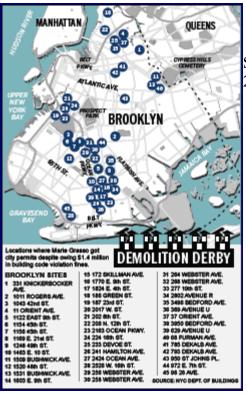
http://www.nydailynews.com/ny_local/2009/05/17/2009-05-

17 citys 1 woman wrecking machine fines hurt workers cant keep her from razing hell.html

Staten Island demolition company owner gets city permits, despite \$1 million-plus in fines

BY <u>Brian Kates</u>
DAILY NEWS STAFF WRITER





Sunday, May 17th 2009, 4:00 AM

Marie Grasso - Oates for News

Marie Grasso may be the city's ultimate home-wrecker.

The <u>Staten Island</u> demolition company owner is No. 1 on the list of building code scofflaws.

Grasso has run up more than \$1 million in fines by routinely violating building code safety rules, permitting conditions that injured workers and undermined the stability of adjacent properties.

Yet the city continues to award her permits to knock down more buildings.

Grasso is one of hundreds of contractors and landowners who've racked up fines but continue to work, unpunished. All together, this legion of scofflaws has amassed \$263 million in unpaid fines since 1999, half of which the city has given up on collecting.

Grasso, 58, is listed in city records under at least 11 corporate names, all using some version of the initials MMG. As of Friday, she owed \$1.4 million in fines dating back to 2000, city records show.

That's more than any other city building contractor - and enough to hire 25 building inspectors - but it doesn't seem to have crimped Grasso's style.

Labeled in the real estate blog Brownstoner "the queen of illegal mechanical demolition," Grasso got 144 permits from the Buildings Department between April 2008 and March 2009.

In that time, records show, her workers committed 92 documented violations, 53 of them deemed hazardous.

Total fines just for that period: \$440,500. Total amount she's paid in fines since 2000: \$750, records show.

Among her unpaid penalties is \$2,000 assessed after one of her workers, <u>Alfonso Cruz</u>, fell from a roof on 16th St. in South <u>Park Slope</u>, <u>Brooklyn</u>. Inspectors determined Grasso failed to provide required fall protection.

Cruz, who underwent fusion of damaged vertebrae, sued. The case was settled, with the building owner's insurance company paying \$1 million, Cruz's lawyer, <u>Joshua Stein</u>, said.

In the same neighborhood, Grasso was slapped with violations for damaging adjoining property, working without permits and working during prohibited hours.

"Marie Grasso's workmen abused the neighborhood," said local resident <u>Joseph Levine</u>.

"My office spent a year or more responding to complaints about MMG," said <u>Assemblyman James Brennan (D-Brooklyn)</u>. Grasso "should not be permitted to do business in the city."

Speaking in the doorway of her massive stone and stucco split-level in <u>Annadale</u>, Staten Island, Grasso claimed she has "no idea" how much she owes.

"I have someone who handles that for me," she said.

She insisted that \$1.4 million is "a mistake," then denied running a demolition company. She then slammed the door.

In a court deposition, Grasso was asked if she had ever taken a safety course. She responded: "No, never."

She compared a building violation to being caught using a cell phone while driving: "You didn't have the phone on you ... [but] they said they thought they seen you with it. It's not like ... you can defend yourself."

Not that Grasso bothers defending herself from some suits.

In March 2008, <u>Laura Graham</u>, 28, was walking on Brooklyn's Sixth St. when a 200-pound section of fence crashed down on her, breaking her collarbone.

"The fence was put up by MMG," Graham's lawyer, Jeffrey Manheimer, said. "Fortunately some

passersby were able to lift it off her."

A judge issued a default order when Grasso failed to respond to Graham's lawsuit.

The same pattern emerged in May 2007. Developer TGA II hired Grasso to tear down seven buildings at Park Avenue South and E. 29th St. in Manhattan.

Afterward, tests found "clean" fill she supplied contained "several soil contaminants," TGA said in a \$500,000 suit.

"We never heard from [Grasso] so TGA removed the fill," the developer's lawyer, <u>Bertrand Sellier</u>, said. Grasso never showed up in court; the judge issued a default judgment.

And in January 2006, <u>Deborah Weiss</u> tumbled into a hole at a Grasso demolition site on Brooklyn's Brighton Fourth St., said her lawyer, <u>Robert Flaster</u>.

Grasso never responded to Weiss' suit, and yet another default judgment was entered. Weiss said she still suffers from the torn knee cartilage.

City sends in the big guns

In May 2008, the Buildings Department sicced its Special Enforcement Team on Grasso. The unit was formed in 2007 to "disrupt the business models of those who intentionally or carelessly put the public and workers at risk," the department says.

Some disruption. The team issued Grasso just one \$12,000 violation for unsafe work at a tear-down on Staten Island. She then went on to wreak havoc at 11 more building sites, including one on Manhattan Ave. in Morningside Heights where her penalties total a whopping \$113,000.

Buildings Commissioner Robert LiMandri is well aware of Grasso's record, but claims his department can't withhold permits based on past misdeeds.

"That would require a change to the Building Code or some state or city law," he said.

bkates@nydailynews.com

See next page for "Deadbeat contractors, developers owe city millions and millions in fines"

Deadbeat contractors, developers owe city millions and millions in fines

BY Brian Kates

DAILY NEWS STAFF WRITER Sunday, May 17th 2009, 4:00 AM

Deadbeat contractors and developers have left a trail of destruction across the city, racking up more than \$263 million in unpaid fines, yet many continue to work unpunished.

Many fines are levied but few are collected. Last year, the Buildings Department collected \$1 for every \$5 in fines, issuing \$132.4 million in penalties while taking in just \$29 million, records show.

Of the \$263 million in unpaid fines dating back to 2000, \$130 million has been deemed "uncollectable" because violators lack assets, went out of business or beat the clock on the eight-year statute of limitations.

"This failure to collect revenue is particularly galling when we are talking about closing Fire Department engine companies," said <u>Councilman James Oddo (R-S.I.)</u>, chairman of the Task Force to Improve the Buildings Department. "What good is it when we enact laws and they don't have teeth?"

Many of the penalties involve property damage, threats to public safety or injury to workers and passersby.

The Bloomberg administration began studying ways to improve debt collection early last year, but did not look at the <u>Environmental Control Board</u> (ECB) - which enforces building code violations - until February, said <u>Carole Post</u>, of the mayor's office of operations. A final report with expected reform legislation is expected by the end of summer.

The ECB hears Buildings Department cases just one day a week in each of the five boroughs, and makes only "a minimal effort" - two dunning letters - to collect fines, spokeswoman <u>Amy Slifka</u> said.

"We don't have a sheriff, we don't have a law department. All we do is adjudicate," Slifka said.

The Finance Department is responsible for what the ECB can't collect, but it rarely does more than send a dunning letter and make a phone call, a city controller's audit found. "By failing to perform...minimal steps," the audit charged, "DOF is practically assured that it will collect no monies."

bkates@nydailynews.com