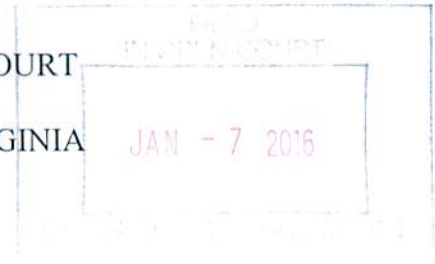


IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION



UNITED STATES OF AMERICA	)	<u>UNDER SEAL</u>
)	
v.	)	Criminal No. 2:16cr 6
)	
ANTHONY L. BURFOOT,	)	18 U.S.C. § 1349
	)	Conspiracy to Commit
Defendant.	)	Honest Services Wire Fraud
	)	(Count 1)
)	
	)	18 U.S.C. § 1343
	)	Honest Services Wire Fraud
	)	(Count 2)
)	
	)	18 U.S.C. § 1951
	)	Conspiracy to Obtain Property Under
	)	Color of Official Right
	)	(Count 3)
)	
	)	18 U.S.C. § 1951
	)	Obtaining Property Under
	)	Color of Official Right
	)	(Count 4)
)	
	)	18 U.S.C. § 1623
	)	Perjury
	)	(Counts 5-8)
)	
	)	18 U.S.C. § 981
	)	Criminal Forfeiture

INDICTMENT

January 2016 Term – at Norfolk, Virginia

THE GRAND JURY CHARGES THAT:

At all times relevant to this Indictment, unless otherwise stated:

GENERAL ALLEGATIONS

A. The Defendant

1. On or about May 7, 2002, the citizens in Ward 3 in the City of Norfolk elected defendant ANTHONY L. BURFOOT ("BURFOOT") to represent their interests on the Norfolk City Council. From in or about July 2002, through in or about December 2013, BURFOOT served on the Norfolk City Council. From on or about January 23, 2007, through in or about December 2013, BURFOOT also served as the Vice Mayor of Norfolk.

2. As a Norfolk City Councilman and the Vice Mayor of Norfolk, BURFOOT performed a wide range of official actions. Those actions included, among other things, voting on ordinances, resolutions and policies for the purpose of fostering the health, safety and welfare of the citizens of the City of Norfolk, approving the budget and authorizing the expenditure of City funds, voting on zoning changes and development plans, appointing members to City departments as well as commissions and boards, including the Norfolk Redevelopment and Housing Authority (or "NRHA"), and coordinating with commissions, boards, and committees about the use of City resources.

3. On or about December 8, 2008, while he also served as a Norfolk City Councilman and Vice Mayor of Norfolk, BURFOOT became Chief Deputy Treasurer of the City of Norfolk. In his capacity as Chief Deputy Treasurer, BURFOOT ran the daily operations of the Office of the City Treasurer of Norfolk. On or about December 27, 2013, BURFOOT was sworn in as the Treasurer of the City of Norfolk after winning a contested election.

B. Relevant Individuals and Entities

4. Tivest Development and Construction, LLC, Tivest Holdings, LLC, and Tivest Developments, LLC, and Tivest Development, LLC (collectively “Tivest”) were headquartered in Virginia Beach, Virginia. Tivest was a residential and commercial developer. As a developer, Tivest was involved in and its activities affected interstate commerce.

5. From in or about January 2005 through in or about January 2006, CE was the Chief Executive Officer of Tivest.

6. From in or about January 2006 through in or about December 2011, DE was the Chief Executive Officer of Tivest.

7. RL was a licensed contractor who, at one point, also had an interest in Tivest.

8. From in or about January 2006 through in or about 2011, TA owned and operated a residential development company. As a developer, TA’s company was involved in and its activities affected interstate commerce. TA also owned and operated restaurants in Norfolk, Virginia.

9. TS was a loan assistant at the Bank of the Commonwealth, and the mother of two of BURFOOT’s children.

C. The Scheme

10. As set forth below, from in or about 2005 through in or about February 2011, the defendant BURFOOT and his conspirators engaged in a scheme to use his official positions as a Norfolk City Councilman, Vice Mayor, and Chief Deputy Treasurer to enrich himself by soliciting and obtaining payments, gifts, and other things of value from individuals with interests before the City of Norfolk. In exchange, BURFOOT performed and agreed to perform official actions, including certain specific official actions and other official actions on an as-needed

basis, as opportunities arose, to benefit the individuals and their interests. The defendant and his conspirators took steps to conceal the scheme.

D. Defendant's Illicit Relationship with Tivest

11. In or around 2005, BURFOOT became a "silent" partner in Tivest. The Tivest partners included RL, CE, BG, and BURFOOT. BURFOOT promised his partners that he would use his position as a Norfolk Councilman to direct City projects and other benefits to Tivest.

12. In exchange, during this time, CE provided BURFOOT a variety of benefits including cash payments, meals, drinks, entertainment, and travel.

