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Gurney Volunteer Is Reported Offering Favor for Donation

By Susanna McBee

Washington Post Staff Writer

A Florida builder has charged that a volunteer for Sen. Edward J. Gurney demanded \$5,000 in February, 1971, in exchange for federal approval of two apartment projects costing \$6 million.

Sen. Gurney (R-Fla.) has denied any knowledge of the incident and stressed that the volunteer, Larry E. Williams of Orlando, was never authorized to solicit funds by using the Senator's name.

The FBI began investigating the charge in November, 1971, but found insufficient evidence to prosecute anyone.

However, the case was reopened this week after the Miami Herald published the allegations of the Gainesville builder and developer, Philip I. Emmer, on Sunday. Both the Department of Justice and the Department of Housing and Urban Development have renewed their investigations.

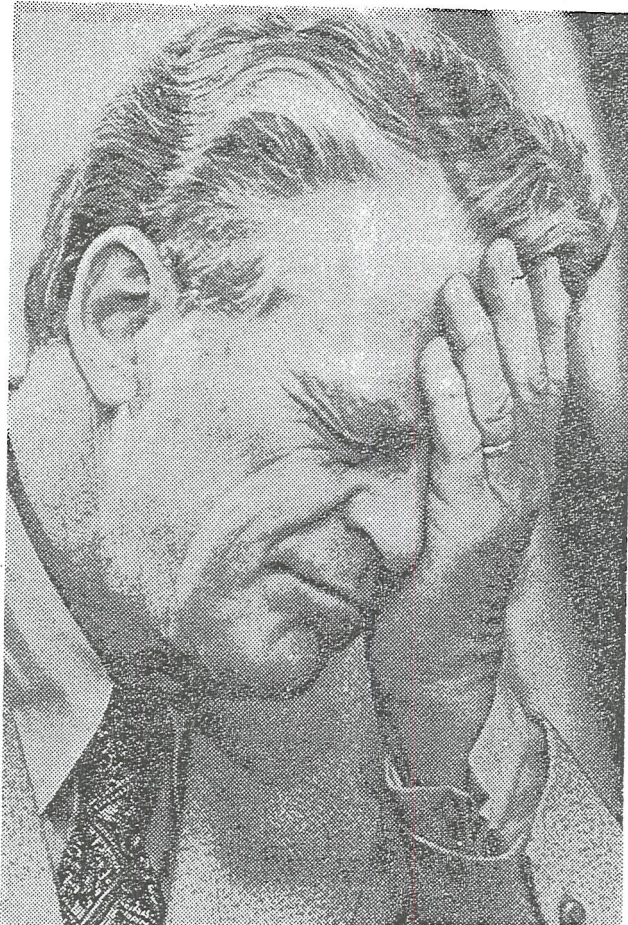
Emmer said yesterday that on Feb. 19, 1971, he received a call from HUD's Jacksonville director of Federal Housing Administration programs, Forrest W. Howell, who told him Williams was on his way to see him.

Williams, according to Emmer, identified himself as a Gurney aide and mentioned that he knew Emmer had applications pending for FHA approval of a subsidized housing project in Pensacola and one in the Miami area.

He then asked for a contribution for operating expenses of Gurney's field office in Orlando, Emmer said.

"I said, 'What do you have in mind?'" the builder continued.

"He said, 'Five.' I didn't know what to do. I remember swallowing a bit. I said, 'Five hundred?' He said, 'No, five thousand.'



By Bob Burchette—The Washington Post

Sen. Gurney questions Mitchell about telephone logs.

"I really gulped. I said, I said, 'I don't understand how you can do this.' He said he would make it \$2,000—'\$1,000 now and \$1,000 when you get your (FHA) commitments.'"

Emmer said he told Williams he would "think about it" and would "be back in touch with you." But he said he did not contact Williams, declined to return his subsequent phone calls, and made no contribution.

Williams, a 28-year-old developer and consultant, denied yesterday that he had asked Emmer for a contribution. He admitted talking to him but declined to say what the discussion entailed. However, he said the subject of Emmer's pending F H A applications was brought up not by him but by Emmer.

"He jumped me right away about a couple of projects he had," Williams said.

Howell admitted phoning Emmer about Williams' pending visit and said he may have identified him as a "Gurney aide." But he said, "I made the call only

as a favor. Williams had been in my office and said he had an appointment with Emmer and was running late. He had to drive 70 miles to Gainesville, and I just told Emmer he was on his way."

Howell, who got his appointment through Gurney, said it is common for congressional aides to inquire about pending housing applications, which are public information. He added, "I don't recall that Williams ever inquired about Emmer's projects, but he might have."

"Inquiring is perfectly legitimate, but arm-twisting is not," the FHA director said. Asked if he and Williams had discussed getting a contribution for Gurney in return for approval of the applications, Howell replied, "Absolutely not."

He said he assumed that Williams was going to see Emmer "just to offer the services of Sen. Gurney's offices in a general way."

Howell noted that Emmer's Pensacola apartment project application was submitted in November, 1970, rejected in January, 1971, resubmitted Feb. 10, 1971, and approved Dec. 14, 1971. "That shows we weren't guilty of any reprisal because Emmer had complained to us and the FBI about Williams' conversation," Howell said.

Emmer's Miami project, processed by another FHA office, was rejected.

Williams was state finance director of the Florida Republican Committee from 1968 until January, 1971, when he was ousted after a change in leadership of the state party.

