

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Crim. No. 09-
 :
 v. :
 : 18 U.S.C. §§ 666(a)(1)(B),
 DENNIS ELWELL and : 981, 1951(a) & § 2; 28 U.S.C.
 RONALD MANZO : § 2461

I N D I C T M E N T

The Grand Jury in and for the District of New Jersey,
sitting at Newark, charges:

COUNT ONE

Conspiracy to Commit Extortion Under Color of Official Right

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

Defendant Dennis Elwell

A. Defendant DENNIS ELWELL was the Mayor of the Town of Secaucus ("Secaucus" or the "Town"), a municipality in Hudson County, New Jersey. Defendant ELWELL also was employed as the President of a trucking company.

B. Defendant ELWELL was first elected Mayor of Secaucus in or about November 1999, and was subsequently re-elected in or about November 2001 and November 2005. Until at least on or about July 17, 2009, defendant ELWELL was a candidate for re-election as Mayor of Secaucus in a general election to be held on or about November 3, 2009. Defendant ELWELL received his party's nomination for this office in a primary election held on or about June 2, 2009.

C. As the Mayor of Secaucus, and a voting member of the Town Planning Board, defendant ELWELL was in a position to influence, and did influence, matters relating to real estate development in the Town. As the Mayor of Secaucus, defendant ELWELL also was a member and the past Chairman of the Hackensack Meadowlands Municipal Committee ("HMMC"), an advisory committee to the New Jersey Meadowlands Commission ("NJMC") that retained veto power over certain NJMC actions. The NJMC was an agency of the State of New Jersey which held planning and zoning authority over large portions of Secaucus.

Defendant Ronald Manzo

D. Defendant RONALD MANZO was a businessman and political advisor who was a friend and associate of defendant ELWELL.

Other Individuals

E. There was an individual cooperating with law enforcement (the "CW") who held himself out to be a real estate developer interested in developing hotel and other real estate properties in Secaucus. The CW represented that the CW did business in numerous states, including New York and New Jersey, and paid for goods and services in interstate commerce.

F. Edward Cheatam ("Cheatam") was the affirmative action officer for Hudson County and a Commissioner of the Jersey City Housing Authority in Jersey City. From in or about December

2008 to in or about July 2009, Cheatam accepted a series of corrupt payments from the CW in exchange for, among other things, (i) exercising and agreeing to exercise Cheatam's official influence as a Jersey City official in the CW's favor; and (ii) facilitating introductions and corrupt payments to public officials and candidates for public office who themselves were willing to accept corrupt payments in exchange for exercising their official influence in favor of the CW's development projects.

G. There was an individual, now deceased, who owned and operated a consulting firm based in Jersey City (the "Consultant").

The Conspiracy

2. From in or about April 2009 to in or about July 2009, in Hudson County, in the District of New Jersey, and elsewhere, defendants

DENNIS ELWELL and
RONALD MANZO

did knowingly and willfully conspire and agree with each other, Cheatam, and others to obstruct, delay and affect interstate commerce by extortion under color of official right -- that is, by obtaining corrupt cash payments and other benefits from the CW, with the CW's consent, in exchange for defendant ELWELL's future official assistance, action and influence in Town of Secaucus government matters, contrary to Title 18, United States

Code, Section 1951(a).

Object of the Conspiracy

3. The object of the conspiracy was for defendants ELWELL and MANZO, Cheatam, and others to solicit and accept corrupt cash payments and other benefits from the CW in exchange for defendant ELWELL's official assistance, action and influence in Town of Secaucus government matters.

Acts In Furtherance of the Conspiracy

4. To further the conspiracy and effect its objects, the following acts were committed in the District of New Jersey and elsewhere:

April 27, 2009 Meeting

A. On or about April 27, 2009, defendant RONALD MANZO met with Cheatam, the Consultant, and the CW at a diner in Hoboken, New Jersey. At the meeting, Cheatam informed defendant MANZO that the CW had an interest in developing real estate properties in the Secaucus area, and that Cheatam and the CW wanted to meet with defendant MANZO because defendant MANZO had a "nice relationship" with defendant DENNIS ELWELL. Regarding defendant ELWELL, defendant MANZO stated, "I go back with him, uh, probably, um, fifteen years," and that he socialized with defendant ELWELL and felt he could "talk to him." Defendant MANZO subsequently confirmed with the CW that the CW wanted to know if defendant ELWELL was "open" to what the CW "want[ed] to

do" regarding development in Secaucus. Defendant MANZO was further informed by the CW that the CW wanted zoning changes expedited and that the CW was willing to "invest" in defendant ELWELL.

B. Later in the meeting, defendant MANZO was advised by the CW that if defendant ELWELL wanted to receive \$10,000 from the CW "now," the CW would provide the money to defendant ELWELL through defendant MANZO. Defendant MANZO stated in response that he would have to "feel [defendant ELWELL] out" regarding this matter. The CW further indicated to defendant MANZO that he was willing to provide \$10,000 to defendant ELWELL "now" and an additional \$10,000 in cash "after the election." Defendant MANZO responded, "Okay."

