

# MIAMI-DADE COUNTY COMMISSION ON ETHICS & PUBLIC TRUST



## REPORT OF INVESTIGATION

Case No.: K12-172

Date Opened: 11/13/12

Date Closed: 02/21/14

Investigator: Sylvia Batista

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On or about 11/13/12 the COE received information regarding City of North Miami Councilperson Marie Steril (Steril). Pursuant to the source, Steril allegedly demanded upgrades to a townhouse sold by the City of North Miami (the City) to her mother, Marie Charles-Brutus (Charles-Brutus), through the U.S. Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program Fund (NSPF). NSPF is related to the Home Investment Partnership (HOME) Program which is overseen by HUD.

The COE's issue relates to a violation of the Conflict of Interest and Code of Ethics Ordinance Section 2-11.1(g) *Exploitation of official position prohibited*.

### **Investigation:**

An e-mail informed the COE of an item on the consent agenda of the 11/13/12 council meeting requesting a resolution to approve the reimbursement of \$154,802.02 from the City's General Fund to the NSPF. The reimbursement resulted from a review of the NSPF program conducted by HUD (the "Review") on 06/12/12 through 06/21/12. The purpose of the Review

was to determine whether the City had complied with applicable laws and regulations and whether the City had the capacity to carry out the NSPF program.

At the conclusion of its review, HUD determined that the City provided Charles-Brutus NSPF funds for the purchase and rehabilitation of a townhouse without first obtaining HUD's exception to the Conflict of Interest provision. The amount of the reimbursement (\$154,802.02) represents the total amount consumed in the NSPF activity involving Charles-Brutus' purchase.

**11/13/12 – City Council meeting –**

A review of the meeting reflects that Councilperson Scott Galvin (Galvin) objected to the subject item being on the consent agenda and requested that it be moved, a request which was summarily denied. Galvin was permitted to ask questions of the City Manager regarding the source of the money allocated for transfer and was told that the money came from "unexpected revenue" followed by an explanation as to where the unexpected revenue could come from. The City Manager agreed with Galvin's point that if the money was not being used for this purpose, it could stay in the General Fund and be used by the City for other projects. Points made at the meeting were as follows:

1. The townhouse is still in the NSPF program and the new owner must adhere to NSPF/ HUD guidelines.
2. City staff told HUD that they made a mistake in not knowing the Conflict of Interest guidelines, a mistake which cost the City more than \$154,000. The City is looking at other areas of concern involving the staff member, who no longer works for the City.
3. There is no one currently on staff who is at fault for the error, or errors made by staff involving HUD's Conflict of Interest guidelines which resulted in the cost to the City.

The resolution, which sought to ratify the transfer of the sum from the General Fund to

the NSPF Line of Credit and amend the FY 2012-13 Revenue and Expense Budgets to reflect same, was approved by council.

**11/29/12 – Councilperson Scott Galvin, City of North Miami –**

Galvin was queried about the aforementioned reimbursement ordered by HUD at the conclusion of their review. Galvin explained that the City was told to return all of the funds that had been expended on the project of Steril's mother's house. Galvin said that the sum arrived at by HUD (\$154,802.02) is the total of the renovations plus \$50,000 for the mortgage that the City took back. Galvin said that in the process of their review, HUD asked the City to total up the full amount spent by the City on the project and pay it all back into the NSPF fund. Galvin said that the reason HUD asked the City for the money back is because they did not have the required conflict of interest waiver.

Galvin advised that the City has issued several conflict of interest waivers for people who want to participate in the NSP program, but have conflicts due to employment with the City. Galvin also provided a copy of a legal opinion given by the Assistant City Attorney on 02/09/09 which concludes that the City's offering of affordable housing units to City staff under the NSP program before they are offered to the general public is not a violation of any state or local ethics laws, policies, or the Housing and Economic Recovery Act of 2008.

**Neighborhood Stabilization Program (NSP) -**

HUD approved the City's action plan for the NSP funds in the amount of \$2,847,089. The purpose of the NSP plan is to stabilize areas of the City that were designated areas of greatest need. The NSP Action Plan submitted by the City includes the activities of purchasing single-family foreclosed homes and rehabilitating the property for both low-income homebuyers and renters.

At the conclusion of their review, HUD officials found that the City was in violation of the regulations that govern the NSP Program for providing Charles-Brutus NSP funds for the purchase and rehabilitation of a single family home without first seeking HUD's exception to the Conflict of Interest provision. HUD officials concluded that in order to correct this finding, the City must reimburse its NSPF Line of Credit for the money expended for the entire activity.

**12/10/12 - Anne Chambers and Rafael Portuondo, HUD –**

Anne Chambers contacted the COE in response to a telephone message left for Rafael Portuondo (Portuondo). HUD officials Portuondo and John Gordon conducted the review.

Chambers explained that HUD's position on the project involving Steril's mother resulted from a conflict of interest that was not disclosed. This is the reason why the City had to return all of the money expended on the project (\$154,802.00) to the NSP fund. The money is still in the process of being returned to the NSP fund. The total sum of the project consists of the total cost of repairs and improvements made to the house plus the purchase price.

The NSP program allows all repairs and improvements to be state of the art, as long as there is no disparity in the way that other projects are handled. The only requirement is that the individual purchasing the property from the City must be of low income.

**12/7/12 – City of North Miami responsive documents to COE's public records request of 11/27/12 –**

A review of the documentation produced by the City reflects the following chronology of events:

DATE	DESCRIPTION	AMOUNT
03/24/09	Letter from HUD to Maxine Calloway, Director of the Community Planning & Development Department, advising of the allocation of the NSP funds in the amount of \$2,847,089 to the City.	
02/25/10	Date of purchase of townhouse by City of North Miami.	\$65,000.00



