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**THREE CITY INSPECTORS AND A PRIVATE CONTRACTOR CHARGED IN
FEDERAL BRIBERY INVESTIGATION RELATING TO CITY BUILDING MATTERS**

CHICAGO – Three City of Chicago inspectors and a private contractor have been arrested on federal bribery charges for allegedly exchanging cash payments with an undercover former city employee relating to various city building and permit matters, federal law enforcement officials and the city’s Inspector General announced today. A series of three arrests began Monday night and ended this morning, while a fourth defendant was expected to appear voluntarily in Federal Court this afternoon. Each of the four defendants was charged separately with one count of bribery in criminal complaints – three of which were unsealed today and one earlier this week. The arrests and charges were announced by Gary S. Shapiro, First Assistant United States Attorney for the Northern District of Illinois; Kenneth T. Laag, Postal Inspector-in-Charge of the U.S. Postal Inspection Service in Chicago; and David Hoffman, Inspector General for the City of Chicago.

In each case, the defendants allegedly paid bribes to, or received a cash bribes through, an individual identified as either Individual A or Cooperating Witness 1 (CW-1), a former city building inspector, who told federal agents that he/she obtained cash from individuals in exchange for obtaining letters of intent from licensed contractors in order to obtain city building permits. CW-1

also told agents that he/she obtained cash from individuals to obtain city zoning approval and for lifting stop work orders. CW-1 has been informed that the government intends to bring criminal charges against CW-1, but no charges are pending at this time, according to the charges in each of the four cases announced today.

The charged defendants are: **Kurt Berger**, 44, of Chicago, a project manager in the city Buildings Department, who was arrested last night; **Miguel Diaz**, 40, of Chicago, a building inspector in the Buildings Department, who was arrested this morning; **Darryl Williams**, 46, of Chicago, an electrical inspector in the city's Department of Construction and Permits, who was arrested Monday night; and **Sorin Adrian Oros**, 32, of Glenview, a private contractor, who appeared in court today after being notified to surrender through his attorney.

The charges against Berger, Diaz and Oros were unsealed this afternoon when they appeared before U.S. Magistrate Judge Jeffrey Cole in U.S. District Court. The charges against Williams were unsealed on Tuesday when he appeared before Magistrate Cole and was released on his own recognizance.

The charges against Berger allege that he received a \$1,000 cash bribe from CW-1 on Feb. 13 for allegedly arranging to non-suit an administrative hearing complaint involving building code violations. According to the affidavit in his case, CW-1 passed the bribe on behalf of two individuals, who were renovating a multi-unit apartment building in Chicago and was facing an administrative complaint filed last August as a result of multiple building code violations, resulting in a stop-work order. In his capacity as a Buildings Department supervisor, Berger can verbally non-suit an administrative hearing complaint, resulting in its dismissal, according to the charges.

The charges against Diaz allege that he received a \$1,000 cash bribe from CW-1 on Feb. 14 for allegedly fraudulently obtaining a plumbing contractor's letter of intent to perform work on a property that was the subject of a building permit application. According to the charges, on Feb. 1, CW-1 approached Diaz to inquire if Diaz could obtain a letter of intent from a licensed plumbing contractor to obtain a city building permit. Letters of intent for plumbing, HVAC, electrical, masonry, and general contractors are required by the Department of Construction and Permits as part of the application packet for a building permit. If construction or renovation work on a building takes place without a permit, the owner will be fined between \$200 and \$500 per day and a stop work order will be issued, according to the city code. If construction or renovation work on a building takes place without a permit after the issuance of the stop work order, the owner must pay a fine of \$1,000 in addition to the permit fee, as well as an increase in the fine to between \$400 and \$1,000 per day.

Diaz allegedly informed CW-1 that he could assist in obtaining a plumbing contractor's letter of intent for renovation on an existing three-unit apartment building involving plumbing and electrical work. The work was estimated to cost between \$25,000 and \$30,000 per unit, and Diaz allegedly demanded a \$1,000 payment from CW-1 for the letter.

The charges against Williams allege that he received an \$8,000 bribe payment from CW-1 on Jan. 6 for allegedly manipulating zoning records regarding building unit numbers. According to the affidavit, in 2005, CW-1 approached Williams to see if he could facilitate changing the number of building units on building renovation projects for zoning purposes. Changing the number of registered units in a building normally requires zoning approval. To obtain zoning approval, an applicant must submit a set of architectural drawings representing the proposed changes and an application to the Construction and Permits Department. If the drawings and application are

approved, the drawings are stamped with an official seal indicating that the designs conform to zoning requirements.

Williams allegedly told CW-1 that he could assist CW-1 in changing the number of units in a building in city records. Williams demanded a payment of approximately \$4,000 to \$8,000 for each building that CW-1 requested a zoning change. CW-1 indicated that the amount of money requested by Williams varied based on the effort required to make the necessary unit changes.

The affidavit alleges that CW-1 made two \$8,000 bribe payments to Williams –one on Jan. 6, and another on Jan. 12. The complaint also alleges that Williams deposited more than \$40,000 cash into his personal bank account between February 2005 and December 2006.

The charges against Oros, who is self-employed in the construction industry on the city's north and west sides, allege that he paid a \$12,000 cash bribe to Individual A, then a city building inspector, on Dec. 13, 2006, in exchange for obtaining zoning approval for unit changes on three different buildings. Oros allegedly gave Individual A the cash and three sets of architectural drawings. Individual A took the drawings and agreed to expedite and acquire the necessary stamps and approvals for the drawings, and they agreed that they would meet again in two weeks to one month, when Oros would receive the approved drawings. Oros allegedly has met with Individual A between 20 and 30 times over the last two to three years to pay for expedited approvals for construction projects.

The Dec. 13 meeting between Oros and Individual A was interrupted by Chicago Police officers who at the time arrested both men.

The government is being represented by Assistant U.S. Attorney Juliet Sorensen.

If convicted, each defendant faces a maximum penalty of 10 years in prison and a \$250,000 fine. The Court, however, would determine the appropriate sentence to be imposed.

The public is reminded that complaints contain only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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