

Subpena liquor inspector records

By Michael Flannery
and Pamela Zekman

State's Atty. Bernard Carey has subpoenaed records concerning two Illinois Liquor Control Commission inspectors involved in a \$50 payoff to ignore violations at a tavern secretly owned by The Sun-Times and the Better Government Assn., it was learned Wednesday.

The documents include inspection reports and time sheets for Sept. 19, 1977, the day that Nicholas Zekich and Elvis Rowland visited the Mirage. The tavern, at 731 N. Wells, has since been sold by the newspaper and the BGA.

The pair have been suspended pending a dismissal hearing before the Illinois Department of Personnel. The shakedown at the Mirage was described in a Sun-Times story last week.

Meanwhile, Fire Prevention Bureau Chief James Newbold announced the appointment of three men to the newly created Internal Investigations Unit of the Chicago Fire Department.

The three began their new jobs Wednesday, conducting spot follow-ups of fire prevention inspections.

"We want to know what type of inspection was conducted, how it was conducted and whether the (property owner) was satisfied with the inspection," Newbold said.

The men appointed by Newbold are William Aletto, deputy director of the Fire Prevention Bureau and a 20-year department veteran; Harold Corrigan, a captain with more than 20 years' experience, and Raymond Petersen, a captain with 25 years' service.

Newbold said the three spent a week preparing strategy before their first day on the street. He said that a successful follow-up to a charge that a building owner was shaken down "will hinge, I imagine, on the (owner's) willingness to sign a complaint." He did say that all complaints, however, will be pursued. In a related development, Building Comm.

Joseph F. Fitzgerald Jr. named two new supervisors who will scrutinize his department's

technical inspection division. Four licensing inspectors have been suspended for wrongdoing at the Mirage.

James Brick, a 20-year veteran of the department, was appointed deputy commissioner, and William Burke, also a 20-year veteran, was named assistant commissioner, Fitzgerald said. They will report directly to Fitzgerald and will monitor inspection procedures that he lacks the time to monitor.

Fitzgerald said the appointments were part of an ongoing reorganization of his department and had been recommended in a consultant's study that began last year.

The Illinois Department of Revenue reported that one reaction to Monday's seizure of 76 unlicensed jukeboxes and game machines was a sudden rush to purchase the \$10 state amusement machine licenses. The department made the raids on the basis of information uncovered by The Sun-Times and the BGA.

Two persons representing 11 companies bought 912 state licenses in Springfield Tues-

day. The stickers were supposed to be affixed to the machines by Aug. 1, 1977, and they remain on file July 31.

Two of the firms purchasing licenses were among those mentioned in the Mirage series: A.A. Swingtime Music Co., 1915 W. Division, operated by former Chicago policeman John Yesuris, which bought 50 licenses, and J & R Amusement Co., of 4146 W. 26th St., operated by Jim Ruzicka, which bought 200 licenses.

The Illinois Department of Revenue said the other companies and the number of licenses they purchased were: Pal Music, 2012 W. Rice, 50 licenses; Sky Hi Music, 1301 W. Newport, 70 licenses; Bam Music, 6457 1/2 W. Archer, 50 licenses; AMUSCO Music, 9211 W. North, Crystal Lake, 60 licenses; Tuman Music, 2159 W. Chicago, 40 licenses; Lou Buttha, 4345 W. Fullerton, 50 licenses; Capri, 200 licenses; Tommi's Jukebox Service, 2212 W. Charleston, 92 licenses; and Gateway Distributing, 3501 N. Neenah, 20 licenses.

MIRAGE REACTION

First firing in probe of Chicago corruption

By Michael Flannery
and Pamela Zekman

Mayor Bilandic announced the firing of a city tree trimmer Friday for allegedly offering to sell logs he had cut on the job.

The unidentified man was the first to lose his job as a result of an investigation by the newly created Office of Professional Review.

The anti-corruption agency was formed by Bilandic Jan. 12 in response to Sun-Times and Better Government Assn. disclosures of misconduct by city workers at the Mirage, a tavern at 731 N. Wells that they operated secretly for four months. It has since been sold.

Meanwhile, in Springfield, Gov. Thompson and Republican leaders of the General Assembly demanded that the scope of a proposed state investigating commission be expanded.

