



THE CITY OF NEW YORK
BUSINESS INTEGRITY COMMISSION
100 CHURCH STREET, 20TH FLOOR
NEW YORK, NEW YORK 10007

DECISION OF THE BUSINESS INTEGRITY COMMISSION DENYING THE APPLICATION OF RIVER PRODUCE CORP. FOR REGISTRATION AS A WHOLESALE BUSINESS IN A PUBLIC WHOLESALE MARKET

Local Law 28 of 1997 ("Local Law 28") and the rules promulgated thereunder require that wholesale businesses located or operating within a public wholesale market register with the Commissioner of the Department of Business Services. See New York City Administrative Code ("Admin. Code") §22-253; 66 RCNY §§1-12, -13; 17 RCNY §§11-02, -04. The duties of the Commissioner of the Department of Business Services were later transferred to the Commissioner of the Organized Crime Control Commission ("Commissioner"), pursuant to a charter revision provision approved by the voters in November 2001. The Organized Crime Control Commission was subsequently renamed the Business Integrity Commission, ("Commission"), pursuant to Local Law 21 of 2002.

The Commission may refuse to register a wholesale business when any of its principals lacks good character, honesty and integrity. See Admin. Code §§22-253(b), 22-259(b); New York City Charter §2101(a), (b). Administrative Code §22-259(b) lists a number of factors which the Commission may consider in determining the fitness of an individual or a wholesale business. Among the factors that the Commission may consider in making a fitness determination are: association with any member or associate of an organized crime group (id. at §22-259(b)(v)), failure to provide truthful information in connection with its registration application (id. at §22-259(b)(i)), and a pending indictment or criminal action against such applicant or person for a crime which would provide the basis for denial (id. at §22-259(b)(ii)). Local Law 28 makes clear that the Commission is not limited to consideration of the enumerated factors; the list is meant to be illustrative and not exhaustive.

Based upon the record of River Produce Corp. ("River Produce" or the "Applicant"), the Commission denies the application of River Produce for registration as a wholesaler for the following independently sufficient reasons:

- A. Vincent Bondi, the Applicant's President and sole owner, has been convicted of numerous crimes, including crimes of gambling, extortion, and conspiracy.**
- B. Vincent Bondi is an associate of the Genovese organized crime family.**
- C. Vincent Bondi is a convicted racketeer.**

D. The Applicant has associated with organized crime figures and a convicted racketeer.

I. THE APPLICANT

On October 13, 2009, the Applicant filed an application for registration as a wholesaler in a public wholesale market (the “Registration Application”). The Applicant disclosed that it intended to operate in the area adjacent to the New York City Terminal Produce Cooperative Market (“Hunts Point Market” or “Market”).¹ The sole principal of the Applicant is Vincent Bondi (“Bondi”). See Registration Application at 22.

The staff has conducted a background investigation of the Applicant and its principal. As part of the Commission’s investigation, on August 25, 2010, Commission staff deposed Bondi. See Bondi Deposition Transcript (“Bondi Tr.”).

On February 16, 2011, the staff issued a seven-page recommendation that River Produce’s application be denied. See Executive Staff’s Recommendation to the Business Integrity Commission to Deny the Application of River Produce Corp. for Registration as a Wholesale Business in a Public Wholesale Market (“Recommendation”).

The Recommendation was served by regular mail and facsimile on the Applicant’s then-attorney, Murray Richman, Esq., on February 16, 2011, and the Applicant was given ten days to respond. See 17 RCNY §14-04(f). On February 22, 2011, the Applicant’s newly-retained attorney, Paul Gentile Esq. (“Counsel”), requested an extension of time to respond to the Recommendation. That request was granted, and the Applicant was given until March 14, 2011 to respond to the Recommendation. On February 23, 2011, the Commission provided Counsel with the non-public as well as public documents relied upon in the Recommendation. See Letter from Leigh Neren, dated February 23, 2011. On March 14, 2011, the Applicant submitted a three-page response, which consisted of a three-page letter from Counsel. No sworn statement from Bondi or documentary evidence was submitted. See Correspondence from Paul Gentile Esq., dated March 14, 2011 (“Response”).

The Commission has carefully considered both the staff’s Recommendation and the Applicant’s response. For the reasons set forth below, the Commission finds that the Applicant lacks good character, honesty, and integrity, and denies its wholesale business Registration Application.

