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**D.A. BRAGG, DOI COMMISSIONER STRAUBER, NYPD COMMISSIONER
SEWELL ANNOUNCE INDICTMENT IN MASSIVE CONSTRUCTION INDUSTRY
KICKBACK SCHEME**

*Construction Management Executive Robert Baselice Allegedly Led Conspiracy that Stole Millions from
Developers*

Manhattan District Attorney Alvin L. Bragg, Jr., New York City Department of Investigation (“DOI”) Commissioner Jocelyn Strauber, and NYPD Commissioner Keechant L. Sewell today announced the indictment of 24 individuals and 26 companies for a wide-ranging construction industry kickback scheme that corrupted the competitive bidding process for dozens of contracts over more than 8 years. Led by ROBERT BASELICE (known professionally as Robert Basilice), 51, in conjunction with associates including LOUIS ASTUTO, 58, PAUL NOTO, 43, and FRANK CAMUSO, 59, the alleged scheme resulted in the theft of more than \$5,000,000 from BASELICE’s firm’s clients.

The 83-count New York County Supreme Court indictment charges all 50 defendants with Conspiracy in the Fourth Degree. The defendants also face varying charges of Grand Larceny in the First, Second, and Third Degrees, Commercial Bribing in the First Degree, Commercial Bribe Receiving in the First Degree, Donnelly Act violations (bid-rigging), and Money Laundering in the Second and Fourth Degrees.

“When the bidding process is rigged, we all lose,” said **District Attorney Bragg**. “The market suffers from a lack of quality competition, developers are prevented from hiring the best companies at fair prices, and – importantly – honest, law-abiding companies are pushed out by those that broke the law. I hope this indictment sends a message that the Manhattan D.A.’s Office and our partners at the DOI and NYPD will not tolerate bribery, corruption, or fraud. We will use our combined expertise and resources to ensure free competition and a fair market.”

DOI Commissioner Jocelyn E. Strauber said, “Bribery and kickbacks should not be costs of doing business in this City. As charged, Robert Baselice and his co-defendants conspired with subcontractors to inflate their bids for work on construction projects, in a pay-to-play scheme that lined the defendants’ pockets at the expense of developers. This Indictment shows that construction firms in this City must operate with honesty and integrity or face the consequences. I want to thank the prosecutors from the Manhattan District Attorney’s Office and investigators from the NYPD and DOI who collaborated to bring these important charges.”

“BIC applauds DANY, DOI, and the NYPD for their work on this case,” said **BIC Commissioner and Chair Elizabeth Crotty**. “This investigation demonstrates the commitment of law enforcement to root out criminality and organized crime in the construction industry, as well as the importance of interagency collaboration to maintain public safety. Fraud and anticompetitive business practices that harm New Yorkers will not be tolerated.”

“Over a period of more than eight years, these defendants stole millions of dollars through their criminal behavior, fraud, and corruption,” said **NYPD Commissioner Keechant L. Sewell**. “The NYPD and our law enforcement partners will continue to aggressively pursue anyone who seeks to betray the public’s trust for profit, and we will hold them fully accountable for their actions. I want to thank and commend the Office of the Manhattan District Attorney, the New York City Department of Investigation, and everyone who worked on this important case.”

The indictment was the result of a joint investigation by the Manhattan D.A.’s Office’s Rackets Bureau, DOI, and the NYPD Criminal Enterprise Investigative Section.

According to court documents, as a Vice President of a construction management firm, BASELICE had authority over the firm’s subcontractor bidding process. In this position, BASELICE was responsible for providing developers with truthful and accurate information and acting in their best interests on properties that included some of the most significant high-rise construction projects in Manhattan, including: 11 Stone Street (the FiDi Hotel), 12 East 48th Street (Hilton Club The Central at 5th New York), 75 Kenmare Street, 101 West 28th Street (the Remy), 106 West 56th Street (the Six office building), 189 Bowery (the citizenM New York Bowery Hotel), 250 Fifth Avenue (the Fifth Avenue Hotel), and 396 Broadway (the Walker Hotel Tribeca).

