



*United States Attorney
Southern District of New York*

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**WESTCHESTER COUNTY ATTORNEY ANTHONY MANGONE,
DEFENDANT IN YONKERS PUBLIC CORRUPTION CASE,
PLEADS GUILTY IN WHITE PLAINS FEDERAL COURT**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that ANTHONY MANGONE pled guilty today in White Plains federal court to conspiracy, bribery, extortion, and tax evasion charges.

In January 2010, a Grand Jury returned an Indictment against SANDY ANNABI, the former Democratic Majority Leader of the Yonkers City Council, ZEHY JEREIS, the former head of the Yonkers Republican Party, and MANGONE, a Westchester County attorney. The Indictment charges ANNABI, JEREIS, and MANGONE with conspiracy, bribery, and extortion in connection with two real estate development projects within the City of Yonkers that were pending before ANNABI when she was on the City Council. The Indictment also charges ANNABI with false statement and tax-related crimes.

MANGONE, an attorney whose office was located in Hawthorne, New York, pled guilty today before Chief U.S. Magistrate Judge GEORGE A. YANTHIS to Counts One, Two, Five, and Six of the Indictment, charging him with participating in a conspiracy to bribe ANNABI, aiding ANNABI's receipt of corrupt payments, extortion under color of official right, and travel act bribery. MANGONE also pled guilty today before U.S. District Judge KENNETH M. KARAS to a separate one-count Information filed today charging him with tax evasion. The maximum sentence of imprisonment for the crimes to which MANGONE pled guilty today is 45 years.

In his plea allocution today, MANGONE admitted that he and JEREIS agreed to give ANNABI cash to influence her official action while she was a Yonkers City Councilwoman. Specifically, MANGONE said that, with corrupt intent, he gave JEREIS tens of thousands of dollars to give to ANNABI so that ANNABI would switch her vote in favor of the Longfellow Project. MANGONE also

acknowledged that he engaged in tax evasion and that he failed to report legal fees from clients from 2003 through 2007.

As alleged in the Indictment:

The Longfellow Project

In 2003, a developer ("Developer No. 1") proposed to develop a tract of land located partially within the Yonkers City Council District represented by ANNABI by renovating and transforming two vacant and dilapidated schools into market-rate housing (the "Longfellow Project"). ANNABI initially opposed the Longfellow Project. During a City Council meeting on June 14, 2005, ANNABI proclaimed her strong opposition to the project, stating: "Even if the entire community supported [it], I would be opposed." She also said that the project was "outrageous" and a "slap in the face to the taxpayers of Yonkers." Despite considerable effort, Developer No. 1 was unable to move the project forward in the face of ANNABI's opposition.

In April 2006, however, Developer No. 1 hired MANGONE to assist in persuading ANNABI to support the Longfellow Project. Shortly thereafter, MANGONE arranged a meeting between a representative of Developer No. 1 and JEREIS, who advised that he could help persuade ANNABI to support the project. Later, MANGONE told Developer No. 1 that, in order for the project to proceed, Developer No. 1 would have to pay ANNABI tens of thousands of dollars in exchange for her support. Developer No. 1 gave MANGONE tens of thousands of dollars in cash for ANNABI and paid MANGONE a cash fee for his services.

Shortly after receiving the money, ANNABI made several substantial cash and credit card purchases -- including airline ticket upgrades, a Rolex watch, and a diamond cross necklace. Then, at a City Council meeting in September 2006, ANNABI reversed her long-held opposition to the Longfellow Project and voted in favor of awarding the project to Developer No. 1.

Also as alleged in the Indictment:

The Ridge Hill Development Project

The "Ridge Hill Development Project" was a project proposed by a large developer ("Developer No. 2") to develop an 81-acre tract of land to establish retail shopping, restaurants, office space, hundreds of residential housing units, and a hotel and conference center. ANNABI was an outspoken critic of the proposed Ridge Hill Project and voted against both the project

and legislation that would allow the project to move forward despite her opposition. ANNABI, with two other City Council members and others, also filed a civil lawsuit to effectively block the Ridge Hill Project. As the City Council was considering the Ridge Hill Project, Developer No. 2 made repeated and unsuccessful efforts to convince ANNABI to vote in favor of the project.

On June 2, 2006, JEREIS was introduced to representatives of Developer No. 2, after which JEREIS told representatives of Developer No. 2 that he could arrange a meeting between them, ANNABI, and JEREIS to discuss the Ridge Hill Project. JEREIS and representatives of Developer No. 2 also had an agreement in which Developer No. 2 would give JEREIS a consulting job sometime after ANNABI formally voted in favor of the Ridge Hill Project. After two meetings held in less than two weeks, ANNABI reversed her opposition to the Ridge Hill Project and issued a press release -- drafted by JEREIS and representatives of Developer No. 2 -- informing the public of her support for the project.

Specifically, at a City Council meeting on July 11, 2006, ANNABI voted in favor of the zoning change necessary for the Ridge Hill Project. Shortly after ANNABI changed her vote on the Ridge Hill Project, JEREIS received the promised consulting contract from Developer No. 2 worth \$60,000 over one year.

As further alleged in the Indictment:

Secret Payments To ANNABI And Efforts To Conceal The Crimes

Since at least 2004, ANNABI has received from JEREIS, MANGONE, and others more than approximately \$160,000 worth of secret payments designed to influence and reward her for favorable official action or inaction on matters pending before the City Council as specific opportunities arose. ANNABI, JEREIS, and MANGONE also took various steps to conceal their scheme, by making false statements and/or omitting required information in various reporting documents.

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Mr. BHARARA praised the work of the Federal Bureau of Investigation and the Internal Revenue Service Criminal Investigation Division. He added that the investigation is ongoing.

This case is being prosecuted by the Office's White Plains Division. Assistant United States Attorneys JASON P.W. HALPERIN and PERRY A. CARBONE are in charge of the prosecution.

The charges contained in the Indictment against ANNABI and JEREIS are merely accusations and these defendants are presumed innocent unless and until proven guilty.

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