13. On or about March 15, 2005, CE also arranged for a company to install a new heat pump and duct system in BURFOOT's home located on Winthrop Street in Norfolk. On or about May 13, 2005, Tivest paid the company \$5,000.00 for this work. CE, and later DE, then used Tivest funds to complete additional renovations to BURFOOT's home, such as installing hardwood floors and remodeling the kitchen and a bathroom. BURFOOT never paid CE, DE, or Tivest for any of the work done to his Winthrop Street home.

14. On or about May 18, 2005, CE was convicted in the Circuit Court for the City of Chesapeake of making a false police report following a confrontation at a local bar. CE did not disclose the extent of BURFOOT's involvement in the incident. However, on or about May 22, 2005, the Virginian Pilot newspaper published an article connecting BURFOOT to CE and the incident in Chesapeake. Around this time, BURFOOT expressed concern that his association with Tivest might be discovered.

15. Thereafter, in or around the summer of 2005, BURFOOT arranged a meeting to discuss the future of Tivest. Prior to the meeting, BURFOOT contacted DE and asked him to

attend. At the time, BURFOOT and DE were acquainted, but had little personal or professional contact. DE, CE, RL, and BURFOOT all attended this meeting at CE's home.

16. At this meeting, although he had not invested any capital into Tivest, BURFOOT stated that he intended to "cash out" of Tivest, and demanded \$250,000 for his interest in the company. RL questioned the value BURFOOT placed on his interest in Tivest given that he never invested any money in the company, and that Tivest had not generated any revenue. In response, BURFOOT again promised to use his position as a Norfolk Councilman to steer City projects and other benefits to Tivest. Alternatively, BURFOOT stated that Tivest would not be awarded an upcoming development project, known as the Broad Creek Villas, unless his demand for \$250,000 was met.

17. Ultimately, CE and DE agreed to BURFOOT's \$250,000 demand for payment. CE paid BURFOOT at least \$10,000 in cash in small increments. And, within a few days of the meeting at CE's home, DE paid BURFOOT approximately \$30,000 in cash. BURFOOT subsequently instructed DE to pay him in smaller increments, no more than \$10,000 at a time, and always in cash.

18. DE began to make regular cash payments to BURFOOT in secret and in exchange for BURFOOT using his official position as opportunities arose to benefit Tivest. DE made these payments, occasionally with others present, at numerous locations, including, but not limited to, BURFOOT's Winthrop Street home, various construction sites in the Broad Creek area, outside financial institutions, several local bars and restaurants, the Treasurer's Office, and City Hall.

E. NRHA Projects in Broad Creek

19. The Norfolk Redevelopment and Housing Authority was a political subdivision of the Commonwealth of Virginia; however, it did not receive state funding. The NRHA was funded by the U.S. Department of Housing and Urban Development (or “HUD”) and the City of Norfolk. The NRHA was headed by a board of seven commissioners, who were appointed by the Norfolk City Council.

20. The NRHA was responsible for administering a \$35 million grant from HUD aimed at redeveloping the former public housing neighborhoods of Bowling Green and Roberts Village into a new mixed-income community known as Broad Creek (the “Hope VI grant”).

21. The City of Norfolk established the Broad Creek Renaissance Steering Committee to guide the redevelopment project. The committee was comprised of City Council members, city employees, residents, and business owners. BURFOOT served as Norfolk City Council’s representative on the Broad Creek Renaissance Steering Committee.

22. Between in or about March 2006, and in or about December 2008, DE paid BURFOOT approximately \$100,000 for his help in funneling projects to Tivest arising from this Hope VI grant. During that same time period, Tivest was awarded at least thirty-two separate residential development projects in Broad Creek.

23. That is, on or about March 3, 2006, the NRHA issued a Request for Proposal (“RFP”) to construct single family homes in Broad Creek. The RFP stated that “for single family housing this proposal is open only to members in good standing of the NRHA Builders and Designers Guild that are licensed (Class A), bonded and fully insured.”

24. Tivest submitted a proposal in response to the RFP even though it was not a member in good standing of the NRHA Builders and Designers Guild.

25. On or about March 16, 2006, BURFOOT promoted Tivest's response to the RFP at a meeting with several NRHA representatives. After the meeting, a NRHA employee emailed a spreadsheet to BURFOOT and other NRHA employees entitled, "Who gets which lot: Per [SM] and Councilman Burfoot: March 16, 2006".

26. In accord with this spreadsheet, the NRHA awarded Tivest eight lots on which to build single family homes in Broad Creek. The lots were awarded over the objection of one NRHA employee, who refused to sign the award letters due to concerns about the relationship between BURFOOT and Tivest.

27. On or about May 16, 2006, the NRHA issued another RFP to construct single family homes in Broad Creek. Thereafter, the NRHA awarded Tivest twelve lots on which to build single family homes in Broad Creek.

28. On or about December 18, 2006, the NRHA issued another RFP to construct multifamily homes in Broad Creek.

29. On or about December 29, 2006, BURFOOT purchased DE's Mercedes sedan for \$20,000, financing the entire purchase with an automobile loan from NAE Federal Credit Union. However, BURFOOT instructed DE to make payments on the automobile loan. As directed, DE made both direct payments to the loan and gave BURFOOT cash so that he could make payments on the loan. DE also relinquished to BURFOOT the personalized license plate "NBUSNES" on the Mercedes.

