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**U.S. Department of Justice** 

United States Attorney Eastern District of New York

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### <u>FOR IMMEDIATE RELEASE</u>

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# PRESS RELEASE

# FORMER NEW YORK CITY COUNCILMAN SENTENCED IN EXTORTION SCHEME

ROSLYNN R. MAUSKOPF, United States Attorney for the Eastern District of New York, ROSE GILL HEARN, Commissioner, New York City Department of Investigation, KEVIN P. DONOVAN, Assistant Director-in-Charge, Federal Bureau of Investigation in New York, and RAYMOND W. KELLY, Commissioner, New York City Police Department, today announced that ANGEL RODRIGUEZ, a former New York City Councilman representing the 38th Council District in Brooklyn, was sentenced this afternoon to 52 months imprisonment, 3 years supervised release, \$18,000 restitution, and a fine of \$25,000 for his part in a scheme to extort more than \$1.5 million in property and cash from a developer seeking City approval for a multi-million dollar waterfront development project in Red Hook, Brooklyn. The sentencing proceedings were held before United States District Judge Frederic Block at the United States Courthouse in Brooklyn.

RODRIGUEZ was the City Council member representing the 38th Council District from January 1998 until August 2002, when he resigned in anticipation of his guilty plea in this case. The 38th Council District consists of parts of several neighborhoods in South Brooklyn, including Red Hook, Sunset Park, Boerum Hill, Carroll Gardens, Park Slope, Windsor Terrace, Wyckoff, Gowanus, and Bay Ridge.

"Public officials who abuse the trust of this community will be brought to justice," promised United States Attorney **ROSLYNN R. MAUSKOPF**. "The honesty of a Brooklyn developer and the dogged efforts and close cooperation of city and federal investigators have exposed the defendant as a corrupt elected official and swiftly ended the defendant's practice of extortion and graft. We pledge ourselves to the aggressive investigation and prosecution of any official who seeks illegal private profit from public service."

The government's investigation revealed that since the spring of 2000, a real estate developer who cooperated in the government's investigation had been seeking City approval to build a multi-million dollar waterfront development project in Red Hook, Brooklyn. The anchor tenant of this development project, known as the "Red Hook Stores Project," was slated to be a Fairway Supermarket. The approval process for this development project required, among other things, an affirmative vote of the City Council's Land Use Committee and the full

2

City Council.

The investigation revealed further that beginning in April 2001, then-Councilman RODRIGUEZ and his friend and associate, Jonathan Morales, carried out an extortion scheme to obtain \$50,000 in cash from the developer and the transfer of three properties in Cobble Hill valued at approximately \$2.5 million for \$1 million, thereby giving RODRIGUEZ and MORALES a benefit of \$1.5 million. In exchange, the developer was assured that RODRIGUEZ would support the Red Hook Stores Project when it came to a vote in the City Council.

The extortion scheme culminated with the developer signing a contract on January 28, 2002, for the sale of his three Cobble Hill properties for \$1 million, and with RODRIGUEZ coming out in support of the Red Hook Stores project for the first time the following day, January 29, 2002, before the City Council's Land Use Committee. On January 30, 2002, the day after RODRIGUEZ officially supported the developer's project, the full City Council unanimously voted to approve it.

In the weeks following the signing of the contract and the City Council's approval of the developer's project, MORALES demanded the cash payment from the developer as part of the extortion scheme. On February 7 and 15, 2002, respectively, the developer made two cash payments of \$9,000 each to MORALES toward the \$50,000 that RODRIGUEZ and MORALES previously demanded.

"The Department of Investigation will continue to investigate all cases of brazen corruption like this one," stated Commissioner ROSE GILL HEARN. "We hope this sentence sends the message that this type of conduct will result in serious punishment - - in this case a significant jail term."

3

"Elected representatives, judges, prosecutors, police officers, and FBI agents are all referred to as public servants because their paramount duty is to serve the people," stated FBI Assistant Director-in-Charge **KEVIN P. DONOVAN**. "When a public servant exploits his office for personal gain, he is betraying a public trust and undermining the public's confidence in its government. Also, at a time when we need to attract talented and committed young people to careers in public service, corruption only engenders cynicism about such a career choice."

On March 28, 2002, RODRIGUEZ and MORALES were arrested and charged in a fifteen count indictment with extortion, wire fraud, and violations of the travel act, as well as with conspiracy to commit those crimes. On August 29, 2002, RODRIGUEZ and Morales both pleaded guilty to count one of the indictment, conspiracy to commit extortion, in violation of 18 U.S.C. § 1951.

The government's case was prosecuted by Assistant United States Attorney Richard Faughnan.

#### The Defendant:

ANGEL RODRIGUEZ DOB: 3/17/57 Residence: 425 62 Street Brooklyn, New York 4

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# STATEMENT FROM DEPARTMENT OF INVESTIGATION COMMISSIONER ROSE GILL HEARN ON THE SENTENCING OF FORMER CITY COUNCILMAN ANGEL RODRIGUEZ

We are so glad the developer realized how critically important it was to tell DOI that Angel Rodriguez had tried to extort money from him. Former Councilman Rodriguez brazenly abused his office and compromised his constituents when he extorted the real estate developer. At the very time Mr. Rodriguez was engaging in this extortion scheme, he was not only a member of the City Council he was trying to become the Speaker of the City Council. Today's sentencing ends a dispiriting chapter for Angel Rodriguez and New York City politics. Public officials are obligated to serve the citizens of New York, not help themselves to pots of money so they can get rich quick. As an elected official, Mr. Rodriguez had a unique position to positively influence this City. Instead, he became a role model of what not to do. The Department of Investigation will continue to be vigilant in investigating this kind of conduct.