II. GROUNDS FOR DENIAL

A. Vincent Bondi, the Applicant’s President and sole owner, has been convicted of numerous crimes, including crimes of gambling, extortion, and conspiracy.

The Commission is expressly authorized to consider the commission of crimes by the Applicant or any of its principals which, in light of the factors set forth in article 23-A of the

¹ This area adjacent to the New York City Terminal Produce Cooperative Market is included within the definition of a public wholesale market and subject to the Commission’s jurisdiction. See 17 RCNY §11-02.

Correction Law, would provide a basis under that statute for refusing to issue a license or registration. See Admin. Code §22-259(b)(iii). Bondi, the sole owner and principal of the Applicant, has an extensive criminal history involving crimes that go directly to the Applicant's good character, honesty, and integrity. Therefore, the Applicant's Registration Application is denied on this independently sufficient ground.

Bondi's criminal history dates back to the 1970s when he was convicted of crimes including petit larceny, criminal possession of a stolen credit card, unauthorized use of a motor vehicle, promoting gambling, and possession of gambling records.² See Bondi CHRS printout; Principal Information Form at 4, A-1. In 1981, Bondi was arrested for promoting gambling and possession of gambling records, both felonies. He pled guilty in 1982 to promoting gambling and possession of gambling records, misdemeanors. See Bondi CHRS printout. In 1983, again, Bondi was arrested for possession of gambling records and promoting gambling, felonies. Bondi pled guilty to misdemeanor charges for both offenses. See id. Bondi testified during his deposition before the Commission that he "was in the number[s] business. [He] fooled around a bit." Bondi Tr. at 71. "There was opportunity and I went and did it. I took numbers and that's what I did." Id. at 71-72. He continued taking numbers until approximately 1992-1993, at which time Bondi was in his mid-40s. See id. at 72-73.

More recently, on October 29, 2001, Bondi was indicted by a federal grand jury in the Southern District of New York. See United States v. Guiliano, et al, Cr. 01-1010, (dated October 29, 2001). In one of seven indictments unsealed on December 5, 2001 charging numerous members and associates of the Genovese organized crime family, Bondi was charged with conspiracy to make extortionate extensions of credit, conspiracy to collect extensions of credit by extortionate means, making extortionate extensions of credit, and collection of extensions of credit by extortionate means. See United States v. Guiliano, et al, Cr. 01-1010, Superseding Indictment, filed December 3, 2001 ("Indictment"); Press Release, United States Attorney Southern District of New York, dated December 5, 2001 ("Press Release").

Bondi was identified in the Indictment as an associate of the Genovese organized crime family. He and codefendant Joe Guiliano ("Guiliano"), also identified as an associate of the Genovese crime family, participated in extortionate extensions of credit and instilled fear in their victims by identifying themselves as "with" La Cosa Nostra or the mafia, and by committing and threatening to commit physical violence.³ See Indictment at 1-2. From approximately December 2000 through December 2001, Bondi and Guiliano extended over \$1,000,000 in extortionate extensions of credit. See id. at 1-9.

On April 26, 2002, Bondi pled guilty to count one of the Indictment, conspiracy to make extortionate extensions of credit, in violation of 18 USC §982. See Minutes dated April 26, 2002, Cr. 01-1010 ("Plea"); Judgment in a criminal case, Cr. 01-1010 ("Judgment of Conviction"). In pleading guilty, Bondi admitted that in 2001, he conspired with a co-

² Bondi testified during his deposition that one of these arrests related to when he let a "guy" he knew "from the neighborhood" and his associates use his apartment for taking sports bets in return for \$50 per week. See Bondi Tr. at 69-70.

³ Associates of a crime family are commonly referred to as "with" the organized crime member with whom they aid in the criminal endeavors. See Indictment at 2.

conspirator to make a loan seeking interest rates above the legal amount to an individual. Further, he admitted that he implicitly threatened the debtor that the failure to repay the loan could result in violence. See Plea at 14-15.

On September 19, 2002, Bondi was sentenced to a term of 24 months imprisonment and three years supervised release. He was also ordered to pay a fine of \$25,000. See Judgment of Conviction.

