



U. S. Department of Justice

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FORMER LYNN HAVEN CITY COMMISSIONER AND DEVELOPER CHARGED IN SUPERSEDING INDICTMENT AGAINST FORMER LYNN HAVEN MAYOR AND CITY ATTORNEY

TALLAHASSEE, FLORIDA – In an ongoing case arising from alleged public corruption by Lynn Haven City's former Mayor and Attorney, David James Finch, 70, and Antonius Genzarra Barnes, 55, were indicted Tuesday by a federal grand jury on charges of conspiracy to commit wire fraud and honest services fraud, and substantive counts of wire fraud and honest services fraud. Finch is also charged with making false statements to the FBI. The 44-count superseding indictment alleges that Finch, a Lynn Haven developer, and Barnes, a former Lynn Haven City Commissioner, conspired with Lynn Haven's then-Mayor, Margo Deal Anderson, and then-City Attorney, Joseph Adam Albritton, to ensure that contracts for numerous multimillion-dollar infrastructure and construction projects and post-Hurricane Michael debris clean-up activities were awarded to Finch. In return, Finch allegedly provided money and gifts to Anderson and Barnes, and Albritton received money from a company doing debris clean-up.

Acting United States Attorney Jason R. Coody of the Northern District of Florida, Special Agent in Charge Rachel Rojas of the FBI's Jacksonville Field Office, and Bay County Sheriff Tommy Ford announced the superseding indictment at a press conference this afternoon.

The original indictment, returned by a federal grand jury in Panama City in August 2020, charged Anderson and Albritton with conspiring to commit wire fraud and honest services fraud, substantive counts of wire fraud, honest services fraud, and theft concerning Federal programs. Anderson was also charged with making false statements to FBI agents, while Albritton was charged with submitting a false invoice to an insurance company for hurricane debris removal from his residence. These charges were directly related to activity that took place in the aftermath of Hurricane Michael in October 2018.

The August 2020 indictment also charged Anderson and Albritton with devising a scheme to defraud Lynn Haven and its citizens of their right to honest services of Anderson, as Mayor, and Albritton, as City Attorney. These allegations, that both Anderson and Albritton solicited and received bribes or kickbacks from City projects that they approved, are related to yesterday's charges against Finch and Barnes. The indictment charged that Albritton drafted and implemented

an agreement for trash pick-up with co-conspirator David White, owner of Erosion Control Specialists (ECS). In exchange for orchestrating the agreement, Albritton allegedly demanded kickbacks from White. Specifically, the indictment alleges that Albritton received money from ECS for each trash invoice paid by Lynn Haven.

The superseding indictment alleges that Anderson halted progress on plans to permit a city-owned site for disposal of vegetative debris, even though using the city-owned site would have saved Lynn Haven millions of dollars in disposal fees. Instead, the indictment alleges Anderson directed the City Manager to use Finch's company for vegetative debris disposal. According to the indictment, the city of Lynn Haven paid disposal fees in excess of \$2 million to Finch.

The superseding indictment also alleges that between 2015 and the present date, Anderson helped Finch win multiple multimillion-dollar contracts with the city of Lynn Haven. In August 2017, Anderson, as Mayor of Lynn Haven, signed an agreement known as the "½ Cent Infrastructure Surtax Design/Build Contract" with Finch's construction company – Phoenix Construction Services, Inc. The agreement made Phoenix the contractor or vendor for numerous multimillion-dollar Lynn Haven infrastructure projects that would not require any bid procedure. As alleged in the indictment, Phoenix was paid a total of \$5.6 million for work related to this contract.

Additionally, during the same time period, Finch was awarded a contract for the 17th Street Ditch Stormwater project. For this project, Anderson signed a 30-year promissory note on behalf of Lynn Haven to Finch that eventually totaled more than \$5 million, obligating the city of Lynn Haven to pay Finch the principal amount of the note along with millions of dollars in interest. Both Anderson and Barnes voted for this arrangement and received benefits from Finch as a result.

