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**Office of the Inspector General
Miami-Dade County**

Memorandum


To: The Honorable Chairperson Joe Martinez
From: Christopher Mazzella
Inspector General
Date: February 1, 2006
Re: Purchase of Property in West Miami, Florida by Miami-Dade County Commission
Chair Joe Martinez, and Construction of a Residence on that Property

Attached is a memorandum dated February 1, 2006 concerning an Office of the Inspector General inquiry into the above-captioned matter.

Cc: Mr. Robert Meyers
Executive Director
Commission on Ethics & Public Trust

Memorandum

To: Christopher Mazzella
Inspector General

From: Special Agent Michael Caldwell and
Special Agent Shelby Williams 

Date: February 1, 2006

Re: Purchase of Property in West Miami, Florida by Miami-Dade County Commission
Chair Joe Martinez, and Construction of a Residence on that Property

EXECUTIVE SUMMARY

In an email dated November 21, 2005, Chair Joe Martinez requested that the Office of the Inspector General (OIG) and the Commission on Ethics & Public Trust (COE) review the residential construction that is currently underway on the property he purchased in West Miami¹. In a later telephone conversation, Chairman Martinez informed the OIG that, although the Commission on Ethics & Public Trust (COE) had earlier opined that the purchase of that property was proper (see Attachments 1 and 2), the Chair was concerned about a December 12, 2005, Miami Herald article which characterized the purchase as unusual and which quoted the Executive Director of the COE as acknowledging that the COE's review of the purchase of the property was done "very superficially." As a result of Chairman Martinez's request, the OIG did conduct an investigation of both the purchase of the property as well as the ongoing construction of the residence.

On May 30, 2003, Mr. Carlos E. Martinez of Caribe @ Tamiami LLC signed a contract to sell a residential lot located in West Miami, Florida to Mr. Joe Martinez and Mrs. Ana Martinez for a total price of \$85,000. Chair Martinez closed on the property mentioned above on January 14, 2005. The Chair is in the process of having a house built on the property as of the date of this memorandum.

¹ Note: The specific property address is not identified in the OIG report since Chair Joe Martinez is a former Miami-Dade police officer and home addresses of active and former police officers are exempt from publication under Florida Statute Subsection 19.071(4)(d)(1) Public Records - Agency Personnel Information.

As part of its investigation, the OIG interviewed the following companies and people, and obtained information and documents from them:

1. Mr. Carlos "Charlie" Martinez, Caribe Homes Corporation;
2. Mr. Mario Pascual, Pascual Perez Kiliddjian & Associates;
3. Mr. Jorge Guerra, Sr., Design Drywall Inc.;
4. Mr. Bernardo Campuzano, B.C. Arvizu Construction;
5. Mr. Remberto Bello, Loncus Plumbing Corporation;
6. Mr. Jorge Sanz, Sanz Enterprises Inc.;
7. Mr. Leonardo Rubio, Leader Metal Works Corporation;
8. Mr. Lorenzo Suarez and Mr. Esteban Kadamani, Ready Windows Sales & Service;
9. Mr. Raul Rodriguez, Miami Pool Construction;
10. Mr. Manuel Felipe, Manuel Felipe & Associates, Inc.;
11. Mr. Jose Garcia, Landel Construction Corporation;
12. Mr. Juan Buade, Buade Construction;
13. Ms. Nancy Perez, Miami-Dade Building Department;
14. Mr. Jose Jurado, Dade Truss Company;
15. Ms. Sylvia Jewett-Viejo, Econo-Way Exterminating;
16. Mr. John Wahler, Aquadynamics Design Group;
17. Mr. Lazaro Rodriguez, Continental Plumbing Corporation; and
18. Mr. and Mrs. Rodolfo Garrido.

The pertinent facts and documents relating to the purchase of the property in West Miami, Florida by Chair Joe Martinez, and the ongoing construction of a residence on that property, are presented in detail in the memorandum below.

INTERVIEWS CONDUCTED AND DOCUMENTS OBTAINED:

1. Mr. Carlos "Charlie" Martinez was interviewed by the OIG on December 28, 2005, on January 3, 2006, and on January 11, 2006 regarding the purchase of the vacant lot in West Miami, Miami, Florida by Chair Joe Martinez from Caribe Homes.

Mr. Charlie Martinez stated that Chair Martinez stopped by the Caribe Homes sales office in 2003, because he found a lot and a model home in the Lago Del Caribe development that he and his wife liked. Mr. Charlie Martinez said that Chair Martinez told the salesperson that he wanted to make major design changes to the model home that he liked and asked if those changes could be made. The Caribe Homes salesperson advised Chair Martinez that Caribe Homes would not make major changes to their models. Chair Martinez then asked whether he could buy just the lot from Caribe Homes and then build the house himself with the modified design. The Caribe Homes salesperson told him that this was not normally done but that he could call the owner of Caribe Homes and ask him.

