





SERVING HAMPTON ROADS SINCE 1896

THE GOOD LIFE, G1 He's preserving St. John's Church SPORTS, D1

Virginia Derby winner by a nose Gio Ponti wins via a photo finish; view images from the race on D5

Gilmore, Warner mix it up at debate

Questions about offshore drilling and personal trust dominate the first U.S. Senate exchange between the two former Virginia governors.

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HOT SPRINGS — Democrat Mark R. Warner and Republican Jim Gilmore clashed on ener-

gy and tax policy Saturday in their first U.S. Senate debate, questioning each other's political integrity and command of the facts.

In several pointed ex- and more personal question

changes, the two former Vir- focused on which candidate away at campaign themes familiar to people who have watched the two men spar from a distance.

The most prominent policy question: How much should the U.S. rely on drilling offshore for oil to reduce high gasoline prices? The larger

ginia governors hammered voters could trust in Washington. Neither candidate commit-

Please see DEBATE/A7

INSIDE

Latest state political news and views in the Shad Plank. A12





Democratic U.S. Senate candidate Mark R. Warner, left, and Republican candidate Jim Gilmore debate Saturday. AP PHOTOS

Fallen star gets a fresh start

Once a millionaire entrepreneur in Hampton and now a convicted felon, David Merritt finds that life is about second chances.



THEN: In 1989, David Merritt had plans for a renovation at the old post office in Hampton. They ended with a prison term. PHOTO BY DENNIS TENNANT/DAILY PRESS



NOW: Merritt works as a fitness instructor at the Newport News Family YMCA PHOTO BY ADRIN SNIDER/DAILY PRESS

BY LISA FINNERAN lfinneran@dailypress.com | 247-7470

Gone is the Rolex watch, the Mercedes convertible, the sharp double-breasted suits, the lavish apartment.

Former millionaire, failed restaurateur and convicted felon David Juan Merritt today lives what he and others call a humbled life.

"I want to be a model for others that you can bounce back from failure," said Merritt, now a trainer at the Newport News Family YMCA. "I'm a much better person today because I had failure in my life and learned from it.

"I'm grateful to be here, grateful to have a second chance at life."

It's quite a change from his first life.

Please see MERRITT/A8

A look at David Merritt's journey

1986 Virginia Peninsula Chamber of Commerce names David Juan Merritt Small Business Person of the Year. **1992 Aug. 6:** Merritt's — An American Restaurant and Bar opens more than two years behind schedule. Aug. 13: Merritt files for Chapter 11 bankruptcy. Later filings showed he owed 96 creditors \$1.7 million.



1997 Merritt found guilty of 82 counts of fraud and later sentenced to 140 months in federal prison and ordered to pay \$717,672 in restitution.



2007 January: Merritt released from federal prison. He would serve six more months split between a halfway house and home detention before before his official release June 22.

1989 Virginia Small Business Administration names Merritt the Small Business Young Entrepreneur of the Year. Entrepreneur magazine names Merritt one of the 40 hottest entrepreneurs younger than 40. In February, Hampton announces plans to sell the old Hampton

post office to Merritt for \$250,000.

1993 April 19: U.S. Bankruptcy Court judge rules Merritt committed fraud when he filed for bankruptcy. May: After closing and reopening several times, Merritt's restaurant closes for good.

June 23: Merritt begins serving his sentence.

2008 He's a trainer at the Newport News Family YMCA



Man whose 1999 sentence was vacated enjoys his 'freaky' freedom

MORE TOP STORIES

Aquil K. Wiggins, released from prison Friday evening, spends his first full day out back in Hampton.

BY PETER DUJARDIN pdujardin@dailypress.com | 247-4749

HAMPTON — A gentle breeze came in as Aquil K. Wiggins sat in a lawn chair Saturday afternoon outside his mother's place in Hampton.

Sure, he felt similar winds in a prison yard over the years. But it feels different now.

"It feels considerably more splendid out here," Wiggins said outside the house on Edith Court in the Fox Hill area. "Something must happen chemically to the

(air) molecules as they come in Hampton that night. through that barbed wire.

Wiggins, 31, spent more than nine years behind bars for a 1997 robbery and attempted carjackingthathesayshedidn'tcommit. He was released from prison Friday—five years early—and was

Wiggins' release was set in motion in March. The Daily Press had been asking questions about the case.

