



Memorandum



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To: Mary T. Cagle, Inspector General

Via: Felix Jimenez, Deputy Inspector General
Juan Koop, Supervisory Special Agent

From: Dimitri Bernadotte, Special Agent

Date: March 30, 2017

Subject: Administrative Case Closure Report -- Liberty Square Rising Project,
Ref. IG16-14

SYNOPSIS

At the request of Miami-Dade County District 3 Commissioner Audrey Edmonson, the OIG was asked to determine the veracity of certain rumors and/or allegations (hereinafter "allegations") that had come to the Commissioner's attention related to redevelopment of the Liberty Square public housing project. The project, coined "Liberty City Rising" would involve the razing and redevelopment of the Liberty Square public housing complex, and would involve the temporary relocation of over 600 public housing residents. As such, the community's input, especially from Liberty Square residents, was essential to the project's success.

After a year-long competitive selection process that resulted in the Mayor's Office recommending approval to award the redevelopment agreement to RUDG, LLC, the Cone of Silence was finally lifted on April 4, 2016, and all the stakeholders of the project could freely discuss the project and recommended contract award. At the Board of County Commissioners' Economic Prosperity Committee (EPC) meeting of May 12, 2016, there was a substantial number of individuals speaking for and against the recommended award. Commissioner Edmonson, whose district includes the Liberty Square complex, voiced concerns about possible unethical behavior by or on behalf of the recommended developer (RUDG) to garner support from the residents of Liberty Square and the broader community. She questioned whether the recommended developer was attempting to gain support of the community by providing free meals and free beauty treatments (e.g., spa treatments and eyelash extensions). She also mentioned hearing about potential cash payoffs. She was extremely disturbed by this information and stated that she would forward these allegations to the OIG, the Commission on Ethics (COE), and the Public Housing and Community Development Department (PHCD) for further review.

When OIG officials met with Commissioner Edmonson, she related three specific concerns, aside from the free meals and beauty products. Each of the allegations concerned individuals, either directly or indirectly, involved with the Liberty Square Resident Council (LSRC) and whether these individuals received financial compensation in exchange for their support (or to garner community support) for the RUDG proposal over that of its competitor. (See the "Case Initiation" section for the specific allegation as to each of the three individuals.)

Our investigation determined that as to the allegation against Ms. Sara Smith (LSRC President and a voting member of the County's selection committee) that RUDG had given her a car in exchange for her support, there was no evidence that she received financial or any other compensation from RUDG or its affiliated companies. The disposition of this allegation is unfounded.

Second, as to Mr. Eric Thompson, a Liberty City community activist and an unofficial liaison to the LSRC, but not a Liberty Square resident himself, the allegation was that he received a large payoff (in the tens of thousands) to influence the resident council board to support RUDG. The investigation determined that he did receive \$3,000 directly from RUDG. As explained in the body of this report, his receipt of monies from RUDG while perceptually unseemly, was not illegal or a violation of any proscribed standard of conduct (e.g., an Ethics Code violation).

Last, as to the allegation involving Ms. Crystal Corner (Vice President of the LSRC and an alternate on County's selection committee) the investigation found that she did sign her name to a letter that went to the Miami Herald in support of RUDG; but she did not author the letter. The investigation found no evidence that she was paid \$500 specifically for signing the letter. (Ms. Corner had endorsed RUDG's selection as the Liberty Square developer in said letter.) The OIG investigation did determine that Ms. Corner received \$1,230 for her work in promotion of RUDG as a member of the street canvas team. Her compensation was in-line with what others were paid as part of the "Rise Up Street Team."

Even though two of the three allegations were substantiated in part, it is the OIG Investigations Unit's recommendation that this investigation be closed. While two of the allegations were factually determined to be true (specific to the claim about receiving financial compensation) no violations of law or proscribed standards of conduct by either party (RUDG as contributor or individual as recipient) were violated. And while these practices might warrant further scrutiny in the future, especially as more complex public private partnership arrangements gain traction and become the norm of financing public improvements where community and stakeholder input is crucial, as it relates to these specific allegations, it is recommended that this case be closed as no further investigative efforts are required.

BACKGROUND & PROCUREMENT CHRONOLOGY¹

On January 29, 2015, Miami-Dade County Mayor Carlos Gimenez announced plans to “raze and redevelop” Liberty Square, the County’s oldest and largest public housing site. The project, coined “Liberty City Rising” would consist of entirely redeveloping the Liberty Square public housing development (approximately 57 acres bounded by NW 62 to NW 67 Streets, and NW 12 to NW 15 Avenues), and constructing a new public housing development at Lincoln Gardens (a 9 acre vacant site located approximately 2 miles away). The County would, through a competitive selection process, partner with a Master Developer who would develop the properties to include both public and non-public housing units, other mixed uses, and communal amenities. The County would lease the properties to the Master Developer, who would then manage the facilities.

The project would be completed using a phased approach, where housing units at Lincoln Gardens would be completed first. Thereafter, Liberty Square residents could move to Lincoln Gardens while Liberty Square was being redeveloped, and then move back to Liberty Square once completed. The project is estimated to cost approximately \$300 million, which includes an approximate \$74 million commitment from the County drawn from various sources. The Master Developer would also seek various forms of financing to include application for Low Income Housing Tax Credits, through the Florida Housing Finance Corporation.

Miami-Dade County issued Request for Applications (RFA) No. 2015-01 for a “Master Developer of Liberty Square and Lincoln Gardens” on May 27, 2015. The RFA was sent to a County pre-qualified pool of low income housing developers. With the issuance of the RFA, the County’s Cone of Silence went into effect.²

¹ See Resolution R-636-16 (Miami Dade Legislative File No. 161778) for the Mayor’s Recommendation to Award Memorandum and all accompanying attachments, including Selection Committee recommendations and scoresheets, the development agreement, ground lease agreements, and RUDG amendments thereto. The entire package, which is 311 pages, is made part of this file. But for the purposes of this closeout memorandum, only the first six pages, which is the Recommendation for Approval to Award memo, is attached as **(Exhibit 1)**.

² The Cone of Silence is a Miami-Dade County statutory provision found in the Code of Ethics and Conflict of Interest Ordinance (see Section 2-11.1(t) of the County Code). Generally, the Cone of Silence prohibits communication between certain parties during the pendency of a procurement process. The Cone goes into effect when a procurement/competitive solicitation is advertised, and lifted when an official recommendation to award the contract is made. Specifically, the Cone prohibits communications between 1) a potential vendor, service provider, bidder, lobbyist, or consultant (collectively referred to as ‘bidders’) and the County’s professional staff; 2) the elected officials (Mayor and County Commissioners) and the County’s professional staff; 3) bidders and members of the selection committee; 4) the elected officials and members of the selection committee; 5) bidders and the elected officials; and 6) members of the County’s professional staff and any member of the selection committee. The purpose of the Cone is to shield the process from undue influences.

On or about July 9, 2015, the County received six proposals. Through the summer of 2015, a 10-member selection committee (9 voting members and a chairperson who is a non-voting member) met on a few occasions to review and score the proposals, resulting in a final evaluation and scoring conducted on October 1, 2015. The results of that final scoring placed Atlantic Pacific Communities, LLC (APC) in first place based on 1251.5 points (total aggregated points) and RUDG, LLC (RUDG) second with 1206.5 points. However, 8 out of the 9 members gave RUDG more points than APC, and, based on ordinal rankings, 7 out of 9 members ranked RUDG first. The scores submitted by Sara Smith, LSRC President and the lone Liberty Square resident that was on the County's selection committee, were scrutinized as outlier scores. Ms. Smith initially gave APC an impossible 198 points out of a possible 155 points; and she gave RUDG a score of 64, which was significantly below the scores given to RUDG by the other 8 voting members. (The average score for RUDG based on the average of the other 8 voting members—excluding Ms. Smith's score—was 142.8 points.) Even after Ms. Smith adjusted her APC score from 198 to 154—out of a possible 155 points, the total spread differential between APC and RUDG was 45 points. (The third highest score was 160.5 points behind the second place finisher.)

