

DISTRICT ATTORNEY - NEW YORK COUNTY

NEWS RELEASE

October 1, 2009

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Manhattan District Attorney Robert M. Morgenthau, joined by New York City Police Commissioner Raymond W. Kelly and New York City Department of Investigation Commissioner Rose Gill Hearn, today announced the indictment and arrest of 29 people and four corporations for enterprise corruption, bribery, bribe receiving, extortion, narcotics and firearms trafficking, and illegal gambling. Among the individual defendants are members and associates of the Cosa Nostra Lucchese Organized Crime Family (“Lucchese Crime Family”), including three inspectors formerly employed by the New York City Department of Buildings and two members of the Family ruling panel; three other former building inspectors; and individuals and companies in the construction and real estate industry.

The indictment is the result of a two-year long investigation conducted jointly by the District Attorney’s Rackets Bureau, the New York City Police Department’s Organized Crime Investigation Division (OCID), and the Department of Investigation (DOI). The investigation began in September 2007 and employed a variety of investigative techniques, including court-authorized wiretaps of 64 target telephones and the installation of a bug in a restaurant. In addition, three rounds of court-authorized search warrants, totaling 54 search warrants of physical locations, including offices and workplaces of Department of Buildings (DOB) employees, and three Internet search warrants, were conducted between May 2008 and April 2009, during which more than \$430,000 in cash, gambling records, firearms and narcotics were seized. Approximately \$400 million worth of illegal sports bets were taken by Lucchese Crime Family members of the LUCCHESE/DOB GROUP during the course of the investigation. The crimes charged in the indictment occurred between September 2007 and September 2009.

THE CRIMINAL ENTERPRISE: THE LUCCHESE/DOB GROUP

The indictment charges that the criminal enterprise, the LUCCHESE/DOB GROUP, consisted of individuals and companies, and included DOB employees, members and associates of the Lucchese Crime Family, and people and companies in the construction and real estate industry. The goal of the LUCCHESE/DOB GROUP was to make money by committing a wide-range of crimes including bribe receiving, bribery, illegal gambling, narcotics dealing, weapons trafficking, extortion, loan sharking and filing false written documents with public offices.

DOB EMPLOYEE MEMBERS OF THE LUCCHESE/DOB GROUP

Six former DOB building inspectors, defendants FRANK FRANCOMANO, CARMINE FRANCOMANO, JR., THOMAS MASUCCI, EARL PRENTICE, ANGEL LUIS AVILES, and EXEL PLASS were members of the LUCCHESE/DOB GROUP. The defendant DOB inspectors took bribes for granting building permits, expediting inspections, and avoiding building violations.

FRANK FRANCOMANO, CARMINE FRANCOMANO, JR., and THOMAS MASUCCI were associates in the Lucchese Crime Family. In their positions as DOB building inspectors, FRANK FRANCOMANO and his brother, CARMINE FRANCOMANO, JR., took bribes from, among others, defendant builders and property owners. Additionally, while they were building inspectors, FRANK FRANCOMANO engaged in loan sharking, illegal gambling and narcotics trafficking, and CARMINE FRANCOMANO, JR. trafficked in firearms, narcotics, and prescription painkillers with other Lucchese Crime Family members of the LUCCHESE/DOB GROUP. Both FRANK FRANCOMANO and CARMINE FRANCOMANO, JR. used their association with Cosa Nostra to further their criminal activity by instilling fear in victims and paid money obtained from criminal activity to their superiors in the Lucchese Crime Family. MASUCCI, the owner of defendant SFG ASSOCIATES, INC., along with FRANK FRANCOMANO, who used his position as a building inspector, extorted money from a businessman victim.

FRANK FRANCOMANO was a DOB inspector in the DOB Bronx Construction Division, and was employed by DOB from January 8, 2007 to May 13, 2009, when he resigned. During the period of time in the Indictment, his official DOB duties included inspection of construction, repairs, and alterations of structures to insure conformance with building codes, zoning resolution, standards, plans and specifications; issuing non-compliance violations and summonses; preparing accurate inspection reports; and responding to telephone and in-person inquiries.

CARMINE FRANCOMANO, JR., was a supervising inspector in the DOB Scaffolding Safety Unit, formerly an inspector in the DOB Manhattan Construction Division, and was employed by DOB beginning on February 7, 2005. He was on extended sick leave from May 30, 2008 to June 24, 2009, when he resigned. During the period of time in the Indictment, his official DOB duties included supervising the division's inspectors to ensure efficiency and optimum service; creating a system for scheduling and monitoring scaffold inspections; assembling and reviewing paperwork required for all inspections; overseeing training of newly assigned inspectors; supervising the scaffold safety team inspectors to ensure efficiency and optimum service to the public; and supervising scaffold inspections in all five boroughs.

