

Report of Gurney 'Front'

Miami

A Florida land investment firm formed by Senate Watergate committee member Edward Gurney (Rep-Fla.), was used to disguise a

\$300,000 political slush fund for the senator, the Miami Herald said yesterday.

The newspaper, quoting information from unidentified sources, charged that the firm acted as a funnel for payoffs from builders eager to win Federal Housing Administration approval on contracts.

In a televised news conference from Jacksonville, Fla., earlier this month, the senator acknowledged he

had formed Oxnard, Inc., as a means of "supplementing" his income.

Oxnard was formed in June, 1972, by Gurney and two of his former aides, Jim Groot and Larry Williams, to take over an option on a St. Petersburg land tract proposed as the site of an FHA-approved \$3.1 million housing project, the paper said.

Gurney said in his news conference that he wrote a \$10,000 check to Williams for legal fees and personal expenses related to the corporation on July 24, 1972. Grand jury testimony shows that on the same day, Williams

and another man deposited between \$45,000 and \$50,000 in cash in the senator's Washington office safe, the Herald said.

Jim Allison, a spokesman for Gurney, said he knew of no connection between the deposit and the \$10,000 check. The senator and his two former aides were unavailable for comment.

The Herald said public records showed some of the money collected by the firm was used for Gurney's personal use, including \$85 a month to pay a gardener at the senator's Winter Park, Fla., home.

United Press