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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**  
 :  
 v. :  
 :  
 PETER CAMMARANO III and :  
 MICHAEL SCHAFFER : **Mag. No. 09-8128 (MCA)**

I, Robert J. Cooke, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

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

PETER CAMMARANO III  
and  
MICHAEL SCHAFFER

and others, to include JC Official 1 and the Consultant, did knowingly and willfully conspire to obstruct, delay, and affect interstate commerce by extortion under color of official right, by accepting and agreeing to accept corrupt payments that were paid and to be paid by another, with that person's consent, in exchange for defendant PETER CAMMARANO III's future official assistance in Hoboken Government matters.

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

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached page and made a part hereof.

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Robert J. Cooke, Special Agent  
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,  
July \_\_\_\_, 2009, at Newark, New Jersey

HONORABLE MADELINE COX ARLEO  
UNITED STATES MAGISTRATE JUDGE

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Signature of Judicial Officer

ATTACHMENT A

I, Robert J. Cooke, am a Special Agent with the Federal Bureau of Investigation ("FBI"). I have personally participated in this investigation and am aware of the facts contained herein, based upon my own investigation, as well as information provided to me by other law enforcement officers. Because this Attachment A is submitted for the limited purpose of establishing probable cause, I have not included herein the details of every aspect of the investigation. Statements attributable to individuals contained in this Attachment are related in substance and in part, except where otherwise indicated. All contacts discussed herein were recorded, except where otherwise indicated.

1. Defendant Peter Cammarano III (hereinafter "defendant Cammarano") was an at-large Hoboken Councilman and candidate seeking the position of Mayor of the City of Hoboken. On or about May 12, 2009, as one of the two top vote getters, defendant Cammarano qualified for a run-off election for the mayoral position. On or about June 9, 2009, Cammarano was elected mayor, and was sworn in on or about July 1, 2009. Defendant Cammarano was elected to the Hoboken City Council in 2005 and was an attorney specializing in election law until shortly before he was elected mayor.

2. Defendant Michael Schaffer (hereinafter "defendant Schaffer") is a Commissioner on the North Hudson Utilities Authority ("NHUA") and close associate of Cammarano. Schaffer, who resides in Hoboken, serves as the NHUA's assistant secretary and is a member of its Education and Litigation Committees.

3. At all times relevant to this Complaint:

a. There was an individual (hereinafter, "JC Official 1") who represented himself to be in high-level positions at the Jersey City Housing Authority (the "JCHA"). In addition, until in or about May, 2009, JC Official 1 also served as the Vice President of the Jersey City Board of Education ("BOE").

b. There was an individual who represented himself to be the owner of a consulting firm based in New Jersey (the "Consultant").

c. There was a cooperating witness (the "CW") who had been charged with bank fraud in a federal criminal complaint in May 2006. Thereafter, for the purposes of this investigation conducted by the FBI, the CW posed as a real estate developer interested in development in the greater Hoboken area. The CW represented that the CW did business in numerous states, including New York and New Jersey, and that the CW paid for goods and services in interstate commerce.

4. On or about April 11, 2009, at approximately 7:42 p.m., FBI agents intercepted an incoming call to the Consultant's home phone from defendant Schaffer, a close associate of the Consultant. During the ensuing conversation, defendant Schaffer and the Consultant discussed the upcoming mayoral elections in Jersey City and Hoboken. At one point during the conversation, the Consultant referred to the CW as "my guy" and then referred to the CW as "the guy you're gonna meet," thus indicating the Consultant's intention to arrange a meeting between the CW and defendant Schaffer. The Consultant described the CW as having given another Hudson County public official "20,000 [meaning \$20,000]" and indicated that the CW would be providing an additional \$10,000 to this public official before an upcoming election. The Consultant also told defendant Schaffer that "I know [the CW will] give Cammarano 5,000." The Consultant then indicated in reference to this payment that "we'll probably have to run [the \$5,000] through you," thus indicating that defendant Schaffer was to serve as a middleman for the payment. The Consultant then detailed the \$5,000 and \$10,000 payments that the CW already had made or that were scheduled to be made to other local Hudson County government officials and candidates running for election. The Consultant remarked that "[JC Official 1] finally found a guy with some money," and noted that the CW "likes spending money."