MASUCCI, the owner of defendant SFG ASSOCIATES, INC., a construction company, was a former DOB inspector in the DOB Bronx Construction Division. MASUCCI was employed by DOB from August 28, 2006 to November 22, 2007, when he was fired for soliciting private construction work from people he was inspecting as a DOB inspector. His official DOB duties included inspection of construction, repairs, and alterations of

structures to insure conformance with building codes, zoning resolution, standards, plans and specifications; issuing non-compliance violations and summonses; preparing accurate inspection reports; and responding to telephone and in-person inquiries.

EARL PRENTICE was the Inspection Manager for the DOB Bronx Division, and was employed by DOB from November 17, 1986 to May 5, 2009, when he resigned. PRENTICE was defendant FRANK FRANCOMANO's superior in the Bronx Construction Division of the DOB. As a DOB inspector, PRENTICE took bribes from defendant members of the LUCCHESE/DOB GROUP in the construction and real estate industry. During the period of time in the Indictment, his official DOB duties included overseeing construction, plumbing and electrical inspections in the Bronx; reporting to the Deputy Borough Commissioner; ensuring that inspection chiefs deliver professional and timely customer service; ensuring that inspection chiefs uniformly follow approved procedures and properly communicate them to staff; taking appropriate disciplinary action regarding time, leave abuses, and inappropriate vehicle usage; and evaluating the performance of inspection chiefs.

ANGEL LUIS AVILES was a Supervising Inspector in the DOB Manhattan Construction Division, and was employed by DOB from October 7, 1985 to September 5, 2009, when he resigned. Along with CARMINE FRANCOMANO, JR., AVILES took bribes, using his position as a DOB building inspector, from defendant members of the LUCCHESE/DOB GROUP in the construction and real estate industry. During the period of time in the Indictment, his official DOB duties included supervising a staff of four to eight inspectors; ensuring that the reports of subordinates are accurate; training newly assigned inspectors; and supervising construction inspections in New York County.

EXEL PLASS was a DOB inspector in the DOB Scaffolding Safety Unit, and was employed by DOB from September 27, 2004 to September 1, 2009 when he resigned. Along with CARMINE FRANCOMANO, JR., PLASS took bribes, using his position as a DOB building inspector, from defendant members of the LUCCHESE/DOB GROUP in the construction and real estate industry. During the period of time in the Indictment, his official DOB duties included issuing stop work orders and violations for unsafe equipment and practices; inspecting scaffolds for conformance to code compliance with the New York City Building Code; investigating reports on accidents and complaints involving scaffolds; and inspecting scaffolds in all five boroughs.

Building and construction site locations charged in the Indictment for which bribes were paid to defendant DOB inspectors were, in New York County: (1) 110 Fulton Street; (2) 11 West 25th Street; (3) 316 West 51st Street; (4) 75 Wall Street; (5) 414 West 14th Street; (6) 80-82 University Place; (7) 565 West 23rd Street; (8) 1 East 35th Street; and (9) 283 Amsterdam Avenue; and in Bronx County: (10) 550 East 170th Street; (11) 3305 3rd Avenue; (12) 731 Southern Boulevard; (13) 6677 Broadway; (14) 341 and 343 East 149th Street; (15) 1-5 Teddy Place, a/k/a 3250 Rawlins Avenue; (16) 2520 Park Avenue; (17) 1975 Sedgwick Avenue; (18) 323 White Plains Road; and (19) 811 Walton Avenue.

THE LUCCHESE CRIME FAMILY MEMBERS OF THE LUCCHESE/DOB GROUP

The Lucchese Crime Family was a component of Cosa Nostra, a nationwide criminal organization also known as the Mafia.

JOSEPH DINAPOLI and MATTHEW MADONNA were members of the ruling panel of the Lucchese Crime Family. They oversaw all the defendant Lucchese Crime Family members of the LUCCHESE/DOB GROUP, including defendant DOB building inspectors CARMINE FRANCOMANO, JR., FRANK FRANCOMANO, and former DOB inspector MASUCCI. As bosses in the Lucchese Crime Family, DINAPOLI and MADONNA supervised the commission of revenue-generating offenses by subordinate members of the Lucchese Crime Family and received a portion of criminal proceeds, particularly revenue from illegal sports betting, generated by other members and associates of the LUCCHESE/DOB GROUP.

