

# 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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FOR IMMEDIATE RELEASE

Sept. 18, 2008

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Developer Indicted for Allegedly Bribing  
Former Parsippany Planning Board Attorney

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(More)

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NEWARK – A federal grand jury today indicted the owner of a Morris Plains real estate development company for allegedly making bribes and corrupt payments to a former Parsippany-Troy Hills Planning Board attorney in return for official favors and assistance in connection with matters involving the Planning Board, U.S. Attorney Christopher J. Christie announced.

Edward J. Mosberg, 82, of Union was charged in the Indictment with one count of conspiracy to commit mail fraud, six counts of mail fraud and four counts of bribery. Mosberg will be arraigned on the Indictment sometime over the course of the next two weeks, after the case is assigned to a U.S. District judge.

The Indictment charges that between about 1998 and 2007, Mosberg gave corrupt payments, concealed in the form of favorable real estate transactions, to the Planning Board attorney and certain family members of the Planning Board attorney.

The alleged benefits given by Mosberg included: significantly discounted purchase prices on houses built by Mosberg to permit the family members to obtain greater profits on resale; lenient settlement dates and arrangements, contrary to property purchase agreement terms, that allowed the family members to resell or “flip” the properties to third-party purchasers with little or no financial risk; purchase of these properties with little or no deposit monies or mortgage contingency obligations; and free options, upgrades and extras added to houses that were absorbed by Mosberg and his companies.

One of the family member’s houses was alleged to have received nearly \$46,000 in upgrades and extras paid for in this fashion. After certain houses were flipped, the sales proceeds were retained by the family members and, in some cases, portions of the proceeds were transferred to the Planning Board attorney. The Planning Board attorney is alleged to have received at least approximately \$36,000 as a result of this scheme.

The Indictment further alleges that, in consideration for these benefits and others, the Planning Board attorney exercised and agreed to exercise his official authority and discretion to provide Mosberg assistance with respect to matters before the Planning Board and the Township of Parsippany-Troy Hill, including:

- Reviewing and endorsing developer’s agreements between Mosberg’s development entities and the Planning Board and Township, though these agreements included provisions that tended to undermine the Township’s legal position taken during the course of litigation with Mosberg over sewer-connection fees pursuant to previous developer’s agreements. These developer’s agreements included provisions that supported Mosberg’s development entities’ sewer-connection fee calculations, rather than that of the Township; and exempted Mosberg’s development entities from payment of sewer-connection fees;

- Ensuring that development applications submitted by Mosberg's development entities to the Planning Board were drafted and completed quickly. As a result, the resolutions were ready for passage at Planning Board meetings more rapidly;
- Planning, discussing and strategizing regarding the course of litigation where Mosberg's development entities were adversaries of the Township, which had the effect of pre-determining the outcome of litigation and development matters with the Township in ways favorable to Mosberg's interests;
- Providing Mosberg a secret recommendation to purchase a development property (Mazdabrook) from a company that was prevented from building apartments on Mazdabrook as a result of a lawsuit won by the Planning Board attorney. Mosberg subsequently purchased Mazdabrook, and the Planning Board attorney advised Mosberg to apply to build houses rather than apartments on Mazdabrook. Thereafter, the Planning Board attorney expedited Mosberg's development application for Mazdabrook and the Planning Board quickly approved it;
- Assisting Mosberg in further developing a property known as Parkside Gardens, though Mosberg had not satisfied the conditions of a pre-existing developer's agreement. Mosberg is alleged to have offered the PB Attorney a "six figure" corrupt payment in exchange for the PB Attorney's assistance in obtaining additional housing at Parkside Gardens.

The conspiracy to commit mail fraud, as well as each mail fraud count, carry a statutory maximum penalty of 20 years in prison. Each bribery count carries a maximum term of 10 years in prison. All the counts carry a maximum fine of \$250,000.

Despite Indictment, the defendant is presumed innocent unless proven guilty beyond a reasonable doubt.

Christie credited investigators with the U.S. Attorney's Office in Newark for the investigation involving Mosberg, and Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun.

This case is being prosecuted by Assistant U.S. Attorney Christopher J. Gramiccioni of the Office's Special Prosecutions Division.

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Defense Counsel: Peter W. Till, Esq, Springfield