Hampton Commonwealth's Attorney Linda Curtis—reviewing the case before an interview

with the newspaper — learned a prosecutor in her office didn't share with Wiggins' attorney that a fingerprint found on the car involved in the carjacking didn't match either Wiggins or

Please see WIGGINS/A6

RACE FOR THE WHITE HOUSE

Obama visits Afghanistan

The presumptive Democratic presidential nominee visits Afghan officials and U.S. troops, expressing support for both. C1

TAMARA DIETRICH

Why was a family torn apart? Social Services

messes with a Mathews County woman's attempt to adopt two foster children — and can't give a good reason as to why. A3



OPINION Teen pregnancy

Why is teen pregnancy now a hot commodity? When did it become entertaining to the point of being the subject of film and TV? C9

NEWPORT NEWS

A red light for red-light cameras

The devices intended to catch drivers running lights at three intersections are unlikely to arrive until next year. A11

HAMPTON Ronald Curry reaches out

The Oakland Raiders wide receiver and former Hampton

to the kids

High star hopes his program that rewards good behavior will be inspirational. A5



THE GOOD LIFE South Fla. on the cheap

What's hot in South Beach besides the weather? Hostels — which offer thrifty lodging in Miami. G18



YOUR MONEY

Agricultural, currency and commodity-based funds have shown resilience during stocks' decline in the turbulent markets. **B1**



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SUNDAY, JULY 20, 2008 DAILY PRESS

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"I am remorseful for the impact my mistakes had on my community, family and friends" — David Merritt

► **MERRITT** Continued from A1

'I had to look within ... and improve'

'ALWAYS HAD SPIRIT'

By 1989, the Newport News native was riding high. His publishing business, Merritt Enterprises, had 25 employees, and newspaper stories quoted him saying his business earned more than \$1 million a year.

He was named one of the hottest entrepreneurs in the country by Entrepreneur magazine. And he was on the cusp of a new project: turning the first floor of Hampton's old post office into a restaurant that would carry his name.

Renovation plans also included a plush upstairs apartment for the businessman and basement offices for his publishing company. It turned out to be his unrav-

eling. His business practices during the renovation of the then-75-year-old structure earned Merritt a 12-year prison sentence "I am remorseful for the

impact my mistakes had on my community, family and friends," he said.

Merritt had a modest upbringing: His father, Homer L. Merritt — known to friends and family as "Big M" — was born in Whitehouse, Ky., and served in the Civilian Conservation Corps before moving to the Peninsula in 1947 to work as a pipe fitter at the Newport News shipyard.

His mother, the former Madge Waddle, stayed at home and raised their two sons.

"My parents were simple people," Merritt said. "Whatever flaws I have are not because of my parents."

As a child growing up in the Newmarket section of Newport News, Merritt, now 49, was the kid who had a paper route and later mowed lawns to earn money.

"He always had that entrepreneurial spirit in him," said his younger brother Rikie L. Merritt.

He attended Warwick High School, where he was a football standout. After graduating from high school in 1977, he said, he spent his summer training at the Newport News YMCA, preparing for football camp at Chowan College (now Chowan University) in Murfreesboro, N.C.

But college wasn't for him: Merritt dropped out during his first semester. Instead, he found a home as a salesman first with a health club and later selling advertising for a publishing company that produced private trade books, like chamber of commerce directories and welcome guides for military bases.

Merritt struck out on his own in 1984. He sold his house and moved back in with his parents, using the money from the sale to start a one-man publishing company.

By all accounts, Merritt Enterprises was widely successful. Merritt hired salespeople and moved the company out of his parent's house and into offices on Cunningham Drive in Hampton. Just two years after starting his business, the Virginia Peninsula Chamber of Commerce named Merritt its Small Business Person of the

'I DIDN'T KNOW IT ALL'

In 1989, he fell in love with the stately old post office. That's when David totally

lost focus," his brother said. Hampton bought the abandoned post office from the federal government in 1986. City officials wanted someone to turn it into a restaurant that would be the centerpiece of a tourist hot spot. But when they couldn't find an established

restaurateur for the project,

they agreed to sell it to Merritt

for \$250,000. He wanted the building to be the headquarters for his publishing company, and the only way to get it was to agree to turn the first floor into a restaurant. Merritt announced that the restaurant would open on his 31st birthday — April 7,

That birthday came and

went. And so did two more. Merritt said he spent \$1 million of his own money — and though work on the publishing company offices and his second-story apartment was finished, the city's long-hoped-for restaurant still wasn't ready to