30. Thereafter, the NRHA awarded Tivest two lots on which to build multifamily buildings in Broad Creek.

31. On or about August 19, 2007, the NRHA issued another RFP to construct single family homes in Broad Creek. Thereafter, the NRHA awarded Tivest four lots on which to build single family homes.

32. On or about April 27, 2008, the NRHA issued another RFP to construct townhomes and multifamily homes in Broad Creek. Thereafter, the NRHA awarded Tivest three parcels and two lots on which to build townhomes and multifamily homes.

F. Broad Creek Villas Development Project

33. On or about November 4, 2005, the City of Norfolk issued an RFP to construct a mixed-use development at the northwest corner of Godfrey Avenue and Virginia Beach Boulevard in Norfolk, to be called the Broad Creek Villas. NRHA officials publicly expressed concern that the Broad Creek Villas was not an economically viable project, and privately expressed concern that BURFOOT had preselected Tivest as the builder. Faced with this opposition, BURFOOT suggested to the NRHA and other City officials that the NRHA shift complete control of the project to the City of Norfolk.

34. The deadline for responding to the Broad Creek Villas RFP was 1:00 p.m. on December 5, 2005. Tivest submitted its proposal to construct the Broad Creek Villas on December 5, 2005; however, Tivest missed the 1:00 p.m. deadline, which caused the proposal to be rejected. Although another developer submitted a proposal before the deadline, the project was not awarded.

35. BURFOOT later advised Tivest that he would ensure the Broad Creek Villas RFP was canceled. BURFOOT also guaranteed the RFP would be re-issued and Tivest would be awarded the project.

36. As BURFOOT promised, on or about March 17, 2006, the City of Norfolk issued a second RFP to construct the same mixed-use development in Broad Creek. On or about April 28, 2006, Tivest resubmitted its proposal to construct the Broad Creek Villas. In or around July 2008, the Norfolk City Council formally awarded Tivest the Broad Creek Villas project.

37. From in or about October 2005, through in or about July 2008, DE paid BURFOOT hundreds of thousands of dollars in cash in exchange for BURFOOT performing official acts to benefit Tivest, including voting in favor of ordinances related to the Broad Creek Villas development project.

38. At various times throughout 2007, BURFOOT met and corresponded with City officials, NRHA representatives and Tivest representatives about the project. NRHA representatives predicted that it would take time to obtain HUD approval to convey NRHA's land to the City of Norfolk.

39. On or about February 23, 2007, the NRHA faxed via interstate wire a letter to HUD requesting approval to amend the redevelopment plan to convey land to the City of Norfolk.

40. On or about April 8, 2008, BURFOOT voted to approve an ordinance to rezone the proposed site for the Broad Creek Villas to allow for a mixed-use development. The ordinance passed.

41. On or about April 8, 2008, BURFOOT voted to approve closing Parish Road between Woodland Avenue and East Virginia Beach Boulevard. Tivest had requested this closure to accommodate the construction process. The ordinance passed.

42. On or about June 17, 2008, BURFOOT voted to approve an ordinance authorizing the transfer of land from the NRHA to the City of Norfolk for the Broad Creek Villas project. The ordinance passed.

43. On or about July 22, 2008, BURFOOT voted to approve an ordinance authorizing the City of Norfolk to enter into a Land Disposition and Development Contract (“Broad Creek Villas LDDC”) with Tivest for the Broad Creek Villas project. This ordinance permitted the City of Norfolk to convey the land for the project at a nominal cost, and to pay Tivest \$200,000 for infrastructure improvements associated with the project. The ordinance passed.

44. On or about March 13, 2009, the closing occurred for the Broad Creek Villas project. The City of Norfolk conveyed the land to Tivest for approximately \$10, and Tivest received via interstate wire an approximately \$4.8 million loan to construct the Broad Creek Villas.

45. The next day, Tivest started construction on the Broad Creek Villas project.

46. After Tivest had commenced construction of the Broad Creek Villas, BURFOOT complained to DE that the planned residential entrance to the Broad Creek Villas was located directly across from the home he was constructing on Woodland Avenue. BURFOOT directed DE to revise the City-approved plans to ensure that no headlights would shine into his home from traffic flow to the Villas.

47. In or about May 2009, Tivest submitted revised site plans to remove the residential entrance to the Broad Creek Villas located off Woodland Avenue.

48. DE used a portion of the loan proceeds earmarked for the construction of the Broad Creek Villas to pay for the expenses associated with moving the planned residential entrance, to make payments to BURFOOT, and for other purposes. As a result, Tivest never

fully completed the project, abandoning seven townhomes, two condominium units, and some commercial spaces.

