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AIRTEL

TO: DIRECTOR, FBI
(ATTN: INTD)

FROM: ADIC, NEW YORK (105-156079) (C)

SUBJECT: IRRIGATION OF THE URUGUAYAN MILITARY WITH US CONGRESSMAN EDWARD I. KOCH (NY)

ReBuairtel, 11/22/76.

Information contained in reairtel was disseminated to the Intelligence Division, NYCPD on 11/24/76.
DIRECTOR, FBI

SAC, WFO (109-150) -RUC-

IRRITATION OF THE URUGUAYAN MILITARY WITH UNITED STATES CONGRESSMAN EDWARD I. KOCH, (NEW YORK)

Redistributed to NY, 11/22/76.

WFO determined that as of November, 1976, Congressman KOCH resides in the greater Washington, D.C. (WDC) area at 144 Duddington Place, S.E., WDC 22203.

The substance of referenced communication was telephonically furnished to Officer Metropolitan Police Department, WDC; and Officer U.S. Capitol Police, WDC, both on 11/26/76.
No Duplication Fees are charged for Deleted Page Information Sheet(s)

Total Deleted Page(s) ~ 2
Page 3 ~ Referral/Consult
Page 4 ~ Referral/Consult
To: SAC, Washington Field Office (62-0)  
Date: February 28, 1973

From: Director, FBI

Re: UNSUB, aka  Miss H. T. Lurye,  
Letter to Congressman EDWARD KOCH  
Postmarked 2/12/73 from Chicago, Illinois  
Containing threats regarding the destruction of New York City; MISC.

Examination requested: Document - Fingerprint

Reference: Airlalt dated 2/20/73  
Examination requested: Document - Fingerprint

Remarks:

The submitted evidence will be returned with the fingerprint report.

The search of the name "Miss M. T. Lurye" in the Identification Division revealed one fingerprint card for a TILLIE LURYE, Manteno State Hospital, Manteno, Illinois, No. 265731. This person, described as a white female, was fingerprinted in 1955. The signature on this fingerprint card is not adequate to permit a satisfactory handwriting comparison with the questioned writing on Q1 through Q3.

If an investigation is being conducted to identify the subject in this matter, TILLIE LURYE should be considered a possible suspect.

Enclosures (2) (2 Lab Report)  
1 - Chicago Enclosures (2) (2 Lab Report)  
2 - New York Enclosures (2) (2 Lab Report)
REPORT of the

FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

To: SAC, Washington Field Office (62-0)  Date: February 20, 1973
Re: UNSUB, aka
Miss M. T. Luryc
Letter to Congressman EDWARD KOCH
Postmarked 2/12/73 from Chicago, Illinois
Containing threats regarding the destruction of New York City: MISC.
2/21/73

Q1 Envelope postmarked "CHICAGO, ILL. PM 12 FEB "
bearing handwritten address "The Hon. U. S. Congressman,
State of N. Y. U. S. Congressional Office Bldg.
Washington D. C."

Q2 First page of accompanying two-page handwritten letter
dated 2/12/73 beginning "I am fully responsible for
these words, . . . ."

Q3 Second page beginning "The Space administration . . . ."
signed "Miss M. T. Luryc"

Result of examination:

Q1 through Q3 were not identified in the
Anonymous Letter File. Copies of these specimens have
been added to this file for future reference. No
watermarks, indented writing or other features were
found on Q1 through Q3 which would be of value in
determining the source of the specimens.

The submitted evidence was photographed and
will be returned separately.

LMS:bea
(5)
Laboratory Work Sheet

Re: UNSUB, aka Miss M. T. Lurye,
Letter to Congressman EDWARD KOCH
Postmarked 2/12/73 from Chicago, Illinois
Containing threats regarding the destruction of New York City; MISC.

QQ: Chicago
Examination requested by: WFO (62-0) airtel 2/20/73
Examination requested: Document - Fingerprint Date received: 2/21/73
Result of Examination: Examination by: 

1. Q1-43 not ident. ALF. Capræ.
2. No wm's or indant writing.
3. Evidence photos & returned to FFS.

T1F: TILLIE LURYE, Manteno State Hospital, Manteno, Ill. # 265731, White female, b. 7/12/1926.
Civil try 1/26/42 no criminal packet.


Q2 Accompanying two-page handwritten letter dated 2/12/73 beginning "I am fully responsible for these words, ..."

Q3 Second page of accompanying two-page handwritten letter beginning "The Space admin. of The U.S. Dept. of Justice, ..." with handwritten name "Miss M. T. Lurye" bearing handwriting on reverse side.

Handed lab report 1/15/73

2 2/28/73
1 Chicago
- New York

Photographed

RECORDED
FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE
2/21/73

NO LAB FILE
File # 62-115517
Lab. # D-730221108 12

LATENT
Q1 - envelope 9.44" by 4.14"  Thickness 0.030"-0.033" Airmail Tangue sheet
Q2 - sheet 9.5" by 10.86"  Thickness 0.025", 0.028"
Q3 - white no watermark

Impression of Q3 on Q2
No other indented impressions on Q1-3.
TO: ACTING DIRECTOR, FBI
ATTENTION: FBI LABORATORY AND IDENTIFICATION DIVISION

FROM: SAC, WFO (62-0) (C)

UNSUB; aka Miss M.T. Burre,
Letter to Congressman EDWARD KOCH
Postmarked 2/12/73 from Chicago, Illinois
Containing threats regarding the destruction of New York City MISC.
(00:CHICAGO)

Enclosed for the Bureau is the original and four xerox copies of letter addressed to "The Hon. United States Congressman, State of New York, United States Congressional Office Building, Washington, D.C." Letter states that unless someone assumes responsibility to stop another genocide murder in writer's family New York City is going to burn in gasoline. Letter appears to contain threats only against property and therefore is not considered to be within the extortion statute.

Enclosed for Chicago, which is designated office of origin are two copies of same material.

This material was received on 2/16/73 from Office of Congressman EDWARD KOCH, who advised he was only person in the Congressman's office to handle the letter.

SEALED
1 - Bureau
2 - Chicago
1 - New York
1 - WFO

FEB 22 1973

SEALED

FEB 22 1973

AF

Approved: Sent M Per
REQUEST OF THE BUREAU

Laboratory and Identification Division are requested to conduct appropriate investigation and furnish results to interested offices.

LEADS

CHICAGO

AT CHICAGO, ILLINOIS. Attempt to determine if any correspondence on record is similar or related to subject and advise interested offices.
RECORDED
2/21/73
 alf

Laboratory Work Sheet

File # 162-1155511
Lab.# D-73022108 KN

NO LAB FILE

Laboratory Work Sheet

Re: UNSUB, aka
    Miss M. T. Lurye,
    Letter to Congressman EDWARD KOCH
    Postmarked 2/12/73 from Chicago, Illinois
    Containing threats regarding the destruction of New York City; MISC.

OO: Chicago

Examination requested by: WFO (62-0) at airtel 2/20/73

Examination requested: Document - Fingerprint

Date received: 2/21/73

Examination by: [Blank]

Result of Examination:

LFPS will return Q1 & Q3


Q2 Accompanying two-page handwritten letter dated 2/12/73 beginning "Ad/ "I am fully responsible for these words, ..."

Q3 Second page of accompanying two-page handwritten letter beginning "The Space admin The U. S. Dept of Justice..." with handwritten name "Miss M. T. Lurye" bearing handwriting on reverse side

Exam LFPS returned 2-3 to W50 acw.
Feb. 12, 1973

Monday.

I am fully responsible for these words, that unless someone assumes responsibility to stop another Glencoe incident in my family, which just happens to be the Witek - New York City is going to burn in gasoline.

We are the County enforced law & assume any human civilized responsibility to stop the protectors and adherers.

To forest City seat Alliance in which I charge Ricks Capt 7 Accord, Hallows and the 48th Psychiatric police. Killings and murder Conduct by George Assault on my sanity & Physical Health in weather please to kill me Glencore.
I whole but it is duly forest,
Remain still work. There is not any reason why it cannot be stopped.

To prevent this murder as there was not any reason to murder? My health could not be stopped.

More care to assume responsibility
That all is alike as the reason
For this matter. I, Goddess
Forest, Command John.
The space administrator, Building
The U.S. Dept. I Justice has been
met, make a precise & refer
7/0 and to stop a war to end
Concern the death of my brother.

My advice

Assure Respectfully to Steff
That once

Mrs. M. T. Lange

Hollywood Social Engineer, etc. Cenistry
with the leader of the prepster
Biological, Psychological, Nerve
Warfare to fulfill me to U.S. Defl
I feel it is helpless.
Air Mail

Mr. Hon. U.S. Cong. Essent. State N.Y.
U.S. Cong. Personal Office Bldg.
Washington D.C.

3/4/53
DOCUMENT(S) CANNOT BE SCANNED

DESCRIPTION

PHOTO NEGATIVES
UNSUB., AKA,
MISS M. T. LURYE

RE:
LETTER TO CONGRESSMAN EDWARD KOCH
POSTMARKED 2-12-73 FROM CHICAGO, ILLINOIS
CONTAINING THREATS REGARDING THE DESTRUCTION
OF NEW YORK CITY

REFERENCE:
Airtel 2-20-73
EXAMINATION REQUESTED BY: FBI
SPECIMENS:
Envelope, Q1
Two-page handwritten letter, Q2 and Q3

Listed 3 specimens further described in separate laboratory report.

Five latent fingerprints of value were developed on the specimens.

Based on information furnished, no fingerprint record located here for M. T. Lurye. The latent prints are not identical with fingerprints of

(Continued on next page)
Tillico Lurie, #265731, Kenteno State Hospital, Kenteno, Illinois.

The specimens are enclosed.

No fingerprint record located here for
RECORDED
FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

2/21/73
alf Recorded: 3/1/73 9:00 am jaf

Laboratory Work Sheet

Received: 3/1/73

NO LAB FILE

Re: UNSUB, aka
Miss M. T. Lurye,
Letter to Congressman EDWARD KOCH
Postmarked 2/12/73 from Chicago, Illinois
Containing threats regarding the destruction
of New York City; MISC.

Examination requested by: WFO (62-0) airtel 2/20/73
Examination requested:

Result of Examination:

Examination by:

NOTED BY:

Q1 Envelope postmarked "CHICAGO, ILL. PM 12 FEB . . ." bearing
handwritten address "The Hon. U. S. Congressman, State of N. Y.
U. S. Congressional Office Bldg. Washington D. C."

First page of

Q2 Accompanying two-page handwritten letter dated 2/12/73
beginning "I am fully responsible for these words, . . ."

Q3 Second page of accompanying two-page handwritten letter beginning
"The Space admin . . . The U. S. Dept of Justice . . ." with
handwritten name "Miss M. T. Lurye" bearing handwriting on reverse
side

Examination Completed 3:20 pm 3/1/73

Dictated 3/1/73

An old 3-9-73 WFC . . .
Basis info. Furn. as P. record. Located here for m.T. review.

Specimens deselected, returned as Cns (3).
Laboratory report separate.
No. of P:~o~cs
Date of Defect
Examiner
Noted by
No. of Photos
TO: ACTING DIRECTOR, FBI

(ATTN: FBI LABORATORY IDENTIFICATION DIVISION)

FROM: SAC, CHICAGO (62-7046) (C)

SUBJECT: CHANGED

MAXENE T. LURYE;
LETTER TO CONGRESSMAN EDWARD KOCH, POSTMARKED 2/12/73,
FROM CHICAGO, ILLINOIS, CONTAINING
THREATS REGARDING THE DESTRUCTION
OF NEW YORK CITY
LISC.

CC: Chicago

Title changed to reflect true case of subject,
formerly captioned UNSUB; aka Miss M. T. Lurye;
LETTER TO CONGRESSMAN EDWARD KOCH, POSTMARKED 2/12/73,
FROM CHICAGO, ILLINOIS, CONTAINING
THREATS REGARDING THE DESTRUCTION
OF NEW YORK CITY.

Be WFO airtel to the Bureau, Chicago, and New
York, 2/20/73.

EX-103 REC 67 100-117 17

For info of the Bureau and receiving offices,
review of the Chicago Division files reflect that MAXENE
T. LURYE, DOE 7/4/68, who resides at 533 W. Addison St.,
Chicago, Illinois, has a history of being mentally deranged.

Bureau
1 - New York (62-0) (Info)
1 - WFO (62-0) (Info)
1 - Chicago
LISC

GCT-51
25 MAR 3 1973

INCONS 16N 7 - I 18

AUG 17 1973

Approved: Signature

Sent M Per
LUYE has contacted the Chicago Office on numerous occasions claiming to be a former member of the Communist Party (C.P.), and insists she and members of her family are being constantly followed and persecuted.

In view of the above, no further investigation should be conducted by the Laboratory and the Identification Division as previously requested by the Washington Field Office in referenced communication.
Memorandum

DATE: 12/31/74

ATTENTION: SA DIVISION EIGHT

TO: DIRECTOR, FBI
FROM: SAC, CHICAGO (62-7178) (RUC)

SUBJECT: CONGRESSMAN EDWARD KOCH;
SOCIAL SECURITY ADMINISTRATION - INFORMATION CONCERNING

Re Bureau telephone call to Chicago on 12/17/74; Chicago telephone call to Bureau on 12/17/74; and Bureau letter to Congressman KOCH dated 12/18/74.

On December 23, 1974, Social Security Administration, 165 North Canal Street, Chicago, Illinois, was contacted at his office. He was furnished a letter from Congressman KOCH regarding the overpayment, advised he has been in contact with his New York Office and Congressman KOCH's Office regarding captioned matter. He stated he reviewed subject's Social Security file and determined that he had received more money than he was entitled. This error is being corrected by taking additional money out of his normal check.

He stated the Reconsideration Section, usually handles this type of overpayment and he has been advised of the situation concerning the overpayment.

In addition, stated the building guards and Social Security personnel have been alerted.

On December 17, 1974, Sergeant Area One, Homicide/Sex Division, Chicago Police Department, was advised of the overpayment and his threats against the Social Security Administration.

2 - Bureau
1 - New York (Info)
1 - Chicago

DPK/pjs

(4)

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan
No Duplication Fees are charged for Deleted Page Information Sheet(s).

Total Deleted Page(s) ~ 2
Page 39 ~ Duplicate
Page 40 ~ Duplicate
1/19/77

TO: DIRECTOR, FBI (ATTN: ID/LFS)
FROM: ADIC, NEW YORK (9-DEO)
SUBJECT: UNSUB;
US CONGRESSMAN EDWARD I. KOCH -
VICTIM
POSSIBLE EXTORTION
(50:NY)

Enclosed for the Bureau are nine original envelopes with corresponding letters and one original letter without envelope. Also enclosed for the Bureau are xeroxed copies of outgoing communications from the office of EDWARD I. KOCH, written in November and December of 1976, by Staff Assistant VICTOR BOTHICK. Also enclosed are xeroxed copies of newspaper articles, etcetera for background information.

On 1/13/77, ADIC, NY was contacted by US Congressman EDWARD I. KOCH who advised that derogatory letters were being circulated to public officials in NY utilizing his stationery for unknown reasons. On 1/13/77, Congressman KOCH was interviewed by Agents of the NYO at which time he advised that Unsub in this matter had xeroxed a copy of an outgoing communication from his office omitting the body of the letter and had retyped a letter which contained derogatory information in reference to Congressman KOCH and Congressman HERMAN BADILLO. KOCH advised that numerous public officials in NYC had received these letters and because of this, he had to call a press conference to disclaim any knowledge of the letter.
The typewriter suffix on the xerox copy of the letters indicates that it is from an outgoing communication from his office written by his Staff Assistant VICTOR BOTNICK. Congressman KOCH advised that he has presently been attempting to clean up various drug rehabilitation clinics in the NYC area, one of which is known as \[\text{[ ]}\]

Because of the severity of the crime for which \[\text{[ ]}\] has been arrested in the past and also unconfirmed and indirect rumors of threats directed against Congressman KOCH in reference to his investigation, this matter is being vigorously pursued by the NYO.

ADMINISTRATIVE

AUSA \[\text{[ ]}\] EDNY, has been advised by the NYO of this investigation and has requested to be kept abreast of the developments in this case. \[\text{[ ]}\] has deferred any prosecutive opinion until completion of the investigation by the NYO.