Defendant ANTHONY CROCE, an acting capo and high-ranking member of the Lucchese Crime Family, controlled defendant Lucchese Crime Family associates JOSEPH PRELLI, his son, MICHAEL PRELLI, and MICHAEL BARBIERI, who managed an illegal sports betting operation. Defendant GARY MEDURE, an associate in the Lucchese Crime Family, managed an extensive illegal sports betting operation which primarily used an off-shore wire room in Costa Rica. Defendants MICHAEL GUERRIERO, a soldier in the Lucchese Crime Family, and Lucchese Crime Family associates JOSEPH “SONNY” BRANCACCIO, HAROLD THOMAS, STEPHEN ROCCO, DENNIS “CAPI” BURBRIDGE, and EDWARD “ACKIE” ACKERMAN also managed illegal sports betting operations as part of the LUCCHESE/DOB GROUP.

Defendant Lucchese Crime Family associate MICHAEL SCARPELLI trafficked in narcotics along with defendant DOB inspectors CARMINE FRANCOMANO, JR., and FRANK FRANCOMANO. Defendant Lucchese Crime Family associate JOHN CALISE managed an illegal gambling operation and illegally trafficked in prescription painkillers with FRANK FRANCOMANO.

Defendant Lucchese Crime Family associate CARMINE “SNAPPY” FRANCOMANO, SR., took bribes with his sons, defendant DOB inspectors CARMINE FRANCOMANO, JR., and FRANK FRANCOMANO, from, among others, defendant builders and property owners. CARMINE “SNAPPY” FRANCOMANO, SR. also was involved in illegal sports betting with Lucchese Crime Family defendants DINAPOLI, MADONNA, MEDURE, BRANCACCIO, FRANK FRANCOMANO and CALISE. Additionally, CARMINE “SNAPPY” FRANCOMANO, SR. and his defendant son, Lucchese Crime Family associate CARMINE FRANCOMANO, JR., trafficked in firearms.

MEMBERS OF THE LUCCHESE/DOB GROUP IN THE CONSTRUCTION AND REAL ESTATE INDUSTRY

Defendant RICHARD KELLY bribed defendant DOB building inspector members of the LUCCHESE/DOB GROUP to obtain benefits for contractors and real estate owners with whom he was associated. Defendants COSTEL MIRAUTI, a contractor and owner of

defendant ABANNO BUILDING MAINTENANCE, INC., STEVEN GOWOREK, a contractor, WAYNE SCHUMER, a contractor and owner of UCON CORPORATION, LEO DOYLE, an owner of EURO EXCAVATION, INC., and MICHAEL LEON, an employee of a realty firm, bribed defendant DOB inspector members of the LUCCHESE/DOB GROUP to obtain benefits relating to their businesses. Defendant NICOLETT MOSKOVER, a registered DOB expediter, bribed a defendant DOB inspector member of the LUCCHESE/DOB GROUP to obtain benefits relating to a business.

ORGANIZED CRIME HAS UPPED THE ANTE

Mr. Morgenthau said, “This two-year joint investigation reminds us that the threat of traditional organized crime is not a thing of the past. Not content with activities like narcotics sales and gambling, the LUCCHESE/DOB GROUP has actually sought to place associates in a government agency and influence the routine functions of that agency. Obviously, we must be vigilant against such efforts at infiltration.”

New York City Police Commissioner Raymond W. Kelly said, “Detectives in the NYPD Organized Crime Investigation Division, the District Attorney’s office and Department of Investigations tracked members of the mafia and their associates, virtually and physically, to identify illegal activities being conducted at the hands of one of the Lucchese crime family’s long-time capos. Together, they shut down an illicit gambling and bribery ring which reached down to at least six New York City Department of Buildings employees and affected high-rise apartment buildings and commercial establishments. We’ve established two things since: no one’s safety has been compromised – the sites have been re-inspected – and anyone compromised by the mafia will be found out, and brought to face justice.”

New York City Commissioner of DOI Rose Gill Hearn said, "This indictment reflects the insidious effects of racketeering in the City's construction industry, especially when it involves Buildings employees who choose greed and a criminal life over serving the public good. These former City Buildings Inspectors are charged with manipulating their authority to perpetrate a criminal scheme solely to generate personal profit. They compromised their integrity and undermined the City's construction procedures, according to the charges. DOI worked hand-in-hand with its law enforcement partners to expose this charged criminal network and put a stop to the corrupt conduct."