G. MidTown Office Tower Development Project

49. In or about October 2008, DE approached the City of Norfolk about developing a six-story building, to be called the MidTown Office Tower, on City-owned land located on the corner of Virginia Beach Boulevard and Tidewater Drive. DE asked the City to sell the land to Tivest for a nominal amount, and claimed that the projected construction costs for the building would total over \$23 million. DE also represented that the Southeastern Tidewater Opportunity Project (or the "STOP Organization") promised to serve as the anchor tenant for the MidTown Office Tower, leasing approximately 93,000 square feet in the building.

50. Contemporaneously, BURFOOT promised DE that he would secure the necessary City Council votes authorizing the City to sell the land to Tivest for a nominal amount, lease space in the MidTown Office Tower, and award Tivest a performance based grant. Thereafter, BURFOOT demanded that DE provide him a portion of the millions of dollars Tivest would have access to once the project went to closing.

51. From in or about October 2008 through in or about February 2011, DE paid BURFOOT at least \$50,000 in cash and other gifts in exchange for BURFOOT performing official acts to benefit Tivest, including voting in favor of the MidTown Office Tower development project.

52. For example, on or about November 18, 2008 at 4:52 p.m., DE withdrew \$8,000 from an account he controlled at NAE Federal Credit Union. Three minutes later, at 4:55 p.m. using the same bank teller who processed the \$8,000 withdrawal, DE paid \$1,000 on

BURFOOT's Mercedes car loan. In order to conceal his involvement, DE forged BURFOOT's signature for the payment.

53. One week later, on or about November 25, 2008, BURFOOT voted to approve an ordinance authorizing the City of Norfolk to enter into a Land Disposition and Development Contract ("MidTown LDDC") with Tivest for the MidTown Office Tower development project. This ordinance permitted the City of Norfolk to convey to Tivest a 4.5-acre site valued at \$990,800 for no cost, and to pay Tivest \$500,000 for infrastructure improvements associated with the project. The ordinance also permitted the Economic Development Authority for the City of Norfolk to pay Tivest a \$490,000 performance-based grant. The ordinance passed.

54. On or about August 14, 2009, Tivest ordered upscale appliances from Ferguson Enterprises, Inc. for the new home that BURFOOT was building for himself on NRHA land located on Woodland Avenue in the Broad Creek neighborhood. Tivest ordered these appliances for BURFOOT's home even though another developer was building the home.

55. On or about October 27, 2009, BURFOOT voted to approve two ordinances, based on zoning applications submitted by Tivest, to create and implement the MidTown Office Tower development. Both ordinances passed.

56. On or about December 1, 2009, DE obtained a cashier's check totaling \$13,325.99 payable to Ferguson Enterprises, Inc. to pay for the appliances installed in BURFOOT's new home located on Woodland Avenue in Norfolk, Virginia. BURFOOT never paid DE or Tivest for these new appliances.

57. Tivest had difficulty securing financing for the construction loan needed to build the MidTown Office Tower. So DE asked the City of Norfolk to enter into a lease agreement

with Tivest to lease approximately 60,000 square feet of office space in the building for twelve years.

58. On or about February 23, 2010, the Norfolk City Council held a closed-door session to consider DE's proposal. During this closed-door session, BURFOOT spoke in favor of Tivest's request for the City to lease space in the MidTown Office Tower.

59. Three days later, on or about February 26, 2010, Tivest hosted a groundbreaking ceremony for the MidTown Office Tower project even though the City of Norfolk still owned the land on which the tower was to be built and Tivest had not secured financing for a construction loan. BURFOOT attended the groundbreaking as one of Tivest's special guests, and was publicly thanked for his support of the project.

60. That same day, BURFOOT sold his Winthrop street home, which CE, DE and Tivest had renovated free of charge over the course of two years, for \$155,000. In doing so, BURFOOT made an approximately \$77,000 profit. RL, through his company, Tivest Realty, served as both the buyer's and seller's agent for the transaction. However, BURFOOT did not pay RL for his services.

61. Two weeks later, on or about March 9, 2010, BURFOOT voted to approve an ordinance authorizing the City of Norfolk to execute an amendment to the MidTown LDDC. Specifically, this ordinance authorized the City to enter into an agreement to lease approximately 60,000 square feet of office space in the building for the next twelve years, and to require Tivest to purchase the land for \$1.2 million. The ordinance passed.

62. But even after the City promised to lease space in the MidTown Office Tower, Tivest still could not obtain financing for the project. DE again asked the City for help.

63. On or about December 21, 2010, the Norfolk City Council held another closed-door session to discuss a request from Tivest for additional support from the City for the MidTown Office Tower project. During this closed-door session, the Norfolk City Council discussed a second amendment to the MidTown LDDC. Under the proposed amendment, the City would guarantee a portion of the STOP Organization's lease should the anchor tenant be unable to perform its lease obligations, which would result in the City potentially expanding its lease commitment by an additional 65,000 square feet. Behind closed doors, BURFOOT again spoke in favor of Tivest's request for additional City support.

64. On or about January 7, 2011, BURFOOT directed a City employee to prepare an ordinance amending the MidTown LDDC for the City Council to vote on by the following week.