REQUEST OF THE BUREAU

ID/LFS is requested to process enclosed letters and corresponding envelopes for latent fingerprints and to compare latent prints of value with the known fingerprints of \[\text{[ ]}\] and \[\text{[ ]}\].

In addition, ID/LFS is requested to review xeroxed copies of outgoing correspondence from VICTOR BOTNICK, Staff Assistant to Congressman KOCH which are enclosed. All BOTNICK's correspondence is marked EIK/e in the lower right hand corner of each correspondence.

ID/LFS is requested to review the closing of the letter "Sincerely EDWARD I. KOCH" in each of the letters to determine if any one of the xeroxed copies of the outgoing correspondence are directly comparable to any of the letters received by public officials here in NYC.
ID/LFS is further requested to analyze the typewritten characters on the envelopes enclosed to determine the make and type of the typewriting instrument used in this case.

ID/LFS is requested to advise NY as expeditiously as possible of the results of their examinations.
<table>
<thead>
<tr>
<th>Item</th>
<th>Date Filed</th>
<th>Disposition</th>
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<tbody>
<tr>
<td>1</td>
<td>11/3/77</td>
<td>Leng 선적</td>
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<tr>
<td>2</td>
<td>3/6/77</td>
<td>Cover Letter</td>
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<td>3</td>
<td>3/6/77</td>
<td>Letter dated 1/24/77 from</td>
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<tr>
<td>4</td>
<td>3/9/77</td>
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<tr>
<td>5</td>
<td>12/12/77</td>
<td>SDNU F C J Exhibit #2</td>
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<td>6</td>
<td>6/8/77</td>
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<tr>
<td>7</td>
<td>6/10/77</td>
<td>parcel: 1 envelope and</td>
</tr>
</tbody>
</table>

**Footnote:**
- Item 7: Broken package: 1 envelope, 1 evidence, 1 key: 87,659 (See 14)
File No. 7484-1A
Date Received 11/13/77
From 181-01
(NAME OF CONTRIBUTOR)
(Address of Contributor)

To Be Returned: Yes Receipt Given: Yes
No

Description: Newspaper clipping re Koch
Koch Acts to Block
Drug Center Funding

By MARTIN KING

Rep. Edward Koch (D-Manhattan) brought to light yesterday what he called a "crazy scheme" in which one city agency has cut off funds for a narcotics treatment center whose director is a convicted felon, while a second agency is considering turning over $604,129 to the same group.

In a letter to two city commission­ers, Koch said Robert Munoz is still the head of the Hispanic Association for a Drug Free Society (SERA) in the Bronx "despite city regulations prohibiting the continued employment of convicted felons."

Munoz was convicted in Federal Court in February of conspiring to extort money from building contractors by placing pipe bombs at construction sites. He was given a suspended sentence of 18 months in jail.

In a letter to two city commission­ers, Koch said Robert Munoz is still the head of the Hispanic Association for a Drug Free Society (SERA) in the Bronx "despite city regulations prohibiting the continued employment of convicted felons."

Munoz was convicted in Federal Court in February of conspiring to extort money from building contractors by placing pipe bombs at construction sites. He was given a suspended sentence of 18 months in jail.

Koch sent his letter to Commissio­ners Daniel Klepak of the Office of Drug Abuse Services and Jerome Hornblant of the Addiction Services Agency. He pointed out that in July the Human Re­sources Administration advised Victor Risso, chairman of SERA, in a letter that "unless immediate arrangements are made for the resignation or removal of Robert Munoz from an official capacity, we will be unable to consider funding any new contracts with your organization and will be forced to terminate the existing contracts."

Koch said, "Ironically, on the very day the Department of Social Services' agreement was to end — Nov. 18 — there appeared on the Board of Esti­mate Calendar an item to fund SERA to the extent of an additional amount of $604,129."

The funds were to be granted by the Addiction Services Agency, Koch said.

"Is it possible that on the one hand J. Henry Smith taketh away and on the other Jerome Hornblant giveth?" Koch asked in his letter.

"In a city considered to be bizarre, this is probably the best illustration of what could happen," Koch told The News.

"Taxpayers are incensed with rip-offs occurring in so many of our social pro­grams and they must come to an end," Koch said.

He called on Klepak and Hornblant to rescind the funding.

The next meeting of the Board of Esti­mate is scheduled for next Friday and "if they approve this crazy scheme they will be just as nutty as those who put it forward," Koch said.

At the same time, Koch said that everybody in treatment under the SERA program "must be given the opportunity to be treated equally in a comparable program." He stressed, however, that the alternate program should not have "comparable leadership."
File No. 97484-1A2
Date Received 3/10/77
From FBI HQ
(NAME OF CONTRIBUTOR)
(ADDRESS OF CONTRIBUTOR)

To Be Returned: [ ] Yes [ ] No
Receipt Given: [ ] Yes [ ] No

Description: [ ] Yes [ ] No

Cover Letter for specimens
UNSUB:
U.S. CONGRESSMAN EDWARD I. KOCH - VICTIM POSSIBLE EXTORTION

TO: ADIC, New York

DATE: March 7, 1977

Invoice of Contents

Q1 through Q18, nine envelopes with accompanying copies of letter
Q19, copy of letter

9-7484

All items listed above are contained in this package. A detailed description of items will be found in Bureau communication dated 3/7/77.

REGISTERED

LC. # B-43589
Interview of
at SERA 11/46 Clay Ave. Br, NY 3/18/77
NY 9-7484
Page

11:34 AM
Advice of Rights as per D-325
already be understand write
wished to waive them that
declared to execute waiver via
signature

(1) Did not write you a circular
take letter that put away into
(2) No going to "beat the shit out
of Dick in public in
Washington, DC can very or five
specifically Joe Phelps Primary
"I'll deal with the one on one
and I beat the shit out of him
with my own hands... he's
a pretty asshole... he's so shit
and I hate him
any enemy... I took Dick as a friend
by doing just made what the

I'm going to beat the fucking
shit out of him if I don't get
in jail... I'll tough
him... he can't deal with a man's
File No. 9-7484-1944
Date Received 2/18/27
From

To Be Returned [No] Yes Receipt Given [No] Yes

Description: FD-395 re
INTERROGATION; ADVICE OF RIGHTS

YOUR RIGHTS

Before we ask you any questions, you must understand your rights.

You have the right to remain silent.

Anything you say can be used against you in court.

You have the right to talk to a lawyer for advice before we ask you any questions and to have him with you during questioning.

If you cannot afford a lawyer, one will be appointed for you before any questioning if you wish.

If you decide to answer questions now without a lawyer present, you will still have the right to stop answering at any time. You also have the right to stop answering at any time until you talk to a lawyer.

WAIVER OF RIGHTS

I have read this statement of my rights and I understand what my rights are. I am willing to make a statement and answer questions. I do not want a lawyer at this time. I understand and know what I am doing. No promises or threats have been made to me and no pressure or coercion of any kind has been used against me.

Witness:

Witness:

Time:

[Handwritten note: Advised he did not wish to answer further but wished to be interned]
File No. 9-7484-1A5
Date Received 4/12/77

From

Charles E. Elbracht
(NAME OF SPECIAL AGENT)

To Be Returned □ Yes □ No
Receipt Given □ Yes □ No

Description:

SONY, F.G.J.
Exhibit #2,
Title: U.S. CONGREEMAN
       Edward J. Koch Victim
       Extortion Mail Fraud

Reference: SEE 2
    (Communication Enclosing Material)

Description: □ Original notes re interview of

Package Copy for 1/31. Evidence destroyed 8/21/89.
<table>
<thead>
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<th>Date Property Acquired</th>
<th>Source From Which Property Acquired</th>
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<tbody>
<tr>
<td>3-20-77</td>
<td>SA</td>
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<td>Lab specimen KI</td>
<td>SA</td>
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<td>Orig. envelopes</td>
<td>SA</td>
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<tr>
<td>and extortion letters</td>
<td>SA</td>
</tr>
<tr>
<td>obtained 1-15-77</td>
<td>1-18-77</td>
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<td></td>
<td>1-13-77</td>
</tr>
<tr>
<td>4/10/78</td>
<td>Original letter and envelope Rec'd by SA on 3/18/77</td>
</tr>
</tbody>
</table>
| Title and Character of Case | UJS CONGREMAN
EDWARD I. KOCH VICTIM
EXTORTION MAIL FRAUD
00:NY |
<table>
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<tr>
<td>Location of Property or Bulky Exhibit</td>
<td>Reason for Retention of Property and Efforts Made to Dispose of Same</td>
</tr>
<tr>
<td>VAULT</td>
<td>EVIDENCE AND INFORMATION RETAIN</td>
</tr>
<tr>
<td>Description of Property or Exhibit and Identity of Agent Submitting Same</td>
<td></td>
</tr>
<tr>
<td>(1) 3-20-77 Orig. envelopes and extortion letters obtained 1-1-77</td>
<td>SA I-18-77</td>
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<tr>
<td>(2) &quot; Lab specimen KL SA 1-18-77</td>
<td></td>
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<tr>
<td>(3) &quot; Orig. envelopes and extortion letter obtained 1-15-77</td>
<td>SA 1-13-77 lh</td>
</tr>
<tr>
<td>4. 4/10/78 Original letter and envelope Rec'd by SA on 3/18/77</td>
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</tr>
<tr>
<td>5. &quot; C20 thru Q36 extortion letters and envelopes Rec'd by SA on 3/21/77</td>
<td></td>
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</tbody>
</table>

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and Date)
On 1/13/77, this agent interviewed US Congressman EDWARD I. KOCH, in reference to an number of derogatory letters sent by an unknown individual thru the US Mail to various public officials in the NYC area containing information regarding Congressman KOCH and also US Congressman HERMAN BADILLO. Through conversations with US Congressman KOCH, it was ascertained that he had been involved in an investigation of S.E.R.A. and also in reference to misappropriation of government funds granted to S.E.R.A. by federal agencies. KOCH advised that he has published numerous public statements in reference to S.E.R.A. denouncing their activities and also has been instrumental via various other media making the public aware of the activities of

Information in reference to this is contained in In conjunction with the investigation involving the letters, this agent did a number of background checks concerning S.E.R.A. and also obtained information from other law enforcement agencies in reference to S.E.R.A.'s activities. This agent contacted the NYCPD Intelligence Unit, PO at phone number in addition to these individuals, Sergeant of the Bronx DA Squad, telephone number extension or was also contacted. It was ascertained through interviews
of the above police officers of the NYCPD, particularly
the Bronx DA's Office who is investigating the activities
of S.E.R.A. and also a misappropriation of
local funds. Information has been given to the NYCPD
by one who was
Information concerning can be found in NYfile. It is ascertained
through a review of this file that true identity is
who resides at An interview with
is scheduled by this agent to take place on 1/25/77, at
3:30 PM at present employment,

In addition to information can be provided by who is a present inmate at
the MCC, NY, NY, and was a and also

It is apparent through investigation that S.E.R.A.
is funded federally in an excess of $1,500,000.00, and that
specific guidelines were stated at the time of the grant.
From a superficial look at the activities of S.E.R.A., it is
apparent that a case should be opened at the NYO in
reference to FAG concerning the use of federal funds.
Attached here to are a number of documents obtained by this
agent, in his investigation of the original letters, which
pertain directly to the misappropriation of the funds by
the individuals as S.E.R.A. These documents were obtained
from the office of US Congressman KOCH and also through
other investigations. Results of the interview with will be forthcoming. Because of the nature of this investigation,
it should be noted that Accountants or SAS with an extensive
knowledge of accounting procedures will be necessary in order
to investigate this matter. The SDNY has not been contacted
thus far for a prosecutive opinion in reference to this case.

-2-
In view of the above facts, it is recommended this case be reassigned to an Accounting Squad, handling FAG matters. The original case involving the derogatory letters will be severed from this investigation and an independent investigation in reference to the letters will be conducted by this agent.
United States Congressman EDWARD I. KOCH was interviewed at his office, 26 Federal Plaza, Room 3139, New York, New York. Mr. KOCH advised that an unknown individual has been circulating letters throughout the New York City area containing derogatory information in reference to Congressman KOCH and in addition United States Congressman HERMAN BADILLO. Congressman KOCH advised the letters that are being circulated are xerox copies contained in originally typed envelopes. The above xerox letters that are being circulated contain the heading EDWARD I. KOCH, Congressman, Congress of the United States, House of Representatives, Washington, D.C. Congressman KOCH advised the letters that are being circulated are xerox copies of an outgoing correspondence of his with the omission of the body of the letter. Because of the volume of outgoing correspondence from his office, Congressman KOCH is unable to determine which particular outgoing correspondence from his office was used to duplicate the above-mentioned letters. Congressman KOCH advised that numerous public officials in the New York City area have received this letter, and because of same, he has had to publicly disclaim any knowledge of the letters.

Based on the information contained in the letters, particularly the suffix of the letters, it is indicated that the suffix EIK/e is a suffix used by a staff assistant of Congressman KOCH, one VICTOR BOTCNICK. Congressman KOCH stated that obviously the individuals that are circulating this letter at one time were in receipt of an original outgoing correspondence from his office from the pen of VICTOR BOTCNICK. Congressman KOCH continued that once in receipt of this letter, they simply had to omit the main body of the letter and xerox the captioned Congress of the United States and also KOCH's signature and the suffix of VICTOR BOTCNICK.

Congressman KOCH stated that he has been attempting for sometime to rectify some problems in relation to drug rehabilitation centers within the New York City area. One
Congressman KOCH advised that he has learned through a number of individuals that there are indirect threats that have been made against his life in connection with his investigation of the rehabilitation centers, in particular Sera. KOCH stated that because of this, he has contacted the New York City Police Department (NYCPD) on prior occasions.

Congressman KOCH stated that he plans to continue his investigation into the above drug rehabilitation centers, although he is concerned for his personal safety if he continues to do so. Congressman KOCH has previously advised that he previously wrote a letter to Attorney General LEVY requesting protection in connection with threats made against his life. Congressman KOCH stated that at the present time, he does not have serious reservations as per his personal safety, but he is concerned.

Congressman KOCH was advised that the New York Office (NYO) of the Federal Bureau of Investigation (FBI) will conduct investigation into this matter, and in turn will contact the United States Attorney's Office for prosecutive opinion in reference to this case.
2/22/77

TO: DIRECTOR, FBI (ATTN: ID/LFS)
FROM: ADIC, NEW YORK (9-7484)
SUBJECT: UNSUB:
US CONGRESSMAN
EDWARD I. KOCH - VICTIM
POSSIBLE EXTORTION
(CO: NY)

ReNYairtel to the Bureau, dated 1/19/77.

Enclosed for the Bureau are eight original letters with corresponding envelopes and one original letter without envelope.

Enclosed letters are additional forgeries received by local political figures in the NYC area.

REQUEST OF THE BUREAU

ID/LFS is requested to process enclosed specimens for latent fingerprint examination and to compare latents of

value with known fingerprints of

and

Lab is also requested to determine if typewriter used for preparation of envelopes in this submission is the same as prior.

3 - Bureau (Encs. 17)
(1 - ID/LFS)
1 - New York

DTT:mys
(5)

9-7484-4
On February 18, 1977, Special Agent (SA) [Redacted] of the New York Office of the Federal Bureau of Investigation (FBI) received a telephone call at approximately 4:00 PM from one VICTOR BOTCNIICK a staff assistant of United States Congressman EDWARD I. KOCH. Mr. BOTCNIICK advised SA [Redacted] that two individuals had entered the office of Congressman KOCH and were circulating pamphlets, one of which was a Mock Wanted Poster calling for the impeachment on Congressman KOCH.

Shortly after receiving this telephone call, SA [Redacted] responded to 26 Federal Plaza and upon entering the premises saw a number of vehicles in the immediate area with the above mentioned wanted posters pasted to the windshields. Numerous other wanted posters were observed on the ground and in the vicinity of 26 Federal Plaza. Upon walking up the steps and approaching the doorway to 26 Federal Plaza SA [Redacted] observed two males, one Negro male and one white male exiting the premises of 26 Federal Plaza. The time of this occurrence was approximately 4:20 PM. SA [Redacted] approached these two individuals and observed that they were in fact carrying a large number of these "wanted posters" calling for the impeachment of Congressman KOCH.

