

FILED

3/16/2022 DB

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

v.

DERRICK MUHAMMAD,
also known as, "Rick"

) No. **22cr145**

)

) Violations: Title 18, United States

) Code, Sections 666 and 1951

) **Judge Robert W. Gettleman**

) **Magistrate Judge Maria Valdez**

COUNT ONE

The SPECIAL APRIL 2021 GRAND JURY charges:

1. At times material to this indictment:

The City of Harvey

a. The City of Harvey was a local government located in Cook County and the Northern District of Illinois.

b. The City of Harvey's government included a police department, known as the Harvey Police Department. The Harvey Police Department operated a Traffic Division that, among other things, was responsible for assigning City of Harvey towing work to local private towing companies.

The Co-Conspirators

c. Defendant DERRICK MUHAMMAD was a City of Harvey police officer. From in or around 2011 to in or around 2019, MUHAMMAD oversaw the Harvey Police Department's Traffic Division, and in that role exercised discretionary authority to assign City of Harvey towing work to local private towing companies.

d. Individual A was MUHAMMAD's relative and a resident of Harvey.

The Private Tow Companies

e. Tow Companies 1, 2, and 3 were private businesses located in Harvey, Illinois, that were engaged in the business of towing motor vehicles. Individual 1 co-owned and operated Tow Company 1. Individual 2 owned and operated Tow Company 2. Individual 3 operated Tow Company 3.

f. CJ's Towing & Recovery was a private business located in Calumet Park, Illinois, that was engaged in the business of towing motor vehicles. CJ's Towing & Recovery was co-owned and operated by Angela Hooper.

g. Tow Company 4 was a private business located in Calumet City, Illinois, that was engaged in the business of towing motor vehicles. Tow Company 4 was owned and operated by Individual 4. Unbeknownst to MUHAMMAD and his co-conspirators, Individual 4 was cooperating with federal law enforcement.

2. Beginning in or around 2011 and continuing until in or around 2019, at Harvey, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERRICK MUHAMMAD,
also known as, "Rick,"

defendant herein, did conspire with Individual A and others known and unknown to the Grand Jury to commit extortion, which extortion would have obstructed, delayed, and affected commerce, namely, by obtaining property from local private tow companies, with the consent of the tow companies and their owners and operators,

induced by wrongful use of fear of actual and threatened economic harm, and under color of official right.

3. It was part of the conspiracy that MUHAMMAD agreed with Individual A and with others to steer City of Harvey towing work to private towing companies, in exchange for the private towing companies making cash payments and providing other things of value, including motor vehicles, to MUHAMMAD and Individual A.

4. It was further part of the conspiracy that MUHAMMAD and Individual A obtained cash payments and other things of value from private towing companies on the understanding that the private towing companies were paying MUHAMMAD and Individual A out of fear that, absent such payment, MUHAMMAD and/or Individual A would interfere with the ability of the private tow companies to compete for City of Harvey towing work.

5. It was further part of the conspiracy that, between in or around 2011 and in or around 2017, MUHAMMAD regularly obtained cash payments and motor vehicles from Individual 1 in exchange for MUHAMMAD steering City of Harvey towing work to Tow Company 1.

6. It was further part of the conspiracy that, between in or around 2011 and in or around 2015, Individual A regularly obtained cash payments from Individual 2 in exchange for MUHAMMAD steering City of Harvey towing work to Company 2.

7. It was further part of the conspiracy that, in or around late 2017, after Tow Company 1 went out of business, MUHAMMAD and Individual A agreed to find

a new towing company to receive a portion of City of Harvey towing work in exchange for cash payments and other things of value, including motor vehicles.

8. It was further part of the conspiracy that, in or around November 2017, MUHAMMAD agreed with Angela Hooper and others to steer City of Harvey towing work to CJ's Towing and Recovery in exchange for Hooper making a cash payment of \$5,000 and providing other things of value, including motor vehicles, to MUHAMMAD.

9. It was further part of the conspiracy that MUHAMMAD and Hooper agreed that Hooper, on behalf of MUHAMMAD and others, would solicit cash payments and other things of value from Individual 4, in exchange for MUHAMMAD steering a portion of City of Harvey towing work to Company 4.

10. It was further part of the conspiracy that, on or about November 17, 2017, MUHAMMAD obtained a \$5,000 cash payment from Hooper in exchange for agreeing to steer City of Harvey towing work to CJ's Towing and Recovery.

11. It was further part of the conspiracy that, in or around December 2017, MUHAMMAD and Individual A agreed that MUHAMMAD would award City of Harvey towing work to Tow Company 3 in exchange for monthly cash payments from Individual 3.

12. It was further part of the conspiracy that, between in or around December 2017 and in or around February 2019, Individual A collected monthly payments from Individual 3 in exchange for MUHAMMAD steering City of Harvey towing work to Tow Company 3.

13. It was further part of the conspiracy that MUHAMMAD, Individual A, and others misrepresented, concealed, and hid, and caused to be misrepresented, concealed, and hid, the purpose of the conspiracy and the acts done in furtherance of the conspiracy.

All in violation of Title 18, United States Code, Section 1951(a).

COUNT TWO

The SPECIAL APRIL 2021 GRAND JURY further charges:

Beginning in or around 2011 and continuing until in or around November 2017,
at Harvey, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERRICK MUHAMMAD,
also known as, "Rick,"

defendant herein, did knowingly commit extortion, which extortion obstructed,
delayed, and affected commerce, in that defendant obtained property, namely money
and motor vehicles, from Tow Company 1 and Individual 1, an owner of Tow Company
1, with the consent of Tow Company 1 and Individual 1, induced by wrongful use of
fear of actual and threatened economic harm, and under color of official right;

In violation of Title 18, United States Code, Section 1951(a).

COUNT THREE

The SPECIAL APRIL 2021 GRAND JURY further charges:

1. At times material to this indictment:

a. The City of Harvey was a unit of local government located in the Northern District of Illinois that received in excess of \$10,000 in federal benefits during the period from November 1, 2017, to October 31, 2018.

b. The City of Harvey Police Department was an agency of the City of Harvey.

c. DERRICK MUHAMMAD was employed as a police officer by, and was an agent of, the City of Harvey. Among other things, MUHAMMAD oversaw the Harvey Police Department's Traffic Division.

2. On or about November 17, 2017, at Harvey, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERRICK MUHAMMAD,
also known as, "Rick,"

defendant herein, corruptly accepted and agreed to accept a thing of value, namely, a \$5,000 cash payment for the benefit of MUHAMMAD, intending for MUHAMMAD to be influenced and rewarded in connection with any business, transaction, and series of transactions of the City of Harvey involving a thing of value of \$5,000 or more, namely, the assignment and allocation of towing work to CJ's Towing & Recovery;

In violation of Title 18, United States Code, Section 666(a)(1)(B).

FORFEITURE ALLEGATION

The SPECIAL APRIL 2021 GRAND JURY alleges:

1. The allegations contained in Counts One through Three of this indictment are realleged and incorporated here for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. As a result of his violations of Title 18, United States Code, Sections 666(a)(1) and 1951, as alleged in the foregoing indictment,

DERRICK MUHAMMAD,

defendant herein, 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 and all right, title, and interest in property, real and personal, which constitutes and is derived from proceeds traceable to the charged offenses.

3. The interests of MUHAMMAD subject to forfeiture 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) include, but are not limited to, approximately \$100,000.

4. If any of the property subject to forfeiture and described above, 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 party;
- 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 divided without difficulty;

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

A TRUE BILL:

FOREPERSON

Signed by Amarjeet S. Bhachu
on behalf of the
UNITED STATES ATTORNEY