

FILED  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF L.A.

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CAROL L. MICHEL  
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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

**FELONY**

**SUPERSEDING INDICTMENT FOR CONSPIRACY TO USE AN  
INTERSTATE FACILITY WITH INTENT TO CARRY ON  
UNLAWFUL ACTIVITY AND FILING FALSE TAX RETURNS**

UNITED STATES OF AMERICA

\* CRIMINAL NO. 21-53

v.

\* SECTION: "I" (5)

JAMES MOHAMAD

\* VIOLATIONS: 18 U.S.C. § 371  
18 U.S.C. § 1952(a)(3)  
26 U.S.C. § 7206(1)

\* \* \*

The Grand Jury charges that:

**COUNT 1**

**A. AT ALL TIMES MATERIAL HEREIN:**

1. The defendant, **JAMES MOHAMAD**, was the Director of the Department of Inspection and Code Enforcement for the City of Kenner. His duties included issuing permits, conducting inspections and ensuring that the work completed was in compliance with city and state building codes.

2. **JAMES MOHAMAD** was a third-party inspector for a local company. As of October 30, 2019, **MOHAMAD** was prohibited from conducting third-party inspections in the City of New Orleans.

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3. **JAMES MOHAMAD** owned J&J Sales, a heating, ventilation and air conditioning (HVAC) business. **MOHAMAD** did not have the license required to obtain permits from and perform HVAC work in the City of New Orleans.

4. Brian Medus, was the Assistant Chief Mechanical Inspector for the City of New Orleans, Safety and Permits Department. His duties included inspecting mechanical equipment and systems and ensuring that the work completed complied with city and state building codes.

**B. THE CONSPIRACY:**

From a date unknown, but prior to 2011, and continuing until on or about March 11, 2020, in the Eastern District of Louisiana and elsewhere, the defendant, **JAMES MOHAMAD**, did knowingly and willfully combine, conspire, confederate and agree, with Brian Medus and others known and unknown to the grand jury, to use facilities in interstate commerce, namely the internet and cellphones, with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, bribery, in violation of Louisiana Revised Statute 14:118, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity, in that Medus solicited and accepted bribe money from **MOHAMAD** to obtain fraudulent permits and favorable inspection reports.

In violation of Title 18, United States Code, Section 1952(a)(3).

**C. MANNER AND MEANS:**

The manner and means used to accomplish the objectives of the conspiracy included, among others, the following:

1. **MOHAMAD** paid licensed HVAC contractors in New Orleans to use their licenses to obtain fraudulent permits from the New Orleans Safety and Permits Department for **MOHAMAD**'s HVAC jobs.

2. **MOHAMAD** paid cash bribes to Medus, a mechanical inspector for the City of New Orleans Safety and Permits Department, to process and provide fraudulent permits for **MOHAMAD**'s HVAC jobs.

3. In violation of Louisiana state statutes Medus inspected and approved **MOHAMAD**'s HVAC work, knowing that the work was conducted by **MOHAMAD**, a contractor not licensed in New Orleans. In some instances, Medus allowed **MOHAMAD** to inspect his own work as a third-party inspector, also a violation of state law.

**D. OVERT ACTS:**

In furtherance of the conspiracy and to effect the objects of the conspiracy, the defendant, committed the following overt acts, among others, in the Eastern District of Louisiana and elsewhere:

1. On or about January 24, 2019, Medus utilized the City of New Orleans' internet-based LAMA system to submit material information that resulted in **MOHAMAD** receiving four fraudulent permits.

2. On or about June 4, 2019, Medus utilized the City of New Orleans' internet-based LAMA system to submit material information that resulted in **MOHAMAD** receiving two fraudulent permits.

3. Throughout the course of the conspiracy, **MOHAMAD** paid Medus and licensed contractors approximately \$93,000.00 to further the bribery scheme.

All in violation of Title 18, United States Code, Section 371.

