



SIGTARP

Office of the Special Inspector General
For The Troubled Asset Relief Program

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Media Inquiries: 202-927-8940

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TWO BLIGHT ELIMINATION PROGRAM INDICTMENTS UNSEALED

Two criminal indictments were returned today for criminal violations related to the U.S. Treasury Department's Blight Elimination Program, announced Special Inspector General Christy Goldsmith Romero and U.S. Attorney Thomas L. Kirsch II.

Mahmoud Alshuaibi, 38, of Hickory Hills, Illinois, has been charged with wire fraud, theft from a local government receiving federal funds, and making a false and fraudulent statement. According to court documents, between January 2016 and March 2017, Alshuaibi, owner and officer of IESCO Construction, Inc., submitted false and fraudulent documents to support his claim for payment from the City of Hammond, Indiana, for demolition work through the Blight Elimination Program funded by the U.S. Treasury Department.

In a separate indictment, Gary Hayden, Sr., 60, of Logansport, Indiana has been charged with theft from a local government receiving federal funds. According to court documents in this case, between December 2015 and February 2016, Hayden, owner and officer of B&G Construction, submitted false and fraudulent documents to the City of Logansport, Indiana, in support of his claims for payment for demolition work through the Blight Elimination Program.

"The Blight Elimination Program is part of the Troubled Asset Relief Program. The Office of the Special Inspector General for the Troubled Asset Relief Program investigates related fraud," said Special Inspector General Christy Goldsmith Romero. "Those that defraud the program will be caught and prosecuted. I thank U.S. Attorney Thomas L. Kirsch II and Assistant U.S. Attorney Toi Houston for standing with SIGTARP in the fight against TARP-related crimes."

US Attorney Thomas L. Kirsch II said, "The Blight Elimination Program was designed to help stabilize communities. We will continue to work with SIGTARP and other law enforcement entities to investigate and prosecute individuals who commit acts of fraud against the Blight Elimination Program and any other program designed to help the communities in the Northern District of Indiana."

The United States Attorney's Office emphasized that an Indictment is merely an allegation and that all persons charged are presumed innocent until, and unless, proven guilty in court.

If convicted in court, any specific sentence to be imposed will be determined by the judge after a consideration of federal sentencing statutes and the Federal Sentencing Guidelines.

The case was the result of an investigation by SIGTARP and is being prosecuted by Assistant United States Attorney Toi Denise Houston.

About SIGTARP

The Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) is a federal law enforcement agency that targets crime at financial institutions or in TARP housing programs and is an independent watchdog protecting the interests of the America people. SIGTARP investigations have resulted in the recovery of \$11 billion and 300 defendants sentenced to prison.

To report a suspected crime related to TARP, call SIGTARP's Crime Tip Hotline: 1-877-744-2009. To receive alerts about reports, audits, media releases, and other SIGTARP news, sign up at www.SIGTARP.gov. Follow SIGTARP on Twitter @SIGTARP.

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