By way of two memorandums, both dated January 20, 2016, the Selection Committee Chair (County staff person Indira Rajkumar-Futch) summarized the results of the selection process in a memo addressed to the Mayor; and the Mayor, in his memo, directed the Selection Committee Chair to proceed by seeking Best and Final Offers (BAFO) from the two top ranked proposers (APC and RUDG).

The BAFO process “shall concentrate on securing the best possible financial return to the County and most beneficial combination of housing options and amenities consistent with the best interests of residents of Liberty Square and Miami-Dade County.”³

Further instructions were provided to APC and RUDG and both proposers submitted their BAFOs on February 5, 2016. The Selection Committee met on February 18, 2016, to score the BAFOs. The new scoring evaluation took into account improvements (from their first proposal) to housing options and amenities; commitments of HUD Section 3 job training, employment, and small business utilization strategies; empowerment strategies, including ex-offender training and employment opportunities, etc. The BAFO also reevaluated the proposals for financial benefit and return to the County.

The resulting scores from the BAFO process put RUDG first with 1236 points and APC second with 1197. The Mayor, by memorandum dated March 2, 2016, gave his approval to begin negotiations with RUDG. Throughout the BAFO process and the resulting negotiations, the County's Cone of Silence was still in effect.

³ From the Mayor's Memorandum dated January 20, 2016, which can be found as Exhibit B to Resolution No. R-636-16.

Several negotiations between RUDG and the County's designated negotiating team took place in March 2016. On April 4, 2016, the Mayor officially recommended awarding RFA No. 2015-01 (Master Developer Agreement and accompanying ground leases) to RUDG; this announcement lifted the Cone of Silence. The recommendation to award was scheduled to be heard on May 12, 2016, by the BCC's Economic Prosperity Committee (EPC). After a substantial hearing on the item, including significant public comments, and questions and remarks by EPC members, the agenda item was forwarded to the full BCC without a recommendation.

The agenda item, which was amended as a result of RUDG modifying its approach to the development of Lincoln Gardens in response to voiced concerns and to increasing the overall development budget, among other things, was heard by the full BCC at its meeting of July 6, 2016. After a considerable discussion, the item was approved. (See Resolution No. R-636-16; see also Exhibit 1 and footnote 1 of this report.)

CASE INITIATION

During the EPC meeting of May 12, 2016, District 3 Commissioner Audrey Edmonson voiced concerns about possible unethical behavior by or on behalf of the recommended developer (RUDG) to garner support from the residents of Liberty Square and the broader community. She mentioned the possibility of cash payoffs and providing free chicken dinners and fake eyelashes as means to garner such support. Commissioner Edmonson stated that she would forward these allegations to the OIG, the Commission on Ethics (COE), and the Public Housing and Community Development Department (PHCD) for further review.

On May 23, 2016, Inspector General Mary Cagle and General Counsel Patra Liu met with Commissioner Edmonson and members of her staff at her District 3 Office. During that meeting, the Commissioner reiterated her comments that she was concerned that the recommended developer was inappropriately trying to influence the Liberty Square residents into supporting it over its competitor, APC. She explained that while she had mentioned chicken dinners and fake eyelashes during the EPC meeting, she had come to learn—from her constituents—of other allegations that were much more serious, which she believed warranted investigation. There were three allegations, which are presented below. On May 26, 2016, Deputy Inspector General Jimenez met with Commissioner Edmonson to obtain additional information relating to the allegations being circulated.

The first allegation involved Sara Smith, LSRC President, who was a voting member of the Selection Committee. Ms. Smith was driving a new vehicle and it was rumored that the car may have been provided by RUDG to her for now supporting RUDG as the recommended proposer. (Twice Ms. Smith had scored

APC higher than RUDG, but was now vocally in support of RUDG being awarded the contract.)

Second, Commissioner Edmonson heard that Eric Thompson, a liaison and/or consultant for the LSRC but not a Liberty Square resident himself, received a large payoff (in the tens of thousands) to influence the resident council board to support RUDG.

Third, Commissioner Edmonson noted that Crystal Corner, Vice President of the LSRC and an alternate on the RFA Selection Committee, wrote a letter that appeared in the Miami Herald touting the Liberty City Rising project and her support for RUDG. The Commissioner questioned whether Ms. Corner had actually written the piece; she had heard that someone else wrote it for her and Ms. Corner only put her name to it. The Commissioner also relayed to the OIG that Ms. Corner may have been paid \$500 for the Miami Herald letter.

Last, Commissioner Edmonson explained that she would also be meeting with the Executive Director of the COE to share these and other concerns.

CASE APPROACH & INVESTIGATIVE METHODOLOGY

Parts of this investigation were conducted jointly with a COE investigator. As stated above, Commissioner Edmonson informed the OIG that she would also be meeting with the COE Executive Director regarding some of her concerns. As it was foreseeable that there would be some overlap (individuals to be interviewed, documents to be reviewed, etc.) a decision was made by the IG and COE Director that, to the extent possible, investigative efforts (namely, conducting interviews) would be jointly carried out. The evidentiary findings and investigative dispositions made in this report, however, are the conclusions of the OIG.

During the course of the investigation, the OIG interviewed Ms. Sara Smith, Mr. Eric Thompson, and Ms. Crystal Corner; the latter two being interviewed twice. We also interviewed Ms. Smith's boyfriend, Alfred Smith (no familial relationship). We also interviewed the principals of both RUDG and APC, as well as other individuals that we learned about who might have information relevant to the matters under investigation. We also met with County staff to discuss the competitive selection process and other matters involving the Liberty Square public housing complex and the resident council. The majority of the interviews were conducted under oath.

The OIG obtained expenditure records from RUDG and its consultant, Henry Crespo. Mr. Crespo's firm, The Relocation and Development Firm, provided marketing and promotional services during the post-Cone of Silence period. We obtained from Mr. Crespo timesheets, pay records, and the 2016 IRS 1099-MISC forms for members of the Rise Up Street Team (described later in this report). Mr.

Crespo also provided us with invoices and pay records relating other promotional and special events (sponsored by RUDG) for Liberty Square residents, as well as payments to other consultants and vendors associated with these pre-contract award activities.

OIG subpoenas duces tecum were issued to Enterprise-Rent-A-Car and various third-party providers requesting financial and other background information.

Last, we consulted with the State Attorney's Office regarding the sufficiency of the evidence that was obtained.

This investigation was conducted in accordance with the *Principles and Standards for Offices of Inspector General* and the *Quality Standards for Investigations* as promulgated by the Association of Inspectors General.

INVESTIGATIVE FINDINGS

Findings and Disposition Regarding Allegation No. 1

The investigation uncovered no evidence to suggest that RUDG paid for Ms. Smith's rental car; as such, the allegation is unfounded.