SA [Redacted] identified himself as being a SA of the Federal Bureau of Investigation (FBI) and inquired of the individuals if they were circulating the above mentioned wanted posters. Both of these individuals responded in the affirmative. SA [Redacted] then requested a proof of identity in the form of some identification. The Negro male responded that he did have some identification and showed SA [Redacted] a Social Security Card as well as other pieces of identification. The following is a description of that individual:

DATE OF TRANSCRIPTION: 2/23/77

2/18/77 New York, New York

File # NY 9-7484

SA [Redacted] am

Date dictated: 2/22/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
<table>
<thead>
<tr>
<th>Name</th>
<th>SALVADOR MATOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present Address</td>
<td>2232 Davidson</td>
</tr>
<tr>
<td></td>
<td>Apartment B52</td>
</tr>
<tr>
<td></td>
<td>Bronx, New York</td>
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<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Date of Birth</td>
<td>August 16, 1950</td>
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<tr>
<td>Sex</td>
<td>Male</td>
</tr>
<tr>
<td>Race</td>
<td>White</td>
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</tbody>
</table>

The white male with [ ] identified himself as:

Shorty after having conversations with [ ] and SALVADOR MATOS another individual who identified himself as:
Name: PHILLIP CIMARUSTI
Address: 2020 Continental Avenue
          Bronx, New York
Date of Birth: July 7, 1952
Sex: Male
Race: White
Height: 6'
Build: Slim

approached. CIMARUSTI advised that he had drive MATOS and:
approached to 26 Federal Plaza to distribute the wanted posters.

All individuals mentioned above declined to indicate
where they had received the above wanted posters. All individuals
above declined to give the name of the individual that dispatched
them on this particular mission.

Attached hereto are copies of the wanted poster
as well as another flyer distributed by the above mentioned
people entitled, "National Black Human Rights Committee"
and "National Association for Puerto Rican Civil Rights,
Incorporated", both at the address of 175 East 116th Street,
New York, New York.
PRESS RELEASE

FOR IMMEDIATE RELEASE

THE NATIONAL BLACK HUMAN RIGHTS COMMITTEE AND ITS COUNTERPART & THE NATIONAL ASSOCIATION FOR PUERTO RICAN CIVIL RIGHTS, IS INVESTIGATING ALLEGED CONFLICT OF INTEREST BY CONGRESSMAN KOCH AND MISUSE OF GOVERNMENT FUNDS.

1. NEPOTISM
2. DISCRIMINATION IN HIRING PRACTICES OF HIS ADMINISTRATIVE AIDS.
3. USING OFFICE SPACE, TELEPHONE AND CONGRESSIONAL PAID STAFF FOR CAMPAIGNING FOR MAYOR.
4. RESEARCH SOURCE OF ALL CAMPAIGN CONTRIBUTIONS.
5. IGNORING HIS OWN CONSTITUENCY'S NEEDS.
6. VOTING HIS OWN DICTATE NEEDS AS OPPOSED TO THE NEEDS OF HIS CONSTITUENCY.
7. NOT SPEAKING AGAINST THE CONSTRUCTION OF HIGH-RISE BUILDINGS AT THE EXPENSE OF POTENTIAL LANDMARK STRUCTURE BEING TORNED DOWN TO MAKE ROOM FOR THESE BUILDINGS WHICH RESULT IN OVER CROWDED OF ALL READY AND OVERLY CONGESTED AREAS; (UPPER EASTSIDE). ALLOWING CONSTRUCTION OF BUILDINGS WITHOUT GARAGE SPACES.
8. IGNORING THE NEEDS OF THE ELDERLY.
9. DEROGATORY REMARKS MADE ON HIS CONGRESSIONAL LETTERHEAD AGAINST THE BLACK VOTING CONSTITUENCY OF THE CITY OF NEW YORK.
10. USING PUBLIC OFFICE TO FURTHER HIS OWN PERSONAL NEEDS AND GAIN.
11. THE ATTORNEY GENERAL OF THE UNITED STATES IS CURRENTLY BEING REQUESTED TO INVESTIGATE THE APPROPRIATION THAT HAVE ESCALATED OVER A FOUR YEAR PERIOD FOR CONGRESSIONAL SALARIES FROM 70 MILLION DOLLARS TO 170 MILLION DOLLARS, WHY?

National Association
For Puerto Rican Civil Rights, Inc.
175 EAST 116TH STREET, NEW YORK, N.Y. 10029
Tel. 348-3973
NAME: KOCH THE CHICKEN
ADDRESS: 26 FEDERAL COOP
SEX: MALE
AGE: PAST RETIREMENT
COMPLEXION: YELLOW
HAIR: YELLOW
EYES: YELLOW
HEIGHT: MINUS ZERO
IDENTIFYING MARK: BROAD YELLOW STREAK

ID #:000000000000000000000000

CHARGE
BIGOTRY
TARGET VICTIMS
BLACKS & HISPANICS

WARNING
BIGOTRY COMMUNICABLE
BY ASSOCIATION
A CANCER TO SOCIETY

PUBLIC ENEMY NUMBER ONE !!!
CONGRESSMAN KOCH

VULNERABLE MISREPRESENTATIVE
THE MOST HONORABLE EDWARD KOCH ------ HIMSELF

CHARGED BY THE PEOPLE AND FOUND
QUilty
OF MISCONDUCT IN OFFICE

1. RECIDIVISM 6. OPPRESSOR
2. MUCKRAKING 7. GESTAPO TACTICIAN
3. PARTISANISM 8. SCHIZOPHRENIA TENDENCIES
4. NAZISM ORIENTED 9. EGOCENTRIC BRAGGART
5. DICTATORIAL 10. GENOCIDAL

IN OTHER WORDS, JUST A PLAIN BUM !!!
January 4, 1977

Congressman, Herman Badillo
840 Grand Concourse
Bronx, New York 10453

Dear Herman:

We have an agreement to launch our forces against the corrupt Beam Administration. We have spoken previously, that the City Administration has discriminated against the Hispanics. We have further, documented that the current administration, because of the black vote, has allowed the Black Power groups in the city to run part of his Administration.

Please note that we are now faced with a crisis should the City Administration suddenly, fall in the hands of a Black Mayor, all of my white constituents and the City will be forced to leave and will be powerless, taking the money with them and New York City will become a ghost City.

I urge you to join with me in making a public statement on behalf of those that have supported us financially in our present and future campaigns. I believe we owe it to those who have assisted us to remain in office.

Sincerely,

Edward I. Koch

[Signature]
UNSUB J: U.S. CONGRESSMAN EDWARD I. WOJK: VICTIM, POSSIBLE
EXTORTION. 00: NY.


TWO LATENT FINGERPRINTS DEVELOPED ON Q17, ENVELOPE POST-
MARKED "FLUSHING, NY 113 AM 12 JAN 1977", BEARING TYPED
ADDRESS "COUNCILMAN STEPHEN B. KAURMAN...", HAVE BEEN IDENTI-
FIED AS FINGER IMPRESSIONS OF

LABORATORY REPORT SEPARATE.

CONFIRMING.
TO: Ed Koch
FROM: Victor Botnick
SUBJECT: S.E.R.A.

On Wednesday evening about 7 o'clock I departed 26 Federal Plaza. As I pulled out of the underground garage I immediately noticed that a late model four-door brown sedan was following me. The car was one individual of heavy build who was talking into a microphone. I did not use the usual route rather I had to stop to pick up [redacted] who was attending a meeting not far from the office. As soon as I got into the car he noticed as well that the car mentioned above was in fact following us. As I pulled onto the F.D.R. Drive heading northbound I attempted to lose the other car and in fact I thought that I had. I pulled off the Drive at 23rd street and parked my car in the N.Y. Skyports Garage which is located at 23rd street and F.D.R. Drive. As I normally do I locked my anti-theft device which prevents the opening of the hood as well as cuts off the ignition. The next morning when [redacted] and I attempted to start the car the engine did not turn over. One feature of the anti-theft device is that the engine cannot be started if someone attempts to open the hood without disengaging the lock. I noticed that the hood was ajar although it had not been pried open. I opened the hood with a lot of difficulty and checked for any unusual objects. I and [redacted] did not notice anything. However, when I started to get back into the car I noticed on the garage floor 3 .22 caliber bullets (live) which I have in the office.

I called the F.B.I. and was informed that [redacted] was out of town and a message of what happened would be left and that I should call back on Monday. The Intelligence Division of N.Y.P.D. stopped by the office looked at the bullets and requested that I report the incident to the local P.D. I received a call from [redacted] who informed me that [redacted] had called and requested a job. He stated that if [redacted] division chief about this statement. [redacted] also stated that my life is worth about fifty cents for [redacted] is really not sure how much damage Koch has done.
At approximately 4:15 pm, 3/4/77, the writer was contacted at the SDNY by AUSA who was in telephonic contact with Supervisor. Supervisor instructed me to proceed to the office of Congressman EDWARD I. KOCH at 26 Federal Plaza to determine the details behind a memorandum from VICTOR BOTNICK, Administrative Assistant to Congressman KOCH.

I arrived at the Congressman's office and requested to speak to Mr. BOTNICK. While waiting for BOTNICK to return to the office, I was joined by SA

Upon BOTNICK's return, he was interviewed by SAS and provided the following information:

At approximately 7:00 pm, 3/2/77, BOTNICK left the underground garage at 26 Federal Plaza in his private car. As he exited the garage, he observed a late model 4 door vehicle, brown in color, possibly a Ford, occupied by a Black male who was talking into a microphone. BOTNICK did not observe any large antenna, such as a CB antenna.

When BOTNICK left the garage, the other vehicle followed him. BOTNICK did not go his usual route but rather had to pick up a co-worker at 350 Broadway. The other vehicle followed BOTNICK on his route. In an attempt to lose the other car, BOTNICK ran a red light at Church and Duane and turned right. After turning, however, he encountered another red light with traffic and was unable to run this one. The other vehicle soon turned the corner also and continued to follow BOTNICK.

As BOTNICK stopped at 350 Broadway to pick up his co-worker, the other vehicle was still following him. As the other vehicle was still following him. As he got into the car, he immediately remarked "That car's following you".
BOTNICK returned to the FDR Drive northbound, with the other car still following. He entered the Drive at the Brooklyn Bridge and on the ramp the other car pulled alongside BOTNICK’s car.

BOTNICK stated that he drove like a "bat out of hell" in an attempt to lose the other car. He believed that he had done so by the time he exited the FDR at 23rd St. To be sure, however, he pulled into the Gulf Station at the 23rd St. exit of the FDR and waited several minutes. He did not see the other car.

BOTNICK then parked his car in the New York Skyport Garage, also located at 23rd St. and the FDR, where he maintains a parking space. He pulled his car into his space, Number 29, which is located on the ground floor of the garage. He parks as he always does, head-in, with his bumper touching the wall, so as not to leave space to get in front of the car.

His vehicle is equipped with an auto theft device, which is operated by depressing a button under the dash. When he purchased the device, BOTNICK was told that the device protects the vehicle by disengaging the ignition if someone attempts to open the hood.

The next morning BOTNICK and [redacted] returned to the car and attempted to start it. They were unable to start it. They examined the car and determined that the hood had been released from its latch and was being held by the anti-theft device. They examined the vehicle for foreign objects and found none. Neither did they find any damage to the car.

As BOTNICK was reentering the car, however, he stepped on an object located near his right front fender. He determined that the object was a live .22 caliber bullet. Further examination located two other such bullets near the wall of the garage. He also located an empty plastic sandwich bag on the floor of the garage and put the bullets into the bag.

BOTNICK added the following information upon questioning:

He did not really observe the individual in the other car. The description was provided by [redacted] The garage is capable of holding approximately 400 cars on three levels. An attendant is always on duty but the driver has to park his own car.

He has also spoken to a Sgt. [redacted] NYPD Intelligence, who took BOTNICK’s statement, visited the garage, examined the bullets and requested BOTNICK to file a formal complaint with the local precinct.

BOTNICK stated that during the course of investigating he has been called by an unknown male who uses the name [redacted] has provided information regarding the S.E.R.A. operation. On 3/3/77, BOTNICK was called by [redacted] who stated that
an inmate of the MCC, who is also providing information in this matter, had called and requested a job. stated that if, his life was not worth a dime. then asked "How much is my life worth?" then replied "about 50¢".

was not available for interview as he was attending a fund-raising party for Congressman 's newly announced candidacy for the position of Mayor of NYC.

The SAS examined the area where stated that the other vehicle was parked and observed it to be directly in front of a fire hydrant.

had not told of this incident until Friday morning when made him write a memo setting forth details. stated "I'm not paying you to get killed".

A copy of 's memo to is attached.
REPORT

of the

FBI LABORATORY

FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

To: ADIC, New York (9-NEW) March 2, 1977

FBI FILE NO. 9-62498
LAB. NO. D-770127074 PF

Re: UNSUB;
US CONGRESSMAN EDWARD I. KOCH - VICTIM;
POSSIBLE EXTORTION

Specimens received: 1/25/77

Q1 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977," bearing typewritten address "Councilwoman, Miriam Friedlander City Council, City Hall New York, NY 10007"

Q2 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman: ..." and signed "Edward I. Koch"

Q3 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977," bearing typewritten address "Assemblyman William F. Passannante 72 Barrow St. New York, NY 10014"

Q4 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman: ..." and signed "Edward I. Koch"

Q5 Envelope postmarked "FLUSHING, NY 113 PM 12 JAN 1977," bearing typewritten address "Assemblyman Andrew J. Stein 315 First Ave. New York, NY 10003"

Q6 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman: ..." and signed "Edward I. Koch"
Q7 Envelope postmarked "FLUSHING. NY 113 AM 12 JAN 1977," bearing typewritten address "Queens Borough President Donald R. Manes 120-55 Queens Blvd. Kew Gardens, NY 11424"

Q8 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman:..." and signed "Edward I. Koch"

Q9 Envelope postmarked "FLUSHING. NY 113 AM 12 JAN 1977," bearing typewritten address "State Senator Joseph Zaretzki 60 East 42nd St. New York, NY 10017"

Q10 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman:..." and signed "Edward I. Koch"

Q11 Envelope postmarked "FLUSHING. NY 113 AM 12 JAN 1977," bearing typewritten address "State Senator Manfred Ohrenstein 720 Columbus Ave. New York, NY 10025"

Q12 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman:..." and signed "Edward I. Koch"

Q13 Envelope postmarked "FLUSHING. NY 113 AM 12 JAN 1977," bearing typewritten address "Borough President, Robert Abrams Bronx, 851 Grand Concourse Bronx, NY 10451"

Q14 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman:..." and signed "Edward I. Koch"

Q15 Envelope postmarked "FLUSHING. NY 113 AM 12 JAN 1977," bearing typewritten address "Councilman Carol Greitzer 51 Chambers St., Room 429 New York, NY 10007"

Q16 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman:..." and signed "Edward I. Koch"

Q17 Envelope postmarked "FLUSHING. NY 113 AM 12 JAN 1977," bearing typewritten address "Councilman Stephen B. Kaufman 120-24 Donizetti Place Bronx, NY 10475"
Specimens Q1 through Q19 were searched in the appropriate sections of the Anonymous Letter File without affecting an identification. Representative copies have been added to this file.

Q1 through Q19 contained no watermarks or indented writing of significance which would assist in the determination of their immediate source.

The typewriting on the nine questioned envelopes, described above, most closely resembles Laboratory standards for a Remington pica style of type having a horizontal spacing of ten characters per inch.

The typewriting on the ten questioned photocopy letters most closely resembles Laboratory standards for an elite, sans serif style of type having a horizontal spacing of twelve characters per inch. The make and model of the typewriter used to prepare these questioned letters was not determined.
Examination of the questioned photocopy letters revealed characteristics usually found in indirect electrostatic process photocopiers which utilize sheet-fed plain paper such as Xerox.

When the ten questioned photocopy letters were compared with the photocopy letters in Kcl, nothing of a particular significance was noted which would indicate any of the available EDWARD I. KOCH signatures in Kcl were used as a model for the Edward I. Koch signatures in the questioned letters.

