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UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA, Plaintiff, v. ARMAN HAYRAPETYAN, Defendant.	No. CR 20-579(A)-SVW-6 GOVERNMENT'S OPPOSITION TO DEFENDANT ARMAN HAYRAPETYAN'S MOTION FOR SECOND REVIEW/RECONSIDERATION OF ORDER SETTING CONDITIONS OF RELEASE/DETENTION (ECF 355); MEMORANDUM OF POINTS AND AUTHORITIES

Plaintiff United States of America, by and through its counsel of record, the Acting United States Attorney for the Central District of California and Assistant United States Attorneys Scott Paetty, Catherine Ahn, and Brian Faerstein, and United States Department of Justice Trial Attorney Christopher Fenton, hereby files this opposition to Defendant Arman Hayrapetyan's Motion for Second Review/Reconsideration of Order Setting Conditions of Release/Detention (ECF 355).

This opposition is based on the attached memorandum of points and authorities, the files and records in this case, and such further evidence and argument as the Court may permit.

Dated: May 24, 2021

Respectfully submitted,

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/s/

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I. INTRODUCTION

On April 12, 2021, this Court denied defendant Arman Hayrapetyan's ("defendant") first motion for review of the detention order entered by Magistrate Judge Maria A. Audero in this case. (ECF 282.) As Judge Audero previously concluded, this Court found that no conditions would assure defendant's appearance in future proceedings and that he posed a flight risk. (See ECF 257, 276-1 at 23-24, 282.)

The fundamental bases underlying defendant's risk of flight in this case have not changed. Defendant remains an Armenian citizen whose entire family lives in Armenia; he has virtually no ties to this district or the United States; he traveled to Armenia for four months last year immediately after his alleged theft and laundering of COVID-19 disaster relief funds; and he allegedly engaged in such conduct using stolen identities of real people, giving rise to Judge Audero's concern he could do the same to flee the country.

Defendant once again asks this Court to review Judge Audero's order, without proffering any changed circumstances or adequate bail resources. Defendant proposes, on an interim basis, the same unjustified surety he previously proffered, which was insufficient to overcome the serious flight risk that led to the denial of his first motion for review. Defendant now also purports to proffer as a security interest certain real property supposedly owned by the proposed surety's wife. But defendant's proffer regarding this property raises more questions than it answers, and remains inadequate to mitigate the significant risk of flight in this case. Accordingly, defendant's second motion for reconsideration of his detention order should be denied.

II. RELEVANT BACKGROUND AND PROCEDURAL HISTORY

The government previously summarized the relevant background and procedural history underlying defendant's motions for reconsideration in its opposition to defendant's first motion for review of the Court's detention order.[1] (See ECF 276 at 1-4.)

Nothing has changed since defendant's initial motion for reconsideration, with the exception of defendant's barebones and inadequate proffer regarding a potential security interest, discussed further below.

III. ARGUMENT

In its opposition to defendant's first motion for review, the government explained why defendant is a serious flight risk based on his background and the circumstances of this case.[2] The government does not repeat those arguments here, which it incorporates by reference herein, other than to say that defendant is distinctly situated among the defendants in this case. (See ECF 276 at 4-9.) Among other things, defendant has virtually no ties to the United States since arriving here in 2019 and has a substantial incentive to rejoin his entire family living in Armenia (whom he visited for four months after allegedly laundering hundreds of thousands of dollars in

[1] The government incorporates by reference herein the entirety of its Opposition to Defendant's Motion for Review/Reconsideration of Order Setting Conditions of Release/Detention (ECF 276).

[2] The government also then noted, and continues to maintain, that defendant poses a danger to the community in light of his alleged theft of at least two real individuals' identities and the identities of their businesses, which serves as an alternative basis to detain him. (See ECF 276 at 5 n.2 (citing United States v. Reynolds, 956 F.2d 192, 192-93 (9th Cir. 1992) ("danger may, at least in some cases, encompass pecuniary or economic harm")).)

2020), particularly in light of the significant penalties he faces in this case and with trial just weeks away.

Following full briefing and a hearing on defendant's first motion for review, this Court considered and rejected defendant's arguments, including his proffer of Ashot Samsonian to serve as an unjustified third-party surety on a $75,000 bond.

Now, in his second motion for review of the detention order, defendant offers no additional facts or argument. Instead, he proffers the same unjustified surety (Mr. Samsonian) and a purported real property security interest that raises a number of red flags. Both are wholly inadequate to mitigate the serious risk of flight in this case.