Mr. Charlie Martinez said that Chair Martinez called him a few days later, asking whether he would allow him to make the major design changes to the model home². Mr. Charlie Martinez advised him that Caribe Homes would not make the major design changes. Chair Martinez then asked him if he would sell him the lot (and let him build his own version of the model home); Mr. Charlie Martinez said that he could sell the lot since there was not a homeowner's association involved and that he would put the numbers together for him³. Mr. Charlie Martinez said that he quoted Chair Martinez a price of \$85,000 for the lot; Chair Martinez said that he would talk to his wife and call back. Chair Martinez later called back and said he would accept the offer.

² Mr. Charlie Martinez indicated that he had met Chair Martinez once or twice before at business functions but does not socialize with the Chair or his family.

³ Mr. Charlie Martinez noted that it was unusual for Caribe Homes to sell a vacant lot in one of its developments. The reason for this was primarily because the cost of the vacant land would include not only Caribe Homes' purchase cost of the land plus the cost to improve the land (with water, sewer, drainage and street paving) plus the normal dollar amount of profit that Caribe Homes would have made in building a house on the land and selling it as a built property. Since a private purchaser of such vacant land would then have to build the house themselves (and most likely at a higher cost than Caribe Homes could build it since Caribe Homes can obtain volume discounts on materials), it would most likely be more expensive to the purchaser. Mr. Charlie Martinez said that he had only sold a vacant lot once before, in 1998, to a family that bought a Caribe Home and wanted the lot next door as vacant property so they could have a large yard. Mr. Charlie Martinez thought that he had had between ten (10) to twenty (20) inquiries in the past to purchase vacant lots but when Caribe Homes proposed a price, the potential purchasers were not interested because of the price of the lot.

Mr. Carlos Martinez of Caribe @ Tamiami LLC signed a contract on May 30, 2003 and gave the contract to Chair Martinez; Chair Martinez wrote a check for \$1,000 on September 18, 2003 as the deposit on the property⁴. The contract included additional terms that stated "lot must be fully improved w/infrastructure in place including streets, drainage, water, and sewer. Buyer has the option to extend closing 90 days if necessary." Mr. Charlie Martinez indicated that Caribe Homes thought that the lot would be fully improved as required in the contract, and that closing could take place by February 2004, but that it took a lot longer to get the property improved due to problems in getting fill in that area. According to Mr. Charlie Martinez, the property was finally fully improved and turned over to Miami-Dade Water and Sewer Department as required in November, 2004. The final closing on the property took place in January, 2005, with the balance of the amount being paid to Caribe Homes by Sunshine Title Services Inc. Trust Account check number 42584 dated January 14, 2005⁵.

Mr. Charlie Martinez insisted that a newspaper article dated December 12, 2005 was not accurate when it stated that "...built-out lots in the subdivision were closing with land priced at about \$16 a square foot, compared with the roughly \$8 per square foot that Chair Martinez paid for his lot..." Mr. Martinez said that the reporter provided him with an advance copy of the information on the thirteen (13) properties that the reporter had used to calculate the land costs and that he had provided the reporter information via email on December 6, 2005, that:

- a. The reporter needed to use information for similar size lots as the one that Chair Martinez had purchased (which is a 10,500 square foot lot); Mr. Martinez stated that the reporter used information for sales of smaller lots in the calculation but, if comparable sized lots had been used, the price per square foot would have been similar to what Chair Martinez paid for his lot (see Attachment 3);
- b. The reporter needed to get information for purchasers who had signed their initial contracts around the same time as Chair Martinez in May, 2003. Mr. Martinez indicated that the reporter included the sale price of four built-out properties that sold in 2005 (and that were resales by the original purchasers) and whose sale prices were affected by the "boom" in real estate sales that has recently occurred (see Attachment 3);

⁴ Mr. Charlie Martinez stated that the \$1,000 down payment (and the fact that it was a small percentage of the total purchase price) was not unusual given that the contract was for vacant land and that the contract did not require Caribe Homes to buy custom materials for the building of a house.

⁵ Mr. Charlie Martinez advised that currently it is taking an average of sixteen (16) months from the time a contract is signed for a property from Caribe Homes until the property is built-out and final closing can take place.