OIG Special Agents met with Ms. Sara Smith at which time she denied the allegations. Ms. Smith explained that she was involved in a car accident in November 2015 that rendered her car inoperable. Ms. Sara Smith said she is undergoing dialysis treatments and requires transportation to go to the medical clinic and was, in fact, driving a rental car. Ms. Smith also stated that her boyfriend Mr. Alfred Smith paid for her rental car. The OIG investigation confirmed that Ms. Smith was in fact involved in a car accident on November 28, 2015.

The vehicles⁴ in question were rented from Enterprise Rent-A-Car (Enterprise) located at 940 NW 27 Avenue, Miami. The rental contract is actually in the name of Sara Alvin (Sara Smith's maiden name and the name on her driver's license). The initial rental contract began on December 3, 2015. The deposit for the rental was secured using Mr. Alfred Smith's bank card (ending in #9755).⁵

An OIG subpoena was issued to Enterprise requesting all the rental contracts and associated payments for said rental vehicles. Also requested were any video recordings of the rental office showing the customers for the date and time when said payments were made.

⁴ There were actually several different cars that were rented during the period in question, but only one at a time. At various times, the rental would be returned and replaced with a different vehicle.

⁵ Unclear whether this Wells Fargo card is a credit or debit card.

A review of video recordings from Enterprise revealed five instances from May 14, 2016, through June 15, 2016, that show Sara Smith and Alfred Smith making in-store payments at 940 NW 27 Ave, Miami, FL 33125. There were no earlier video recordings available.

OIG Special Agents obtained and analyzed the payment history for Ms. Smith's rental vehicle. The total cost of the rental vehicle from December 7, 2015, through June 24, 2016, was \$10,013.48. The financial analysis revealed that five payments totaling \$1,224.13 were paid from Mr. Alfred Smith's bank card. One payment of \$352.29 came from LSRC's bank account.⁶ The remaining payments totaling \$8,437.10 were paid in cash. Of this amount, OIG Special Agents could trace \$4,160.25 to cash withdrawals (from Smith's bank accounts) made on the same date as the cash payment to Enterprise. Of the remaining \$4,276.85 in cash payments for the rental vehicle, no direct correlation could be made.⁷

The OIG also interviewed the Assistant Manager and the Rental Branch Manager of the Enterprise located at 940 NW 27th Avenue, Miami. The two men were familiar with the Sara Alvin rental, and they were also familiar with Mr. Alfred Smith. The two men generally stated that when the two of them (Sara and Alfred) come in together to make a payment, it is usually in the mid-afternoon. When Mr. Alfred Smith comes in by himself, it is also usually in the afternoon. They also stated that Ms. Sara Alvin (Smith) sometimes comes in alone in the morning to make a payment.

In our various interviews with LSRC's board members, several of them stated to us that Mr. Smith paid for Ms. Smith's rental vehicle.

OIG Special Agents met with Mr. Alfred Smith at which time he corroborated Ms. Smith's statement concerning the November 2015 car accident and that he paid for her rental. Mr. Smith also stated that he works three different jobs, and therefore, he has the wherewithal to pay the monthly rental fee of \$1,100.00. Mr. Smith acknowledged that the rental payments are high, but he lacked credit to obtain financing to purchase a vehicle. OIG Special Agents were able to confirm Mr. Smith's employment and salary.

This investigation did not reveal any payments from RUDG or its affiliate, Henry Crespo's company, The Relocation and Development Firm (TRDF) to Ms. Smith or to Mr. Alfred Smith during the time that the Cone of Silence was in effect. Mr. Alfred Smith, however, did receive \$300 from The Relocation and Development

⁶ The OIG learned that Ms. Smith advised the LSRC Board that she had used some of the funds to pay for her rental car, but that she had paid the money back.

⁷ In some instances, the OIG found a cash withdrawal the day before the Enterprise payment but excluded these from the total of traceable payments.

Firm about one month after the Cone of Silence was lifted.⁸ As to Ms. Smith, the OIG did not find any payments made to her.⁹

Based on the evidence gathered, the allegation that the rental car was provided to Ms. Smith for her current support of RUDG is unfounded.

Findings and Disposition Regarding Allegation No. 2

The investigation did not reveal any large payoff to Eric Thompson for him to influence the LSRC Board to support RUDG, but the investigation did uncover three \$1,000 payments to Mr. Thompson directly from RUDG. The first payment was made only a few days after the Cone of Silence was lifted. The three payments are dated April 7, May 5, and June 10, 2016. Mr. Albert Milo stated in a sworn statement to the OIG that Mr. Thompson's monthly retainer was so that he [Thompson] could "help spread the facts of redevelopment and why our development was substantially superior to our competitor's development."

When investigators mentioned that RUDG had already been ranked first in the BAFO process and had been recommended for award, Mr. Milo stated: "Sure. But there was a lot of misinformation that was spread in this community by the competitors. And as you see, it continued until the final vote where we got ratified by the Board of County Commissioners."¹⁰

The OIG interviewed Eric Thompson twice, both times under oath. We came to learn that he [Thompson] has no official role with the Liberty Square public housing complex or with the LSRC other than being a self-proclaimed liaison for the Council and the community. He has never been a resident of Liberty Square.

Mr. Thompson explained that he came to Miami around 1999 and that he worked for the Institute for Social Change, which morphed into ACORN. He then worked for Tools for Change (until recently) and had run the Liberty Square Computer Lab located at NW 15 Avenue and NW 65 Street. He is also the president of the Liberty City Economic Development Corporation (LCEDC) a not-for-profit corporation that has a grant with the City of Miami.¹¹ Mr. Thompson stated that he earns money primarily by writing grant proposals and fundraising, and that from November 2015

⁸ The check notes that the payment was related to food. Mr. Milo, in his interview, stated that the payment was related to a barbeque that RUDG sponsored at Liberty Square.

⁹ Timesheets and pay records provided by Mr. Crespo revealed that Jimmy Alvin (Ms. Smith's brother) received \$460 and Shawntae Mike (Ms. Smith's daughter) received \$1,480 for their participation on the street canvas team. The work of the canvas team began after the Cone of Silence was lifted.

¹⁰ See sworn statement of Albert Milo taken on July 28, 2016. Mr. Milo also voluntarily provided the OIG with copies of the invoices (from Mr. Thompson) and three checks made payable to Mr. Thompson.

¹¹ The grant was used to purchase and rehabilitate a 16-unit apartment building at 750-754 NW 70 Street, Miami.

to June 2016, he earned approximately \$15,000. Mr. Thompson advised that he does not have a bank account, but that LCEDC does its banking at Wells Fargo.¹²

Mr. Thompson was also questioned about his relationship with Sara Smith and the LSRC. Thompson stated that he and Sara Smith are good friends. He also stated that from time to time he has attended LSRC board meetings and has, on occasion, filled in for the recording secretary by taking notes. He is a self-proclaimed activist and has been interested in the Liberty City Rising project since it was first announced by Mayor Gimenez. His concern, as explained during his interviews, has always been the lack of community input, especially into the planning of the project. He was vocal that more local residents should be involved in the process. He also questioned the inclusion of some people on the Selection Committee, remarking during the interview that they don't know where Liberty Square is located.

Mr. Thompson told investigators that the length of time the project was under the Cone of Silence was frustrating because he could not get much information about what was going on, and Sara Smith and Crystal Corner (alternate) would not speak to him for months. Mr. Thompson explained that he did not know the details of the RUDG proposal until the Mayor had finally made his announcement selecting RUDG. Mr. Thompson also told investigators that he was aware of APC's proposal because a general contractor, who was presumably looking to get work on the construction project, had shown it to him after the first vote of the selection committee.¹³ Mr. Thompson further explained that he did not have a problem with the APC proposal at the time, however, it was the only one he had seen.

