

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

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DISTRICT OF NEW JERSEY
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UNITED STATES OF AMERICA : Hon.
v. : Criminal No. 16-
ALEX D. BLANCO : 18 U.S.C. §§ 666(a)(1)(B) and 2

INFORMATION

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

Defendant, Other Individuals and Entities

1. At all times relevant to this Information:

- a. Dr. ALEX D. BLANCO (hereinafter, "defendant BLANCO") was the Mayor of the City of Passaic, New Jersey, receiving an annual salary of approximately \$72,000. Defendant BLANCO was first elected mayor in November 2008 when a special election was held to fill the unexpired term of the previously elected mayor. Defendant BLANCO then was elected to consecutive four-year terms as a result of elections held during May 2009 and May 2013.
- b. There were two developers (hereinafter, "Developer 1" and "Developer 2," or, collectively, "the Developers") who owned a property located on Paulison Avenue in Passaic, on which they sought to build residential housing.
- c. The United States Department of Housing and Urban Development ("HUD") was a department of the United States government. As part of its mission, HUD administered programs to provide federal funds to municipalities to expand the supply of decent, affordable housing. Among the HUD funds provided to the City of Passaic for this purpose were funds from HUD's HOME program ("HOME"), which was designed to create affordable housing for low- and very low-income families. During calendar year 2011, the City of Passaic received more than \$1.2 million in HOME funds from HUD and, during calendar year 2012, received more than \$937,000 in HOME funds from HUD, among other federal funds and assistance that it received.

- d. The Upper Monroe Street Improvement Corporation ("UMSIC") was a New Jersey nonprofit corporation formed in 1997 that served as a Community Home Development Organization ("CHDO"), the purpose of which was to promote redevelopment activity and civic improvements in the Upper Monroe Street area of the City of Passaic. By 2007, the geographic area served by UMSIC had expanded to include the entirety of the City of Passaic. As a CHDO, UMSIC sought to designate developers who wished to build housing for low- and very low-income families who would receive HOME funds to subsidize their projects.

2. From in about July 2011 to in or about March 2012, in Passaic County, in the District of New Jersey and elsewhere, the defendant,

ALEX D. BLANCO,

did knowingly and corruptly solicit and demand for the benefit of himself and others, and accept and agree to accept, approximately \$110,000 in cash payments from others, intending to be influenced and rewarded in connection with a business, transaction, and series of transactions of the City of Passaic government, involving things of value of \$5,000 and more.

3. It was part of the corrupt activity that, in or about July 2011, defendant BLANCO caused an intermediary to approach Developers 1 and 2 to inform the Developers that they would have to pay defendant BLANCO approximately \$75,000 if the Developers' project at Paulison Avenue to build eight lower income residential units, which had received approval from the Passaic City Council in late 2009 and from the City of Passaic Zoning Board of Adjustment in late 2010, was to go forward. Based on this solicitation and demand, the Developers agreed to pay \$75,000 to defendant BLANCO from the funds that UMSIC would pay to the Developers, which funds had been earmarked for demolition, site work and removal of the preexisting building on the property.

4. It was further a part of the corrupt activity that, as defendant BLANCO had caused

to be directed, the Developers submitted a requisition in or about August 2011 to the Passaic City Council purporting that the demolition, site work and removal of the preexisting home had been completed when, in fact, it had not. Upon approval by the Passaic City Council of this requisition, UMSIC issued a check to the Developers for approximately \$216,400 in or about late August 2011.

5. It was further a part of the corrupt activity that, on or about September 7, 2011, defendant BLANCO arranged to meet with the Developers near the Paulison Avenue project in Passaic. At this meeting, defendant BLANCO informed the Developers that they were to pay him \$75,000 and, as a result, the Developers would have no problems with their project.

6. It was further a part of the corrupt activity that on or about September 8, 2011, defendant BLANCO informed Developer 1, who was out of the country at the time, that they needed to meet that night. Developer 1 then contacted Developer 2 by telephone and informed Developer 2 that Developer 2 needed to meet defendant BLANCO that evening.

7. It was further a part of the corrupt activity that, on or about September 8, 2011, defendant BLANCO met Developer 2 in Clifton, New Jersey. Defendant BLANCO directed Developer 2 to write out checks totaling approximately \$65,000 to five designated payees. Defendant BLANCO caused others to cash these checks and provide him with proceeds from these checks.

8. It was further a part of the corrupt activity that, on or about September 16, 2011, defendant BLANCO arranged for a meeting at a location near the Paulison Avenue project in Passaic. Defendant BLANCO directed Developer 2 to write out two checks totaling \$40,000, one of which was to replace a check from September 8, 2011 for \$25,000 which purportedly had been lost. Defendant BLANCO caused these checks to be cashed and obtained the proceeds.

9. It was further a part of the corrupt activity that, in or about March 2012, after the Developers received a \$30,000 check from UMSIC as an advance payment from the developer's fee for the Paulison Avenue project, an intermediary for defendant BLANCO received \$5,000 on defendant BLANCO's behalf from Developer 1.

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

Paul J. Fishman/rah

PAUL J. FISHMAN
United States Attorney
District of New Jersey

CASE NUMBER: _____

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

UNITED STATES OF AMERICA

v.

ALEX D. BLANCO

INFORMATION FOR

Title 18, United States Code, Section 666(a)(1)(B) and Section 2

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