## NEWS

United States Department of Justice U.S. Attorney, District of New Jersey 970 Broad Street, Seventh Floor Newark, New Jersey 07102



## Christopher J. Christie, U.S. Attorney

**More Information?** Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

**News on the Internet**: News Releases and related documents are posted at our website. **Go to:** http://www.usdoj.gov/usao/nj/press/index.html

Assistant U.S. Attorney: BRIAN R. HOWE 973-645-2853

kapl0420.rel FOR IMMEDIATE RELEASE April 20, 2007

Former New Brunswick Construction Inspector Admits Accepting \$30,000 in Bribes and Other Benefits

(More)

**Public Affairs Office Michael Drewniak, PAO** 

973-645-2888

http://www.usdoj.gov/usao/nj/press/index.html

NEWARK – A former construction inspector and assistant zoning officer for the City of New Brunswick pleaded guilty today to accepting more than \$30,000 in corrupt cash payments and other benefits in exchange for official favors, U.S. Attorney Christopher J. Christie announced.

Richard Kaplan, 57, of New Brunswick, who was employed by New Brunswick's Department of Community Planning and Economic Development (the Department), admitted accepting corrupt cash payments and other benefits from contractors, including discounted work on a property Kaplan owned, in exchange for exercising his official influence in favor of the contractors' companies.

Kaplan pleaded guilty to a one-count Information before U.S. District Court Judge Joseph E. Irenas. The Information charged him with accepting corrupt payments and other benefits. The charge carries a maximum penalty of 10 years in prison and a \$250,000 fine, according to Assistant U.S. Attorney Brian R. Howe.

Today was Kaplan's first appearance in court in connection with the corruption investigation. Judge Irenas released him on an unsecured \$30,000 personal cognizance bond pending sentencing on Sept. 7.

Between January 2004 and September 2006, Kaplan was the Rehabilitation Inspector for the Department. In that capacity, Kaplan was responsible for preparing scopes of work to address substandard conditions in homes and for performing follow-up inspections to ensure compliance with federal, state and local regulations.

Kaplan admitted that during that time, he accepted regular cash payments and discounted work from contractors on a home he owned. In exchange, Kaplan admitted that he expedited inspections on the paying contractors' projects. In addition, Kaplan admitted that he exercised leniency when performing follow-up inspections on their work.

The federal investigation began after the matter, in its early stages, was referred by the Middlesex County Prosecutor's Office to the U.S. Attorney's office and federal investigative agencies. The investigation is ongoing and more prosecutions are expected.

Others pleading guilty so far are:

• George Thomas, 38, of New York City, co-owner of a Perth Amboy-based construction and maintenance firm that received more than \$900,000 in rehabilitation contracts. He admitted participating in a scheme to give cash and other benefits to multiple employees of the City of New Brunswick's Department of Community Planning and Economic Development in exchange for official favors for their company. For a news release on that guilty plea, on March 27, follow links at:

## www.usdoj.gov/usao/nj/press/2007releases.html

• Joseph McNulty, 42, of North Brunswick, and Sam K. John, 48, of Sayreville, coowners of a New Brunswick-based construction and maintenance firm that received more than \$1.3 million in rehabilitation contracts. They admitted participating in a scheme to give cash and other benefits to multiple employees of the City of New Brunswick's Department of Community Planning and Economic Development in exchange for official favors for their company. For a news release on those guilty pleas, on March 15, follow the links at the Public Affairs Office website.

Christie credited Special Agents of the FBI's Franklin Township Resident Agency, under the direction of Acting Special Agent Pedro Ruiz, and Special Agents of United States Department of Housing and Urban Development Office of the Inspector General, under the direction of Special Agent in Charge Renee Febles, for the investigation leading to today's charges.

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 the New Brunswick Police Department, under the direction of Police Chief Joseph Catanese. The case is being prosecuted by Assistant U.S. Attorney Brian R. Howe of the U.S. Attorney's Special Prosecution's Unit in Newark.

-end-

Defense counsel: Steven D. Altman, Esq., New Brunswick