Mr. Thompson was asked about the email that was sent to Ms. Rajkumar-Futch dated March 1, 2016. **(Exhibit B)** He confirmed that while he sent the email, the content of the email involved an incident involving Ms. Sara Smith that occurred on February 25, 2016. Ms. Smith relayed the incident to Mr. Thompson and asked Mr. Thompson's assistance in sending the email.¹⁴ Mr. Thompson relayed that,

¹² While Mr. Thompson stated that he would voluntarily provide investigators with copies of these bank statements, after he got permission from the other LCEDC board members, he has not provided them. Moreover, OIG Special Agents issued subpoenas to Wells Fargo for any bank accounts in the name of LCEDC or any accounts where Mr. Thompson is an authorized signatory, only to learn that there are no such accounts with Wells Fargo.

¹³ Mr. Thompson stated that the owner of Runu Construction showed him the APC proposal. He opined to OIG Special Agents that he didn't feel that he was being shown the proposal to elicit his support for APC, just that Runu was looking to get some work and that Mr. Thompson is well known to the general contractor community because he is always pushing them to hire Liberty City residents.

¹⁴ During Ms. Smith's interview, she explained that Eddie Dean was together with the two other men. She has known Mr. Dean for approximately five years, and stated that he builds homes in Liberty City. She also stated that Mr. Dean was not working for Mr. Milo or the RUDG team, but, like everybody else, he was just trying to get in with the developers. She stated that since this project is so large (hundreds of millions of dollars), many people were hanging around the Liberty Square Community Center in the hope of getting in with the developers.

according to Ms. Smith, on February 25, 2016, Mr. Eddie Dean who was seen together with Dante Starks and Albert Milo at the Liberty Square Community Center, followed Ms. Smith out of her office to the parking area and told her that “Eric is going to be taken care of, so you need to be taken care of too.”¹⁵

OIG Special Agents asked Mr. Thompson about the remark that he [Thompson] is going to be taken care of. Mr. Thompson denied knowing anything about being taken care of and/or what Mr. Dean’s remark meant. However, Mr. Thompson was less than truthful—he did not disclose to investigators at the time (interview of June 14, 2016 and June 27, 2016) that he had already received compensation from RUDG. Specifically, the OIG learned at a later date that he had already received \$3,000 directly from RUDG.

Mr. Thompson stated that he and Albert Milo spoke once prior to the Mayor’s announcement and that they met a couple of times after the announcement. Mr. Milo asked for his support and asked if they would be able to work together. Mr. Milo also asked Mr. Thompson what the people wanted. There were some discussions about a museum and making the community center a historical site. When asked if he [Thompson] had been offered a job by RUDG, Mr. Thompson stated that Mr. Milo has offered him a role in the new community center but that he [Thompson] was planning to move on to another public housing project that might need his help. Mr. Thompson stated to investigators that Mr. Milo told him that he needed to stay involved. Mr. Thompson also told investigators that he wanted to make sure RUDG hired local residents and that the Liberty Square residents made it back to the redevelopment once finished. When asked by investigators if the role at the community center was a job offer, Mr. Thompson indicated yes, but that he needed to have more conversations and he doesn’t know what decision he will make until after the BCC votes.¹⁶

Attempts were made to re-interview Mr. Thompson after we learned about his compensation from RUDG. OIG Special Agents visited the two addresses that he identified as his residences with negative results — one location was boarded and vacant and the other location was a computer learning center for children. OIG Special Agents also made repeated calls to his cell phone number and left messages. Mr. Thompson did not return any calls. On one occasion, Mr. Thompson was seen running out of the backdoor of the Liberty Square office as OIG Special Agents walked through the front door. On another occasion, OIG Special Agents had a chance encounter with Mr. Thompson at the Miami-Dade

¹⁵ Ms. Smith also told investigators that she did not think that Dante Starks or Albert Milo heard the comment made by Mr. Dean. She believes that Mr. Dean was attempting to buy her influence—to solicit her. She told investigators that she was not good with that and that is why she told Eric Thompson, and thus the email was sent to the Selection Committee Chair. It should be noted that although the Cone of Silence was still in place, the subject conversation of February 25, 2016 occurred after the BAFO scores were submitted and scored.

¹⁶ This interview took place on June 14, 2016. The final BCC vote was July 6, 2016.

County Stephen P. Clark Center, 2nd Floor. When Mr. Thompson realized that OIG Special Agents were present, he attempted to depart quickly. When confronted in the hallway, Mr. Thompson said that he would not speak without his lawyer being present.

RUDG paid Mr. Thompson \$3,000. There was no contract, no letter of engagement or any other document describing Mr. Thompson's services other than Mr. Milo's explanation of garnering community support. The first payment was made three days after the Cone of Silence lifted; however, even if it was made before the Cone lifted, it would not have been impermissible. Mr. Thompson was not a member of the Selection Committee, and so long as he was not getting paid to sway members of either the selection or negotiations committee, the payments to him, while having an appearance of impropriety, were not illegal. In fact, the engagement of Mr. Thompson was a business decision by RUDG, not unlike hiring a lobbyist. Why Mr. Thompson did not disclose this fee arrangement with the OIG, we may never know. And while the allegation is substantiated in part—Mr. Thompson received some money to garner community support of the RUDG proposal over that of its competitor—it was not illegal. That portion of the allegation concerning a substantial payoff in the tens of thousands of dollars is unfounded.

Findings and Disposition Regarding Allegation No. 3

The investigation substantiated the allegation that Ms. Crystal Corner did not write the letter that bears her name and that was sent to and published by the Miami Herald on April 24, 2016. **(Exhibit C)** The part of the allegation that Ms. Corner was paid \$500 for putting her name to said letter, was determined to be unfounded. The investigation did reveal, however, that Ms. Corner received a total of \$1,230¹⁷ for her work as part of the Rise Up Street Team.

OIG Special Agents first met with Ms. Corner on June 31, 2016. During a sworn interview, Ms. Corner stated that she is not aware of anyone in the community who has been paid by either of the two developers to advocate for their particular proposal. With respect to the letter to the editor which appeared in the Miami Herald on April 24, 2016, Ms. Corner explained that it was written by her without anyone's assistance. She denied being encouraged by anyone to write the letter, stating that she wrote it "strictly on my own." Ms. Corner stated that she had not written any letters or editorials previously and reiterated that she was not given any assistance or provided any ideas on what to write.

During that same interview, Ms. Corner told the OIG that she had heard the allegation that she had been paid off by RUDG and she denied it. She stated that the only money she received from RUDG was for passing out flyers as part of the "street team," which was set up after the bid winner was announced.

¹⁷ Total compensation for calendar year 2016 based on the IRS 1099-MISC issued to Ms. Corner from The Relocation & Development Firm (Henry Crespo's company).

In ascertaining the authorship of the aforementioned letter, investigators discovered that the MS Word version of the Corner letter, which was received by the Miami Herald under Corner's signature, originated from Zakarin Martinez Public Relations (ZMPR), a public relations firm doing business with The Related Group for the past several years. The Related Group is one of the members of RUDG.