Then, according to Gurney's administrative assistant, Jim Groot, Williams volunteered to do "political

contact" work for the senator.

Groot accepted, he said, "because I had just gotten out of the Army and was new to the staff and needed all the help I could get. He had worked with the party and was a good guy. He was never on the staff and did no fund raising work for the senator.

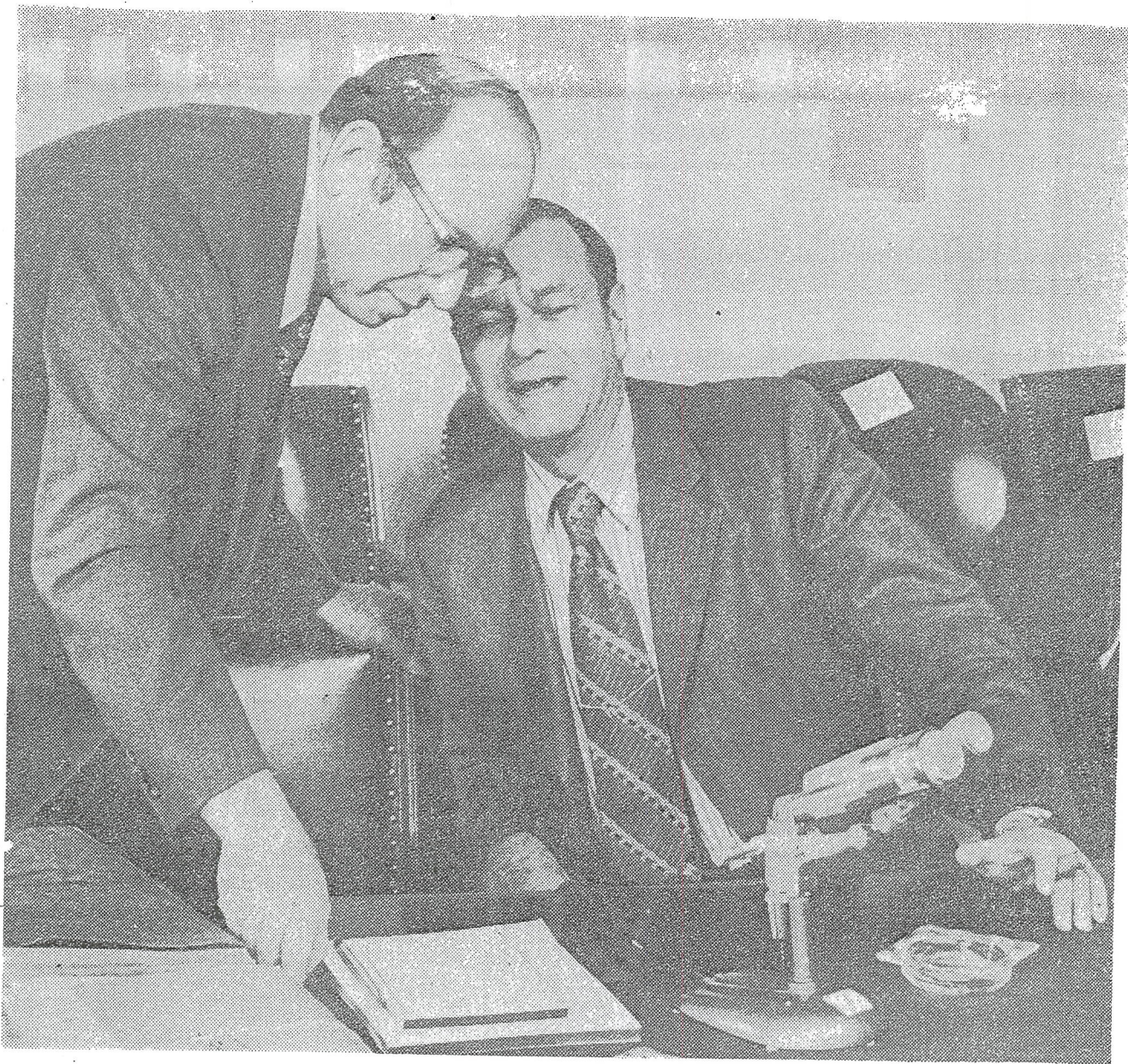
Groot said Williams' function was to act as a troubleshooter: "He'd give me a call and say so-and-so is mad and you ought to talk to him."

In November, 1971, when the FBI investigation was under way, Groot said, he called Williams and asked, "What the hell's going on?"

Williams told him he had done nothing wrong, Groot said, adding that he did not ask Williams to detail his conversation with Emmer "because I didn't want to put myself in the midst of an investigation."

He said he did not think Williams had done "anything inappropriate." Although Williams admitted to him then that in his political contact work "he did not go out of his way to disassociate himself from the senator," Groot said, he did not insist that Williams stop using Gurney's name. "I've got to get an F-minus for bad judgment," Groot added.

Both he and Gurney did



By Douglas Chevalier—The Washington Post

Sen. Talmadge (right) and committee counsel Samuel Dash put heads together during Watergate hearings yesterday.

make such a demand, however, after a July, 1972, incident in which Williams and another man falsely identified as Gurney got into a

loud argument with a guard at a private airport near Green Cove Springs, Fla., Groot said. Since that demand, the Gurney office has

had no further contact with Williams, the aide said.

Groot expressed surprise that Emmer would make charges to the FBI and later

to the Miami Herald but not to Gurney. "Why didn't he call us immediately?" the aide asked. "We've never heard from him."