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Puerto Rican Drug Kingpin Among Ten Charged: \$1 Million Cocaine Delivery at Times Square Hotel

BRIDGET G. BRENNAN, New York City's Special Narcotics Prosecutor, New York City Police Commissioner RAYMOND W. KELLY, JOHN P. GILBRIDE, the Special Agent-in-Charge of the New York Field Division, Drug Enforcement Administration, and CHARLES R. PINE, the Special Agent-in-Charge of the New York Field Division, Internal Revenue Service Criminal Investigation, announced today the arrests and indictments of a major drug kingpin, RICARDO GONZALEZ-SANTIAGO, and 10 other narcotics traffickers who conducted their drug business in Manhattan, Queens, The Bronx and Brooklyn.

The arrests – five of which took place this morning – were the result of a ten-month wiretap investigation by the NYPD's Vice Squad and the DEA-led New York Organized Crime Drug Enforcement Strike Force. The investigation began with street-level sales of ketamine, ecstasy and oxycodone at Manhattan nightclubs and ultimately led to the arrest of a lieutenant in a Puerto Rican drug cartel.

GONZALEZ-SANTIAGO trafficked in large quantities of cocaine and lived as a fugitive for two years after escaping from federal authorities who were about to arrest him in a major drug case in Philadelphia. He was apprehended in the New York case on March 25 after he picked up two suitcases containing 36 kilos (79 lbs.) of cocaine worth approximately \$1.3 million at the Paramount Hotel in the heart of Times Square.

That morning, GONZALEZ-SANTIAGO had flown to JFK Airport from San Juan, P.R. in order to oversee distribution of the shipment of cocaine. GONZALEZ-SANTIAGO was a subject of the wiretap investigation at the time and law enforcement officers knew of his travel plans. Upon arriving at JFK Airport, GONZALEZ-SANTIAGO was immediately placed under surveillance by a team of officers, who first followed him to an apartment in The Bronx and then to the Paramount Hotel on West 46th Street.

GONZALEZ-SANTIAGO entered the hotel, returned with the suitcases and loaded them into his car. The team stopped the car several blocks away on West 45th Street between 5th and 6th Avenues,

arrested GONZALEZ-SANTIAGO and seized the 36 kilos, which were still inside the suitcases and bundled into 18 packages covered in carbon paper.

Earlier this month, a grand jury voted to indict GONZALEZ-SANTIAGO for Operating as a Major Drug Trafficker, which is the only drug charge in New York State that carries a possible life sentence. He has being held without bail since his arrest on several other drug charges in March and is now awaiting arraignment on the new indictment.

Based on recorded phone conversations, law enforcement officers learned that GONZALEZ-SANTIAGO intended to sell some of the 36 kilos of cocaine he picked up at the Paramount Hotel to a Bronx supplier, FRANCISCO RIVERA, for approximately \$32,000 per kilo. During the investigation, RIVERA was in contact with other members of the Puerto Rican cartel and made trips to both Puerto Rico and the Dominican Republic to set up drug sales. RIVERA was among the five defendants arrested this morning.

During the 10-month wiretap investigation, which began in July 2010, undercover officers with the NYPD's Vice Squad made a total of 18 drug purchases and seized \$315,000 in criminal proceeds. At the outset of the case, the undercover officers made seven purchases of ketamine, ecstasy and oxycodone from a low-level drug dealer, ANGELA COMO, who catered to Manhattan club-goers. These sales occurred inside Webster Hall, an East Village nightspot, outside Pacha NYC in Hell's Kitchen and other locations. COMO worked at a pharmacy and told her customers she'd stolen the oxycodone pills she sold.

As the investigation proceeded, COMO introduced the undercover officers to cocaine dealers, including DANIEL GRADZKI, who sold to the officers on 11 occasions in Manhattan and Queens. It was at this stage that the NYPD and SNP launched the wiretap portion of the investigation, which enabled the officers to work their way up the chain of cocaine suppliers to KEVIN COLLINS, PHILLIP GONZALEZ, FRANCISCO RIVERA and RICARDO GONZALEZ-SANTIAGO.

