



"Accountability"
Glendale's Watchdog

SPECIAL EDITION

Vanguard
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GRAFT AND CORRUPTION

The four stages of Vanguardians **"First they ignore you, then they laugh at you, then they fight you, then you win."** Mahatma Gandhi describing the stages of establishment resistance to a winning strategy of nonviolent advocacy



It came as a bit of a surprise that the Los Angeles Times broke the story about the criminal investigation into Advanced Development and Investment, Inc. (ADI) the company well touted by one particular Glendale City Council member.

Over a month ago Vanguardians was alerted by a whistle-blower to the shenanigans that were coming to surface as a result of a divorce suit where the Judge selected David Pasternak as receiver to look at the millions of dollars of taxpayer money that was being hidden.

One of the principals transferred \$30,000,000 to Bombay where he is now. US Internal Revenue Agents caught the transfer. This tied into the divorce as a trigger for the followup.

ADI presently has a project in Glendale, a "Live/Work" affordable housing development on Salem Street.



It is Vanguardians understanding that there are pictures showing a City Council member driving a small red car, wearing a jogging suit, being handed an envelope with money in it, by an employee of ADI at a project on S. Brand. There are other pictures showing ADI subcontractors working on a project in Montrose that is owned by another councilmember.

Meanwhile the whistleblower said he had tears in his eyes when he saw the name of another council member who was on the take.

The 'bagman', who lives in Montrose, provided campaign contributions to elected officials in Glendale for which he was allegedly reimbursed, in addition to overseeing the construction project and passing out envelopes with money to elected officials.

Many of the invoices submitted for payment were phony. The subcontractors kept their jobs as long as they kicked back to the developer's internal contractor.

There was another ADI employee who went to Sacramento with bags of money to, ostensibly, meet with staff members of the various agencies that pass out debt allocation bonds and tax credits.

At this point, recipients of bribes are either scurrying to the US Attorney to roll over on their friends or are in complete denial.

Names have been eliminated as not to compromise the ongoing investigations.

More to follow.

<http://www.latimes.com/news/local/la-me-1013-advanced-development-20101013,0,2918199,print.story>