

# NEWS

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United States Department of Justice  
U.S. Attorney, District of New Jersey  
970 Broad Street, Seventh Floor  
Newark, New Jersey 07102

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***Christopher J. Christie, U.S. Attorney***

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***More Information?*** Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

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Contact: jame0512.rel  
Michael Drewniak, Public Information Officer FOR IMMEDIATE RELEASE  
973-645-2888 May 12, 2008

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## Government Dismisses Second Set of Charges Against Sharpe James; Sentencing to Go Forward in July

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### **Former Mayor Faces Potential 10 to 15 years in Prison**

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Public Affairs Office  
Michael Drewniak, PAO

973-645-2888

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NEWARK – The U.S. Attorney’s Office today dismissed remaining fraud charges against former Newark Mayor Sharpe James, who last month was convicted on all counts against him in a corrupt scheme to steer city-owned land to his mistress, U.S. Attorney Christopher J. Christie announced.

At the request of the U.S. Attorney’s Office, an order of dismissal with certain conditions was signed today by U.S. District Judge William J. Martini. The dismissal eliminates at this time the need for a second trial, which had been scheduled for July 8, on charges related to James’s alleged abuse of city credit cards for personal use.

In deciding to dismiss the second set of charges, Christie said he consulted extensively with the James trial team and senior members of his staff, New Jersey Attorney General Anne Milgram, whose office participated in the investigation and prosecution, and investigative agency heads. The decision was influenced considerably by the fact that a second conviction would not increase James’s sentencing exposure under the applicable U.S. Sentencing Guidelines, which already leave James open to a sentencing range of between 10 and 15 years in federal prison, without parole.

Other related considerations were the time and resources that would be devoted to a second trial and the desire to have James sentenced as scheduled on July 29 for his convictions.

Importantly also, the dismissal preserves the right of the U.S. Attorney’s Office and/or the New Jersey Attorney General’s Office to seek a new Indictment on the dismissed charges in the event that any portion of James’s April 16 conviction is overturned on appeal or other court action. In this regard, James’s attorneys also waived any right of defense against those charges that might otherwise arise based on any federal or state statute of limitations.

The dismissal order further indicates that James will not seek an adjournment of the July 29 sentencing date. Riley’s sentencing is also scheduled for July 29.

“We believe that justice was well served on the day the jury convicted the former mayor on all of the corruption charges against him and, as a consequence, by the significant prison term that he likely faces,” said Christie.

James and Riley were originally charged in an 33-count Indictment which encompassed two alleged frauds: the scheme to steer Newark-owned properties to Riley, the mayor’s girlfriend, and James’s use of city credit cards to travel with Riley and other women and spend on personal, often lavish, expenses.

Judge Martini divided the charges into two parts, requiring the government to try James

twice. In the first trial, James and Riley were convicted on the same five charges: three counts of mail fraud related to the sale of the city lots to Riley, one count of fraud involving a local government receiving federal funds, and one count of conspiracy to defraud the public of James' honest services.

The jury also convicted Riley, of Jersey City, on all of the other charges that named her only. Those additional convictions were three counts of mail fraud for Riley's fraudulent receipt of housing rental assistance for which she was not qualified; two counts of tax fraud for failing to report the income she received from the sale of the Newark properties; one count of corporate tax fraud, and one count of tax evasion.

The case against James and Riley was tried by Assistant U.S. Attorneys Judith Germano, Phillip Kwon, and Special Assistant U.S. Attorney Perry Primavera, on assignment from the New Jersey Attorney General's Office, under the direction of Attorney General Milgram.

Christie credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun; Special Agents of the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, and investigators from the New Jersey Division of Criminal Justice, under the direction of Attorney General Milgram, for their combined expertise and exhaustive investigation of the case leading to the convictions of James and Riley.

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Defense Counsel:

For James: Thomas R. Ashley, Esq., and Alan L. Zegas, Esq.

For Riley: Gerald Krovatin, Esq.