



U.S. Department of Justice

*United States Attorney
District of Maryland
Southern Division*

SR
Rod J. Rosenstein
United States Attorney

James A. Crowell IV
Assistant United States Attorney

400 United States Courthouse
6500 Cherrywood Lane
Greenbelt, MD 20770-1249

301-344-4433
301-344-4235
FAX 301-344-4516
james.a.crowell@usdoj.gov

December 7, 2010

Ted J. Williams, Esq.
Gregory L. Lattimer, Esq.
1200 G Street, NW, Suite 800
Washington, DC 20005

**Re: United States v. James Edward Johnson,
Criminal No. PJM-10-0638**

Dear Messrs. Williams and Lattimer:

This letter, together with the Sealed Supplement, confirms the plea agreement which has been offered to the Defendant by the United States Attorney's Office for the District of Maryland ("this Office"). If the Defendant accepts this offer, please have him execute it in the spaces provided below. If this offer has not been accepted by December 23, 2010, it will be deemed withdrawn. The terms of the agreement are as follows:

Offense of Conviction

1. The Defendant agrees to plead guilty to Count One of a superseding information to be filed against him, which will charge the Defendant with conspiracy, in violation of 18 U.S.C. § 371. The Defendant admits that he is, in fact, guilty of this offense and will so advise the Court.

Elements of the Offense

2. The elements of the offenses to which the Defendant has agreed to plead guilty, and which this Office would prove if the case went to trial, are as follows:

Count One - Conspiracy

- a. The Defendant and other persons entered the unlawful agreement charged in the Superseding Information;
- b. The Defendant knowingly and willfully became a member of the conspiracy; and
- c. One of the members of the conspiracy knowingly committed at least one of the overt acts charged in the Superseding Information, to further some objective of the conspiracy.

Penalties

3. The maximum sentence provided by statute for the offense to which the Defendant is pleading guilty is as follows: imprisonment for 5 years, followed by a term of supervised release of 3 years, and a fine of \$250,000. In addition, the Defendant must pay \$100 as a special assessment pursuant to 18 U.S.C. § 3013, which will be due and should be paid at or before the time of sentencing. This Court may also order him to make restitution pursuant to 18 U.S.C. §§ 3663, 3663A, and 3664.¹ If a fine or restitution is imposed, it shall be payable immediately, unless, pursuant to 18 U.S.C. § 3572(d), the Court orders otherwise. The Defendant understands that if he serves a term of imprisonment, is released on supervised release, and then violates the conditions of his supervised release, his supervised release could be revoked - even on the last day of the term - and the Defendant could be returned to custody to serve another period of incarceration and a new term of supervised release. The Defendant understands that the Bureau of Prisons has sole discretion in designating the institution at which the Defendant will serve any term of imprisonment imposed.

¹ Pursuant to 18 U.S.C. § 3612, if the Court imposes a fine in excess of \$2,500 that remains unpaid 15 days after it is imposed, the Defendant shall be charged interest on that fine, unless the Court modifies the interest payment in accordance with 18 U.S.C. § 3612(f)(3).

Waiver of Rights

4. The Defendant understands that by entering into this agreement, he surrenders certain rights as outlined below:

a. If the Defendant had persisted in his plea of not guilty, he would have had the right to a speedy jury trial with the close assistance of competent counsel. That trial could be conducted by a judge, without a jury, if the Defendant, this Office, and the Court all agreed.

b. If the Defendant elected a jury trial, the jury would be composed of twelve individuals selected from the community. Counsel and the Defendant would have the opportunity to challenge prospective jurors who demonstrated bias or who were otherwise unqualified, and would have the opportunity to strike a certain number of jurors peremptorily. All twelve jurors would have to agree unanimously before the Defendant could be found guilty of any count. The jury would be instructed that the Defendant was presumed to be innocent, and that presumption could be overcome only by proof beyond a reasonable doubt.

