

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.  
:   
v. : Crim. No. 21-  
:   
: 18 U.S.C. §§ 2, 981(a)(1)(C), 1343, and 1346;  
JOSEPH A. MCCALLUM, JR. : 26 U.S.C. § 7206(1); and  
: 28 U.S.C. § 2461(c)

**INFORMATION**

The defendant having waived in open court prosecution by Indictment, the Acting United States Attorney for the District of New Jersey charges:

**COUNT 1**

(Scheme to Defraud Newark and the Newark Community Economic Development Corporation of Honest Services by Directly and Indirectly Soliciting, Demanding, Accepting and Agreeing to Accept Concealed Bribes and Kickbacks, Facilitated by Interstate Wire Communications)

***Defendant and Other Individuals and Entities***

1. Defendant JOSEPH A. MCCALLUM, JR. (“defendant MCCALLUM”) was an elected member of the Municipal Council for the City of Newark, New Jersey (the “City Council”), having held that office since in or about July 2014, representing the West Ward. In addition, from in or about 2014 to in or about October 2020, MCCALLUM served on the Board of Directors of the Newark Community Economic Development Corporation (“NCEDC”).

2. At times relevant to Count 1 of this Information:

- a. The NCEDC was an Internal Revenue Code § 501(c)(3) organization whose stated purpose was to retain, attract and grow businesses, enhance small and minority business capacity, and spur real estate development within Newark. The NCEDC served as the lead developer and project manager on development projects in Newark. It was renamed “Invest Newark,” in or about 2019. As Invest Newark, its mission was to advance Newark’s global competitiveness by growing a strong economy, building vibrant communities,

and increasing economic prosperity for all Newarkers, and focused on business development, land banking, real estate development and equitable economic growth.

- b. MALIK FREDERICK, a/k/a “J. Malik A. Frederick” (“Frederick”), was the President, Chief Executive Officer, and Director of Legal and Business Affairs for International Association of Business Consultants, Inc. (“IABC”) (also known as “Global City Strategies” or “GCS”) (hereinafter, “IABC/GCS”), a limited liability company that he established in New Jersey. The stated business purpose of IABC/GCS was to consult private individuals, companies, organizations, or business entities in international business transactions, contract negotiations, entertainment and law, and to engage in any legal business that the company saw fit.
- c. The “Contracting Company,” located in New Jersey, was a contracting and construction company that retained IABC/GCS as part of its efforts to obtain construction-related contracts in Newark, including the West Ward of Newark.
- d. “Developer 1” was the president of a company (“Developer 1’s Company”) that was located in Newark.
- e. “Developer 2” co-owned a development company (“Developer 2’s Company”) located in West Orange, New Jersey, that sought to purchase and otherwise acquire real estate, and engage in development in Newark. (Collectively, the Contracting Company, Developer 1’s Company, and Developer 2’s Company are referred to herein as the “Companies.”).

***The City of Newark’s and the NCEDC’s Right to, and defendant MCCALLUM’s Duty of, Honest Services***

3. At all times relevant to Count 1 of this Information, the City of Newark and the NCEDC had an intangible right to the honest services of its officials. As a Newark and NCEDC official, defendant MCCALLUM owed the City of Newark and the NCEDC a duty to refrain from seeking, demanding, accepting and agreeing to accept bribes and kickbacks in exchange for his action and assistance as an official for the City of Newark and the NCEDC and for his violation of his official duties in connection with the affairs of the City of Newark and the NCEDC.

***The Scheme to Defraud the City of Newark and the NCEDC of the Right to the Honest Services of Public Officials, Facilitated by Interstate Wire Communications***

4. From at least in or about early 2017 through in or about February 2020, in Essex County, in the District of New Jersey, and elsewhere, defendant

JOSEPH A. MCCALLUM, JR.,

and others, including Frederick, knowingly and intentionally did devise and intend to devise a scheme and artifice to defraud the City of Newark and the NCEDC of the right to defendant MCCALLUM's honest services in the affairs of the City of Newark and the NCEDC.

***Overview of the Scheme***

5. From at least in or about early 2017 through in or about February 2020, defendant MCCALLUM participated with others in a scheme and artifice to defraud the City of Newark and the NCEDC of the right to defendant MCCALLUM's honest services in the affairs of the City of Newark and the NCEDC. As set forth in detail below, defendant MCCALLUM directly and indirectly solicited, demanded, accepted, and agreed to accept concealed bribes and kickbacks for his benefit from Frederick, funded by developers and others, including the Companies, seeking contracts and approvals principally related to development, construction, and real estate projects and deals in Newark, in exchange for defendant MCCALLUM's official action and assistance and the violation of his duties in the affairs of the City of Newark and the NCEDC as specific opportunities arose. Specifically, the scheme included the following:

- a. Frederick solicited developers and others to engage and pay his company, IABC/GCS, for what he described as "access," "information," "guidance," or "consultancy."
- b. Defendant MCCALLUM was introduced by Frederick to the particular developer or other seeking contracts, real estate deals and projects in Newark

as the Councilman who was behind the particular project or initiative of interest to the particular developer or other.

