pursuant to a declaration of the President of the United States, the Federal Emergency Management Agency, an agency and department of the United States, provided individuals and businesses with information on applying for emergency disaster loans to the United States Small Business Administration (SBA) if they were affected by Hurricane Katrina.

Evidence would be presented that in October and November, 2005, the defendant submitted an application to the SBA for an individual disaster assistance loan as a result of damage to property by Hurricane Katrina. This SBA official would state the defendant's application was denied because the properties listed in the application were not owned by the defendant at the time of Hurricane Katrina. Additionally, the Government would present an

application by the defendant's father for an individual disaster assistance loan for the property located at 1329 Seventh Street, New Orleans, Louisiana. Records of the Notarial Archives Office of the City of New Orleans would show the defendant became the titled owner of 1329 Seventh Street, New Orleans, Louisiana on or about January 28, 1999, and the title to the property was transferred by Act of Sale and Assumption to the defendant's father on or about July 1, 2005. The SBA official would testify the SBA denied the defendant's father's individual disaster loan application because he was not a resident of Louisiana and it was not his principal residency at the time Hurricane Katrina hit the City of New Orleans on August 29, 2005. The Government would present official records of the State of Maryland and the United States showing the defendant's father was a citizen and resident of Potomac, Maryland from at least 1998 to the present.

The Government would submit a SBA original application dated November 7, 2005, by the defendant's father, requesting a disaster business loan based on the defendant's business of rental residential properties in the City of New Orleans at the time of Hurricane Katrina. The Government would present a number of notarial archives documents showing the defendant had been the owner of approximately ten pieces of rental property in the uptown New Orleans area, and all of these properties had been transferred by Act of Sale and Assumption from the defendant to her father before August 29, 2005.

A SBA official familiar with this application would state the defendant was entitled to a business disaster loan if he met the financial criteria established by SBA rules and regulations. The SBA file in this matter would prove that after the defendant's father made application, this matter was handled by the defendant pursuant to a power of attorney executed by the defendant's father in favor of the defendant to act as his agent.

The SBA files would demonstrate the SBA requested proof in the form of pre-Katrina leases showing the rental income from the ten rental properties generated sufficient income to service all pre-existing debts as well as the debt of a SBA loan.

The Government would submit from the SBA file leases faxed to it for numerous pieces of property, located in uptown New Orleans, owned by the defendant's father. Copies of each lease was faxed from a phone number which was in the name of the defendant, and with a fax location of 1329 Seventh Street, New Orleans, Louisiana. These leases were faxed to the SBA's location in Dallas-Fort Worth, Texas. Based on these leases and their reported monthly rent, as well as other evidence submitted by the defendant, a business disaster loan was approved for the defendant's father in the amount of \$593,800.00.

An individual who assisted the defendant as a property manager before August 29, 2005, would testify that he was familiar with all the rental property of the defendant which was the same property she transferred to her father before Hurricane Katrina. He would review all the leases faxed to the SBA and state that some of the leases were for false addresses and every lease involved a false rental amount except one, and most of the rents had either been doubled or tripled from their original lease amount received by the defendant before August 29, 2005.

The Government would submit the records of New Orleans Entergy Corporation which would establish the names on the pre-Katrina leases faxed by the defendant to the SBA are not the names of the individuals who had utilities in their name at these locations before August 29, 2005.

The Government would submit a SBA Loan Authorization and Agreement (LAA) signed by the defendant's father on July 10, 2006, agreeing to provide a disaster business loan in the amount of \$593,800.00; detailing the terms of the loan; and exactly how much money was to be

spent for which type of work on each particular piece of rental property. Additionally, the LAA stated that other than the initial \$10,000.00 disbursement, no further disbursement would be made until a mortgage in favor of the SBA on 1329 Seventh Street, New Orleans, Louisiana was recorded and a conformed, correct copy was submitted to the SBA.

