



[Press Releases](#)

March 19, 2018

MADIGAN: CAR WASH VENDOR CHARGED WITH STEALING NEARLY \$1 MILLION FROM CITY OF CHICAGO

Chicago — Attorney General Lisa Madigan and the City of Chicago Office of Inspector General (OIG) today announced charges against the president and manager of a Chicago car wash vendor for stealing nearly \$1 million from the city through a contracting pass-through scheme.

John Balzano, 58, and Natalie Balzano, 55, of Darien, were each charged today with one Class X felony of theft of government property, one Class 2 felony of fraudulently obtaining money reserved for disadvantaged business enterprises, and one Class 3 felony of wire fraud and mail fraud. Natalie Balzano was also charged with two counts of Class 3 forgery.

Madigan alleged the Balzanos, who are married, defrauded the City of Chicago by working with a Minority Business Enterprise (MBE) subcontractor, the owner of Oak Park-based PJ's Ace Hardware, who generated false invoices for car wash products that were sold and delivered by non-MBE suppliers. John Balzano placed the orders directly with the non-MBE suppliers and PJ's Ace Hardware created new invoices, marked up by 15 to 20 percent, which Balzano paid to make it appear that J&J Car Wash was complying with the city's MBE contract goal to spend at least 16.9 percent of the total contract price with MBEs. J&J President Natalie Balzano then submitted bids to the city for car wash contracts. The estimated loss to the city is \$931,949, which represents payments the city made under the contract.

"Exploiting the laws intended to support minority business owners cost the City of Chicago as well as other legitimate minority-owned businesses," Madigan said. "I appreciate the city's Office of Inspector General's work to help hold these defendants accountable."

The Balzanos were arraigned on March 19 in Cook County Circuit Court. Their next court date is April 27. The public is reminded that the defendant is presumed innocent until proven guilty in a court of law.

The investigation was conducted by the City of Chicago Office of the Inspector General. Assistant Attorney General Sandra Talbott is handling the case for Madigan's Special Prosecutions Bureau.

-30-

[Return to March 2018 Press Releases](#)