"I thought I knew it all. I thought the gift I had in my



David Merritt works with Arthur Davis of Hampton on free weights at the Newport News Family YMCA. "David has a better attitude than anyone I know ...," said Merritt's friend Laura Luth. PHOTO BY ADRIN SNIDER/DAILY PRESS



David Juan Merritt

Hometown: Newport News **Age:** 49 Family: Brother Rikie, sister-in-law, one niece and one nephew. Favorite book (other than the Bible): "The Purpose Driven Life" by Rick Warren What he wants to tell people: "You can be a good person with good intentions and still have faulty thinking that leads to actions that hurt other people. You can pick yourself up. Look within yourself. Take the experience you have to inspire other

publishing company I could apply to everything," he said. "I didn't know it all. I didn't know nothing. If I had it to do all over again, I would've stayed in the publishing business and not tried to apply what I knew there to something I knew nothing

people. If you make a mistake,

admit it, fix it and move on."

about.' He searched for loans, but by the early 1990s, the economy had soured and there was no money to be had. Thinking that he'd be able to pay his contractors once the restaurant opened, Merritt continued to sign construction contracts, despite not having the money to

pay for the work.
"The reason I didn't make the next best decision based on objective reality and facts was because I was in denial," Merritt said.

"I wasn't being honest with mvself. I just dug my hole deeper. I believed I could fix it. I was grandiose in my thinking. Eventually, the consequences cost me nine years of my free-

'IT HUMBLED ME'

Unable to hold off his creditors any longer, Merritt filed for bankruptcy protection exactly one week after the restaurant opened in August 1992. A U.S. Bankruptcy Court judge later determined that Merritt committed fraud when he filed for protection from his creditors.

Today, John Bowman — the construction manager at the end of the project — said he wished that Merritt had come to him for advice before talking to a lawyer about bankruptcy.

"I don't think David realized the severity of what was going to happen," Bowman said. "Because Dave's not a bad guy. I honestly don't think he in-



Merritt's restaurant in downtown Hampton's old post office is shown in August 1992. The city is now pinning its hopes on Aniesh Corp., which purchased the building in 2006. PHOTO BY JOE FUDGE/DAILY PRESS

Hotel developer is the latest with plans for old post office

BY LISA FINNERAN Ifinneran@dailypress.com | 247-7470

HAMPTON — A lot can happen in 19 years — unless you're the old Hampton post office.

The 94-year-old building still stands unused — just as it did in 1989, when David Merritt swept in with grand plans to turn it into a restaurant and pub that city officials hoped would be the cornerstone of their plans to turn downtown into a tourist hot

Today, the city is pinning its hopes on the Aniesh Corp. of Norfolk, which purchased the old post office and Hampton's former Juvenile and Domestic Relations building

At the time, local hotel

tended to hurt the subcontrac-

the wrath of what was going to

In 1998, that federal court

sentenced Merritt to nearly 12

ordered him to pay more than

ior and for completing an edu-

cational program, he ended up

serving about nine years, most

He could have been out in 18

months, had he accepted the

plea agreement offered by fed-

eral prosecutors before the trial

"My pride would not allow

Once in prison, Merritt said,

"I was bitter," he said. "At

that time, I thought I was going

me to plead guilty," Merritt

he was in denial.

of it at the minimum-security

federal prison and camp in

With time off for good behav-

found him guilty of fraud. It

years in federal prison and

\$700,000 in restitution.

tors. I don't think he realized

happen.'

Petersburg.

developer Rajesh S. "Raj" Randeria said his company would spend about \$3 million to turn the Juvenile and Domestic Relations building into Kings Way Corporate Apartments.

Plans called for 22 fully furnished condos to open in the summer of 2007.

However, Randeria said, work was delayed about a year when his group tried to also buy the former Radisson Hotel, now the Hampton Marina Hotel. That deal fell through, and work on the apartments is scheduled to be finished by the end of next month.