c. If the Defendant went to trial, the government would have the burden of proving the Defendant guilty beyond a reasonable doubt. The Defendant would have the right to confront and cross-examine the government's witnesses. The Defendant would not have to present any defense witnesses or evidence whatsoever. If the Defendant wanted to call witnesses in his defense, however, he would have the subpoena power of the Court to compel the witnesses to attend.

d. The Defendant would have the right to testify in his own defense if he so chose, and he would have the right to refuse to testify. If he chose not to testify, the Court could instruct the jury that they could not draw any adverse inference from his decision not to testify.

e. If the Defendant were found guilty after a trial, he would have the right to appeal the verdict and the Court's pretrial and trial decisions on the admissibility of evidence to see if any errors were committed which would require a new trial or dismissal of the charges against him. By pleading guilty, the Defendant knowingly gives up the right to appeal the verdict and the Court's decisions.

f. By pleading guilty, the Defendant will be giving up all of these rights, except the right, under the limited circumstances set forth in the "Waiver of Appeal" paragraph below, to appeal the sentence. By pleading guilty, the Defendant understands that he may have to answer the Court's questions both about the rights he is giving up and about the facts of his case. Any statements the Defendant makes during such a hearing would not be admissible against him during a trial except in a criminal proceeding for perjury or false statement.

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g. If the Court accepts the Defendant's plea of guilty, there will be no further trial or proceeding of any kind, and the Court will find him guilty.

h. By pleading guilty, the Defendant will also be giving up certain valuable civil rights and may be subject to deportation or other loss of immigration status. The Defendant recognizes that if he is not a citizen of the United States, pleading guilty may have consequences with respect to his immigration status. Under federal law, conviction for a broad range of crimes can lead to adverse immigration consequences, including automatic removal from the United States. Removal and other immigration consequences are the subject of a separate proceeding, however, and the Defendant understands that no one, including his/her attorney or the Court, can predict with certainty the effect of a conviction on immigration status. Defendant nevertheless affirms that he/she wants to plead guilty regardless of any potential immigration consequences.

Advisory Sentencing Guidelines Apply

5. The Defendant understands that the Court will determine a sentencing guidelines range for this case (henceforth the "advisory guidelines range") pursuant to the Sentencing Reform Act of 1984 at 18 U.S.C. §§ 3551-3742 (excepting 18 U.S.C. §§ 3553(b)(1) and 3742(e)) and 28 U.S.C. §§ 991 through 998. The Defendant further understands that the Court will impose a sentence pursuant to the Sentencing Reform Act, as excised, and must take into account the advisory guidelines range in establishing a reasonable sentence.

Factual and Advisory Guidelines Stipulation

6. This Office and the Defendant understand, agree and stipulate to the Statement of Facts set forth in Attachment A hereto which this Office would prove beyond a reasonable doubt, and to the following applicable sentencing guidelines factors:

- a. The base offense level is **14** under U.S.S.G § 2C1.1(a)(1).
- b. A **14**-level specific offense characteristic increase applies under U.S.S.G. §§ 2C1.1(b)(2) and 2B1.1(b)(1)(H), because the value of things provided by the Defendant to others involved in the offense exceeded \$400,000 but was not greater than \$1,000,000.
- c. A **4**-level specific offense characteristic increase applies under U.S.S.G. § 2C1.1(b)(3), because the offense involved a public official in a high-level decision-making and sensitive position.

d. This Office does not oppose a 2 level reduction in the Defendant's adjusted offense level, based upon the Defendant's apparent prompt recognition and affirmative acceptance of personal responsibility for his criminal conduct. This Office agrees to make a motion pursuant to U.S.S.G. § 3E1.1(b) for an additional 1 level decrease in recognition of the Defendant's timely notification of his intention to plead guilty. This Office may oppose *any* adjustment for acceptance of responsibility if the Defendant (a) fails to admit each and every item in the factual stipulation; (b) denies involvement in the offense; (c) gives conflicting statements about his involvement in the offense; (d) is untruthful with the Court, this Office, or the United States Probation Office; (e) obstructs or attempts to obstruct justice prior to sentencing; (f) engages in any criminal conduct between the date of this agreement and the date of sentencing; or (g) attempts to withdraw his plea of guilty. The final offense level is 29.

