



OFFICE OF THE
COMMISSION AUDITOR

MEMORANDUM

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

FROM: Adeyinka Majekodunmi, CPA
Commission Auditor

A handwritten signature in blue ink, appearing to read "Adeyinka Majekodunmi", with a long horizontal flourish underneath.

DATE: July 13, 2023

SUBJECT: Wellspring, LLC Lease Agreement

Pursuant to [Resolution No. R-129-22](#), adopted on February 1, 2022, and the new requirements per Implementing Order (I.O.) 8-4, the Office of the Commission Auditor (OCA) is directed to independently and simultaneously review and comment on the proposed leasing and conveyance of County property prior to the submission of an agenda item to the Board of County Commissioners (BCC). The OCA is providing this report as a Supplement to the BCC Agenda Item.

Commission Auditor's Observations:

The OCA completed a comprehensive review of the intended recipient of the lease agreement, "Wellspring, LLC," a Colorado limited liability company authorized to transact business in the State of Florida as Wellspring Apartments, LLC, principals of the entity, and affiliated entities (see Exhibit 1 for the list of individuals and entities reviewed). The results yielded the following:

- A. Background research performed on Wellspring, LLC, Wellspring Apartments, LLC, and the principals of the entity yielded no material findings.
- B. Wellspring, LLC, Wellspring Apartments, LLC, and individuals disclosing an ownership interest in these entities were not previously leased or conveyed County properties for Infill, Affordable, or Workforce Housing, as authorized through BCC resolution.
- C. Integral Florida, LLC, an affiliated entity of Wellspring, LLC, was previously conveyed four parcels (Folio Nos. 07-2217-018-1210, 07-2217-018-1220, 07-2217-018-1940, and 07-2217-018-1950) for the development of Infill Housing in accordance with BCC Resolution R-1072-22 approved on November 1, 2022.

The OCA reviewed the public records available via the Property Appraiser and Clerk of the Court to confirm that, as of the date of this report, the title has not been transferred to Integral Florida, LLC for the four conveyed parcels. Ownership interests remain reported under Miami-Dade County and respective deeds have not been recorded. This significant lag between the BCC-approved resolution and the deed recording date will extend the development period since the Board approved development period does not take effect until the deed recordation.

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Scope of Review:

The OCA's review of the subject lease agreement is based on the Mayoral Memorandum dated June 16, 2023, and information provided by the lease recipient representative Kareem T. Brantley and the Internal Services Department, which includes the documents listed under the *Source Documents* section below.

As part of OCA's due diligence procedures, OCA identifies all entities and persons having a disclosed or observed interest in the BCC approval of the lease agreement, such as the recipient, principal owners, key personnel, and other authorized decision-makers (see Exhibit 1).

Methodology:

OCA's review of the individuals and entities listed included the following procedures:

- A. A review of Board-approved conveyances to external parties for Infill, Affordable, and Workforce Housing as authorized through BCC resolution.
- B. A search of the Miami-Dade Property Appraiser's records to ascertain any evidence of risk factors, including entities with a history of previously conveyed or leased County-owned property that was later the subject of an involuntary reverter or lease termination by the County.
- C. A search of the Miami-Dade County Commission Legislation and Miami-Dade Clerk of the Courts (COC) database for previous leases and sales.
- D. A search of Miami-Dade County internal procurement applications and past County contracts for the lease recipient and principal owners.
- E. Background research into corporate records, business affiliations, and registrations.

Source Documents:

1. July 12, 2023, PNC Middle Tier 6, *Certificate of Ownership*
2. July 12, 2023, Columbia Housing SLP Corporation, *Certificate of Ownership*
3. July 6, 2023, Wellspring, LLC, *Draft Ground Lease*
4. June 16, 2023, Memorial Memorandum, *Responsible Entity Due Diligence – Wellspring, LLC Lease of County-owned Property located at 14701 NW 27 Avenue, Opa-Locka, Florida 33054 (Folio No. 08-2122-026-0010)*
5. May 5, 2023, Wellspring Apartments, LLC, *Ownership Disclosure Affidavit*
6. September 29, 2021, Wellspring Manager, LLC, *IRS Employer Identification Letter*
7. January 26, 2021, PNC Middle Tier 6, *State of Delaware Certificate of Formation*
8. January 15, 2021, Wellspring, LLC, *IRS Employer Identification Letter*
9. January 15, 2021, Wellspring, LLC, *Important Notice about Federal Employer Identification Number (EIN)*
10. December 22, 2020, KTB Bravis, LLC, *IRS Employer Identification Letter*
11. October 28, 2020, Wellspring Manager, LLC, *Florida Division of State Division of Corporations Articles of Organization of Wellspring Manager, LLC*

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12. October 28, 2020, Wellspring, LLC, *Colorado Secretary of State Articles of Organization of Wellspring, LLC*
13. April 15, 1993, Columbia Housing SLP Corporation, *Oregon Articles of Incorporation of Columbia Housing SLP Corporation*

Exhibit 1: Wellspring, LLC Key Personnel and Related Entities

| # | Entity/Individual Name | Relation to Wellspring, LLC |
|----|----------------------------------|--------------------------------------|
| 1 | Wellspring Apartments, LLC | Lease Recipient |
| 2 | PNC Middle Tier 6, LLC | Principal |
| 3 | Columbia Housing SLP Corporation | Principal |
| 4 | Wellspring Manager, LLC | Principal |
| 5 | Integral Wellspring, LLC | Wellspring Manager, LLC - Principal |
| 6 | KTB Bravis, LLC | Wellspring Manager, LLC - Principal |
| 7 | Miguel Southwell | Wellspring Manager, LLC - Principal |
| 8 | Egbert Perry | Integral Wellspring, LLC - Principal |
| 9 | Valerie Edwards | Integral Wellspring, LLC - Principal |
| 10 | Victoria L. Wilbon | Integral Wellspring, LLC - Principal |
| 11 | Eric Pinckney | Integral Wellspring, LLC - Principal |
| 12 | Carl Powell | Integral Wellspring, LLC - Principal |
| 13 | Kareem T. Brantley | KTB Bravis, LLC - Principal |
| 14 | Minca Davis-Brantley | KTB Bravis, LLC - Principal |
| 15 | Integral Florida, LLC | Common Control of Wellspring, LLC |

This report will be placed on the corresponding BCC meeting agenda. Should you have any questions or need additional information, please contact me at (305) 375-4354.

cc: Honorable Mayor Daniella Levine Cava
 Geri Bonzon-Keenan, County Attorney
 Gerald K. Sanchez, First Assistant County Attorney
 Jess McCarty, Executive Assistant County Attorney
 Felix Jimenez, Inspector General, Office of the Inspector General
 Ofelia Tamayo, Director, Audit and Management Services
 Alex Muñoz, Director, Internal Services Department
 Namita Uppal, Director, Strategic Procurement Department
 Basia Pruna, Director, Clerk of the Board
 Jennifer Moon, Chief, Office of Policy and Budgetary Affairs
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