65. On or about February 8, 2011, the City Council held a closed door meeting to discuss the proposed second amendment to the LDDC that would increase the City's commitment to the MidTown Office Tower project. After the meeting, BURFOOT reported the substance of the closed door meeting to DE. Furthermore, BURFOOT advised DE of the City Council members who supported and opposed the proposed second amendment and identified Council members who required additional lobbying.

66. On or about February 12, 2011, three City Council members opposed to city subsidies for the MidTown Office Tower sponsored a town hall meeting at Granby High School. Before the town hall meeting, BURFOOT directed DE not to attend. Instead, BURFOOT told DE he would send an emissary to observe the meeting and report back.

67. On or about February 12, 2011, during the town hall meeting, concerns were raised about whether Tivest was current on City property taxes. At this time, Tivest was past due on its Norfolk City property taxes by at least \$32,600.

68. Subsequent to the town hall meeting, BURFOOT warned DE that Tivest's delinquent taxes must be paid prior to the City Council vote on the proposed second amendment to the LDDC for the MidTown Officer Tower project, scheduled for February 15, 2011. BURFOOT then instructed an employee in the City Treasurer's Office to prepare Tivest's delinquent tax bills, totaling approximately \$32,600, so that DE could pay them on February 14, 2011.

69. On or about February 14, 2011, Tivest delivered a check for \$22,554.04 to the City that partially satisfied its delinquent tax bill.

70. On or about February 14, 2011 at 8:44 a.m., because Tivest did not have sufficient funds to cover the entire delinquent tax bill, DE paid the remaining \$10,121.04 delinquent tax bill using DE's sister's credit card. The credit card payment caused the transmission of a wire communication in interstate commerce.

71. On or about February 14, 2011 at 2:32 p.m., a reporter from the Virginian-Pilot newspaper emailed the Treasurer's Office to confirm that Tivest's delinquent taxes were "[a]ll paid this morning, correct?" In response, at the direction of BURFOOT, an employee in the Treasurer's office falsely stated, "I can't tell from the system if it was paid Friday or today" when in fact the employee knew that Tivest had paid the taxes that morning.

72. On or about February 15, 2011, BURFOOT voted to approve an ordinance authorizing the City of Norfolk to execute a second amendment to the MidTown LDDC. Specifically, this ordinance authorized the City to guarantee a portion of the STOP Organization's lease. The ordinance passed in a 5 to 3 vote.

73. Between on or about February 7, 2011 and on or about February 20, 2011, phone numbers associated with BURFOOT and DE were in contact at least 54 times.

74. On or about February 18, 2011, the City announced that it could not move forward with the MidTown Office Tower project because Tivest could not confirm that the STOP Organization would be the anchor tenant in the building. Ultimately, the MidTown Office Tower was never constructed.

H. Defendant's Illicit Relationship With TA

75. From in or about 2006 through in or about 2009, TA developed a condominium project known as Widgeon Pointe on Norview Avenue in Norfolk. To stimulate sales, the Bank of the Commonwealth offered to finance the purchase of condominium units at Widgeon Pointe for no money down and a 3.25 percent fixed interest rate.

76. In or about 2009, TS, a loan assistant at the Bank of the Commonwealth, was interested in purchasing one of the model units at Widgeon Pointe, but could not qualify for a mortgage loan because of her substantial credit card debt.

77. On or about May 13, 2009, BURFOOT approached TA at an event held at the Half Moone Cruise Terminal in Norfolk, Virginia. BURFOOT first asked TA to loan TS \$25,000 so that TS could purchase a condominium at Widgeon Point. When TA refused to lend TS the money, BURFOOT asked TA to give TS \$25,000. In exchange, BURFOOT promised to use his position as a Norfolk Councilman to secure the special exception TA needed to open a gentleman's club on Granby Street in downtown Norfolk called the Granby Cabaret.

78. TA agreed to BURFOOT's request.

79. BURFOOT toured the Granby Cabaret with TA and others. At that time, BURFOOT made comments to TA and others that he supported opening the gentlemen's club.

80. BURFOOT tried to obtain support for TA's club from a fellow councilman, but the councilman would not agree to support the Granby Cabaret.

81. On or about August 29, 2009, an article appeared in the *Virginian Pilot* newspaper in which BURFOOT publicly stated that he would not support the Granby Cabaret. TA confronted BURFOOT about the article. BURFOOT explained that he could not publicly support TA's club after the City Council had just shut down two other bars. BURFOOT told TA that the Council would revisit the issue at a later date.

82. On or about August 31, 2009, TA and TS executed the HUD-1 Settlement Statement finalizing TS's purchase of the Widgeon Point condominium. The \$25,000 payment was not identified on the HUD-1, and, at first, TA delayed making the payment.

83. After the closing, TS wanted TA to execute an addendum to their purchase contract reflecting his agreement to pay the \$25,000. Eventually, TA signed the addendum.

84. On or about October 8, 2009, TA and TS executed a backdated HUD-1 settlement statement for TS's purchase that reflected the \$25,000 as a "Seller Concession."