First, defendant asserts that he "is able to have [Mr. Samsonian] sign an appearance bond without justification in the amount of $75,000, to be replaced by property owned by Mr. Samsonian's wife in the amount of $50,000 with justification."[3] (ECF 355 at 3-4.) Defendant thus proposes the same unjustified surety and bond amount the Court previously found insufficient. That he appears to propose this unjustified surety on an interim basis -- while the property package on the proffered property is assembled, the deed is recorded, and the bond is perfected -- does not alter defendant's substantial risk of flight in this case. Indeed, the risk would be even greater during the interim period, just weeks before trial is

[3] In the next paragraph of his motion, defendant states that he is willing to proffer an "affidavit with justification for $100,000 with full deeding of property," as opposed to $50,000 backed up by the property as he previously stated. (ECF 355 at 4.) It is not clear the total amount of the bond defendant proposes at this stage. But even assuming he intends to propose a $100,000 bond fully secured by the proffered property, the government submits his proposal is inadequate for the reasons stated herein.

set to commence and before the bond is backed up by the proposed property interest.

The government further believes there is a strong likelihood the bond would not be secured by the time of trial, during which defendants would face the prospect of conviction. This is when the reality of a permanent sentence looms largest and releasing a defendant with little to no ties to the community and an alleged history of identity theft on little other than a signature bond will not reasonably assure defendant's appearance. 18 U.S.C. § 3142(c)(1)(B). Other defendants in this case recently experienced a significant delay from the Los Angeles County Registrar-Recorder's Office in recording liens on property interests for their bonds as a result of backlog from the pandemic, requiring thirty-day extensions for perfecting those defendants' bond packages. (See ECF 227, 228.) The practical import of defendant's second motion for review here is to propose the same third-party surety signing onto the same previously rejected appearance bond without justification on an open-ended basis with trial three weeks away.

Second, the government has significant concerns about the property interest defendant proposes in support of his proffered bond package. According to its public property listing, the proposed property in Cathedral City, California was last sold for $470,000 in August 2020, at the height of the alleged COVID-19 disaster relief loan fraud scheme alleged in the First Superseding Indictment.[4]

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[4] See, e.g., Realtor.com property listing, available at https://www.realtor.com/realestateandhomes-detail/67110-Garbino-Rd_Cathedral-City_CA_92234_M13655-46313; Redfin.com property listing, available at https://www.redfin.com/CA/Cathedral-City/67110-Garbino-Rd-92234/home/6072772.

Defendant represents that the property is “owned by Mr. Samsonian’s wife,” but the grant deed attached to defendant’s motion reflects the property is owned by “Aleksandr Sahakyan, a Single Man and Evelina Manukyan, a Married Woman, as Joint Tenants.” (ECF 355-1, Exh. B.) Defendant provides no information about who these individuals are, what relationship they have to defendant, and even if the Court assumes Evelina Manukyan is Mr. Samsonian’s wife, whether her co-owner is willing to allow the property to be used as security for defendant’s bond.

In addition, while defendant attaches a purported four-sentence appraisal letter for the property estimating a market value of $525,480.00 (which appears to be well above the values of the comparable properties relied on by the same real estate agent),[5] defendant provides no information about the supposed owners’ actual equity in the property, including mortgage loans and other encumbrances. Thus, defendant provides little information for the government and the Court to assess the financial adequacy of the property much less the appropriateness of it as a security interest as to this defendant. Defendant also does not provide any information about the source of funds used to purchase the property in August 2020 or the circumstances underlying the grant deed expanding the ownership from “Aleksandr Sahakyan” to “Aleksandr Sahakyan and Evelina Manukyan” in December 2020 -- issues about which the government has significant concern given the timing of the underlying purchase, defendant’s own alleged criminal conduct in a

[5] Other publicly-available information, including the webpages cited in the previous footnote, reflects notably lower appraisal estimates for the property, including $463,500 (Realtor.com) and $506,043 (Redfin.com).

money laundering conspiracy where at a significant portion of the funds went to purchase real property, and the lack of clarity regarding the owners and their relationship to defendant and Mr. Samsonian.

Finally, defendant contends that his “offering [of a secured property interest] would mirror many of the co-defendant’s bond conditions” and thus “it would only be appropriate that Mr. Hayrapetyan’s is also approved.” (ECF 355 at 4.) Defendant ignores the individualized assessment at the heart of the Bail Reform Act. Defendant is uniquely situated in this case as having arrived in the United States in 2019 and having virtually no meaningful ties to this district or country. Defendant’s entire family lives in Armenia, and his recent extended travel there during the period of the alleged conspiracy reflects a continuing connection to his life in Armenia and a strong incentive to flee from the consequences of this case.

IV. CONCLUSION

For the foregoing reasons, and the reasons set forth in the government’s opposition to defendant’s first motion for review of the Court’s detention order, the government respectfully requests the Court deny defendant’s Motion for Second Review/Reconsideration of Order Setting Conditions of Release/Detention (ECF 355).