

# THREE DATA POINTS ON BLAGOJEVICH

While some of us were busy in DC meeting Roland Burris this week, there were three data points of note in the Blagojevich scandal.

## Genson Gone

First and foremost, Blago defense attorney Edward Genson quit his criminal trial.

Powerhouse lawyer Edward Genson, who most recently helped singer R. Kelly beat a child-pornography rap, said he will be "formally off" Blagojevich's criminal case "when the next court hearing comes along.

"I wish him luck, and I hope he wins," Genson said.

Now this is different from Genson's earlier refusal to defend Blago in his impeachment trial. In that action, Genson was joined by co-counsels Sam Adam Sr. and Jr. This decision, however, appears to stem from disagreements with the Adams.

Genson, sources said, had been frustrated over a lack of communication with other attorneys for Blagojevich. That dissension boiled over Thursday when lawyer Sam Adam Sr. and his son Sam Adam Jr. said they planned to file a lawsuit to block the governor's upcoming Senate impeachment trial. Genson had said there was no chance a lawsuit would be filed.

The Genson announcement is interesting for a couple of other reasons. Recall that Sam Adam Jr. was the one who brokered the Burris appointment—even after Genson had announced that Blago would not appoint anyone for the seat. When asked by the legislative committee whether

having one's defense attorney negotiate the appointment of a senate seat described in the criminal complaint tainted that appointment, Genson insisted that Sam Adam Jr. was not a part of the defense team.

And here we are, just a few weeks later, and Adam is a part of the team and Genson is not.

But the split here may represent larger disagreements about the proper course for Blago. If Genson fought unsuccessfully to prevent Blago from appointing anyone, and if he is now implicitly accepting the legal basis for the impeachment (or at least the inadvisability of challenging its legality), it is possible his defense strategy more closely resembled what a sane person's would be: for Blago resign without appointing to the seat before an impeachment and get the best deal from Fitz you can. And, as a reminder, Blago's team (or at least his team prior to Genson quitting) readily agreed to a 90 day delay of Blago's indictment. Not that his new, Genson-less team could change their mind or would. But the quick acceptance of the 90 day deadline might have signaled an attempt on Genson's part to start negotiating with Fitz. Or, it might represent an effort to play to the jury pool for a while to discredit the case. Or both. Particularly given yesterday's media blitz from Blago, I'm guessing it is now exclusively the latter.

### **Patti Fired**

In other news, Blago's wife Patricia was fired from her job as a fundraiser for a homeless charity.

Illinois First Lady Patti Blagojevich is out of a job.

Blagojevich – who started Sept. 1 as development director of the 100-year-old Chicago Christian Industrial League – was quietly dismissed from her \$100,000-a-year job on Tuesday.

The reason for her firing is almost certainly because she wasn't doing what they needed her to do, even before her husband got arrested.

The Chicago Sun-Times reported Jan. 8 that the charity raises about \$1 million a year but needed to increase that to \$2 million.

[snip]

The Sun-Times reported that, in each of Patti Blagojevich's first three months on the job, the Christian Industrial League brought in \$10,000 to \$15,000 a month – the same as it did before she started, according to president William Good.

But it coincidentally breaks a tie between Blago and Burris–Burris' lobbying partner, Fred Lebed, is on the board of the charity. And it also breaks a tie between Blago and Richard Daley–the charity is broke because it moved out of its older location in Greek Town to make way for a condo development built by a Daley crony.

It was supposed to be a quintessential City Hall deal.

Help the homeless. Remove an eyesore from a booming neighborhood.

And help Mayor Daley's pal build a multi-million-dollar condo development.

The deal cost Chicago taxpayers at least \$13.5 million. But it hasn't worked out as planned:

One of the city's oldest homeless shelters left its crumbling home in Greektown for a new \$25 million, state-of-the-art building. But the deal left the homeless shelter on the verge of bankruptcy, desperate to raise millions of dollars to continue its 100-year-old mission.

So the charity – the Chicago Christian Industrial League – hired someone to raise money: Illinois First Lady Patti Blagojevich. But that hasn't worked out, either. She's raised little, if any, money since she started four months ago. And her job has gotten tougher since her husband's arrest on corruption charges last month.

And the mayor's friend? Developer Michael Marchese and his partners, including indicted businessman William F. Cellini, built their luxury condo development where the homeless shelter once stood. But the recession has hurt them. They've sold just half the 212 condos.

Incidentally, seemingly Daley agrees with Genson, or at least seems to think Blago is "cuckoo" for some of his claims about the impeachment.

Daley turned into an amateur psychiatrist Friday when asked about the governor's claim that the state Senate's upcoming impeachment trial is a plot to get Blagojevich out of the way to pave the way for a massive tax increase.

Finally, worthy of note, the charity has to pay off a loan made available via the same Illinois Finance Authority Blago was going to use to put through the Wrigley Park deal.

Its big hurdle: repaying a \$10.8 million loan it obtained from ShoreBank with help from the Illinois Finance Authority – a state agency created by Blagojevich's husband, the governor – to build the \$25 million homeless shelter.

Now, as I said, there's no reason to believe that Patti got fired for any other reason than she wasn't raising enough money—and her ability

to do so only got more and more limited when her husband was arrested. But it is worth noting how her firing breaks on link between a lot of the players in this story.

#### **Four Tapes**

And, finally, the judge in this case has authorized the release of the four tapes pertaining to the horse-racing deal, over the procedural objections of Blago and Lon Monk; Blago's brother Rob initially objected verbally but ultimately did not ask the Court to suppress the tapes, and John Johnston, the track owner in question, appears not to have filed a motion at all. Both Monk, who has his own ties to Burris, and Rob Blago reserved their right to object if they are indicted in this case.

Given those positions, it seems like we're going to hear some interesting conversations between Blago and Monk—while I expect we'll hear Johnston pretty refuse their extortion attempts.