

## DETROIT

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Author: DAVID ASHENFELTER, Free Press staff writer

### MONEY LAUNDERING CHARGE ENDS WITH TAX CONVICTION

A 50-year-old Detroit businessman who was indicted in a drug and money laundering scheme involving the St. Regis Hotel has been sentenced to 1 year of confinement at home and in a federal corrections center.

U.S. District Judge Patrick Duggan sentenced David W. Steele on Tuesday for evading \$23,257 in federal taxes. It's unclear why the government allowed him to plead guilty to lesser charges. His lawyer, Mark Kriger, declined to comment. Duggan also fined Steele \$2,000 and ordered him to pay the taxes.

Steele and fellow Detroitier **Marcus Mitchell**, a major Detroit cocaine dealer, were indicted in 2003 on charges of conspiring to launder more than \$1 million in cocaine proceeds through the purchase of the St. Regis Hotel and Black Orchid Cabaret. Authorities said the money came from Mitchell's drug ring. Steele said he bought the hotel and denied any involvement in the drug ring.

Mitchell was sentenced in 2005 to 10 years in prison.

-- Compiled by David Ashenfelter and other Free Press staff.

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