The submitted material has been photographed. Specimen Kcl and the ALSO SUBMITTED item are returned herewith while Q1 through Q19 will be returned separately with the results of the requested latent fingerprint examination.
To: ADIC, New York (9-NEW)  March 2, 1977

From: Director, FBI

FBI FILE NO.  9-62498
LAB. NO.  D-770127074 PF

Re: UNSUB;

US CONGRESSMAN EDWARD I. KOCH - VICTIM;
POSSIBLE EXTORTION

OO: New York

Examination requested by: New York

Reference: Airtel 1/19/77

Examination requested: Document - Fingerprint

Remarks:

The handwritten note on the questioned photocopy letters is suitable for comparison with any comparable known writing which might be obtained and submitted. For your information, the typewriting on the submitted items contains too few individual identifying characteristics to permit an identification with a known typewriter. You may wish to consider obtaining and submitting samples of typewriting from all the typewriters used at the victim's office so a determination can be made whether any of the office typewriters are the same style as the questioned typewriting, especially the typewriters used to prepare the Kcl letter to [redacted] (12/10/76) and [redacted] (12/3/76). This is not to imply these typewriters may have been used in the preparation of the questioned typewriting.

Enclosures (4) (2 Lab report, Kcl and ALSO SUBMITTED)

DO NOT INCLUDE ADMINISTRATIVE PAGE(S) INFORMATION IN INVESTIGATIVE REPORT

ADMINISTRATIVE PAGE
Memorandum

TO: SAC EDWARD FOLEY

FROM: ASSISTANT DIRECTOR J. WALLACE LA PRADE

DATE: 3/4/77

SUBJECT: EXTORTION

This is to record a telephone call received from Congressman ED KOCH at 3:00 p.m. 3/4/77. He discussed with me a memorandum he had received from his employee, VICTOR BOTNICK, which memorandum was dated 3/4/77, and pertains to an incident occurring on the evening of 3/2/77, which Congressman KOCH feels is a threat to do bodily harm. The memorandum was transmitted to this office by telex and is attached.

Upon being informed of the substance of the memorandum by Congressman KOCH, I informed him this act in itself does not appear to be a violation within the jurisdiction of the FBI. However, concerning our ongoing investigation of the situation he had previously reported to us, this information would certainly be of interest and could possibly be of evidentiary value.

Congressman KOCH was advised I would discuss this matter with USA ROBERT FISKE and he could be assured that appropriate action would be taken. He also was informed that there had been some investigative developments in the letter situation. He was curious as to the details which I respectfully declined to supply.

Mr. FISKE telephoned at 4:10 p.m. today and in discussing this matter he stated Congressman KOCH had telephoned him pertaining to the memorandum and he had suggested to AUSA that the FBI Agent handling the case be contacted and requested to interview the individuals mentioned in the last paragraph of the MEMORANDUM supplied to Congressman KOCH as this could be pertinent. We discussed the extortion aspect and he stated his office was not in possession of any material on this although they do have before the Grand Jury another matter pertaining to S.E.R.A.

It was agreed that the Agent handling the investigation in the N.Y.O. would discuss fully today the information available and consider whether prosecution could be obtained or whether it would be best to proceed before Grand Jury.

G. M. 14-84-13

MAR 4 1977

**FEDERAL BUREAU OF INVESTIGATION**

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<tr>
<th>REPORTING OFFICE</th>
<th>OFFICE OF ORIGIN</th>
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<td>NEW YORK</td>
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**TITLE OF CASE**

CHANGED

**REPORT MADE BY**

SA

dtt

**CHARACTER OF CASE**

EXTORTION / MAIL FRAUD

**US CONGRESSMAN EDWARD I. KOCH**

Victim;

**TITLE CHANGED** to reflect the name of now considered a subject in the case. Case formerly entitled Unsub, etc...

Re NY airtels to Bu dated 1/19/77 and 2/22/77.
Bu teletype to NY dated 3/5/77.

- P -

**LEADS**

New York at New York City

Will continue investigation, and follow and report prosecution.

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<th>ACCOMPLISHMENTS CLAIMED</th>
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**APPROVED**

SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

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<th>AGENT IN CHARGE</th>
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**EDNY (Atttn: AUSA)**

- 7484-74 -

**Dissemination Record of Attached Report**

- Notations -
UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

USA, EDNY (Attn: AUSA) [Redacted]

SA Office: New York, New York

March 9, 1977

Field Office File #: 9-7484

Bureau File #: 9-62498

UNITED STATES CONGRESSMAN EDWARD I. KOCH - Victim;

EXTORTION; MAIL FRAUD

Synopsis: On 1/13/77, Congressman KOCH advised that a forged and fictitious letter bearing his signature and written on his official congressional stationery was being circulated to numerous public officials in the New York City area. Based upon FBI Laboratory analysis, it has been determined that two latent fingerprints of [Redacted] are located on an envelope used to convey the above described letter. The envelope in question was addressed to "Councilman Stephen B. Kaufman, 120-24 Donizetti Place, Bronx, NY 10475". The above envelope was postmarked "FLUSHING, NY 113 AM 12 JAN 1977". AUSA, EDNY considering prosecution.

DETAILS

This case is predicated upon receipt of information from United States Congressman EDWARD I. KOCH, that a forged and fictitious document bearing a signature similar to his and written on his official congressional stationery, was being circulated to numerous public officials in the New York City area.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
On January 13, 1977, Special Agent [Name] of the New York office of the Federal Bureau of Investigation, received from [Name] United States Congressman EDWARD I. KOCH, the following original envelopes and corresponding letters:
On January 18, 1977, Special Agent [Redacted] of the New York office of the Federal Bureau of Investigation, received from [Redacted] United States Congressman EDWARD I. KOCH, the following original envelopes with corresponding letters:

Interviewed on 1/18/77 at New York, New York File # NY 9-7484

by [Redacted] /dtt Date dictated 1/18/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
January 4, 1977

Councilwoman, Miriam Friedlander
City Council, City Hall.
New York, NY 10007
Assemblyman Andrew J. Stein
315 First Ave.
New York, NY 10003

880 Third Avenue 14th fl. "F"
New York, N.Y. 10022
State Senator Joseph Zaretzki
60 East 42nd St.
New York, NY 10017
Borough President, Robert Abrams
Bronx, 451 Grand Concourse
Bronx, 10451

GM 1/3/77
UNSUB.

RE:  U.S. CONGRESSMAN EDWARD I. KOCH - VICTIM
POSSIBLE EXTORTION

REFERENCE: Airtel 1/19/77, and telephone call 3/4/77
EXAMINATION REQUESTED BY: New York
SPECIMENS: Q1 through Q18, nine envelopes with accompanying copies of letter
Q19, copy of letter

This report confirms and supplements the information furnished your office by telephone on March 3, 1977, and teletype dated 3/4/77.

The listed Q specimens are further described in a separate laboratory report.

Forty-seven latent fingerprints and three latent palm prints of value were developed on fourteen of the specimens. No latent prints of value were developed on the remaining specimens.

Two of the latent prints, developed on Q17, envelope postmarked "FLUSHING. NY 113 AM 12 JAN 1977," (Continued on next page)

Assistant Director, Identification Division

THIS REPORT IS FurnISHER FOR OFFICIAL USE Only
ADIC, New York
March 7, 1977

bearing typewritten address "Councilman Stephen B. Kaufman
120-24 Donizetti Place Bronx, NY 10475," have been ident-
tified as impressions of the right and left thumbs of

Three of the latent fingerprints (tips and sides) were compared, insofar as possible, with the available
fingerprints of [ ] and [ ] but
no identification was effected. The remaining latent
fingerprints are not identical with the fingerprints of these
two individuals. No palm prints are available here for
these persons.

The specimens are being returned under separate
cover.
Contact has been maintained with AUSA, EDNY regarding this case by SA _______. On 2/25/77 AUSA _______ advised that he is considering prosecution of this case under the federal mail fraud statute. AUSA _______ stated that he is reserving a final determination until he is in receipt of all FBI Laboratory reports.

The last contact with AUSA _______ by SA _______ was on 3/9/77.
To: ADIC, New York (9-7484)                                      March 11, 1977

FBI FILE NO. 9-62498

LAB. NO. D-770225017 TS

REPORT
of the

FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

Re: EDWARD I. KOCH - VICTIM;
POSSIBLE EXTORTION

Specimens received 2/24/77

Q20 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977" bearing typewritten address "Assemblyman Arthur J. Cooperman . . ."

Q21 Photocopy of typewritten letter with Congress of the United States House of Representatives letterhead, dated 1/4/77, beginning "Dear Herman: . . ." and signed "Edward I. Koch"

Q22 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977" bearing typewritten address "Assemblyman Alfred A. Delli Bovi . . ."

Q23 Photocopy of letter in the same wording as Q21

Q24 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977" bearing typewritten address "Congressman Bertram L. Podell . . ."

Q25 Photocopy of letter in the same wording as Q21

Q26 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977" bearing typewritten address "Congressman Joseph P. Addabbo . . ."

Page 1 (over)
Q27 Photocopy of letter in the same wording as Q21

Q28 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977" bearing typewritten address "United State Senator, James L. Buckley ..."

Q29 Photocopy of letter in the same wording as Q21

Q30 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977" bearing typewritten address "Councilman Carter Burden ..."

Q31 Photocopy of letter in the same wording as Q21

Q32 Envelope postmarked "BRONX, NY 104 PM 13 JAN 1977" bearing typewritten address "WCBS TV Station ..."

Q33 Photocopy of letter in the same wording as Q21

Q34 Envelope postmarked "FLUSHING, NY 113 AM 12 JAN 1977" bearing typewritten address "Congressman Mario Biaggi ..."

Q35 Photocopy of letter in the same wording as Q21

Q36 Photocopy of letter in the same wording as Q21

Result of examination:

The questioned typewriting on the envelopes designated Q20, Q22, Q24, Q26, Q28, Q30 and Q34 most closely resembles a Laboratory standard for a Remington pica style of type with a horizontal spacing of ten characters per inch.

The questioned typewriting on the envelope designated Q32 most closely resembles a Laboratory standard for an IBM pica style of type. It is noted that the type is spaced 2.12 millimeters per character.

The typewriting on the nine questioned envelopes, previously submitted, and the questioned envelopes designated Q20, Q22, Q24, Q26, Q28, Q30 and Q34 match. However, due to the absence of identifying characteristics, no conclusion was reached whether this typewriting was or was not prepared by one or more than one typewriter.

The typewriting on Q32 is different than the typewriting on the envelopes submitted to date.

Q20 through Q36 have been photographed and will be returned with the results of the latent fingerprint examination.
To: ADIC, New York (9-7484)

From: Director, FBI

Re: US CONGRESSMAN EDWARD I. KOCH - VICTIM; POSSIBLE EXTORTION

Examination requested by: New York
Reference: Airtel 2/22/77
Examination requested: Document - Fingerprint
Remarks: 

Enclosures (2) (2 Lab report)
TO: ADIC, New York

RE: UNSUB.
U.S. CONGRESSMAN
EDWARD I. KOCH - VICTIM
POSSIBLE EXTORTION

REFERENCE: Airtel 2-22-77
EXAMINATION REQUESTED BY: New York
SPECIMENS: Q20 through Q35, eight envelopes with accompanying copies of letter
Q36, copy of letter

The listed Q specimens are further described in a separate laboratory report.

Ten latent fingerprints and one latent palm print were developed on Q20, Q24, Q32, Q33, and Q35. No latent prints of value were developed on the remaining specimens.

The latent fingerprints are not identical with the fingerprints of

No palm prints are available here for these persons.

The specimens are enclosed.

Enclosures (17).

Assistant Director, Identification Division

THIS REPORT IS Furnished FOR OFFICIAL USE ONLY 9-74 84-22
FM NEW YORK (9-7484)
TO DIRECTOR (9-62498) ROUTINE
BT
CLEAR

U.S. CONGRESSMAN EDWARD I. KOCH - VICTIM;
EXTORTION-MAIL FRAUD, (OO: NEW YORK).

RE NEW YORK AIRTLE TO BUREAU, MARCH 21, 1977, AND
NEW YORK TELEPHONE CALL TO BUREAU, MARCH 21, 1977.

________ INTERVIEWED MARCH 18, 1977, BY BUREAU AGENTS.
DENIED INVOLVEMENT IN PREPARATION AND CIRCULATION
OF LETTERS ON KOCH'S STATIONERY. DID ADVISE AGENTS
HE PLANS TO PHYSICALLY ASSAULT CONGRESSMAN KOCH WITH HIS
FISTS WHEN HE IS RELEASED FROM FEDERAL PROBATION,
SDNY. STILL HAS ONE YEAR LEFT ON HIS PROBATION
SENTENCE.

FACTS OF ABOVE INTERVIEW RELATED TO AUSA'S, EDNY
AND SDNY. BOTH DISTRICTS STILL CONTEMPLATING FEDERAL
PAGE TWO

PROSECUTION; HOWEVER, LAB RESULTS REQUESTED IN REFERENCED COMMUNICATION ARE REQUIRED TO DETERMINE PROSECUTIVE DIRECTION. BUREAU IS REQUESTED TO ADVISE NYO AS EXPEDITIOUSLY AS POSSIBLE OF RESULTS OF EXAMINATION.

CONGRESSMAN KOCH HAS BEEN CONTACTED BY USA, SDNY, RE NATURE AND RECEIPT OF THREATS.

BT
3/21/77

TO: DIRECTOR, FBI (9-62498) (ATTN: FBI LAB/DOCUMENT SECTION & ID/LFS) (LATENT CASE# B-43598) (LAB # D770127074F)

FROM: ADIC, NEW YORK (9-7484)

SUBJECT: US CONGRESSMAN EDWARD I. KOCH - VICTIM; EXTORTION - MAIL FRAUD (00:NY)

Enclosed for the Bureau are:

[Redacted]

On 3/18/77 was interviewed by NYO Agents at Bronx, NY, provided the enclosed

REQUEST OF THE BUREAU

FBI Lab/Document Section is requested to compare

[Redacted]

with handwritten

note on questioned photocopy letter referring to your laboratory report, dated 3/2/77.

The ID/LFS is requested to search their records for civil fingerprints of two US Justice Department employees:

1. [Redacted] Place of employment - Department of Justice, 26 Federal Plaza, New York, NY, [Redacted] is a GS-13 and has been employed by the Justice Department for approximately nine years.

4 - Bureau (Encs. 3) (1 - FBI Lab/Document Section)

(1 - ID/LFS)

New York [Redacted] [Redacted]

FILED 9-7484-24
2. Place of employment - Department of Justice, 26 Federal Plaza, New York, NY, in the capacity of has been employed in this capacity for approximately nine years.

Both aforementioned individuals are of this inquiry.

If fingerprints are obtained in reference to these individuals, the ID/LFS is requested to compare them with latent fingerprints of value obtained from prior submission.

The Lab and the ID/LFS are requested to advise NY as expeditiously as possible of the results of the requested investigation.
with the Department of Justice Community Relations Service, 26 Federal Plaza, New York, New York, was interviewed by agents concerning his knowledge of a fraudulent letter circulated in the New York City area bearing the stationery of Congressman EDWARD I. KOCH, dated January 4, 1977. Advised that in addition to his position with the Justice Department, was displayed a copy of the aforementioned letter at which time he advised that he did not participate in the preparation or circulation of this letter.

Further stated that he has not heard from any individual in particular that they or he was in fact responsible for the preparation and the circulation of this letter. The following background information was obtained from 

Name  
Race  
Sex  
Date of Birth  
Employment  

Present Grade Rank  
Length of Employment  
Home Address

Interviewed on 3/18/77 at New York, New York  
File # NY 9-7484  

SAS, DIT/kp  

Date dictated 3/22/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
Department of Justice, Community Relations Service, was interviewed at his place of employment at 26 Federal Plaza, New York, New York. Advised agents that in addition to his position with the Department of Justice, was displayed a copy of a fraudulent letter circulated in New York City, dated January 4, 1977, on the stationery of EDWARD I. KOCH, House of Representatives, Congress of the United States. Advised that he was not responsible for the preparation or the distribution of the above mentioned letter. Further stated that he is not in receipt of information concerning any individual that was involved in the preparation or circulation of the above letter.