- c. The reporter needed to only include lots that were sold by Caribe Homes in the analysis. Mr. Martinez said that information was included on seven (7) lots that were sold by Lennar Homes. Lennar Homes lots sell for higher prices than those of Caribe Homes because of Lennar Homes' reputation and status in the community (see Attachment 3).

Mr. Charlie Martinez was also concerned with the newspaper's statement that said "...At issue is a handful of votes Joe Martinez made during the months he was under contract to Caribe Homes - votes that helped create special taxing districts for Caribe developments, including the one for which he was buying property..."⁶ Mr. Charlie Martinez indicated that the County routinely requires that all new developments establish a special taxing district to account for the additional costs of the new street lighting that is required by that development⁷. The purpose of these taxing districts is to establish an additional tax for property owners in a specific area to cover these additional costs. It is his understanding that the Board of County Commissioners must approve each special taxing district since it adds a new tax for property owners but that approval of such special taxing districts by the Board of County Commissioners is routine. In addition, Mr. Charlie Martinez said property that a developer wants to develop cannot be platted until a special taxing district is approved (if a special taxing district is needed).

⁶ A review of the Board of County Commissioners' (BCC) minutes for the November 4, 2004 BCC meeting indicates that there were twenty-three ordinances creating special taxing districts, and twenty-three accompanying resolutions establishing the assessments for those special taxing districts, on the agenda for that meeting. All twenty-three ordinances and all twenty-three resolutions pertaining to special taxing districts were passed unanimously by all of the Commissioners that were present, including Chair Martinez. Two of the ordinances (Agenda Items 4L and 4M) and two of the resolutions (Agenda Items 4L1 and 4M1) pertained to special taxing districts for "EFM Estates Sections 1-4", an area which includes the property that Chair Martinez had under contract to purchase. Please note that the description of the applicable ordinances in the BCC agenda describes the property in question as "EFM Estates Sections 1-4" and does not mention Caribe at Tamiami LLC. Caribe at Tamiami LLC is mentioned on page five (5) of six (6) of the detailed item 4L and on page three (3) of four (4) of the detailed item 4M. Therefore, it would not be easily apparent for Chair Martinez to identify that either of these ordinances and/or resolutions pertained to the property that he had under contract to purchase.

⁷ The Acting Chief of the Special Taxing Districts section of the Miami-Dade County Public Works Department stated that Section 28-15(g) of the County code requires that street lighting be provided through the establishment of a special taxing district. He also stated that the establishment of such special taxing districts is a routine County process required of developers who are developing subdivisions of twenty-one (21) lots or more. Resolutions and justification memoranda are prepared by County staff and submitted to the BCC for appropriate action.

2. Mr. Mario Pascual, Pascual Perez Kiliddjian & Associates, was interviewed on December 22, 2005. Mr. Pascual indicated that he was handling the design criteria and his associate, Mr. Edgar Perez, was handling the production work, for the house being built in West Miami, Florida, and that his firm contracted with Chair Joe Martinez to do so. Mr. Pascual provided the OIG with a copy of their proposal for architectural services, invoices that had been submitted, invoices that had been paid and copies of checks for payments for services. No record was found that Pascual Perez Kiliddjian & Associates had done work for Miami-Dade County.
3. Mr. Jorge Guerra, Sr., Design Drywall Inc. was interviewed on December 14, 2005 and then again on January 17, 2006. Mr. Guerra has known Chair Joe Martinez for fifteen (15) years, since before Mr. Martinez became a County Chair. Mr. Guerra said that he helped Chair Joe Martinez in his election campaign. Mr. Guerra also stated that he has over thirty (30) years experience in construction.

Mr. Guerra said that Chair Joe Martinez told him that he was going to have a house built on a lot that he purchased and he wanted Mr. Guerra's assistance in getting the house built. Mr. Guerra agreed to have his company, Design Drywall Inc. (whose qualifier is his son, Mr. Jorge Guerra Jr.) pull the master building permit for the house [using his general contractor's license to do so]. Mr. Guerra also agreed to contact other contractors, subcontractors, suppliers, etc. to obtain quotes⁸ for material and labor to build the house and to present those quotes to Chair Joe Martinez for his review and approval, to negotiate agreements with those companies and people, and to schedule inspections as needed and visit the construction site as needed. Mr. Guerra said that he is providing these services at no cost to Chair Martinez and that he is doing this as a favor for a personal friend. He said that Chair Joe Martinez has no construction experience and needs assistance from someone who does know construction (like Mr. Guerra) to get the house built properly and at a reasonable cost. Mr. Guerra said that his firm, Design Drywall Inc., is working on projects in the vicinity of the property discussed above, so he is often in the area, checking on his own firm's work and it is not out of his way to go visit the Chair's property to see the construction.