5. On or about April 14, 2009, at approximately 3:50 p.m., FBI agents intercepted an incoming call to the Consultant's cell phone from JC Official 1. The Consultant stated "a couple of other things, uh, [Hoboken Councilman Peter] Cammarano would like to meet on the 27<sup>th</sup> at 2 o'clock at the Malibu Diner. The meeting to consist of [the CW], you and me, Mike Schaffer and him. . . 'cause Mike is gonna deal with, uh, the conversion process."

6. On or about April 26, 2009, at approximately 6:44 p.m., FBI agents intercepted an incoming call to the Consultant's home phone from defendant Schaffer. During the conversation, the Consultant reminded defendant Schaffer that "we're seeing each other at 2 o'clock tomorrow," prompting defendant Schaffer to reply, "Yup." The Consultant then confirmed that the meeting would involve "[j]ust you and Cammarano," and defendant Schaffer replied, "That's it. That's it." Subsequently, after a discussion of the Hoboken mayoral campaign, the Consultant explained "[t]hat's why we're gonna try to get this kid [Cammarano] some money tomorrow." The Consultant opined that "to be truthful between you and me, there ain't nothin' we can do for [the CW] in Hoboken. He builds high rises." Defendant Schaffer disagreed, noting that "I think you should be able to go high on Observer Highway," and added that "I think Peter [Cammarano] supports that, too."

7. On or about April 27, 2009, JC Official 1 and the

Consultant met the CW at a diner in Hoboken, New Jersey where they were joined by defendants Cammarano and Schaffer. Defendant Cammarano told the CW that he was "an attorney in private practice." Defendant Cammarano further related that his specialty was "election law," and explained that "I run the election law department at the, at the biggest election law firm in the State of New Jersey." Defendant Cammarano informed the CW that he had been elected as a councilman four years earlier and added that "[t]o the extent there's a pro-development person in this race, that's me." The CW talked about the approvals the CW might be seeking in relation to any properties the CW might wish to develop in Hoboken, noting that if the CW was to "come over here, you know, and I wanna do, eh, I need a zone change, I need something, I wanna make sure that I, you know, you, you're my man." Defendant Cammarano assured the CW that "[y]ou can put your faith in me," and emphasized that he was a proponent of redevelopment. The CW asked whether defendant Cammarano would be able to put matters "on the agenda in the nex--, within thirty days or sixty days or do I have to wait six months, eight months or a year? . . . What's the process?" Defendant Cammarano explained that "[i]t can go on the agenda just as soon as there's a sponsor for it . . . That happens like that." The CW inquired, "So, if you sponsor it, boom?" Defendant Cammarano replied, "Yeah." When the CW stated "make sure you get my stuff expedited," defendant Cammarano assured the CW that "I promise you . . . you're gonna be, you're gonna be treated like a friend." At the conclusion of the meeting, the CW stated to defendant Cammarano "Pete, so I'll, uh, do my business with Mike [Schaffer]," prompting defendant Cammarano to reply, "Okay." The CW then told defendant Cammarano that "I'm gonna give [defendant Schaffer], uh, five thousand to start, and then after the election I'll do another five thousand." Defendant Cammarano responded, "Okay. Beautiful." Defendant Cammarano thanked the CW who then remarked "[j]ust make sure, you know, when I have my zoning . . ." Defendant Cammarano interjected, "I'll be there." The CW continued on "just make sure you expedite my stuff. That's all I ask." Referring to defendant Schaffer, the CW said, "I'll deal with him," and added "just make sure my name is not, uh . . ." Defendant Cammarano interjected, "No, no, no," and the CW continued "I don't want it to show up. I don't want any conflict issues," prompting defendant Cammarano to reply, "Right, right, right." The CW added that "I'm a business man. Generous guy."

