

# Percoco sentenced to 6 years for corruption

Judge says former Cuomo aide's crimes stemmed from 'greed and arrogance'



**IMAGE 1 OF 14**

Joseph Percoco, executive deputy secretary, left, and Gov. Andrew Cuomo, right, enter the Red Room Friday, April 26, 2013, during a press conference at the Capitol in Albany, N.Y. (AP Photo/Mike Groll)

NEW YORK — A federal judge sentenced Joseph Percoco to six years in prison Thursday for lining his pockets with \$320,000 in bribes and exploiting his power as Gov. Andrew Cuomo's top aide to act as a "bully" and "corrupt public official with little respect for the law."

"I see the motive for this crime as greed and arrogance," Judge Valerie Caproni told Percoco during his sentencing in a fourth-floor courtroom of the Thurgood Marshall U.S. Courthouse in lower Manhattan.

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"In terms of the nature and circumstances of the offense, there are few crimes that are more serious than a public official who takes a bribe," the judge said. "At this -time low. There's so much money sloshing tizens has to wonder whether any public

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Percoco, 49, the governor's former executive deputy secretary, listened as a federal prosecutor

described him as Cuomo's "enforcer" -- and asked the judge to send a message to corrupt officials.

Caproni, in turn, told Percoco and the defendant's lawyer there was no white collar crime as serious as public corruption, the type of which has become all too familiar in the state Capitol.

"I hope that this sentence will be heard in Albany," Caproni said.

"In the state of New York, the speaker of the Assembly and two majority leaders of the Senate have been convicted of fraud in recent years. This case reached the highest level of the executive branch. Frankly, it's not surprising that the citizenry of this state have absolutely lost faith in their government."

Percoco will report to federal prison at Dec. 28, allowing him to be home in Westchester County for Christmas. Bohrer said he hopes his client will be able to be free pending an appeal argument.

Caproni said Percoco was making enough money - \$200,000 at one point a year - to get by.

"If you can't live with a public servant's salary, get out of government," said Caproni, who agreed with a defense recommendation that Percoco be sent to the federal facility in Otisville, Orange County.

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If officials engage in corruption, she said, "this court will show you no mercy."

Percoco, joined by his attorney Barry Bohrer, told the court he was sorry for his actions.

"I live with the consequences every single day of my life," he said.

Earlier, Bohrer told the judge his client was a good man who stepped over the line and "went off the

rails in a couple of instances."

Outside court, Percoco declined to comment.

Caproni said while Percoco sought an ethics opinion, he did not adhere to it.

"Those are not the action acts of someone who is purer than pure who simply had a lapse of judgment," Caproni said. "Those are the actions of a corrupt public official with little respect for the law."

The sentencing — which also included three years of supervised release — marked the final downfall for Percoco, whose close ties with the Cuomo family date to his work for the late Gov. Mario M. Cuomo. The current governor once referred to Percoco as "my father's third son and my brother."

In March, a jury found Percoco guilty of corruption for taking bribes from businessmen in two schemes, both of which involved payments to Percoco's wife, Lisa Toscano-Percoco.

Peter Galbraith Kelly, a Connecticut-based executive at Competitive Power Ventures, an energy company, hired Lisa Percoco for a "low-show" \$90,000-a-year job at CPV teaching schoolchildren about energy.

On Thursday, Caproni deferred on the question of whether Percoco's wife should be able to hold on to roughly a third of the money she received from CPV, as proposed by his attorney. The judge said she wanted to give both sides more time to back up their arguments. Prosecutors oppose it.

The money was a back-door way for Kelly to help CPV's power plant in Orange County get an agreement with the state. At the time, the state was looking for replacement sources to generate energy in the event the Indian Point nuclear plant along the Hudson River closed.

Kelly also wanted CPV to get a "reciprocity agreement" from the state so it could transfer emission credits from New York to a CPV plant in Woodbridge, N.J. This would allow the plant to emit a type of

noxious oxide.

Percoco took an additional \$35,000 from two Syracuse businessmen, Steve Aiello and Joseph Gerardi of COR Development, who hoped to build a parking lot near an Inner Harbor hotel project in Syracuse — a plan that hit a snag when a lawyer for Empire State Development said it required a labor peace agreement.

Prosecutors said the COR executives wanted the state to expedite the release of funding it was set to receive and to facilitate a raise for Aiello's son, Steven, who worked for the governor.

On Thursday, the judge noted that Percoco exerted his muscle on behalf of the son of Aiello, bumping aide Andrew Ball out of his office in the executive chamber to a less desirable one.

"That, Mr. Percoco, is not leadership. It's not setting a good example. It's being a bully," the judge said.

Federal prosecutors for U.S. Attorney Geoffrey Berman, who was in the courtroom Thursday, asked Caproni to sentence Percoco to a significant time in prison.

Assistant U.S. Attorney Janis Echenberg said Percoco was Cuomo's closest adviser and "enforcer" who, when he told people to jump, they wanted to know how high.

"The need for deterrence, particularly in Albany, has not been diminished," she said.

As his sentencing approached, Percoco tried to convince Caproni that he was remorseful for his conduct.

"I lay awake at night filled not only with the fear of what is to come for me, or the pain or embarrassment that I have brought upon myself, but with tremendous remorse for my actions and regret for the damage I have caused to others," Percoco wrote in a letter to the judge. "I live with those feelings and that weight every minute of every day of my life."

Caproni said the defense's suggestion that he wasn't a public official because he wasn't elected was "unmitigated poppycock."

Percoco was found guilty of honest services fraud, conspiracy to commit honest services fraud, and solicitation of bribes and gratuities; he was acquitted of three other counts, including extortion.

Percoco's career in politics began when he was hired by Todd Howe, a onetime advance man for Mario Cuomo who ultimately became the conduit for bribes paid by the upstate development companies, COR and CPV.

Howe, who pleaded guilty to multiple felonies two years ago, was the star prosecution witness at last winter's trial of Percoco and the executives charged with paying him off. Emails obtained by federal investigators revealed the two men's talk of obtaining "ziti," a code word for cash borrowed from HBO's mob drama "The Sopranos," to help stem the rising tide of debt within Percoco's household.

Howe was arrested during the trial after it was revealed during cross-examination he tried to bilk his credit card company for a night's stay at the Waldorf-Astoria in Manhattan even as he was brokering a deal with prosecutors.

On Thursday, Echenberg said Howe was "one of the dirtiest lobbyists around" and who had "unchecked power" in his dealings with the Cuomo administration.

Caproni noted Percoco trusted Howe.

"Percoco was motivated by arrogance because he believed he could get away with it," she said. "His primary partner in crime was Todd Howe, who he trusted. He was loyal to Howe and he believed Howe would be loyal to him But, Mr. Percoco, there's no honor among thieves."

A second trial related to the upstate development scandal resulted in the conviction in July of former SUNY Polytechnic Institute founder Alain Kaloyeros, another Howe client.

Howe, Kaloyeros and a handful of executives who were also convicted or pleaded guilty in the two trials are awaiting sentencing.

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