7. The Defendant understands that there is no agreement as to his criminal history or criminal history category, and that his criminal history could alter his offense level if he is a career offender or if the instant offense was a part of a pattern of criminal conduct from which he derived a substantial portion of his income.

8. Except as provided in paragraph 9, this Office and the Defendant agree that with respect to the calculation of the advisory guidelines range, no other offense characteristics, sentencing guidelines factors, potential departures or adjustments set forth in the United States Sentencing Guidelines will be raised or are in dispute.

Guidelines Factors Not Stipulated

9. The Defendant reserves the right to argue that the following sentencing guidelines factors apply: U.S.S.G. §§ 5H1.1 (Age), 5H1.4 (Physical Condition), and 5H1.6 (Family Ties and Responsibilities). This Office reserves the right to oppose the application of these guidelines factors. The Defendant will notify the Court, the United States Probation Officer and government counsel at least ten days in advance of sentencing of the facts or issues he intends to raise.

Forfeiture

10. The Defendant agrees to forfeit to the United States all of his right, title, and interest in any and all money, property, or assets of any kind, derived from or acquired as a result of, or used to facilitate the commission of, the Defendant's illegal activities, including \$46,300 recovered from the Defendant's safety deposit box.

11. The Defendant agrees to assist fully the United States in the forfeiture of the foregoing assets. The Defendant agrees to take all steps necessary to pass to the United States clear

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title to these assets, including but not limited to executing any and all documents necessary to transfer his interest in any of the above property to the United States, assisting in bringing any assets located outside the United States within the jurisdiction of the United States, and taking whatever steps are necessary to ensure that assets subject to forfeiture are not sold, disbursed, wasted, hidden or otherwise made unavailable for forfeiture. The Defendant further agrees that he will not assist a third party in asserting a claim to the foregoing assets in an ancillary proceeding.

12. The Defendant knowingly waives all constitutional, legal and equitable defenses to the forfeiture of the foregoing assets. It is further understood that, in the event that the United States files a civil action pursuant to 18 U.S.C. § 981 or any law enforcement agency initiates a forfeiture proceeding seeking to forfeit these assets, the Defendant will not file a claim with the Court or agency or otherwise contest such a forfeiture action and will not assist a third party in asserting any such claim. It is further understood that the Defendant will not file or assist anyone in filing a petition for remission or mitigation with the Department of Justice concerning the forfeited assets.

13. The Defendant agrees to identify all other assets and identify the sources of income used to obtain all other assets, including identifying all assets derived from or acquired as a result of, or used to facilitate the commission of, any crime charged in the Indictment. The United States reserves the right to proceed against any remaining assets not identified in this agreement, including any property in which the Defendant has any interest or control.

Obligations of the United States Attorney's Office

14. At the time of sentencing, this Office will recommend a sentence at the low end of the applicable guideline range.

15. The parties reserve the right to bring to the Court's attention at the time of sentencing, and the Court will be entitled to consider, all relevant information concerning the Defendant's background, character and conduct.

Waiver of Appeal

16. In exchange for the concessions made by this Office and the Defendant in this plea agreement, this Office and the Defendant waive their rights to appeal as follows:

a. The Defendant knowingly waives all right, pursuant to 28 U.S.C. § 1291 or otherwise, to appeal the Defendant's conviction;

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b. The Defendant and this Office knowingly waive all right, pursuant to 18 U.S.C. § 3742 or otherwise, to appeal whatever sentence is imposed (including the right to appeal any issues that relate to the establishment of the advisory guidelines range, the determination of the defendant's criminal history, the weighing of the sentencing factors, and the decision whether to impose and the calculation of any term of imprisonment, fine, order of forfeiture, order of restitution, and term or condition of supervised release), except as follows: (i) the Defendant reserves the right to appeal any term of imprisonment to the extent that it exceeds any sentence within the advisory guidelines range resulting from an adjusted base offense level of **29**; and, (ii) this Office reserves the right to appeal any term of imprisonment to the extent that it is below any sentence within the advisory guidelines range resulting from an adjusted base offense level of **29**.

