

NEWS

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FOR IMMEDIATE RELEASE

Aug. 20, 2009

Jersey City Deputy Mayor and Hudson County Affirmative Action
Officer Indicted on Corruption Charge

(More)

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NEWARK – Jersey City Deputy Mayor Leona Beldini and Edward Cheatam, an official in both Hudson County and Jersey City, were charged today in a one-count Indictment with conspiring to extort corrupt cash payments, illicit political contributions and other benefits under color of official right, in return for Beldini's and an elected Jersey City official's influence in Jersey City government matters, Acting U.S. Attorney Ralph J. Marra, Jr., announced.

Beldini, 74, and Cheatam, 61, both of Jersey City, were originally arrested on a criminal Complaint on the morning of July 23, 2009, along with 42 other individuals, resulting from a two-track federal investigation of public corruption and a high-volume, international money laundering conspiracy.

Beldini and Cheatam, who were released on bail by Magistrate Judge Madeline Cox Arleo on July 23, will be arraigned on the Indictment in federal court after the case is assigned to a U.S. District Judge.

The Indictment describes Cheatam's efforts to introduce government officials willing to exercise their official influence in favor of a cooperating witness purportedly seeking development approvals in exchange for corrupt payments. Beldini, while treasurer of a Jersey City official's reelection campaign (this official is described as "JC Official 1" in the Indictment), accepted \$20,000 in illicit campaign contributions benefitting Beldini and JC Official 1. These payments were in exchange for Beldini's agreement to exercise influence and official action to assist the cooperating witness with development projects, including one on Garfield Avenue in Jersey City, according to the Indictment. The Indictment alleges that to conceal the source and nature of cash payments from the cooperating witness, Cheatam and a Jersey City consultant closely associated with both Beldini and Cheatam (identified as "The Consultant" in the Indictment), converted the cash to structured campaign contribution checks – in amounts within the legal contribution limits. The checks were then provided to Beldini for use in JC Official 1's reelection campaign.

"As alleged in the Indictment, Beldini, a high-ranking Jersey City official, sold her office for her personal financial gain and the benefit of Jersey City Official 1," said Marra. "In exchange, she promised a developer official favors not available to the honest business person."

The Indictment alleges that Cheatam and The Consultant also profited from Beldini's corrupt arrangement with the cooperating witness. Cheatam and The Consultant agreed to accept, and, in fact, accepted thousands of dollars in cash payments from the cooperating witness in exchange for facilitating introductions to officials like Beldini.

Beldini also agreed to use her office and influence in exchange for other benefits, according to the Indictment. In addition to serving as deputy mayor and treasurer of JC Official 1's reelection campaign, Beldini was a licensed real estate broker and president of a Jersey City real estate agency. In that capacity, the Indictment alleges, Beldini sought to secure an agreement to act as the real estate broker for the cooperating witness's purported condominium development project on Garfield Avenue. According to the Indictment, after Beldini agreed she could serve as broker, she instructed The Consultant to obtain specifications for the proposed Garfield Avenue development project so that she could speak to a high-level Jersey City zoning official about the project.

According to the Indictment, during a March 24, 2009 meeting between Beldini, Cheatam, The Consultant and the cooperating witness, Beldini acknowledged receiving an initial \$10,000 in illicit campaign contributions from the cooperating witness and agreed that future cash payments should likewise be converted through Cheatam and The Consultant. With respect to the purported Garfield Avenue project, Beldini thanked the cooperating witness for his willingness to use Beldini as the real estate agent for the sale of the condominiums and assured the cooperating witness, "I can definitely help you get through a lot of red tape" in Jersey City government.

Beldini and Cheatam are both charged with conspiracy to commit extortion under color of official right, which carries a statutory maximum penalty of 20 years in prison and a maximum fine of \$250,000 per count.

In determining an actual sentence, the judge to whom the case is assigned would, upon a conviction, consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

An Indictment is merely an accusation. Despite indictment, every defendant is presumed to be innocent unless and until proven guilty beyond a reasonable doubt.

Marra credited Special Agents of the FBI Red Bank Resident Agency, under the direction of Special Agent in Charge Weysan Dun, in Newark, and the IRS Criminal Investigation Division, under the direction of Acting Special Agent in Charge Julio La Rosa, for their commitment of resources and success in the Bid Rig cases to date.

The government is represented by Assistant U.S. Attorney Sandra L. Moser of the U.S. Attorney's Office Special Prosecutions Division in Newark.

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Defense Counsel:

Beldini: Brian J. Neary, Esq., Hackensack

Cheatam: John J. Collins, Esq., Jersey City, and Alfonso Robinson, III, Esq., Jersey City