

Sunrise officials' extortion trial begins

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FORT LAUDERDALE — Sunrise Mayor John Lomelo used City Council and staff members in a scheme to pay lobbyist Spike Leibowitz \$42,000 for work Leibowitz never did, the federal government charged Monday on the first day of the extortion trial of Sunrise officials.

In his opening statement, federal trial attorney Kevin March also told the jury that Lomelo threatened to block construction of a nursing home unless the company building it paid Leibowitz \$30,000 as a secret lobbyist.

And Lomelo vetoed approval of the nursing home's first Sunrise site in favor of a second one being brokered by then City Council President John Montgomery, March charged.

"The defendants conspired, that is, they agreed to commit a crime against the United States," March said. "They schemed to commit a fraud against the people of Sunrise."

Attorneys for Lomelo, Leibowitz and Montgomery told the jury that evidence gathered during a 13-month federal grand jury investigation, including taped conversations and hundreds of documents, will prove no such fraud.

"No one will be able to show that Mr. Lomelo received any money from Mr. Leibowitz or anyone else," said Joseph Varon, Lomelo's attorney. "I challenge Mr. March to prove the things that he said."

"Mr. Montgomery had nothing to do with Mr. Leibowitz being hired," said Kenneth Lipman, Montgomery's attorney.

Leibowitz's attorney, Lawrence C. Roberts, made no opening remarks.

March said Lomelo arranged to have the city's consulting engineer, Craig A. Smith & Associates, include \$42,000 in Leibowitz bills on engineering invoices.

That arrangement began when Leibowitz appeared at Smith's office in July 1982, March said.

"Mr. Leibowitz told Mr. Smith that henceforth he was on his payroll," March said. "Smith called the defendants John Lomelo and John Montgomery and both authorized him to do so."

The money paid to Leibowitz, through Smith's firm, came from city bond issues, March said.

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In one instance, Leibowitz appeared in the city's finance department with his own invoice for \$20,000, March said. City Finance Director Tom Mullen, who was usually directed by Lomelo to approve Smith's invoices, refused to approve a check for Leibowitz.

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