

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

UNITED STATES OF AMERICA	*	CRIMINAL NO. 13-131
VERSUS	*	SECTION: S
STACEY JACKSON	*	
	* * *	

FACTUAL BASIS

Should this matter have gone to trial, the Government would have proved beyond a reasonable doubt, through the introduction of competent testimony and admissible tangible exhibits including the testimony of special agents of the Federal Bureau of Investigation (FBI), Department of Housing and Urban Development, Office Of Inspector General (HUD-OIG) and others, the following facts to support the allegations charged in Count 1 by a federal grand jury in the Indictment now pending against the defendant, **STACEY JACKSON**:

**COUNT 1: CONSPIRACY TO RECEIVE KICKBACKS
FROM AN AGENCY RECEIVING FEDERAL FUNDS**

From in or near January 2005 through in or near August 2008, in the Eastern District of Louisiana, the defendant, **STACEY JACKSON**, did knowingly and willfully combine, conspire, and confederate and agree with Trellis Smith, Earl Myers, and others known and unknown to the Grand Jury to:

1. corruptly solicit, demand, accept, and agree to accept something of value from Trellis Smith, Earl Myers, and others known and unknown to the Grand Jury, with the intention of being influenced and rewarded in connection with a business, transaction, and series of transactions of NOAH, an agency which contracted with the City of New Orleans and HUD, which received benefits in excess of \$10,000 in each year from January 2005 to August 2008

under a federal program, involving a value of \$5,000 or more, in violation of Title 18, United States Code, Section 666(a)(1)(B); and,

2. embezzle, steal, purloin, and knowingly convert to personal use money and things of value to the United States and its agency the Department of Housing and Urban Development, in violation of Title 18, United States Code, Section 641.

OVERT ACTS

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

1. In or near October 2005, the defendant, **STACEY JACKSON**, wrote a check from NOAH to Parish Dubuclet for approximately \$15,260, which was deposited into a Liberty Bank account belonging to Trellis Smith and his company, Parish Dubuclet.
 - a. On or about October 8, 2005, Parish Dubuclet wrote a check in the amount of \$10,460 to **STACEY JACKSON'S** father, which was deposited into a Hibernia Bank account that the defendant, **STACEY JACKSON**, controlled jointly with her father.
 - b. On or about October 10, 2005, the defendant, **STACEY JACKSON**, used this money to pay a tree removal service to remove a tree from her mother's property in New Orleans.
2. On numerous occasions from in or near April 2006 through in or near November 2007, the defendant, **STACEY JACKSON**, and Trellis Smith agreed that Smith would be paid an "overpayment" in NOAH checks that exceeded the amount of money Smith was owed for work that he or his subcontractors actually or purportedly performed on home remediation for NOAH.
 - a. Specifically, NOAH checks included an overpayment of money which the defendant, **STACEY JACKSON**, Trellis Smith, as well as others, knew could not be substantiated by invoices or work actually performed.
 - b. It was part of the agreement between **STACEY JACKSON** and Trellis Smith that Smith would give a portion of this overpayment to **STACEY JACKSON** as a "kickback," thus ensuring that Trellis Smith would continue to get work from NOAH.

3. On two occasions in or near January of 2005, the defendant, **STACEY JACKSON**, gave Earl Myers a check from NOAH and told him to cash it and give her the money. The defendant, **STACEY JACKSON**, wanted Earl Myers to cash the check through his account so that the NOAH funds could not be traced back to her. Earl Myers agreed to cash the checks because he understood that if he did not, the defendant, **STACEY JACKSON**, would not use him as a NOAH contractor.
4. On or about March 22, 2005, the defendant, **STACEY JACKSON**, paid Earl Myers \$32,016.70 with a check drawn on the NOAH account allegedly for a new roof at an unknown location. Earl Myers deposited the check into his Excel Development account knowing he had not repaired a roof for this money. Earl Myers would testify that on or about April 2005, he used approximately \$15,000 of this money to purchase the Bayou Road properties at 1725, 1729, 1804 Bayou Road from NOAH.
 - a. On or about April 15, 2005, the defendant, **STACEY JACKSON**, signed the closing documents for this transaction on behalf of NOAH. Earl Myers signed the closing documents on behalf of Excel Development. Not only was the purchase without any Excel Development corporate resolution authorizing it, but Earl Myers signed as secretary for NOAH, attesting to Stacey Jackson's authority to sign on behalf of NOAH.
 - b. Stacey Jackson paid the property taxes for 2006 and 2007 for the Bayou Road properties.
 - c. Earl Myers agreed to put the Bayou Road properties in his company's name because he understood that if he did not put the properties in his name, the defendant, **STACEY JACKSON**, would not use him as a NOAH contractor.
5. From in or near December of 2006 through in or near July of 2007, the defendant, **STACEY JACKSON**, contracted with Earl Myers to renovate properties that she owned, which were located on 6th Street and Danneel Street in New Orleans, Louisiana. The defendant, **STACEY JACKSON**, paid Earl Myers tens of thousands of dollars toward the renovation project. The defendant, **STACEY JACKSON**, used public funds belonging to the United States and distributed to NOAH to pay Earl Myers a portion of the money she owed him for these renovations.
6. On numerous occasions from in or near April 2006 through in or near July 2008, Earl Myers corruptly agreed with the defendant, **STACEY JACKSON**, that Myers would be paid an "overpayment" in numerous NOAH checks that exceeded the amount of money

he or his companies Myers and Sons or Excel Development were owed for work that he and his subcontractors actually performed on home remediation.