Between April and August 2020, the superseding indictment alleges that Anderson and Finch sought to have Finch construct the rebuild of municipal buildings, despite a City Commission approved plan in place to have architects prepare designs for the rebuilding and have FEMA and insurance proceeds pay for most of a \$19 million dollar project. Anderson, as Mayor, attempted to thwart that plan and have Finch instead handle the rebuild for \$15 million, most of which the City would have to finance since FEMA would not approve the Finch design/build proposal. Anderson and Finch allegedly pressured the City Manager and Police Chief to support their plan to the detriment of City residents.

In return, the superseding indictment charges Anderson with accepting things of value from Finch, including travel in a private airplane, lodging aboard a private yacht, meals and entertainment. According to the indictment, Anderson and her husband also received a \$106,000 motorhome from Finch in February 2018.

In the superseding indictment, Finch is alleged to have provided Barnes with \$45,000 in loans, which were never repaid. As Commissioner, Barnes voted consistently to approve Finch and his projects before, during, and after receipt of the monies that he received from Finch during a two-year period. Between August 2015 and December 2017, Barnes moved, seconded, and voted on matters before the Lynn Haven City Commission favorable to Finch's business interests, including the "½ Cent Infrastructure Surtax Design/Build Contract" and the 17th Street project.

During the time periods when the alleged crimes were being committed, neither Anderson, Albritton nor Barnes filed required quarterly gift reports documenting that they received gifts in excess of \$100 according to the indictment.

The superseding indictment also charges Finch with making false statements to FBI agents when he was interviewed relating to the criminal investigation. Finch is charged with making false statements and submitting a false document to the FBI in July 2020 concerning the transfer of a motorhome to Anderson and her husband. Finch provided the FBI with a bill of sale for the motor home, falsely stating he sold the motor home to Anderson's husband on July 6, 2018, for \$70,000. Although the bill of sale indicates that \$35,000 was already paid and that another \$35,000 was owed "with 6 percent interest," the indictment alleges that there is no record any money was ever paid to Finch by Anderson's husband for the motorhome other than a \$20,000 check issued to Finch by Anderson's husband 22 months after the motorhome transfer when the federal investigation of public officials had been publicized.

This investigation was conducted by the Federal Bureau of Investigation and the Bay County Sheriff's Office. The case is being prosecuted by Assistant United States Attorneys Stephen M. Kunz and Andrew J. Grogan.

If convicted, Anderson, Albritton, Finch, and Barnes each face prison terms of up to 20 years for conspiracy to commit wire fraud and honest services fraud, substantive wire fraud and honest services fraud, and mail fraud. Anderson and Albritton also face up to 10 years for theft concerning programs receiving federal funds. Both Anderson and Finch face an additional 5 years if convicted for making false statements to federal agents. Albritton faces a maximum of 20 years for submitting a false invoice to an insurance company.

Finch and Barnes made their initial appearance in court at 1:30 pm EST this afternoon before U.S. Magistrate Judge Martin Fitzpatrick, at the U.S. Courthouse in Tallahassee. Anderson and Albritton will be scheduled by the Court for an arraignment on the superseding indictment.

This indictment is a follow-up to the indictment returned in November 2019 of five defendants, including former Lynn Haven City Manager Michael White, former Lynn Haven Community Services Director David Horton, and Erosion Control Specialists owner David White, for conspiring to commit wire fraud, substantive counts of wire fraud and honest services fraud, relating to post-Hurricane Michael clean-up activities in Lynn Haven. All five of the defendants indicted in November 2019 have pled guilty to charges from the first indictment and are awaiting sentencing.

An indictment is merely an allegation by a grand jury that a defendant has committed a violation of federal criminal law and is not evidence of guilt. All defendants are presumed innocent and entitled to a fair trial, during which it will be the government's burden to prove guilt beyond a reasonable doubt.

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