

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Crim. No. 13-
 :
 JOSEPH ARRIGO :
 :
 : 18 U.S.C. §§ 641, 666(a)(2)
 : and § 2
 : 26 U.S.C. § 7206(1)

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT 1

Bribery - 18 U.S.C. § 666(a)(2)

1. At all times relevant to Count 1 of this Information:

a. Defendant JOSEPH ARRIGO ("ARRIGO"), was the owner of Shadow Contracting, LLC ("Shadow Contracting"), a general contracting company located in Bayonne, New Jersey. Defendant ARRIGO resided in Bayonne, New Jersey.

b. The City of Bayonne Department of Community Development ("CBD CD") was a local government agency that received funds in excess of \$10,000 per year from the United States Department of Housing and Urban Development ("HUD") under a federal program that provided grants to low income families to rehabilitate their homes and to repair conditions that were considered to affect their health and safety, and their homes' accessibility, energy efficiency or code compliance, up to an amount of \$20,000. The CBD CD also provided these HUD funds under

the same federal program to nonprofit organizations to rehabilitate their facilities and to repair conditions that were considered to affect their health and safety, and their facilities' accessibility, energy efficiency or code compliance.

c. A City of Bayonne public official (the "Public Official") served as the Director of the CBD CD and was responsible for reviewing applications for HUD grant funds from the City of Bayonne and awarding such funds to qualified applicants.

2. In or about September 2010, the Public Official solicited cash payments from defendant ARRIGO in exchange for the Public Official's assistance in awarding HUD grant funds from the City of Bayonne to defendant ARRIGO as the owner of Shadow Contracting. From in or about September 2010 to in or about February 2013, in Bayonne, New Jersey, defendant ARRIGO made cash payments to the Public Official totaling approximately \$65,000 in exchange for the Public Official's assistance in awarding HUD grant funds from the City of Bayonne to defendant ARRIGO.

3. As a result of such payments, defendant ARRIGO, with the assistance of the Public Official, was awarded HUD grant funds from the City of Bayonne totaling approximately \$426,000 from in or about September 2010 to in or about February 2013.

4. From in or about September 2010 to in or about February 2013, in the District of New Jersey, and elsewhere, defendant

JOSEPH ARRIGO

did knowingly and corruptly give, offer, and agree to give money totaling approximately \$65,000 for the direct and indirect

benefit of the Public Official intending to influence and reward the Public Official in connection with a business, transaction, and series of transactions of the CBD CD involving things of value of \$5,000 and more.

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

COUNT 2
Theft and Conversion of Government Funds - 18 U.S.C. § 641

1. Paragraphs 1a and 1b of Count 1 of this Information are hereby incorporated and realleged as if fully set forth herein.

2. In or about September 2011, defendant ARRIGO supplied another contractor (the "Contractor") with a bid on behalf of Shadow Contracting that was higher than the Contractor's bid for the purpose of the Contractor obtaining HUD grant funds from the City of Bayonne. The Contractor then submitted the two bids to the CBD CD in Bayonne. As a result of defendant ARRIGO colluding with the Contractor, the Contractor wrongfully obtained \$20,000 in HUD grant funds from the CBD CD on or about September 29, 2011.

3. In or about December 2011, defendant ARRIGO caused the Contractor to provide defendant ARRIGO with a bid that was higher than his own for the purpose of obtaining HUD grant funds from the City of Bayonne. Defendant ARRIGO then submitted the Contractor's bid along with his own to the CBD CD in Bayonne. As a result of defendant ARRIGO colluding with the Contractor and submitting the two bids, defendant ARRIGO wrongfully obtained \$20,000 in HUD grant funds from the CBD CD on or about December 28, 2011.

4. Between in or about September 2011 and in or about December 2011, in the District of New Jersey and elsewhere, defendant

JOSEPH ARRIGO

did knowingly embezzle, steal, purloin, and convert to his own use and the use of another, money of HUD, a department and agency of the United States, that is, \$40,000 in grant funds to which he was not entitled.

In violation of Title 18, United States Code, Section 641 and Section 2.

COUNT 3
Submitting False Tax Return - 26 U.S.C. 7206(1)

1. Paragraph 1a of Count 1 of this Information is hereby incorporated and realleged as if fully set forth herein.

2. On or about October 12, 2012, defendant ARRIGO signed and caused to be filed with the IRS a U.S. Individual Income Tax Return, Form 1040, for tax year 2011. This Form 1040 contained written declarations that the return was signed under penalty of perjury. On this Form 1040, defendant Arrigo claimed that he earned a gross income of approximately \$320,090 from Shadow Contracting in tax year 2011, but intentionally failed to report approximately \$151,993 in additional income from Shadow Contracting.

3. On or about October 12, 2012 in the District of New Jersey, and elsewhere, defendant

JOSEPH ARRIGO

did knowingly and willfully make and subscribe a U.S. Individual Tax Return, Form 1040, for tax year 2011, which he did not believe to be true and correct as to every material matter, to include approximately \$151,993 in unreported income.

In violation of Title 26, United States Code, Section 7206(1).

Paul J. Fishman/rah
PAUL J. FISHMAN
United States Attorney

CASE NUMBER: _____

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

JOSEPH ARRIGO

INFORMATION FOR

**18 U.S.C. §§ 666, 641 and 2
26 U.S.C. § 7206(1)**

PAUL J. FISHMAN

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