As envisioned, the commission would review only the procedures of the Illinois Department of Revenue. The Mirage series has detailed how the state may be losing at least \$16 million a year because of sales tax cheating by taverns alone.

Senate Minority Leader David C. Shapiro (R-Ambosy) and House Minority Leader George H. Ryan (R-Kankakee) sent Democratic leaders a letter that argued:

"There are other just as important issues disclosed in the (Sun-Times) series which the Legislature needs to address. These issues involve the health and welfare of the citizens of the City of Chicago and the County of Cook. The apparent corruption and allegations of political fixes and illegal kickbacks in local licensing and inspection agencies have a direct impact on the daily lives of millions of people."

The Republicans also demanded that the commission consist of an equal number of Republicans and Democrats.

According to the proposal drafted by state Rep. James M. Houlihan (D-Chicago) and backed by Democratic leaders, the commission would have eight Democrats and six Republicans.

House Speaker William A. Redmond (D-Bensenville) dismissed the Republican demands as political posturing. "Our primary job is remedial legislation," he said. "We don't have a grand jury. We can't indict people. There are law enforcement agencies looking into corruption."

Houlihan said he intentionally had narrowed the scope of the commission investigation so that constructive tax-collection reforms could be made.

"The operation of the Department of Revenue is something that has been a disaster for a long time," Houlihan said. "It is not something that is a result of the Thompson administration, but it is in need of a thorough review and reform."

Shapiro said he believed the Legislature could assist in the anti-corruption effort by toughening and expanding the state's criminal bribery statute to include gratuities. He also said the Legislature could raise minimum standards required for health and safety inspections.

Bilandic said the firing of the tree trimmer resulted from a complaint received by the OPR Jan. 19. In a statement, Bilandic said the agency's investigation found the tree trimmer had "threatened" a citizen to get money for the logs.

Bilandic could not be reached for further comment on the firing, and his statement did

not tell where or when the incident occurred or the amount of money involved.

The mayor asked that any misconduct by city workers be reported to OPR by phoning 977-0123 or by writing Post Office Box 5045, Chicago 60680.

"This disciplinary action indicates the aggressive attitude of that office in ferreting out any wrongdoing," Bilandic said. He said information received by OPR would remain confidential and that every complaint would be thoroughly reviewed.

"Several additional investigations are under way," he added.

The announcement came after The Sun-Times reported in Friday editions that Bilandic's office has declined to substantiate his claim that his administration had been "quietly and effectively" disciplining corrupt employees.

In other action, the men Bilandic appointed to reform city inspection and licensing procedures have sent him their first recommendations.

Julian H. Levi, chairman of the Chicago Plan Commission and one of those Bilandic put in charge of the project, said the mayor has received a memorandum suggesting that: • The power of a city inspector to order a business shut down be severely limited. Levi said: "I am trying to reduce the power of the inspector to say, 'You are in or out of business.' That life-or-death control over a business should be exercised only on what reasonable people would say is crucial to health and safety."

• A permanent hearing officer be appointed who would provide an immediate hearing to any property owner wishing to complain that he had improperly been denied a city license.

Levi said: "The hearing officer would be a sworn official and would have to keep an open public record. Instead of the property owner having to wiggle around and wonder what remedy there is for his dilemma, he could appeal to an officer with power to overrule the inspector."

• The experimental teams of city inspectors to be made permanent. When Bilandic announced reforms on Jan. 12, he said fire, health and building inspectors would coordinate their schedules so that owners would not be visited by a confusing parade of inspectors.

Levi said the revision of the licensing code promised by Bilandic should be handled by experts in the various city departments, not by outside consultants.

He said many technical provisions of the code should be rewritten and simplified. "There are a lot of things in the code that, like appendixes, may have had some use before, but they are no longer any good."

Levi said that while only the most hazardous violations of the code should be used to put an establishment out of business, the less important items should continue to be enforced by inspectors. He said experts from various departments would be asked to identify the most serious violations.

Levi said he rejects the concept of a city ombudsman, a suggestion that had been put forward by the Better Government Assn.

"I don't want this thing handled in such a way that you go to some sort of ombudsman who will only give you some kind of sympathy," he said. Levi pointed out that an ombudsman might have to rely on other officials for action, but a hearing officer would be empowered to render an immediate decision on his own.