The following background information was obtained from

Name
Race
Sex
Date of Birth
Present Position

Length of Service

Interviewed on 3/18/77 at New York, New York File # NY 9-7484-26

by: SAS

Date dictated 3/22/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
At approximately 11:45 AM, Special Agents (SAS) and inquired at the reception desk of [Redacted] that they be permitted to speak to the above mentioned firm. One [Redacted] After waiting approximately 15 minutes, the agents were escorted to the office of [Redacted] wherein approximately 15 to 20 individuals were gathered. SA [Redacted] advised [Redacted] and other individuals present in the room that his purpose for the visit was to [Redacted]
FEDERAL BUREAU OF INVESTIGATION

Date of transcription: 4/4/77

also known as (aka)

furnished the following information:

the Hispanic Association
For A Drug Free Society, a Bronx Addiction Rehabilitation Program known as S.E.R.A. and

following disagreements between he and
and others at S.E.R.A. regarding the operation
of the program. 

He saw a letter addressed
to Representative HERMAN BADILLO and purportedly signed
by Representative EDWARD KOCH but stated that he was not
the eyewitness eluded to by an article in the New York
Times of March 29, 1977. He did talk to HOWARD BUNI,
Author of the Times article but reiterated that he was
not the eyewitness associate eluded to in that article.

He analyzed the situation surrounding the
fictitious letter in the following manner:

A few months ago, the New York Times contacted
while was in the
presence of and his girlfriend
During the ensuing weeks, talked to
several times regarding this and seemed to be
very upset, continued to talk about this and the
matter of the fictitious letter. would not
elaborate on any details but he indicated that those
responsible for this letter are two other

had not only involved in the
preparation of this letter but also happened to run the
xerox machine where the letters were more than likely
copied. has worked for the program for four or
five years and is an ex-graduate of that program.

Interviewed on 3/30/77 of Bronx, New York File # NY 9-7484-29

by

Date dictated 4/4/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency;
it and its contents are not to be distributed outside your agency.
At the outset of this interview, indicated that he had no knowledge whatsoever regarding who might have prepared or been involved in the sending of this letter. However, during the interview, related the above information but reiterated that he was not an accomplice to this. He is currently unemployed and drawing his Unemployment Insurance but stated that he intends to institute some action against and the New York Times regarding their stand on the program. He would not elaborate as to how he might do this.
the Hispanic Association For A Drug Free Society, Also Known As, S.E.R.A., 1776 Clay Avenue, Bronx, New York, was interviewed by Special Agents (SAS) of the New York Office (NYO) of the Federal Bureau of Investigation (FBI). _______ was asked by the agents if he would permit the agents to conduct a series of interviews with employees at S.E.R.A. _______ advised that he would not permit such interviews and that the agents should obtain "due process" meaning subpoenas from the appropriate legal authorities. _______ stated that he would not permit any _______ to be interviewed by the FBI.

Interviewed on 3/30/77 at Bronx, New York File # NY 9-7484 - 30

SAS & UIT/kp Date dictated 4/1/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
201 East 69th Street
New York, New York 10021

Honorable
United States Attorney
Eastern District of New York
United States Federal Building
225 Cadman Plaza East
Brooklyn, New York 11201

Attention: Assistant United States Attorney

Re:
United States Congressman
Edward I. Koch-Victim;
Extortion/Mail Fraud

Dear Sir:

On March 18, 1977, [Name Redacted] was interviewed at his place of business, The Hispanic Association For A Drug Free Society also known as SERA, 1776 Clay Avenue, Bronx, New York. [Name Redacted] was interviewed at that time by Special Agents of the Federal Bureau of Investigation at which time he gave a statement to the interviewing agents. The statement given on March 18, 1977, by [Name Redacted] is reflected in the attached FD-302.

Very truly yours,

J. WALLACE LA PRADE
Assistant Director In Charge

Addressee: New York

DTT: am
(2)
Bronx Drug Program Under Investigation

By Howard Blum

The Hispanic Association for a Drug-Free Society, a Bronx addiction rehabilitation program known as S.E.R.A, that receives over $32 million a year in Federal, state, and city grants, is being investigated by a Federal grand jury for "wide-ranging abuses of poverty funds," according to law enforcement officials.

The United States Attorney's Office, working with the city's Department of Investigation, has issued subpoenas and convened a grand jury to hear testimony.

S.E.R.A.'s recent purchase, with Federal funds, of a building in the East Bronx from a group that included the organization's former lawyer, the group made a $275,000 profit—literally—within hours.

Alleged misuse of Federal funds, forged payroll checks, fictitious enrollment, and the employment of association residents for the profit of the organization's administrators.

Suspected irregularities and criminalities in the group's methadone program, which a police-intelligence officer described as "obviously one of the major sources for methadone sold on the streets of the South Bronx."

The widespread mailing of a fictitious

Continued on Page 2, Column 2

(Date: 7/29/77
Author: Howard Blum
Title: Page 1
Character: 9-7484
Classification: Submitted Information
Submitted Office: }

-1-
Robert Munoz, head of the Bronx rehabilitation program, under investigation, says that all charges against him are untrue.

In 1975, Mrs. Munoz was convicted of one count of conspiracy to receive kickbacks and was sentenced to 18 months' imprisonment, which was suspended. He was then on two years' parole. He was rehired as director of the association, which was a non-governmental organization, and the association hired him. The organization had expanded under his leadership into a larger program including more than 100 clients.

In the city's Human Resources Administration, the association has criticized Mrs. Munoz's continued role in the organization, saying his Commissioner, the agency's head, has criticized him for his performance. "S.E.R.A. is delivering a needed service in an adequate manner. We haven't been able to find any evidence of any serious wrongdoing."

Using information provided by the Federal Bureau of Investigation, the city police, the Department of Investigation, the city Comptroller's office, and a very valuable Government witness, who is being considered for the Federal witness-protection program, the United States Attorney for the Southern District recently convened a grand jury that is expected to hear detailed testimony in the following areas:

PURCHASE OF 1778 CLAY AVENUE

On Jan. 17, 1977, the association purchased the former Hebrew Hospital for the Chronically Sick, for $350,000, from the 1778 Clay Avenue Corporation. The terms of the transaction were $25,000 down, $350,000 mortgage from Fleet Savings Bank, and a $275,000 second mortgage to the 1778 Clay Avenue Corporation. The funds for the purchase were provided, according to Mr. Munoz, by the association's rent allocation from the National Institute of Drug Abuse. However, according to a spokesperson for the Institute, the association did not obtain the necessary agency approval for such a transaction.

The United States Attorney's office is also concerned, by the fact that earlier on, the same day, when the association executed its purchase of the building for $350,000, the 1778 Clay Corporation purchased the property from the Hebrew Hospital for the Chronic Sick for only $75,000.

The four principals of the 1778 Clay Avenue Corporation include Murray Richman, Robert Munoz, his personal attorney, during his bombing and extortion trial, and a former corporate attorney for the...
association, and Efrain Gonzalez, a board member of the National Association for Puerto Rican Civil Rights Inc., whose president is Robert Munoz. The four principals of the corporation have been subpoenaed by the grand jury.

The executive director and at least two other officers of the Hebrew Hospital have also been subpoenaed.

Richard Schlesovsky, the executive director of the hospital, said: "The decision was made by the board of directors, No, we never advertised or consulted a broker. We just thought this was the best deal we could get."

"TWO TROUBLING AUDITS"

"A visit to S.E.R.A. by a member of the city comptroller's staff last September to inspect a $63,185 office-skills training program resulted in a memo that could cost the organization millions in public funds. The memo reported that many of those enrolled in the program were not ex-addicts as the contract with the city required but "mothers from the neighborhood," "over half of new placements were for jobs in S.E.R.A.'s own offices, a situation that raised doubts in the comptroller's office not only about the effectiveness of the program, but also about suspected double-bilings, and that the city might have been billed for rents and telephone charges totally covered by other Federal contracts."

"It was that -- memo which got us started on S.E.R.A.," said an official in the Comptroller's office. "We immediately began a full-scale audit."

An internal report in February by Comptroller Harrison J. Goldin on the still-uncompleted audit cited "forged" payroll checks, some of them to fictitious names, "no reconciliation of S.E.R.A. payroll accounts for many months," and questionable charges of "rent, payments to contracts, although actual payments have not been made."

The final audit, which is expected to be made public next month, "will show, according to persons familiar with its findings, "a $200,000 accumulation of unpaid bills and that these unpaid bills are financing non-governmental or nonacceptable programs."

"It's simply a $200,000 'slush fund', funded with public money."

METHADONE IREGRULARITIES

"Law-enforcement" agencies have received testimony asserting that the association's methadone program is receiving Federal funds for "unfilled beds" and that drugs are dispensed by unauthorized personnel; that, arbitrary, determination of methadone dosage is commonplace, and that nonaddicts are enrolled in the program to create more favorable statistics."

Dr. Christ Zois, the association's medical director, commented on these allegations: "I guess it may be true that people can come in and be put in the methadone program without properly checking them to see if they are addicts. But we have a policy to do with everyone who comes in."

"A city police intelligence officer commented further: "We've had undercover agents trying to make buys of methadone inside S.E.R.A., but we've never had any success. We're able to go just down the block, though, and buy all the methadone we could want. We know we're buying stuff from S.E.R.A. It's obviously one of the major sources for methadone sold on the streets of the South Bronx."

FICTITIOUS LETTER

Following the Human Resources Administration's decision in November, 1976, to terminate its contract with S.E.R.A. Representative Edward J. Koch issued a statement: the first of many calling for the removal of Robert Munoz as the association's director. Two months later, a fictitious letter addressed to Representative Herman Badillo was purportedly signed by Mr. Koch stating: "that we are now faced with a crisis should the city..."
administration, fell in the hands of a black mayor, ... circulated throughout New York.

Law-enforcement agencies believe these two events were related. An F.B.I. examination of the fictitious Koch letter discovered a fingerprint belonging to Robert Munoz. And an association employee has told The New York Times that he was an eyewitness while these letters were being prepared by members of the association's secretarial staff.

Mr. Munoz commented: "I had nothing to do with that letter. I cooperated with the F.B.I. and gave them samples of my handwriting. I've got nothing to hide."
FM NEW YORK (9-7484) 
TO DIRECTOR (9-62498) 
BT 
CLEAR 

ATTN: ID/LFS (LATENT CASE NUMBER B-43598) 
U.S. CONGRESSMAN EDWARD I. KOCH - VICTIM; 
EXTORTION-MAIL FRAUD, (CO: NEW YORK). 

RE NEW YORK AIRTEL AND TELETYPE TO BUREAU, MARCH 21, 1977. 

NYCPD RECORDS REFLECT A [ ] ARREST FOR 

[ ] IDENT DIVISION IS REQUESTED TO SEARCH THEIR RECORDS FOR 
FINGERPRINTS OF [ ] IS [ ] DOB - 

[ ] ADDRESS - 

FINGERPRINT CLASSIFICATION - 

9-7484-33 

NEW YORK 
1 - SUPV. #21 
DIT: KM (2) 

Approved: 

Transmitted 03:34.40 
Per
REQUEST OF THE BUREAU:

ID/LFS IS REQUESTED TO COMPARE KNOWN FINGERPRINTS OF

WITH LATENT PRINTS PREVIOUSLY OBTAINED FROM

SUBMITTED SPECIMENS.

ADVISE NYO OF RESULTS.

BT
Amid Charges of Abuses in Bronx

By HOWARD BLUM

Robert Munoz, the executive director of a drug-addiction rehabilitation program in the Bronx, went on a temporary leave without pay yesterday pending completion of an investigation into the controversial program.

Mayor Beame and Comptroller Harrison Goldin, in a joint statement, said that they had obtained the suspension and that an "outside management team" was being brought in to supervise the Spanish Association for Aid to Drug-Free Society (commonly known as S.E.R.A., the acronym for its Spanish title), Mr. Munoz said having taken the step on his own initiative.

The Mayor and the Comptroller said that the suspension of the association had been prompted by "serious questions concerning the fiscal management of S.E.R.A., including apparent irregularities disclosed in a Comptroller's audit of rents and property acquisitions.

"Wide-Range Abuses Alleged"

S.E.R.A., which receives more than $3.2 million a year in Federal, state and city grants, is being investigated by a Federal grand jury for alleged "widespread abuses of poverty funds."

Mr. Munoz commented on his suspension as more important than that this program be cleared of any allegations: "What happens to me, I am the victim of a political vendetta, and I will be vindicated."

He announced his decision after meeting with Deputy Mayor Stanley M. Friedman and Human Resources Administrator J. Henry Smith in the Deputy Mayor's office.

Mr. Friedman said that the city will have the authority to oversee all facets of the S.E.R.A. program and will sign or co-sign all checks for all expenditures.

The Mayor and the Comptroller have recommended that all contracts with S.E.R.A. be continued on an interim basis.

Deputy Mayor Friedman explained: "We're talking protective action, so that city funds can be cut if, any moment, we think it is justified. Our great concern is the continuation of the program for those who need it, and that the city also gets its money's worth.""
The United States attorney is reported preparing to recommend the revocation of Mr. Munoz's parole to Judge Molloy. The United States Attorney is "troubled" by a fingerprint identified in the Federal Bureau of Investigation as belonging to Mr. Munoz and found on a fictitious and politically damaging letter purportedly signed by Representative Edward I. Koch. The United States Attorney is also considering allegations made by Mr. Munoz to the F.B.I. against the Congressman as further grounds for the revocation of parole.

Denials Made by Munoz

Mr. Munoz denies any involvement in the fictitious Koch letter of that he made any threats against the Congressman.

Mr. Koch has requested protection from both the police and the F.B.I. for a member of his staff, Victor Botnick, who has been gathering information on S.E.R.A.

Mr. Botnick has informed law-enforcement agencies that he received a phone call from a man identifying himself as an employee of the association who threatened to come down to the office and shoot my head off unless Congressmen Koch drop his investigation.

Mr. Botnick and another member of the Congressman's staff also maintain they were once followed by a man in a car with a walkie-talkie:

"I attempted to lose the other car and, in fact, I thought I had," stated Mr. Botnick in a memo to the F.B.I. The next morning...when I attempted to start the car, the engine did not turn over...I noticed the hood was up, although it had not been propped open...When I started to get back into the car, I noticed on the garage floor three.22 caliber bullets (five)."

Date: 4/5/77
Edition: NY TIMES
Author: P 34
Title: 9-7484
Character: 9-7484

*2*
To: ADIC, New York (9-7484)  

Re:  
U.S. CONGRESSMAN  
EDWARD I. KOCH - VICTIM;  
EXTORTION - MAIL FRAUD  

Specimens received: 3/23/77  
K2  

Result of examination:  
Due to variations, no conclusion was reached whether the writer of K2, did or did not prepare the questioned handwritten note on the photocopy letters, previously submitted in this case.  
K2, which has been photographed, is returned herewith.
To: ADIC, New York (9-7484)  
From: Director, FBI  
FBI FILE NO. 9-62498  
LAB. NO. D-770325028 TS

Re: U.S. CONGRESSMAN  
EDWARD I. KOCH – VICTIM;  
EXTORTION – MAIL FRAUD

CO: New York

Examination requested by: New York  
Reference: Airtel 3/21/77  
Examination requested: Document – Fingerprint  
Remarks:

If a future examination is requested, additional known writing in the same wording as the handwritten note should be obtained from [ ] if possible. The writing instrument to be used in furnishing these exemplars should be a fiber tip pen. Further, undictated known writings of [ ] should also be obtained, if possible.

Enclosures (3) (2 Lab report, K2)

The above subpoena was served at served at approximately 10:15 AM.

Interviewed on 4/5/77 Bronx, New York by SAs AND Time: 4/5/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
On January 25, 1977, Special Agent [Name Redacted] of the New York office of the Federal Bureau of Investigation, received via United States Mail, a letter from [Name Redacted] to United States Congressman Edward I. Koch, containing additional original envelopes and corresponding letters regarding this matter. Attached hereto are copies of the above.

