



# Department of Investigation

## *Press Release*

Release #011-99

### **3 MANHATTAN LANDLORDS ARRESTED IN DOI BRIBERY "STINGS"**

THURSDAY, MARCH 4, 1999 -- EDWARD J. KURIANSKY, Commissioner of the Department of Investigation (DOI), today announced the felony arrests of Manhattan property owners PALJO GAZIVODA, AMIT KORT, and ELMERCIANA ROSA for paying a total of \$3,000 in bribes to inspectors from the New York City Department of Housing, Preservation and Development (HPD), who cooperated in separate undercover investigations. The payoffs, which ranged from \$200 to \$2,000, were allegedly given to dismiss nearly 1,500 housing violations on six apartment buildings, of which 1,300 were of a serious and hazardous nature.

Commissioner Kuriansky said, "These arrests are part of DOI's ongoing effort to deter municipal corruption and should serve as a stern warning to any citizens who might even be tempted to bribe a City worker. In each case, the HPD inspector immediately reported the attempted payoff to DOI and, in one instance, actually wore a concealed recorder to catch the corrupt landlord in the act of bribing him. The inspectors' actions are to be applauded. They represent the overwhelming majority of good, honest, and decent City employees."

The details of the investigation leading to each of the arrests are summarized below:

#### **1) PALJO GAZIVODA**

GAZIVODA owns four buildings on the upper west side of Manhattan. The four apartment houses had a total of 866 housing code violations, 715 of which are of a serious and hazardous nature. The violations included citations for illegal bars on fire egress windows, broken and missing smoke detectors, missing fuse box covers, hanging light fixtures, exposed electrical wiring, defective pilot lights on stoves, uncapped gas pipes, holes in ceilings, inadequate heat and hot water, excessive garbage in rear yards, and peeling lead paint.

DOI commenced an investigation four months ago when an HPD inspector reported that, during an inspection requested by GAZIVODA for his property at 504 West 159th Street, GAZIVODA tried, unsuccessfully, to place an envelope containing an unknown amount of cash in the inspector's shirt pocket. The inspector immediately left the premises and reported the matter to DOI. Later that month, another housing inspector, wearing a concealed recording device, returned to the West 159th Street building and met with GAZIVODA, who placed \$200 in cash in the inspector's pocket and told him he wanted all 126 existing violations dismissed. During their conversation, GAZIVODA told the inspector that he owned three other buildings -- located at 559 West 189th Street, 561 West 144th Street, and 529 West 158th Street -- and that he would be willing to pay the inspector to have the 740 housing code violations relating to those buildings also dismissed. After agreeing on a total payoff of \$2,000 in cash, GAZIVODA arranged to meet the inspector on November 30, 1998, at which time he paid the inspector \$500 and said he would pay the balance the following day. On December 1, 1998, the inspector again met GAZIVODA, who paid him \$1,500 in cash.

### 3 MANHATTAN LANDLORDS ARRESTED IN DOI BRIBERY

GAZIVODA, 48, of 59 Cooper Road, Poughquag, New York, was charged with Bribery in the Third Degree, a Class D felony punishable by up to 7 years in prison.

#### 2) **AMIT KORT**

KORT owns a property at 516 West 135th Street in Manhattan, which had a total of 530 existing housing code violations, 446 of which were of a serious and hazardous nature. These violations included citations for defective smoke alarms, obstructed fire egress doors, illegal window gates on fire escape windows, peeling lead paint, and inadequate heat and hot water.

DOI commenced its investigation of KORT in November 1998, when an HPD inspector reported that, during an inspection of the property, KORT offered him a \$500 bribe to remove all existing violations from HPD's records. The inspector told KORT, who had requested the building inspection, that he would have to check HPD's records further. They agreed to meet in three days to discuss the inspector's findings. The inspector then left the building and immediately reported the incident to DOI. Three days later, the cooperating inspector, wearing a concealed recording device, met with KORT who paid him \$500 in cash.

KORT, 35, of 435 East 70th Street in New York, New York, was charged with Bribery in the Third Degree, a Class D felony punishable by up to 7 years in prison.

#### 3) **ELMERCIANA ROSA**

ROSA owns a building at 102 East 103th Street in Manhattan, which had a total of 175 existing housing code violations, 147 of which were of a serious and hazardous nature. These violations included citations for illegal bars on fire escape windows, missing and defective smoke alarms, broken rungs on a fire escape, padlocked gates to fire egress doors, a heating boiler emitting smoke that seeps into the building, exposed electrical wiring, illegal double key lock cylinders on apartment doors, and peeling lead paint.

In June 1998, DOI received a phone call from an HPD inspector who said that, during the course of a complaint inspection, ROSA offered him an unspecified amount of money. Later that month, an undercover housing inspector, wearing a concealed recording device, returned to the building and met with ROSA who paid him a \$300 bribe to remove the existing housing code violations.

ROSA, 58, of 102 East 103th Street, New York, New York, was charged with Bribery in the Third Degree, a Class D felony punishable by up to 7 years in prison.

The investigations were conducted by Brian D. Foley, DOI's Inspector General for HPD, and members of his staff, including First Deputy Inspector General Francis A. Sinatra and Special Investigators Caroline Tang and John Bavuso. The Office of New York County District Attorney Robert M. Morgenthau is prosecuting the cases. Assistant District Attorney John Ryan, of the Special Prosecutions Bureau, is handling the matters.