04/13/10	Rehabilitation Bid Specifications awarded to KAMEL'S PLACE LLC. – original contract amount -	\$64,025.00
04/27/10	NSP Rehabilitation Agreement with KAMEL'S PLACE.	
05/17/10	City's purchase order #256100 to KAMEL'S PLACE LLC.	\$64,025.00
10/01/10	City's revised purchase order #256100 to KAMEL'S PLACE LLC. (Revised to include change orders re. roof (\$3,000 added), bathroom floors and kitchen floor (\$3,800 added).	\$70,825.00
10/03/10	Invoice No. 1 to City from Kamel's Place (PO #256100)	\$63,725.00
10/07/10	Contractor's partial/final invoice, release of liens and warranty.	\$69,025.00
10/08/10	Change Order #1 (first change order) – change roof from normal low slope roof to taper system roof.	\$3,000.00
10/20/10	Invoice #2 for first appliances purchased and installed; check #183205 payable to Kamel's Place.	\$3,849.38
11/08/10	Request for Payment of PO #256100 from T. Calderon to Finance; Contractor's payment request for \$63,725.	\$63,725.00
11/24/10	Change Order #1 (2d change order) – remove bathroom floors and re-tile with same color tile as bathroom walls; add 1/8 wood floors to kitchen and resurface all other tile floors.	\$3,800.00
12/02/10	Check #181355 from City to Kamel's Place in payment for \$63,725 and \$3,000 for roof change order.	\$66,725.00
01/18/11	Appraisal Report prepared by Appraisal Zone Corp. Appraised value of subject property: \$90,000	
02/25/11	Check from City to Kamel's Place paying Invoice #2 for first appliances purchased and installed.	\$3,849.38
03/09/11	Application for Housing Program filed by Charles-Brutus.	
03/22/11	Brandsmart receipt for Maytag stainless steel appliances (refrigerator, range hood/microwave, dishwasher, stove and installation kits). This sum invoiced under invoice 7.	\$2,645.43
03/29/11	<b>Change Order #1 (3d change order) –refrigerator, stove, microwave and dishwasher w/stainless steel Maytag units, deliver, install and remove previous appliances to 1255 NE 142 St.;</b>	<b>\$2,795.43</b>
	<b>Install 2 new canvas awnings.</b>	<b>\$1,875.00</b>
	<b>Install new shelf below breakfast counter.</b>	<b>\$75.00</b>
	<b>Move electrical pipe to accommodate new awnings.</b>	<b>\$75.00</b>
	<b>New granite counter tops and remove Formica tops and back splash.</b>	<b>\$4,500.00</b>
	<b>Install new stainless steel under mount kitchen sink.</b>	<b>\$450.00</b>
03/29/11	Invoice #7 for awning, under-mount kitchen sink, removal of previous counter and add new granite countertop and 24" backsplash, shelf under breakfast countertop, and move electrical pipe over and repaint for awning.	\$6,975.00
03/31/11	<b>Date of purchase of townhouse by Charles-Brutus from the City.</b>	<b>\$100,000.00</b>
05/02/11	Date Tom Calderon, Housing Manager, left the City.	
07/12/11	Memo requesting payment to contractor from Calloway to the finance department.	\$2,936.86
08/16/11	Proposal from Metro Contractor to remove wood floors in kitchen and install tile, and snake out bathroom tub.	\$625.00

09/28/11	Rehabilitation agreement with Metro Contractors for removal of the recently installed wooden floors in the kitchen and install tiles (\$475); and snake out main bathroom tub (\$150).	\$625.00
05/17/12	Invoice #MC-11-1244 from Metro Contractors for removal of the wood floors in the kitchen and install tile (\$475); Snake out main bathroom tub (\$150). Attached is City's purchase order #260772, check no. 194220 payable to Metro Contractors, request for payment from Calloway to Finance Dept.,	\$625.00
06/12/12 – 06/21/12	Review of the City's NSP1 Program conducted by HUD to determine compliance with applicable laws and regulations and the community's capacity to carry out the program.	
07/26/12	Letter from HUD to Calloway enclosing the on-site compliance monitoring report – FY 2012. HUD's review indicated that the City provided a Commissioner's mother NSP1 funds for the purchase and rehabilitation of a single family home without first seeking HUD's exception to the Conflict of Interest provision. The City was deemed to be in violation of the CDBG conflict of interest regulations that govern the NSP Program.	

**01/21/13 - Tom Calderon, former Housing Manager of City of North Miami Community Planning & Development Department – *(Recording of interview in investigative file.)***

Tom Calderon (Calderon) was advised as to the purpose of the interview, and stated as follows:

Calderon said that he was the Housing Manager in the City's Community Planning & Development Department. Calderon advised that he resigned from the City on 05/02/11.

Calderon said that he chose to leave because he was not pleased with what was going on in the City. Calderon was employed by the City for almost 6 years.

Calderon explained that the NSP was one of the projects that he was responsible for. Originally, the City received almost \$3,000,000 to purchase homes that were foreclosed, to rehab these homes and sell them to buyers, obviously low income buyers. The buyers did not have to be first time home buyers, but they needed to be somebody who needed assistance in buying a home. Calderon guessed that the City had bought somewhere around 14 homes.

Calderon explained that they did not normally buy the homes with a buyer in mind. They would buy the homes, rehabilitate them and then sell them to a qualified buyer. Oftentimes, what happened was that the individual who wanted a home would later not qualify. For this reason they decided not to buy with a specific buyer in mind. Calderon explained that this happened with a lady who wanted a home at N.E. 129th Street. The City purchased the home and later when it came time to close, the lady could not get a first mortgage so they decided to buy homes and then when the rehabilitation was finished, they would find a buyer.

Calderon said that the exception to this approach was the home that went to Charles-Brutus, Steril's mother. Steril basically asked him to find a home for her mother. The home had to be a small place because Charles-Brutus could not afford a first mortgage of more than \$50,000, or so. Calderon said that he found a two-bedroom, two-bath townhouse for Charles-Brutus in the N.E. section of the City.

Calderon said that the City bought other homes in the N.E. section. There was a house on the same street, about 4 blocks west that they bought – 1255 N.E. 142nd Street. They bought another one on 129th Street and N.E. 9th Avenue. Originally, the City was supposed to target certain neighborhoods, but the City has so many foreclosures that it was difficult to target one area. Calderon explained that it wasn't politically right to buy all the homes in one district because other commissioners deserved to have some benefits too as far as buying the homes and rehabbing them. There were many areas in the City that look pretty bad, obviously the west side is the worst, but Calderon said that he decided to buy all over the City.

Calderon described the contact that he had with Steril regarding the purchase and rehabilitation of her mother's house. Calderon explained that the first contact that he had with Steril was in 2009 when the program was getting started and she realized what the program was

all about. Steril actually called him to her office. Steril said that she wanted him to find a home for her mother. Steril later brought her mother to Calderon's office. Calderon explained that no other buyers on the NSP project came to his office, but this was Steril's mother. Calderon said that from day one he let his boss, Maxine Calloway (Calloway), know what was going on. Calderon said that there were other people in the office that knew Steril's mother was getting a house. It was not a secret that Steril's mother wanted to buy a house. Charles-Brutus happened to be a very nice lady, and if she had come on her own he would have helped her.

Calderon explained that Charles-Brutus had credit issues so he sent her to Little Haiti Housing Association to be certified to make sure that her credit was cleaned up and that she was able to get a first mortgage. If Charles-Brutus could not get a first mortgage, the City could not sell her the house. Calderon said that they tried getting a mortgage with a couple of different banks, and finally they found one. Calderon said that the City then purchased that townhouse, which happened to be a very cute little townhouse in a nice area. The Councilwoman went to see the townhouse—she was there a couple of times.