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
On February 2, 1977, Special Agent [name] of the New York office of the Federal Bureau of Investigation received via United States Mail a letter from [name] to United States Congressman EDWARD I. KOCH containing additional original envelopes and corresponding letters regarding this matter. Attached hereto are copies of the above:

Interviewed on 2/2/77 at New York, New York File # NY 9-7484-43

by [name] /dtt Date dictated 2/2/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
To obtain classifiable fingerprints:
1. Use printer's ink.
2. Distribute ink evenly on inking slab.
3. Wash and dry fingers thoroughly.
4. Roll fingers from nail to nail, and avoid allowing fingers to slip.
5. Be sure impressions are recorded in correct order.
6. If an amputation or deformity makes it impossible to print a finger, make a notation to that effect in the individual finger block.
7. If some physical condition makes it impossible to obtain perfect impressions, submit the best that can be obtained with a memo stapled to the card explaining the circumstances.
8. Examine the completed prints to see if they can be classified, bearing in mind the following:
   Most fingerprints fall into the patterns shown below (other patterns occur infrequently and are not shown here):

   1. LOOP
      - Center of Loop
      - Delta
      - The lines between center of loop and delta must show

   2. WHORL
      - Deltas
      - These lines running between deltas must be clear

   3. ARCH
      - Arches have no deltas

Law-enforcement agencies using this card for pistol permits, licenses, etc., should indicate type of permit or position in space “COMPANY AND ADDRESS.”

Department of Defense activities and contractors initiating this card will make no entries in “CONTRIBUTOR AND ADDRESS” and “NUMBER.” Such entries will be made by the Department of Defense investigative agencies concerned. Department of Defense activities using this card for military personnel or civilian employees will enter designation and address of requesting activity in “COMPANY AND ADDRESS.” Department of Defense contractors will enter contractor's name and address in “COMPANY AND ADDRESS.”

The space “NUMBER” should contain the number designated for the particular case or code designation. The number appearing in this space will be quoted on answers to the fingerprint set.
To obtain classifiable fingerprints:
1. Use printer's ink.
2. Distribute ink evenly on inking slab.
3. Wash and dry fingers thoroughly.
4. Roll fingers from nail to nail, and avoid allowing fingers to slip.
5. Be sure impressions are recorded in correct order.
6. If an amputation or deformity makes it impossible to print a finger, make a notation to that effect in the individual fingerprint block.
7. If some physical condition makes it impossible to obtain perfect impressions, submit the best that can be obtained with a memo stapled to the card explaining the circumstances.

Examine the completed prints to see if they can be classified, bearing in mind the following:

Most fingerprints fall into the patterns shown below (other patterns occur infrequently and are not shown here):

1. LOOP
2. WHORL
3. ARCH

THE LINES BETWEEN CENTER OF LOOP AND DELTA MUST SHOW
THES LINES RUNNING BETWEEN DELTAS MUST BE CLEAR
ARCHES HAVE NO DELTAS

Law-enforcement agencies using this card for pistol permits, licenses, etc., should indicate type of permit or position in space "COMPANY AND ADDRESS."

Department of Defense activities and contractors initiating this card will make no entries in "CONTRIBUTOR AND ADDRESS" and "NUMBER." Such entries will be made by the Department of Defense Investigative agencies concerned. Department of Defense activities using this card for military personnel or civilian employees will enter designation and address of requesting activity in "COMPANY AND ADDRESS." Department of Defense contractors will enter contractor's name and address in "COMPANY AND ADDRESS."

The space "NUMBER" should contain the number designated for the particular case or code designation. The number appearing in this space will be quoted on answers to the fingerprint see.
was interviewed by Special Agents of the Federal Bureau of Investigation. was advised of certain constitutional rights as they appear on a FD-395, Interrogation; Advice of Rights form. read the above form indicated that he understood the form, advised that he wished to waive his rights but declined to execute the form via a signature. advised that he wished to proceed with the interview and indicated that he was aware that the results of this interview would be transcribed in written form by agents of the New York Office of the Federal Bureau of Investigation.

was displayed a fraudulent letter dated January 4, 1977, on the United States House of Representative Congressional stationary of EDWARD I. KOCH. The above letter was addressed to Congressman HERMAN BADILLO, 840 Grand Concourse, and allegedly signed by United States Congressman EDWARD I. KOCH. advised that he did not write, prepare, or circulate the above described fraudulent letter. further advised that he does not know who did in fact write, prepare or circulate this letter. added that if he knew who was responsible for writing, preparing, and circulating the above letter he would not tell any agents of the Federal Bureau of Investigation in any case.

was queried by the interviewing agents in reference to his attitude of non-disclosure of such information. stated that he hates Congressman KOCH and plans to "beat the fucking shit out of KOCH in public in Washington, D.C. as soon as he is released from 'federal parole'." added "I'll deal with that fucking KOCH one on one and I'll beat the shit out of him with my own hands...he's a fucking asshole; he's a shithead and I hate him." stated that "any enemy of KOCH's is a friend of mine no matter what he does". reiterated that he plans "to beat the fucking shit out of KOCH and I don't care if I go to jail...I'll teach him that he can't deal with a Puerto Rican that way."

was cautioned by SA that he could be held in violation of federal statutes involving threats or assaults

Interviewed on 3/18/77 at Bronx, New York File # NY 9-7484

SA

and

Date dictated 3/23/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

U.S. GPO 1974-559-294
directed towards a United States Congressman. [redacted] advised that "I don't care. I'll put it in writing for you if you want... do you want me to put it in writing?" [redacted] was again cautioned that he may be held in violation of a federal statute by SA [redacted]. SA [redacted] cautioned [redacted] a total of three times in connection with his statements and redirected such threats five times.
REPORT
of the
IDENTIFICATION DIVISION
LATENT FINGERPRINT SECTION

TO: ADIC, New York

RE: U.S. CONGRESSMAN EDWARD I. KOCH - VICTIM
     EXTORTION-MAIL FRAUD.

REFERENCE: Teletype 3/28/77
EXAMINATION REQUESTED BY: New York

SPECIMENS:

Based on the information furnished, no fingerprint record was located here for

Signature: Richard E. Cole
Assistant Director, Identification Division

THIS REPORT IS FURNISHED FOR OFFICIAL USE ONLY
City follows state, stops funding SERA

By MICHAEL ROSENBAUM and STEVEN MARCUS

City officials decided today to follow the state's example and cut off funding for SERA, the Bronx drug rehabilitation program accused of claiming money for non-existent clients.

The decision to stop paying the program $100,000 in city funds follows the state's action depriving SERA of $200,000. Together, the moves could spell the end for the program.

The city's action was announced this morning after a meeting between Human Resources Administrator J. Henry Smith, acting Addiction Services Agency commissioner Clarence Gadson, Deputy Mayors John C. Burton and Stanley Friedman and Deputy Controller Martin Ives.

PUT ASIDE

The city and state both made clear the funds will still be earmarked for rehabilitation—they will be put aside until some new program is organized in place of SERA.

City aides said the federal government, which also provides funding, would be notified of the action.

A spokesman also said city and state officials would meet as soon as possible to develop a plan to phase out SERA.

DEFENDED IT

Gadsden and former ASA commissioner Jerome Horneblis had earlier defended the drug rehabilitation program, claiming they had found no evidence to support charges by state auditors that SERA had filed false claims.

The state's charges were "something new to me," Gadsden had said earlier today before the decision was made to cut off the funding.

Horneblis, who resigned as ASA commissioner last week after being named a judge by Mayor Beame, said "we never had any evidence to indicate" wrong doing at SERA. He said that "rumors" had led him to "ask my staff many times" to examine SERA, "but they always reported that services were at a reasonable level."

The state's Office of Drug Abuse Service last night announced that $520,000 earmarked for SERA would be withheld. The money was to have been funneled through ASA to SERA.

The cutoff was ordered, ODAS Commissioner Daniel Klepak said, because of the "major discrepancies between the number of clients reported by SERA and the number verified."

State investigators "could not account for $38" of the $200 patients SERA is funded to treat at its 1014 Hoe Av. facility in The Bronx. "Not only were clients not present," Klepak said, "but beds and other supplies necessary to accommodate them were not available."

In a second audit made two days later, Klepak said, investigators found "41 additional beds, without sheets or supplies or any evidence" that they were used.

ANOTHER TARGET

Klepak said that a $1.25 million methadone program run by SERA is also under scrutiny. Funds for that program come from the National Institute for Drug Abuse, but the state agency licenses the program.

A spokesman said ODAS would launch "a complete fiscal and program audit" of SERA to find out how much money the program had received inappropriately. If SERA cannot repay the funds, he said, "the matter will be turned over to Attorney General Laskowitz."

SERA is under investigation by several federal and city agencies, for suspected misuse of funds.
FEDERAL BUREAU OF INVESTIGATION
Washington, D. C. 20537
REPORT
of the
IDENTIFICATION DIVISION
LATENT FINGERPRINT SECTION

YOUR FILE NO. 9-7484
FBI FILE NO. 9-62498
LATENT CASE NO. B-45244

TO: ADIC, New York

REFERENCE: Airtel 3-21-77, and teletype 3-22-77
EXAMINATION REQUESTED BY: New York

This report confirms and supplements the information furnished your office by telephone on 4-1-77.

Three latent fingerprints (tip and side areas) previously reported were compared, insofar as possible, with the available fingerprints of but no identification was effected. The remaining unidentified latent fingerprints in the captioned case are not identical with the fingerprints of No palm prints are available here for this person.

Based on the information furnished, no fingerprint record was located here for

The results of the laboratory examinations are being furnished separately.

Richard S. Cass
Assistant Director, Identification Division

'THIS REPORT IS FURNISHED FOR OFFICIAL USE ONLY

9-7484-50
Honorable Robert B. Fiske, Jr.,
United States Attorney
Southern District of New York
United States Courthouse Annex
1 St. Andrew's Plaza
New York, New York 10007

Attention: Assistant United States Attorney

Re: United States Congressman; Edward I. Koch - Victim Extortion; Mail Fraud

Dear Sir:

This is to confirm the conversation which took place on April 21, 1977, between Assistant United States Attorney (AUSA) and Special Agent (SA) Bruce E. Ellavsky, of the Federal Bureau of Investigation (FBI), at which time AUSA requested a copy of FD-302 reflecting interview of on March 18, 1977. This FD-302 is attached as well as FD-302s reflecting interviews of on March 30, 1977 and April 1, 1977.

Very truly yours,

J. WALLACE LA PRADÉ
Assistant Director In Charge

2 - Address
1 - New York
BEE: apm
(3)
The SDNY Federal Grand Jury directed [ ] to [ ]

At approximately 11:00 AM, [ ] was advised of the identities of the interviewing Agents and he thereafter [ ]

During this procedure, [ ]

At this time, [ ] appeared before the Federal Grand Jury and [ ] were entered as an Exhibit of the Federal Grand Jury, SDNY.

Assistant United States Attorney (AUSA) [ ]

SDNY, New York, New York, advised at this time that [ ] in the company of his attorney, would proceed with Special Agents ELLAVSKY [ ] to the United States Marshal's Service, located on the third floor of the United States Federal Courthouse, in order to [ ]

After arriving at the United States Marshal's Service, SA ELLAVSKY [ ]

Interviewed on 4/20/77 New York, New York File # NY 9-7484 [ ]

SAS [ ]

by BRUCE E. ELLAVSKY [ ]

Date dictated 4/20/77

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.
Special Agent ELLAVSKY, Special Agent ______ and his attorney exited the United States Marshal's Service and proceeded back to Room 1401 of the Federal Courthouse. During this time, continually

After being dismissed by the Federal Grand Jury, he entered into a conversation with AUSA ______ in the presence of Special Agents ELLAVSKY and ______. During this conversation, ______ stated that he was tired of being harassed by the FBI and stated that they had no business ______. He advised that approximately 300 to 400 addicts and former addicts plan to demonstrate at the United States Federal Courthouse, SDNY, New York, New York, on April 21, 1977, in protest to the appearance of several S.E.R.A. employees who have been subpoenaed to appear before the FGJ on that date. He advised that there might be trouble during this demonstration and stated that he had no control over these individuals and would not be responsible for their activities.
4/20/77

TO:
DIRECTOR, FBI (9-62498)
(ATTN: FBI LAB/DOCUMENT SECTION
AND ID/LFS) (LATENT CASE #B-43598)
(LAB #D770127674PP)

FROM:
ADIC, NEW YORK (9-7484) (P)

SUBJECT:
U.S. CONGRESSMAN
EDWARD I. KOCH-
VICTIM
EXTORTION-MP
(OC:NY)

Re: NyRep of SA 3/9/77, and
Nyairltel to Bu, 3/21/77.

Enclosed for the Bureau are the following:

1)

2)

On 4/20/77, appeared before the
Federal Grand Jury (FGJ), Southern District of New York
(SDNY), New York, NY. at which time the FBI directed

4-Bureau (Encls. 21)
(1-FBI Lab/Document Section)
(1-ID/LFS)
1-New York

BEE: km
(6):M # 21
1-Supv. #21
REQUEST OF THE BUREAU:

FBI Lab/Document Section is requested to expeditiously compare the report, dated 3/2/71, referring to your laboratory results of the requested examination. The ID/LFS is requested to compare the value obtained from prior submission.

The FBI Lab and ID/LFS are requested to advise New York as expeditiously as possible of the results of the requested examinations, inasmuch as this investigation is being given priority attention at New York.
5/2/77

TO: DIRECTOR, FBI (9-62498) (ATT: FBI LAB/DOCUMENT SECTION AND ID/LFS) (LATENT CASE #B-43598) (LAB #D770127074PF)

FROM: ADIC, NEW YORK (9-7484) (P)

SUBJECT: U.S. CONGRESSMAN; EDWARD I. KOCH - VICTIM E:WORTION - MF (OQ:NY)

RenYairtel to Bu, 4/20/77.

Enclosed for the Bureau are

Also enclosed are

REQUEST OF THE BUREAU

It is requested that the following Laboratory examinations be given expeditious handling. This matter is presently under review by a PGJ, SDNY, and results of examination are requested as soon as possible.

Latent Fingerprint Section is requested to compare the enclosed

4 - Bureau (Encls. )
(1 = FBI Lab/Document Section)
(1 = ID/LFS)
1 - New York
DTT: apm
(6)
1 - Supv. #21

9-7484-54
NY 9-7484

previously obtained from submitted specimens.

The Laboratory is requested to compare enclosed

Laboratory is requested to furnish the results of above examinations as soon as possible.
United States Congressman HERMAN BADILLO was interviewed at his office, 840 Grand Concourse, Bronx, New York by Special Agents of the Federal Bureau of Investigation. BADILLO advised in the early months of this year he attended the "Golden Gloves" boxing match at the Madison Square Garden. BADILLO stated that he was in the company of [ ] BADILLO advised that he was engaged in conversation with [ ] when [ ] interrupted them. BADILLO stated that although boisterously espousing derogatory statements relative to BADILLO, never directly threatened him. BADILLO advised that it was more the "tone" of [ ] statements than the actual wordage that was threatening.
PETE HAMILL

(Mount Clipping in Space Below)

(Continued from page 4)

Munoz that he had been forced to use live-in enrollees from SERA's youth component to work at the market "as they are more disciplined and more dependable."

Figueroa said also that when he had tried to use other youths, not from the SERA live-in project, parents had complained about the hard work and the hours (3 p.m. to 9 p.m.). "Therefore, to alleviate any discrepancy with parents," Figueroa told Munoz, he had decided to work "only with those enrollees who are clients."

So 14 young men who had moved into SERA to kick drug habits suddenly found themselves working at the Bronx Terminal Market as unpaid sanitation men. According to one source inside SERA, "the stakes were bigger than that." According to this source, Munoz was then angling for control of the potentially lucrative parking concession at the market. This operation, with its huge cash flow, was a most valuable plum to the top sergeants of the Banana Republic. And at one point, Munoz actually had it in his hands until pressure from various directions led to the cancellation of the deal.

Now Munoz has moved himself into the background at SERA: New board elections were held on the weekend, but it wasn't immediately known whether the Munoz influence would be erased. Or whether it could be. To some people inside SERA, the prospect of a SERA without Robert Munoz was unlikely.

"He might loan it to someone for a while," the source said, "but he'll be back."