OIG Special Agents acquired from Amy Zakarian (principal of ZMPR) an email thread from the public relations firm. (**Exhibit D-1**)¹⁸ The beginning of the email thread shows that the aforementioned letter originated with Michelle Spence-Jones, a paid consultant for the RUDG team.¹⁹ Ms. Spence-Jones forwarded the draft letter in an email to Mr. Milo and her brother, Kenneth Spence-Jones, who is also a paid consultant for RUDG with a note stating: "Kenny, please see if Crystal would support this op-ed. She could make adjustments." Mr. Milo then forwarded this email chain to Jorge Mendez of ZMPR and to Jorge Luis Lopez, principal of the Jorge Luis Lopez Law Firm, for any suggested "clean ups" or changes.

Jorge Mendez replied to Albert Milo and to Jorge Luis Lopez stating: "We're happy to help clean up the op-ed; however, we feel it'd be wise to have these third parties submit directly to the Herald. This way the opinion editor does not receive four separate letters from RUDG's PR team."

The draft letter contained in the email thread is almost the same as the final letter that was published in the Miami Herald under Ms. Corner's name on April 24, 2016.

In a follow-up interview, Ms. Corner was advised to review the e-mail thread from ZMPR. After making additional denials, Ms. Corner admitted that she did not prepare the letter. Ms. Corner stated that Kenneth Spence-Jones presented the letter for her to approve but she did not receive any compensation for it. She explained that she lied about it in the first interview because she did not want to be involved in this investigation.

During the OIG investigation, we learned of a street team or "canvas team" that was immediately put into effect after the Cone of Silence was lifted. Crespo's firm, the TRDF, engaged some Liberty Square residents to pass out flyers and encourage attendance at weekly meetings. The canvas team (upwards of 15

¹⁸ The OIG obtained this original email thread from Ms. Zakarin on July 12, 2016. A day earlier, July 11, 2011, we received a pdf scan of the same email thread, however, because it was pdf certain links were not active, thus we requested the original email. Upon closer examination, the thread received on July 11 had been redacted to exclude the fact that Jorge Luis Lopez was included in the email thread. (See **Exhibit D-2** for comparison.)

¹⁹ Ms. Spence-Jones' firm, Jambalaya Media Group, Inc.(Jambalaya), is actually paid by The Relocation and Development Firm. According to the 1099-MISC form, Jambalaya was paid \$4,291 for 2016.

individuals through July 2016)²⁰ were paid weekly by TRDF based on the number of hours worked. They were paid between \$8 and \$10 per hour. Ms. Corner advised that Kenneth Spence-Jones was the supervisor of the canvas teams and that he was in charge of the time sheets and distributed the checks.²¹

We were provided with accounting printouts and timesheets that showed payments totaling \$1,230 made to Ms. Corner by TRDF.²² The first payment to Ms. Corner for \$120 was made on April 15 – six days before the Letter to the Editor was submitted to the Herald. A second to Ms. Corner for \$170 was made on April 22, two days before the letter was published. In both instances, however, TRDF paid several other canvas team members on those same days. Moreover, Ms. Corner's total compensation of \$1,230 was not out of line with the amounts others made working as part of the "Rise Up Street Team."

OIG Special Agents met with Assistant State Attorney (ASA) Johnette Hardiman regarding Ms. Corner's first sworn statement wherein she lied about writing the letter. ASA Hardiman, in a close-out memorandum dated February 28, 2017 (**Exhibit E**), wrote: "In order to prove a charge of Perjury, the statement at issue would have to be *material* to the underlying investigation. In this case it is *not material*. Since the subject admitted sending it to the Miami Herald and acknowledged that the opinion in the letter was hers, it is irrelevant who composed the letter for her. Additionally, the fact that the subject recanted and admitted that Michelle Spence Jones wrote the letter for her is a defense under 837.07, Florida Statutes." (Emphasis supplied in original; footnote omitted.)

In other words, it was not illegal to have someone else write a letter for Ms. Corner. The same holds true even if it was not her idea in the first place, and she was only asked to "approve" of the letter. The payments that she received for her work as part of the street/canvas team are in line with what others also received during the time frame.

The allegation is substantiated in that Ms. Corner did not write the letter that was sent to the Miami Herald, but unfounded that she was paid \$500 for putting her name to the letter.

CONCLUSION

Two of the three allegations, while substantiated in part, do not involve a violation of law. Only Ms. Smith, as a member of the Selection Committee, was held to

²⁰ There were four LSRC members, including Ms. Corner, that worked on the canvas team.

²¹ The 2016 1099-MISC issued by The Relocation and Development Firm to Mr. Kenneth Spence-Jones shows that he was paid \$8,290.

²² The 1099-MISC form, which the OIG received from TRDF in February 2017, shows \$1,230. The records received by the OIG from TRDF in July 2016 (timesheets and accounting pay ledgers) only showed \$1,170.

certain standards of conduct. As to the allegation against Ms. Smith, we determined it to be unfounded.

As mentioned throughout this report, RUDG did expend funds to garner community support for its development efforts. Whether it be by sponsoring events (involving free food, music, and giveaways), by temporarily employing people to knock on doors and pass out flyers, or by directly paying constituents to lobby on their behalf, these were not illegal activities.

As described earlier, the State Attorney's Office (SAO) was consulted during this investigation. The SAO has closed its investigation. Without any further allegations or evidence, it is recommended that this investigation also be closed.

Memorandum



Date: July 6, 2016

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Recommendation for Approval to Award RUDG, LLC as Developer of Liberty Square and Lincoln Gardens in Response to Request for Application No. 2015-01, Execution of Ground Leases and Master Development Agreement

Amended
Agenda Item No. 8(K)(2)

Resolution No. R-636-16

Recommendation:

It is recommended that the Board of County Commissioners (Board):

- 1) Approve the selection of RUDG, LLC as the developer of Liberty Square and Lincoln Gardens (Liberty Square Rising);
- 2) Authorize the County Mayor or the County Mayor's designee to execute ground leases (Leases) with RUDG, LLC or its subsidiaries (Related Urban) for the purpose of providing site control of the Lincoln Gardens and Liberty Square public housing sites to Related Urban, which is required for their application for Low Income Housing Tax Credits (Housing Tax Credits) from the Florida Housing Finance Corporation (Housing Finance Corporation); to consent, at the County Mayor or the County Mayor's designee's sole discretion, to Related Urban; entering into sub-ground leases, where applicable and as may be required, to meet the requirements of the Housing Finance Corporation and/or U.S. Department of Housing and Urban Development (Housing and Urban Development); and to execute additional ground leases as may be required to preserve Related Urban's site control over the development;
- 3) Authorize the County Mayor or County Mayor's designee to execute a Master Development Agreement with Related Urban, subject to the Housing and Urban Development's approval, for the development of Liberty Square Rising;
- 4) Authorize the County Mayor or County Mayor's designee to exercise any amendments, modification, cancellation, termination, and renewal provisions, and any other rights contained in the Master Development Agreement and the Leases.
- 5) Delegate to the County Mayor or the Mayor's designee the authority to determine the value and sufficiency of the alternative form of security in lieu of a payment and performance bond for Liberty Square and Lincoln Gardens (Liberty Square Rising), provided that, in determining the sufficiency and value of the alternative security the County Mayor or the County Mayor's designee will consider the nature, history, and financial capabilities of Related Urban, the contractual obligations secured by the alternative security and the contractual safeguards in place to protect payments to persons performing the work, and require that, prior to commencement of the work or purchase of supplies, any and all contractors hired by Related Urban to perform work for Liberty Square Rising has executed, delivered, and recorded in the public records a statutory payment and performance bond in the full amount of the contract naming the County as an obligee, as required by Section 255.05 of the Florida Statutes.