- c. Defendant MCCALLUM received kickbacks and bribes from the fees that Frederick obtained from the developer or other who retained IABC/GCS.
- d. In exchange for these bribes and kickbacks, defendant MCCALLUM provided and attempted to provide official action and assistance to the developers and others who were willing to pay the fees charged by IABC/GCS.
- e. Defendant MCCALLUM and Frederick intended to prevent certain developers and others from obtaining contracts, agreements, and work from the NCEDC and the City of Newark and otherwise not assist them with their business before the City of Newark and the NCEDC, if these developers and others refused to, or were hesitant to, pay the fees charged by IABC/GCS.
- f. Defendant MCCALLUM and Frederick concealed these bribes and kickbacks and other material aspects of their arrangement and dealings with these developers and others.

***Defendant MCCALLUM Accepted a Concealed \$16,000 Bribe from Frederick through IABC/GCS Funded by a Payment from the Contracting Company.***

6. In or about June 2016, the Contracting Company first retained IABC/GCS for Frederick's "consulting services." Frederick thereafter sent invoices from IABC/GCS to the Contracting Company via e-mail related to projects in the City of Newark, including an invoice, dated on or about April 3, 2017, sent from Frederick's e-mail account on or about the same date, for approximately \$33,319.60. From on or about June 27, 2016, until at least on or about July 18, 2017, the Contracting Company made over \$160,000 in payments to IABC/GCS including a payment dated on or about April 7, 2017, for approximately \$33,319.60.

7. On or about April 11, 2017, defendant MCCALLUM accepted a check for approximately \$16,000, from Frederick, drawn on IABC/GCS's bank account in New Jersey, in exchange for defendant MCCALLUM's official assistance and favors as specific opportunities arose related to City of Newark and NCEDC approvals regarding construction projects in

Newark that were of interest to the Contracting Company. The memo portion of the check stated "Independent Consultant," in an effort to create the false pretense that the payment was legitimate. The check was funded by monies provided to IABC/GCS from the Contracting Company. On or about April 12, 2017, in Newark, New Jersey, defendant MCCALLUM deposited the \$16,000 check in his personal bank account.

8. On or about September 14, 2017, defendant MCCALLUM received an e-mail from Frederick, forwarding an August 11, 2017 e-mail conversation between Frederick and the president of the Contracting Company concerning a fee dispute that had arisen between Frederick and the Contracting Company. Frederick stated that the president "said he would NOT pay my fee." Frederick was informing defendant MCCALLUM not to expect any further payment from the Contracting Company through Frederick.

9. To further conceal the material fact that defendant MCCALLUM had received this \$16,000 bribe, on or about April 30, 2018, defendant MCCALLUM intentionally did not report the source of these funds and the amount of income on his financial disclosure statement that he was required to file with the New Jersey Department of Community Affairs, Division of Local Government Services ("DOCA"), for calendar year 2017.

***Defendant MCCALLUM Accepted a Concealed \$25,000 Bribe and Kickback from Frederick Through IABC/GCS, Funded by a Payment from Developer 1's Company.***

10. From in or about 2017 to in or about 2019, defendant MCCALLUM and Frederick arranged for defendant MCCALLUM to receive a concealed bribe and kickback funded by Developer 1's Company. In exchange, defendant MCCALLUM agreed to support and did take official action to assist Developer 1 from in or about early 2017 to in or about January 2019, including presenting to the City of Newark a letter of support and an official

Resolution for the sale and redevelopment of certain City-owned properties in Newark's West Ward in connection with a redevelopment project in which Developer 1 had an interest.

11. On or about March 11, 2017, defendant MCCALLUM sent an e-mail attaching a sample endorsement letter to Frederick, which an employee of Developer 1's Company used to draft a letter of support for defendant MCCALLUM's signature for a development project for Developer 1. On or about April 5, 2017, defendant MCCALLUM received an e-mail from Frederick forwarding an e-mail from an employee of Developer 1's Company and attaching a draft letter of support for a project in the West Ward for defendant MCCALLUM's signature and submission as part of the redevelopment agreement approval process.

