

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

**UNITED STATES OF AMERICA**

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**CRIMINAL NO: 16-012**

**v.**

\*

**SECTION: "L"**

**PRENTISS MARTIN**

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**FACTUAL BASIS**

Should this matter have gone to trial, the government would have proven beyond a reasonable doubt, through the introduction of competent testimony and admissible tangible exhibits, the following to support the allegations charged by the government in the Bill of Information now pending against the defendant, **PRENTISS MARTIN**.

The Federal Emergency Management Agency (FEMA), an agency of the United States under the Department of Homeland Security, provided federal funds to the Hazard Mitigation Grant Program (HMGP), which provided grants to states and local governments to implement long-term hazard mitigation measures after a major disaster declaration.

The State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), and the Louisiana's Office of Community Development (OCD), Disaster Recovery Unit (DRU), agencies of the State of Louisiana, administered and monitored the HMGP and disbursed funds to grantees for hazard mitigation programs which encouraged homeowners to mitigate against catastrophic damage to their property in the event of a natural disaster or assisted homeowners in repairing their homes as a result of flood damage. One type of

hazard mitigation program was the Home Reconstruction Grant, which assisted homeowners in rebuilding their homes if the property was damaged by a natural disaster beyond repair.

As part of the HMGP Home Reconstruction Grant application process, an applicant must provide proof that the applicant is the owner of the damaged property. Furthermore, the applicant must execute an “Advanced Disbursement Request Application” in order for the applicant to receive an advanced disbursement to start the mitigated activity. In this application, the applicant affirms that the applicant has a contractor to start the work and provides an estimated amount needed to complete the mitigated activity.

If the applicant receives the first HMGP payment to start the mitigation activity, the applicant then executes a “50-80% Interim Document” in order to receive a second or interim payment to continue the mitigated activity on the damaged property. In this application, the applicant affirms that the applicant has received the first HMGP payment and that work has started on the damaged property.

On or about June 30, 2010, **PRENTISS MARTIN (MARTIN)** executed application documents with the HMGP to receive federal grant funds to reconstruct his house on Bay Street in New Orleans, Louisiana, which was damaged by Hurricane Katrina. In support of his HMGP Home Reconstruction Grant application, **MARTIN** submitted a fraudulent signed contract. More specifically, on or about June 30, 2010, **MARTIN** provided to OCD officials a copy of a contract with KGB Properties that purportedly was signed by Kenneth Savone (Savone), the owner of KGB Properties. In fact, Savone did not sign the contract, and no one else was authorized to sign on his behalf. Also, Savone did not do any work on **MARTIN’s** property.

On or about August 13, 2010, **MARTIN** accepted and received federal HMGP grant monies in the amount of \$50,000 to begin reconstructing his house in New Orleans, Louisiana as a result of this fraudulent submission.

After receiving the first HMGP check, **MARTIN** was required to submit proof that he had made a payment to the contractor in order to receive a subsequent HMGP payment. On or about January 26, 2011, **MARTIN** emailed an OCD representative from his Yahoo email account a copy of a contract with Porter Development, LLC, and copies of two cashier's checks made payable to Porter Development, LLC, totaling \$130,733.34, drawn on a Charles Schwab Bank account. However, Troy Porter, the owner of Porter Development, LLC, did not receive the two cashier's checks, was never paid by **MARTIN**, and did not do any work on **MARTIN**'s property on Bay Street. Furthermore, a representative from Charles Schwab Bank would testify that the two cashier's checks that **MARTIN** submitted to the OCD representative were counterfeit.

On or about February 11, 2011, **MARTIN** accepted and received federal HMGP grant monies in the amount of \$30,000 to continue reconstructing his house in New Orleans, Louisiana as a result of this fraudulent submission.

When special agents from the U.S. Department of Homeland Security, Office of Inspector General traveled to **MARTIN**'s property on Bay Street, they observed a vacant lot. **MARTIN** knowingly and willfully converted the federal funds with a value in excess of \$1,000 for his own personal use instead of reconstructing his house.

The government would prove that the amount of actual loss and restitution for the purposes of this offense is approximately \$80,000.00.

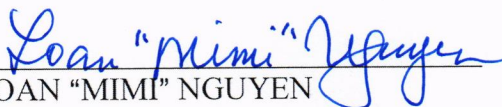
**READ AND APPROVED:**

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PRENTISS MARTIN  
Defendant

\_\_\_\_\_  
Date

\_\_\_\_\_  
CHRISTEN CHAPMAN  
Assistant Federal Public Defender  
Attorney for Defendant

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
LOAN "MIMI" NGUYEN  
Assistant United States Attorney

\_\_\_\_\_  
Date