May 28, 2009 Meeting & \$10,000 Payment to Defendant ELWELL through Defendant MANZO

C. On or about May 28, 2009, defendants ELWELL and MANZO met with Cheatam and the CW at a restaurant located at a hotel in Secaucus, New Jersey. Defendants ELWELL and MANZO were informed by the CW that the CW was interested in building a hotel on Route 3 in Secaucus. Defendant ELWELL further was informed by the CW that the CW wanted to meet with defendant ELWELL before proceeding with these plans in order to "smooth out the speed bumps." Defendant ELWELL responded that he "completely" understood.

D. Defendant ELWELL provided the CW with information regarding certain sites located in Secaucus that defendant ELWELL indicated he believed might be suitable for a hotel project. Defendant ELWELL was informed by the CW that finding land was not a problem and that what the CW wanted to do was make sure that the CW had the support of Secaucus officials before "coming in" to Secaucus. In response, defendant ELWELL indicated to the CW that he had been able to arrange the support of Town councilmembers for a 225-unit residential project to be located on one of the sites defendant ELWELL had just mentioned to the CW and that it would be even easier for defendant ELWELL to secure political support for a hotel project on that site.

E. Later in the meeting, the CW stated to defendant ELWELL, "I'm trying to make a relationship, eh, you know, you know, uh, . . . I'm here . . . you're here . . . we'll, we'll help each other and that's it." Defendant ELWELL responded, "Right." The CW further stated, "Anything I do, I'll do through [defendant MANZO]," to which defendant ELWELL again responded, "Right, right." The CW then pointed to defendant MANZO and added, "My partner over here," in response to which defendants ELWELL and MANZO both laughed. The CW continued, "So, we [referring to himself and defendant MANZO] have a relationship. If it's okay with you, I was going to give him the 10,000 . . .," at which point, defendant ELWELL agreed, "Okay." The CW stated

that the CW did not want the CW's name to appear anywhere in connection with this payment, and defendant ELWELL indicated that he understood. Defendants ELWELL and MANZO were then informed by the CW that the CW would "do another \$10,000 after the primary," and defendant ELWELL again responded "Okay." The CW stated, "And then after the election again. Anything you need. Just make sure . . . handle me" Defendant ELWELL interjected, "Oh, yeah, no, no" The CW continued, "Don't treat me like an opponent. Don't treat me like an enemy. Treat me like a friend and help me. Just support my stuff. Expedite my applications. That's all" Defendant ELWELL nodded his head affirmatively in response.

F. As the meeting concluded, defendant ELWELL was informed again by the CW that the CW wanted to give defendant ELWELL "the 10,000, you know, green." Defendant ELWELL responded, "Yeah." The CW stated, "Just don't put my name." Defendant ELWELL responded, "No, no, no, no." The CW stated, "I don't want any trace. And then he'll do, uh And then we'll do, and then we'll do it twice more." Defendant ELWELL responded, "Okay. Very good." The CW stated, "This way we support each other." Defendant ELWELL replied, "Thank you."

G. The CW then exited the restaurant with Cheatam, followed shortly thereafter by defendant MANZO, who briefly remained behind with defendant ELWELL. Defendant MANZO and

Cheatam then walked with the CW out to the parking lot. There, the CW removed from the trunk of his car an envelope containing \$10,000 in cash and stated to defendant MANZO, "This is the \$10,000 cash. Give that to [defendant ELWELL]." Defendant MANZO accepted the envelope containing the \$10,000 cash payment from the CW. Defendant MANZO and Cheatam then arranged to meet with the CW the following Tuesday, June 2, in order to "do [their] own business together." As the CW was recording the date and location of the June 2 meeting in his mobile telephone, defendant MANZO joked that he himself "did not like anything written" regarding such meetings. Defendant MANZO then re-entered the restaurant with the envelope containing the \$10,000 cash payment and rejoined defendant ELWELL.

June 2, 2009 Meeting & \$5,000 Payment to Defendant MANZO

H. On or about June 2, 2009, defendant MANZO met with Cheatam and the CW at the same diner in Hoboken at which defendant MANZO had met with Cheatam, the Consultant, and the CW on or about April 27, 2009. Early in the meeting, the CW asked defendant MANZO, "So how is good old, uh, Dennis [referring to defendant ELWELL]? Was he happy, uh, with the green?" Defendant MANZO smiled, and replied that defendant ELWELL was "fine." The CW asked defendant MANZO, "You gave him the envelope no problem, right?" In response, defendant MANZO again smiled, and signaled for the CW to wait while defendant MANZO wrote on a napkin. The

CW joked, "Should have brought a piece of paper," to which defendant MANZO replied, "I just get, uh, you know, I just get, uh, paranoid." Defendant MANZO then displayed to the CW the napkin, upon which defendant MANZO had written, "Yes, no problem."