12. Between in or about September 2018 and in or about November 2018, IABC/GCS received three payments by check from Developer 1 through Developer 1's Company, in the approximate amounts of \$15,000, \$50,000, and \$50,000, respectively.

13. On or about October 29, 2018, defendant MCCALLUM accepted a check for approximately \$25,000 from the IABC/GCS bank account. The memo portion of the check stated "Consultant Commission/Fee," in an effort to create the false pretense that the payment was legitimate. On or about October 30, 2018, in Newark, New Jersey, defendant MCCALLUM deposited the \$25,000 check to his personal bank account.

14. To further conceal the material fact that he had received this \$25,000 bribe and kickback, on or about July 2, 2019, defendant MCCALLUM intentionally did not report the source of these funds and the amount of income on his financial disclosure statement that defendant MCCALLUM was required to file with DOCA, for calendar year 2018.

***Defendant MCCALLUM Accepted a Concealed Bribe from Frederick, Funded by Developer 2's Company, and, when Developer 2 Hesitated to Further Pay IABC/GCS, defendant MCCALLUM Told Frederick He Would Replace Developer 2 on a Development Deal.***

15. Defendant MCCALLUM, with Frederick's assistance, endeavored to obtain bribes funded by Developer 2's Company in exchange for ensuring official approvals of Developer 2's plans for acquiring and redeveloping properties in Newark, including a plan for acquiring and redeveloping multiple City-owned lots in the West Ward, and the City Council's passage of Developer 2's proposed resolution for a redevelopment agreement (the "Resolution").

16. Frederick, through IABC/GCS, received monthly payments of approximately \$5,000 each from Developer 2's Company. Defendant MCCALLUM obtained a portion of one of these monthly payments from Frederick. Moreover, defendant MCCALLUM and Frederick planned to share an additional balloon payment that Developer 2 promised to make after the City Council passed the Resolution. For instance, in furtherance of these endeavors:

- a. On or about October 2, 2019, Frederick solicited, via text message, a monthly payment check from Developer 2. Developer 2 responded that the check would reach Frederick by that Friday.
- b. On or about October 9, 2019, defendant MCCALLUM, while in New Jersey, called Frederick, while in New York. During their telephone conversation, defendant MCCALLUM and Frederick agreed that Frederick would cash a check received from Developer 2 and that defendant MCCALLUM would obtain approximately \$500 in cash from Developer 2's payment for defendant MCCALLUM's upcoming trip abroad. To provide defendant MCCALLUM with the \$500, Frederick withdrew cash later that day at a bank in New Jersey. Subsequently, defendant MCCALLUM accepted \$500 in cash from Frederick at a cigar lounge in Newark.
- c. On or about February 5, 2020, following the approval of the Resolution by the City Council, during a telephone conversation, defendant MCCALLUM and Frederick discussed that Developer 2 was hesitating to make the additional balloon payment. During that conversation, defendant MCCALLUM said that he would therefore replace Developer 2 on the particular redevelopment deal and find another builder instead.

- d. Subsequently, on or about February 7, 2020, during another meeting at a cigar lounge in Newark, after being informed by Frederick that Developer 2 was hesitating on making the additional balloon payment, defendant MCCALLUM said: “But, I, I was counting on the f-----’ money man. I mean, you know somethin’, ya know. . . he better pay. . . I put a lot a work into that m---- f---- man.”

***The Use of Interstate Wire Communications in Furtherance of the Scheme to Defraud***

17. On or about the dates listed below, in Essex County, in the District of New Jersey, and elsewhere, for the purpose of executing and attempting to execute the scheme and artifice to defraud, defendant MCCALLUM and/or Frederick knowingly and intentionally transmitted and caused to be transmitted by means of wire, radio, and television communications in interstate commerce, certain writings, signs, signals, pictures, and sounds, to include:

| <b>Approximate Dates</b> | <b>Description of Interstate Wire Communication</b>  |
|--------------------------|--|
| March 11, 2017           | An e-mail, through a server outside of New Jersey, from defendant MCCALLUM to Frederick attaching a sample endorsement letter that was used to write a letter of support under defendant MCCALLUM’s signature for a development project for Developer 1            |
| April 3, 2017            | An e-mail, through a server outside of New Jersey, from Frederick to the president of the Contracting Company attaching an invoice for payment of \$33,319.60  |
| April 5, 2017            | An e-mail, through a server outside of New Jersey, to defendant MCCALLUM from Frederick relating to a draft of the letter of support by defendant MCCALLUM for the project involving Developer 1’s plans to acquire City-owned property in the West Ward of Newark |
| September 14, 2017       | An e-mail, through a server outside of New Jersey, to defendant MCCALLUM from Frederick regarding the stoppage of payments to Frederick from the Contracting Company   |
| October 9, 2019          | A telephone call, made from New Jersey, by defendant MCCALLUM, to Frederick, in New York, regarding \$500 in cash that defendant MCCALLUM was to receive from Frederick from a payment by Developer 2 to Frederick   |

In violation of Title 18, United States Code, Sections 1343 and 1346, and Section 2.