"From our standpoint, it's been more about getting the quality of development than meeting some sort of time

to win my appeal and come

exercising in prison, he suf-

fered from heat stroke and

Then one day, when he was

landed in a hospital. Once back

"When I was recuperating, I

had time to reflect," he said. "It

realized I wasn't in control, and

control. I realized that if I was

myself and improve myself."

going to serve my time, I had to

He spent his time in prison

reading — 700 books, he said -

researching the law, studying

the Bible and committing him-

"He's a man who's been bro-

ken and has changed and has a

whole new outlook on life," said

Liberty Baptist Church Pastor

Grant Ethridge, who met Mer-

self to fitness.

make peace. I had to look within

humbled me. I had fought

everything. I had fought my

case. I had fought reality. I

I had to stop trying to be in

in prison, the anxiety attacks

home.

began.

constraint," said Hampton **Development Director James** Eason, who along with other city officials toured the site last month. Meanwhile, Randeria said,

his group is completing plans for the old post office. It originally planned to use the building as a lobby for a 35- to 40-room hotel that they would add to the side of the historic structure. But when contractors found water under the foundation, shoring up the building added dramatically to the renovation cost. To recoup it, Randeria said, the group now plans to build a five-story hotel with 67 rooms.

The group will submit its proposal to the city Planning Commission by September, Randeria said.

ritt after his release. "He has a humble spirit."

Merritt said he was a model prisoner while incarcerated and was allowed out of prison to attend his father's and mother's funerals.

He even gave the eulogy at his father's 1998 service. "It was the hardest thing I ever did because I had to swallow every bit of pride I had to walk out there in handcuffs," he said. "But I was happy just to be able to go."

And when he was issued his jeans and white polo shirt and given a bus ticket upon his release to a halfway house in January 2007, he chose to return to the Peninsula.

'HE'S CLEARLY GROWN'

"At first, I was apprehensive about coming home," Merritt said. "I didn't know how people were going to react to me. I decided to face the demons and come home, instead of hiding from them

"I am grateful for the second chance the YMCA, my family, friends and community have given me.'

People who knew the old Merritt, and have gotten to know the new Merritt, said he was a changed man.

"I knew him back then, and he was one of those kinds of guys who thought the world was his oyster," said Phillip Grene, who worked for Merritt as a bartender and is now maintenance coordinator at the YMCA. "Now he knows he's just one of the shells. I think you still see glimmers of the old David, but truthfully, a very humble man lies beneath the exterior."

Michael Townes was director of the Peninsula bus service when Merritt opened his restaurant and advertised the opening on buses. The quasigovernmental agency was one of Merritt's many unpaid credi-

He has since gotten to know Merritt again through the

"He's clearly grown," said Townes, now president and chief executive officer of Hampton Roads Transit.

"He's always been a smart, energetic guy," Townes said. "I think he now understands that taking advantage of people and situations in the way he did in the past is not the kind of person he wants to be.

"If anybody is going to rebound from something like what David went through what David took himself through — and be a roaring success, it's David.'

Once back on the Peninsula, longtime friend and real estate agent Greg Garrett helped Merritt get back on his feet, lending him a car and a cell phone and taking him to Liberty Baptist.

"I think that part of what he learned in prison is the importance of a relationship with God," Garrett said. Which also led him to write

the YMCA and ask for a job.

'I LIKED HIS WAY'

"I was a little concerned about his background and bringing him into the Y and how our members would react," said Deb Staszewski, branch director of the Newport News Family YMCA. "But I liked his

Eighteen months later, Staszewski said she credited Merritt with helping the YMCA bring customer service to "the next level." In fact, during the last member survey, several people wrote comments like "David is a good addition to your staff" and "You need more staff like David."

Member Jim Gardner credited Merritt with helping him lose 95 pounds in the past 18 months. "He's a super guy — an in-

spiration to me," Gardner said. Vanessa Davis said she was impressed with the attention that Merritt gave her son Arthur, who's training at the YMCA to play football at Hamp-

ton University in the fall. "I didn't realize how far his heart was in it for Arthur," Davis said. "I have to commend him for that because you don't find too many people who just do that from their heart.'

Many people who know Merritt and his story said they were surprised that he wasn't bitter about the past.

"David has a better attitude than anyone I know — which is remarkable, considering I don't know anyone else whose life was put on hold for nine years and then started back at zero,' said Merritt's friend Laura

Even though he's come a long way in the months since his release, Merritt — who's vague about his plans but said he'd like to write his own story someday — carries in his pocket a daily reminder of the nine years that he lost.

Before leaving prison, the inmates in the furniture shop made him a simple brown leather wallet with two pockets. It's a little worn around the edges and a far cry from the designer model that he carried as a highrolling businessman — but he said he planned to use it for the rest of his life.

Merritt said, "Every time I reach for my money, it helps me remember where I've been and to make wise decisions because making bad choices with money cost me a lot.'