c. Nothing in this agreement shall be construed to prevent the Defendant or this Office from invoking the provisions of Federal Rule of Criminal Procedure 35(a), or from appealing from any decision thereunder, should a sentence be imposed that resulted from arithmetical, technical, or other clear error.

d. The Defendant waives any and all rights under the Freedom of Information Act relating to the investigation and prosecution of the above-captioned matter and agrees not to file any request for documents from this Office or any investigating agency.

Obstruction or Other Violations of Law

17. The Defendant agrees that he will not commit any offense in violation of federal, state or local law between the date of this agreement and his sentencing in this case. In the event that the Defendant (i) engages in conduct after the date of this agreement which would justify a finding of obstruction of justice under U.S.S.G. § 3C1.1, or (ii) fails to accept personal responsibility for his conduct by failing to acknowledge his guilt to the probation officer who prepares the Presentence Report, or (iii) commits any offense in violation of federal, state or local law, then this Office will be relieved of its obligations to the Defendant as reflected in this agreement. Specifically, this Office will be free to argue sentencing guidelines factors other than those stipulated in this agreement, and it will also be free to make sentencing recommendations other than those set out in this agreement. As with any alleged breach of this agreement, this Office will bear the burden of convincing the Court of the Defendant's obstructive or unlawful behavior and/or failure to acknowledge personal responsibility by a preponderance of the evidence. The Defendant acknowledges that he may not withdraw his guilty plea because this Office is relieved of its obligations under the agreement pursuant to this paragraph.

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Court Not a Party

18. The Defendant expressly understands that the Court is not a party to this agreement. In the federal system, the sentence to be imposed is within the sole discretion of the Court. In particular, the Defendant understands that neither the United States Probation Office nor the Court is bound by the stipulation set forth above, and that the Court will, with the aid of the Presentence Report, determine the facts relevant to sentencing. The Defendant understands that the Court cannot rely exclusively upon the stipulation in ascertaining the factors relevant to the determination of sentence. Rather, in determining the factual basis for the sentence, the Court will consider the stipulation, together with the results of the presentence investigation, and any other relevant information. The Defendant understands that the Court is under no obligation to accept this Office's recommendations, and the Court has the power to impose a sentence up to and including the statutory maximum stated above. The Defendant understands that if the Court ascertains factors different from those contained in the stipulation set forth above, or if the Court should impose any sentence up to the maximum established by statute, the Defendant cannot, for that reason alone, withdraw his guilty plea, and will remain bound to fulfill all of his obligations under this agreement. The Defendant understands that neither the prosecutor, his counsel, nor the Court can make a binding prediction, promise, or representation as to what guidelines range or sentence the Defendant will receive. The Defendant agrees that no one has made such a binding prediction or promise.

Entire Agreement

19. This letter supersedes any prior understandings, promises, or conditions between this Office and the Defendant and, together with the Sealed Supplement, constitutes the complete plea agreement in this case. The Defendant acknowledges that there are no other agreements, promises, undertakings or understandings between the Defendant and this Office other than those set forth in this letter and the Sealed Supplement and none will be entered into unless in writing and signed by all parties.

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If the Defendant fully accepts each and every term and condition of this letter, please sign and have the Defendant sign the original and return it to me promptly.

Very truly yours,

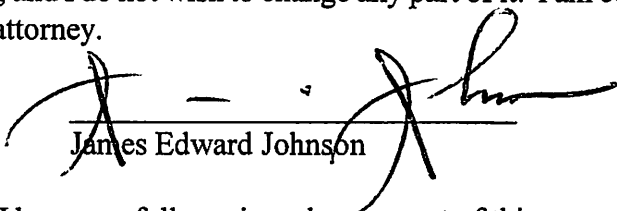
Rod J. Rosenstein
United States Attorney

By: 

James A. Crowell IV
A. David Copperthite
Sujit Raman
Assistant United States Attorneys

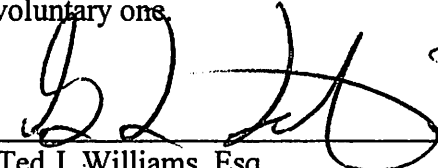
I have read this agreement and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Specifically, I have reviewed the Factual and Advisory Guidelines Stipulation with my attorney, and I do not wish to change any part of it. I am completely satisfied with the representation of my attorney.