Instead, from April 2013 through July 2021, BASELICE used his position to steal from his firm’s developer clients by:

- Directing his project team to include specific co-conspirator subcontractors on project bidder lists,
- Providing inside information about competitors’ bids to co-conspirator subcontractors, and

- Directing the co-conspirator subcontractors to raise their bids to a dollar amount that included a kickback for BASELICE, room to negotiate with the developers, and as much profit as possible within the developers' budgets.

BASELICE then lobbied developers on behalf of the co-conspirator subcontractors and participated in the final negotiations, including pretending to strong-arm the subcontractors to lower their price – in what he referred to as his “dog and pony show” – in a false display of loyalty to the developers. Developers were unlikely to reject BASELICE’s recommendations for subcontract awards because if they did, they bore the risk of any subsequent cost overrun.

In exchange for manipulating the bidding process to benefit certain subcontractors, the subcontractors paid kickbacks to BASELICE, his company DVA GROUP, LLC, and other companies, including those owned by ASTUTO and NOTO. ASTUTO and NOTO then distributed a portion of the proceeds to companies owned by CAMUSO and his family. In total, the subcontractors paid more than \$4,200,000 in kickbacks to BASELICE (and companies and individuals related to him) and more than \$2,800,000 in kickbacks to companies controlled by BASELICE’s associates, including ASTUTO and NOTO.

Though this corrupted bidding process, the conspirators stole from the developers by purposefully inflating subcontracts and knowingly charging higher prices. BASELICE also recommended change orders for the co-conspirator subcontractors after they were hired, generating additional income for the subcontractors and additional kickbacks to BASELICE. In total, the defendants stole more than \$5,000,000 from the developers over the course of the conspiracy.

As a result, subpar work was sometimes completed by unqualified subcontractors and developers complained. In one instance, HVAC firm TRV Mechanical Contractors, Inc., had only done work on smaller residential jobs and was tasked with installing a heating and cooling system for The Remy, a 32-story condominium tower in Chelsea.

In another project, Earth Structures, Inc., was hired to pour concrete foundations for the Fifth Avenue Hotel and Hilton Club The Central at 5th New York, but had to be taken off both projects when they took payment from developers but failed to pay their vendor bills.

For a summary of the allegations against the 24 individuals and 26 companies charged within the indictment, please see the Statement of Facts [here](#).

Assistant D.A.s Meredith McGowan, Guy Tardanico, and Jaime Hickey-Mendoza are handling the prosecution of this case under the supervision of Assistant D.A.s Michael Ohm, Deputy Chief of the Rackets Bureau; Judy Salwen, Principal Deputy Chief of the Rackets Bureau; and Jodie Kane, Chief of the Rackets Bureau; as well as Executive Assistant D.A. Christopher Conroy (Senior Advisor to the Investigation Division). Forensic Accounting Investigator Reginal Lau; Rackets Investigator Amanda Bauza; Former Assistant D.A. Brian Foley; Trial Preparation Assistants Eleanor Bock, Rachel Broomer,

Benjamin Karam, Violet Michel, Shriya Shinde, and Srivatsan Senthilkumar; former Trial Preparation Assistants Annie Bell, Matthew Ender-Silberman, Madeleine Lippey, Emma Olcott, Alex Prior, Morgan Spencer, and Elena Syman; Data Specialist Olivia Savell; High Technology Analysis Unit Director Steven Moran, Supervising Investigator Lawrence Hayes, and Analyst Boris Vestfrid; and retired Financial Investigators William Tamparo and Michael Kelly assisted with the investigation.

D.A. Bragg thanked the New York City Department of Investigation, in particular Assistant Inspector General Dan Taylor, Chief Investigator James McElligot, and Inspector General Gregory Cho and the NYPD Criminal Enterprise Investigative Section, in particular retired Detectives Nicholas Lagano and Ignazio Conca; Detective Jose Ortiz, Sergeant Joseph Rivera, and Lieutenant Benjamin Nelson for their partnership in the investigation.

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