8. The CW and defendant Schaffer then left the diner at which time the CW provided defendant Schaffer with an envelope from the trunk of the CW's car, explaining the envelope's contents: "That's 5,000 cash." The CW told defendant Schaffer that "I told Pete that, uh, I'll give him another five after the election, and if you need anything before, call me." The CW added, "Just make sure he gets my stuff, uh, expedited," to which defendant Schaffer replied "I certainly will." Shortly

thereafter, defendant Cammarano, JC Official 1 and the Consultant exited the diner and surveillance agents observed these three speaking with defendant Schaffer in the diner's parking lot while defendant Schaffer held the envelope containing the cash and which had been provided by the CW minutes earlier. Defendants Schaffer and Cammarano then spoke to each other separately, during which time defendant Schaffer remained in possession of the envelope. Defendant Schaffer then took the envelope into his vehicle and drove away while defendant Cammarano departed on foot.

9. On or about April 27, 2009, at approximately 3:58 p.m., FBI agents intercepted an incoming call to the Consultant's home phone from defendant Schaffer. During the conversation, which occurred less than two hours after the CW had been introduced to defendants Schaffer and Cammarano, the Consultant asked defendant Schaffer, "So, uh, was [the CW] good to you?" Defendant Schaffer replied, "Yes, yes, he was." The Consultant then asked "[f]ive?" Defendant Schaffer, apparently understanding that this was a reference to the \$5,000 in cash which had been provided by the CW to defendant Schaffer in an envelope, replied, "Yup," confirming the amount of the payment. The Consultant added that "well, we'll try to get some more before election day." Defendant Schaffer remarked that "[t]hat's what [the CW] told me."

10. On or about May 1, 2009, at approximately 12:30 p.m., FBI agents intercepted an outgoing call from the Consultant's home phone to defendant Schaffer. During the conversation, the Consultant asked defendant Schaffer "[w]as Cammarano okay with, uh, [the CW's], uh, contribution?" Defendant Schaffer replied, "Oh, loved it. Loved it. Loved him." Defendant Schaffer then added that defendant Cammarano "told me, 'Michael, the way I operate politics, anybody who helps me, I help them. That's the way I operate. And if you're not there the first round, I don't need ya' the second round.'" Defendant Schaffer also added that defendant Cammarano "likes [the CW]. '[The CW's] a very smart guy,' [Cammarano] said." The Consultant replied, "Well, that's good. Just as long as, uh, he's happy." Defendant Schaffer responded "[n]ah, very happy. Very happy."

11. On or about May 6, 2009, at approximately 10:08 p.m., FBI agents intercepted an outgoing call from the Consultant's home phone to defendant Schaffer. Defendant Schaffer and the Consultant discussed the upcoming Hoboken election at which time the Consultant brought up the CW. The Consultant told defendant Schaffer that "[u]h, my friend [the CW] would like to invest some more money in, uh, Peter [Cammarano]." Defendant Schaffer replied, "Oh, we could use it." The Consultant asked whether they could meet on Monday morning, prompting defendant Schaffer to reply, "Definitely." The Consultant told defendant Schaffer that the CW would "bring it in the same form [the CW] brought it in before," a reference to the fact that the CW brought \$5,000 in

cash in an envelope. Defendant Schaffer replied "[r]ight, right, same for--, you want me to come to Jersey City or you wanna come to Hoboken?" The Consultant replied, "No, we'll come back to, uh, the Malibu Diner and meet you and, uh, Cammarano." At the end of the conversation, the Consultant asked Schaffer to "see if Cammarano can meet us at the Mailbu around 10, 10:30 Monday morning." Defendant Schaffer replied, "It will be done."

12. On or about May 8, 2009, JC Official 1, the Consultant and the CW met with defendants Cammarano and Schaffer at a diner in Hoboken, New Jersey. After a discussion of the upcoming election, the CW told defendant Cammarano "[u]h, so Peter, uh, I'll, I'm, I'll do some, eh, business with Mike [Schaffer] like last time. I'll give him the five thousand green," to which Cammarano replied, "Okay." The CW told defendant Cammarano, "Don't put my name - like last time," to which defendant Cammarano nodded in the affirmative and stated, "Understood. Understood." The CW explained to defendant Cammarano that "I don't need any conflict issues, and just make sure when I come in with some stuff . . ." to which defendant Cammarano replied, "Yeah." The CW then stated that "I have some properties we're working on together, me, uh, [the Consultant] and [JC Official 1]. Just make sure I got you're support . . ." to which defendant Cammarano stated "[y]up. I'll be there." The CW finished his request by adding ". . . and expedite my stuff," prompting defendant Cammarano to repeat "I'll be there." The CW then thanked defendant Cammarano and informed him that "next week, I don't know if you want to meet Wednesday or Thursday, but whenever you want, I'll give you - I'll do another five [thousand] for you." Defendant Cammarano joked, referring to the election to be held on Tuesday, "Maybe after, uh, we sleep in a little bit on Wednesday." After the laughter subsided, JC Official 1 suggested that they "get together for a celebration dinner the following week."