Calderon said that the rehabilitation project for the home was put out to bid. Kamel's Place was awarded the contract and they worked on the house and did a good job. Steril was not happy with the tile because he had convinced her to retain the original tile after it was stripped and waxed. It did not make sense to retile the floor when the tile was in perfect condition.

Calderon explained that the problems that Steril had were centered around the kitchen. When the house was almost finished, Steril went there with him and Marie Jean-Pharuns (Jean-Pharuns), who used to be the housing inspector. Steril said that she was not happy with the appliances because they were white—she said that her mother should have stainless steel appliances. Steril was not happy with the floor or the countertops. Calderon explained that this

was the original floor that had just been refinished. The subcontractor was there twice to do the work on the kitchen floor. Kamel's Place can't say who the subcontractor was, or it might be in the file. Calderon said that they had to change the appliances pursuant to Steril's orders. The white appliances that were there had been bought for that unit. The white appliances were removed and stored in a vacant property on 142nd Street and 14th Avenue. Calderon said that it may be 1452--the other property that the City owns on N.E. 142nd Street. The white appliances were stored there and new stainless steel appliances were purchased for Charles-Brutus and installed. Calderon advised that the stainless steel appliances were more expensive. Charles-Brutus was a very nice woman, she was very humble. Calderon described Steril as very pushy and demanding, you know, "When are you going to get this done? When are you going to get that done?" he stated.

Calderon said that Steril also ordered the removal of the Formica countertop and back splash and asked that it be replaced with granite. The Formica was new, it actually looked like granite, but Steril was not happy with it because it was Formica and so when the appliances were changed the kitchen was redone, and when the wooden floors were installed in the kitchen, the granite was installed as a countertop and backsplash.

Calderon said that there were some additional things done to the kitchen at Steril's request. Calderon said that he does not remember that there was anything wrong with the kitchen sink, but they had to replace it because when you install a granite countertop you need to replace the sink with an under mount sink that goes below the granite. When you install Formica the sink goes on top of the counter. The awnings, which were part of one of the change orders, were installed because Steril wanted the little terrace in the back to look better. Calderon advised that there was no awning there before.

Calderon said that Steril only contacted him on the third change order—the major one. The first two change orders were done maybe when Jean-Pharuns, the housing inspector, was not happy with the work. Calderon said that he understands that Steril visited the property on the weekends to see how the work was coming along.

Calderon said that he rode over to the property with Steril on two occasions and discussed the changes made under the third change order. Calderon said that he does not remember the date, but one of those times was just before the third change order when she definitely said, “I don’t want the white appliances, I want stainless steel”, and “I want granite.” Calderon said that both times that he and Steril went to the property were before the third change order. Calderon assumes that Steril came back when everything was installed, but he did not go with her because he was getting ready to leave.

Calderon said that Steril did not get involved in any of the other NSP projects, except for the house at 1605 N.W. 124 Street. This was one of the first homes bought under the program. Steril wanted the house for her brother. Calderon explained that at the same time that he was processing Charles-Brutus’ house, Steril kept asking him, “When are you going to rehab that house?” Calderon said that he kept putting it off because he did not feel right about it. He thought it was too much, because first the mother and then her brother. Calderon said that for him the question was, “When are you going to stop?” Calderon felt that Steril should be happy that they got the home for her mother, but now she wanted one for her brother too. “What would she want next? Where is it going to end?” Calderon felt that Steril’s demands would continue because that is her nature.

Aside from her mother’s and brother’s homes, Steril had no reason to become involved in the rehab of the other properties. Steril went to all of the openings that they had. They actually

did a good job on those properties. Calderon said that he was very proud of the work that was done overall. They used some very good contractors. Sometimes you feel that you are paying too much for the rehab, but because it is for government the contractors are going to charge you more. Keep in mind that they do not get any payments upfront. If the contractor is doing the work for a private owner, they might collect 20% or 30% upfront, but because they are working for the City they have to put up all the costs before they get paid.

Calderon explained that they started out with two or three new contractors and did not use anyone they had used in the past. They had almost \$3 million dollars that they needed to spend or they would lose it. Calderon said that sometimes he felt that he was basically used, but he didn't care because he loved what he was doing. He came in, got the program running, started with a paint program, paint and roof and shutters and spent a lot of the money otherwise the City would have lost \$1.8 million dollars. HUD would have taken it back. These projects mentioned were before the NSP program—it was HOME and CDBG, but the money that needed to be spent was CDBG. Calderon said that he got on the phone and went through the yellow pages and started calling people asking them if they were interested in working for the City. A lot of them would say “no” because this was after the two hurricanes so nobody wanted to work, they were making a lot of money, so it was difficult to even get roofers to come out. There were roofers that would not work with the City at all. Contractors knew that it was a City and it could take 6 weeks to get paid. Later, once the program got going, they were begging for work because the hurricanes were over.

Calderon explained that NSP was supposed to have been a bill to help the people avoid foreclosure, but it took Bush more than a year to sign it, so by the time the bill was signed into law it had already changed so they changed the program to do what they were doing—buying,

rehabbing and selling, but originally the bill was intended to stop the foreclosures. The homes on the NSP program did not have to be bought by first time homebuyers. It is not like the HOME Program. Buyers in the first time homebuyers program, could not own a home when they closed on the NSP property. The buyers could not own any other house by the time that they closed on the NSP property.

Calderon said that others who are able to confirm his contacts with Steril on the subject of her mother's house are Calloway and Dr. Claude. They were well aware of it, although they are going to deny it now. And Jean-Pharuns, the housing inspector, who is still his friend, might talk off the record.

#### **UPGRADE COMPARISONS -**

<b>APPLIANCE</b>	<b>WHITE APPLIANCES<sup>1</sup></b>	<b>STAINLESS STEEL MAYTAG APPLIANCES</b>	<b>DIFFERENCE IN PRICES</b>
Refrigerator	\$828.88	\$1,128.88	\$300 MORE
Icemaker connection	\$18.88		
Delivery of refrigerator	\$29.88		
Dishwasher	\$278.88	\$428.88	\$150 MORE
Dishwasher kit	\$30.88		
Dishwasher kit		\$18.88	
D/W 3-prong electric cord		\$7.98	
Range Hood/Microwave	\$299.00	\$268.88	\$30.12 LESS
Range	\$428.88	\$598.88	\$170.00 MORE
Range kit	\$19.98		
Range Kit	\$18.88		
Washer	\$358.88	-0-	-0-
Dryer	\$338.88	-0-	-0-
Dryer kit	\$19.98		
Dryer accessory	\$9.99		

<b>ITEMS UPGRADED</b>		<b>ADDITIONAL SUM OF UPGRADE</b>	
Roofing (normal low slope)	<b>\$7,500</b>		

<sup>1</sup> The prices do not include sales tax.