Meanwhile, the drug addicts for whom SERA was created are caught in the swirl. Their suffering does not fit on any accountants' sheet. And neither will their disappointment, their growing cynicism, and their final, almost inevitable tragedy.
Examined Leases

1. THE HOE AVENUE CAPER, on
   Aug. 7, 1975, SERA signed an agreement with
   something called the "Theopastat, Hold-
   ing Corp" for two adjoining buildings at
   1016 and 1014 Hoe Ave. The lease was
   for five years, ending July 31, 1980. The
   rent was $72,000 a year. The building
   was valued at $110,000. The rent was paid by combining
   money: $37,000 a year from the city's
   Addiction Services Agency and the bal-
   ance from the Department of Social
   Services. These amounts were approved by city auditors.

   But when the controller's office
   began to examine the leases, the num-
   bers started to look suspect. According
   to an interim report on SERA prepared by
   the controller's office, the rent charged was reason-
   able, but the real estate appraisal was inflated. The
   building at 1016 Hoe Ave. was valued at $130,000.
   The property at 1014 Hoe Ave. had a similar
   value.

   In other words, the combined
   properties should have been rented for
   $36,000 to $54,000 a year. But the Munoz
   Administration paid $83,000 a year. Over
   a three-year period, the total overcharge
   was about $250,000. There is always room for
   stupidity in real estate deals, but not that much stupidity.

   In addition, the controller's report
   shows that in the three-year period under
   examination, the owners of 1016-1014 Hoe Ave. did not pay real estate
   taxes or water charges. As of March
   1977, unpaid real estate taxes totaled
   $7,598.

2. THE PUERTO RICO USA
   CAPER. In 1976, Munoz put SERA into
   the bicentennial business. He created a
   fair called "Puerto Rico USA" at SERA
   headquarters at 1717 Andrews Ave., at
   which goods were sold, food was hawked
   from stands inside and outside the
   building, and the bicentennial theme was celebrated. Crap games were set up, along with three-card monte and other gambling operations. Beer and liquor were sold. The fair opened on the July 4 weekend and lasted all summer.

   The fair was staffed by employees
   from SERA, who were forced to work
   the different stalls, from 2:30 p.m. until
   closing. These employees had no choice
   of the stalls, such as Ralph Garcia,
   who worked in the legal department of
   SERA, protested and were fired.

   When asked why he had run the
   street fair fund-raiser without permis-
   sion from the Health Department, the
   Police Department, the State Liquor
   Authority or the Department of Social
   Services (which must okay fund-rais-
   ing for publicly funded programs), Munoz said: "I didn't know, I had to do all those things."

14 Youthsh Listed

The money raised in that long sum-
med must have been substantial, but
when asked what had happened to that
money, Munoz said: "We spent it on the
program." Were there any records
kept? "No," said Robert Munoz, who
was listed in the fair's work assignments
as "Controller (Money)."

3. THE BRONX TERMINAL MAR-
   KET CLEANUP CAPER. Last Aug. 19,
   Munoz wrote to Clara Luna, director of
   the Youth Employment Program of the
   Neighborhood Youth Corps. ",, This
   will inform you," he said, "that under
   no circumstances has Neighborhood
   Youth Corps participated in the cleanup
   of the Bronx Terminal Market." Munoz
   went on to tell Ms. Luna that he was
   aware of events against the use of publicly
   funded youth corps enrollments in commer-
   cial enterprises such as the Bronx
   Terminal Market.

But in a memo dated July 25, 1976,
Munoz was told by his man, Edwin Figueroa, about the breakdown of job
assignments under the Summer Neighbor-
hood Youth Program. Most of these
were legal. But the memo clearly lists
14 youths under the category "Terminal Market Workers." Figueroa also told

(Continued on page 18, col. 1)
Poverty is the principal industry of the Banana Republic called the South Bronx. No sugar is harvested there; no tobacco, not even bananas; there are no ports and no factories. But there is plenty of poverty. Hundreds of thousands of poor people crowd the disease-ridden warrens of the old crumbling neighborhoods; millions of rats move through the sewers and walls; violence, drugs and booze permeate the atmosphere. In the South Bronx, poverty is booming. It is what the financial people would call a growth industry.

And to manage such booming industry, there are always people like Robert Munoz. They are the underbosses of the Banana Republic, the top sergeants and the bird colonels. They must keep the industry thriving, the money flowing in from the city, state and federal governments. Their lives are made lus by the existence of poverty. And the result is clear; they cannot afford to cure poverty. If poverty went away tomorrow, people like Munoz would have to work for a living.

Poverty is not about to be cured, of course, so for the moment, these people are relatively free to work their scummy little hustles. In the case of Munoz, a convicted felon, and the outfit he created called SERA (Hispanic Association for a Drug Free Society) the people being hustled are some of the most miserable human beings in this city: poor drug addicts. That fact must be made absolutely clear; the hustle is not directed against the government, the establishment, or the white power structure, or against any of the agencies that have been investigating Munoz. The victims are the drug addicts. A lot of money was made available to help them; a lot of it went somewhere else.

Some examples:
In South Bronx, It's Que SERA, SERA

PETE HAMILL

Rain fell steadily in the banana Republic called the South Bronx yesterday. It fell on the blighted lots, on the burned-out buildings, on the abandoned cars and the ruined streets. It drove junkies into doorways, or to corner stools in moochers' bars. It forced children upstairs to paste themselves to the TV sets. In the backyards, garbage steamed in the warm rain, making a swollen springtime festival for the rats.

But the people who have spent a decade making the Bronx dry weren't worried about the rats. Or the dope fiends. Or the ruins they have helped create. These people, the families of the banana Republic, are still alive; the money rolls in, and they drive around the streets surrounded by the cardboard, the trash, the garbage. And when the day is over, they get into the cars and drive away, heading for other places, leaving the South Bronx to the rats and the night.

That is one explanation for the takeover of the fifth-floor offices of the city's controller. In the Municipal Building yesterday afternoon. The demonstrators were apparently there for one simple reason: money. The controller of this city has just finished a second major audit of a South Bronx outfit called SERA (Hispanic Association for a Drug-Free Society). This outfit controls almost $3.3 million of money that is supposed to be used for curing addiction. It is run by one of the families of the South Bronx, a 52-year-old convicted felon named Robert Munoz. The audit, which has not yet been made public, should blow SERA out of business. The problem is: 'technical irregularities,' which is a polite accountant's phrase. It is also the worst kind of offense, because its vice...

(Continued on page 38, col. 1)
He still claims orders.

A few weeks ago Munoz suspended himself as boss of SERA, but sources in the South Bronx say he continues to run the organization. Said one source: "Almost everybody in SERA owes his job to Munoz. They know he is a survivor, and they figure he'll be back. So he still gives the orders. He might not be in the headquarters today, but you could probably find him in a parked car somewhere."

Back in the '60s, Munoz started his outfit to fight drug addiction. But somewhere along the line he apparently started to fight poverty. His own poverty, he ended up driving a Thunderbird, and created his own little kingdom where he had money and patronage gave him power. He moved his family to Parkchester, far from the problems of the people he was supposed to be trying to help. And more and more money poured in to help fewer and fewer people.

Take the case of SERA's old headquarters. According to Ed Koehl, who has done superb work in uncovering the Munoz operation, SERA had signed a lease for this building at 177 Andrews Ave. which was owned by the Salvation Army. The rent was $25,000 a month, and Salvation Army officials were a little surprised in the days when SERA was paying its rent, to receive checks drawn on two different banks.

But then, in October 1975, SERA stopped paying. By last February the outfit was $333,119. behind in rent. In the SERA budget approved and paid for by the Addiction Services Agency, the money was available. It went to SERA. But SERA did not pay the Salvation Army, sent repeated letters to SERA, and to city, state, and federal funding agencies, asking for help in collecting its money. Said Koehl: The agencies replied that they had no authority to get involved even though the final disposition of their funds was in question.

An Ominous Letter.

On March 16, 1976, Munoz sent an ominous letter to the Salvation Army, that said in part: "This is to strongly request the Salvation Army to donate to the Hispanic Association for Drug Free Society, Inc., the premises.

The Salvation Army people finally went to see Koehl, and the Manhattan congressmen explained later. "When I asked why the Salvation Army permitted SERA to remain in occ..."
When SERA finally moved, owing $221,000 in back rent (after making a token payment to reduce pressure), it went to a new building at 1776 Clay Ave. This building formerly housed the Hebrew Home for the Chronically Sick. On Feb. 4, Koch went up to look at the old Andrews Ave. building, accompanied by people from the Salvation Army, who had been unable to enter the building for a year and a half.

"The building had widespread damage," Koch said, "because its boiler had been turned off during the recent extraordinary cold spell and pipes throughout the sprawling facility had frozen and cracked. A contractor who accompanied us on the tour estimated the cost of repairs would exceed $200,000."

Then Koch started looking into circumstances involving the new SERA headquarters on Clay Ave. Papers on file at the Bronx Register of Deeds showed that on Jan. 18 that building changed hands not once, but twice. In the morning it was sold for $75,000 to a company called the 1776 Clay Ave. Corp. Later that day, it was sold to SERA for $325,000. SERA paid $275,000 in cash, with the balance in a mortgage with the Dime Savings Bank of Brooklyn.

Steve Baum on NEW-TV polled a little deeper and discovered that one of the principals of the 1776 Clay Ave. Corp. was a man named Murray Richman. Murray Richman is a lawyer. In 1975 he was a lawyer for Robert Munoz. (That year, Munoz, convicted of one felony count of conspiracy to "use explosives and extortion money from various Bronx construction companies," was sentenced to life in prison.)

This was really beautiful. Between morning and afternoon, a building had increased in value from $75,000 to $325,000, and Munoz just looked Koch in the eye and explained that the transaction would "save the taxpayers hundreds of thousands of dollars."
Deals Seem to Perk Up

Koch protested to Controller Harrison J. Goldin, urging him to suspend city funding of the Munoz program, and Goldin did so on Feb. 17. Meanwhile strange things had started happening. Koch began to receive death threats. A letter was forged under Koch's signature, full of racist slurs against Manhattan Borough President Percy Sutton's candidacy for mayor, and the U.S. attorney was reported to be "troubled" by a fingerprint on the letter that the FBI identified as belonging to Munoz.

And during this period one of Koch's staff members, Victor Botnick, received a call from a man who said he was with SEIU, and that he was going to "come down to the office and shoot my head off, unless Congressman Koch dropped his investigation." The man didn't come down, but Botnick now has police protection.

Munoz declared: making the slinky little forgery. But one night during the winter, at the Spanish Golden Gloves in the Felt Forum, Munoz ran into Rep. Herman Badillo, who last year beat Munoz ally Ramon Velez in a bitter Democratic primary for Congress.

The two exchanged heated words, and at one point, according to two witnesses, Munoz said to Badillo: "If I have to go to jail this time I'm going to do so for a good reason."

Date: Daily News
Edition: p36
Author: 
Editor: 
Title:

Character: 9-7484

or

Classification:

Submitting Office:

- Being Investigated
Protesters Pose as Police, Invade Goldin's Office in a Bomb Scare

BY ROBERT D. McFADDEN

With fake badges and shouts of warnings, a band of demonstrators posing as policemen mounted a bogus bomb scare yesterday afternoon and briefly took over the offices of the New York City Comptroller, Harry J. Goldin, in the Municipal Building.

The ruse succeeded in routing more than 40 secretaries and staff members from the fifth-floor suite, but the Comptroller was not deceived. He barricaded himself in an inner office with a half-dozen aides and called the "real police" who rushed in and arrested a score of the invaders.

The demonstrators, who were protesting a recent cutoff of city funds to a controversial drug-rehabilitation program in the Bronx, allegedly ransacked several members of the Comptroller's staff and rifled desks, overturned chairs, broke a window and tore up papers.
of Mr. Goldin's staff, the intruders appeared shortly before 3 p.m. in the Comptroller's office complex, which overlooks City Hall.

The group flashed badges and shouted "Everybody get out — there's a bomb!," and used the ruse first to get past a receptionist, Allen Smelling, then through a locked door into the area where about 50 people were at work.

Mr. Goldin and a half-dozen aides emerged from the inner offices after hearing the commotion. He took a look at one of the intruders' badges, and retreated into his office after the demonstrators refused to let him use a telephone in the outer office.

The demonstrators pounded on his door, but did not try to break it down. Then about 50 policemen arrived, some armed with shotguns and wearing flak vests. They handcuffed the invaders and took them away.

The half-hour protest ended with the arrest of 17 men and three women on charges of criminal trespass and obstructing government administration. No serious injuries or damage were reported.

"I was scared," the Comptroller later told reporters, "You can laugh at it now, but it was scary." He said he did not have the authority to meet the demands of the protesters for the restoration of funds to the drug program, known as S.E.R.A; he added: "I'm not about to yield to intimidation and threats."

Drug Agency Under Inquiry

S.E.R.A. — Services for Education and Rehabilitation in Addiction Services — has received $3.2 million a year in Federal, state and city grants. In recent months it has been under investigation by a Federal grand jury for alleged wide-ranging abuses of poverty funds, and has had $820,000 in state money and more than $100,000 in city funds cut off. According to the police and members

Date: NY Times
Edition: 5/4/77
Author: 5/4/77
Editor: 5/4/77
Title: 5/4/77
Character: 5/4/77
Classification: 9-74/84
Submitting Office: 9-74/84

Ding Investigated
'26 Arrested at Protest by SERA in Goldin's Office

By OWEN FITZGERALD and MARCIA KRAMER

Twenty-six members of a controversial Bronx drug-treatment program were arrested yesterday after they staged a phony bomb scare to break into the offices of the City Controller Harrison J. Goldin to protest funding cuts, police reported.

Flashing phony police badges and crying 'bomb scare, bomb scare,' the protesters broke into Goldin's offices on the fifth floor of the Municipal Building at about 3 p.m., police said. Police said that the protesters were members of the I Hispanic Association for a Free Society, known as SERA.

Members of the group were said to have ordered workers off the floor and out of the building. If workers refused they allegedly were evicted. bodily or otherwise roughed up. One city administrator said that when he refused to leave his office two youths pulled him out of his swivel chair and threw the chair out the door after him.

Receives $3.2M In Grants

Police believe that the youths were protesting funding cuts ordered in February after an initial audit of Goldin's office uncovered apparent abuse of public funds. Yesterday Goldin said that his office had become upon some very disturbing findings. 

'SERA had made out payroll checks to nonexistent persons,' he said, 'and had made loans to private ventures. In violation of city, state and federal provisions, SERA received $3.2 million in grants, including a $604,000 contract with the city's Addiction Services Agency.'

A spokesman for Goldin's office said that the police had been notified as soon as the 'protesters' broke in. The cops responded in force, sending officers from the emergency services unit armed with shotguns and wearing bulletproof vests, he added.

Several office workers suffered minor bruises. One cop was taken to Beckman Hospital with injuries reportedly sustained while he was subduing a kicking protester. The cops had to forcibly restrain one protester who climbed out on the fifth floor ledge and refused to come inside.

The 26 who were arrested were taken to the Ericsson Place station where they were booked on charges of criminal trespass and obstructing governmental administration.

Author: NY Daily News
Editor: P
Title: F

Character: 9-4874
Classification: Being Investigated
Serial #: 9-4874

SEARCHED NEW YORK
1977
FBI - NEW YORK
REPORT of the
FBI LABORATORY
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

To: ADIC, New York

April 28, 1977

FBI FILE NO. 9-62498
LAB. NO. D-770422034 TS

Re: U. S. CONGRESSMAN EDWARD I. KOCH - VICTIM EXTORTION-MF

Specimens received: 4/21/77

K3

ALSO SUBMITTED:

Result of examination:

Due to variations, no conclusion was reached whether the writer of K2, previously submitted, and K3, did or did not prepare the questioned previously submitted in this case.

K3 has been photographed and is returned herewith. You will be advised as to the disposition of the ALSO SUBMITTED item with the results of the examination.

9.7484 - 62
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

To: ADIC, New York (9-7484)

From: Director, FBI

FBI FILE NO. 9-6249
LAB. NO. D-770

Edward I. Koch - Victim
Exortion-MF
(00: New York)

Examination requested by: New York
Reference: Airtel 4/20/77

Enclosures (3) (2 Lab report, K3)

DO NOT INCLUDE ADMINISTRATIVE PAGE. (3) INFORMATION IN INVESTIGATIVE REPORT

ADMINISTRATIVE PAGE
5/3/77

TO: DIRECTOR, FBI (9-62498)
    (ATTN: FBI LAB/DOCUMENT SECTION AND ID/LFS)
    (LATENT CASE #B-43598)

FROM: ADIC, NEW YORK (9-7484) (P) (#21).

