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CITYWIDE CONSTRUCTION FRAUD TASK FORCE CONVENED TO INVESTIGATE MISCONDUCT IN MIDST OF HISTORIC DEVELOPMENT BOOM

The Manhattan District Attorney's Office, the New York City Department of Investigation ("DOI"), the Port Authority of New York and New Jersey ("PANYNJ") Office of the Inspector General, the Metropolitan Transportation Authority ("MTA") Office of the Inspector General, and the Business Integrity Commission for the City of New York ("BIC") today announced the Construction Fraud Task Force ("Task Force") to identify and prosecute citywide corruption and fraud in the construction industry.

"There are human consequences to New York City's historic building boom," said District Attorney Vance. "A rush to develop can often result in hazardous lapses in safety practices. Unfortunately, many of these dangers are only exposed after the lives of workers and residents are jeopardized, which is why my Office and our partners have formed the Construction Fraud Task Force to investigate proactively construction-related crimes that threaten the integrity of the industry and safety of the City."

DOI Commissioner Mark G. Peters said: "This Task Force is an unprecedented effort to attack wrongdoing and unsafe practices at construction sites in this City. What the partners on this Task Force have seen again and again in construction fraud investigations is that those who ignore integrity also undermine safety."

PANYNJ Inspector General Michael Nestor said: "We are very pleased to be a member of the Construction Fraud Task Force working with superb law enforcement partners. Our joint efforts are towards the goal of preventing, detecting and investigating fraud and corruption in the construction industry. We are also focused on making certain that construction in New York City proceeds safely."

The BIC released the following statement: "The staggering amount of construction currently taking place in the City, especially capital construction projects, is evident everywhere you look.

Not so clearly seen is the fraud that too often accompanies these multi-million dollar projects that illegally siphons off funds limiting the building power of our City. This task force gathers the best of local law enforcement in a collective effort to root out these schemes and keep the bad players out so that honest contractors can do their jobs to the benefit of us all.”

The investigative agencies comprising the Task Force meet monthly and work collaboratively to probe the commission of crimes including fraud, bribery, extortion, money laundering, bid rigging, larceny, and safety violations, among others. The success of criminal cases brought against individuals and companies is in part attributable to interagency cooperation and the consolidation of information and resources. By working together to investigate those compromising the integrity of the construction and trade industry, the overarching goal of the Task Force is to ensure fairness and safety, as well as deter future fraud and misconduct.

Assistant District Attorney Diana Florence of the Manhattan District Attorney’s Office’s Rackets Bureau has been appointed Attorney-in-Charge of the Task Force.