The Government would submit a copy of a multiple indebtedness mortgage allegedly signed by the defendant's father, in favor of the SBA with notarial archives stamps from the Custodian of Notarial Achieves, dated October 1, and stamps of the Recorder of Mortgages Office dated October 2, 2006. A SBA representative would state that individuals were allowed to complete and file their own mortgages on behalf of the SBA because of the large amount of disaster loans involved after Hurricane Katrina. This mortgage was e-mailed to the SBA at its Dallas-Fort Worth office several days after its purported date of filing. Based on this and other documentation in the file, funds were released to the defendant's father in the amount of approximately \$342,400.00. A representative of the Notarial Archives Office of the City of New Orleans would testify that the Notarial Archives stamps on each page of this mortgage are false and fictitious. This official would state that October 1, 2006 was a Sunday, and its office was never open for business on a Sunday. Additionally, this official will state that she reviewed all records for 2006 involving the property at 1329 Seventh Street, New Orleans, Louisiana, and no mortgage in favor of the SBA was ever filed for record in the Notarial Archives Office in the year 2006. Additionally, the false mortgage stated that a notary by the name of Stawn Taylor signed the mortgage as a Louisiana notary, notarizing the signature of the mortgagor, Richard J. Goodman, and the witnesses, Robert Jones and Ruth Goodman, the defendant. An official of the Secretary of State's Office for the State of Louisiana, Division of Notary Authorization, would state that she has checked the rolls of the Notary Division and found there has never been a



Louisiana Notary authorized by the Secretary of State by the name of Stawn Taylor.

Additionally, this person would testify that the notarial number stated in the false mortgage was a fictitious number not assigned to an authorized Louisiana notary.

The records of the SBA as well as bank records of the defendant's father's bank, located in Gaitherburg, Maryland, would demonstrate that between September, 2006 and March, 2007, the SBA electronically transferred federal disaster funds in the amount of \$342,400.00 to the defendant's father's bank account. Further, records of the defendant's father's bank and records of the defendant's bank in New Orleans, Louisiana would show that SBA funds in the amount of \$294,500.00 were electronically transferred from the defendant's father's account in Gaitherburg, Maryland, to the defendant's bank account in New Orleans, Louisiana between October, 2006 and July, 2007.

As part of the LAA, the defendant, acting on behalf of her father, was required to present to the SBA, bills and receipts for work done on property, so the funding of the SBA loan would commence and continue. These receipts were supposed to be for work done after Hurricane Katrina and were required by the conditions of the SBA Loan Authorization and Agreement. In 2006 and 2007, the defendant faxed from her address in New Orleans, Louisiana, to the SBA in Dallas-Fort Worth, Texas, numerous bills and receipts for work done on eleven pieces of property owned by the defendant's father which was covered by the SBA business disaster LAA. An individual will testify that he was a general workman for the defendant before Hurricane Katrina. He will state that the bills and receipts appear to be copies of bills and receipts that he presented to the defendant for work done on various pieces of rental property owned by the defendant or her father before Hurricane Katrina. Additionally, this individual will state that all these bills appear to have been redrafted or rewritten in somebody else's handwriting, and then

submitted with a date after August 29, 2005. This individual will state that he did not do any of the work stated in these bills to the properties after August 29, 2005 the day Hurricane Katrina struck.

Documents from the accounting department of the SBA will prove this SBA disaster business loan was never paid, and the entire principal amount plus all accrued interest was still owed.

The defendant admits she submitted and caused to be submitted false and fraudulent leases, a false and fraudulent multiple indebtedness mortgage and false and fraudulent bills and receipts to the U.S. Small Business Administration which resulted in her father receiving a SBA business disaster loan commitment in the amount of \$593,800.00 for which he was not entitled and the defendant received \$294,500.00 in SBA business disaster loan proceeds for which the defendant knew she was not entitled to.

