

NEWS

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Marlboro Township Developer Admits Bribing
Former Mayor and Tax Evasion Conspiracy

(More)

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TRENTON – Monmouth County developer Anthony Spalliero pleaded guilty today to making bribe payments to then-Marlboro Township Mayor Matthew V. Scannapieco, and to conspiring with Scannapieco to conceal the bribe payments from the IRS and other government authorities, U.S. Attorney Christopher J. Christie announced.

Spalliero, 65, of Holmdel, admitted that on multiple occasions between 2001 and 2003, he made cash payments to Scannapieco, who was then the mayor of Marlboro Township and a member of the Marlboro Township Planning Board. Spalliero also admitted that he paid Scannapieco more than \$100,000 in exchange for Scannapieco's support for Spalliero's projects.

Spalliero entered his guilty plea before U.S. District Judge Anne E. Thompson to two counts of bribery and one count of tax fraud conspiracy. Judge Thompson scheduled sentencing for March 17. Meanwhile, Spalliero remains under house arrest with electronic monitoring and has \$2 million in real estate equity posted to secure his bail.

Under the advisory U.S. Sentencing Guidelines, Spalliero faces a probable sentencing range of between 70 and 87 months in federal prison. Judge Thompson, however, has wide discretion and can impose a sentence within the range or above or below the range.

“The cases of Spalliero and Scannapieco are among the most glaring examples I've seen of the impact of official corruption on the public and a community,” said Christie. “With large sums of bribe money, Spalliero bought the votes and influence of the mayor on critical development projects that changed the landscape of one of the state's fastest growing municipalities.”

One Spalliero project, for which he paid Scannapieco approximately \$100,000, was the redevelopment of the former site of the Marlboro Airport. Spalliero admitted today that he paid Scannapieco \$40,000 during one occasion in late 2001 or early 2002, and other cash payments totaling \$60,000 to Scannapieco between 2002 and 2003. Spalliero admitted that he made those bribe payments to Scannapieco because he sought to have the airport closed and rezoned to allow for the construction of age-restricted residential units, and wanted Scannapieco to support that proposal. Spalliero admitted that had Marlboro Township officials approved his proposal for the airport property, he would have made more than \$2.5 million in profit from the development.

Spalliero also pleaded guilty to conspiring with Scannapieco to defraud the IRS. Specifically, Spalliero admitted that he and Scannapieco agreed that Scannapieco would hide the bribe payments from the IRS and other government authorities. Spalliero admitted that he routinely counseled Scannapieco on ways that Scannapieco should hide the bribe payments, such as telling Scannapieco not to buy lavish items, not to leave large tips in restaurants, and not to leave cash inside of his house. Spalliero also admitted that he offered to make some of the bribe payments by writing checks to Scannapieco in the names of third parties. Spalliero also admitted that he instructed Scannapieco on how Scannapieco could bury the cash underground without it rotting.

To further the conspiracy, Scannapieco filed false federal income tax returns and false financial disclosure statements with the State of New Jersey.

In April 2005, Scannapieco pleaded guilty in federal court to taking bribes from Spalliero for, among other things, the Marlboro Airport redevelopment proposal, as well as federal income tax evasion. Scannapieco awaits sentencing.

On each of the bribery counts, Spalliero faces a maximum statutory sentence of 10 years in prison and a \$250,000 fine. The tax evasion conspiracy count carries a maximum statutory penalty of five years in prison and a \$100,000 fine. In determining the actual sentence, Judge Thompson will consult 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, including acceptance of responsibility. The judge, however, has wide discretion and is not bound by those guidelines in determining a sentence.

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

Christie 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, with the investigation of Spalliero and Scannapieco.

The government is represented by Assistant U.S. Attorney Michael A. Hammer.

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Defense Counsel:
Michael Critchley, Esq.