



Miami-Dade Commission on Ethics & Public Trust

Report of Investigation

Investigator: Sylvia Batista

Case No: K14-106	Case Name: Martinez/Solis Property Appraisers Office	<u>Date Opened:</u>	CASE CLOSED Date: 11/7/14
	Subject(s): Jaime R. Martinez Lazaro Solis	10/23/14	

Allegation(s):

On or about 10/23/14, information was provided to the COE by sources from the Miami-Dade Property Appraiser's Office (PA's office). The information involved an unwarranted homestead exemption (HEX) claimed by Jaime R. Martinez (Martinez), a manager in the PA's office. Sources alleged that Property Appraiser Lazaro Solis (Solis), was aware of Martinez's illegal HEX, but due to the upcoming election for a new Property Appraiser, tried to postpone disclosing the information, and became distressed when he learned that the information had gotten out.

The sources alleged that Solis did not handle the investigation of Martinez's violation and termination in the same manner in which he handles other offenders of HEX laws. Rather than terminating Martinez upon confirming that the violation had occurred, Solis allowed Martinez to resign and continue performing his duties for approximately two additional weeks. The sources were unaware of the details of Martinez's HEX violation.

Relevant Law:

Conflict of Interest and Code of Ethics Ordinance, Section 2-11.1(g), "*Prohibition on exploitation of official position*. No person included in the terms defined in subsections (b)(1) through (6) and (b)(13) shall use or attempt to use his or her official position to secure special privileges or exemptions for himself or herself or others..."

Investigation:

Document Review and Research -

- 06/08/11 – PA’s office Mailing Address Change form submitted by Martinez changing his mailing address from 6602 SW 56 St. to 1000 Venetian Way, TH 110;
- Public Service Request (PSR) #192726 submitted on 05/10/12 through an anonymous source informing that the subject property is rented and claiming HEX. The lead was assigned on 05/11/12 and completed on 09/13/12;
- PSR #191169 submitted on 04/13/12 by an anonymous party reporting that the property is rented and the owner does not reside there. The lead was assigned on 04/12/12 and completed on 09/14/12;
- 02/22/14 – Field Summary Report – Det. Perez was assigned the investigation into the unwarranted HEX. Det. Perez determined that there was a violation for 2010 due to abandonment, and a violation for 2011 and 2012 because the property was rented 365 days for each year;
- Letter dated 08/29/14 from Ernesto Alonso, Investigations Supervisor of the PA’s office, to Martinez notifying him that he may have been receiving an unwarranted HEX, and asking him to produce his FPL records and Federal Income Tax Returns for 2010-2012;
- 09/02/14 - Chronology of events prepared by Martinez in reference to the subject property. Martinez listed the following relevant dates:
 - 02/5/11-5/5/12 – rented property
 - 05/5/12-06/1/12 –moved back to property
 - 06/1/12 – rented property
 - 08/28/12 – filed exemption cancellation form
 - 01/7/13 – received an undeliverable renewal receipt from Eddie Rodriguez¹
 - 02/16/13 – Martinez included his wife’s signature on the exemption cancellation form. Records were updated on 02/19/13.
 - 08/30/14 – received letter from PA’s office Investigations Division regarding receiving unwarranted HEX for 2010, 2011 and 2012.
- Form re. investigative case no. 9656 from PA’s office Investigation Section listing the market and assessed value of the subject property for the years 2010-2012;
- 09/25/14 - Statement of Eduardo Rodriguez (Rodriguez), Supervisor 3. Rodriguez stated that during the first week of February 2013 Martinez asked why his 2013 HEX was not cancelled. Rodriguez noted that Martinez’s cancellation form was missing his wife’s signature thus he asked Martinez to have his wife sign the form. Rodriguez noted that Martinez had submitted the 2013 HEX cancellation form completed by his wife on 02/19/13. Rodriguez immediately cancelled the 2013 HEX.