During his deposition before the Commission, when questioned about the Indictment, Bondi testified that he started loaning money to people as a way to make money. He knew his codefendant Guiliano from the produce business; he was a milk distributor. Bondi knew that Guiliano was wealthy so Bondi approached him about going into business together. They became partners in this criminal endeavor. Guiliano would get his money back upon repayment of the loan and then they would split the profits. See Bondi Tr. at 51-56, 62.

Bondi repeatedly testified that he was condemned for “helping people,” blaming the person who cooperated with authorities and deflecting responsibility for his actions. See Bondi Tr. at 49-50, 58. Notwithstanding Bondi’s claims, he acknowledged that his “partner,” Guiliano, told people “if you don’t pay me, Vinny Bondi will put a bullet in your chin.” See id. at 56. After repeated probing, Bondi also admitted that he told the victims that he was in the mob. See id. at 56-57.

The Commission is expressly authorized to consider the commission of crimes by the Applicant or any of its principals which, in light of the factors set forth in article 23-A of the Correction Law, would provide a basis under that statute for refusing to issue a license or registration. See Admin. Code §22-259(b)(iii). Those factors are:

- (a) The public policy of this state, as expressed in [the Correction Law], to encourage the licensure . . . of persons previously convicted of one or more criminal offenses.
- (b) The specific duties and responsibilities necessarily related to the license . . . sought.
- (c) The bearing, if any, the criminal offense or offenses for which the person was previously convicted will have on his fitness or ability to perform one or more such duties and responsibilities.
- (d) The time which has elapsed since the occurrence of the criminal offense or offenses.
- (e) The age of the person at the time of occurrence of the criminal offense or offenses.
- (f) The seriousness of the offense or offenses.

- (g) Any information produced by the person, or produced on his behalf, in regard to his rehabilitation and good conduct.
- (h) The legitimate interest of the public agency . . . in protecting property, and the safety and welfare of specific individuals or the general public.

N.Y. Correct. Law §753 (1).

Applying these factors, the crimes charged against Bondi and those to which he pled guilty are so serious, and so closely related to both the purposes for which registration is sought and the duties and responsibilities associated with such registration, that they should preclude the grant of a wholesaler registration to this Applicant. Moreover, the charges against Bondi are antithetical to the very purpose of Local Law 28, which is to root out organized crime and other corruption out of the public wholesale markets. The crimes committed by Bondi in the 1980s and early 1990s relate directly to gambling, which has historically involved organized crime and has been a problematic issue in the public wholesale markets. See, e.g., NYS Penal Law §460.00 (legislative findings); International Association of Independent Private Sector Inspectors General statement, dated October 31, 1996; New York County District Attorney's Office Press Release, dated November 9, 2006 (announcing indictment of members and associates of Genovese and Lucchese organized crime families on charges of running illegal gambling ring in the public wholesale markets.) Further, the most recent charges, levied in 2001 and involving extortion, are related to the produce industry and go to the crux of the Applicant's honesty, integrity and character. Finally, these crimes demonstrate an ongoing calculated criminal scheme rather than an impulsive isolated incident.

Further, the crimes that Bondi committed in 2000 through 2001, occurred when Bondi was in his 50s. Thus, this criminal conduct can hardly be described as a "youthful indiscretion." See N.Y. Correct. Law §753(1)(d) and (e). He was plainly old enough to know what the law required, how to obey it, and to recognize that the schemes in which he was involved were illegal. Additionally, those crimes were extremely serious, involving the threat of organized crime and violence. Moreover, given the history of the public wholesale markets, the public has a compelling interest in ensuring that services in the City are provided free of the threat of organized crime and corruption. Registration of this Applicant is incompatible with that important objective.

In the Response, the Applicant's attorney argues that Bondi has not been arrested during the past ten years, his criminal record does not "relate[]" to the operation of a legitimate business," and Bondi has operated the Applicant business "in a lawful manner" for five years. Therefore, he argues that the Corrections Law mandates the Applicant be approved. This argument is unpersuasive and ignores the numerous factors weighing heavily against licensure: namely, the relationship between gambling, extortion, and organized crime and the Market; the interest in protecting the public from such influences in the Market; the seriousness of the offenses; the pattern of criminal behavior perpetrated throughout Bondi's life; the fact that Bondi admitted his affiliation with organized crime in order to commit crimes; and the age of Bondi when he committed his crimes. Moreover, during approximately five of the last ten years that Bondi has not been arrested, he was incarcerated or on supervised release stemming from the

2002 conviction. Therefore, merely approximately five years has elapsed since Bondi's release from supervised release.