**COUNT 2**  
**(Filing False Tax Return)**

1. Paragraphs 1-3 of Count 1 are realleged and incorporated by reference as though fully set forth herein.
2. On or about April 11, 2017, **JAMES MOHAMAD**, did willfully make and subscribe a U.S. Individual Income Tax Return (Form 1040), for the calendar year 2016, which was verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material matter. That Form 1040, which was prepared and signed in the Eastern District of Louisiana and which was filed with the Internal Revenue Service, stated that **MOHAMAD** had an Adjusted Gross Income (AGI) of \$53,666.00, whereas **MOHAMAD** then and there knew that he understated the AGI and the resulting tax due and owing reported on the return.

In violation of Title 26, United States Code, Section 7206(1).

**COUNT 3**  
**(Filing False Tax Return)**

1. Paragraphs 1-3 of Count 1 are realleged and incorporated by reference as though fully set forth herein.
2. On or about April 10, 2018, **JAMES MOHAMAD**, did willfully make and subscribe a U.S. Individual Income Tax Return (Form 1040), for the calendar year 2017, which was verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material matter. That Form 1040, which was prepared and signed in the Eastern District of Louisiana and which was filed with the Internal Revenue Service, stated that **MOHAMAD** had an Adjusted Gross Income (AGI) of \$34,871.00,

whereas **MOHAMAD** then and there knew that he understated the AGI and the resulting tax due and owing reported on the return.

In violation of Title 26, United States Code, Section 7206(1).

**COUNT 4**  
**(Filing False Tax Return)**

1. Paragraphs 1-3 of Count 1 are realleged and incorporated by reference as though fully set forth herein.

2. On or about March 22, 2019, **JAMES MOHAMAD**, did willfully make and subscribe a U.S. Individual Income Tax Return (Form 1040), for the calendar year 2018, which was verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material matter. That Form 1040, which was prepared and signed in the Eastern District of Louisiana and which was filed with the Internal Revenue Service, stated that **MOHAMAD** had an Adjusted Gross Income (AGI) of \$107,518.00, whereas **MOHAMAD** then and there knew that he understated the AGI and the resulting tax due and owing reported on the return.

In violation of Title 26, United States Code, Section 7206(1).

**COUNT 5**  
**(Filing False Tax Return)**

1. Paragraphs 1-3 of Count 1 are realleged and incorporated by reference as though fully set forth herein.

2. On or about April 13, 2020, **JAMES MOHAMAD**, did willfully make and subscribe a U.S. Individual Income Tax Return (Form 1040), for the calendar year 2019, which was verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material matter. That Form 1040, which was prepared and signed in the Eastern District of Louisiana and which was filed with the Internal

Revenue Service, stated that **MOHAMAD** had an Adjusted Gross Income (AGI) of \$141,061.00, whereas **MOHAMAD** then and there knew that he understated the AGI and the resulting tax due and owing reported on the return.

In violation of Title 26, United States Code, Section 7206(1).

**NOTICE OF FORFEITURE**

1. The allegations of Counts 1 through 5 of this Superseding Indictment are incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States.

2. As a result of the offense alleged in Count 1, the defendant, **JAMES MOHAMAD**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to said offense.

3. As a result of the offenses alleged in Counts 2 through 5, the defendant, **JAMES MOHAMAD**, shall forfeit to the United States pursuant to Title 26, United States Code, Sections 7301(a)-(e) and 7302, and Title 28, United States Code, Section 2461, any property, real or personal, which constitutes or is derived from proceeds traceable to said offenses.

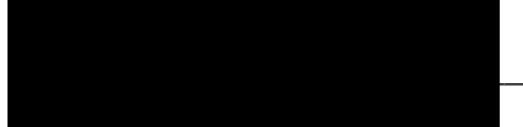
4. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or

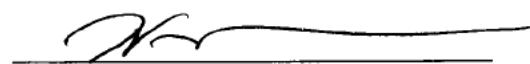
e. has been commingled with other property which cannot be subdivided without difficulty;

the United States shall seek a money judgment and, pursuant to Title 21, United States Code, Section 853(p), forfeiture of any other property of the defendant up to the value of said property.

A TRUE BILL:



MICHAEL M. SIMPSON  
Attorney for the United States  
Acting under the Authority Conferred  
by 28 U.S.C. § 515

  
TRACEY N. KNIGHT  
Assistant United States Attorney  
Louisiana Bar Roll Number 23165

New Orleans, Louisiana  
December 10, 2021