**COUNT 6 - MAIL FRAUD AGAINST THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND THE LOUISIANA ROAD HOME PROGRAM - TITLE 18, U.S.C. § 1341**

The Government would submit documentation from the Notarial Archives Office of the City of New Orleans demonstrating that the defendant was the titled owner of the property at 1329 Seventh Street, in the Garden District of the City of New Orleans, from approximately January, 1999 to July 1, 2005. From July 1, 2005 through December, 2008, the property was titled in the name of the defendant's father. The Government would submit documentation from the State of Maryland and the United States demonstrating the defendant's father was a resident and domiciliary of the State of Maryland from at least 1998 to the present. The Government would offer proof that on August 29, 2005, Hurricane Katrina made landfall in Louisiana, causing widespread damage to the city.

The Government would submit a copy of the files of ICF International, Inc., the administrators of the Louisiana Road Home Program for the Office of Community Development, Division of Administration for the State of Louisiana, demonstrating that the defendant, Ruth Leslie Goodman, acting pursuant to a power of attorney for her father, made application in his name in September, 2006, for a Louisiana Road Home Grant, certifying that the defendant's father was a resident of Louisiana, and his principal residency was 1329 Seventh Street, New Orleans, Louisiana, at the time Hurricane Katrina hit the New Orleans area. In the application, the defendant falsely and fraudulently represented that the property had been her father's primary residency on the date Hurricane Katrina made landfall in New Orleans, on August 29, 2005. This application was given file number 06HH035693. Evidence would demonstrate the property was not the primary residency of the defendant's father on August 29, 2005. An employee of the Louisiana Road Home Program would testify that on or about the 4th day of April, 2007, he personally reviewed the original application bearing file number 06HH035693, with the defendant acting for her father. This individual would state that he had a standard speech he gave to each applicant when it came to the question on the application regarding whether the listed damaged property was the primary residence of the applicant. Further, he would state that if the defendant had told him the property was not the principal residency of the defendant's father at the time of Hurricane Katrina, he would have indicated this information in the file, and would have rejected the application of the defendant and not sent the file on for completion. He reviewed the application based on the defendant's representations, and the application was approved in her father's name. He would testify that the defendant did not provide him with any information at the time of their face to face meeting that her father's principal residency was not as stated in the application.

Individuals from the Louisiana Road Home Program, and HGI Catastrophe Services, LLC, would testify that on or about August 30, 2007, the defendant, acting pursuant to a power of attorney for her father, attended a closing of his Louisiana Road Home Program Grant application at HGI's location in the Eastern District of Louisiana. These individuals will testify that they specifically and individually reviewed with the defendant the requirements in the Louisiana Road Home Program that grant money would only be given to individuals whose homes were damaged by Hurricane Katrina on August 29, 2005, the applicant was the owner of the property on that date, and the property was the applicant's primary residency on that date. In connection therewith, the defendant was required to sign a witnessed notarized affidavit to these facts. Nothing in HGI's closing files indicated that at the time of the closing, the defendant provided them with any information that 1329 Seventh Street, New Orleans, Louisiana 70115 was not the primary residency of the defendant's father. Additionally, the defendant signed a Louisiana Road Home Benefit Selection Form, choosing Option 1, which indicated the property was her father's primary residency on the day of Hurricane Katrina, and that it was his intent to maintain this property as his primary residency and rebuilt it so that he could obtain the maximum benefit of \$132,146.75.

A representative of the HGI Catastrophe Services, LLC would testify, that on September 14, 2007, HGI Check No. 17995 in the name of Robert J. Goodman was sent by United Parcel Service from its location at 4436 Veterans Boulevard, Metairie, Louisiana 70006 to 1329 Seventh Street, New Orleans, Louisiana 70115, and the check was in the amount of \$132,146.76, representing Louisiana Road Home Grant proceeds.

A representative of United Parcel Service would testify and present evidence that United Parcel Service was a commercial interstate carrier doing business in all states of the United

States. Further, it would present evidence that on or about September 14, 2007, it delivered an envelope, according to the directions on the envelope from HGI Catastrophe Services, LLC located at 4436 Veterans Boulevard, Metairie, Louisiana 70006, to Richard Goodman at 1329 Seventh Street, New Orleans, Louisiana 70115.

The Government would submit evidence that HGI Catastrophe Services, LLC Check Number 17995, in the name of Richard J. Goodman, in the amount of \$132,146.76 was deposited into a bank account entitled "Meagan McKinney, Inc." controlled by the defendant in New Orleans, Louisiana, on or about September 17, 2007.


