

NEWS

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walk0207.rel
FOR IMMEDIATE RELEASE
Feb. 7, 2008

Tax Fraud Charges Added to Corruption Indictment
Against Ex-New Brunswick Housing Rehabilitation Official

(More)

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NEWARK – A Superseding Indictment returned today adds three new tax fraud charges to the corruption Indictment returned in July against the former director of housing rehabilitation for the City of New Brunswick, U.S. Attorney Christopher J. Christie announced.

William Walker, 35, was first named in July in a 54-count Indictment charging him with extortion, bribery and conspiracy charges in connection with his alleged acceptance from contractors of approximately \$112,500 in corrupt cash payments and other benefits in exchange for exercising his official influence in favor of the contractors' companies.

(Follow this link to the news release on the original Indictment:
www.usdoj.gov/usao/nj/press/files/pdf/walk0727rel.pdf)

The Superseding Indictment returned today does not change any of the prior charges but adds three counts (Counts 55, 56 and 57) of subscribing to false federal income tax returns. The counts allege that Walker failed to report on his personal tax returns income from the corrupt cash payments he received from contractors in tax years 2004, 2005 and 2006.

Each of the new counts carries a maximum statutory penalty of three years in prison and a \$100,000 fine. Walker will be arraigned on the Superseding Indictment on a date yet to be determined.

From about 2002 to about November 2006, Walker was the Director of the Neighborhood Preservation Project for the New Brunswick Department of Community Planning and Economic Development. Walker's responsibilities included approving funding and contracts for the rehabilitation of substandard conditions in homes owned by qualified low- or moderate-income owners in New Brunswick.

The Indictments allege that between January 2004 and September 2006, Walker routinely received corrupt cash payments from Friendly Maintenance, a construction and maintenance business based in Middlesex County. They also allege that Walker received discounted work from Friendly Maintenance at his home and rental property.

According to the Indictments, Walker received the illegal payments and benefits in order to influence and reward him for his official acts, including the awarding of rehabilitation contracts to Friendly Maintenance. The Indictments alleges that Walker received a total of approximately \$51,500 in corrupt cash payments from Friendly Maintenance.

According to the Indictments, between 2004 and 2006, Walker also routinely solicited and accepted corrupt cash payments from Taj Maintenance, a construction and maintenance business based in Perth Amboy. The Indictments alleges that Walker

accepted approximately \$61,000 in illicit cash payments from Taj Maintenance in exchange for exercising his official influence as Director in awarding rehabilitation contracts to Taj Maintenance.

Christie credited Special Agents of the FBI's Franklin Township Resident Agency, under the direction of Special Agent in Charge Weysan Dun in Newark; Special Agents of the HUD Office of the Inspector General, under the direction of Special Agent in Charge Renee Febles; and Special Agents of the IRS Criminal Investigations Division, under the direction of Special Agent in Charge William P. Offord, with the Middlesex County corruption investigation. The investigation also was assisted by investigators from the Middlesex County Prosecutor's Office, under the direction of Middlesex County Prosecutor Bruce J. Kaplan, and New Brunswick Police Department, under the direction of Police Director Joseph Catanese.

The case is being prosecuted by Assistant U.S. Attorney Brian R. Howe of the U.S. Attorney's Special Prosecution's Division in Newark.

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Defense counsel:
Not clarified at this time