12/10/10
Date


James Edward Johnson

I am James Johnson's attorney. I have carefully reviewed every part of this agreement with him. He advises me that he understands and accepts its terms. To my knowledge, his decision to enter into this agreement is an informed and voluntary one.

12/10/10
Date


Ted J. Williams, Esq.
Gregory L. Lattimer, Esq.

ATTACHMENT A
STATEMENT OF FACTS - James Edward Johnson

The undersigned parties hereby stipulate and agree that, if this matter had gone to trial, the government would have proven the following facts. The undersigned parties also stipulate and agree that the following facts do not encompass all of the evidence which would have been presented had this matter gone to trial.

Prince George's County Government

From November 1990 to the present, Prince George's County (the "County") operated under a "home rule" Charter, which provided that the County's local government be composed of the Executive Branch and the Legislative Branch.

The Executive Branch was charged with enforcing the laws and administering the day-to-day business of the County and conducted its business through its staff and the various departments which were managed by department directors, each of whom reported to and was supervised by the County Executive, who was responsible for the administration of all areas of the Executive Branch of the County government. The County Executive was elected by the voters of the County.

The Legislative Branch consisted of a nine-member elected County Council and its staff. All legislative powers of the County were vested in the County Council. In addition, the County Council sat as the District Council on zoning and land use matters, and as the Board of Health on health policy matters.

The United States Department of Housing and Urban Development ("HUD") maintained a program entitled HOME Investment Partnerships ("HOME"), regulated by Title 24, Code of Federal Regulations, Part 92, which provided grants to states and localities to fund activities that build, buy, and/or rehabilitate affordable housing for rent or home-ownership or provide direct rental assistance to low-income individuals. HOME was the largest federal block grant to state and local governments and was allocated approximately \$2,000,000,000 nationwide in federal funds per fiscal year.

The Prince George's County Department of Housing and Community Development ("DHCD") was a subordinate agency of the Executive Branch and was responsible for overseeing housing and community development projects in the County. DHCD's responsibilities included, among others, the administration and oversight of all aspects of County housing programs, including planning, program development and management, community services and housing rehabilitation.

The Director of DHCD was appointed by the County Executive and was responsible for directing DHCD's annual \$80 million dollar budget and administering programs that were supported

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by federal grants, such as HOME funds. In this capacity, the Director had the authority to recommend which developers should receive HOME funds for their development projects in the County. The County Council approved the Director's recommended distributions of the County's HOME funds at the request of the County Executive. The Director also had the authority to request exceptions for developers from HUD's regulatory requirements which were necessary to obtain HOME funds as proscribed by 24 C.F.R. Part 92.

The Prince George's County Code required certain County officials, employees, and candidates for office to file annual financial disclosure statements.

Maryland state law prohibited a person from giving a public employee, and prohibited a public employee from demanding or receiving, a bribe, fee, reward or testimonial in exchange for influencing the performance of the official duties of the public employee, or neglecting or failing to perform the official duties of the public employee, as provided by Maryland Criminal Law Article Section 9-201.

The Defendant and His Co-Conspirators

Defendant **JAMES JOHNSON** was a resident of Maryland. In or about September 2009, the County Executive appointed defendant **JAMES JOHNSON** to serve as the Director of DHCD.

Jack B. Johnson ("Jack Johnson") held the elected position of Prince George's County Executive from 2002 through December 2010. Prior to 2002, **Jack Johnson** was the County's elected State's Attorney.

