

NEWS

United States Department of Justice
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FOR IMMEDIATE RELEASE

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Philadelphia Businessman Sentenced to 36 Months in
Federal Prison for Bribing Atlantic City Councilmen

(More)

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CAMDEN – A Philadelphia businessman was sentenced to 36 months in federal prison today for bribing several Atlantic City council members, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Robert B. Kugler also ordered Carlos Matos, 58, of Philadelphia, to pay a \$50,000 fine and to serve three years of supervised release upon the completion of his prison term. Judge Kugler continued Matos' release on a \$100,000 bond, which is secured by properties in Philadelphia and Ventnor, pending his surrender to the U.S. Bureau of Prisons.

Matos pleaded guilty before Judge Kugler on May 23, 2007, to a one-count Information that charged him with extortion under color of official right. In doing so, Matos admitted that from as early as 2003 until August 2006, he made corrupt payments to public officials in Atlantic City.

Matos' plea resulted from a three-year South Jersey corruption investigation that had netted guilty pleas from seven individuals: three Atlantic City councilmen, including council president Craig Callaway; a Camden councilman; a contractor; an insurance consultant and Matos. Each of the defendants have admitted their roles in various schemes to exchange bribes for municipal contracts.

At his plea hearing, Matos stated that he was a businessman who sought to participate in various development projects in Atlantic City, including the development of the former Garwood Mills department store site, the Bader Field Airport site, and a comfort station on the boardwalk. Matos admitted that on numerous occasions during the time period charged in the Information he made cash payments to Councilmen Ramon Rosario, 48, Gibb Jones, 81, and Craig Callaway, 48, with the intention to influence them in connection with the business of Atlantic City.

Specifically, Matos admitted he offered to pay cash to Callaway in return for his support for Matos' attempt to obtain a city lease for a building which formerly housed a comfort station on the Atlantic City Boardwalk. Matos admitted that on Aug. 19, 2005, he gave Callaway a \$5,000 cash bribe in exchange for his support in connection with the comfort station. Furthermore, Matos admitted that he gave Callaway a subsequent cash payment of \$5,000 on Aug. 26 for his support in connection with the comfort station lease. Matos gave Callaway another \$1,000 in cash July 28, 2006, with the intention of influencing him in connection with other business of Atlantic City, he admitted.

Additionally, Matos admitted that on various occasions in August 2006 he gave Rosario cash payments totaling \$1,100 with the intension of influencing Rosario in his capacity as a councilman in connection with city business.

In determining the actual sentence, Judge Kugler consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The

judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents from the FBI, under the direction of Acting Special Agent in Charge Weysan Dun, in Newark, with the investigation of corruption in the Atlantic City region.

The case was prosecuted by Assistant U.S. Attorneys Eicher and Germano, both of the U.S. Attorney's Office Special Prosecutions Division in Newark.

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Defense Counsel: Charles Nugent, Jr. Esq. Cherry Hill