

Akron Clean Money Campaign
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FOR IMMEDIATE RELEASE

REPORT DOCUMENTS AKRON SWEETHEART LAND DEALS
AND CAMPAIGN CONTRIBUTIONS

Report first of three in "Pay to Play Games of Akron City Hall" series

The Akron Clean Money Campaign today released a report on donor favoritism of two recent land deals between Akron City Hall and developers who donate to Akron politicians. The two projects addressed in the "Akron Sweetheart Land Deals" report are the acquisition of the old Portage Hotel site in downtown Akron by Signet Development, a firm closely associated with David Brennan, and the acquisition of a Ghent Road site by Anthony Petrarca's Cedarwood Century Park Associates.

The report shows that both companies acquired land well below market value. Brennan, Petrarca and their partners are major donors to City Hall politicians.

"These are great deals for the fat cats," said Chris Hazen, Co-Coordinator of the Akron Clean Money Campaign, "but they are rip-offs for the taxpayer, who are at the mercy of this 'good old boy network,' with its costly pay-to-play system of doing business with the City. This is exactly why we need a system of public financing of local elections in Akron -- to break the politician-big donor connection.

"What this cozy relationship of City Hall to bigtime donors like Brennan, Manna and Petrarca amounts to is legalized bribery. A private donation to a public campaign is a form of legal bribery when that donation leads to favorable treatment in the form of discounted prime real estate or other deals which have taxpayers as the losers and fatcat donors as the winners," said Hazen.

"What we have here is a rigged system that is unfair to other people who might have creative solutions to the development of downtown Akron," said Attorney Warner Mendenhall of the Akron Clean Money Campaign and former Akron City Councilperson.

The "Akron Sweetheart Land Deals" is the first of three reports to be released by the Akron Clean Money Campaign over the upcoming month. The other two reports will focus on Tax Increment Financing and Cost Overruns of construction projects within the City of Akron. Each report is part of a series called "Pay to Play Games at Akron City Hall."

Much of the information of both projects were obtained through published local press reports. Repeated requests for public documents from the City of Akron on the exact details of these and other bid and no-bid contracts have, to date, not been supplied to the American Friends Service Committee, a sponsor of the Akron Clean Money Campaign.

The Akron Clean Money Campaign is a citizen-led, grassroots initiative to place on the ballot a law calling for voluntary full public financing of municipal elections in the City of Akron. Limited public financing of qualified candidates would reduce the perceived, if not real, donor-politician connection which makes non-contributing voters feel that their voices are not heard, their needs met, and their communities helped. The Campaign is currently collecting signatures to qualify the measure on the ballot.

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July 2, 2001

FOR IMMEDIATE RELEASE

REPORT CASTIGATES DONOR FAVORITISM AND CORPORATE WELFARE THROUGH T.I.F.
Report second of three in Pay to Play Games of Akron City Hall series

On the eve of Independence Day, the Akron Clean Money Campaign has issued the second of a three-part series exposing the high public cost of rampant donor favoritism by the City of Akron. This report focuses upon the tax incentive financing (T.I.F.) tactic used by the City of Akron to reward contractors and developers who donate significant funds to the political campaigns of local office holders. One very revealing example of such TIF arrangements at considerable cost to the public is the deal cut at a Ghent Road site with developer Anthony Petrarca's Cederwood Century Park Associates. Petrarca, the beneficiary of a major TIF deal, donated at least \$7,800 to campaigns of Akron office holders over the past four years.

A disturbing dimension of Akron TIF arrangements involves the special compensation agreement reached in 1997 with Akron Public Schools. The City of Akron is obligated to pay Akron Public Schools any funds, which T.I.F. arrangements with private contractors may otherwise have depleted from the public school system through loss of property tax. In other words, the average Akron taxpayer picks up the school tax normally owed by private developers who have contributed to the campaigns of local politicians.

"To rob Peter to pay Paul a bill owed by Judas and the money-changers is no way to handle public funds responsibly or ethically", states Rev. Werner Lange of the Akron Clean Money Campaign, "If it were not for donor favoritism, this type of corporate welfare at public expense would not exist"

"Tax Incentive Financing is just a another way of saying corporate welfare", states Chris Hazen, coordinator of the Akron Clean Money Campaign, "T.I.F. means Taxpayers Instead of Fatcats pay the bill of the Fatcats in this town. This pay-to-play game of donor favoritism has got to stop."

"The Spirit of Independence we celebrate this week needs to include a declaration of independence from corporate welfare and donor favoritism", says Hazen, "This year, Akron voters will have another chance to declare their independence in a real way through Clean Money campaign finance reform"

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July 19, 2001

FOR IMMEDIATE RELEASE:

“PAY-RAY-TO-PLAY” SCHEME UNVEILED

Today the Akron Clean Money Campaign released a report on the criminal indictment of Ray Kapper, former Akron City Councilman, Council President, Service Director and two-time mayoral candidate. The report is the second in a series entitled “A Culture of Corruption”*, which focuses upon the presence of public corruption in the Akron area and upon the need to enact new campaign finance laws to prevent this ongoing abuse of the public trust and depletion of public funds by bought-off politicians.

Kapper is expected to plead guilty to mail fraud on July 25 before federal judge Economus in Youngstown. Far more serious charges could - and should - have been brought against Kapper and his ilk in the Akron area, who continue to violate the public trust.

“What makes this case especially appalling is that the primary victims of Kapper’s criminal activity are children and impoverished families” stated Akron resident Liz Raines, a pediatric social worker and active supporter of the Akron Clean Money Campaign, “Kapper used his influential position as a board member on AMHA and CSB to enrich himself and his corporate clients at the expense of the most vulnerable and impoverished members of the Akron community. That’s a moral outrage”.

The federal indictment and Akron Clean Money report show that Kapper and/or his consulting firm received at least \$466,806 over a five year period (1993-98) from seven corporations seeking to do business with the two public agencies in which Kapper operated as a board member. Each identified corporate client of Kapper received lucrative contracts from one or both of these agencies.

“The scheme to defraud boils down to little more than a “Pay-Ray-to-Play” racket, states Joe Finley, a candidate for Ward 2 in the City of Akron, “With Kapper, that now makes three former Akron City Councilmen who have been indicted for crimes. This is exactly the type of public corruption, which Akron Clean Money, when enacted into law, will help prevent in the future. With their votes for reform, Akron citizens need to make their voices heard loud and clear: no more corruption!”

*The first report, which was issued last summer, exposed the widespread public corruption network established in northeastern Ohio by convicted criminal and former public official Ed Flask, whose criminal activities and conflicts of interest in Akron and Youngstown closely resemble those of Ray Kapper in Akron.