

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
v. : Crim. No.
LEONA BELDINI and : 18 U.S.C. § 1951(a)
EDWARD CHEATAM

INDICTMENT

The Grand Jury in and for the District of New Jersey,
sitting at Newark, charges:

Conspiracy to Commit Extortion Under Color of Official Right
Defendants and Others

1. At all times relevant to this Indictment:

a. Defendant LEONA BELDINI was the Deputy Mayor of Jersey City, New Jersey. In her capacity as Deputy Mayor, defendant LEONA BELDINI directly assisted and reported to an elected Jersey City official ("JC Official 1"). Defendant LEONA BELDINI served as JC Official 1's liaison and representative on certain Jersey City boards and commissions, including the Jersey City Parking Authority and the Jersey City Economic Development Corporation. Defendant LEONA BELDINI also served as Treasurer of JC Official 1's re-election campaign committee ("Re-Election Committee"). In addition, defendant LEONA BELDINI was a licensed real estate broker and president of a real estate agency in Jersey City.

b. Defendant EDWARD CHEATAM was the affirmative

action officer for Hudson County and a Commissioner on the Jersey City Housing Authority ("JCHA") in Jersey City. At certain times relevant to this Indictment, defendant EDWARD CHEATAM also served as the Vice President of the Jersey City Board of Education ("BOE").

c. There was an individual, now deceased, who owned and operated a consulting firm based in Jersey City ("The Consultant"), and was a close associate of defendants LEONA BELDINI and EDWARD CHEATAM.

d. There was an individual cooperating with law enforcement (the "CW"), who held himself out as a real estate developer interested in development in the greater Jersey City area, including on Garfield Avenue. The CW represented that the CW did business in numerous states, including New York and New Jersey, and paid for goods and services in interstate commerce.

The Conspiracy

2. From in or about January 2009 to in or about July 2009, in Hudson County, in the District of New Jersey and elsewhere, defendants

LEONA BELDINI
and
EDWARD CHEATAM

did knowingly and willfully conspire and agree with The Consultant and others to obstruct, delay and affect interstate commerce by extortion under color of official right - that is, by

obtaining corrupt cash payments, illicit political contributions and other benefits from the CW, with consent, in exchange for defendant LEONA BELDINI'S and JC Official 1's official assistance, action and influence in Jersey City Government matters.

3. It was an object of the conspiracy that defendant LEONA BELDINI, defendant EDWARD CHEATAM, The Consultant and others solicited, accepted and agreed to accept corrupt cash payments, illicit political contributions and other benefits from the CW in exchange for defendant LEONA BELDINI'S and JC Official 1's official assistance, action and influence in Jersey City Government matters.

4. It was part of the conspiracy that the conspirators used corrupt cash payments received from the CW to fund the Re-Election Committee and otherwise support the re-election of JC Official 1.

5. It was further part of the conspiracy that defendant LEONA BELDINI and the conspirators sought to garner real estate commissions for defendant BELDINI on real estate development projects over which defendant LEONA BELDINI and JC Official 1 would exercise their official discretion as Jersey City government officials.

6. It was further part of the conspiracy that the conspirators actively concealed material facts by providing false

information and making material omissions, to include utilizing 'straw' donors to unlawfully convert cash payments received from the CW into campaign contributions, and submitting and causing to be submitted, materially false campaign finance disclosure reports.

Acts In Furtherance of the Conspiracy

7. To further the conspiracy and effect its objects, the following acts were committed (during, among other times, conversations recorded by federal law enforcement authorities) in the District of New Jersey and elsewhere:

a. On or about January 7, 2009, defendant EDWARD CHEATAM met with the CW at a restaurant in Jersey City and stated that defendant EDWARD CHEATAM would seek to introduce the CW to government officials in and around Jersey City who could assist the CW with the CW's business interests, including the development of the Garfield Avenue property.

b. On or about February 13, 2009, defendant EDWARD CHEATAM introduced the CW to The Consultant at a restaurant in Jersey City. During the ensuing meeting, defendant EDWARD CHEATAM and The Consultant were informed by the CW that the CW was willing to pay cash to government officials in exchange for the officials' help with the CW's business interests, including obtaining approvals for the development of the Garfield Avenue property. Defendant EDWARD CHEATAM and The Consultant agreed to

accept future cash payments from the CW for themselves in exchange for facilitating introductions and corrupt payments to government officials.