Taper system roof	Added \$3,000	\$3,000 more	
Formica countertop/backsplash	Cost included in lump sum of invoice #1		
Granite countertop/backsplash & remove Formica & backsplash	\$4,500.00	\$4,500	
Stainless steel sink	Cost included in lump sum of invoice #1.		
Under mount SS sink	\$450	\$450	
Two new canvas awnings.	Not included in initial invoice.	\$1,875	

**07/26/13 – Marie Jean-Pharuns, Housing Inspector of the Community Planning and Development of the City of North Miami – *(Recording of interview in investigative file.)***

Jean-Pharuns, Housing Inspector of the City's Community Planning and Development was interviewed in connection with the home purchased by Charles-Brutus through the City's NSP program.

Jean-Pharuns said that she did not have anything to do with processing the applications for the NSP Program. She explained that usually, when the properties are purchased, the only thing she does is write the scope and make sure that the work is done in the way the scope was written and up to City standards. Jean-Pharuns said that, as far as the way Charles-Brutus came on board, how she got qualified or how anything was purchased, she does not know this step by step. Jean-Pharuns said that she can tell us how she found the property when she first saw it, and what was recommended to be done.

Jean-Pharuns said she cannot recall when she first went to the property. Jean-Pharuns said that she was involved in most of the properties that were purchased in the City by looking at it first, but since this property was the first one to come into the NSP, she does not recall seeing it. Jean-Pharuns said that Charles-Brutus's house was the first or second NSP home purchased

by the City.<sup>2</sup> Jean-Pharuns said that she inspected the property when the City first bought it and returned to do the initial inspection. At the initial inspection, she decided what needed to be done to the property—kitchen rehabbed, bathrooms, and some re-structural.

Jean-Pharuns said she always goes to the property to inspect it, writes the scope and puts in the “determination” (what needs to be done). Jean-Pharuns said that usually her boss does not accompany her to write the scope and put in the determination. Jean-Pharuns said her former boss is Calderon.

Jean-Pharuns said that usually NSP properties are foreclosed homes that are in very bad shape. Sometimes they have an extremely bad roof. The City is a “green” city and they usually will remove the entire drywall to install insulation, so their scope is not done on a case by case, but rather generally. Jean-Pharuns said that she needs to have a vision in her mind, and once she goes to the property, she does the kitchen, the bathrooms, the plumbing, and the majority of the time, the roof.

Jean-Pharuns said that once she decides what needs to be done to the property, they put it out to bid. She and Calderon then will walk through the property and multiple contractors will go and give their price. They do not usually choose the lowest bidder, but rather the most responsible bidder because maybe the other contractor has something else to do and they do not want to overload them. Somebody outside their department will usually open the bids with them. They choose a contractor and award the contract. Jean-Pharuns said that after writing the initial scope and choosing a contractor, she goes to check on the progress of the rehabilitation once the permit is obtained from the City.

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<sup>2</sup> Records reflect that Charles-Brutus’ house was actually the 11<sup>th</sup> home purchased by the City in the NSP.

Jean-Pharuns acknowledged that there were at least three change orders issued before the property was sold to Charles-Brutus. Jean-Pharuns said that she had inspected the property each time a change order was put through. The change orders resulted from her coming back to the office to confirm with staff and let them know what she felt needed to be changed in their proposal and what needed to be done. Jean-Pharuns did not go to the property with Steril at any time.

Jean-Pharuns explained the reason for the first change order, to “change existing roof from normal low slope to taper system.” Jean-Pharuns explained that when you have a flat roof and you do it without a little taper meaning, without an inclination you will always have ponding water on the roof. Probably when the City inspector tried to pull the roof permit, it failed the inspection because the house needed a taper roof. This change order resulted from the City’s building inspector, not from a visit to the property on her part. Jean-Pharuns said she usually works simultaneously with the inspector who lets her know what the status is. The change resulted because the roof was ponding.

Jean-Pharuns said that she went to the property several times until the project was done. She did not go at specific times, but went by to see what is going on. Jean-Pharuns said that the second change order involving removal of the bathroom floors, retile the same as walls, and add wooden floors to the kitchen most likely resulted when she and Calderon went to the property to do the original write up. They might have decided that the existing tile was in decent condition, but removal of the tub or toilet or cabinets left marks on the tile floor. Jean-Pharuns explained that their NSP homes are held to a different standard so when Calderon went there and saw marks on the tile, or the tile was cracked, they decided to install a new tile floor. In their initial

inspection it was likely that they saw that the tile was in good condition. Also, remember that when you are doing bathrooms you have to open the entire wall to change the plumbing system.

In connection with the kitchen floor that was removed and wood installed in its place, Jean-Pharuns said that when they do an NSP home they always see if they can do some kind of décor, such as changing the structure to the way the property was initially built. Jean-Pharuns said that if she and Calderon felt that the wooden kitchen floor was going to change or give a little lift to the property, they will have it installed.

Jean-Pharuns said that they did not initially decide on wood for the kitchen floor. This is why as a result you see a change order after the water heater got busted and the wood was damaged and had to be replaced with tile. Also, the kitchen was enclosed and when you walked into the house you didn't see a view of the kitchen. They had the wall removed, something they do to a lot of properties to open them up to make sure that you can see a difference—that was the before kitchen and this is the after. As a result of removing the wall in the kitchen, they decided to install the wood on the kitchen floor. The wood was Calderon's idea. Calderon was involved in the design of a lot of stuff. Jean-Pharuns explained that she might have written the scope which was the core of it, but to give the house a little lift she would say, "why don't we put an awning here, or why don't we do this." Jean-Pharuns said Calderon was involved in this aspect, not only for this property, but for most of them. That was his job. Calderon would go to the property and say, "okay Marie I understand the way you wrote the scope, but why don't we just do this, or why don't we just do that."

Jean-Pharuns said that the third change order regarding the change of kitchen appliances and countertops occurred when they inspected the kitchen and noted that the appliances were too big for the space. The contractor went ahead and purchased a double door refrigerator that

overtook the kitchen. She and Calderon walked into the kitchen and noted that you could not even open the door on the other side. So they ordered that the contractor remove the initially installed appliances. These appliances had been purchased for Charles-Brutus' property. The appliances were removed and installed in another NSP property that is for sale. The appliances were delivered to 1255 NE 142 St., but since that time they remodeled a much bigger home and installed those appliances there. Jean-Pharuns said the address of the NSP property where the appliances were ultimately installed was 1445 N.E. 138 Street. This property is still owned by the City.

Jean-Pharuns said that she does not believe the new appliances were real stainless steel. Jean-Pharuns said that all she knows is that they did not want those appliances in there because she believed they were more expensive than the others. When they went to the property for a walk through and saw the appliances in the kitchen, they just said no, that cannot be. The contractor also bought a microwave that could not fit over the stove. The appliances were too big, and the way in which the contractor structured the kitchen, he brought his cabinet guy in and he did not calculate it right, so he tried to force the appliances in. Because of that, they did not use this contractor (Kamel) again.