85. On or about October 8, 2009, a \$25,000 check from one of TA's accounts at the Bank of the Commonwealth was placed into escrow at the Bank of the Commonwealth's title company. That same day, Bank of the Commonwealth employees authorized a \$25,000 wire from the title company's account to TS's Bank of America account.

86. The Norfolk City Council never revisited the issue of the Granby Cabaret.

87. However, in or about April 2010, TA ran into administrative difficulties concerning, among other things, the bar's signage, with the City while attempting to open a new country and western bar on Granby Street. TA contacted BURFOOT to ask for his help with TA's new venture.

88. On or about July 20, 2010, BURFOOT voted to approve signage for TA's new bar. The ordinance passed in a 5 to 3 vote.

I. Defendant's Efforts to Conceal the Scheme

89. Under Virginia law, certain government officials, including City Councilmen, are required to annually file a standardized disclosure statement of their personal economic interests. The disclosure statement is commonly referred to as the Statement of Economic Interests ("SOEI"), and it is legally required to be filed and maintained as a public record for five years. Among other things, the SOEI requires a government official to disclose gifts or entertainment valued in excess of \$50 received by the government official from any business or individual (other than a relative or close personal friend), and to list the name of the business or individual and the approximate value of the gift or entertainment. Pursuant to Virginia law, the government official must swear or affirm that the information provided on the SOEI is full, true, and correct to the best of the official's knowledge.

90. From in or about 2007 through 2011, BURFOOT filed his SOEI on an annual basis. On each SOEI, BURFOOT failed to disclose that he received anything of value from CE, DE, RL, TA and others known to the grand jury.

91. On or about April 15, 2010, a website titled "May4thCounts.com" was uploaded to the Internet. The website tied BURFOOT to public corruption involving, among others, CE and DE. That is, the website specifically labeled CE the "scapegoat" for the incident at the Chesapeake bar, and contained the title "DE (THE KICKBACKS)." The website concluded by alleging that "Burfoot is playing chess with the cities [*sic*] purse strings and we cannot sit by and stand for it." It called on City residents to "ensure that your vote as a citizen of Norfolk's Ward 3 does not count for Anthony Burfoot." At the time, BURFOOT was running for reelection to serve as the City Councilman for Ward 3.

92. BURFOOT promptly contacted the Norfolk City Attorney's office and asked them to find a way to shut down the May4thCounts.com website.

93. On or about May 6, 2013, BURFOOT testified under oath in another proceeding. During that testimony, BURFOOT denied asking TA to give TS \$25,000 in exchange for delivering votes to approve TA's gentlemen's club. To further conceal his relationship with TA, DE and others, BURFOOT testified as follows:

Q: Mr. Burfoot, have you ever solicited anything of value in exchange for an official act?

A: I did not. I have not.

Q: Mr. Burfoot, have you ever accepted anything of value in exchange for an official act?

A: I have not.

94. In or around 2014, during ongoing FBI and federal grand jury investigations, BURFOOT repeatedly discussed with an employee of the Treasurer's Office how the employee would falsely respond to certain inquiries.

95. On or about November 24, 2014, during an ongoing federal investigation, BURFOOT sent through an intermediary \$300 in cash, which was unsolicited, to DE's wife.

COUNT ONE

**(Conspiracy to Defraud the Citizens of the City of Norfolk
of Their Right to Honest Services by Use of Interstate Wires)**

1. The allegations contained in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. From in or about 2005 through in or about February 2011, in the Eastern District of Virginia and elsewhere, defendant ANTHONY L. BURFOOT knowingly and intentionally conspired with other persons known and unknown to commit wire fraud, that is: having devised and intending to devise a scheme and artifice to defraud the citizens of the City of Norfolk of their right to the honest services of a Norfolk Councilman through bribery, to transmit and cause to be transmitted by means of wire communication in interstate commerce writings, signs, signals, pictures and sounds for the purpose of execution such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

PURPOSE

3. A purpose of the conspiracy was for the defendant ANTHONY L. BURFOOT to secretly use his official position as a Norfolk City Councilman, Vice Mayor and Chief Deputy Treasurer to enrich himself by soliciting and accepting payments, gifts, and other things of value from individuals with interests before the City of Norfolk in exchange for ANTHONY L. BURFOOT performing official actions, including certain specific official actions and other official actions on an as-needed basis, as opportunities arose, to benefit the individuals and their interests.

MANNER AND MEANS

4. The manner and means by which the defendant would and did carry out the conspiracy included, but were not limited to the following:

- a. The defendant solicited and obtained payments, gifts and other things of value from CE, DE, RL and Tivest;
- b. The defendant took steps to conceal from the citizens of Norfolk the things of value received from CE, DE, RL, and Tivest, including by requesting that payments be made in small increments of cash;
- c. The defendant engaged in official acts on behalf of Tivest, including but not limited to the official acts set forth below:
 - i. The defendant voted to approve ordinances to award City development projects to Tivest;
 - ii. The defendant voted to approve ordinances to provide funding to Tivest for certain projects; and
 - iii. The defendant influenced the NRHA in an effort to steer additional development projects to Tivest.