Mr. Guerra said that Chair Joe Martinez is paying all of the contractors, subcontractors and suppliers directly. When a deposit or progress payment is needed, Mr. Guerra contacts Chair Martinez who arranges to have a check delivered to Design Drywall's office. Mr. Guerra then contacts the appropriate company or person who then comes by and picks up the check at Design Drywall, Inc.

⁸ Mr. Guerra said that he also asks each prospective contractor or subcontractor whether they are doing any work for Miami-Dade County and he is doing this at the request of the Chair.

When asked about who is signing the agreements with the contractors, subcontractors and suppliers, Mr. Guerra said that sometimes he (Mr. Guerra) is signing the contract since he is in the construction business, sometimes there is no written agreement but there is a verbal agreement with a company or person Mr. Guerra has done business with before, and there are some contracts or agreements that Chair Joe Martinez is handling entirely himself.

In the interview conducted on January 17, 2006, Mr. Jorge Guerra Sr. clarified that his son, Mr. Jorge Guerra Jr., is the qualifier for Design Drywall Inc. and that his son is the person who signed the "Standard Form of Agreement Between Owner and Contractor for a Small Project" on behalf of Design Drywall. Mr. Guerra Sr. stated that his son, Mr. Jorge Guerra Jr., works part-time for him and occasionally helps to oversee the construction of the Martinez residence as needed. Mr. Guerra Sr. said that his son, Mr. Jorge Guerra Jr., also works in real estate as well. No record was found that Design Drywall, Inc., had done work for Miami-Dade County.

4. Mr. Bernardo Campuzano, B.C. Arvizu Construction, was interviewed on December 21, 2005. Mr. Campuzano is constructing the foundation and shell of the house at the property discussed above. Mr. Campuzano said that he was contacted by Mr. Juan Buade of Buade Construction and he did a contract with Buade Construction for the work. He is performing the work under the Master Building Permit. Mr. Campuzano also agreed to install the Hambro flooring system as part of his agreement with Buade Construction. Mr. Campuzano has not dealt with Chair Martinez at all regarding the work he is performing at the property. Mr. Campuzano said that his company does not do any work for Miami-Dade County. No record was found that B.C. Arvizu Construction had done work for Miami-Dade County.
5. Mr. Remberto Bello, Loncus Plumbing Corporation, was interviewed on December 20, 2005. Mr. Bello provided a quote to Design Drywall, Inc., to provide the labor and materials for the plumbing on the property discussed above. Mr. Bello said that the owner (Chair Martinez) is buying the fixtures but that Mr. Bello will run all of the lines and install the fixtures. Mr. Bello holds the permit for the plumbing (which is tied to the Master Building permit) for the property discussed above. Mr. Bello also stated that his company does not do any work for Miami-Dade County and only works for the private sector. No record was found that Loncus Plumbing Corporation had done work for Miami-Dade County.
6. Mr. Jorge Sanz, Sanz Enterprises Inc., was interviewed on December 21, 2005. Mr. Sanz said that his company will be doing all of the electrical work on the house being built on the property discussed above. Mr. Sanz said he was contacted by Mr. Jorge Guerra who he has known for twenty (20) years. Mr. Sanz pulled the permit for the electrical work (which is tied to the Master Building Permit) and, so far, has put in the grounding wire for the foundation. Mr. Sanz has a verbal agreement with Mr. Guerra to do the electrical work as needed according to the plans. Mr. Sanz has not received any deposits or payments yet but expects to ask for a partial payment at the

time that rough wiring will be done. Mr. Sanz stated that his company does not do any work for Miami-Dade County. No record was found that Sanz Enterprises Inc. had done work for Miami-Dade County.

