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Ethics probe: Assistant Miami city attorney, judicial candidate steered jobs to fiance's firm

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Veronica Diaz

An assistant Miami city attorney and current judicial candidate steered city jobs to her fiancé's law firm through a third party and failed to disclose her ties, according to a newly closed ethics investigation.

In 2012 and 2013, Veronica Adriana Diaz hired the Horvat Law Firm to conduct complicated real estate and title work for the city of Miami, according to an investigative memo released Thursday. Keri Lynda Horvat received about \$7,500 for the work.

Horvat said she and Diaz had never met prior to her receiving her first city contract. But acting on an anonymous tip, an ethics investigator found that by giving the jobs to Horvat, Diaz was essentially steering them to a pass-through for Alvarez, Carbonell, Feltman & DaSilva — a firm founded by Diaz's fiancé, Benjamin Raul Alvarez.

"What the city didn't know at the time — and which nobody appears to have disclosed — [Horvat] was required to transfer its entire fee to the law firm run by Diaz's live-in boyfriend, Alvarez, under the terms of Horvat's employment arrangement with Alvarez Carbonell," investigator Lawrence Lebowitz wrote.

The requirement was triggered, according to the investigator, because Alvarez brought the work to Horvat.

The no-bid contracts with Horvat didn't violate any purchasing laws, because unlike other city departments the Miami City Attorney's Office contracts with attorneys without a bidding

requirement or any kind of rotating contract system. But Lebowitz wrote that “the appearance of impropriety is strong.”

“The only reason a complaint is not being filed under the anti-Nepotism provisions of the county code is because ‘fiancé’ or ‘long-term, live-in boyfriend’ are not included in the definitions of what constitutes an ‘immediate family’ member,” he wrote.

Diaz issued a statement Friday afternoon in which she said she was “satisfied” with the ethics commission’s conclusion of an inquiry “based on a frivolous complaint.” She stressed that only her boss, the city attorney, has final authority on hiring outside counsel, and she didn’t hire Horvat on her own.

Diaz, 36, is currently on leave from her position with the city to run for an open circuit court seat. Her opponent in the race is former Miami-Dade School Board member Renier Diaz de la Portilla.

Alvarez did not respond to phone calls and an e-mail.

Lebowitz noted that Horvat effectively performed her jobs for the city, which included clearing the title for a property on Coral Way and another on Watson Island. Horvat kept her \$1,000 fee from her second city contract after being “abruptly” fired by Alvarez’s firm in September.

The ethics commission did not pursue charges against Diaz. But it did refer the investigative file last month to Miami’s auditor general and suggested reforms in the city’s process for handling outside legal contracts. Auditor General Theodore Guba said Friday that in the wake of the issues raised by the ethics commission he will be reviewing the city’s processes for legal contracting and quantifying how much work outside attorneys receive.

[Leaked copies](#) of a separate, ongoing audit show that Diaz is also currently under scrutiny for her receipt of two free VIP tickets from the Ultra music festival — a practice that [isn’t uncommon](#) among public Miami-Dade officials.