c. On or about February 17, 2009, defendant EDWARD CHEATAM, The Consultant and the CW met at a restaurant in Jersey City. During this meeting, the Consultant agreed to arrange a meeting between JC Official 1 and the CW in the coming weeks. The Consultant informed the CW not to "mention any money" to JC Official 1 at the future meeting, because The Consultant would "deal with" that and to, instead, "tell [JC Official 1] you want to contribute." The Consultant then agreed that, in exchange for corrupt payments from the CW, JC Official 1 would use JC Official 1's position and official influence to assist the CW in connection with the CW's purported development initiatives in Jersey City. At the conclusion of the meeting, defendant EDWARD CHEATAM accepted a \$5,000 cash payment and The Consultant accepted \$10,000 cash payment from the CW in exchange for their assistance.

d. On or about March 11, 2009, defendant EDWARD CHEATAM, The Consultant, and the CW met at a restaurant in Weehawken, New Jersey. During this meeting, The Consultant confirmed that The Consultant had arranged a meeting between JC Official 1 and the CW to take place on or about March 13, 2009. The Consultant indicated that JC Official 1 would help the CW

with the CW's approvals and confirmed for the CW that defendant LEONA BELDINI, who was a close associate of JC Official 1, operated the way that they liked to "operate." The Consultant then suggested that the CW pay \$10,000 in "contributions" for the benefit of JC Official 1 and his re-election campaign in exchange for real estate "approvals" in Jersey City.

e. On or about the morning of March 13, 2009, in a telephone conversation, defendant LEONA BELDINI and The Consultant confirmed a meeting for later that day in which defendant LEONA BELDINI and JC Official 1 were to be introduced to the CW in order to discuss the CW's purported real estate development projects in Jersey City. During the conversation, defendant LEONA BELDINI expressed concern that defendant EDWARD CHEATAM would be at the meeting because JC Official 1 might not be "comfortable talking finances" in front of defendant EDWARD CHEATAM and further that there were "too many snakes around" and asked whether The Consultant "understood" what defendant LEONA BELDINI was "saying."

f. On or about March 13, 2009, subsequent to the telephone conversation referenced in subparagraph (e), in another telephone conversation, The Consultant explained to defendant LEONA BELDINI that defendant EDWARD CHEATAM would attend the meeting, but would arrive late to allow JC Official 1 to meet with the CW without defendant EDWARD CHEATAM. As the

conversation continued, The Consultant explained to defendant LEONA BELDINI that defendant EDWARD CHEATAM'S presence for part of the meeting was important because defendant CHEATAM had "a lot to say about" the CW "giving money to [JC Official 1]."

g. On or about March 13, 2009, subsequent to the telephone conversation referenced in subparagraph (f), defendant LEONA BELDINI, defendant EDWARD CHEATAM, The Consultant, JC Official 1 and the CW met at a luncheonette in Jersey City. The parties discussed the status of JC Official 1's re-election campaign and the CW's purported real estate development projects in Jersey City, including on Garfield Avenue. Defendant EDWARD CHEATAM advised JC Official 1 that the CW was ready to develop real estate with JC Official 1's "help" and "assistance," and JC Official 1 was further advised by the CW that "approvals are key." JC Official 1 informed the CW that defendant LEONA BELDINI not only was Deputy Mayor but also a realtor. After JC Official 1 left the meeting, defendant LEONA BELDINI: (i) indicated that she understood the contemplated corrupt arrangement whereby official influence and approvals would be garnered in exchange for payments and other benefits, and warned "we have to be very cautious;" (ii) stated to the CW that defendant LEONA BELDINI and JC Official 1 could "help move" the CW's Jersey City real estate "approvals" through Jersey City government; (iii) agreed with the CW that payments to JC Official 1 from the CW should be made

using The Consultant as a conduit; (iv) agreed with the CW that the CW's name should remain concealed in connection with any payments or contributions made for the benefit of JC Official 1; and (v) agreed with the CW that defendant LEONA BELDINI could work as a realtor for the CW's Garfield property. After defendant LEONA BELDINI departed the meeting, defendant CHEATAM, The Consultant and the CW discussed the CW hiring defendant BELDINI as a realtor in exchange for defendant LEONA BELDINI'S official assistance with the CW's development project.

h. On or about March 13, 2009, in a telephone conversation subsequent to the meeting referenced in subparagraph (g), defendant LEONA BELDINI stated to The Consultant: (i) that defendant LEONA BELDINI was capable of serving as the real estate broker for the CW's Garfield Avenue project in Jersey City; (ii) that the Consultant should obtain specifications for the proposed Garfield Avenue development project; and (iii) that defendant LEONA BELDINI could speak to a high-level Jersey City zoning official about the CW's Garfield Avenue project.

i. On or about March 16, 2009, defendant EDWARD CHEATAM, The Consultant and the CW met at a diner in Jersey City. During the meeting, The Consultant stated that defendant LEONA BELDINI's real estate business was "hurting now" and that defendant LEONA BELDINI "would love to be a realtor for your different places, not only in buying property but in selling

units."