Mirza Hussain Baig ("Baig") was a physician and the President of Laurel Lakes Primary Care, LLC located in Laurel, Maryland. Further, **Baig** owned **Baig Ventures**, which was a commercial and residential developer in the County since at least in or about 1992.

Patrick Q. Ricker ("Ricker"), a Maryland resident, was a developer based in the County. **Ricker** was a licensed real estate broker in Maryland and is the President of Ricker Brothers, Incorporated ("Ricker Brothers"), a commercial brokerage and development consulting firm, which was formed in 1988, and had offices in Branchville and Upper Marlboro, Maryland.

Conspiracy to Violate the Hobbs Act

From in or about 2006 through at least October 19, 2010, in the District of Maryland and elsewhere, Defendant **JAMES JOHNSON**, knowingly combined, conspired, confederated and agreed with **Jack Johnson**, **Baig**, **Ricker**, and other business persons and public officials in the County known and unknown to the United States, to obstruct, delay and affect interstate

commerce, and the movement of an article and commodity in interstate commerce, by extortion, by public officials obtaining, under color of official right, the property of others with their consent and not due to the officials and their offices, including campaign donations, checks, and United States currency.

In exchange for such property, Defendant **JAMES JOHNSON, Jack Johnson**, and other County officials performed and agreed to perform favorable official action for, and to use their influence on behalf of **Baig, Ricker**, and other developers and their companies in the County. The official acts included, among others, obtaining a waiver of HOME Program Regulation 24 C.F.R. 92.214(a)(7), securing millions of dollars in HOME funds; assisting in the acquisition of surplus property and land from the County for development by certain developers; providing the conspirators with non-public County information; and obtaining necessary state and local approvals for certain developments in County.

For example, during the conspiracy, **Baig**, on or about the following dates, provided money, campaign donations, and other things of value to Defendant **JAMES JOHNSON, Jack Johnson**, and others, in exchange for official assistance in the County, including the following:

- November 4, 2006 - \$10,000 in United States currency to **Jack Johnson**;
- February 1, 2010 - \$50,000 cashier's check to **Jack Johnson**;
- August 8, 2010 - \$8,000 in United States currency to Defendant **JAMES JOHNSON**;
- August 15, 2010 - \$8,000 in United States currency to Defendant **JAMES JOHNSON**;
- August 27, 2010 - \$8,000 in United States currency to Defendant **JAMES JOHNSON**;
- August 15, 2010 - \$12,000 in United States currency and a \$3,000 check to **Jack Johnson**;
- September 9, 2010 - \$100,000 check to **Jack Johnson**;
- November 5, 2010 - \$5,000 in United States currency to **Jack Johnson**;
- November 12, 2010 - \$15,000 in United States currency to **Jack Johnson**;

Further, during the conspiracy, in exchange for Defendant **JAMES JOHNSON**, in his capacity as Director of DHCD, taking a series of official acts for the benefit of **Ricker** and another developer's project in the County, including, among others, **Ricker**, under the supervision of the Government, provided the following payments to Defendant **JAMES JOHNSON**:

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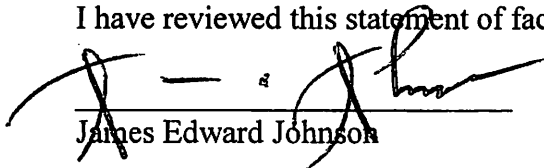
- June 24, 2010 – \$9,000 in United States currency;
- July 1, 2010 – \$7,000 in United States currency;
- July 27, 2010 – \$9,000 in United States currency; and
- October 12, 2010 – \$5,000 in United States currency.

The property obtained and the official acts taken by, Defendant **JAMES JOHNSON, Jack Johnson**, and their co-conspirators, and to be obtained and taken by, provided were in and affected interstate commerce.

Value of Payments

In connection with the conspiracy, the value of things obtained and to be obtained attributable to Defendant **JAMES JOHNSON** was more than \$400,000 but less than \$1,000,000.

I have reviewed this statement of facts and agreed that it is correct.



James Edward Johnson

12/10/10