A representative of the United States Department of Housing and Urban Development (HUD) would testify that HUD was a department and agency of the United States Government during the years of 2005 to the present. Further, this person would state, as a result of Hurricane Katrina and the damages caused by flooding in the New Orleans on or about August 29, 2005, Congress, with the approval of the President of the United States, appropriated federal funds to set up a community development block grant (CDBG) program to be administered by the United States Department of Housing and Urban Development, for individuals affected in the New Orleans area by Hurricane Katrina. Further, this individual would state that Congress appropriated many billions of dollars to help restore damaged homes in the New Orleans area. HUD was required by legislation to provide rules for the granting of federal funds for Hurricane Katrina victims. HUD CDBG funds could only be given to individuals who owned their homes in the New Orleans area on August 29, 2005, the homes were damaged by Hurricane Katrina, and the homes had to be the primary residency of the applicant on the day of Hurricane Katrina. Further, the Government would prove that all Louisiana Road Home Program funds were federal funds, and these funds were distributed to the State of Louisiana, Office of Administration,

according to the rules of the Community Development Block Grant Program administered by HUD. The State of Louisiana, Office of Administration, hired as its agent, ICF International, Inc. to administer the Louisiana Road Home Program and distribute federal grant funds to qualified applicants. One of the subcontractors employed by ICF International was HGI Catastrophic Services, LLC.

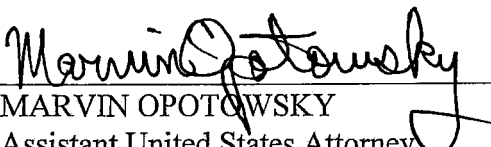
A representative of the State of Louisiana, Office of Administration, would testify that this state office was appointed as agent for the United States Department of Housing and Urban Development to administer the Community Development Block Grant federal funds for the Louisiana Road Home Program. This state office was required to follow all rules and regulations of HUD in distributing Louisiana Road Home Program Community Development Block Grant funds. The Office of Administration contracted with ICF International, Inc. to act as its agent to prepare the Louisiana Road Home Program and distribute federal grant funds. ICF International Inc. was specifically required to follow all rules and regulations of HUD in distributing Louisiana Road Home Program grant funds. ICF International, Inc. hired as its subcontractor for processing Louisiana Road Home Grant applications and for grant closings HGI Catastrophic Services, LLC, this company was required to follow all rules and regulations of HUD and the State of Louisiana, Office of Administration for processing and closing Louisiana Road Home Program grant applications.

The defendant admits she, pursuant to a power of attorney given by her father to the defendant, falsely and fraudulently represented on numerous occasions to officials and representatives of the Louisiana Road Home Program, her father's primary residence on August 29, 2005 was 1329 Seventh Street, New Orleans, Louisiana when she knew his primary residence on August 29, 2005 was in Potomac, Maryland, and he had been a resident and domiciliary of the


State of Maryland for many years. The defendant admits as a result of these false and fraudulent misrepresentations, she received on September 14, 2007 by United Parcel Services, HGI Catastrophe Services, LLC Check No. 17995 in the name of Richard J. Goodman in the amount of \$132,146.75 at her residency of 1329 Seventh Street, New Orleans, Louisiana 70115. The defendant admits she deposited said check in a bank account in the name of "Meagan McKinney, Inc." controlled by the defendant and she knew she was not entitled to these federal CDBG funds.

  
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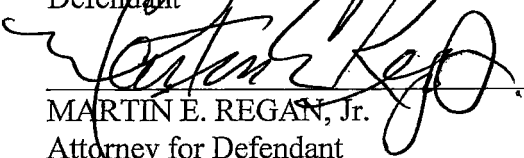
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OCT. 20, 2010  
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Date

  
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RUTH LESLIE GOODMAN  
Defendant

November 6<sup>th</sup> 2010  
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Date

  
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November 6<sup>th</sup> 2010  
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Date