



**United States Attorney's Office District of
Connecticut
Press Release**

November 17, 2008 **SHELTON DEVELOPER CHARGED WITH BRIBERY, CONSPIRACY,
FRAUD, STRUCTURING DEPOSITS, AND LYING TO IRS AGENTS**

Nora R. Dannehy, Acting United States Attorney for the District of Connecticut, today announced that a federal grand jury sitting in New Haven has returned a seven-count Indictment charging JAMES BOTTI, 45, of Maple Avenue, Shelton, with various federal offenses relating to his alleged participation in a public corruption scheme that began in 2002. The seven-count Indictment charges BOTTI, a Shelton developer, with conspiracy to defraud the citizens of Shelton, bribery of a public official, mail fraud, conspiracy to structure cash deposits, structuring and two counts of making false statements to Special Agents of the Internal Revenue Service – Criminal Investigation Division.

The Indictment was returned on November 6 and unsealed today. BOTTI was arrested this morning by federal law enforcement agents at his home. He appeared this afternoon before United States Magistrate Judge Joan G. Margolis in New Haven and was released on a \$200,000 bond.

The Indictment alleges, among other things, that BOTTI made a monetary payment and provided favors and benefits to an unnamed Shelton public official – identified in the Indictment as Public Official #1 – to reward and induce the public official to support a project that BOTTI was developing at 828 Bridgeport Avenue, and also to use his influence with the Shelton Planning and Zoning Commission. The Indictment alleges that BOTTI obtained approval for his 828 Bridgeport Avenue project after a second vote that occurred before the Planning and Zoning Commission in June 2006.

The Indictment alleges that BOTTI provided Public Official #1 with benefits, including payments to contractors and merchants in connection with work done at the public official's residence. The Indictment also alleges that, in approximately December 2003, BOTTI represented that if Public Official # 1 or any other public official tried to interfere with BOTTI, BOTTI would expose the corrupt activities of "17 developers and a good chunk of town hall" in Shelton.

The Indictment further alleges that BOTTI conspired with another person to structure cash deposits and then lied to IRS agents about cash that BOTTI maintained. The Indictment details approximately \$147,000 of deposits allegedly structured by BOTTI and his co-conspirator at numerous financial institutions in Connecticut.

Federal law requires all financial institutions to file a Currency Transaction Report (CTR) for currency transactions that exceed \$10,000. To evade the filing of a CTR, individuals will often structure their currency transactions so that no

single transaction exceeds \$10,000. Structuring involves the repeated depositing or withdrawal of amounts of cash less than the \$10,000 limit, or the splitting of a cash transaction that exceeds \$10,000 into smaller cash transactions in an effort to avoid the reporting requirements. Even if the deposited funds are derived from a legitimate means, financial transactions conducted in this manner are still in violation of federal criminal law.

If convicted on all counts, BOTTI faces a total maximum term of 55 years of imprisonment, a fine of up to \$1.75 million, and forfeiture in the amount of the structured funds.

Acting U.S. Attorney Dannehy stated that the investigation is continuing.

An Indictment is only a charge and is not evidence of guilt. The defendant is entitled to a fair trial at which it is the Government's burden to prove guilt beyond a reasonable doubt.

This matter is being investigated by the Federal Bureau of Investigation and the Internal Revenue Service – Criminal Investigation Division. The case is being prosecuted by Senior Litigation Counsel Richard J. Schechter.

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