

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Washington, D.C.

In the Matter of:

LORD ALLAH,

Respondent.

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DOCKET NO.: 12-3883-DB(S)

**ORDER GRANTING GOVERNMENT’S MOTION TO DISMISS
RESPONDENT’S APPEAL OF HIS SUSPENSION AND REQUEST FOR A
HEARING AND AFFIRMING RESPONDENT’S SUSPENSION**

Introduction

By Notice of Suspension dated May 2, 2012 (Notice), the Department of Housing and Urban Development (HUD) advised Respondent LORD ALLAH of his immediate suspension from participation in procurement and nonprocurement transactions as a participant or principal with HUD and throughout the Executive Branch of the Federal Government. Respondent was advised that his suspension was in accordance with the regulations at 2 C.F.R. parts 180 and 2424. Further, Respondent was advised that his suspension was based on an indictment filed in the United States District Court for the District of Massachusetts.

The indictment charged Respondent with violation of 18 U.S.C. §§ 1343 (Wire Fraud), 1344 (Bank Fraud), and 1957 (Unlawful Monetary Transactions). The Notice informed Respondent that “[s]pecifically you are accused of obtaining proceeds from mortgage loans secured at closings through fraudulent loan applications and supporting documents from straw buyers.” The Notice continued that the “indictment constitutes adequate evidence on which to base [Respondent’s] suspension under 2 C.F.R §§ 180.700 and 705.

The Notice further advised Respondent of my determination that Respondent’s “immediate suspension is necessary to protect the public interest.” Additionally, the Notice informed Respondent that the “allegations in the Indictment are evidence the Government faces a serious and immediate risk of harm if [Respondent is] permitted to continue doing business with it.” The Notice stated also that, because of Respondent’s

past or present positions as a property manager and president of a company that managed multifamily and Section 8 properties, he has participated, or is likely to participate, in covered transactions, thus Respondent was subject to the debarment and suspension regulations.

Procedural History

In a letter dated June 1, 2012, addressed to the Director of the Compliance Division, Respondent requested a hearing on his suspension. In an Order issued June 19, 2012, the Suspending Official's Designee set a hearing date of August 21, 2012, and also set a deadline of August 16, 2012 for Respondent's submission. The June 19, 2012, Order was received and signed for by Respondent on July 11, 2012, as evidenced by the certified mail return receipt from the USPS. On June 26, 2011, the Government filed a Motion for Continuance, which was not opposed by Respondent. By Order dated July 27, 2012, the Debarring Official's Designee granted the Government's motion and set a new hearing date of September 11, 2012. This Order was received and signed for on July 30, 2012, by Cheryl Matthews on Respondent's behalf, as evidenced by the return receipt from the USPS.

The matter was called as scheduled on September 11, 2012, but Respondent failed to appear either in person or by phone and no representative appeared on his behalf. Whereupon, after a brief delay waiting for Respondent, the Government's attorney moved to dismiss the matter. In the Scheduling Order issued on July 27, 2012, Respondent was advised specifically that, notwithstanding his failure to appear or to be represented at the hearing, the matter would proceed. The Debarring Official's Designee deferred ruling on the Government's motion to allow Respondent, if he so chose, to explain his failure to appear. To date, Respondent has failed to communicate with this office or to explain his nonappearance on September 11, 2012.

Discussion

As indicated in the previous section, Respondent has failed to submit a response to the Notice, or to communicate in any manner with this office, notwithstanding that Respondent has been given more than ample time to do so. Respondent's apparent indifference in prosecuting the appeal of his suspension convinces me that Respondent no longer has an interest in this matter.

Pursuant to 2 C.F.R. § 180.750(a), the "suspending official bases the decision on all information contained in the official record. The record includes – (1) All information in support of the suspending official's initial decision to suspend you; [and] (2) Any further information and argument in support of, or opposition to, the suspension." As already stated, Respondent submitted no information, so there is no "information and argument in . . . opposition to the suspension" for my consideration. *See also*, 2 C.F.R. §

180.730(a)(1). On the other hand, the Government's brief argues persuasively in support of Respondent's suspension as do the unrefuted allegations in the Indictment. *See* Ex. B (Indictment) in Government's Brief in Support of Suspension. Moreover, 2 C.F.R. § 180.700 authorizes a suspension when the suspending official determines that "(a) [t]here exists an indictment for, or other adequate evidence to support an offense listed under § 180.800(a)." Among the offenses listed is fraud, for which, as the Notice states, Respondent was indicted.

Accordingly, a decision in this matter has to be based on the record as it exists before me today. *See* 2 C.F.R. § 180.750(a)(1). As recited *supra*, the Notice charged that Respondent was indicted for violation of certain federal criminal statutes. In this regard, 2 C.F.R. § 180.735(a)(1) provides that a respondent will not have an additional opportunity to challenge the facts if the suspending official determines that the respondent's "suspension is based upon an indictment." I have determined, as indicated, that Respondent's suspension is based on an indictment.

Conclusion

WHEREFORE, it is ORDERED that, because of Respondent's failure to prosecute his appeal and to appear at his scheduled hearing, and based on the discussion herein, the Government's motion to dismiss is GRANTED and Respondent's appeal of his suspension by HUD in the Notice of Suspension of May 2, 2012, is DISMISSED.

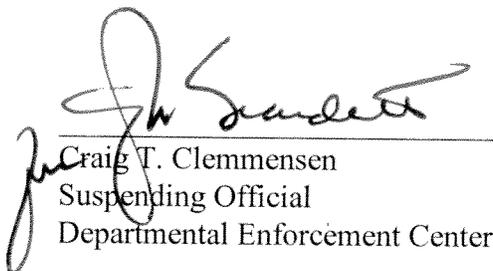
It is further ORDERED that Respondent's suspension be, and it is hereby, AFFIRMED;

It is further ORDERED that Respondent's suspension continue "pending the completion of an investigation or resulting legal or debarment proceedings." *See* 2 C.F.R. § 180.715(e); and

It is further ORDERED that Respondent's suspension "is effective for covered transactions and contracts that are subject to the Federal Acquisition Regulation (48 C.F.R. chapter 1), throughout the executive branch of the Federal Government unless an agency head or an authorized designee grants an exception."

Dated: _____

10.19.12



Craig T. Clemmensen
Suspending Official
Departmental Enforcement Center

CERTIFICATE OF SERVICE

I hereby certify that on this 19TH day of October, 2012, a true copy of the ORDER GRANTING GOVERNMENT'S MOTION TO DISMISS RESPONDENT'S APPEAL OF HIS SUSPENSION AND REQUEST FOR A HEARING AND AFFIRMING RESPONDENT'S SUSPENSION was served in the manner indicated.



Deborah Valenzuela
Debarment Docket Clerk
Departmental Enforcement Center-Operations

HAND-CARRIED

Mortimer F. Coward, Esq.
Suspending Official's Designee

Joseph J. Kim, Esq.
Melissa B. Silverman, Esq.
Ana I. Fabregas, Esq.
Government Counsel

CERTIFIED MAIL

Lord Allah