Jean-Pharuns said that both she and Calderon wanted to change the appliances. Anyone who would have gone there would have said, no, no, we don't want these. Jean-Pharuns said she, Calderon, and Otera went there and saw the appliances and said, "no." The appliances that she is referring to are the refrigerator, dishwasher and stove. Jean-Pharuns said that the only appliance that was there that they felt would not be appropriate to replace was the dishwasher because the stove itself was also too big for the opening that the contractor had set out. They

just said “Well, why don’t we just remove the existing appliances, put them in a much bigger home, and buy all new, smaller appliances for this property?”

Jean-Pharuns explained that the reason they issued a change order to replace the Formica countertops with granite after the kitchen had been built was due to competition between the contractors. They had a prior walk thru at another property where the contractor had given them, she is pretty sure, either marble or granite. This was for the property located on 124 or 125 street that they had already sold. Jean-Pharuns said that probably when she and Tom went to inspect Charles-Brutus’ property they asked the contractor, “Why did you install this (referring to the Formica), Didn’t you see our walk-thru or whatever?” The contractor probably mentioned that it would cost us extra to install a granite countertop just to do the same as was done in a prior home where the contractor had placed a granite countertop. Jean-Pharuns said that the reason that Charles-Brutus’ kitchen got granite was because they had another home, maybe two homes, either at 124th or 125th Street, where the contractor remodeled the kitchen and gave the property granite.

Jean-Pharuns said that she believes the property which got granite was 1640 N.W. 123 St. If this was not the home, it must be the home that was remodeled by Modern Day. The City’s NSP property contractors are held to a higher standard. The contractor who installed the granite tops without a change order was Modern Day. Kamel installed granite at Charles-Brutus’ house after a change order was issued that included removal of the Formica countertop that had already been installed. Jean-Pharuns acknowledged that Kamel originally re-did the kitchen with Formica tops.

Jean-Pharuns said that she did not have any conversations with Kamel because they go to inspect when the workers are not there doing the work. Jean-Pharuns said that when she went there with Calderon and a member of staff and noticed that the kitchen was enclosed by a wall, they suggested that the wall be removed to make a little breakfast nook and then they said, “Why don’t you install a granite countertop over it?” Jean-Pharuns said that it was Calderon’s suggestion that this be done. It was not done at her suggestion. The suggestion was not made by Steril as she was never involved to her knowledge. Jean-Pharuns said that Steril never said anything about the remodeling of her mother’s house to her directly to her because when she goes to do her write up or whatever, that’s the way it goes.

Jean-Pharuns said that when doing their NSP homes they always try to see what they can do—can we move that wall to this wall or this wall to that wall, just to impress the prospective buyer. The standards apply to all of the NSP homes that were purchased. They did not go back and change all of the countertops to granite because back then they did not have so many properties that they had to sell. They are just now finishing most of the NSP rehabilitations.

Jean-Pharuns said that she does not understand why we say that the appliances are stainless steel. She did not look at the material. Sometimes the material might look black or stainless steel. She does not know. Jean-Pharuns asked whether the COE had looked at the invoice or the description of the appliances. Jean-Pharuns said that she knows it was “Lizzie,” on either 123rd or 124th Street. This is what set the price. The job was done by Modern Day. Jean-Pharuns said that she does not recall that there was a change order on that property because the contractors were competing to see which one was going to be the best so, they told Kamel that they wanted the same material and Kamel said, “well if you want it to be this way this is what it’s going to cost.”

Jean-Pharuns said that she could provide the COE with a copy of the standards of rehabilitation of homes on the NSP program. Calloway or "Coleen" may be able to retrieve those standards and give them to the COE. Jean-Pharuns said that she never discussed the remodeling of Charles-Brutus' house with Steril, even to tell her how it was coming along. Jean-Pharuns said that all she knows is just that the office will pair a house with someone because when they purchased the house, it is her understanding that it was purchased when the program started, they would purchase it and would pair it, and in the midst of things look at who will qualify to purchase it. This has to do with administration. So they would pair it wanting just to make sure that okay, the contractor can turn this uglier house to make sure that it looks different, but as far as, "This is what I want, this is what I want," I do not recall getting a call from Steril.

Jean-Pharuns said that Steril called after the water heater broke. Steril called and told them that overnight the water was flooded in the kitchen. Jean-Pharuns said that it was okay because the water heater was still within the warranty period. Jean-Pharuns said that she just went over there and took a look and saw that the water heater was leaking, and of course the wood floor was damaged. Jean-Pharuns said that it was a new tank less water heater. What happened was that the contractor (Kamel) placed the water heater in a little storage area right under the cabinet that you are unable to find. They had to relocate it and everything. Jean-Pharuns said that she is sure that this was the final change order when the kitchen floor was changed back to tile.

Jean-Pharuns said that she is sure that the original tile floor did not have anything to do with why they requested it changed from wood back to tile. The original tile was Mexican tile.



The same tile is located in the living room and was refurbished. This was the tile that was removed and replaced with the wood floor in the very small kitchen area.

**07/26/13 - Maxine Calloway, Director, Community and Development Department –  
(Recording of interview in investigative file.)**

Calloway is the Director of the Community and Development Department. Calloway was interviewed in connection with the home purchased by Charles-Brutus through the City's NSP Program.

Calloway said that fortunately, her knowledge of the process is somewhat limited. Calloway explained that although she is the director of the department, she oversees several divisions and has a housing manager who is solely responsible for the oversight of processing the applications. The housing manager at the time was Calderon.

In terms of the administration of the program, Calloway said that she knows that they have an NSP waiting list and after it became an issue, she got involved and looked at the file just to make sure that it was consistent with the requirements and with the exception of the conflict. They knew that Charles-Brutus was on the waiting list like every other applicant and that her selection was consistent with the waiting list when she was matched with the property, that she qualified for a mortgage and paid for the property. Calloway said that she did not personally process the application, nor was she involved in remodeling of the property.

Calloway said that she and her staff knew that a person who had purchased an NSP home had a relationship with Steril. Calloway said that she is not sure why the conflict was not processed, but it was brought to all of their attention at the time that HUD conducted their on-site review. Before the HUD review, she did not know that the transaction was problematic. Calloway said that she was assured, as with all of her files, by her housing manager that all steps

were followed. As a result of the HUD review, they changed the application to include the question about whether the applicant is related to anyone who works for the City. That question did not exist on the application before the HUD review.

