



January 26, 2012

ETHICS COMMISSIONERS

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MICHAEL P. MURAWSKI ADVOCATE

ARDYTH WALKER STAFF GENERAL COUNSEL The Honorable Andre Pierre, Mayor City of North Miami City Hall 776 NE 125th St. North Miami, FL 33161

Re: RQO 12-05

Business Transactions, Exploitation Issues, Voting Conflicts and Gifts See Miami-Dade Co. Code at Secs. 2-11.1 (u), (g), (d) and (e).

Dear Mayor Pierre:

In a public meeting on January 24, 2012, the Miami-Dade Ethics Commission provided opinions to several questions that you posed.

1. As Mayor of the City of North Miami, you may contract for advertising for your law office with local radio stations that currently hold contracts with the City of North Miami as long as the contracts are made at "arms-length" and "in the ordinary course of business." *See* the Miami-Dade County Ethics Code at Sec. 2-11.1 (u).

At "arms-length" and "in the ordinary course of business" means that you cannot accept preferential advertising rates that are below the customary rates and that are not available to members of the public generally.

Additionally, in order to avoid a possible violation of the Ethics Code regarding exploitation of official position, the Ethics Commissioners advised that you not use your City title of "Mayor" when advertising your private law services. *See* the Miami-Dade County Ethics Code at Sec. 2-11.1 (g).

Finally, to document that these transactions have been made at arms-length, the Ethics Commissioners instructed that you send copies of the signed contracts and proof of payment throughout the term of the contracts, on a quarterly basis, to the Executive Director of the Ethics Commission or his delegate.

2. As a municipal elected official, you are not required to complete a quarterly gift disclosure form for a personal loan from an institution, friend and/or family member if adequate consideration has been given. *See* the Miami-Dade County Ethics Code at Sec. 2-11.1 (e).

Adequate consideration for a loan is a signed agreement, reduced to a writing within 90 days of the agreement, stipulating the terms for repayment and enforceable in a court of law. Adequate consideration must also reflect a rate of interest comparable to fair market interest. The difference between a rate of interest generally available in the marketplace and a rate lower than what is available in the marketplace would constitute a gift that must be disclosed, if the difference is more than \$100 per quarter.

- Additionally, if the loan is from a city vendor, Sec. 2-11.1 (u) of the County Ethics Code requires that the contract be entered into at "arms-length" and "in the ordinary course of business."
- 3. You must recuse yourself from voting on any matters brought by an entity or person with whom you have a debtor-creditor relationship, if the vote would affect the entity or person "in a manner distinct from the manner in which it would affect the public generally." See the Miami-Dade County Ethics Code at Sec. 2-11.1 (d).

This opinion construes the Miami-Dade County Ethics Code and is not applicable to conflicts under other County, municipal or state laws. Inquiries regarding possible conflicts under state law should be directed to the State of Florida Commission on Ethics.

Please feel free to contact me or Victoria Frigo, Staff Attorney, if we can be of further assistance.

Sincerely,

JOSEPH CENTORING Executive Director

c: Natasha Colebrook-Williams at $\underline{ncolebrook-williams@northmiamifl.gov}$