(In violation of Title 18, United States Code, Section 1349).

COUNT TWO

**(Use of Interstate Wire Communications to Further Scheme to Defraud
The Citizens of the City of Norfolk of Their Right to Honest Services)**

1. The allegations set forth in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. From in or about 2005 through in or about February 2011, within the Eastern District of Virginia and elsewhere, defendant ANTHONY L. BURFOOT, and other persons known and unknown to the grand jury, devised and intended to devise a scheme and artifice to defraud the citizens of the City of Norfolk of their right to the honest services of the a Norfolk City Councilman, the Vice Mayor, and the Chief Deputy Treasurer through bribery.

3. On or about February 14, 2011, for the purposes of executing the aforesaid scheme and artifice, ANTHONY L. BURFOOT transmitted and caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, pictures, and sounds, that is: DE used his sister's credit card to pay delinquent taxes, such payment causing the transmission of a wire communication in interstate commerce.

(In violation of Title 18, United States Code, Sections 1343 and 2).

COUNT THREE
(Conspiracy to Obtain Property Under Color of Official Right)

1. The allegations contained in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. From in or about 2005 through in or about February 2011, in the Eastern District of Virginia and elsewhere, defendant ANTHONY L. BURFOOT did knowingly and intentionally conspire with other persons known and unknown to the grand jury, to cause each other and others to obstruct, delay, and affect in any way and degree commerce, and the movement of articles and commodities in commerce, by extortion, as those terms are defined in Title 18, United States Code, Section 1951, that is to obtain property, not due ANTHONY L. BURFOOT or his office and to which ANTHONY L. BURFOOT was not entitled, from CE; DE, RL and Tivest, with their consent, under color of official right.

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

COUNT FOUR
(Obtaining Property under Color of Official Right)

1. The allegations contained in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. From in or about October 2008 through in or about February 2011, in the Eastern District of Virginia and elsewhere, defendant ANTHONY L. BURFOOT, and other persons known and unknown to the grand jury, knowingly and intentionally attempted to, did and caused each other and others to obstruct, delay and affect in any way and degree commerce, and the movement of articles and commodities in commerce, by extortion, as those terms are defined in Title 18, United States Code, Section 1951, that is: ANTHONY L. BURFOOT obtained approximately \$50,000 and other things of value not due ANTHONY L. BURFOOT or his office and to which ANTHONY L. BURFOOT was not entitled, from CE, DE, RL and Tivest, with their consent, under color of official right.

(In violation of Title 18, United States Code, Sections 1951 and 2).

COUNT FIVE
(Perjury)

1. The allegations contained in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. On or about May 6, 2013, in the Eastern District of Virginia, defendant ANTHONY L. BURFOOT, while under oath as a witness in a case tried before the United States District Court for the Eastern District of Virginia, that is United States v. Edward J. Woodard, et al., Case No. 2:12cr105, knowingly made a false material declaration, namely the following sworn testimony:

Q: [D]idn't you ask [TA] to give [TS] \$25,000 so that she could pay off her credit card bills?

A: No, I did not.

At the time, ANTHONY L. BURFOOT knew and believed this testimony was false.

(In violation of Title 18, United States Code, Section 1623).

COUNT SIX
(Perjury)

1. The allegations contained in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. On or about May 6, 2013, in the Eastern District of Virginia, defendant ANTHONY L. BURFOOT, while under oath as a witness in a case tried before the United States District Court for the Eastern District of Virginia, that is United States v. Edward J. Woodard, et al., Case No. 2:12cr105, knowingly made a false material declaration, namely the following sworn testimony:

Q: You told [TA] that you would deliver your City Council vote along with three other votes which would approve [TA]'s license to operate a strip club in downtown Norfolk if he gave [TS] \$25,000?

A: I did not.

At the time, ANTHONY L. BURFOOT knew and believed this testimony was false.

(In violation of Title 18, United States Code, Section 1623).

COUNT SEVEN
(Perjury)

1. The allegations contained in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. On or about May 6, 2013, in the Eastern District of Virginia, defendant ANTHONY L. BURFOOT, while under oath as a witness in a case tried before the United States District Court for the Eastern District of Virginia, that is United States v. Edward J. Woodard, et al., Case No. 2:12cr105, knowingly made a false material declaration, namely the following sworn testimony:

Q: [H]ave you ever solicited anything of value in exchange for an official act?

A: I did not. I have not.

At the time, ANTHONY L. BURFOOT knew and believed this testimony was false.

(In violation of Title 18, United States Code, Section 1623).

COUNT EIGHT
(Perjury)

1. The allegations contained in paragraphs 1 through 95 of the General Allegations section of the Indictment are realleged and incorporated as if set forth fully herein.

2. On or about May 6, 2013, in the Eastern District of Virginia, defendant ANTHONY L. BURFOOT, while under oath as a witness in a case tried before the United States District Court for the Eastern District of Virginia, that is United States v. Edward J. Woodard, et al., Case No. 2:12cr105, knowingly made a false material declaration, namely the following sworn testimony:

Q: Have you ever accepted anything of value in exchange for an official act?

