



The City of New York
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**DOI STATEMENT ON TODAY'S PRISON SENTENCES FOR CITY DEMOLITION CONTRACTORS
CONVICTED IN \$650,000 WAGE FRAUD AND WITNESS-TAMPERING SCHEME**

MARK G. PETERS, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on today's prison sentences for the father-and-son-operators of a demolition firm convicted of several federal crimes they committed in connection with their work on an upper-Manhattan housing development project funded by the City and the federal government. JOVER NARANJO, 37, was sentenced to a total of 72 months in prison, and LUPERIO NARANJO, 66, was sentenced to a total of 48 months in prison. U.S. District Judge Jed S. Rakoff sentenced the defendants today in Manhattan federal court. They were found guilty in November 2013 of conspiracy, fraud, and witness-tampering charges for underpaying their workers by approximately \$650,000, submitting false payroll reports to the City's Department of Housing Preservation and Development ("HPD"), instructing their workers to lie to investigators, and firing a worker who told the truth. The criminal conduct was uncovered by a multi-agency investigation and the office of Preet Bharara, United States Attorney for the Southern District of New York, prosecuted the case.

DOI Commissioner Mark G. Peters said, "These defendants cheated their workers and used subterfuge and strong-arm tactics to try and cover up their crimes. Their strategy is a primer of how not to do business in New York City and prison is the end result of their scheme. DOI was pleased to be part of this multi-agency investigation and I thank United States Attorney Preet Bharara, his prosecutors, the City and federal investigators, and HPD, for their partnership and hard work in ensuring that justice was served."

In 2009, the defendants' firm, Enviro & Demo Masters, Inc., was retained as a subcontractor to demolish several buildings in upper Manhattan to prepare for the construction of new affordable housing. The firm was required to pay its workers prevailing wages in accordance with federal law. The crimes for which the defendants were convicted were committed in the course of their firm's work on that project.

Assistant United States Attorneys Brian Jacobs and Brent Wible prosecuted this case.

The investigation was conducted by DOI, the U.S. Department of Labor, Office of the Inspector General, and the New York Area Office of Criminal Investigation Division for the U.S. Environmental Protection Agency.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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