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Los Angeles Times (1923-Current File); Aug 13, 1966;

ProQuest Historical Newspapers: Los Angeles Times

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# L.A.'S COUNCILMEN FACE BRIBE INQUIRY

## Summoned by Jury in Zoning Quiz

BY PAUL BECK  
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An intensive investigation into charges of grand theft and possible bribery involving a rezoning matter in Chatsworth decided by the City Council will be made by the grand jury, it was learned Friday.

It was understood that a high city official may be under suspicion and that the grand jury will begin its inquiry Aug. 30.

Shortly after subpoenas were disclosed, Councilman Thomas D. Shepard, who was subpoenaed, issued a statement saying charges about the case have been made for a year "and in all the discussions I have never felt that I had been a subject of these charges."

The district attorney's office declined to comment on the case.

But it was learned that the subpoenas were signed by Dep. Dist. Atty. D. Sterry Pagan and served on a majority of the City Council and two former council members.

The matter under investigation reportedly involves the rezoning of 92 acres next to Chatsworth Park from agricultural to multiple dwelling.

### Shepard's Role Assailed

Early in 1965, True Slocum Jr., seeking Shepard's council job in the election, bitterly assailed Shepard's role in the rezoning and asked for an investigation. No announcement of any action was made by the district attorney's office at that time.

In his statement, Shepard said:

"Robert Rauh, former treasurer of ABC Investment Co., came to me on Sept. 27, 1965, with charges of misconduct. Involved was some \$30,000 paid a certain official in order for ABC to get favorable zoning on their property.

"I was not involved and advised Rauh to go to the district attorney. He said he was going to the mayor, and I told him this was a matter for the district attorney.

"I am more than anxious to appear in answer to this subpoena to prove or disprove any such charges. I will answer any and all questions."

Two of the principals involved are alleged to have paid \$34,000 to a third man for expenses in obtaining city clearance for the project, it was learned.

This is expected to be a key point in the grand jury investigation into possible grand theft or bribery, ac-

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# BRIBE INQUIRY

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cording to informed sources.

ABC Investment Co. owned the property which was rezoned.

The firm had asked permission for construction of a large condominium development on the property, but was turned down by the City Planning Department, the Planning Commission and the Planning Committee of the City Council.

Sloucum has charged Shepard insisted on the zoning changes and was the chief sponsor of ABC's plan despite opposition from city planning officials.

Councilman John P. Cassidy, in whose district the property lies, opposed the rezoning. However, the property was in Shepard's district when the initial zoning requests were made, but later it was switched to Cassidy's because of council reapportionment.

## Favored Zoning

Shepard voted for the zoning changes every time it came before the council except once, records showed.

The property involved is the so-called Andora property—a 92-acre parcel purchased by ABC in 1963 for \$1.3 million, or about \$14,000 an acre. After final zoning changes were made, it reportedly was worth a minimum of \$35,000 an acre.

City planning officials refused to recommend the zone change when it was brought before them, contending there was not sufficient access for a project with 900 units and that such density was too high

for the area.

On Oct. 19, 1964, ABC's appeal of the zoning rejection by the City Planning Commission and a council committee came before the council, and, on a 12-2 vote, a conditional use permit was granted giving the green light to the project.

## Two Oppose Permit

Shepard and Councilman James B. Potter Jr. voted against the conditional use permit.

However, records show Shepard prepared 14 written conditions and submitted one oral condition which the council adopted. That action permitted ABC to go ahead with construction.

Shepard, asked about his move in this instance, told The Times.

"It doesn't add up. Somehow, something has gotten mixed up because I was all for it. And I would vote for it again if it came up tomorrow."

But the permit later was withdrawn because the firm failed to start construction within the time limit set by the council.

So on Nov. 3, 1965, ABC representatives asked the council to declare it was the council's intention that a six-month extension be granted. The council unanimously continued the appeal to Nov. 10.

On that date, the council rejected the appeal. The vote was 9 to 4 in favor of ABC, but a two-thirds vote was needed.

A month later, on Dec. 14, 1965, ABC again asked the council to clarify its action of Oct. 19, 1964, by declaring that it was the council's intent to grant time extensions because of

delays in starting construction.

Councilmen voted 10-5 to approve ABC's plan, although final approval of the tract map was delayed until Jan. 4 of this year when all 15 councilmen voted in favor.

During debate on Dec. 14, Asst. City Atty. Claude Hilker was asked his opinion about the matter and replied that he felt the conditional use permit was void and that he had grave doubts if the council could legally reinstitute it by passage of a resolution extending the time limitation.

"If it goes to court, I'll try to defend your action but I wouldn't want to make any predictions on how it will come out," Hilker said at the time.

Construction was never started on the project.

Records show that ABC was composed of three firms—Anoka, Inc., headed by Paul E. Griffin Sr.; Bruin Investment Co., headed by B. E. Gibson, and Chastain, Inc., whose president was Paul E. Griffin Jr. Chastain and ABC were listed as having the same address at 4623 Gloria Ave., Encino.

Councilman Paul H. Lamport said he felt the zoning change should not have been granted.

When the issue was brought before the council Gibson called him "and asked me to change my vote," Lamport said. "I refused to do it and again voted no when the matter was brought before the council for final action."