SUBJECT: UNITED STATES CONGRESSMAN
        EDWARD I. KOCH - VICTIM
        EXT - MF
        (00:NY)

Re: My Airtel to Bu, 5/2/77.

Enclosed for the Bu are [Redacted]. In addition, [Redacted] are also enclosed.

ADMINISTRATIVE

This matter is presently under investigation by a

[Redacted] at the SDNY.

[Redacted] at the direction of the FCJ, SDNY,

on 5/3/77, by NYO Agents.

4 - Bureau (Encis. 2) (RM)
(1 - FBI Lab/Document Section)
(1 - ID/LFS)

(1) - New York

DIT: CSC
(6) 2

1 - Supv. #21
REQUEST OF THE BUREAU

It is requested that the following Lab examinations be given expeditious handling. This matter is presently under review by FGJ, SDNY, and results of examination are requested as soon as possible.

ID/LPS is requested to compare the enclosed of value previously obtained.

The Lab is requested to compare enclosed

Lab is requested to furnish the results of above examinations as soon as possible.
On April 11, 1977, SA [Redacted] of the New York Office (NYO) of the Federal Bureau of Investigation (FBI), was advised by [Redacted] an Executive Assistant, United States Attorney (USA), at the Southern District of New York (SDNY), that the SDNY has assumed prosecutive interest in reference to this matter. [Redacted] advised SA [Redacted] that the Eastern District of New York (EDNY) would no longer be handling the prosecution of this matter and that the entire prosecution would be handled by the SDNY.

On April 20, 1977, [Redacted] appeared before a Federal Grand Jury (FGJ) at the SDNY and was compelled since that time, additional information has been compiled by the FGJ at the SDNY.

On May 6, 1977, SA [Redacted] was telephonically advised by the FBI Laboratory that analysis of the [Redacted] of the above mentioned individuals, as well as [Redacted] specimens previously obtained. SA [Redacted] was advised that no identifications had been made by the FBI Laboratory analysis. SA [Redacted] was further advised that the above conversation would be made a matter of record and a report would be furnished to the NYO.
REPORT of the
FBI LABORATORY
FEDERAL BUREAU OF INVESTIGATION:
WASHINGTON, D. C. 20535

To: ADIC, New York (9-7484) May 3, 1977

FBI FILE NO. 9-62498

LAB. NO. D-770506001 TS

Re: UNITED STATES CONGRESSMAN
EDWARD I. KOCH - VICTIM
EXT - MF

Specimens received 5/5/77

K6

ALSO SUBMITTED:

Result of examination:

Due to variations, no conclusion could be reached whether K6, did or did not prepare the questioned previously submitted in this case.

K6 has been photographed and is returned herewith. You will be advised as to the disposition of the ALSO SUBMITTED item along with the results of the examination.
To: ADIC, New York (9-7484)  
From: Director, FBI  
FBI FILE NO. 9-62498  
LAB. NO. D-770506001 TS  

Re: UNITED STATES CONGRESSMAN EDWARD I. KOCH - VICTIM  
EXT - MF  
00: New York  

Examination requested by: New York  
Reference: Airtel 5/3/77  
Examination requested: Document  
Remarks:  

Enclosures (3) (2 Lab report, K6)
TO: ADIC, New York

U. S. CONGRESSMAN

RE: EDWARD I. KOCH - VICTIM
EXTORTION-MF

REFERENCE: Airtel 4/20/77
EXAMINATION REQUESTED BY: New York
SPECIMENS: 

This report confirms and supplements the information furnished by telephone on 4/26/77.

Comparisons were conducted with the submitted

The laboratory report is being furnished separately.

The are enclosed, along with a Law Enforcement Bulletin Reprint, which may be of assistance.

Enclosures (7)

Richard G. Coal
Assistant Director, Identification Division

THIS REPORT IS FURNISHED FOR OFFICIAL USE ONLY
REPORT of the
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

To: ADIC, New York (9-7484)  
May 10, 1977

FBI FILE NO. 9-62498
LAB. NO. D-770505006 TS

Re: U.S. CONGRESSMAN;
   EDWARD I. KOCH - VICTIM
   EXTORTION - MF

Specimens received 5/4/77

K4

K5

ALSO SUBMITTED:

Result of examination:

Due to variations, no conclusion was reached
whether [ ] of K4, or [ ] of K5, did or did not prepare the questioned
previously submitted in this case. However, nothing of particular
significance was noted in either of the K4 and K5.

The submitted specimens have been photographed and
are returned herewith. You will be advised as to the
disposition of the ALSO SUBMITTED items with the results of
the examination.
To: ADIC, New York (9-7484).

From: Director, FBI

FBI FILE NO. 9-62498

LAB. NO. D-770505006 TS

Re: U. S. CONGRESSMAN;
    EDWARD I. KOCH -
    VICTIM
    EXTORTION - MF
    00: New York

Examination requested by: New York

Reference: Airtel 5/2/77

Examination requested: Document -

Remarks:

Enclosures (4) (2 Lab report, K4 and K5)

DO NOT INCLUDE ADMINISTRATIVE PAGE (S) INFORMATION IN INVESTIGATIVE REPORT
I. I

FD-263 (Rev. 7-15-75)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE OFFICE OF ORIGIN DATE INVESTIGATIVE PERIOD
NEW YORK NEW YORK MAY 10, 1977 3/10/77-5/9/77

TITLE OF CASE
US CONGRESSMAN EDWARD I. KOCH - VICTIM

CHARACTER OF CASE
EXTORTION - MAIL FRAUD - IMPERSONATION

REFERENCES
NYrep.of SA [ ] dated 3/9/77.

ADMINISTRATIVE:
Several FD-302s are being included in this report which were omitted from the prior report of SA [ ] dated 3/9/77. These FD-302s are being provided to establish continuity between the two reports.

ACCOMPLISHMENTS CLAIMED

CONVICTED PRETRIAL DIVERSION FUGITIVES FINES SAVINGS

NONE

RECOVERIES

ACQUITALS

CASE HAS BEEN

PENDING OVER ONE YEAR [ ] YES [ ] NO

PENDING PROSECUTION

OVER SIX MONTHS [ ] YES [ ] NO

APPROVED

SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

COVER PAGE

- A -
NY 9-7484

ADMINISTRATIVE (CONT'D)

LEAD

NEW YORK

AT NEW YORK, NEW YORK. Will follow and report
prosecutive action.
UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, SDNY (ATT: )

Date: MAY 10 1977 b7C
Field Office File #: 9-7484 Bureau File #: 9-62498
Title: UNITED STATES CONGRESSMAN EDWARD I. KOCH - VICTIM

Character: EXTORTION - MAIL FRAUD - IMPERSONATION

Synopsis: A Federal Grand Jury at the SDNY is currently hearing testimony relative to this matter. Numerous witnesses have been compelled by the Federal Grand Jury to testify to the NYO of the FBI. All laboratory analysis conducted in reference to the [Redacted] has proved negative to date.

- P -

DETAILS

On March 10, 1977, Special Agent (SA) of the New York Office (NYO) of the Federal Bureau of Investigation (FBI) met with Assistant United States Attorney (AUSA) of the Eastern District of New York (EDNY) in reference to this matter. Advised that he is still currently considering prosecution of this matter at the EDNY.

From the period of 4/20/77 to 5/3/77 the following individuals have been compelled by the Federal Grand Jury (FGJ) at the Southern District of New York to the FBI:

On 5/6/77 the FBI Laboratory telephonically advised SA [redacted] that the [redacted] were compared insofar as possible with specimens previously placed into evidence and no further identifications were made. The Laboratory further advised that a full written report would be forthcoming.
ADDITIONAL FD-302s
NOT INCLUDED
IN FIRST REPORT
United State Senator, James L. Buckley
110 East 45th St.
New York, NY 10017
Estimate Unit Votes
To End Drug Project
In Bronx by June 30
5/1/77 P-B4 NY TIMES
By HOWARD BLUM

The New York City Board of Estimate voted unanimously yesterday to cancel financing as of June 30 for a controversial Bronx drug rehabilitation program.

Clarence Gaddis, Acting Commissioner of the Addiction Services Agency, had recommended that the city end the contract after reviewing audits issued by the City Comptroller's Office and the State Office of Drug Abuse Services, which cited numerous fiscal irregularities. A Federal grand jury is also investigating the program, which is operated by the Hispanic Association for a Drug-Free Society—commonly known as 'SERA,' the acronym for its name in Spanish.

Deputy Mayor Stanley M. Friedman announced when he cast his vote that he had requested the Addiction Services Agency to make recommendations in three weeks on how to "salvage the best parts of SERA" and to continue to provide services for addicts in the South Bronx.

Three Hours of Debate

The decision to cancel the $160,000 contract was made after three hours of debate between city officials and representatives of the agency, including staff members and residents.

Victor Rizzo, chairman of the board of the program, appealed to the Board of Estimate "to continue funding the program contingent on meeting necessary guidelines."

'Comptroller Harrison J. Goldin, after hearing many speakers request that the present board be allowed to administer the program, responded, "My outrage is deepened when we have to listen to people with responsibilities tell us they were not aware what was going on and now ask to be allowed to continue to be recipients of city dollars."

At one point in the debate, the Comptroller, his voice raised, said, "We're not idiots and we won't listen to fairy tales."

He also said that prior to the meeting, he and members of his staff had been threatened if he voted to end funds for the Bronx drug program.

More than 30 policemen surrounded City Hall and other offices were guarding the Comptroller's office this afternoon.

City Council President Paul O'Dwyer interrupted Vincent Magaro, an agency board member, to say the real question was if city funds had "found their way into the pocket of thieves."
TO: ADIC, New York

RE: EXT - MF

REFERENCE: Airtels 5-2-77 and 5-3-77
EXAMINATION REQUESTED BY: New York
SPECIMENS:

This report confirms and supplements the information telephonically furnished to you on May 6, 1977.

The previously reported latent prints remaining unidentified in the captioned case are not identical with the submitted

The submitted are enclosed.

The were searched in our main fingerprint file, but no prior arrest record was located.

The result of the requested laboratory examination will be furnished separately.

Enc. (16)

Assistant Director, Identification Division

THIS REPORT IS FURNISHED FOR OFFICIAL USE ONLY

9-7484-23
5/12/77

TO: DIRECTOR, FBI (9-62498)  
(ATTN: FBI LAB/DOCUMENT SECTION AND ID/LPS)  
(LATENT CASE #B43598)

FROM: ADIC, NEW YORK (9-7494) (P) (#21)

SUBJECT: UNITED STATES CONGRESSMAN;  
EDWARD I. KOCH - VICTIM  
EXT - MF  
(00; NY)

RenYairtel, 5/3/77.

Enclosed for the Bu are

ADMINISTRATIVE

This matter is presently under investigation  
by a Federal Grand Jury (FGJ) in the SDNY. On 5/11/77,  
the FGJ compelled to  
the NYO.

REQUEST OF THE BUREAU

It is requested that the ID/LPS compare enclosed  
previously obtained from submitted specimens.

4 - Bureau (Enc. 1)  
(1 - FBI Lab/Document Section)  
(1 - ID/LPS)

New York  
DIT: 113

1 - Supv. #21
It is requested that the results of this comparison be expeditiously furnished to the NYO since this matter is under investigation by a FGJ. FGJ scheduling for Federal witnesses depend on expeditious handling of above material.
REPORT of the
IDENTIFICATION DIVISION
LATENT FINGERPRINT SECTION

TO: ADIC, New York

RE: UNITED STATES CONGRESSMAN
EDWARD I. KOCH - VICTIM
EXT - MF

REFERENCE: Airtel 5/12/77
EXAMINATION REQUESTED BY: New York
SPECIMENS: Fingerprints and palm prints of

This report confirms and supplements the information furnished your office by telephone on 5/16/77.

The previously reported latent prints remaining unidentified in this case are not identical with the finger or palm prints of

A search conducted in the main fingerprint file with the fingerprints of revealed no prior arrest record.

The specimens are enclosed.

Enc. (5)

Assistant Director, Identification Division

THIS REPORT IS FURNISHED FOR OFFICIAL USE ONLY

9-7484-75
Assistant Inspector in Charge
United States Postal Inspector's Office
General Post Office
Post Office Box 555
New York, New York 10001

Dear Sir:

On June 3, 1977, a Special Agent (SA) from the New York Office (NYO) of the Federal Bureau of Investigation (FBI) met with representatives of United States Congressman Herman Badillo, at his office in the Bronx, New York. On the above day, three letters were provided to the SA. After a thorough review of the three letters, it has been ascertained that no violation of federal law under the direct jurisdiction of the Federal Bureau of Investigation (FBI) is evident in the three aforementioned letters.

Attached hereto are the three letters that were obtained on June 3, 1977, for your review. It is requested that your office review the above letters for whatever investigative action you deem necessary.

Very truly yours,

J. WALLACE LA PRADÉ
Assistant director in Charge

1 - Addressee
1 - US Congressman HERMAN BADILLO, 840 Grand Concourse, Bronx, New York 10451
1 - New York

DTT:kp
(3)

[Signature]

[Postmark]
Memorandum

TO: SAC (9-7484)
FROM: SA (#21) (P)

DATE: AUG 9 1977

SUBJECT:
UNSUB;
U.S. CONGRESSMAN
EDWARD I. KOCH - VICTIM
EXTORTION
(00:NY)

All Federal Grand Jury evidence relative to this case was returned to AUSA SDNY by writer. The above Federal Grand Jury evidence consisted of specimens of those individuals called before the Federal Grand Jury. AUSA has advised writer that he intends to provide the specimens to an outside civilian agency for their examination.

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan
EDWARD I. KOCH,
U.S. CONGRESSMAN - VICTIM
EXTORTION
(00:NY)

SAC, NEWARK (9-7484)

Prosecution involving and other individuals involved with SERA is anticipated in January of 1978. This prosecution will be taking place in reference to fraudulent views of Federal funds.

LEADS

NEW YORK

AT NEW YORK. Will follow prosecution re related matters to determine if prosecution in this case is being anticipated.

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

OPTIONAL FORM NO. 10
(REV. 7-76)
GSA FPFMR (41 CFR) 101-11.6
5010-112
On 10/28/77, [redacted] was interviewed and advised that [redacted] advised him how the KOCH letter was prepared. He stated that [redacted] told him that someone had obtained a letter containing KOCH's letterhead and signature. With this letter, the contents were blocked out, leaving the letterhead and signature. The former employee advised that the contents of the letter were then typed on the partially blank paper and copies were made of this draft.

He stated that he believes the typewriter used to prepare the letter was that of [redacted] because a break-in occurred at the fiscal office in 1977, which was reported to the NYPD and that the robber(s) walked through the Fiscal Department, passing typewriters and adding machines and went directly to the Personnel Office and took a typewriter [redacted] about this break-in a few weeks later. He advised that [redacted] said, [redacted].

He also advised that he personally burned copies of this letter, at the direction of [redacted] in the incinerator located at SERA. He stated that the copies of this letter were kept under [redacted] desk at SERA.
Due to the fact that all logical investigation has been conducted in this matter and subject, [redacted] has been tried in SDNY on related matters, no further investigation is being conducted at NY. It is recommended that this case be closed.
FEDERAL BUREAU OF INVESTIGATION
FOIPA
DELETED PAGE INFORMATION SHEET

No Duplication Fees are charged for Deleted Page Information Sheet(s)

Total Deleted Page(s) ~ 109
Page 18 ~ b3
Page 20 ~ b3
Page 22 ~ b3
Page 24 ~ b3
Page 26 ~ b3
Page 28 ~ b3
Page 29 ~ b3
Page 30 ~ b3
Page 31 ~ b3
Page 48 - b6, b7C, b7D
Page 49 ~ b6, b7C, b7D
Page 50 ~ Duplicate
Page 62 ~ Duplicate
Page 67 ~ Duplicate
Page 68 ~ Duplicate
Page 70 ~ Duplicate
Page 73 ~ Duplicate
Page 83 ~ Duplicate
Page 84 ~ Duplicate
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Page 112 ~ Duplicate
Page 113 ~ Duplicate
Page 114 ~ Duplicate
Page 142 ~ b6, b7C