EXHIBIT

A

tabbles

- 6) Authorize the County Mayor or the County Mayor's designee to execute all necessary mixed-finance agreements and all other documents with Related Urban, including but not limited to amendments, agreements, releases and ground leases, subject to Housing and Urban Development's approval;
- 7) Authorize the County Mayor or the County Mayor's designee to submit a demolition and disposition application for the Liberty Square public housing site and a disposition application for the Lincoln Gardens public housing site to Housing and Urban Development;
- 8) Authorize the County Mayor or the County Mayor's designee to execute an amendment(s) to the Annual Contribution Contract(s), which provides for the County's receipt of public housing subsidy, subject to Housing and Urban Development's approval; and
- 9) Waive the requirements of Resolution No. R-130-06, which requires that all contracts must be fully negotiated and executed by a non-County party since neither the County, nor Related Urban, can execute any mixed finance agreements, including but limited to the Master Development Agreement and the Leases, without Housing and Urban Development's prior approval.

CONTRACT NO: Request for Applications No. 2015-01

CONTRACT TITLE: Request for Applications No. 2015-01, Redevelopment of Liberty Square and Lincoln Gardens; "Liberty Square Rising."

DESCRIPTION: Subject to Housing and Urban Development's approval, Related Urban or its subsidiary, will execute necessary mixed-finance documents, including but not limited to a master development agreement, with the County and perform all requirements indicated therein. Related Urban will plan and implement all aspects of the redevelopment plan in close coordination with the Miami-Dade Public Housing and Community Development Department (Department). Related Urban will provide an extensive community engagement and planning process to review and obtain input on all aspects of the redevelopment and will work cooperatively with the Department, Liberty Square residents, their resident council, and other stakeholders, including the City of Miami (including City Manager, Building and Zoning, City of Miami Police Department, etc.), the School Board, social services agencies, community groups, private foundations and companies, etc. The scope of work is further described in the Master Development Agreement.

TERM: 75 years from the construction financing closing date (commencement date) pursuant to Ground Leases

CONTRACT AMOUNT: For Liberty Square Rising, the total estimated development cost is \$307,216,350.00.

DEVELOPER: RUDG, LLC

USING/MANAGING AGENCY: Miami-Dade Public Housing and Community Development Department (Department).

LIVING WAGE: The services provided are not covered under the Living Wage Ordinance.

LOCAL PREFERENCE: Not applicable due to public housing federal subsidy funding restrictions against applying geographical preferences.

ESTIMATED CONTRACT COMMENCEMENT DATE: Upon the approval of all mixed-finance documents by Housing and Urban Development

DELEGATED AUTHORITY: The County Mayor or the County Mayor's designee will have the authority (1) to execute ground leases for purpose of providing Related Urban with site control of Lincoln Gardens and Liberty Square; (2) to execute a master development agreement with Related Urban for the development of Liberty Square Rising, subject to the Board and Housing and Urban Development's approval; (3) to execute any additional ground leases that may be necessary to preserve site control with Related Urban, subject to Housing and Urban Development's approval; (4) to consent, at the County Mayor or the County Mayor's designee's sole discretion, to Related Urban or entering into sub-ground leases, where applicable and as may be required, to meet the requirements of the Housing Finance Corporation and/or Housing and Urban Development; (5) to determine the value and sufficiency of the alternative form of security in lieu of a payment and performance bond for Liberty Square Rising, provided that, in determining the sufficiency and value of the alternative security the County Mayor or the County Mayor's designee will consider the nature, history, and financial capabilities of Related Urban, the contractual obligations secured, by the alternative security, and the contractual safeguards in place to protect payments to persons performing the work and require that, prior to commencement of the work or purchase of supplies, any and all contractors hired by Related Urban to perform work for Liberty Square

Rising has executed, delivered, and recorded in the public records a statutory payment and performance bond in the full amount of the contract naming the County as an obligee, all as required by Section 255.05 of the Florida Statutes; (6) to submit a disposition and demolition application for the Liberty Square public housing site and a disposition application for the Lincoln Gardens public housing site to Housing and Urban Development; (7) to execute amendments to annual contributions contracts, if required; (8) to execute any agreements, releases from declarations, and any other documents on behalf of the County that may be required by Housing and Urban Development, and/or Florida Housing Finance Corporation; and (9) to exercise amendments, modifications, cancellation, termination, and renewal clauses contained therein.

SCOPE:

Development of Liberty Square Rising will occur on two (2) existing public housing sites Liberty Square and Lincoln Gardens, with a total of 1,572 units. The development of the Liberty Square site, bounded by NW 67 Street and NW 62 Street, NW 15 Avenue and NW 12 Avenue, will include 1,332 units comprised of 640 public housing units, 632 non-public housing rental units and 60 homeownership units. Development of the Lincoln Gardens site, located at 4701 NW 24 Court, Miami, Florida, 33147, will include a total of 240 rental units comprised of 117 public housing units and 123 non-public housing units. Green areas, parking areas, community spaces, retail spaces, and other amenities and uses are also contemplated for the project. The project will include multiple phases so that families are not displaced off-site during demolition and construction. Additional project details are enumerated in the master development agreement.

Liberty Square Rising is located within District 3, which is represented by Commissioner Audrey Edmonson.

**COUNTY FUNDING SOURCE/
FISCAL IMPACT**

Fiscal impact to the County for Liberty Square Rising is anticipated at approximately \$32,300,000.00 in General Obligation Bonds (GOB) as approved by Resolution No. R-852-15; \$6,000,000.00 in Documentary Surtax funding (with \$2,000,000 over three (3) Surtax funding cycles 2015, 2016, and 2017); and \$8,000,000.00 from the Capital Fund Financing Program (CFFP) funds, for a total of approximately \$46,000,000.00 Pursuant to the Master Development Agreement the County will receive a financial benefit from the Developer totaling \$48,078,466.00 (see Exhibit B of the

Master Development Agreement).

TRACK RECORD/MONITORING: Jorge R. Cibran, AIA, Director of Development Division for
the Department

Background:

The Department issued a competitive solicitation on May 27, 2015 titled: Request for Applications No. 2015-01 to Developer Pool Pursuant to RFQ #794A, #794B and #794C for Redevelopment of Liberty Square and Lincoln Gardens "*Liberty Square Rising*" (RFA). Liberty Square is the County's largest and oldest public housing site. It contains approximately 57 acres and is bounded by NW 67 Street and NW 62 Street, NW 15 Avenue and NW 12 Avenue. Lincoln Gardens is a vacant 9 acre site located at 4701 NW 24 Court (approximately two (2) miles from Liberty Square). The development of these two (2) sites comprises the project commonly known as "Liberty Square Rising." The services to be provided under this contract will include but are not limited to: (1) obtaining project financing; (2) providing employment opportunities for very low-, low- and moderate-income residents' housed in development areas; (3) providing participation for small and minority firms, and women-owned enterprises, certified pursuant to Section 3 of the Housing and Urban Development Act of 1968; (4) engagement with community stakeholders and residents to receive input on various aspects of the project, such as crime prevention through environmental design, unit configurations, amenities and job training; and (5) providing development of both public and non-public housing, and other uses with a mixed-finance, mixed-income, and mixed-use approach.