Consequently, Bondi's lengthy organized crime related criminal history provides substantial evidence that both Bondi and the Applicant lack good character, honesty, and integrity. Based on this independent ground, River Produce's application is denied.

B. Vincent Bondi is an associate of the Genovese organized crime family.

The Commission is expressly authorized to deny the registration application of a company whose principals have had business dealings with known organized crime figures. See Admin. Code §22-259(b)(v). Here, not only did Bondi, as discussed below, associate with organized crime members and associates, but Bondi himself, the sole owner and principal of the Applicant, is an associate of the Genovese crime family.

As discussed above, on December 5, 2001, the United States Attorney for the Southern District of New York publicly identified Bondi as an associate of the Genovese organized crime family. See Indictment at 2-3. From approximately December 2000 through December 2001, Bondi conspired and acted with Guiliano, also an associate of the Genovese crime family, to extend over \$1,000,000 in extortionate extensions of credit. Bondi admitted that he and Guiliano used the threat of the mafia and violence to instill fear in their victims.

Bondi is the sole owner and principal of the Applicant business. His status as an associate of the Genovese crime family is an independently sufficient ground to deny the Registration Application. The Applicant claims in its response that because Bondi was not named as an associate of the Genovese crime family since his indictment in 2001, this should not be a ground for denial of the Registration Application.⁴ This argument lacks any weight and seems to presuppose that Local Law 28 implies a statute of limitations on the public identification of a member or associate of organized crime. No such restriction or limitation exists. Again, Bondi has been publicly identified by the United States Attorney as an associate of the Genovese crime family. Therefore, the Commission denies the Registration Application on this independently sufficient ground.

C. Vincent Bondi is a convicted racketeer.

The Commission is expressly authorized to deny the registration application of a company whose principals have engaged in "the commission of a racketeering activity... See Admin. Code §22-259(b)(iv). As discussed above, as charged in the Indictment and evidenced by Bondi's admission of guilt, the Commission finds that Bondi committed numerous racketeering activities.

The violations of the United States Code that Bondi was charged with violating, including conspiracy to make extortionate extensions of credit and making extortionate extensions of credit are racketeering activities as defined by 18 USC §1961(1). Moreover, the

⁴ The Applicant does not dispute the fact that Bondi was publicly identified by the United States Attorney as an associate of the Genovese organized crime family.

crime to which Bondi pled guilty, conspiracy to make extortionate extensions of credit, is a racketeering activity. See 18 USC §§1951, 1961(1). Section 22-259(b)(iv) of the Administrative Code provides that the Commission may deny an application based on the commission of a racketeering activity, including those delineated in 18 USC §1961(1). Bondi's commission of racketeering activities is a sufficient ground upon which to deny the Applicant's application. See Admin. Code §22-259(b)(iv). The Applicant does not refute this point. Accordingly, the Commission denies River Produce's Registration Application on this independently sufficient ground.

D. The Applicant has associated with organized crime figures and a convicted racketeer.

The Commission is expressly authorized to deny the registration application of a company whose principals have associated with "any member or associate of an organized crime group..." See Admin. Code §22-259(b)(v). Here, in addition to Bondi being named as a Genovese associate, Bondi and the Applicant business associated with other organized crime figures and a convicted racketeer.

First, as discussed above, Bondi committed numerous crimes involving extortion with Joe Guiliano, another associate of the Genovese crime family. See Indictment. Bondi testified that Guiliano was a milk distributor that he knew from the produce business. Bondi knew that Guiliano had the financial resources and so they became partners in this criminal enterprise. See Bondi Tr. at 51-56, 59-60, 62. They participated in extortionate extensions of credit and instilled fear in their victims by identifying themselves as "with" La Cosa Nostra or the mafia and threatening violence for the failure to repay loans. See Indictment; Bondi Tr. at 56-57.

Therefore, based on the nature of the crimes committed, the nature of the relationship between Bondi and Guiliano, and the threats made to the victims, there is more than sufficient evidence to conclude that Bondi knew or should have known about Guiliano's organized crime status.