7. Mr. Leonardo Rubio, Leader Metal Works Corporation, was interviewed on December 20, 2005. Mr. Rubio, who is Chair Martinez's current next door neighbor, said that his company will be providing the wrought iron stair railings and exterior aluminum balcony railings for Chair Martinez's new house. Mr. Rubio said that he talked to Chair Martinez about six (6) to eight (8) months ago and has provided the Chair with an estimate of the cost. Mr. Rubio said that no contract has been signed yet nor has any money been paid yet. The shop drawings will be provided later and Mr. Rubio expects that fifty percent (50%) of the money will be required as a down payment at the time of the signing of the contract. No record was found that Leader Metal Works Corporation had done work for Miami-Dade County.
8. Mr. Lorenzo Suarez and Mr. Esteban Kadamani, Ready Windows Sales & Service, were interviewed on December 22, 2005. Mr. Suarez stated that Ready Windows Sales & Service will be providing and installing all of the windows and French doors for Chair Martinez's new house. Mr. Kadamani provided the OIG with a copy of the quotation for the Martinez residence as well as a copy of the permit (which is tied to the Master Building Permit) for Ready Windows Sales & Service to install those windows and doors. Mr. Suarez stated that Ready Windows Sales & Service does not have any current contracts with Miami-Dade County but they have done some work with Miami-Dade Housing several years ago.
9. Mr. Raul Rodriguez, Miami Pool Construction, was interviewed on December 16, 2005. Mr. Rodriguez said that he is putting in the swimming pool and spa for Chair Martinez's new house and provided a copy of the contract signed by A. Martinez. Mr. Rodriguez said that the plans for the pool have changed several times and that Chair Martinez paid him a down payment for work on the swimming pool and spa back in May 14, 2005. Mr. Rodriguez said that Mr. Jose Garcia of Landel Construction pulled the building permit for the pool, and that Mr. Lazaro Rodriguez of Continental Plumbing pulled the plumbing permit for the pool, but that Mr. Rodriguez and Miami Pool will be constructing the swimming pool and spa. Mr. Rodriguez stated that Pool Forms by Nelson will be forming the swimming pool and spa and that C.Y. Rojas Inc. will be doing the concrete for the pool. No record was found that Miami Pool Construction had done work for Miami-Dade County.
10. Mr. Manuel Felipe, Manuel Felipe & Associates, Inc., was interviewed on December 20, 2005. Mr. Felipe performed the survey of the property and staked out the house for the property discussed above. Mr. Felipe said that he dealt with Mr. Jorge Guerra regarding this work and that he has not met Chair Martinez. No record was found that Manuel Felipe & Associates, Inc. had done work for Miami-Dade County.

11. Mr. Jose Garcia, Landel Construction Corporation, was interviewed on December 21, 2005. Mr. Garcia said that he has a general contractor's license and, therefore, can put in pools though he doesn't do them normally. Mr. Garcia said that Mr. Raul Rodriguez of Miami Pool is an old friend, and he is doing a favor for Mr. Rodriguez by getting the permit for the pool at the property discussed above for Miami Pool. Mr. Garcia said that Landel Construction is not doing any of the work on the Martinez pool, that he just got the permit but that Miami Pool is Landel Construction's subcontractor. Mr. Garcia said that he does not have any contract or agreement with Miami Pool to do the Martinez pool, and that Miami Pool works directly with Chair Martinez.

Mr. Garcia was interviewed again on January 9, 2005 via telephone. He stated that Landel Construction currently is doing work out at the Port of Miami for Miami-Dade County, remodeling the office of Homeland Security. He thought that this contract was worth approximately \$1,000,000. Mr. Garcia also said that Landel Construction is currently certified through Miami-Dade County as a Small Business Enterprise (SBE) and maybe as a Certified Small Business Enterprise (CSBE). He said that Landel has been certified by the County for approximately five (5) years⁹.

12. Mr. Juan Buade, Buade Construction, was contacted via telephone on December 21, 2005. Mr. Buade said that he is coordinating the construction of the foundation and the shell of the new house for Chair Joe Martinez. Mr. Buade said that he has known Chair Martinez for years and that he is doing this at no cost to the Chair as a favor. Mr. Buade said that he has done business with Miami-Dade County in the past but stopped doing business with them three (3) years ago. A review of County records indicates that Buade Construction last received payments from the County in December, 2001 for work on a County park.
13. Ms. Nancy Perez, Miami-Dade Building Department, was contacted by the OIG on December 13, 2005. Ms. Perez provided the OIG with copies of the building plans for the Martinez residence in West Miami, Florida, as well as copies of the permit applications, plan revisions for the property, and other documents in the Building Department file.
14. Mr. Jose Jurado, Dade Truss Company, was interviewed on January 12, 2006. Mr. Jurado said that the request for the roof trusses for the Martinez residence came through Mr. Jorge Guerra of Design Drywall. Mr. Jurado stated that Dade Truss normally has a purchaser fill out a credit application and does a credit check which

⁹ A review of County records indicates that Landel Construction Corporation is currently certified as a Small Business Enterprise (SBE) and has been certified by the Miami-Dade County Department of Business Development since September 1, 1997. Landel Construction Company was awarded a set-aside contract in the amount of \$823,285 for "1500 Building Renovations [16,750 sq ft] for US Customs (Tenant)" on February 3, 2005 as a Community Small Business Enterprises (CSBE) Level 2.

then determines the credit terms. However, Design Drywall has an account with them so the payment terms were set at net 30 days (payment due within 30 days after the trusses are delivered to the construction site). Mr. Jurado said that Dade Truss has not yet started to manufacture the trusses for the Martinez residence but that they would normally require two weeks lead time (before they are needed) to start manufacturing the trusses. No record was found that Dade Truss Company, Inc. had done work for Miami-Dade County.