The defendants are scheduled to be arraigned this afternoon in State Supreme Court, Part 41.

Internet gambling is a growing source of revenue for organized crime. To “take the profit out of crime,” the District Attorney’s Office has brought a parallel civil asset forfeiture action against the defendants in the amount of \$411,773,536.80. That represents the best estimate of the gross proceeds of the alliance between the LUCCHESE/DOB GROUP and the internet gambling interests located in Costa Rica.

Mr. Morgenthau thanked New York City Department of Investigation Commissioner Rose Gill Hearn, John Kantor, Associate Commissioner of DOI, Michael Carroll, Assistant Commissioner of DOI, and Kim Ryan, DOI's Deputy Inspector General for DOB, and their staffs for their assistance in this investigation, as well as New Jersey Attorney General Anne Milgram for referring the matter to the Manhattan District Attorney's Office and for working jointly on the investigation.

Mr. Morgenthau also thanked New York City Police Commissioner Raymond W. Kelly, Chief Anthony Izzo, Inspector Brian O'Neill, Captain Paul Inzirillo and Lieutenant Christopher Fasano, who supervised the investigation on behalf of the NYPD, Sergeant Michele Turner, and Detectives William Dwyer, case agent, and Andy Varga, OCID Analyst.

Assistant District Attorneys Brian D. Foley, Polly Greenberg and John Spagna, who are assigned to the District Attorney's Rackets Bureau, presented the case to the grand jury and will be in charge of the prosecution, under the supervision of Assistant District Attorney Eric Seidel, Chief of the Rackets Bureau. Senior Rackets Investigator Joseph Chimienti, Investigative Analyst Samuel Dolinger, Trial Preparation Assistants Zachary Greenwood, Molly Middlehurst-Schwartz and Rebecca Perlman, and former Trial Preparation Assistant Megan Easley provided material assistance in the investigation. Assistant District Attorney Madeleine Guilmain is handling the asset forfeiture under the supervision of Assistant District Attorney Tara Miner, Chief of the Asset Forfeiture Unit.

Defendant Information:

JOSEPH DINAPOLI, 7/12/1935

3144 Spencer Drive
Bronx, New York

Charges: Enterprise Corruption and Promoting Gambling in the First Degree (six counts)

MATTHEW MADONNA, 11/2/1935

9 Monarch Drive
Selden, New York

Charges: Enterprise Corruption and Promoting Gambling in the First Degree (six counts)

ANTHONY CROCE, 12/24/1932

77 Fulton Street
New York, New York

Charges: Enterprise Corruption and Promoting Gambling in the First Degree (six counts)

MICHAEL GUERRIERO, 7/24/1954

3152 Baisley Avenue
Bronx, New York

Charges: Enterprise Corruption

GARY MEDURE, 12/27/1953

22 Beaumont Drive
New City, New York
Charges: Enterprise Corruption and Promoting Gambling in the First Degree (six counts)

JOSEPH PRELLI, 12/6/1935
333 Pearl Street
New York, New York
Charges: Enterprise Corruption and Promoting Gambling in the First Degree (six counts)

MICHAEL PRELLI, 6/6/1962
100 Beekman Street
New York, New York
Charges: Enterprise Corruption and Promoting Gambling in the First Degree (six counts)

MICHAEL BARBIERI, 3/28/1962
80 North Moore Street
New York, New York
Charges: Enterprise Corruption, Promoting Gambling in the First Degree (six counts) and
Possession of Gambling Records in the First Degree (two counts)

STEPHEN ROCCO, 3/23/1964
45 West 90th Street
New York, New York
Charges: Enterprise Corruption

DENNIS "CAPI" BURBRIDGE, 12/8/1936
North Avenue West
Cranford, New Jersey
Charges: Enterprise Corruption

EDWARD "ACKIE" ACKERMAN, 2/18/1936
26 Oakcrest Lane
Hastings-on-Hudson, New York
Charges: Enterprise Corruption

HAROLD THOMAS, 4/8/1945
3085 Eger Place
Bronx, New York
Charges: Enterprise Corruption

JOHN CALISE, 6/26/1974
64 Cross Hill Avenue
Yonkers, New York
Charges: Enterprise Corruption

