

Office of the Special Narcotics Prosecutor for the City of New York

Bridget G. Brennan, Special Narcotics Prosecutor

80 Centre Street, Sixth Floor
New York, NY 10013
212-815-0400, Gen
212-815-0440, Fax

For Immediate Release
May 19, 2016

Contacts:

Kati Cornell
Special Narcotics Prosecutor's Office
(212) 815-0525

Nine convicted in long-running scheme to smuggle cocaine from Puerto Rico to New York via the U.S. Mail

Bronx daycare used as cover for drug operation

Bridget G. Brennan, New York City's Special Narcotics Prosecutor, announced today the convictions of nine members of a sophisticated trafficking ring that smuggled large quantities of cocaine from Puerto Rico to New York City in U.S. Postal Service packages, and used a Bronx daycare center as a cover for drug crimes. The head of the drug ring, JUAN VALDEZ, and his top lieutenants pled guilty to felony drug charges and were sentenced to prison.

Today, GREGORIO HANLEY, who served as a top manager and distributor for VALDEZ in New York City, received an effective 7-year prison sentence. HANLEY was sentenced to 7 years in prison for Criminal Sale of a Controlled Substance in the Second Degree, 1 to 3 years in prison for Conspiracy in the Second Degree, and 1 to 3 years in prison for Money Laundering in the Second Degree, all to run concurrently. HANLEY pled guilty on April 7, 2016 after jury selection had begun at his trial before Manhattan Supreme Court Justice Patricia Nunez.

The investigation revealed that HANLEY's home at 1499 Rosedale Ave. in the Bronx served as a center for this drug organization, and functioned as a drug stash location while also operating a daycare facility, Fun World Childcare, which was licensed to and operated by the mother of HANLEY's two children. HANLEY not only conducted drug sales from the location, but transported narcotics and cash in and out of the residence concealed inside lunch boxes and packages of diapers.

The head of the drug organization, JUAN VALDEZ, was sentenced to an effective 7-year prison term on April 20, 2016 by Manhattan Supreme Court Justice Abraham Clott. VALDEZ received a sentence of 7 years in prison for Criminal Sale of a Controlled Substance in the First Degree, 4 ½ to 9 years in prison for Conspiracy in the Second Degree and 4 ½ to 9 years in prison Money Laundering in the Second Degree, all to run concurrently.

During the course of the long-term investigation, conducted by the U.S. Drug Enforcement Administration's (DEA) New York Organized Crime Drug Enforcement Strike Force and the U.S. Postal Inspection Service, VALDEZ oversaw the day to day activities of the lucrative narcotics operation based in New York City and Puerto Rico.

Since at least 2009, VALDEZ conspired with others to transport packages of cocaine from Puerto Rico via the U.S. Mail, and to distribute narcotics in the New York City. VALDEZ frequently flew between JFK Airport and San Juan, as did couriers employed by his narcotics organization. VALDEZ concealed profits by directing couriers to carry suitcases packed with large amounts of cash to Puerto Rico. Some of the money was then used to pay narcotics suppliers.

Over the course of the investigation, the U.S. Postal Inspection Service seized a total of 23 kilograms of cocaine (over 50 lbs.) worth approximately \$1.4 million from packages linked to VALDEZ's organization. In some instances, the narcotics were concealed in items designed for children, such as SpongeBob SquarePants bedding.

Charges related to nearly \$300,000 in narcotics seized from the drug ring since August 2013, including 4 kilograms of cocaine (nearly 9 lbs.) and 1,000 pills of oxycodone. Authorities also recovered approximately \$400,000 in criminal proceeds and a firearm during the course of the investigation.

Chief among the circle of individuals who assisted VALDEZ in the criminal scheme were HANLEY and JUAN BERNAL, a professional livery cab driver, who helped run the New York City side of the operation.

As the investigation revealed, HANLEY used Fun World Childcare as a cover for the drug trafficking operation. On September 11, 2013, agents and detectives conducted a court authorized search of 1499 Rosedale Avenue and seized more than \$80,000 in drugs, including over ½ a kilogram of cocaine and approximately 1,000 pills of oxycodone from the basement of the HANLEY residence which also housed the daycare center. Approximately \$15,250 cash was recovered from the kitchen cabinet in the home HANLEY shared with his family.

HANLEY also provided law enforcement officers with keys to an apartment across the street that proved to be a stash house. Money, a scale and a firearm were seized from that location.

For his part in the scheme, BERNAL served as a liaison between VALDEZ's drug business associates in New York City and Puerto Rico. He coordinated shipments of cocaine for VALDEZ, drove couriers to and from the airport, and transported narcotics and drug proceeds.

On October 22, 2014, BERNAL was sentenced to 5 years in prison for Criminal Sale of a Controlled Substance in the Second Degree, 1 to 3 years in prison for Conspiracy in the Second Degree and 1 to 3 years in prison Money Laundering in the Third Degree.

Special Narcotics Prosecutor Bridget G. Brennan commended Assistant District Attorneys Anju Malhotra, Lisa Tompkins and Daniel Koevary for their work on the case, and thanked the DEA's New York Organized Crime Drug Enforcement Strike Force and the U.S. Postal Inspection Service.

The DEA's New York Organized Crime Drug Enforcement Strike Force is comprised of agents and officers of the U. S. Drug Enforcement Administration, the New York City Police Department, U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI), the New York State Police, the U. S. Internal Revenue Service Criminal Investigation Division, the Federal Bureau of Investigation, the Bureau of Alcohol, Tobacco, Firearms and Explosives, U.S. Secret Service, the U.S. Marshal Service, New York National Guard, Office of Foreign Asset Control and the New York Department of Taxation and Finance. The Strike Force is partially funded by the New York/New Jersey High Intensity Drug Trafficking Area (HIDTA).

CONVICTIONS

Juan Valdez, aka "Moreno"
Yonkers, NY
01/05/69

CHARGES/PENALTIES

CSCS 2nd – 7 years prison
Conspiracy 2nd – 4 ½ to 9 years prison
Money Laundering 2nd – 4 ½ to 9 years prison

Gregorio Hanley Bronx, NY 08/06/1972	Conspiracy 3 rd – 1 to 3 years prison CSCS 2 nd – 7 years prison Money Laundering 2 nd – 1 to 3 years prison
Juan Bernal, aka “98” Bronx, NY 12/07/51	Conspiracy 2 nd – 1 to 3 years prison CSCS 2 nd – 5 years prison Money Laundering 3 rd – 1 to 3 years prison
Ada Padilla Bronx, NY 9/4/1963	CPCS 2 nd – pending sentence
William Ferrer Bronx, NY 1/23/1981	CPCS 3 rd – 2 years prison
Arleen Rodriguez-Rosario San Juan, PR 4/24/1984	CPCS 2 nd – 4 years Conspiracy 2 nd – 1 to 3 years Money Laundering 2 nd – 1 to 3 years
Early Rodriguez-Rosario Rio Grande, PR 2/8/1982	Conspiracy 4 th – 45 days jail/ 5 years probation Money Laundering 2 nd - 45 days jail/ 5 years probation
Vanessa Guzman-Rivera Guaynado, PR 10/27/1982	CPCS 2 nd – 4 years prison Conspiracy 2 nd – 1 to 3 years prison
Edwin Rios-Ortiz San Juan, PR 11/17/1964	Conspiracy 2 nd – 1 to 3 years prison Money Laundering 3 rd – 1 to 3 years prison