

NEWS

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FOR IMMEDIATE RELEASE
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Former Housing Rehabilitation Director in New Brunswick
Pleads Guilty, Admits Taking \$112,500 in Bribes

(More)

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NEWARK – The former director of housing rehabilitation for the City of New Brunswick pleaded guilty today to extortion and tax evasion for accepting bribe payments and free home renovations from contractors in exchange for contracts, U.S. Attorney Christopher J. Christie announced.

William Walker, 35, of Pennsauken, admitted that he accepted the bribes from two contractors and failed to report the approximately \$112,500 in corrupt cash payments on his federal tax returns for tax years 2004, 2005 and 2006.

Walker pleaded guilty before U.S. District Judge Harold A. Ackerman to one count of extortion under color of official right, which carries a maximum statutory penalty of 20 years in federal prison, and one count of tax evasion, which carries a maximum statutory penalty of three years in federal prison. Judge Ackerman scheduled sentencing for Aug. 19.

Under the advisory U.S. Sentencing Guidelines, Walker faces a probable sentencing range of between 87 and 102 months in federal prison. The Sentencing Guidelines are advisory only, and Judge Ackerman has the discretion to impose a sentence above, below or within the Guidelines.

Walker must also make restitution in the amount of \$112,500 to the federal Department of Housing and Urban Development, which subsidizes the New Brunswick housing program.

From 2002 to November 2006, Walker was the director of the Neighborhood Preservation Project for New Brunswick's 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 within the City of New Brunswick.

Walker admitted today that between about January 2004 and September 2006, he had agreements with two construction and maintenance contractors doing business with the City of New Brunswick – Friendly Maintenance, based in Middlesex County, and Taj Maintenance, based in Perth Amboy.

Walker admitted that he accepted monthly cash payments of between \$1,000 and \$3,500 in exchange for his rewarding contracts to Friendly Maintenance valued at more than \$1.3 million.

Walker admitted that, with Taj Maintenance, he initially accepted cash payments of about 7 percent of the value of each rehabilitation contract he awarded the company. In 2006, he said he began accepting about \$2,000 per month from Taj Maintenance. In exchange

for the corrupt payments, Walker admitted that Taj Maintenance received rehabilitation payments of more than \$900,000 from the City of New Brunswick.

The federal investigation of the New Brunswick housing program began after the matter was referred by the Middlesex County Prosecutor's Office to the U.S. Attorney's office and federal investigative agencies. The investigation is ongoing.

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 Investigation 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 Chief Anthony Caputo.

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

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Defense counsel:
Jeffrey M. Kolansky, Esq.