MICHAEL SCARPELLI, 2/21/1970

400 Saw Mill River Road
Yonkers, New York
Charges: Enterprise Corruption

JOSEPH "SONNY" BRANCACCIO, 11/7/1932
285 Brinsmade Avenue
Bronx, New York
Charges: Enterprise Corruption

CARMINE "SNAPPY" FRANCOMANO, SR., 2/4/1938
270 Rockne Road
Yonkers, New York
Charges: Enterprise Corruption, Bribe Receiving in the Second Degree, Bribe Receiving in the Third Degree, Receiving Reward for Official Misconduct in the Second Degree (three counts) and Grand Larceny in the Second Degree

FRANK FRANCOMANO, 4/29/64
231 Jessamine Avenue
Yonkers, New York
Charges: Enterprise Corruption and Bribe Receiving in the Third Degree

CARMINE FRANCOMANO, JR., 4/23/1966
270 Rockne Road
Yonkers, New York
Charges: Enterprise Corruption, Bribe Receiving in the Second Degree, Bribe Receiving in the Third Degree (seven counts), Receiving Reward for Official Misconduct in the Second Degree (seven counts) and Grand Larceny in the Second Degree

ANGEL LUIS AVILES, 8/18/1953
1040 Fox Street
Bronx, New York
Charges: Enterprise Corruption, Bribe Receiving in the Second Degree, and Bribe Receiving in the Third Degree (two counts)

EXEL PLASS, 11/25/1977
21203 75th Avenue
Queens, New York
Charges: Enterprise Corruption and Bribe Receiving in the Third Degree (four counts)

EARL PRENTICE, 5/17/1955
211 West 136th Street
New York, New York
Charges: Enterprise Corruption

THOMAS MASUCCI, 11/15/1949
477 Stobe Avenue

Staten Island, New York
Charges: Enterprise Corruption

RICHARD KELLY, 11/4/1957
722 Vincent Avenue
Bronx, New York
Charges: Enterprise Corruption and Bribery in the Third Degree

COSTEL MIRAUTI, 6/8/1968
7-20 152 North Street
Whitestone, New York
Charges: Enterprise Corruption, Bribery in the Third Degree (two counts), and Offering a False Instrument for Filing in the First Degree

NICOLETT MOSKOVER, 10/5/1954
259 Great East Neck Road
West Babylon, New York
Charges: Enterprise Corruption, Bribery in the Second Degree and Rewarding Official Misconduct in the Second Degree

STEVEN GOWOREK, 1/22/1968
2331 Bruner Avenue
Bronx, New York
Charges: Enterprise Corruption and Bribery in the Third Degree (three counts)

WAYNE SCHUMER, 3/10/1967
400 East 59th Street
New York, New York
Charges: Enterprise Corruption, Bribery in the Third Degree and Rewarding Official Misconduct in the Second Degree (three counts)

LEO DOYLE, 2/2/1967
81 Moonlight Drive
Stormville, New York
Charges: Enterprise Corruption

MICHAEL LEON, 11/17/1972
501 First Street
Hoboken, New Jersey
Charges: Enterprise Corruption

ABANNO BUILDING MAINTENANCE, INC.
5912 55th Street
Maspeth, New York
Charges: Enterprise Corruption, Bribery in the Third Degree (two counts) and Offering a False Instrument for Filing in the First Degree

EURO EXCAVATION, INC.
815 McLean Avenue
Yonkers, New York
Charges: Enterprise Corruption

SFG ASSOCIATES, INC.
150 Bay Street
Staten Island, New York
Charges: Enterprise Corruption

UCON CORPORATION
41 Box Street
Brooklyn, New York
Charges: Enterprise Corruption, Bribery in the Third Degree and Rewarding Official Misconduct in the Second Degree (three counts)

Enterprise Corruption is a class B felony. Bribe Receiving in the Second Degree, Grand Larceny in the Second Degree, and Bribery in the Second Degree, are each class C felonies. Bribe Receiving in the Third Degree and Bribery in the Third Degree are both class D felonies. Promoting Gambling in the First Degree, Possession of Gambling Records in the First Degree, Offering a False Instrument for Filing in the First Degree, Receiving Reward for Official Misconduct in the Second Degree, Rewarding Official Misconduct in the Second Degree, are each class E felonies.

A class B felony is punishable by up to 8 1/3 to 25 years, a class C felony is punishable by up to 5 to 15 years, a class D felony is punishable by up to 2 1/3 to 7 years, and a class E felony 1 1/3 to 4 years, all in prison.

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