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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA                   :           **CRIMINAL COMPLAINT**  
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LORI SERRANO                                   :           Mag. No. 09-8139 (MCA)

I, Robert J. Cooke, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

From in or about March 2009 to in or about April 2009, in Hudson County, in the District of New Jersey and elsewhere, defendant

LORI SERRANO

and others, to include JC Official 1 and the Consultant, did knowingly and willfully conspire to obstruct, delay, and affect interstate commerce by extortion under color of official right, by accepting and agreeing to accept corrupt payments that were paid and to be paid by another, with that person's consent, in exchange for defendant Lori Serrano's future official assistance in Jersey City Government matters.

In violation of Title 18, United States Code, Sections 1951(a) and 2.

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached page and made a part hereof.

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Robert J. Cooke, Special Agent  
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,  
July \_\_\_\_, 2009, at Newark, New Jersey

HONORABLE MADELINE COX ARLEO

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ATTACHMENT A

I, Robert J. Cooke, am a Special Agent with the Federal Bureau of Investigation ("FBI"). I have personally participated in this investigation and am aware of the facts contained herein, based upon my own participation in this investigation, as well as information provided to me by other law enforcement officers. Because this Attachment A is submitted for the limited purpose of establishing probable cause, I have not included herein the details of every aspect of the investigation. Statements attributable to individuals contained in this Attachment are related in substance and in part, except where otherwise indicated. All contacts discussed herein were recorded, except where otherwise indicated.

1. At all times relevant to this Complaint, defendant Lori Serrano ("defendant Serrano"), a school district accountant, was a candidate seeking a City Council seat in Jersey City in connection with an election held on or about May 12, 2009. Defendant Serrano ultimately did not prevail. Formerly, defendant Serrano served as Jersey City Housing Authority chairperson.

2. At all times relevant to this Complaint:

a. There was an individual who served as the Vice President of the Jersey City Board of Education (until on or about May 2009), and a commissioner of the Jersey City Housing Authority ("JC Official 1");

b. There was an individual who represented himself to be the owner of a consulting firm based in New Jersey (the "Consultant"); and

c. There was a cooperating witness (the "CW") who had been charged with bank fraud in a federal criminal complaint in May 2006. Thereafter, for the purposes of this investigation conducted by the FBI, the CW posed as a real estate developer interested in development in the greater Jersey City area. The CW represented that the CW did business in numerous states, including New York and New Jersey, and that the CW paid for goods and services in interstate commerce.

3. On or about March 21, 2009, at approximately 10:55 a.m., FBI agents intercepted an outgoing call from the Consultant to JC Official 1 over the Consultant's cell phone. The Consultant and JC Official 1 confirmed the existence of upcoming meetings between two Jersey City council candidates (one of whom

was defendant Serrano) and the CW. They also agreed that the CW has been "planting a lot of seeds" with various government officials and candidates in New Jersey.

4. During the afternoon of March 24, 2009, defendant Serrano met with the Consultant, JC Official 1 and the CW at a diner in Bayonne, New Jersey. During this meeting, defendant Serrano informed the CW that she was a candidate for an at-large Jersey City Council position, as well as a former Chairperson of the Jersey City Housing Authority. JC Official 1 explained to defendant Serrano that the CW was "gonna do a development down on, uh, Garfield Avenue," and added that the CW was "gonna put some high rises up, so we're gonna need your support for that once you're on the Council." Defendant Serrano responded by stating, "Absolutely," and the CW explained that they would be seeking a zoning change due to the restriction on the number of stories that could be built. The CW indicated that "I wanna make sure that once you leave and you're up on the dais . . . you don't forget my name and number . . . I get your vote," prompting defendant Serrano to reply, "No, I won't [forget], I'm not like that." Defendant Serrano then assured the CW that the CW could count on her. JC Official 1 then added, "So Lori, we're gonna try to help you out this year . . . But the main thing is, when you do get in, don't forget [the CW.]" Defendant Serrano responded, "Absolutely." The CW subsequently told defendant Serrano that "I'll give you, you know, to start, uh, five thousand dollars and then hopefully we'll do more, you know, as the campaign progresses. Yeah, as long as I know I got your, your vote, you know on the council, any zone changes, resolutions . . ." Defendant Serrano replied, "Right . . . You will." The CW also added that "I don't want to do checks or anything 'cause I don't want any conflicts," to which defendant Serrano replied "I know." Defendant Serrano acknowledged a second time that she would receive the payment in cash.