Second, on December 6, 2001, the New York County District Attorney's Office publicly identified John Donnadio ("Donnadio") as an associate of the Luchese crime family. He was indicted with six others on charges of racketeering. Donnadio supervised a crew of criminal associates who generated revenue on behalf of the Luchese crime family through criminal activities, including the sale of drugs, firearms trafficking, loansharking, coercion, extortion, conspiracy to commit robbery, illegal sports betting, and kidnapping. A portion of the proceeds from this criminal enterprise was given to Luchese soldier, Richard DeLuca. See New York County District Attorney's Office Press Release, dated December 6, 2001. Donnadio pled guilty to attempted enterprise corruption and attempted kidnapping in the second degree, both class-C felonies, and racketeering activities. See Donnadio, CHRS printout; 18 USC §1961(1).

According to Bondi, he met Donnadio in jail. They were cellmates and they "have been together ever since." See Bondi Tr. at 29, 39. They became friends in jail, and when Donnadio was released, he contacted Bondi for a job, and was hired. Bondi testified that Donnadio is his "right-hand man:" he solicits business, handles all inventory, accounts receivable, and accounts payable. Bondi considers him to be an asset to the Applicant. See Bondi Tr. at 37-41.

Additionally, Bondi and Donnadio are each 50% owners in V&J Logistics, a trucking company that transports River Produce's products. See Bondi Tr. at 28-29. Further, Bondi, Donnadio, and Bondi's son are all equal partners in a produce retail store that was being established for Bondi's son to operate. See id. at 30-31.

Bondi was well aware of Donnadio's criminal history and that he was named by law enforcement as an associate of the Luchese organized crime family. See id. at 42-43. Nevertheless, Bondi continued to associate with, and even went into business with, a person he knew was named as an associate of the Luchese organized crime family. When questioned about employing an organized crime figure, Bondi minimized Donnadio's organized crime credentials, stating, "He knew a few people. He did whatever he did. Unfortunately they categorize people...." See id. at 43.

Bondi, the sole principal of the Applicant, knowingly associated with organized crime figures and a convicted racketeer. Bondi and Guiliano engaged in numerous criminal activities from 2000 through 2001, including making extortionate extensions of credit, crimes commonly associated with organized crime. Moreover, Bondi and Guiliano explicitly represented to their victims that they were organized crime figures. In the Response, the Applicant's attorney claims that Bondi has not had contact with Guiliano since the 2001 arrest. First, the Applicant does not provide any sworn statement from Bondi attesting to that fact. Second, as discussed above, Bondi was incarcerated and then on supervised release for a total of five years after the arrest. Therefore, it is hardly noteworthy that Bondi *may* not have associated with Guiliano during the approximately five years thereafter, part of which time he was seeking to obtain a registration from the Commission.

Additionally, Bondi admitted that he knew of Donnadio's organized crime status, his conviction, and consequently his status as a convicted racketeer, but Bondi consciously chose to disregard those issues. The Applicant's attorney claims in the Response that because the United States Department of Probation approved Donnadio's employment at River Produce, then the Commission is required to approve such. This argument is without merit. Clearly the Department of Probation and the Commission have very different mandates. The Commission, not the Department of Probation, has the mandate of eradicating organized crime and other types of corruption within the Market, utilizing specific delegated laws and rules in order to enforce that mandate. Further, Bondi not only employed Donnadio, but has given him a great deal of responsibility in the Applicant business, and has gone into two other market-related businesses with him. Thus, Bondi clearly has associated with, and even went into business with, organized crime figures and a convicted racketeer.

These types of associations are plainly repugnant to Local Law 28's goal of eliminating the influence of organized crime from the industry. Bondi's associations with other organized crime figures and a convicted racketeer demonstrate that the Applicant lacks the good character, honesty, and integrity required to obtain a registration. Accordingly, River Produce's application is denied on this independent ground.

III. CONCLUSION

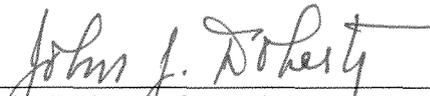
Based on each of the independently sufficient reasons stated above, the Commission finds that River Produce lacks good character, honesty and integrity and denies the application of River Produce for a registration as a wholesale business in the adjacent area at the New York City Terminal Produce Cooperative Market.

Dated: August 2, 2011

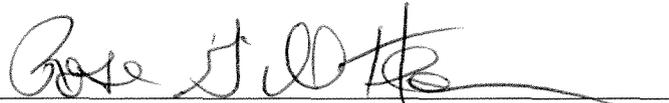
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