

NEWS

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FOR IMMEDIATE RELEASE
Oct. 6, 2009

Jersey City Councilman Pleads Guilty to Conspiracy to Commit Extortion

(More)

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NEWARK – Jersey City Councilman Philip J. Kenny pleaded guilty today to conspiring to commit extortion, admitting that he agreed to accept, and later accepted, a \$5,000 bribe from a government cooperating witness in return for exercising his future official assistance in obtaining real estate development approvals for the cooperating witness, Acting U.S. Attorney Ralph J. Marra, Jr. announced.

Kenny, 53, pleaded guilty before U.S. District Judge Jose L. Linares to a one-count criminal Information charging him with conspiracy to commit extortion under color of official right. Judge Linares allowed Kenny to remain free on a \$50,000 bond pending sentencing, which is scheduled for Jan. 12.

Kenny's guilty plea stems from an undercover FBI political corruption and international money laundering investigation that became public on July 23 with charges against 44 individuals. Today was Kenny's first appearance in court in connection with the investigation; he had not previously been charged.

Marra said the investigation is continuing.

At his plea hearing, Kenny admitted that between March 2009 and May 2009, he agreed to accept, and later accepted, a \$5,000 corrupt payment from the cooperating witness (CW) in exchange for Kenny's future official assistance as an anticipated member of the Jersey City Municipal Council (Kenny won election to the city council on May 12).

Kenny stated that in return for the corrupt payment, and upon his election to council, he would assist the CW in obtaining expedited development approvals for a property located on Garfield Avenue in Jersey City. Kenny further admitted that on March 30, during a meeting at a Jersey City restaurant, he accepted two \$2,500 checks written on behalf of straw donors to his electoral campaign.

The charge to which Kenny pleaded guilty carries a maximum statutory penalty of 20 years in prison and a \$250,000 fine. However, in determining an actual sentence, Judge Linares will 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, including acceptance of responsibility. The judge, however, has wide discretion and 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 of that time.

Marra credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, and the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for the investigation involving Kenny and the other

defendants. Marra also thanked the Monmouth County Prosecutor's Office, under the direction of Prosecutor Luis A. Valentin, for their assistance in the investigation.

The case against Kenny is being prosecuted by Assistant U.S. Attorney Christopher J. Gramiccioni.

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Defense counsel: Samuel L. Sachs, Esq. East Windsor