5. On or about March 24, 2009, at approximately 5:01 p.m., FBI agents intercepted an incoming call from JC Official 1 to the Consultant over the Consultant's cell phone. During the call, among other things, JC Official 1 and the Consultant agreed that things had gone well at the meeting that day. The Consultant and JC Official 1 discussed plans for the CW and agreed, per the Consultant, "Let's get him to give . . . three candidates [including defendant Serrano] money. . . ."

6. On or about March 25, 2009, at approximately 8:44 p.m., FBI agents intercepted an incoming call from JC Official 1 to the Consultant over the Consultant's cell phone. During this call, JC Official 1 told the Consultant that there would be no

meeting the next day [Thursday], and they agreed on Friday. JC Official 1 told the Consultant that Friday they would "do the two" (likely a reference to cash payments to be made to defendant Serrano and another council candidate).

7. On or about March 26, 2009, at approximately 11:30 a.m., FBI agents intercepted an outgoing call from the Consultant over the Consultant's cell phone to JC Official 1. During this call, the Consultant asked JC Official 1 how their "buddy" [meaning the CW] was doing, and JC Official 1 responded that JC Official 1 was postponing the meetings until Monday at twelve o'clock. JC Official 1 stated that he would not "have them come in" to the restaurant, but rather the CW would "have to go outside to them." JC Official 1 thus was indicating that the corrupt cash payments would be made to defendant Serrano, among others, outside of the restaurant. JC Official 1 asked the Consultant if he "thought that was the best way to do it," and the Consultant said he thought that it was.

8. On or about March 30, 2009, at a diner in Bayonne, defendant Serrano met JC Official 1, the Consultant and the CW. At the conclusion of this meeting, the CW and defendant Serrano walked into the parking lot at which time the CW stated, "Don't forget me when it comes to my zone change," and moments later told defendant Serrano: "I'm gonna give you 5,000 now. I'll give you another 5 before the election as you need it." Defendant Serrano replied, "Ah, thank you," and the CW added that "then after you get in, when you're Mrs. Councilwoman, I'll, I'll give you more." Defendant Serrano replied, "Thank you so much." The CW then retrieved an envelope containing \$5,000 from his trunk and handed it to defendant Serrano stating that "[t]his is it here. It's cash. This way there's no trace. I don't need any, uh, no conflict issues." After defendant Serrano had accepted the envelope, the CW added, "Just make sure you expedite my things," prompting Serrano to reply, "Absolutely." The CW then informed Serrano that "I went to one town one time, and I, uh, for a zone thing. They put my application on the bottom. It took them three years to look at it." Defendant Serrano, referring to the Consultant, told the CW that "[o]ne thing he can tell you, I'm a very loyal person. . . . They'll tell you." Defendant Serrano then departed with the envelope containing \$5,000 in cash.

9. On or about April 8, 2009, at approximately 11:48 a.m., FBI agents intercepted an outgoing call from the Consultant's home phone to JC Official 1. Among other things, the Consultant and JC Official 1 discussed arranging a meeting with defendant Serrano on April 23, 2009.

10. On or about April 11, 2009, at approximately 11:21 a.m., FBI agents intercepted an outgoing call from the Consultant's cell phone to Official. Among other things, the Consultant listed officials and candidates who had received or would receive payments from the CW with their assistance to include defendant Serrano. After listing the individuals, the Consultant indicated that, "I don't think we ought to expand it any further."

11. On or about April 21, 2009, the Consultant and JC Official 1 met the CW at a diner in Jersey City. The Consultant and JC Official 1 set forth the schedule and the identities of individuals with whom the Consultant, JC Official 1 and the CW would meet, and the amounts of money to be paid to certain officials and candidates. In particular, among other things, the Consultant informed the CW that they would meet with defendant Serrano at a diner in Bayonne at mid-day on April 23rd.

12. On or about April 23, 2009, defendant Serrano met the Consultant, JC Official 1 and the CW met outside of a diner in Bayonne. Defendant Serrano and the CW then met in a car outside of the restaurant. Defendant Serrano was informed by the CW that the CW was contemplating applying for a zone change on the Garfield Avenue project and that the CW would get defendant Serrano a copy of the application to review. Defendant Serrano replied to the CW, "Of course," agreeing that she would "just make sure" that defendant Serrano "covered" the CW's "back." Defendant Serrano further indicated that she would not let the CW's contemplated application fall to the bottom of the pile after she was elected to the council. Defendant Serrano accepted another \$5,000 in cash from the CW. Defendant Serrano agreed not to put the CW's name on anything in connection with this transaction, saying: "I don't, I don't." Defendant Serrano further told the CW that the money would be used in connection with volunteers on the day of the election. In response to the CW stating that the CW did not "donate," rather the CW "invest[ed]," defendant Serrano said that she "respect[ed] that," and that the CW was a "businessman."