

New York Times  
April 20, 2010, 12:17 pm

## Espada Accused of Using Nonprofit for Personal Gain

By [NICHOLAS CONFESSORE](#)



ALBANY — Attorney General Andrew M. Cuomo filed a civil lawsuit against Senate Majority Leader Pedro Espada Jr. on Tuesday, alleging that Mr. Espada, his family and his political aides had siphoned more than \$14 million from a health care nonprofit he founded to pay for meals, vacations and campaign expenses.

[The lawsuit](#), part of an ongoing investigation by Mr. Cuomo into Mr. Espada's political and business activities, seeks to remove Mr. Espada from his position as president of the nonprofit, Comprehensive Community Development Corporation, which runs a network of Bronx health care clinics that receive the vast majority of their funding from the federal and state governments.

The lawsuit also seeks to remove the nonprofit's entire board, which Mr. Cuomo said was stacked with Espada family members and friends who rubber-stamped millions of dollars' worth of inappropriate contracts and expenditures.

"Taxpayer money was given to this not-for-profit to provide health care services to underprivileged patients, but our investigation has found the funds flowed into the pockets of Senator Espada and his supporters," Mr. Cuomo said in a statement. "Siphoning money from a charity would be egregious under any circumstances, but the fact that this was orchestrated by the state senate majority leader makes it especially reprehensible. In New York, no one is above the law, and this suit should finally make that clear to Senator Espada."

The suit alleges that the nonprofit's board approved a \$9 million severance package for Mr. Espada, a Democrat, that, if triggered, would bankrupt the nonprofit, which does business as Soundview.

Soundview also paid roughly \$80,000 in restaurant bills for Mr. Espada and his supporters; purported trips for the senator, his wife, and family to destinations like Las Vegas, Miami and Puerto Rico; and more than \$100,000 worth of campaign expenses connected to his 2008 Senate campaign.

Mr. Espada did not immediately respond to Mr. Cuomo's suit.