



## Business

### Three more projects linked to Lipscomb by prosecutors

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Three previously unnamed projects linked to indicted developer Ronald Lipscomb have been listed by the Office of the State Prosecutor in response to a request by Mayor Sheila A. Dixon's lawyers.

Responding to a March 27 order from Judge Dennis M. Sweeney, prosecutors filed a list of 12 Baltimore projects that Lipscomb was involved in between 2003 and 2008 and 27 limited liability corporations that are owned fully or in part by Lipscomb, including various subsidiaries of his main company, Doracon Development LLC.

Last year, the Office of the State Prosecutor subpoenaed city records relating to six Doracon projects. In October, The Daily Record reported that the six projects that were originally the focus of the investigation were paid for with a total of \$66 million in public subsidies. Three months later, Dixon was indicted on 12 criminal charges.

The original six projects included Spinnaker Bay, an expensive condo development in the upscale Inner Harbor East neighborhood, as well as contracting work done on the East Baltimore biotechnology revitalization effort.

At a March 26 hearing, State Prosecutor Robert A. Rohrbaugh named three more development projects: the Frankford Estates housing project, which Doracon worked on with prominent local developer Struever Bros. Eccles & Rouse, and two projects headed by Philadelphia's Pennrose Properties: the Uplands housing development in West Baltimore, and Orchard Ridge, a HUD-subsidized rental and homeownership development in the eastern part of the city.

This latest list, filed as a bill of particulars, includes the Arizona Crossings Project, about which information was not immediately available, the Baltimore Convention Center and Nicks at the Baltimore Yacht Basin, a South Baltimore fish restaurant.

The original indictment claimed that Dixon, who had a personal relationship with Lipscomb in late 2003 and early 2004, accepted gifts and favors including furs and shopping trips to New York and Chicago in return for her support of city tax breaks for Lipscomb's development projects.

Dixon's lawyer, Arnold M. Weiner, could not be reached for comment Tuesday, but Barry L. Gogel, a partner in Weiner's firm, said that he was "gratified that the state has supplied the bill of particulars."

A similar request for particulars was denied to the lawyers representing Lipscomb in a related corruption case involving City Councilwoman Helen L. Holton, who allegedly accepted a \$12,500 political poll, paid for by Lipscomb's Doracon Contracting, in return for her support of a tax break on the Inner Harbor East project. At the time, Holton chaired the council's influential Taxation and Finance Committee, but she has since stepped down.

"They're listing every project that Lipscomb has worked on this decade in Baltimore," said Steven F. Wrobel, one of Lipscomb's attorneys. "It becomes a lot easier for them to go to the jury at the end of a trial and say, 'if you don't believe that Mr. Lipscomb's actions were a corrupt agreement to get her to act favorably on Harbor East, well, here are all these other possibilities.' You can understand from a defense standpoint how that makes it virtually impossible to focus your defense on what the alleged bribe was in exchange for."

A spokesman for the mayor referred all questions to her lawyers, and City Solicitor George Nilson, who prepared a supporting affidavit for Dixon's defense team, declined to comment, writing in an e-mail Tuesday that he "wouldn't even consider getting inside the heads of the lawyers in the case and figuring out why different pieces [of the case] might or might not be important to them."

But public interest advocates argue that disclosing Lipscomb's interests in dozens of smaller, interconnected companies is beneficial for the public good.

"It comes down to a fundamental trust in government, and being able to look at our elected officials and know that they're not involved in sketchy dealings, and if they are, there has to be enough transparency," said Johanna Neumann, state director of the Maryland Public Interest Research Group. "Here we've got a spider web of corporations that makes it really hard to figure out what's going on, whether or not that quid-pro-quo exists."

Robert Strupp, director of research for the Community Law Center, said forming multiple limited liability corporations can be a way for companies or businesspeople to protect their privacy, but often the consequence of those protections is the enabling of deceptive or predatory business practices, especially in real estate.

"The question becomes whether privacy should supersede transparency, and I think there's a good justification for why it should not," he said.