13. Defendant Schaffer and the CW then proceeded to walk out to the diner's parking lot, at which time defendant Schaffer told the CW "[d]on't worry, he'll keep his word." The CW interjected "[a]s long as he expedites my stuff, and I got his support," prompting defendant Schaffer to assure the CW "[n]o, no, he will, he will, he will." The CW then produced an envelope containing \$5,000 in cash from the trunk of the CW's vehicle, and handed it to defendant Schaffer saying, "That's, uh, five thousand cash there." As defendant Schaffer took possession of the envelope, the CW related his concern that the CW's applications might remain "on the bottom of the pile," but defendant Schaffer responded that "I told [defendant Cammarano] when we get elected, we put our friends on the boards so we know we get the - don't listen to these morons who say put this environmentalist on, but they're, they're all fucking kooks." The CW added that "[y]ou wanna have guys that will support guys like me," and defendant Schaffer stated "[g]uys that worked in

the campaign, put 'em on." The CW told defendant Schaffer that "I appreciate your help," to which defendant Schaffer replied "[d]efinitely." As the CW started to return to the diner, defendant Schaffer, referring to the envelope, told the CW that "I'm going to put it in my car." The CW reentered the diner where the CW told defendant Cammarano that "I gave that, uh, en-, envelope to, uh, uh, Mike," causing defendant Cammarano to remark, "Excellent." The CW reminded defendant Cammarano "just don't put my name anywhere," prompting defendant Cammarano to reply, "Yeah, no, no, no." The CW then told defendant Cammarano that "Mike says that, uh, you know, you're a man of your word," and defendant Cammarano assured the CW that "I am. I am." The CW remarked that defendant Schaffer had further indicated that "[i]f you say you'll expedite something, you do it," and defendant Cammarano replied, "Yes, absolutely." The CW indicated that the CW would have applications in the near future and asked defendant Cammarano when he would actually be sworn in as mayor. Defendant Cammarano replied "July 1<sup>st</sup>," to which the CW remarked "[s]o, we'll wait till August or September or something to come in or something." Defendant Cammarano replied, "Yeah, yeah," and then thanked the CW as he departed.

14. On or about May 19, 2009, the Consultant and JC Official 1 met the CW at a diner in Hoboken, New Jersey where they were joined by defendants Cammarano and Schaffer. During this meeting, defendant Cammarano discussed the prospects of winning the runoff election between himself and the other remaining candidate on June 9, 2009, and stated that "[r]ight now, the Italians, the Hispanics, the seniors are locked down. Nothing can change that now. . . . I could be, uh, indicted, and I'm still gonna win 85 to 95 percent of those populations." After defendant Cammarano indicated that he would have to leave shortly to film a television commercial, the CW told defendant Cammarano that "I'm gonna do the, you know, five thousand cash with [defendant Schaffer]," prompting defendant Cammarano to respond, "Beautiful." The CW reminded defendant Cammarano "[j]ust again, don't put my name on anything," to which defendant Cammarano assured the CW, "No, no, no." Defendant Cammarano then indicated that he would accept the \$5,000 "[t]hrough my good friends," as he pointed in the direction of defendant Schaffer. The CW asked defendant Cammarano to "make sure you, you know, don't forget to expedite my stuff." Defendant Cammarano assured the CW that "I won't, I won't. You were, you were, you were with me early and often." The CW then mentioned that "[the Consultant] and, uh, [JC Official 1] -- we, we saw some properties that -- not too far from us -- around the corner from, uh, Toll Brothers. . . . So, uh, you know, once we come in for something, just, uh . . ." Defendant Cammarano replied, "Yeah," and then told the CW that "Michael will tell you that, this is, this is something that I don't know, I don't know how many times you and I have had this conversation," to which defendant Schaffer interjected, "Yeah." Defendant Cammarano then stated

