



SIGTARP

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For The Troubled Asset Relief Program

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FORMER CITY OF DETROIT BUILDING AUTHORITY OFFICIAL SENTENCED FOR BRIBERY CONSPIRACY IN CONNECTION WITH HARDEST HIT FUND DEMOLITION PROGRAM IN DETROIT

Aradondo Haskins, 48, the former Field Operations Manager for the City of Detroit Building Authority overseeing the demolition program in Detroit, was sentenced today to one year in prison after having pleaded guilty to charges of conspiracy to commit bribery and honest services fraud in connection with the Detroit Demolition Program, announced Special Inspector General Christy Goldsmith Romero, First Assistant U.S. Attorney Saima Mohsin, Assistant Attorney General of the Antitrust Division of the Department of Justice Makan Delrahim, and Special Agent in Charge of the Detroit Makan Delrahim, of the Michigan office of the Federal Bureau of Investigation.

The Honorable Victoria Roberts sentenced Haskins to serve one year in federal prison following his conviction for conspiracy to commit honest services fraud by taking bribes while he was employed at Adamo Group and at the City of Detroit. Following his release from prison, Haskins will serve a two year term of supervised release. The Court also ordered that Haskins pay a \$5,000 fine and that Haskins forfeit \$26,500 for the bribes that he took while employed by Adamo and by the City.

“Anti-competitive corruption by city officials that award contracts in the Hardest Hit Fund’s Blight Elimination Program will be met by justice and accountability,” said Special Inspector General Christy Goldsmith Romero. “Defendant Haskins started taking bribes from subcontractors when he worked for lead contractor Adamo and continued his crimes as a city official. I commend U.S. Attorney Matthew Schneider and Assistant Attorney General for Antitrust Makan Delrahim for standing united with SIGTARP in fighting corruption in this TARP program.”

The United States Treasury Department created the Blight Elimination Program, which focused on helping communities demolish vacant houses. The program was paid for through the Hardest Hit Fund (HHF), a housing support program intended to protect home values, preserve home ownership, and promote economic growth. The City of Detroit was one of the recipients of this HHF money. Approximately \$258,656,459 in Hardest Hits Funds have been allocated to the City of Detroit since October 7, 2013.

As stated during Haskins’s guilty plea, from January 2013 through April 2015, Haskins was employed as an “estimator” with Adamo. Adamo is a private, “for profit,” company which provides demolition services throughout the United States and Canada, including the City of Detroit. Haskins’s responsibilities at Adamo included assembling bid packages in response to “Requests for Proposals”

(RFPs) issued by the City of Detroit. Adamo responded to the RFPs by submitting bids to the City hoping to secure demolition contracts by being the lowest bidder. In assembling the bid packages, Haskins contacted various subcontractors requesting bids for work to be included in Adamo's submissions. "Contractor A" was one of the subcontractors who received Haskins's invitation to bid. On several occasions, Contractor A paid Haskins money for disclosing confidential information about bids from Contractor A's competitors. In return for these payments, Haskins disclosed confidential information about the lowest competitor bid which allowed Contractor A to submit an even lower bid, ensuring that Contractor A was awarded lucrative contracts. Haskins accepted bribes on at least eight occasions while he worked at Adamo totaling approximately \$14,000.00.

According to the plea, due in large part to his experience at Adamo, Haskins was hired by the City of Detroit Building Authority (DBA) as a "Field Operations Manager" for its demolition program. As an official of the City of Detroit, Haskins was the primary point of contact for demolition contractors and he opened and read bids contractors submitted in response to RFPs. Contractor A, knowing that Haskins was still in a position to influence the demolition contract bidding process, continued to pay Haskins to use his official authority to influence the awarding of demolition related contracts to Contractor A. Haskins accepted the cash bribe payments from Contractor A in exchange for providing Contractor A confidential information about bids submitted to the DBA. With the confidential information, Contractor A was able to submit bids low enough to ensure that Contractor A was awarded City of Detroit demolition related contracts. In total, Haskins accepted approximately \$11,500 in bribes from Contractor A. After his employment with the City of Detroit, Haskins accepted an additional approximately \$1,000 from Contractor A for information Contractor A received while Haskins was employed with the City.

First Assistant U.S. Attorney Saima Mohsin and Assistant Attorney General Makan Delrahim commended the outstanding work of SIGTARP and the FBI in conducting a comprehensive criminal investigation into the demolition program.

"The City of Detroit and its demolition program were entrusted with millions of taxpayer dollars to tear down abandoned houses in Detroit's neighborhoods. The corruption of the government contracting process by Aradondo Haskins damaged the integrity of the demolition program and broke the public trust. This prosecution serves as a warning to public officials that soliciting or accepting bribes will be punished and as a promise to the taxpaying public that such violations of the public trust will not be tolerated," said First Assistant U.S. Attorney Saima Mohsin.

"The Antitrust Division will aggressively pursue collusion that corrupts the government contracting process, especially where the illicitly shared bid information enables the government contractor to submit anti-competitive bids to the detriment of taxpayer-funded programs," said Assistant Attorney General Makan Delrahim.

"Mr. Haskins was sentenced today for corrupting the bidding process both while he was seeking contracts through a federally-funded program and after he became a City of Detroit employee," said SAC D'Antuono. "The FBI's Detroit Area Public Corruption Task Force will continue to investigate and fight corruption by those who give illegal, preferential treatment at the expense of honest American business. I would encourage anyone with information about potential public corruption in Michigan to contact FBI Detroit's Public Corruption tipline at 313-965-2222 or our main number at 313-965-2323." The case was prosecuted by Assistant U.S. Attorneys Sarah Resnick Cohen, Karen Reynolds, Adriana Dydell, and DOJ Antitrust Trial Attorney Matthew Stegman.

About SIGTARP

The Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) is a federal law enforcement agency that targets crime at financial institutions or in TARP housing programs and is an independent watchdog protecting the interests of the America people. SIGTARP investigations have resulted in the recovery of \$10 billion and 283 defendants sentenced to prison.

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