**COUNTS 2 TO 3**

(Subscribing to False Tax Returns for Calendar Years 2017 and 2018)

1. Paragraphs 1, 2, and 5 to 14 of Count 1 of this Information are hereby incorporated and realleged as if fully set forth herein.
2. The Internal Revenue Service (“IRS”), an agency within the United States Department of Treasury, was responsible for administering and enforcing the tax laws of the United States, including any federal income tax laws.
3. In or about April 2017 and in or about October 2018, defendant MCCALLUM received bribe and kickback payments through IABC/GCS from Frederick that were part of payments that Frederick received from developers, companies, and others interested in contracts, real estate deals, and projects in Newark pursuant to the scheme set forth in Count 1 of this Information.
4. From in or about January 2019 to in or about November 2019, defendant MCCALLUM signed, filed, and caused to be filed with the IRS, United States Individual Income Tax Returns, Forms 1040, for the calendar years listed below on his and his spouse’s behalf (the “Tax Returns”), which falsely stated that they had total income in the amounts set forth below:

| Calendar Year | Approximate Amount of Total Income Reported |
|---------------|---|
| 2017          | \$75,145                                    |
| 2018          | \$77,107                                    |

The Tax Returns were not true and correct as to every material matter, as defendant MCCALLUM well knew, in that on each of the Tax Returns, he did not report the bribe and kickback payments that he received through IABC/GCS, to include: (1) approximately \$16,000 of the total payment of \$33,319.60 to IABC/GCS from the Contracting Company in or about

April 2017; (2) approximately \$25,000 of the total payment of \$115,000 to IABC/GCS from Developer 1 in or about October 2018.

5. The Tax Returns were signed by defendant MCCALLUM and each contained a written declaration that the particular Tax Return was signed under penalties of perjury.

6. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JOSEPH A. MCCALLUM, JR.,

willfully did make and subscribe and file with the IRS, the Tax Returns for the calendar years set forth below, each of which contained and was verified by a written declaration that it was made under penalties of perjury and which he did not believe to be true and correct as to every material matter reported therein as set forth above in paragraph 4:

| <b>COUNT</b> | <b>DATE</b>       | <b>CALENDAR YEAR</b> |
|--------------|-------------------|----------------------|
| 2            | January 22, 2019  | 2017                 |
| 3            | November 22, 2019 | 2018                 |

In violation of Title 26, United States Code, Section 7206(1).

**FORFEITURE ALLEGATIONS AS TO COUNT 1**

1. The allegations contained in all the paragraphs of Count 1 of this Information are hereby realleged and incorporated by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. As a result of committing the offense charged in Count 1 of this Information, defendant JOSEPH A. MCCALLUM, JR. (“defendant MCCALLUM”) shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all property, real and personal, that constituted and was derived from proceeds traceable to the commission of this offense, totaling approximately \$41,500.

3. If any of the above-described forfeitable property, as a result of any act or omission of defendant MCCALLUM:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third party;
- (3) has been placed beyond the jurisdiction of the court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be divided without difficulty;

the United States shall be entitled, pursuant to Title 21, United States Code, Section 853(p) (as incorporated by 28 U.S.C. § 2461(c)), to forfeiture of any other property of defendant MCCALLUM up to the value of the above-described forfeitable property.

*Rachael A. Honig*

---

RACHAEL A. HONIG  
ACTING UNITED STATES ATTORNEY

CASE NUMBER: \_\_\_\_\_

---

---

**United States District Court  
District of New Jersey**

---

---

**UNITED STATES OF AMERICA**

**v.**

**Joseph A. McCallum, Jr.**

---

---

**INFORMATION FOR**

**18 U.S.C. §§ 981(a)(1)(C), 1343, 1346, and 2  
26 U.S.C. § 7206(1)  
28 U.S.C. § 2461(c)**

---

---

RACHAEL A. HONIG  
ACTING UNITED STATES ATTORNEY  
FOR THE DISTRICT OF NEW JERSEY

---

---

JIHEE G. SUH AND ELAINE K. LOU  
ASSISTANT U.S. ATTORNEYS  
NEWARK, NEW JERSEY  
(973) 645-2836

---

---