"this is the way Mr. Schaffer and I both see the world through the same lens, right. In this election, hopefully, we, we, we, you know, we get to the point where I'm sworn in on July 1<sup>st</sup>, and we're breaking down the world into three categories at that point. There's the people who were with us, and that's you guys. There's the people who climbed on board in the runoff. They can get in line. . . And then there are the people who were against us the whole way. They get ground . . . They get ground into powder." The CW remarked that the latter group would have to wait for approvals on their projects for "[t]hree years," and that they would be consigned to the "[b]ottom of the pile." Subsequently, the CW told defendant Cammarano that "[the Consultant] or [JC Official 1] will call you once we have the property to buy, just make sure we got your support." Defendant Cammarano thanked the CW and stated, "You got it." The CW then told defendant Cammarano that "we'll do another 5,000 once you win. Hopefully, what is it, June 2<sup>nd</sup>, or whatever?" Defendant Cammarano informed the CW that the election was "June 9<sup>th</sup>," and the CW reiterated that "[w]e'll meet ya' a couple days after you recover, we'll do another 5,000." Defendant Cammarano replied, "Definitely," and left the diner.

15. After defendant Cammarano's departure, defendant Schaffer and the CW left the diner and walked to the CW's vehicle. As they walked, the CW remarked that "[a]t least, he understands -- Peter," prompting defendant Schaffer to remark that "[o]h yeah, his--, oh, he understands the rules." The CW added "[h]e takes care of his friends," and defendant Schaffer interjected "I trained him well." As the CW opened the trunk of the car, the CW remarked, "Let's see here. This is five? Yeah, this is five," at which point the CW handed defendant Schaffer an envelope containing \$5,000 in cash. The CW reminded defendant Schaffer "[j]ust again, don't put my name . . ." causing defendant Schaffer to laugh and state "I know, I, I know the rules." The CW reiterated that "I don't want any conflicts," and added that "after the election, I'll do, we'll do another five thousand." Defendant Schaffer replied, "Okay, very good," and walked away with the envelope containing the cash for defendant Cammarano.

16. On or about June 23, 2009, the Consultant and JC Official 1 met the CW at a diner in Hoboken, where they were joined by defendant Cammarano. During a discussion regarding the recent election and appointments that were underway, defendant Cammarano noted that "I stopped being a lawyer last month, um, hopefully for good." The Consultant later turned to defendant Cammarano and stated, "So anyway, we understand you got a [campaign] debt," prompting defendant Cammarano to nod in the affirmative. Subsequently, the Consultant told defendant Cammarano as the Consultant gestured toward the CW that "[t]he main reason we're here is to see how we can help you, and you've got to tell us somewhere in the neighborhood of what you need," a

reference to the amount defendant Cammarano wished to receive from the CW. The CW noted, "Like I told you before the election, I, you know, I'm a generous guy. I'm [u/i], you know, I supported you before. I told you I'll support you after. I keep my word." The CW added that "I'm sure you'll keep your word with me . . ." to which defendant Cammarano stated "[y]eah." The CW continued by stating ". . . you'll support, uh, you know, my stuff . . ." Defendant Cammarano indicated that he had only "found out literally on, uh, Friday night that there was any kind of deficit." Defendant Cammarano further noted that "[t]hey wrote street money checks, basically \$19,000 beyond what was in the account on election day." Defendant Cammarano indicated that he had obtained a "bridge loan . . . for \$20,000" to pay back those whose checks had bounced as a result of the overdrawing of the election account. Defendant Cammarano was then told by the CW: "With me, you know, I, I--, what I'll do is like I did last time, you know, the time before. I'll give you ten thousand dollars. Just don't put my name on anything. I don't want any trace. I don't want any conflict issues, and we'll do through, uh, Mike whenever Mr. Schaffer gets back. Hopefully next week we'll meet or something." Defendant Cammarano replied, "Yeah, that'd be great." Defendant Cammarano then thanked the CW and stated "I appreciate it." The CW explained that "I try to keep my word. Just make sure, you know, you don't forget me," prompting defendant Cammarano to assure the CW that "[w]e're going to be friends for a good long time." The CW added "[j]ust make sure you cover my back. Expedite my stuff when it comes in front of you. That's all I ask." At the conclusion of the meeting, defendant Cammarano thanked the CW again before departing.

