

NEWS

United States Department of Justice
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Christopher J. Christie, U.S. Attorney

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FOR IMMEDIATE RELEASE
April 24, 2008

Owner of Newark Construction Business Admits
Bribing Former Linden Housing Official

(More)

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TRENTON – The owner of a Newark construction business pleaded guilty today to paying bribes to a former Linden housing official in return for contracts valued at approximately \$1.57 million, U.S. Attorney Christopher J. Christie announced.

Venancio Ribeiro, 62, of Newark, owner of Cota Corp., admitted before U.S. District Judge Anne E. Thompson that he paid the bribes between about January 1998 and December 2006 to Frank Rose, formerly the field representative for Linden's Neighborhood Redevelopment Program.

The bribes ranged from between \$500 to \$3,000 at a time. In return Ribeiro admitted that Rose awarded him approximately 35 contracts in construction services worth about \$1,571,042, according to Assistant U.S. Attorney Adam S. Lurie.

Ribeiro pleaded guilty to a one-count criminal Information charging mail fraud, which carries a maximum statutory penalty of 20 years in federal prison and a \$250,000 fine. Ribeiro is free on a \$50,000 unsecured bond, pending sentencing scheduled for July 30. Ribeiro was not previously charged, and the guilty plea was his first appearance in court in connection with the ongoing investigation of fraud and corruption in the Linden housing program.

As part of the plea, Ribeiro agreed to forfeit \$157,104, which represents the profits he made on the corrupt contracting jobs.

On Feb. 14, Rose, 53, of Marco Island, Fla., pleaded guilty before Judge Thompson and admitted accepting corrupt cash payments from five different contractors who won lucrative home repair and construction contracts, in exchange for exercising and agreeing to exercise his official influence in favor of the contractors' companies.

Frank Rose's brother Anthony, the former Director of the City of Linden Transportation and Parking Department, also pleaded guilty on Feb. 14 to paying corrupt cash payments to Frank Rose, as did a third individual.

For the news release on those guilty pleas, follow links to Feb. 14 at the Public Affairs Office website: <http://www.usdoj.gov/usao/nj/press/2008releases.html>

Between January 1998 and October 2007, Rose was the field representative for the Neighborhood Redevelopment Program, which sought to revitalize homes and expand home ownership for low- and moderate-income people using federal funds received from the U.S. Department of Housing and Urban Development. As the Program field representative, Rose directed the Program, solicited bids from contractors who sought Program contracts to revitalize homes, and was supposed to award contracts to the lowest bidders.

Rose admitted at his plea hearing that he solicited and accepted corrupt cash payments ranging from approximately \$500 to \$5,000 per job from five different contractors. Rose admitted that in exchange for the corrupt cash payments he “rigged” the bidding process so that the five contractors were ensured lucrative contracts ranging from approximately \$20,000 to \$60,000 per job.

Christie credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, and Special Agents of U.S. Department of Housing and Urban Development Office of the Inspector General, under the direction of Special Agent in Charge Rene Febles, that led to today’s charges.

The case is being prosecuted by Assistant U.S. Attorneys Richard E. Constable, III and Adam S. Lurie of the U.S. Attorney’s Special Prosecution’s Division in Newark.

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Defense counsel: John P. McDonald, Esq., Somerville