Calloway said that the old application was created sometime in 1996 or 1997 when the City became an entitlement jurisdiction. It is the same form that they have used for years. It probably was created by the prior administration and with just some limited tweaking; her staff has used the form for as long as they've had the NSP program. Calloway said that had the relationship been disclosed in the application, Charles-Brutus would have been able to get a waiver and purchase the property anyway. As is consistent with the process, when they request a waiver they ask a series of questions—whether or not the application was processed in keeping with the guidelines, whether any special favor was given to the applicant, whether the applicant was moved up on the list, anything unique that was done regarding that particular applicant. None of that was done in this case. Charles-Brutus was on the waiting list, the mortgage was obtained, there was no special favor given, her property was not improved any differently than other properties so it was consistent with all the NSP properties that we do in the City.

Calloway said that her involvement with the change orders is through the requisition and purchase order process on their Eden software. Calloway said that she would have probably looked at it in Eden and seen whether the housing manager had signed off on it to assure herself that it was reviewed and then she would approve it. That would have been her cursory involvement, but the housing inspector is responsible for the processing of the change orders.

Calloway said the change order would have been submitted by the contractor assigned to do the rehabilitation work and would be reviewed by the housing inspector and initially approved by the housing manager. Calloway said that the contractor would initiate the change order,

whether it is because of some unforeseen work that they came across at the property, the contractor typically would have initiated the change order in discussion with the housing inspector.

Calloway is not familiar with the change orders that were issued in this project. Calloway asked whether Jean-Pharuns had been able to respond to the questions about the change orders. Calloway said that Charles-Brutus was on the waiting list for several months. Calloway said that she could get a copy of the waiting list.

Calloway said that Charles-Brutus, like other buyers, probably got matched up with the property at the beginning of the process. Right after they buy the property, they try to see if there is any prospective buyer because sometimes the buyer has some level of involvement in how the property is improved since they know that they are pre-qualified and are going to buy it. The pairing of house and buyer would have occurred typically once the property is acquired by the City and then they start contacting buyers and have them go by and look at the property to see whether or not they have an interest. If they do, we have them go out and seek a first mortgage.

Calloway is not sure whether Charles-Brutus had input into what kind of tile was going to go on the floor, or what kind of appliances would be put in the kitchen, but if she did, that is customary. Charles-Brutus would have done this through either Jean-Pharuns or the housing manager, Calderon. They've done this with other NSP properties where staff has told us of a buyer who is certain to buy the property and we have them participate in the selection process for whatever material they chose. Calloway said that they have a standard selection but they will help with the color of the tile or the color of the carpet. This would not necessarily run up the price of the property because they offer only the standard materials of the contract that may come

in 4 colors, and the person picks the color, whichever color, because ultimately it is their home, but they do not give the property something that is above the standard. The standards are part of the scope. The standard is a document and should be in the case file. The scope is the same for all of the NSP homes, for the most part.

Calloway acknowledges that the COE needs a copy of the waiting list for NSP properties and the standards mentioned. Calloway said that the standards are inside the scope of services for the most part. The details of the project that indicate what materials will be used should be in the scope that Jean-Pharuns writes.

**08/13/13 – Carlson Daniel, Owner of Kamel's Place, contractor of Charles-Brutus' house –**

Carlson Daniel (Daniel) said that the change orders on the work being done to remodel the subject property came from the City. His company then made the changes as requested and submitted new invoices. The changes were communicated to him by Calderon or Jean-Pharuns. Whatever changes were requested had to be approved by Calderon since he was the housing manager. Jean-Pharuns is just an inspector. Daniel did not see anyone else from the City at the property.

As far as comparing the cost of Formica with the cost of granite, he calculated that the Formica countertop for a small kitchen such as this one costs between \$500 to \$700 if purchased at Home Depot, plus \$400 to \$600 for the labor. The contractor will add a 20 to 35% profit to the total. The granite is much more expensive, but not because of the granite itself, rather because of the labor required to cut, polish and install it. The machine to cut and prepare the granite costs about \$50,000. The granite for this kitchen came to \$4,500. The change was communicated to him after they had finished installing the white appliances and Formica

countertops and cabinets. The City did not want to pay him for the removal and delivery of the white appliances to the other property.

**09/19/13 – Danny Augustin, owner of Modern Day Construction Group, Inc. –**

Modern Day Constructions Group, Inc. was the contractor on the property purchased by Lizzie Everett through the NSP program located at 1640 N.W. 123rd Street. Danny Augustin (Augustin) was contacted and asked about the job done by his company for the City. Augustin confirmed that he did the remodeling job at 1640 N.W. 123rd Street. He said that there were no changes made to this project. They decided on using granite because since they guarantee their work, they have no complaints from customers when they use granite. Augustin said that his company always installs granite countertops. Because the project was extended over 10 days, they added some extras, but they were going to install granite regardless.

**10/23/13 – Maxine Calloway, former Director of Community and Development Department (954)336-1026 –**

Calloway contacted the COE in response to a contact letter delivered by the COE upon learning that Calloway was no longer employed by the City. Calloway said that she is no longer employed by the City, but cannot discuss the terms of her departure from the City due to the possibility that the separation agreement does not allow it.

Calloway was again asked about the purchase and remodeling of the NSP home ultimately bought by Charles-Brutus. Calloway said that any involvement on her part was minimal. Calloway explained that her management style is that she hires the professionals to do what they are supposed to do with her minimal involvement. Calderon was primarily involved in the remodeling of all NSP homes, and during his tenure there it was not necessary for her to be involved in the process. She became more involved after he left.

Calloway said she had no involvement with Steril during the remodeling of her mother's home, or during the sale of the home. However, Calloway said that one day she saw Steril walk into the waiting area of the Community Development Department with her mother. Steril and her mother were there to see Calderon.

**11/4/13 – Tom Calderon (*Transcribed sworn statement in investigative file.*)**

**11/22/13 – Russell Benford, former City Manager of the City of North Miami – (*Transcribed sworn statement in investigative file.*)**

Russell Benford (Benford), currently a Miami-Dade County Deputy Mayor, appeared at the COE to provide his statement in connection with Charles-Brutus' purchase of the house through the NSP program. Benford said that he was the City Manager from January 2010 to August 2011. Benford is familiar with Steril and with the NSP. Benford said that the NSP is the Federal Government's way of trying to stabilize neighborhoods that have been negatively affected by foreclosures. The program involves the Federal Government providing funds to state and local government to purchase foreclosed homes, or homes going into foreclosure, renovate those properties and sell them to qualified buyers.

Benford explained that the program was administered by the planning department. Calderon worked in the planning department. Calloway was the director of the planning department. Calderon worked for Calloway. The employees of the planning department ran the NSP and reported back to Benford. Benford said that he had to sign off on closings. Benford recalled meeting with a group of attorneys and realtors, and a new family about once a week and signing off on closing documents.

