

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 08-
v. : 18 U.S.C. §§ 1341, 1346 & § 2;
26 U.S.C. § 7206(1)
FRANK ROSE : I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT ONE
(Mail Fraud)

1. At all times relevant to Count One of this Information:

a. Defendant FRANK ROSE was a resident of Linden, New Jersey, and Marco Island, Florida, and was the Field Representative for the City of Linden, New Jersey Neighborhood Redevelopment Program ("the Program").

b. The United States Department of Housing and Urban Development ("HUD") was a department within the executive branch of the United States government. HUD administered a number of programs aimed at expanding home ownership and revitalizing neighborhoods and communities. Among such programs, HUD operated the Home Investment Partnership Program (the "HOME Program") and the Community Development Block Grant Program (the "CDBG Program") to help provide affordable housing and remedy

substandard conditions in homes in participating jurisdictions. The City of Linden operated the Program which received funds from HUD through the HOME and CDBG Programs. The Program provided housing rehabilitation assistance to certain low or moderate income homeowners in the City of Linden. To receive such assistance, homeowners had to satisfy certain criteria and apply to the Program. If the Program approved a homeowner's application, the Program would determine the scope of the work to be performed, and would solicit bids from at least two contractors. The Program awarded the lowest bidder the contracting job.

c. As the Program Field Representative, defendant FRANK ROSE, among other things, : i) directed the Program; ii) ensured that homeowners were qualified for the Program; iii) solicited bids from contractors and determined which contractors were awarded contracting jobs; iv) ensured that the contractor performed the work consistent with the pertinent federal, state, and local regulations; and v) caused the Program to pay the contractor after the required work was performed with funds that the Program received from HUD as described above.

d. Contractor 1 was the owner of a construction and maintenance business based in Toms River, New Jersey, and a business partner of Contractor 3.

e. Contractor 2 was the owner of a construction and maintenance business based in Clark, New Jersey.

f. Contractor 3 was a City of Linden supervisory employee, and was a silent partner in two separate construction and maintenance businesses based in Clark and Toms River, New Jersey.

g. Contractor 4 was a partner in a construction and maintenance business based in Clark, New Jersey and the business partner of Contractor 3.

h. Contractor 5 was the owner of a construction and maintenance business based in Elizabeth, New Jersey.

i. Contractor 6 was the owner of a construction and maintenance business based in Newark, New Jersey.

2. At all times relevant to Count One of this Information, the City of Linden and its citizens had an intangible right to the honest services of their public officials and employees. As a public official and an employee for the City of Linden, pursuant to New Jersey law and his common law fiduciary obligation as a public trustee, defendant FRANK ROSE owed the City of Linden and its citizens a duty to: (a) refrain from receiving bribes and corrupt payments designed to (i) improperly affect the performance of official duties or (ii) coax favorable official action or inaction; and (b) to disclose, and not conceal, personal financial interests and other material information in matters over which defendant FRANK ROSE exercised and attempted to exercise official authority and discretion.

3. From in or about January 1998, to in or about December 2006, in the District of New Jersey and elsewhere, the defendant

FRANK ROSE

and others did knowingly and willfully devise and intend to devise a scheme and artifice to defraud the City of Linden, New Jersey and its citizens of the right to defendant FRANK ROSE's honest services in the affairs of the City of Linden, New Jersey.

4. The primary object of this scheme and artifice to defraud was for defendant FRANK ROSE to accept concealed bribes and corrupt payments from Contractors 1 to 6 in exchange for defendant FRANK ROSE using his position as the Program Field Representative to award Program contracting jobs to Contractors 1 to 6 and to conceal material information regarding this arrangement.

5. It was part of this scheme and artifice to defraud that defendant FRANK ROSE frequently did solicit and accept corrupt payments ranging from approximately \$500 to \$5,000 from Contractors 1 to 6 (the "corrupt payments").