j. On or about March 19, 2009, defendant EDWARD CHEATAM, The Consultant and the CW met at a diner in Jersey City. During the meeting, The Consultant: (i) reiterated defendant LEONA BELDINI'S desire to act as the realtor for the CW's Garfield Avenue development; and (ii) suggested that, because defendant LEONA BELDINI and JC Official 1 would not accept cash payments directly, The Consultant and defendant EDWARD CHEATAM act as conduits to conceal cash payments made by the CW by illicitly converting cash into structured campaign contribution checks totaling \$10,000, to be made for the benefit of defendant LEONA BELDINI and JC Official 1.

k. On or about March 20, 2009, defendant EDWARD CHEATAM, The Consultant and the CW met at a diner in Jersey City. During this meeting, defendant EDWARD CHEATAM and The Consultant each accepted \$10,000 in cash from the CW comprising: (i) two \$5,000 cash payments to be concealed by converting the cash into four \$2,500 checks written for the benefit of JC Official 1's re-election campaign; and (ii) two \$5,000 cash payments to be retained by defendant EDWARD CHEATAM and The Consultant for their assistance in brokering the corrupt arrangement.

l. On or about March 24, 2009, during a meeting between defendant LEONA BELDINI, defendant EDWARD CHEATAM, The Consultant and the CW at a diner in Jersey City, defendant LEONA

BELDINI: (i) explained the governmental process for obtaining a zone change for the CW's purported development on Garfield Avenue; (ii) touted her official influence by stating to the CW that "I can definitely help you get through a lot of red tape"; (iii) discussed her ability to serve as the real estate broker for the Garfield Avenue project and her real estate commission rates; (iv) thanked the CW for his stated willingness to use defendant LEONA BELDINI as the real estate agent for the sale of condominiums; and (v) assured the CW that she could be relied upon to help secure governmental approvals for the benefit of the CW. Defendant LEONA BELDINI also confirmed that she and JC Official 1 had received the \$10,000 that the CW previously provided and explained that it had gone into a joint election committee fund, but that the money would be "funnel[ed] back into" JC Official 1's Re-election Committee. Defendant LEONA BELDINI further confirmed that future cash payments from the CW should go through defendant EDWARD CHEATAM and The Consultant.

m. On or about April 1, 2009, defendant LEONA BELDINI met defendant EDWARD CHEATAM, The Consultant and the CW at a diner in Jersey City. During the meeting, the CW informed defendant LEONA BELDINI that the CW: (i) would give another \$10,000 for the benefit of JC Official 1's campaign; (ii) would provide an additional \$10,000 after the election; and (iii) would transmit these monies using defendant EDWARD CHEATAM and The

Consultant as conduits. When the CW reminded defendant LEONA BELDINI to assist the CW in expediting Jersey City approvals with respect to the Garfield Avenue project, defendant LEONA BELDINI responded, "Absolutely."

n. On or about April 6, 2009, defendant EDWARD CHEATAM and The Consultant each submitted or caused to be submitted checks in the amount of \$2,500 for the benefit of defendant LEONA BELDINI and JC Official 1's re-election campaign.

o. On or about April 30, 2009, defendant LEONA BELDINI, defendant EDWARD CHEATAM, JC Official 1, The Consultant and the CW met at a luncheonette in Jersey City. Before JC Official 1 arrived, defendant LEONA BELDINI was advised that, at the conclusion of the meeting, the CW would give The Consultant another \$10,000 payment for the benefit of JC Official 1. To conceal the corrupt arrangement, defendant LEONA BELDINI agreed with the CW that the CW's name should not appear on any paperwork. Specifically, defendant BELDINI stated that "[w]e don't want conflicts." After the meeting, The Consultant accepted \$10,000 in cash from the CW to be converted into structured political contributions for the benefit of defendant LEONA BELDINI and JC Official 1.

p. On or about May 4, 2009, during a telephone conversation between defendant LEONA BELDINI and The Consultant, The Consultant told defendant LEONA BELDINI that he had money for

defendant LEONA BELDINI and wanted to know how defendant LEONA BELDINI wanted that money. Defendant LEONA BELDINI instructed The Consultant that the money should be directed to the Re-Election Committee and not to the fund into which the CW's previous \$10,000 cash payment had been structured.

q. On or about May 7, 2009, defendant EDWARD CHEATAM and The Consultant each submitted or caused to be submitted checks in the amount of \$2,500 to the Re-Election Committee.

In violation of Title 18, United States Code, Section 1951(a).

FOREPERSON

RALPH J. MARRA, JR.
ACTING UNITED STATES ATTORNEY