

STATE OF MARYLAND

VS

RONALD HOLT LIPSCOMB

*
*
*
*
*
*
*
*
*

**IN THE
CIRCUIT COURT**

FOR

BALTIMORE CITY

Case No.:

.....

Agreed Statement of Facts In Support of Guilty Plea

It is agreed by and between the State of Maryland, by Robert A. Rohrbaugh, State Prosecutor, Thomas M McDonough, Deputy State Prosecutor, and Tamara Gustave, Assistant State Prosecutor for the State, and Ronald Holt Lipscomb, Defendant, and his attorneys, Gerard P. Martin, Esquire and Steven F. Wrobel, Esquire, for the Defendant, that the facts on which Defendant's plea of guilty is based are as follows:

Ronald Lipscomb was, and is, a contractor and developer in the City of Baltimore. Mr. Lipscomb primarily does business through Doracon Contracting, Inc. and various related and subsidiary business entities, including Doracon Development, LLC. As a developer, Mr. Lipscomb was, at the times pertinent to the charge, a partner with John Paterakis and others in the development known as Inner Harbor East. Mr. Lipscomb agreed to pay three million dollars (\$3,000,000.00) in return for a 2.9% interest in an entity known as Presidential Investors Limited Partnership ("PILP") which entity owns a substantial amount of the real property and improvements in the Inner Harbor East project.

John Paterakis is a developer in the City of Baltimore and owns or controls through PILP virtually all of the development known as Inner Harbor East project.

Helen Holton was, and is, a member of the Baltimore City Council representing Council District 8 and chairperson of the Taxation and Finance Committee. During the spring and summer of 2007 Helen Holton was campaigning for re-election to the Baltimore City Council in the fall, 2007 election. Her authorized campaign finance entity was Citizens for Helen Holton, and her campaign treasurer was Audrey Parham Stewart. Her campaign manager/consultant in July 2007 was Travis Tazalaar.

On or about July 3, 2007, Ronald Lester, owner of Lester and Associates, proposed to perform an election survey for the Helen Holton campaign. Tazalaar was reluctant to commission the survey because he did not believe it was necessary and the funds needed to pay for it could be used more effectively for other purposes. Holton told him that she would find a way to get the money. According to Mr. Lester, Helen Holton told Mr. Lester that she would get defendant Ronald Lipscomb, John Paterakis and a third person, whose name Mr. Lester does not presently recall, to pay \$12,500.00 for the survey.

Thereafter, Councilwoman Holton, defendant Ronald Lipscomb, and John Paterakis met in Baltimore City. Councilwoman Holton asked Lipscomb and Paterakis to

provide the money for the campaign survey. They agreed to do so, by contributing \$12,500.00, an amount in excess of the campaign contribution limits of the Maryland Election Law, for the survey. Defendant knew that the contribution limit was \$4,000.00 per person to a single candidate and \$10,000.00 total to all candidates during a four year election cycle since on two separate occasions in 2002 and 2005 Mr. Lipscomb's companies had been notified of the campaign finance limitations. In fact, in 2005, Mr. Lipscomb's companies, Doracon Contracting and Doracon of D.C., were each issued a civil citation and fined \$5,000 for making contributions in excess of the legal limits.

Councilwoman Holton bypassed her campaign finance treasurer, Audrey Parham Stewart, and told Ronald Lester to contact Ronald Lipscomb directly to obtain payment for the survey. Mr. Lipscomb agreed to pay Lester for the survey. On July 25, 2007, Councilwoman Holton and her new campaign manager, Kobi Little, met with Ronald Lester at the Double T Diner in Catonsville to plan the survey. On July 27, 2007, Councilwoman Holton again met with Ronald Lester at the Double T Diner to finalize the details of the campaign survey. At the direction of Helen Holton, Ronald Lester sent an invoice to the defendant. The invoice was prepared for "Doracon Development Corporation" in the amount of \$12,500.00 for the survey. Mr. Lester contacted Mr. Lipscomb and arranged to pick-up the payment on Monday, July 30, 2007 at the premises of Doracon located at 3500 E. Biddle Street in Baltimore City

On July 30, 2007 Ronald Lipscomb caused a check to be drawn on his company, Doracon Contracting, Inc., in the amount of \$12,500.00 payable to Lester and Associates. Ronald Lester met defendant Ronald Lipscomb for the first time when he picked up that check at the premises of Doracon Contracting, Inc. in Baltimore on July 30, 2007.

Ron Lester and Associates completed the survey and sent the report, via e-mail attachments, to Helen L. Holton at holtonhl@comcast.net. On August 9, 2007, Helen Holton forwarded the messages containing the survey results to Ronald Lipscomb at rlipscomb@doracon.com.

On August 10, 2007, John Paterakis drew a check on an account at Harbor Bank on an account in the name of J & B Associates, 601 South Caroline Street, in the amount of \$6,000.00, payable to Duracon (sic) Contracting, Inc., to reimburse Ronald Lipscomb for his share of the \$12,500.00 survey contribution. The check, a copy of which is attached as Exhibit A, appears to bear the signature of John Paterakis. On August 30, 2007, that check was deposited to the account of Doracon Contracting, Inc.

Since Audrey Parham Stewart, the treasurer of Helen Holton's campaign finance committee, did not know of the payment, she did not report the money on the campaign finance reports which were filed with the State Board of Election until after the indictment had been returned against Ms. Holton and Mr. Lipscomb.

[SIGNATURES ON FOLLOWING PAGE]

Date

Robert A. Rohrbaugh
State Prosecutor

Date

Thomas M. McDonough
Deputy State Prosecutor

Date

Tamara M. Gustave
Assistant State Prosecutor

Date

Ronald Holt Lipscomb
Defendant

Date

Gerard P. Martin, Esquire
Attorney for the Defendant

Date

Steven F. Wrobel, Esquire
Attorney for the Defendant

DUR002 Invoice Nbr	DURACON CONTRACTING, INC. Invc Date	J & B Associates Invoice Amount	J & B Associates Description	Disc Taken	8/10/2007 Net Check Amt
081007M	08/10/07	6,000.00	MISC.	0.00	6,000.00

006864

J & B Associates
601 South Caroline Street
Baltimore, MD 21231

Harbor Bank of Maryland
Baltimore, MD 21201

7-177/520

Check # 006864

Check Date
8/10/2007

Check Amount
*****\$6,000.00

Six Thousand and 00/100-----

US Dollars

ORDER OF DURACON CONTRACTING, INC.


Authorized Signature

⑈006864⑈ ⑆052001772⑆ ⑈4000113755⑈