6. It was a further part of this scheme and artifice to defraud that in exchange for the corrupt payments, defendant FRANK ROSE awarded the following Program contracts to Contractors 1 to 6:

a. Approximately 21 contracts to Contractors 1 and 3 amounting to approximately \$735,760 in construction services.

b. Approximately 38 contracts to Contractor 2 amounting to approximately \$1,516,325 in construction services.

c. Approximately 16 contracts to Contractor 3 and 4 amounting to approximately \$593,610 in construction services.

d. Approximately 16 contracts to Contractor 5 amounting to approximately \$652,448 in construction services.

e. Approximately 35 contracts to Contractor 6 amounting to approximately \$1,571,042 in construction services.

7. It was a further part of this scheme and artifice to defraud that defendant FRANK ROSE fraudulently rigged the Program bidding process for each contracting job that he awarded. To do so, for example, defendant FRANK ROSE directed one contractor to submit a bid in a particular amount, and then directed another contractor to submit a bid in a higher amount. Through this process, defendant FRANK ROSE sought to conceal his corrupt activities by making it appear as though each winning bid was legitimate.

8. It was a further part of this scheme and artifice to defraud that defendant FRANK ROSE only would accept the corrupt payments in the form of cash. In doing so, defendant FRANK ROSE sought to further conceal his corrupt activities.

9. On or about May 12, 2003, for the purpose of executing this scheme and artifice described above, and attempting to do

so, in the District of New Jersey and elsewhere, defendant

FRANK ROSE

and others did knowingly and willfully place and cause to be placed in a post office and authorized depository for mail, and caused to be delivered by mail in accordance with directions thereon, certain mail matter and things to be sent and delivered by the United States Postal Service, namely a Program contract awarding a contracting job to Contractor 6's construction and maintenance business based in Newark, New Jersey.

In violation of Title 18, United States Code, Sections 1341 and 1346, and Section 2.

COUNTS TWO TO SIX
(FILING FALSE TAX RETURNS)

1. Paragraphs 1 to 2 and 4 to 8 of Count One of this Information are realleged and incorporated herein.

2. At various times relevant to Counts 2 to 6 of this Information, defendant FRANK ROSE:

a. solicited and received the corrupt payments which he was required to report as income on his yearly personal federal income tax returns;

b. signed personal federal income tax returns (Internal Revenue Service ("IRS") Forms 1040) which contained written declarations that they were made under penalty of perjury; and

c. filed and caused to be filed with the IRS personal federal income tax returns on which defendant FRANK ROSE purported to declare all of his taxable income but which were not true and correct as to every material matter in that the returns did not report as taxable income the corrupt payments.

3. On or about the dates set forth below, in the District of New Jersey, the defendant

FRANK ROSE

knowingly and willfully did make and subscribe Individual Income Tax Returns, IRS Forms 1040 as set forth below, which contained and were verified by a written declaration that these returns were made under the penalties of perjury, and which defendant ROSE did not believe to be true and correct as to every material

matter in that he intentionally failed to report as income the corrupt payments in the amounts set forth below:

Count	Approximate Filing Date	Income Tax Return	Taxable Income Reported	Approximate Unreported Income
2	4/15/02	2001 U.S. Individual Income Tax Return, Form 1040	\$65,836	\$19,500 in corrupt payments.
3	4/15/03	2002 U.S. Individual Income Tax Return, Form 1040	\$72,132	\$24,000 in corrupt payments.
4	4/15/04	2003 U.S. Individual Income Tax Return, Form 1040	\$83,354	\$22,500 in corrupt payments.
5	4/15/05	2004 U.S. Individual Income Tax Return, Form 1040	\$78,615	\$22,500 in Corrupt Payments.
6	4/15/06	2005 U.S. Individual Income Tax Return, Form 1040	\$28,966	\$24,000 in Corrupt Payments.

In violation of Title 26, United States Code, Section 7206(1).

CHRISTOPHER J. CHRISTIE
United States Attorney