15. Ms. Sylvia Jewett-Viejo, Econo-Way Exterminating Company, was interviewed on January 12, 2006. Ms. Jewett-Viejo said that Econo-Way's services were contracted through Mr. Juan Buade of Buade Construction. She stated that the County requires that, before pouring the slab (and putting Visqueen on it), the property must be treated for termites. Ms. Jewett-Viejo said that they have done the initial spraying but then have to come back after the house is finished to do a final spraying around the perimeter of the house. No record was found that Econo-Way Exterminating Company had done work for Miami-Dade County.
16. Mr. John Wahler, Aquadynamics Design Group, was interviewed by telephone on Friday, January 13, 2006. Mr. Wahler stated that Miami Pools contacted them about providing the plans for a pool at the residence discussed above. Mr. Wahler did not know what the status of the pool was nor whether any invoices had been paid yet but he made the file available to the OIG. A copy of the file was picked up by OIG Special Agents on January 13, 2006. No record was found that Aquadynamics Design Group had done work for Miami-Dade County.
17. Mr. Lazaro Rodriguez, Continental Plumbing, was interviewed on the telephone on January 12, 2006. Mr. Rodriguez was asked if he pulled a pool plumbing permit for the Martinez property in West Miami – he could not remember specifically if he had done so, stating that he pulls lots of permits. Mr. Rodriguez was asked if he pulled the permit for Miami Pools, he said that he and Mr. Raul Rodriguez do lots of work together. Mr. Rodriguez was asked if he had done any work on a pool at the Martinez property in West Miami, he said that he was sure that he had done some work but could not remember when or what he had done. Mr. Rodriguez stated that he has only ever qualified one company for pool plumbing work and that company was Continental Plumbing, which he said he has qualified since 1985. When asked for copies of documents related to this project, Mr. Rodriguez said that he only had the permit and no other documents. Mr. Rodriguez also said that he does not have a subcontract to do work on this property. No record was found that Continental Plumbing Corporation had done work for Miami-Dade County.
18. Mr. and Mrs. Rodolfo Garrido were interviewed on Friday, January 13, 2006. The Garridos were the other party that Mr. Charlie Martinez of Caribe Homes indicated had purchased a vacant lot from Caribe Homes in the past. The Garridos said that, in 1998 they were looking to buy a house. They had a friend who worked for Caribe Homes and who suggested that they look at Caribe Homes developments. The

Garridos said that, when they were looking at various properties in the area of SW 160 Terrace, Caribe Homes told them that the vacant lot at 14201 SW 160 Terrace was available for purchase but that a house could not be built on that property since there was a large Florida Power & Light Company power box inset on the property (see Attachment 4 for a photograph of the property). The Garridos chose to buy the property next door at 14211 SW 160 Terrace which would have a Caribe Homes house built on it and also buy the vacant lot at 14201 SW 160 Terrace so that they would have a large yard to go with the new house. Miami-Dade County property records indicate that the Garridos paid \$140,000 for both the lot with the house and the vacant lot next door. According to the Garridos, the price they paid to Caribe Homes was \$130,000 for the lot which would have the house built on it and then another \$10,000 for the vacant lot next door. Once the house was finished in January 2000, the Garridos closed on both the properties as a single purchase for \$140,000.

CONCLUSIONS

Based on the interviews conducted, and the documents obtained, the OIG has arrived at the following conclusions:

1. Chair Joe Martinez did not underpay for the vacant lot in West Miami, Florida that he purchased from Mr. Charlie Martinez of Caribe @ Tamiami LLC.
2. Chair Joe Martinez was not afforded any special privileges when Mr. Charlie Martinez of Caribe @ Tamiami LLC allowed him to contract for, and purchase, a vacant lot in the Lago del Caribe development.
3. Miami Pool Construction, who has the contract with Chair Joe Martinez to construct the swimming pool and spa (and who is actually constructing the swimming pool and spa) at the West Miami property, was not properly licensed (and still is not properly licensed as of the date of this memorandum) to construct the swimming pool and spa.
4. Landel Construction Corporation and its qualifier, Mr. Jose Garcia, pulled the master pool permit for the property in West Miami despite the fact that he does not have the contract to build the pool, and he is not doing any of the construction or supervision of the work which is contrary to the requirements of Florida Statute 489, Contracting, Part 1: Construction Contracting.
5. Continental Plumbing Corporation and its qualifier, Mr. Lazaro Rodriguez, pulled the pool plumbing permit for the property in West Miami despite the fact that he does not have a subcontract to put the plumbing in the pool, and he is not doing any of the construction or supervision of the work which is contrary to the requirements of Florida Statute 489, Contracting, Part 1: Construction Contracting.

