

NEWS

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



Ralph J. Marra, Jr., Acting 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>

Contact:

Michael Drewniak, Public Affairs Officer
973-645-2888

manz1006.rel

FOR IMMEDIATE RELEASE
Oct. 6, 2009

Jersey City Mayoral Candidate Louis Manzo and Brother
Indicted for Allegedly Accepting \$27,500 in Corrupt Payments

(More)

Public Affairs Office
Michael Drewniak, PAO

973-645-2888

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

NEWARK – Jersey City mayoral candidate Louis Manzo and his brother Ronald were indicted today and charged with accepting \$27,500 in corrupt cash payments in exchange for Louis Manzo’s anticipated official assistance on development matters once he became mayor, Acting U.S. Attorney Ralph J. Marra, Jr., announced.

The Indictment charges that both of the Manzos conspired with then-Jersey City official Edward Cheatam, a now-deceased consultant and others to extort cash payments from a government cooperating witness (CW) with the promise that the Manzos would help the CW with development approvals in Jersey City. In a separate deal, the Manzos also allegedly promised to give a promotion within Jersey City government to Maher Khalil in exchange for other cash payments from the CW.

The Indictment alleges that the Manzos accepted the corrupt cash payments from the CW to fund and support Louis Manzo’s campaign for Jersey City mayor, although he was ultimately defeated. Ronald Manzo was his brother’s campaign manager and political advisor.

The Indictment stems from an undercover FBI political corruption and international money laundering investigation that became public on July 23. The Manzos, Cheatam and Khalil were all charged in criminal Complaints on that day.

Marra said the corruption and money laundering investigations are continuing.

Cheatam and Khalil have already pleaded guilty to their respective roles in taking bribes from the cooperating witness for themselves and for facilitating bribes and illicit campaign contributions to public officials and political figures. The Indictment also describes as a conspirator a consultant, now deceased, who was an associate of the Manzos and who also facilitated introductions of the CW to the Manzos and others who allegedly took bribes.

According to the Indictment, both of the Manzo brothers, Cheatam and the CW first met together on Feb. 23, 2009. Other meetings followed where corrupt cash payments were planned and transacted, according to the Indictment. The payments were: \$10,000 in cash in an envelope outside the Staten Island restaurant on Feb. 25; \$7,500 on March 5 outside the restaurant, and \$10,000 at a restaurant in Bayonne on April 23.

Shortly before taking the envelope full of cash on March 5, the CW reiterated that he wanted his development approvals expedited. “There’s no question,” Ronald Manzo replied, according to the Indictment. He added that it was “good government.”

“I mean it’s not only, it’s only because of good government. It has nothing to do with anyone else. It makes sense,” Manzo said, winking at the CW, according to the Indictment.

Throughout the meetings, Ronald Manzo and Cheatam agreed to act as conduits and accept the cash instead of payments going directly to Louis Manzo. Ronald Manzo said his brother needed a “buffer.” Louis Manzo, however, ultimately acknowledged receiving payments in discussions with the CW, according to the Indictment.

The Indictment charges both Manzos with one count of conspiracy to commit extortion under color of official right, which carries a maximum statutory penalty of 20 years in prison and a \$250,000 fine; three counts of attempted extortion, each of which also carry a maximum of 20 years in prison and a \$250,000 fine; and two counts of travel in interstate commerce to promote and facilitate bribery, each of which carries a maximum statutory penalty of five years in prison and a \$250,000 fine.

There is also a forfeiture count in which the government seeks return of the \$27,500 taken in corrupt payments by the Manzos.

Marra credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, and the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P. Offord, for the investigation of the Manzos and the other defendants. Marra also thanked the Monmouth County Prosecutor's Office, under the direction of Prosecutor Luis A. Valentin, for their assistance in the investigation.

The case against the Manzos is being prosecuted by Assistant U.S. Attorney Christopher J. Gramiccioni.

-end-

Defense counsel:

Louis Manzo - John D. Lynch, Esq. Union City

Ronald Manzo - Samuel R. DeLuca, Esq. Jersey City