Benford recalled reading an article about the controversy with a councilperson's mother buying a house through the NSP. Benford believes that this may have occurred after he resigned from the City. Benford said that his understanding is that city employees who participated in the NSP had to qualify like everybody else—there was no special treatment or waivers needed. Benford did not recall hearing anything about defects on the form being used to apply for the program, which was said to be missing questions about whether the applicant is related to anyone who works for the City, or whether applicant is an employee of the City. Benford said that he did not see a list of people applying for the program and did not recall seeing the forms people filled out to apply. Benford said that Steril did not at any time come to him with any questions or comments about her mother getting into the NSP, or about whether or not something is permissible under the NSP. Benford said that he does not recall any conversations with Calderon regarding upgrades to properties being remodeled in the NSP. The only conversation he has had with Calderon involved Calderon's wish to be a department head of a housing department at the City. Benford did not think it was appropriate. Benford said that Calloway never discussed Steril wanting something extra for her mother in the remodeling of the NSP property.

Benford said that he did not take part in choosing a contractor to do the remodeling of the NSP properties. Benford's initials approving invoices usually came toward the end of the process. Benford said that if he was assured that the proper procedure was followed and the proper sign-offs were there, he would sign it too. Benford believes that he was the only person authorized to sign off on the invoices—it depends on the dollar amount. Benford said that he has no specific recollection of signing the change order regarding the kitchen appliances for Steril's mother. As long as the appropriate person one level below had signed the order, he had no

reason to question it. Benford would not have taken notice if he was signing a second invoice for appliances because there were so many different properties he wouldn't know if it was a second or third set of appliances. Typically, he sees the house when they are done and doing a ribbon cutting, but the majority of the time he does not see the property. Benford said that he does not decide how much to ask for a property once it has been remodeled—he thinks Calloway would decide that, or perhaps there is a federal regulation about price. Benford said he thinks there were appraisals done maybe. He does not know whether there was a cap on how much the City could spend to remodel a home.

Benford confirmed that he had read the news article about the City having to refund the funds spent on the Charles-Brutus' activity back into the NSP line of credit. Benford said that he and Steril never discussed whether her mother could participate in the NSP, or anything related to the appliances being installed in the house that her mother was slated to get. Benford does not recall ever discussing Steril's mother with Steril.

**01/29/14 – Councilwoman Marie Erlande Steril - (*Transcribed sworn statement in investigative file.*)**

**01/30/14 – 02/04/14 – Yolanda Dukes, Maribel Vega and Phyllis Laster – (*Affidavits obtained.*)**

Phyllis Laster (Laster), Yolanda Dukes (Dukes), and Maribel Vega (Vega) are homebuyers who participated in the NSP administered by the City. Laster, Dukes and Vega are aware that the City ordered and supervised the remodeling of their properties before they bought them. These participants were identified as having inquired about upgrading the appliances installed in their kitchens to stainless steel, but were told by the City that they had to take the appliances included in the bid specifications. At least two (2) of the participants (Laster and



Dukes) offered to pay for the difference between the white and stainless steel appliances, but were told by City staff that they could not upgrade, even if they paid for the upgrade themselves.

**02/07/14 – Marie Enare Charles-Brutus – (*Transcribed sworn statement in investigative file.*)**

Charles-Brutus was subpoenaed to appear at the COE to provide a sworn statement.

Charles-Brutus' statement was taken with the assistance of Creole interpreter, Carol Merceron.

Charles-Brutus acknowledged that she purchased a townhouse located at 1755 N.E. 142 Street through the City's NSP program. Charles-Brutus said that she has lived at the house for two years and eight months. She lived in Miami Gardens prior to that, but does not know the address. Charles-Brutus said that she lived alone while living in Miami Gardens and lives alone now.

Charles-Brutus explained that the NSP program is where a resident, "if it's the first time you're going to purchase a house and if you're doing a job and you qualify, then you can qualify." Charles-Brutus acknowledged that you have to be at a certain income level to qualify. Charles-Brutus said that she first heard of the program through a co-worker at Villa Maria Nursing Center. She only remembers the co-worker's last name, which is December. The co-worker is a female. Charles-Brutus asked December where the program was and she said it was in the City. Charles-Brutus went to the City to inquire about the program the next day. Charles-Brutus spoke to a secretary about the program, but doesn't remember the secretary's name. The secretary said that she had to take a letter, which she gave to her, and go to Little Haiti Housing. Charles-Brutus went to Little Haiti Housing the next day. Charles-Brutus drove herself there. She gave the letter to the secretary in the front. The secretary took the letter, made a copy and gave her the letter back. Charles-Brutus was given an appointment to return to Little Haiti Housing in one week. When Charles-Brutus returned to Little Haiti Housing, they read the letter

and said they wanted her to go to a class to explain how to purchase a house. This is the first time that she has bought a house.

Charles-Brutus was born in Haiti. She has been in the U.S. for 23 years. She has been a certified nursing assistant for these 23 years. She lived with her daughter, Steril, when she first arrived to the U.S. She lived with her daughter for 13 years. Marie's husband's name is Nego Steril. Charles-Brutus said she did not discuss what she was told by her co-worker, December, with Steril or any of her other children.

Charles-Brutus has three children. Two of her children, Steril and Antenor Charles, Jr., live in North Miami. Antenor was born in 1972. Antenor works in a bakery, or a hardware store. Charles-Brutus is close to her son, Antenor. He comes to her house to eat when he has the time. Antenor calls her to ask how she is. Charles-Brutus has another daughter named Rhiguetty Charles who lives in Ft. Myers. She is older than Antenor. Rhiguetty is a nurse. Charles-Brutus said she talks to Rhiguetty on the phone often. Charles-Brutus said that she also talks to her daughter, Steril, on the phone often.

Charles-Brutus said that she does not remember the name of the City department where she went after December told her about the program. Charles-Brutus recognized the name "Community Planning and Development Department" as the City department that helped her with the NSP.

Charles-Brutus said the first time that she went to the Little Haiti Housing organization she gave them the letter that she got from the City and they made a copy of it. They did not give her anything, but told her of her appointment for a week later to take the class. Charles-Brutus said that when she returned the second time she registered her name in the log-in book. They asked her why she was there. She returned to take the class on the following Friday. The class

was two hours long. The class was given at that Little Haiti Housing location. She left and returned on the following Friday to take the class. This was the third time that she had gone there. Charles-Brutus said that after taking the class they told her to provide them with three (3) paystubs as proof of employment.

Charles-Brutus said that her understanding is that the program was for her to apply for a mortgage. Charles-Brutus said that a mortgage is when you are buying a house. Charles – Brutus said that Little Haiti Housing asked her for a letter from her employer and a bank letter. She brought them both. They started to find out whether her credit was good, and they saw that it was. Little Haiti Housing said that they are not giving her money, but rather they are fixing the house. Charles-Brutus said that she knew that she would have to make payments on a mortgage. The monthly payment was \$799.