RECOMMENDATIONS

The OIG recommends that Chair Joe Martinez immediately stop any and all construction work by Miami Pool Construction and/or its subcontractors on the swimming pool and spa at his West Miami property until Miami Pool Construction and/or its subcontractors are properly licensed and permitted, and until they comply with Florida Statute 489 and the pertinent County regulations.

Meyers, Robert (COE)

IN 04-122

From: Meyers, Robert (COE)
Sent: Tuesday, October 12, 2004 3:25 PM
To: Martinez, Joe A. (DIST11)
Subject: Your request for opinion

Commissioner Martinez,

I had the opportunity to review the documents that Charlie Martinez sent us today regarding the lot you purchased from Caribe Homes and the lots purchased by others during the same timeframe in the same development, and I find you paid at least fair market value for the lot in question. Accordingly, your behavior was consistent with the provisions of the County's Conflict of Interest and Code of Ethics Ordinance.

If you have any further questions concerning this matter, please feel free to contact me at your convenience.

Robert Meyers

ATTACHMENT

1

**Miami-Dade County
Commission on Ethics
and Public Trust**

Memo

To: File

From: Sylvia Batista, Investigator

CC: Robert Meyers, Executive Director; Michael Murawski, Advocate; and
Manuel W. Diaz, Special Agent

Date: October 12, 2004

Re: Commissioner Joe A. Martinez, purchase of vacant lot - K04-63

The purchase and sale contract provided to the COE by Commissioner Martinez reflects that the Commissioner purchased a vacant lot from Caribe at Tamiami LLC for \$85,000. This investigator obtained copies of the closing statements from all the lot sales made by Caribe in the subdivision where Commissioner Martinez purchased his lot. The closing statements reflect that Lennar Homes, Inc. purchased 167 lots from Caribe at Tamiami LLC and paid between \$53,500 to \$57,170 for each lot. In considering this information, we may conclude that Commissioner Martinez paid market value or above for the lot that he purchased from Caribe at Tamiami LLC.

As a result, this matter may be closed.

ATTACHMENT

2

Subj: **follow up**
Date: 12/6/2005 2:22:03 PM Eastern Standard Time
From: KKDAD1
To: nschwartz@herald.com

I've attached some info that you requested.

The first spreadsheet has the best comps I could find for lots sold by Caribe that were comparable in size. The second is a list of buyers that put down a total of \$1,000 deposit in a couple of our projects.

If you need anything else please don't hesitate to call.

Charlie Martinez
CARIBE HOMES
305-273-1303
11755 SW 90 St.
Suite #210
Miami, Fl. 33186

ATTACHMENT

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Block	Lot	Buyer	Contract Date	Closing date	Amount	SqFt	30%	\$/SqFt
26	11	RIVADENEIRA, MIRTA	6/22/03	12/14/04	\$ 273,440	8,742	\$ 82,032	\$ 9.38
26	1	ROCA, ADA A.	4/14/03	12/16/04	\$ 301,892	9,037	\$ 90,568	\$ 10.02
26	12	LIMA, GUSTAVO F. & C	1/4/03	12/23/04	\$ 325,925	9,037	\$ 97,778	\$ 10.82
26	2	ARBELO, ENERSON	4/5/03	12/17/04	\$ 301,390	10,229	\$ 90,417	\$ 8.84
26	13	GUTIERREZ, REGINA	3/16/03	1/14/05	\$ 285,015	10,747	\$ 85,505	\$ 7.96
Average of lots sold by Caribe of over 10,000 s.f.						10,488	\$ 87,960.75	\$ 8.40

