

For Immediate Release

**COURT UPHOLDS DENIAL OF LICENSE
TO PRIVATE CARTING COMPANY
EMPLOYING MOB-CONNECTED FELON
WHO WAS THROWN OUT OF THE CARTING INDUSTRY**

CITY'S BUSINESS INTEGRITY COMMISSION (BIC) ACTED PROPERLY IN REFUSING TO LICENSE A TRADE WASTE REMOVAL COMPANY WHICH ENGAGED THE SERVICES OF A CONVICTED FELON WITH MOB TIES

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New York, Feb. 15, 2007 – The New York City Business Integrity Commission (BIC) yesterday prevailed in a proceeding challenging its determination to deny Chinatown Carting Corp. (Chinatown) a trade waste business license. The determination was reached after BIC found that Chinatown lacked the requisite good character, honesty and integrity for the license. In connection with its application for a carting license in April 2003, Chinatown agreed not to employ or retain the services of Peter Tragni, one of the company's co-owners, and certain others who consented not to work in trade waste industry, because of prior misconduct and association with organized crime. The company also agreed to timely file taxes and to pay a monitor who would oversee its business dealings.

Subsequently, in 2006, Chinatown applied to BIC to renew its license. BIC denied the application finding that the company had violated the terms of the 2003 agreement and had in fact: 1) engaged the services of Peter Tragni, one of the individuals it had agreed not to hire, 2) maintained a continuing financial relationship with Mr. Tragni, 3) failed to timely pay all taxes and other government obligations, and 4) failed to timely pay all fees and expenses of its monitor, thereby impeding the monitor's duties. BIC also found that Chinatown's failure to pay taxes related to its business and conveyance of money into personal checking accounts (so as to defraud its creditors, including the State of New York and the City of New York), reflected adversely on its integrity and fitness to operate.

Yesterday, Judge Walter B. Tolub of New York County Supreme Court (Manhattan) upheld BIC's determination to deny the application. After a detailed analysis of BIC's decision, Judge Tolub found that the denial of the license "was rational and reasonable." The Court held that the record before BIC supported a finding that Chinatown "1) fail[ed] to timely pays New York State Taxes and other government obligations that are due and owing; 2) retain[ed] the services of an individual debarred form the carting industry; 3) maintain[ed] a continuing financial relationship with an individual debarred from the carting industry and 4) fail[ed] to pay the monitors fee's in a timely manner." [Editor's Aside: We are quoting directly from the decision, but please note that the phrase "monitors fee's" should in fact read "monitor's fees."]

"The Court clearly found, as did the Commission, that Chinatown's flagrant violation of its representations and obligations demonstrated that it lacked the good character, honesty and integrity required to operate in the City. We are gratified that the Commission's decision has been affirmed by the Court, and thank the Law Department's Administrative Law Division for its work in this matter," said Julia Davis, BIC's

Deputy Commissioner for Legal Affairs and General Counsel.

Assistant Corporation Counsel Christina L. Hoggan, who litigated the matter on behalf of BIC, stated that "We are very pleased with the Court's decision. Chinatown Carting's actions have demonstrated that it is not fit to operate a carting business in the City of New York."

The New York City Law Department is one of the oldest, largest and most dynamic law offices in the world, ranking among the top three largest law offices in New York City and the top three largest public law offices in the country. Tracing its roots back to the 1600's, the Department's 650-plus lawyers handle more than 90,000 cases and transactions each year in 17 separate legal divisions. The Corporation Counsel heads the Law Department and acts as legal counsel for the Mayor, elected officials, the City and all its agencies. The Department's attorneys represent the City on a vast array of civil litigation, legislative and legal issues and in the criminal prosecution of juveniles. Its web site is nyc.gov/law.

The New York City Business Integrity Commission is both a regulatory and law enforcement agency that oversees the private sanitation industry, as well as the City's public markets. It investigates companies that seek to do business in these industries to determine if they possess the requisite statutory standard of good character, honesty and integrity to operate in New York City. Its web site is nyc.gov/bic.

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