A: I have not.

At the time, ANTHONY L. BURFOOT knew and believed this testimony was false.

(In violation of Title 18, United States Code, Section 1623).

FORFEITURE

Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, the defendant ANTHONY L. BURFOOT is hereby notified that upon conviction of any of the offenses set forth in Counts One through Four of this Indictment he shall forfeit to the United States any property real or personal which constitutes, or is derived from, proceeds traceable to the violations charged in Counts One through Four above. Property subject to forfeiture includes but is not limited to the following:

A sum of money of at least \$475,000, which represents the proceeds of the offenses charged in Counts One through Four above.

(All in accordance with Title 18, United States Code, Section 981(a)(1)(C), as incorporated by Title 28, United States Code, Section 2461(c).)

U.S. v. Anthony L. Burfoot,
2:16cr 6

A TRUE BILL:

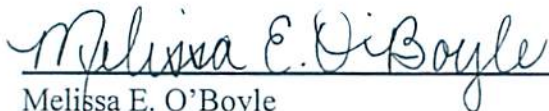
Pursuant to the E-Government Act,
the original of this page has been filed
under seal in the Clerk's Office.

Redacted

FOREPERSON

DANA J. BOENTE
UNITED STATES ATTORNEY

By:



Melissa E. O'Boyle

Uzo E. Asonye

Katherine Lee Martin

Assistant United States Attorneys

Virginia State Bar No. 47449

Attorney for the United States

United States Attorney's Office

101 West Main Street, Suite 8000

Norfolk, VA 23510

Office Number - 757-441-6331

Facsimile Number - 757-441-6689

E-Mail Address - melissa.oboyle@usdoj.gov

JS 45 (11/2002)

Criminal Case Cover Sheet

U.S. District Court

Place of Offense:		Under Seal: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Judge Assigned:
City: EDVA	Superseding Indictment:		Criminal Number: 2:16cr 6
County/Parish:	Same Defendant:		New Defendant: Anthony L. Burfoot
Magistrate Judge Case Number:		Arraignment Date:	
Search Warrant Case Number:			
R 20/R 40 from District of _____			

Defendant Information:

Juvenile: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	FBI#:		
Defendant Name: ANTHONY L. BURFOOT		Alias Name(s):	
Address: Norfolk, VA			
Employment: Treasurer, City of Norfolk			
Birth Date: 1967	SS#: xxx-xx-3550	Sex: M	Race: Black
Nationality:		Place of Birth:	
Height: 6'01"	Weight: 205 lbs	Hair: Black	Eyes: Brown
Scars/Tattoos:			
Interpreter: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	List Language and/or dialect:		

Location Status:

Arrest Date:		
<input type="checkbox"/> Already in Federal Custody as of: _____ in: _____		
<input type="checkbox"/> Already in State Custody	<input type="checkbox"/> On Pretrial Release	<input type="checkbox"/> Not in Custody
<input checked="" type="checkbox"/> Arrest Warrant Requested	<input type="checkbox"/> Fugitive	<input type="checkbox"/> Summons Requested
<input type="checkbox"/> Arrest Warrant Pending	<input type="checkbox"/> Detention Sought	<input type="checkbox"/> Bond

Defense Counsel Information:

Name: Andrew M. Sacks	<input type="checkbox"/> Court Appointed
Address: 150 Boush Street, Suite 501 Norfolk, VA 23510	<input checked="" type="checkbox"/> Retained
Telephone: (757) 623-2753	<input type="checkbox"/> Public Defender

U.S. Attorney Information:

AUSA: Melissa E. O'Boyle	Telephone No. 757-441-6331	Bar #: 47449
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Complainant Agency, Address & Phone Number or Person & Title:

Federal Bureau of Investigation, 509 Resource Row, Chesapeake, VA 23320, (757) 455-0100

U.S.C. Citations:

	Code/Section	Description of Offense Charged	Count(s)	Capital/Felony/Misd/Petty
Set 1	18 U.S.C. § 1349	Conspiracy to Commit Honest Services Wire Fraud	1	Felony
Set 2	18 U.S.C. § 1343	Honest Services Wire Fraud	2	Felony
Set 3	18 U.S.C. § 1951	Conspiracy to Obtain Property Under Color of Official Right	3	Felony

(May be continued on reverse)

Defendant's Name:	ANTHONY L. BURFOOT
District Court Case Number (To be filled in by Deputy Clerk):	2:16cr

U.S.C. Citations (continued)

	Code/Section	Description of Offense Charged	Count(s)	Capital/Felony/Misd/Petty
Set 4	18 U.S.C. § 1951	Obtaining Property Under Color of Official Right	4	Felony
Set 5	18 U.S.C. § 1623	Perjury	5-8	Felony
Set 6	18 U.S.C. §§ 981 & 982	Criminal Forfeiture		Forfeiture
Set 7				
Set 8				
Set 9				
Set 10				
Set 11				
Set 12				
Set 13				
Set 14				
Set 15				
Set 16				
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Set 29				