Charles-Brutus said that she did not discuss any of the things that she did to buy a house in the program with any of her children, including Steril, because they did not want her to buy a house. Charles-Brutus said that she remembers meeting Calderon in his office and speaking with him. Calderon asked her if she qualified. She had to return to Little Haiti to take a paper from the City. Her first meeting with Calderon was after she took the class in Little Haiti. Her daughter, Steril, was not present when she met Calderon for the first time. Charles-Brutus said that her daughter, Steril, did not introduce her to Calderon. (Charles-Brutus said that she understands that she took an oath to tell the truth.) Calderon had a Haitian lady working with him. Her name is Marie. Charles-Brutus does not remember her last name.

Charles-Brutus confirmed that she signed the application for the housing program which has three pages. (marked as Exhibit A.) Charles-Brutus said that her signature is on the third page and it is dated 03/09/11. Charles-Brutus said that she was not living at the address listed on

her application (1005 N.W. 191 St.). This was the address that she stayed at for a few days in the Miami Gardens area. Charles-Brutus said that she rented this house for two and some years. Charles-Brutus said that she is not sure that the address is correct. She is sure of the 191st Street. Her driver's license reflects where she now lives and has lived for 2 years and 8 months. Charles-Brutus said that when she filled out the application she wrote in her address by memory. Her rent was \$900 while living at that address. Charles-Brutus said that she would pay her rent in cash at the office of the apartment complex. Charles-Brutus said that she was not paying the money to Nego Steril.

A two-page document "Application for Housing Assistance" (marked as Exhibit B) was shown to Charles-Brutus who confirms her signature and the date of 03/02/11 on the document. On this form Charles-Brutus put down her address as 1005 N.W. 128th Street because they asked and she gave them this one.<sup>3</sup> She said that she put down this address because they asked her to put down an address of someone that she knows. Charles-Brutus said that the Little Haiti Housing people gave her the application. Charles-Brutus said that she did not fill out the form. It was filled out at her place of employment in the Human Resources Department by a lady who is no longer there. She does not remember the name of the lady. She only signed the application, but did not fill it out. The people from her job filled out only the first page, the rest was filled out at Little Haiti Housing. Charles-Brutus said she was sitting with the lady as she filled out the form and provided her with the answers. Charles-Brutus said that the address that she gave them was her address when she first arrived to the U.S. She does not remember why she gave them that address. Charles-Brutus said that they asked her where she lives and they asked her if she had already purchased the house, but they did not ask her where she lives. (pg. 34 lines 22-24). They asked her where she works and she told them and they wrote it down.

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<sup>3</sup> This address listed by Charles-Brutus as her home address is also Steril's home address.

Charles-Brutus said she did not remember the exact address of the 191st Street address that she gave to them. She lived at the 191st Street address when she went to Little Haiti Housing for assistance. Charles-Brutus misunderstood the question about the \$600 payment to Nego Steril listed on her application and replied that she paid \$900 at the office of the apartment complex where she lived. Charles-Brutus said that she does not know why her application form reflects that she paid money to Steril's husband. Charles-Brutus didn't read the document before she signed it. Charles-Brutus said that she didn't understand that this was a very important document, and confirmed that, although she was buying a house for the first time and was doing it all by herself, she never talked to her daughter Steril about it. Charles-Brutus said that the reason she did not tell Steril about her plans to buy a house is because she is a councilperson in the City.

Charles-Brutus said that she was with her daughter on the day that she was elected as councilwoman and was proud of the fact that she was an elected official. She worked hard for Steril to do even better. Charles-Brutus said that she did not talk to her daughter, Steril, when she decided to buy a house in a program that her city is running.

Charles-Brutus said that she did not choose the house that she bought. Maybe it was Calderon who chose the house. Little Haiti Housing called her and said that Calderon found her a two-bedroom house. Calderon took her to see the house. The house was in bad shape and needed repairs. Charles-Brutus said that she told Steril that she was buying the house as soon as she heard from Little Haiti that Calderon had found a place for her. Charles-Brutus said that Steril was mad and asked how she got into this without letting her know.

Charles-Brutus said that Steril came to see the house with her that first time. When she saw the house, Steril said it was in bad condition and needed to be repaired. Charles-Brutus said

that Calderon said he was going to repair the house, and the roof was in bad shape. Her daughter, Steril, was present when Calderon told her this. Charles-Brutus said that she doesn't remember when this happened, or what month or season it was. She only knows that she called Steril and told her to come. Charles-Brutus said that the next time she saw the house was when it was all repaired. She waited one year and three months for the house, so she did not go back for about eight months. They should have called her, but they did not. Charles-Brutus does not know whether Steril went to the house in that eight-month period, and she did not ask her.

Charles-Brutus said that when she needed to know about the house, she would go to the house, not to the City. Charles-Brutus changed her testimony and said that when she wanted to know about the house she would go to Little Haiti Housing. Calderon took her there. Calderon took her the first time that she saw the house and the second time when the house was done. Charles-Brutus said that she went to the house when the painting was done, but the kitchen wasn't done yet. The kitchen counters weren't done, the kitchen floor was not done, even the refrigerator and other appliances were not there. Charles-Brutus said that Steril was there on that occasion. This would be the second time that she and Steril were at the house at the same time. Calderon was there also. Charles-Brutus said that she remembers Calderon telling her about trying to preserve the tiles that were already there instead of replacing them. Charles-Brutus told Calderon to replace the tile because they were ugly, but he said no.

Charles-Brutus clarified that she went to the house three times—the first time she just saw the house, the second time was when they had a conversation about the tile and the third time was when the house was finished. At some point she went to the house when the remodeling was done. The kitchen had the same tile that Calderon wanted to preserve. All the appliances were there. They were aluminum (stainless steel). The only appliances that she saw

were stainless steel appliances; she did not see white appliances. Charles-Brutus said that she did not ask for anything, and she was not given a choice. She did not discuss the appliances with Steril.

Charles-Brutus said that about four months after she moved into the house, the small water heater under the cabinet exploded in the middle of the night, and water was everywhere. As a result, the wooded kitchen floor lifted and was later replaced after she went to the City to tell them.

Charles-Brutus restated that she lived with Steril when she came to the U.S. and that she lived in Miami Gardens before moving into her new house. Charles-Brutus does not know why the form that she filled out with the housing agency said that she lived at 1005 N.W. 128<sup>th</sup> Street (Steril's home address), and was paying \$600 to Steril's husband, Nego Steril.

Charles-Brutus did not ask her daughter to intervene in any of the discussions that she had with Calderon.

Charles-Brutus' cellular is 786-260-8323; and Steril's cellular is 786-355-7192.

**Conclusion:**

Based on Calderon's testimony and the documents that were reviewed as part of the investigation, it appears that Steril may have exploited her official position in order to get upgrades for the townhouse her mother was buying through the NSP. Investigation is completed and turned over to Advocate for filing decision.