- a. Specifically, various NOAH checks included an overpayment that the defendant, **STACEY JACKSON**, and Earl Myers knew could not be substantiated by invoices or work actually performed.
 - i. In or near August 2008, upon learning of a Grand Jury subpoena for records relating to NOAH payments to Earl Myers and his companies, the defendant, **STACEY JACKSON**, with the knowledge and assistance of others known and unknown to the Grand Jury, fabricated documents and invoices that purported to prove and establish that Earl Myers had actually performed work that would justify all the money NOAH had paid to him.
 - ii. The documents that the defendant, **STACEY JACKSON**, created were delivered to Earl Myers by Z.F., a person **STACEY JACKSON** knew personally.
 - b. It was part of the agreement between the defendant, **STACEY JACKSON**, and Earl Myers that Myers would give a portion of these overpayments to **STACEY JACKSON** as “kickbacks,” thus ensuring that Earl Myers would continue to get work from NOAH.
7. On or about November 1, 2007, the defendant, **STACEY JACKSON**, wrote out a check, drawn on NOAH’s account, payable to Myers & Sons, for approximately \$47,899.50 and instructed Myers to give portions of this money to different entities and individuals that she knew or was affiliated with.
- a. In compliance with those instructions, Earl Myers wrote a check out to a school with which **STACEY JACKSON** was affiliated.
 - b. Earl Myers understood that “kicking back” a portion of the NOAH check for **STACEY JACKSON’S** benefit would ensure that he would continue getting NOAH remediation work assignments from the defendant.
8. On or about November 1, 2007, the defendant, **STACEY JACKSON**, wrote out a check, drawn on NOAH’s account, payable to Excel Development Corp., for approximately \$32,842.50 and instructed Earl Myers to give portions of this money to different entities and individuals that she knew or was affiliated with.

- a. The defendant, **STACEY JACKSON**, instructed Earl Myers to “kickback” a portion of this money to her by having Myers write two (2) checks payable to Z.F., a person whom the defendant, **STACEY JACKSON**, knew personally and to whose checking account she had access.
 - b. Pursuant to **STACEY JACKSON’S** instructions, on or about November 2, 2007, Earl Myers wrote a check out to Z.F. for approximately \$7,000.00 and cashed an additional check for approximately \$3,000.00 in compliance with the defendant’s instructions.
 - c. Also, pursuant to **STACEY JACKSON’S** instructions, on or about November 9, 2007, Earl Myers wrote a check out to Z.F. for approximately \$9,400.00.
9. On or about April 29, 2008, the defendant, **STACEY JACKSON**, wrote out a check, drawn on NOAH’s account, payable to Myers & Sons, for approximately \$31,670.00 and instructed Myers to give portions of this money to different entities and individuals that she knew or was affiliated with.
 - a. The defendant, **STACEY JACKSON**, instructed Earl Myers to “kickback” a portion of this money to her by paying a landscaper \$4,100 to work on **STACEY JACKSON’S** mother’s home in New Orleans, Louisiana and writing a check out to a school with which **STACEY JACKSON** was affiliated.
 - b. Earl Myers understood that “kicking back” a portion of the NOAH check for **STACEY JACKSON’S** benefit would ensure that he would continue getting NOAH remediation work assignments from the defendant.
10. On or about May 22, 2008, the defendant, **STACEY JACKSON**, wrote out a check, drawn on NOAH’s account, payable to Myers and Sons for approximately \$16,420.80 and instructed Earl Myers to give portions of this money to different entities and individuals that **STACEY JACKSON** knew or was affiliated with.
 - a. The defendant, **STACEY JACKSON**, instructed Earl Myers to “kickback” a portion of this money to her by having him cash the check and provide the defendant, **STACEY JACKSON**, with half of the proceeds.
 - b. Pursuant to **STACEY JACKSON’S** instructions, on or about June 6, 2008, Earl Myers wrote a check out to Cash for approximately \$8,000.00 and provided the proceeds to the defendant, **STACEY JACKSON**.

- c. Earl Myers understood that “kicking back” a portion of the NOAH check for **STACEY JACKSON’S** benefit would ensure that he would continue getting NOAH remediation work assignments from the defendant.
11. On or about May 26, 2008, the defendant, **STACEY JACKSON**, wrote out a check, drawn on NOAH’s account, payable to Excel Development for approximately \$19,528.00 and instructed Earl Myers to give portions of this money to different entities and individuals that **STACEY JACKSON** knew or was affiliated with.
- a. The defendant, **STACEY JACKSON**, instructed Earl Myers to “kickback” a portion of this money to her by having him pay a landscaper approximately \$3,000 for work performed on her mother’s home in New Orleans, Louisiana, which Earl Myers did, on or about June 6, 2008, pursuant to **STACEY JACKSON’S** instructions.
 - b. Additionally, and pursuant to **STACEY JACKSON’S** instructions, on or about June 6, 2008, Earl Myers wrote a check out to Cash for approximately \$4,000.00 and provided the proceeds to the defendant, **STACEY JACKSON**.
 - c. Earl Myers understood that “kicking back” a portion of the NOAH check for **STACEY JACKSON’S** benefit would ensure that he would continue getting NOAH remediation work assignments from the defendant.

On or around August 13, 14, and 15, 2008, after **STACEY JACKSON** became aware that Earl Myers had received a subpoena from a Federal Grand Jury ordering him to turn over documents supporting the work he had done for NOAH, **STACEY JACKSON** provided false and fraudulent documents to Earl Myers and utilized them in an effort to mislead the federal grand jury into finding that no fraud or payment for work not performed occurred at the defendant's direction or while she was the Executive Director of NOAH.

READ AND APPROVED:

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STACEY JACKSON
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