On 09/1/14 Martinez approached Rodriguez and asked about whether he had cancelled the 2013 HEX. Rodriguez checked the property records and confirmed that it had been cancelled. Martinez immediately produced a letter addressed to him from a MDPD detective in the PA’s Office Investigation Unit requesting documents in connection with an investigation into his HEX. Martinez inquired as to the reason for

¹ Martinez was hired as Manager of Administration by the PA’s office on 01/08/13.

this action. Rodriguez reviewed the PSR database and located the two PSRs containing anonymous complaints indicating the subject property was rented and receiving HEX. Rodriguez informed Martinez of the two anonymous complaints and advised that he must inform Solis and Michael Postell;

- Letter dated 10/07/14 from the PA's office to Martinez advising him and his wife, Michelle Gonzalez (Gonzalez), that they are not entitled to the HEX that they received on their property, and that a Notice of Tax Lien will be recorded within thirty days if they do not pay the taxes, including penalties and interest, in the sum of \$5,046.30. Martinez immediately paid the taxes, penalties and interest, thus the tax lien was not recorded;
- Unsigned and unrecorded Notice of Tax Lien for Homestead Exemption and/or Limitation Exclusion for the 2010, 2011 and 2012 tax years;
- 10/07/14 – letter of resignation from Martinez to Solis effective 10/31/14;
- 10/27/14 – letter of resignation from Martinez to Solis effective immediately.
- Martinez's 2013 Statement of Financial Interest lists ownership of property located at 6602 SW 56 Street and a mailing address of 1000 Venetian Way, TH 110, Miami.

Interviews and e-mails:

10/29/14 – Lazaro Solis, Property Appraiser –

Solis was contacted and gave a telephone interview to the COE. Solis said that, based on the facts as revealed in the investigation, an anonymous tip regarding Martinez's HEX status came into their office in 2012. Martinez was not hired by the PA's office until January of 2013. Solis did not meet Martinez until after he began his employment with the PA's office. Solis explained that Martinez's unwarranted HEX was for the years 2010, 2011 and 2012.

Background:

In 2010, Martinez was married to a lady whose family has business interests in Panama. Between 2010 and 2011, Martinez and his wife went to Panama to work for her family. During that time, Martinez frequently traveled to and from the US. When the time came for Martinez to file his income tax return, his accountant suggested he file a form which places his homestead in Panama, so that he can legally avoid paying taxes in the US. Martinez and his wife had kept the HEX at their house, which is the only property they own in Miami-Dade County. Solis explained that what triggered his losing the right to claim HEX in the subject property was not paying taxes in the US. The attorneys who have analyzed the matter saw the form filed by Martinez which said that he was not residing in the US. The attorneys have said that the form is indicative that the person does not reside in the US, (or Florida) which means the person cannot apply for or qualify to get the HEX.

In 2012, Martinez submitted a cancellation notice to the PA's office. Solis explained that Martinez may have started to rent the property in 2011. Unfortunately, he submitted the cancellation notice without his wife's signature. His wife is still in Panama and he is now living in Miami. The PA's office did not process the cancellation because it was missing his wife's signature. The HEX remained on the property and a few months later Martinez was

notified that his wife needed to sign the form. Subsequently, Martinez resubmits the form and the HEX for 2013 was removed.

Solis explained that up to this year, no one knew that there was an outstanding problem, or violation involving Martinez's HEX. When the PA's office receives a tip, they are given the name and address, but no one knew Martinez since he had just started his employment at the PA's office. The tip was assigned to a MDPC detective who did not know the names of PA's office staff. The detective was assigned the case in February 2014. The PA's office has an investigative unit with a number of MDPD detectives assigned to it. They get assignments at random and Martinez was the next lead that came up. The detective started working on the lead, and did not do a lot for a few months. Solis explained that part of the procedure is that if they do not hear back from the property owner for a while, they send a certified letter to the property and mailing address listed on the property. Martinez received the letter from the supervisor of investigations on 08/30/14. On the following work day, Martinez saw the supervisor over HEX. Martinez inquired as to what was going on and said, "I thought I handled this." They explained to Martinez about the anonymous lead, and told him that they didn't realize it was him. At that point, the HEX supervisor notified the head of the investigation unit and advised that Martinez is an employee of the PA's office. Solis explains that at this point, the division director of that area, Mike Postell (Postell), asked for the file, reviewed it and notified him. Solis said that the first time he heard about Martinez's violation was on 9/2/14.

