

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

UNITED STATES OF AMERICA	*	CRIMINAL DOCKET NO. 10-076
v.	*	SECTION: L
SHARON DECARLO BAKER	*	

* * *

F A C T U A L B A S I S

The defendant, **SHARON DECARLO BAKER** (hereinafter, the “defendant” or “Baker”), has agreed to plead guilty as charged to the one-count bill of information charging her with theft of government money, in violation of Title 18, United States Code, Section 641. Should this matter proceed to trial, both the Government and the defendant, **SHARON DECARLO BAKER**, do hereby stipulate and agree that the following facts set forth a sufficient factual basis for the crimes to which the defendant is pleading guilty. The Government and the defendant further stipulate that 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 bill of information now pending against the defendant:

Hurricane Katrina made landfall in Louisiana on August 29, 2005, and caused widespread damage to the Gulf Coast region of Louisiana, including the New Orleans, Louisiana

area.

Pursuant to legislation passed by the Congress of the United States of America, with the approval of the President of the United States, funds were appropriated to the Department of Housing and Urban Development (“HUD”) for a Community Development Block Grant (“CDBG”) for Louisiana hurricane victims. HUD is, and was, at the time of the offense, an agency or department of the United States of America. The purpose of this CDBG was to assist and aid owners of property damaged or destroyed by Hurricanes Katrina and Rita in August and September of 2005. The grant money was disbursed under a program known as the Louisiana Road Home Program (“LRHP”). HUD prepared the rules and regulations governing the disbursement of grant money through the State of Louisiana. The State of Louisiana, through the Office of Community Development, Division of Administration, contracted with ICF International, Inc. to administer the LRHP.

One of the major requirements for receiving grant money from LRHP, was that the damaged property be the primary residence of the applicant on August 29, 2005.

Chase Financial Service, LLC (“Chase”) was a financial institution located in New Orleans, within the Eastern District of Louisiana, and elsewhere, the deposits of which were insured by the Federal Deposit Insurance Corporation.

Early in the implementation of LRHP, Chase contracted with the State of Louisiana to act as the “disbursement agent” for certain LRHP funds. In cases where a disbursement agent was used, LRHP would deposit grant funds into a disbursement account in the name of the grant recipient maintained by the disbursement agent and managed jointly by the disbursement agent and the grant recipient. The disbursement agent was responsible for

releasing the grant funds to the grant recipient according to a schedule agreed upon by the disbursement agent and the grant recipient.

At the time Hurricane Katrina made landfall, on August 29, 2005, **DEFENDANT BAKER** owned a single-family residence located at 1326 Gardena Drive, New Orleans, Louisiana 70122, in the Eastern District of Louisiana, which she did not occupy. Prior to and in August 2005, **A.B.**, a relative of the defendant, **SHARON DECARLO BAKER**, used as her primary residence the single-family residence located at 1326 Gardena Drive, New Orleans, Louisiana 70122, in the Eastern District of Louisiana.

Prior to and in August 2005, the defendant, **SHARON DECARLO BAKER**, resided at and used as her primary residence 17811 Vail Street, Apartment 4303, Dallas, Texas, 75287.

On or about September 23, 2006, in the Eastern District of Louisiana and elsewhere, the defendant, **SHARON DECARLO BAKER**, submitted her completed application for LRHP funds, declaring in the application that on August 29, 2005, her primary residence was 1326 Gardena Drive, New Orleans, Louisiana 70122.

On or about March 30, 2007, in the Eastern District of Louisiana, the defendant, **SHARON DECARLO BAKER**, attended and completed her closing to obtain her LRHP grant funds. As part of the closing, the defendant, **SHARON DECARLO BAKER**, submitted a completed, signed LRHP Grant Recipient Affidavit stating that her primary residence on the date Hurricane Katrina struck Louisiana was 1326 Gardena Drive, New Orleans, Louisiana 70122. Also on or about March 30, 2007, Chase became the disbursement agent for all LRHP funds provided to the defendant, **SHARON DECARLO BAKER**.

As a result of the representations of the defendant, **SHARON DECARLO**

BAKER, on or about April 6, 2007, the Department of Housing and Urban Development Community Development Block Grant disbursed \$33,384.03 by check in federal funds under the LRHP to a disbursement account managed jointly by Chase Home Finance, LLC, and the defendant, **SHARON DECARLO BAKER**, for the benefit of the defendant, **SHARON DECARLO BAKER**.

Pursuant to a change in rules by HUD that eliminated the requirement that a disbursement account and disbursement agent be established, Chase released the \$33,384.03 check to the defendant, **SHARON DECARLO BAKER**. On or about April 25, 2007, the defendant, **SHARON DECARLO BAKER**, deposited the check containing \$33,384.03 in federal funds into her personal bank account.

On or about January 29, 2010, **DEFENDANT BAKER** willingly repaid the entire amount of her LRHP grant in the form of a cashier's check to LRHP.

By engaging in the behavior outlined above, **DEFENDANT BAKER** did knowingly embezzle, steal, purloin, and convert to her own use HUD benefits to which she knew she was not entitled.

The above facts come from an investigation conducted by, and would be proven at trial by credible testimony from, agents from the United States Department of Housing and Urban Development - Office of Inspector General and the Federal Bureau of Investigation, documents and records of the FBI and HUD, as well as the statements of the defendant, **SHARON DECARLO BAKER.**

APPROVED AND ACCEPTED:

SHARON DECARLO BAKER	Date
Defendant	

CLARENCE ROBY, JR.	Date
(LA Bar No. 20345)	
Attorney for Defendant Baker	

JORDAN GINSBERG	Date
(IL Bar. No. 6282956)	
Assistant United States Attorney	