Six (6) proposals were received in response to the solicitation by the due date of July 9, 2015. Subsequently, a ten (10)-member selection committee was appointed comprised of individuals from the community, the resident council of Liberty Square, academia, and County staff. The Chairwoman of the selection committee was a non-voting member. The voting selection committee members reviewed the proposals and scored them based on evaluation criteria indicated in the solicitation. There was a 45 point differential between the two (2) top-ranked firms, Atlantic Pacific Communities, LLC (Atlantic Pacific) and Related Urban. Even though Atlantic Pacific received the highest overall point total, eight (8) out of nine (9) voting selection committee members scored Related Urban higher than Atlantic Pacific.

On January 20, 2016, the selection committee chair forwarded a memorandum advising me of the scoring results (Exhibit A). A decision was made that the County would proceed by requesting best and final offers, which is permitted under the solicitation, from the two (2) highest-ranked firms, (Exhibit B). On January 22, 2016, the selection committee chair forwarded a letter to Atlantic Pacific and Related Urban informing them of our decision. The intention of the best and final offer was to secure the best possible financial return to the County, and most beneficial combination of housing options and amenities consistent with the best interest of the residents of Liberty Square and Miami-Dade County. Atlantic Pacific and Related Urban submitted their best and final offers by the due date of February 5, 2016.

The voting selection committee evaluated the best and final offers submitted by Atlantic Pacific and Related Urban, and scored them based on the evaluation criteria indicated for the best and final offers. The results were then forwarded to me on March 2, 2016 by the selection committee chair, along with a recommendation to enter into negotiations with the Related Urban. I approved the recommendation to enter into negotiations with the highest ranked proposer, Related Urban. The result of the best and final offers, the recommendation to enter into negotiations, and my approval of the recommendation is attached as Exhibit C of this memorandum. Negotiations resulted in ground leases for Liberty Square and Lincoln

Honorable Chairman Jean Monestime
and Members, Board of County Commissioners
Page 6

Gardens, and a master development agreement, which are attached as Exhibits A, B, and C to the resolution. Therefore, it is recommended that the Board award the development of Liberty Square Rising and site control, through ground leases, to Related Urban. It is the County's intent to negotiate other mixed-finance agreements with Related Urban after Housing and Urban Development's approval of the County's demolition and disposition applications.

In order to proceed with the development of public housing sites, the County, as a public housing authority, must seek prior approval from Housing and Urban Development. This requires the submission, to Housing and Urban Development, of a demolition and disposition application for the existing Liberty Square public housing development, and a disposition application for the Lincoln Gardens public housing site. This Board adopted Resolution No.R-1017-08, authorizing the County Mayor or the County Mayor's designee to submit a demolition and disposition application to Housing and Urban Development for Lincoln Gardens. The application was submitted to Housing and Urban Development on March 23, 2009 and approved for demolition on July 24, 2009. In its application, the Department proposed to retain the 9.06 acres of vacant land in anticipation of future redevelopment as mixed-finance housing for low-income families. The County cannot submit its applications to Housing and Urban Development without first obtaining approval from the Board. Therefore, it is recommended that the Board approve the attached resolution, authorizing the County Mayor or the County Mayor's designee to submit a disposition and/or demolition application for the Liberty Square site and a disposition application for the Lincoln Gardens site.

The information provided on Exhibit D of this memorandum is being submitted as required by Resolution Nos. R-376-11 and R-333-15.

Attachments

A handwritten signature in blue ink, appearing to read "Jack Osterholt", written over a horizontal line.

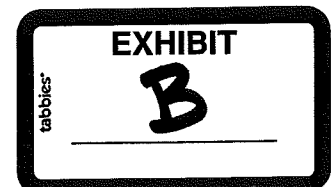
Jack Osterholt, Deputy Mayor

From: Eric Thompson [<mailto:libertycouncil@aol.com>]
Sent: Tuesday, March 01, 2016 11:15 AM
To: Rajkumar-Futch, Indira (PHCD)
Subject: cone of silence

Good Afternoon, I am writing you to inform you that on February 25, 2016 that I was in my office at the Liberty Square Community Center, Site 170, when Mr. Albert Milo walked in our building to meet with Charlie Brown and the Mega Girls on the status of the new development of Liberty Square Rising., at approximately 12:45 p.m. They were meeting with Charlie Brown (Helping Hands Youth Group, and Mega Girls - Samantha Quarterman) two of the providers that will be returning when the development is completed. Also with Mr. Milo was Eddie Dean and Dante Starks. As Mr. Dean approached me to speak with me, I grabbed my purse and prepared to walk out because I am under a cone of silence. Mr. Dean stated that :he is going to make sure that I am alright and taken care of. He said, "I promise." He said that Eric is going to be taken care of, so you need to be taken care of, too. He also wants to make sure that the blacks over here gets job opportunities. I proceeded to walk to my car, and he-said, "Do you hear me, Miss Sara." I said yes and got in my car and drove off, because I know that a formal decision has not been made and we are all under a cone of silence.

Ms. Sara Smith
Office:305-694-2757
Cell:786641-2135

You have to dream before your dreams can come true.



Better life coming for Liberty Square

HIGHLIGHTS

As a resident of Liberty Square for more than seven years, I've seen this community at its highs and lows. We've dealt with so much in the Beans, everything from gun violence to unbearable living conditions, and so I welcomed the opportunity for change when Mayor Carlos Gimenez and Comm. Audrey Edmonson introduced Liberty Square Rising.

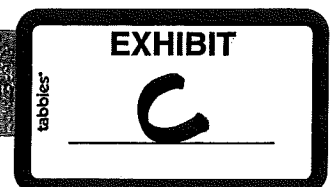
As a resident of Liberty Square for more than seven years, I've seen this community at its highs and lows. We've dealt with so much in the Beans, everything from gun violence to unbearable living conditions, and so I welcomed the opportunity for change when Mayor Carlos Gimenez and Comm. Audrey Edmonson introduced Liberty Square Rising.

I had my doubts, of course. How many times were we promised unit renovations, more police officers or creative ways to end the violence in the area, only to be disappointed over and over again? As a member of the Liberty Square Resident Council and young mother of two, I was proud to serve as a voice for my community. I knew how important it was to make sure families were not displaced like those in Scott Carver. I pledged to do everything in my power to avoid the need to move kids from their current schools into other, more dangerous ones, many of which have an ongoing gang problem.

When the final two offers were submitted, I finally felt the possibility of something actually happening. It was very clear to the council and residents, that Related Urban heard us and made the changes the other proposer chose not to do. I can confidently say that the plan set to be reviewed by the Board of Commissioners next month is one the people of Liberty Square can and should rally behind.

That is why on April 14, the Resident Council approved a Memorandum of Understanding with Related Urban, which outlines the changes we requested to their Community Benefits Agreement.

ADVERTISING



I'd like to personally assure my community that under this plan not one family will be forced to leave their home. For the first time, we will have a community where we can live, work and play just like any other neighborhood in Miami-Dade County.

I pray that wisdom will prevail and the people of Liberty Square will finally get a chance to have a better quality of life.

*CRYSTAL CORNER, VICE PRESIDENT, LIBERTY SQUARE RESIDENT
COUNCIL, MIAMI*




MORE LETTERS TO THE EDITOR

COMMENTS

0 Comments

Sort by Oldest

 Add a comment...

Koop, Juan (OIG)

From: Amy Zakarin <amy@zm-pr.com>
Sent: Tuesday, July 12, 2016 6:33 PM
To: Koop, Juan (OIG)
Subject: FW: Op ED

See below for original email chain.