I. At the conclusion of the meeting, defendant MANZO and the CW exited the diner and continued their conversation in the parking lot. There, defendant MANZO accepted a cash payment of \$5,000 from the CW in exchange for defendant MANZO's assistance with defendant ELWELL. Defendant MANZO indicated to the CW that he appreciated the payment and asked, rhetorically, whether the CW wanted him to report the payment on his tax return. Defendant MANZO also warned the CW to be careful when making such payments to "politicians," because "the politician could be caught on something." The CW replied, "But that's why there's no check, there's no trace, we do things smartly. We're not stupid." Defendant MANZO nodded in response, and said, "You're right. Right."

July 17, 2009 Meeting

J. On or about July 17, 2009, defendants ELWELL and MANZO met with Cheatam and the CW at the mayor's office of defendant ELWELL in Secaucus, New Jersey. At the meeting, defendant ELWELL informed the CW about a particular hotel property in Secaucus that had a "major sewer problem" and,

defendant ELWELL later stated, "could be a steal" for the CW if the CW was interested in purchasing it. Defendant ELWELL went on to discuss with the CW various other properties in Secaucus upon which the CW might develop a hotel. Defendant ELWELL indicated to the CW that he "wouldn't have a problem" with a "high-class" hotel on a particular site and offered to help the CW by providing him with zoning information regarding certain sites.

K. At the conclusion of the meeting, defendant ELWELL acknowledged that the CW previously had promised to give him an additional \$10,000 payment "after the election." The CW told defendant ELWELL, "Whenever you need it, just tell [defendant MANZO]," to which defendant ELWELL responded, "Okay." The CW asked defendant ELWELL, "The other ten you were fine with, right?" Defendant ELWELL replied, "Yes." The CW then indicated that defendant MANZO had informed the CW that defendant MANZO had provided the \$10,000 to defendant ELWELL, and defendant ELWELL confirmed, "Ah, yes, yes, yes, yes." The CW continued, "If you want it now, or close to the election. Anything you want, through [defendant MANZO]." Defendant ELWELL again responded, "Okay." The CW stated, "Consider it done. I appreciate your support more than you know." Defendant ELWELL then thanked the CW and shook his hand.

In violation of Title 18, United States Code, Section 1951(a).

COUNT TWO

(Attempted Extortion Under Color of Official Right)

1. Paragraphs 1 and 4 of Count One of this Indictment are hereby repeated and realleged as if set forth in full herein.

2. On or about May 28, 2009, in Hudson County, in the District of New Jersey, and elsewhere, defendants

DENNIS ELWELL and
RONALD MANZO

knowingly and willfully did attempt to obstruct, delay and affect interstate commerce, and aid and abet such conduct, by extortion under color of official right -- that is, by directly and indirectly obtaining a \$10,000 cash payment from the CW, with his consent, in exchange for defendant ELWELL's future official assistance, action and influence in Town of Secaucus government matters.

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

COUNT THREE
(Acceptance of Corrupt Payment)

1. Paragraphs 1 and 4 of Count One of this Indictment are hereby repeated and realleged as if set forth in full herein.

2. At all times relevant to Count Three of this Indictment, the Town of Secaucus received in excess of \$10,000 in federal funds during a one-year period.

3. On or about May 28, 2009, in Hudson County, in the District of New Jersey, and elsewhere, defendants

DENNIS ELWELL and
RONALD MANZO

knowingly, willfully and corruptly did accept and agree to accept an item of value, namely, a \$10,000 cash payment, and aid and abet such conduct, intending to be influenced and rewarded in connection with a business, transaction, and series of transactions with the Town of Secaucus, involving things of value of \$5,000 or more.

In violation of Title 18, United States Code, Sections 666(a)(1)(B) and Section 2.

Forfeiture Allegation

As the result of committing the aforementioned offenses in violation of Title 18, United States Code, Sections 666(a)(1)(B) and 1951(a), as alleged in this Indictment, defendant DENNIS ELWELL and defendant RONALD MANZO shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses, including but not limited to, approximately \$15,000 in United States currency, in that such sum constitutes or is derived, directly or indirectly, from proceeds traceable to the commission of the offenses of bribery of a public official and conspiracy to commit extortion under color of official right. If more than one defendant is convicted of an offense, the defendants so convicted are jointly and severally liable for the amount subject to forfeiture under this paragraph.

If any of the above-described forfeitable property, as a result of any act or omission of defendant DENNIS ELWELL and defendant RONALD MANZO:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C.
§ 853(p), to seek forfeiture of any other property of defendant
DENNIS ELWELL and defendant RONALD MANZO up to the value of the
above forfeitable property.

All in violation of Title 18, United States Code, Section
981 and Title 28, United States Code, Section 2461.

A TRUE BILL

FOREPERSON

PAUL J. FISHMAN
United States Attorney