17. On or about July 16, 2009, the Consultant and JC Official 1 met the CW at a diner in Hoboken, where they were joined by defendants Cammarano and Schaffer. During the ensuing meeting, the CW informed defendant Cammarano that "[t]here's two properties. There's a property on Grand Street that my guys are looking at. I, I haven't seen it yet." In response to defendant Cammarano's question about the property's exact location, the CW indicated that the CW did not know the cross street, but stated that "I think it's, it's a parcel of land or something that's available." The CW added "[a]nd then on, uh, Hudson, uh, Street, there's an apartment building that's all rentals now . . . and the whole building might be coming on the market." The CW told defendant Cammarano, with respect to that building, that "maybe there's an opportunity to go higher, add some density, go wider. I don't know, you know, there will be different things so-- between the two projects." The CW then remarked that "I'll, uh, let you know as, uh, we get, uh, closer. So, I know I got your support so," prompting defendant Cammarano to reply "[y]es, wholeheartedly." The CW quipped "[a]t least I bet on the right horse this time," to which defendant Cammarano replied "[y]eah, you did." Subsequently, the CW stated "so, uh, Peter, and I know

[the Consultant] and [JC Official 1] said that, you know, you needed some, uh, help or something." Defendant Cammarano responded "I need all the help I can get." The CW remarked "[m]e too, at some point will need you." Defendant Cammarano was then informed by the CW that "I'll give the, uh, uh, Mike [Schaffer] the, the ten thousand, uh, you know, green," and defendant Cammarano stated "[y]eah." The CW then reminded defendant Cammarano "[j]ust make sure my name, like the other times," prompting defendant Cammarano to state "[y]eah, I'm planning, and we'll, uh, yeah." The CW again remarked "[j]ust don't put my name on nothin'. I don't need any, uh, issues." Defendant Cammarano then asked the CW about the location of his proposed project on Grand Street, and the CW promised "I'll get you all the info next week." A short while later, the CW, in the presence of defendants Cammarano and Schaffer, asked the Consultant "[w]hat was that? They wanted twenty [thousand], ten . . .?" The Consultant replied "[t]wenty altogether." The CW then stated "so what I'll do is I'll give 'em the ten, ten now. And then we'll meet again, you know, and next week or something, I'll do the other ten. This way, you know, we'll be in good graces."

18. The group then left the diner and walked into the diner's parking lot, and the CW and defendant Schaffer walked to the CW's car. The CW opened the trunk and handed defendant Schaffer an envelope, stating "[h]ere, this is the ten thousand, uh, cash," prompting defendant Schaffer to reply "[o]kay." The CW reminded defendant Schaffer "[d]on't put my name like . . .," prompting defendant Schaffer to laugh and state "I know, I . . . I know the drill." The CW noted "then we'll, we'll see you, you know, we'll do end of next week or something," referring to the next \$10,000 payment. Defendant Schaffer agreed and then told the CW to "let us know the address." Defendant Schaffer then walked to his vehicle and placed the envelope containing the \$10,000 in cash in the trunk of his vehicle. The CW then walked over to where defendant Cammarano was talking with the Consultant and JC Official 1. Defendant Cammarano thanked the CW who stated "I'll be in touch with you next week." The CW then added "I'll take care of the other, uh, the other ten," prompting defendant Cammarano to respond "[y]eah . . . just give me a holler." The CW promised to provide defendant Cammarano with "those two addresses," and said "[j]ust, you know, make sure I have your support . . . expediting my stuff." Defendant Cammarano replied "[y]eah, yeah," and added "I'm with you."