27	5	MARTINEZ, JOE	5/30/03	1/14/05	\$ 85,000	10,500	\$	8.10
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1	27	LEWNA LOTS #1-8	8/1/05	\$ 322,000	5,710	\$ 156,800	\$ 27.43
2	27		8/1/05	\$ 325,000	6,852	\$ 97,500	\$ 14.23
3	27		8/1/05	\$ 221,000	7,289	\$ 126,800	\$ 17.37
4	27		8/1/05	\$ 336,000	10,500	\$ 100,800	\$ 9.60
6	27		8/1/05	\$ 374,000	6,900	\$ 112,200	\$ 16.26
7	27		1/1/05	\$ 241,000	7,341	\$ 145,500	\$ 19.82
8	27		6/1/05	\$ 271,000	8,125	\$ 125,100	\$ 15.40
9	27		CARIBE LOTS #9-14	8/1/05	\$ 227,000	5,643	\$ 68,100
10	27	8/1/05		\$ 278,000	6,021	\$ 83,400	\$ 13.85
11	27	8/1/05		\$ 316,000	6,389	\$ 94,800	\$ 14.84
12	27	8/1/05		\$ 306,000	6,389	\$ 91,800	\$ 14.37
13	27	8/1/05		\$ 262,000	6,021	\$ 78,600	\$ 13.05
14	27	8/1/05		\$ 301,000	5,018	\$ 90,300	\$ 18.00
							\$ 15.87

5	27				10,500	\$	-	\$
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9	27		\$ 227,000	5,643	\$ 68,100	\$ 12.07	
10	27		\$ 278,000	6,021	\$ 83,400	\$ 13.85	
11	27		\$ 316,000	6,389	\$ 94,800	\$ 14.84	
12	27		\$ 306,000	6,389	\$ 91,800	\$ 14.37	
13	27		\$ 262,000	6,021	\$ 78,600	\$ 13.05	
14	27		\$ 301,000	5,018	\$ 90,300	\$ 18.00	
							\$ 14.36

- ① CARIBE HOMES LOTS CLOSEST IN SIZE TO MARTINEZ LOT
- ② THE 13 PROPERTIES USED BY THE MIAMI HERALD TO CALCULATE THE \$/SQUARE FOOT PRICE

ATTACHMENT
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Name	Lot	Block	Subdivision	Total Deposit	Total Purchase Price
Arguelles, Joaquin	2	2	Helena	\$ 1,000	\$ 324,437
Lizama, Cinthia	3	2	EFM 1	\$ 5,000	\$ 330,000

	Unit	Bldg. No			
MOHAMMED, RADIK	304	1	Paradise Point	\$ 500	\$ 120,490
DIAZ, JESSICA	404	3	Paradise Point	\$ 500	\$ 110,990
MAS, FELIPE	314	2	Paradise Point	\$ 750	\$ 111,240
BALMASEDA, EURII	412	1	Paradise Point	\$ 1,000	\$ 120,990
VICTORIA JARRETI	312	2	Paradise Point	\$ 1,000	\$ 117,290
CRUZ, ELVIRA & JC	301	2	Paradise Point	\$ 1,000	\$ 95,490
GROSSETT, NADIA	311	1	Paradise Point	\$ 1,000	\$ 120,490
ARCE, HOWARD	306	1	Paradise Point	\$ 1,000	\$ 120,490
PEREZ, GIOVANNI	107	1	Paradise Point	\$ 1,000	\$ 117,490
PICHS, XAVIER	203	1	Paradise Point	\$ 1,000	\$ 116,990
CRUZ, E. ALFREDO	104	1	Paradise Point	\$ 1,000	\$ 116,990
URGELLES, ANDRE	202	1	Paradise Point	\$ 1,000	\$ 116,990
CAMPOS, MANUEL	206	1	Paradise Point	\$ 1,000	\$ 116,990
ARBOLEDA, DAVID	111	3	Paradise Point	\$ 1,000	\$ 112,990
CASTRO, CARELIA,	202	2	Paradise Point	\$ 1,000	\$ 113,990
NARVAEZ, CARMEN	203	2	Paradise Point	\$ 1,000	\$ 114,340
AGUILAR, CARLOS	208	2	Paradise Point	\$ 1,000	\$ 127,980
RUIZ, CHARLENE	105	3	Paradise Point	\$ 1,000	\$ 109,990
SANCHEZ, CHRISTI	612	3	Paradise Point	\$ 1,000	\$ 114,990
JEREZ, MARIA	113	3	Paradise Point	\$ 1,000	\$ 109,990
HENAO , JUAN CAR	406	2	Paradise Point	\$ 1,000	\$ 116,940
ALMONTE, GILBER	401	2	Paradise Point	\$ 1,000	\$ 92,990
REMETEIOVA, IVAN	613	3	Paradise Point	\$ 2,000	\$ 114,490

ATTACHMENT

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PAGE 3 OF 3



HOUSE AT 14211 SW 160 TERRACE
AND LOT NEXT DOOR AT
14201 SW 160 TERRACE (WITH
FPL POWER BOX ON PROPERTY)

ATTACHMENT

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