The officers learned Bronx drug supplier FRANCISCO RIVERA, who had intended to buy some of the 36 kilos of cocaine seized from RICARDO GONZALEZ-SANTIAGO on March 25, sold cocaine to numerous lower-level dealers. One of these dealers was PHILLIP GONZALEZ, who was arrested in Queens on Jan. 11 when his car became stuck in a snow bank following the January snow storms. GONZALEZ was transporting more than a pound of cocaine at the time.

RIVERA also supplied another dealer, JOSE SANTANA, who was arrested on May 6. SANTANA ran a crew of lower-level drug dealers, including MATTHEW VELEZ, MICHAEL FALCON and MELVIN NIEVES. VELEZ and FALCON were arrested in February while transporting 178 grams of cocaine in a hidden trap in a car.

The five defendants arrested this morning were RIVERA, COLLINS, GRADZKI, COMO and NIEVES. All of the defendants except COMO face a conspiracy charge in addition to charges for criminal sale and possession of a controlled substance.

The IRS became involved with the investigation because of possibility of money laundering by the organization to which RICARDO GONZALEZ-SANTIAGO and FRANCISCO RIVERA belonged. Agents with the New York Organized Crime Drug Enforcement Strike Force assisted in the apprehension of those two defendants.

The Strike Force is comprised of agents and officers of the United States Drug Enforcement Administration, the New York City Police Department, Immigration and Customs Enforcement - Homeland Security Investigations (HSI), the New York State Police, the United States Internal Revenue Service Criminal Investigation Division and the United States Marshal Service. The Strike Force is partially funded by the New York/New Jersey High Intensity Drug Trafficking Area (HIDTA), which is a federally funded crime fighting initiative.

INDICTED DEFENDANTS	CHARGES
Ricardo Gonzalez-Santiago, aka: "Richie" 3/4/1975	Operating as a Major Trafficker §220.77(3)- 1 count Conspiracy 2 nd §105.15- 1 count CPCS 1 st §220.21(1)- 1 count CPCS 3 rd §220.16(1)- 1 count
Francisco Rivera, aka: "Frank" 9/16/1980	Conspiracy 2 nd §105.15- 1 count CSCS 1 st §220.43(1)- 1 count
Jose Santana, aka: "Juno" 3/2/1981 94-44 Magnolia Ct., Apt. 1A, Queens	Conspiracy 2 nd §105.15- 1 count Attempted CSCS 1 st §110/220.43(1)- 1 count CPCS 2 nd §220.18(1)- 1 count CPCS 3 rd §220.16(1)- 1 count
Phillip Gonzalez, aka: "PJ" 2/20/1984 42-13 161st St., 2 nd fl., Queens	Conspiracy 2 nd §105.15- 1 count CPCS 1 st §220.21(1)- 1 count CPCS 3 rd §220.16(1)- 1 count CUDP 2 nd §220.50(3)- 1 count
Matt Velez 277 Humboldt St., Brooklyn	Conspiracy 2 nd §105.15- 1 count CPCS 2 nd §220.18(1)- 1 count CPCS 3 rd §220.16(1)- 1 count
Michael Falcon 7/16/1984 175 Boerum Pl., Brooklyn	Conspiracy 2 nd §105.15- 1 count CPCS 2 nd §220.18(1)- 1 count CPCS 3 rd §220.16(1)- 1 count
Melvin Nieves, aka: "Roach" 6/20/1975 64 Confederation Pl., S.I.	Conspiracy 2 nd §105.15- 1 count
Kevin Collins 7/18/1984 20-19 Himrod St., Queens 105-04 132nd St., Queens	Conspiracy 2 nd §105.15- 1 count CSCS 1 st §220.43(1)- 1 count CSCS 2 nd §220.41(1)- 1 count
Daniel Gradzki, aka: "Danny" 1/7/1990 61-19 77th Place, Queens	Conspiracy 2 nd §105.15- 1 count CSCS 1 st §220.43(1)- 3 counts CSCS 2 nd §220.41(1)- 5 counts CSCS 3 rd §220.39(1)- 3 counts CSCS 5 th §220.31- 2 counts
Angela Como 4/28/1990 57-76 79th St., Queens	CSCS 3 rd – 1 count under 220.39(1) and 1 count under 220.39(6) CSCS 5 th – 8 counts

The charges and allegations are merely accusations and the defendants are presumed innocent until proven guilty.