Solis advised that Postell told him that he needed certain documents and an outline of the events. Thus, during the first week in October, staff worked with him in gathering all of the information. The information was then given back to the detective, or perhaps the matter was assigned to a regular PA's office staff member. This is of no significance. Once an investigation is started, the same person must complete it. Solis said the detective concluded the findings and made a recommendation. Solis advised that he called Martinez into his office and told him that he had two choices, be terminated or resign. Martinez chose to resign.

Solis recognizes that the lead sat there too long, and the timing could not have been worse due to the election. Simultaneously, the PA's office produced the 30-day notice of intent to lien and gave it to Martinez. The lien was not recorded because Martinez paid it immediately making recording unnecessary.

Solis explained that he had to hire a replacement who would need to be given some direction, so Martinez said that he would stay on to help with the transition. Solis said that he met with HR, created a position, and hired somebody who will start on Monday, November 3, 2014.

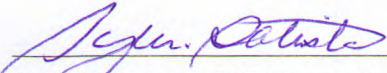
Solis said that he was trying to do what is necessary to keep discretion. Martinez was hired by Lopez-Cantera who is Rick Scott's running mate. The last thing he wanted was to politicize this and has gotten an earful because of it. In terms of the initial concern of the office, Martinez was allowed to resign and gave a two week notice. This is beneficial for the PA's office in that they do not have to pay unemployment benefits to Martinez, and they had someone on board to work on the HR budget, something which was seriously needed.

Solis maintained that Martinez's violation was unintentional, had nothing to do with his duties, and happened before he was hired by the PA's office. Solis said that, contrary to what has

been implied in news reports, Martinez was not his right hand, and had no involvement or responsibility over the tax role, exemptions and investigations. Solis said that information about Martinez's HEX status, including confirmation of his payment, can be found on the web.

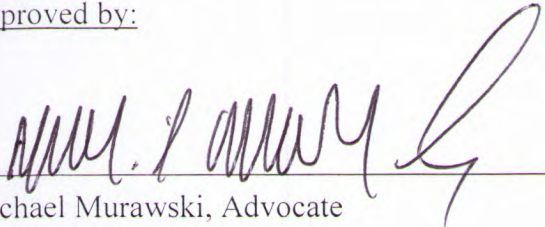
Conclusion(s):

The allegation of exploitation of official position resulting from Solis' handling of Martinez's unwarranted HEX is unfounded. The HEX allegation was handled through the usual process. Giving Martinez the option to resign or be terminated is a managerial decision and a personnel matter, not an ethics issue, accordingly, matter is closed with no further action.

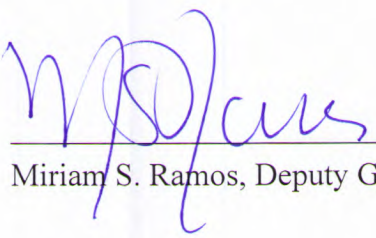


Sylvia Batista, COE Investigator

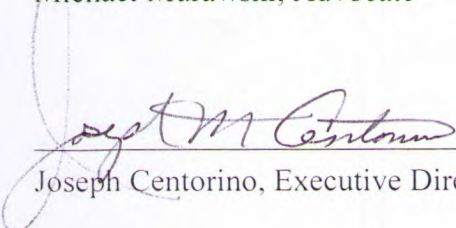
Approved by:



Michael Murawski, Advocate



Miriam S. Ramos, Deputy General Counsel



Joseph Centorino, Executive Director

11/7/14

Date