From: Jorge Mendez <jorge@zm-pr.com>
Date: Wednesday, April 20, 2016 at 3:57 PM
To: Albert Milo <amilo@relatedgroup.com>, Jorge Luis Lopez <JorgeLuis@lopezgovlaw.com>
Cc: Alexandra Phung <alexandra@zm-pr.com>
Subject: Re: Op ED

Albert,

We're happy to help clean up the op-ed; however, we feel it'd be wise to have these third parties submit directly to the Herald. This way the opinion editor does not receive four separate letters from RUDG's PR team.

Best,
Jorge Mendez



7300 Biscayne Boulevard I #200 I Miami, FL 33138

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C: 786-352-7520
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Facebook: www.facebook.com/ZakarinMartinezPR

From: Albert Milo <amilo@RELATEDGROUP.COM>
Date: Wednesday, April 20, 2016 at 3:46 PM
To: Jorge Mendez <jorge@zm-pr.com>, Jorge Luis Lopez <JorgeLuis@lopezgovlaw.com>
Subject: Fwd: Op ED

Jorge here is the statement that we got from Crystal Corner who is the Vice President of the Resident Council. She has lived there 7 years. Please clean it up and let's get it out. Thanks

Sent from [Outlook Mobile](#)



----- Forwarded message -----

From: "Michelle Spence Jones" <spencejones7@gmail.com>

Date: Wed, Apr 20, 2016 at 8:36 AM -0700

Subject: Op ED

To: "Albert Milo" <amilo@RELATEDGROUP.COM>, "Kenneth" <kjspence60@yahoo.com>

Kenny, please see if crystal would support this op Ed. She could make adjustments.

As a resident of Liberty Square of more thanXX years, I've seen our community at its highs and at its lows. Over the years, we've dealt with so much in the Beans from gun violence to unbearable living conditions.

As a member of Liberty Square Resident Council, I have served as a voice to my community and welcomed the opportunity of change when Mayor Giminez and Commissioner Edmondson introduced Liberty Square Rising.

I had my doubts, of course. How many times were we promised unit renovations, more police or creative ways to end the violence in area, only to be disappointed over and over again. After months of meetings in our community about the possible developments that were being proposed, I finally felt that something could actually happen.

As a young mom of two, I knew how important it was to make sure other families would not be displaced like Scott Carver. I knew that families didn't want to be relocated to areas that would remove their kids from the schools they attended into a neighborhood with an ongoing gang problem.

When the final two proposers submitted their last offers, it was very clear to the council and residents, who really listened to our concerns and needs. Related Urban heard us and made the changes and the other proposer didn't. I can confidently say that our concerns have been heard by Related Urban and that the plan set to be reviewed by the Board of Commissioners next month is one the people of Liberty Square can and should rally behind.

That is why on April 14th, 2016 the Resident Council approved a Memorandum of Understanding with Related Urban which outlines the changes we requested to their Community Benefits Agreement.

There are those that look to slow this process and plant seeds of distrust, but I'd like to personally state that under this plan not one family will be forced to leave their home. For the first time we will have a community that we can live, work and play in just like any other community in Miami Dade County.

It's shameful to see others come to our neighborhood demanding respect when they themselves have not respected us and our decision to move forward.

This disagreement has gone on to long and our residents should not be put in the middle of others political battles because their project didn't win.

We support the process and We deserve to feel safe in our homes and proud of the neighborhood our kids grow up in. The opportunity for change is here and we must act now. I pray that wisdom will prevail and the people of Liberty Square will finally get a chance to have a better quality of life.

Sent from my iPhone

Koop, Juan (OIG)

From: Amy Zakarin <amy@zm-pr.com>
Sent: Monday, July 11, 2016 4:29 PM
To: Koop, Juan (OIG)
Subject: Emails you requested
Attachments: Scan0048.pdf




Juan, please see attached for email communications on Crystal Corner's op-ed. The emails occurred between Jorge Mendez in my office and Albert Milo with Related. I was not copied, but did review the content with Jorge, who reports directly to me. As you know, the final version was submitted directly to the Herald. Not by ZMPR.

Best,
Amy

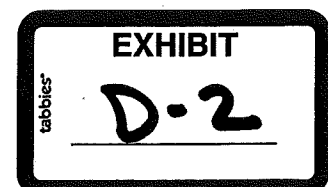
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O: 305.372.2502
W: zm-pr.com

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- EXHIBIT -
NO. 2
DATE 7-28-16
SONIA E. ARAGON

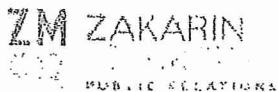


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Facebook: www.facebook.com/ZakarinMartinezPR

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Subject: Fwd: Op ED

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Sent from [Outlook Mobile](#)

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CLOSE OUT MEMO PRELIMINARY INQUIRY

Special Prosecutions Intake

A.S.A.:

Johnette Harkman

INVESTIGATION #: 86-17-12

SIGNATURE:

DATE: February 28, 2017

REVIEWED BY:

DATE:

3/1/17

JOSE J. ARROJO, Chief Assistant

SUBJECT(S): Crystal Corner

EMPLOYMENT: Vice-President, Liberty Square Resident Council

INVESTIGATOR: Dimitri Bernadotte
AGENCY: Office of the Inspector General
PHONE:

ALLEGATION:

CRIME	STATUTE	DEGREE
Perjury	837.02	Felony, 3 rd degree

CONCLUSION:

Commissioner Audrey Edmonson initiated an investigation with the Office of the Inspector General concerning the Liberty Square Residents Council (LSRC). The investigation was focused on three issues: Did Sara Smith (President of the LSRC) receive a rental car paid for by the Related Urban Development Group (RUDG)? Did Eric Thompson (Liaison for LSRC) receive a payoff to influence the LSRC in support of RUDG? Did Crystal Corner (Vice-President of LSRC) receive \$500 to write a letter to the Miami Herald in support of the Liberty Square Rising Project and RUDG?

The first allegation was disproved. The rental car was paid for by Alfred Smith. A review of the records showed the money for the rental did not come from RUDG.

The second allegation was unable to be proved. There no specific amount named in the initial allegation, just that it was a "large" payoff. There was no evidence to support the allegation. Eric Thompson was uncooperative. His bank



records could not be obtained because it could not be determined where he does his banking. It was established that he receives \$1,000 per month from RUDG. There was no contract or document explaining the payments. Albert Milo, on behalf of RUDG, explained the payments were to gather community support for the project. The first payment was made **after** the cone of silence was lifted.

The third allegation concerned the letter written by the subject. The subject was interviewed and initially claimed she wrote the letter and denied receiving any money for the letter. She later admitted, under oath, that she did not write the letter herself. No evidence of payment to the subject for the letter was found. She did receive money from RUDG **after** the cone of silence was lifted.

The only issue brought to this office is the potential Perjury by the subject for claiming she wrote the letter to the Miami Herald when there is evidence that it was written by someone else. In order to prove a charge of Perjury, the statement at issue would have to be *material* to the underlying investigation.¹ In this case it is *not material*. Since the subject admitted sending it to the Miami Herald and acknowledged that the opinions in the letter were hers, it is irrelevant who composed the letter for her. Additionally, the fact that the subject recanted and admitted that Michelle Spence Jones wrote the letter for her is a defense under 837.07, Florida Statutes.

Accordingly, the criminal investigation is closed.

cc: Jose J. Arrojo

¹ "Material matter" means any subject, regardless of its admissibility under the rules of evidence, which could affect the course or outcome of the proceeding. Whether a matter is material in a given factual situation is a question of law. Section 837.011(3), Florida Statutes