



Miami-Dade Commission on Ethics & Public Trust

Preliminary Inquiry Report

Investigator: Manuel W. Diaz

**CASE
CLOSED**

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| Case No.: PI 14-028 | Case Name: Miami-Dade uncollected liens | Date Open: | |
| Complainant(s): | Subject(s): Miami-Dade Property Appraiser's Office/ Miami-Dade County Attorney's Office | 6/30/14 | Date: <u>7/16/14</u> |

Allegation(s):

It was reported in the Miami Herald that during the Miami-Dade County Finance Committee meeting on June 25, 2014, Commissioner Sally Heyman (Heyman) said that Miami-Dade County has \$378 million dollars in uncollected liens and questioned why the Property Appraiser's Office does not sell liens like the Tax Assessor's Office does.

An inquiry was initiated to confirm the amount of Property Appraiser Liens outstanding and why the Property Appraiser's Office is not selling the liens it holds.

In addition, the Advocate requested that investigators obtain a list of outstanding and uncollected property liens and determine if there was any favoritism to anyone owing liens to Miami-Dade.

Relevant Ordinances:

Miami Dade County Conflict of Interest and Code of Ethics Ordinance

(g) *Exploitation of official position prohibited.* 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 except as may be specifically permitted by other ordinances and resolutions previously ordained or adopted or hereafter to be ordained or adopted by the Board of County Commissioners.

Investigation:

Documents Reviewed:

Video of Miami-Dade Finance Committee Meeting, June 25, 2014. During the meeting, Heyman, while speaking to the County Attorney and BCC Chair Commissioner Esteban Bovo, states the following:

“We had in follow-up to the last budget thing. When the Property Appraiser’s Office said that they placed liens on things, but unless there is a sale there is no incentive to get any money; there’s no incentive to pay any money. The Tax Collector however, the department, does not sell the Property Appraiser but the tax collector does sell and I guess the question is how much money do we have on liens that we are not working from the Property Appraiser, and why doesn’t the Property Appraiser sell liens, do they have the authority? Just like the Tax Collector does. When I got here we had, it was estimated, that we had \$378 million dollars in uncollected liens just waiting for sale to go on. And then our County Attorney’s office moves on it. But until something changes on who has the property they can’t do it. The Tax Collector does, now our County Attorney follows up on the liens. Can we look into and see if it is something can (sic) options for us and I would like to know how much money is outstanding in it. I am dealing with all these violations and they can lien my property, I’ll be dead and it will be sold and I don’t care....”

Gerald Sanchez (Sanchez) Assistant County Attorney, **Jorge Martinez-Estevez** Assistant County Attorney (Martinez-Estevez) - Miami-Dade County Attorney’s Office.

Sanchez and Martinez-Estevez were contacted. Neither had attended the Miami Dade Finance Committee meeting of June 25, 2014. Neither was aware how or if the County Attorney was going to address Heyman’s comments. Neither had spoken to the County Attorney regarding the matter.

Marcus Saiz (Saiz) - Miami-Dade Tax Collector

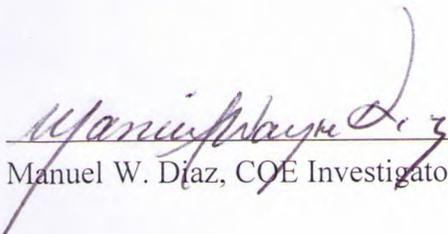
Saiz advised that his office collects property liens sent him by the Property Appraiser. The Tax Collector's office notifies the debtor and attempts to collect what is outstanding. He explained that FSS 192.122 establishes that the County is the first lien holder when a property is sold. So the County may wait until the property is sold to collect on liens. He said many times the mortgage holder or the bank get involved and force the owner to pay the delinquent taxes and settle the lien.

Lazaro Solis (Solis) – Miami-Dade Property Appraiser

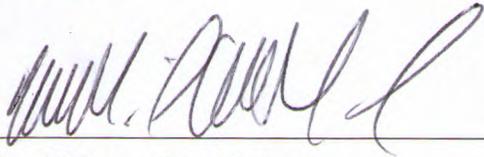
Solis confirmed that his office periodically prepares a list of delinquent liens which are forwarded to the Tax Collector for collection. His office does not have the legislative authority to collect liens. He noted that the list of properties may change by as much as 100-500 entries per month; because new liens are added each month and old liens are removed as liens are paid. Solis said that Commissioner Moss asked for a report on money owed in liens and fraud last March. The report was based on the numbers available to the Property Appraiser in March 2014. A copy of the report has been made part of the investigative file.

Conclusions:

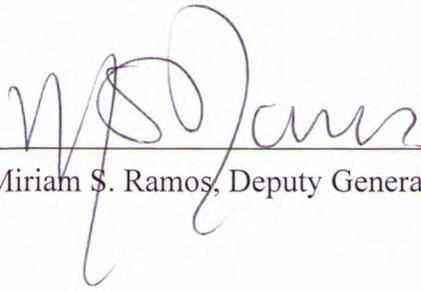
This preliminary inquiry was opened as a result of a Miami Herald article that seemed to indicate that the County was not pursuing the collection of outstanding tax liens. Based upon the investigative interviews, the article did not clearly articulate what Commissioner Heyman said at the meeting and no evidence was found of exploitation of official position. Accordingly, this matter is closed with no further action.


Manuel W. Diaz, COE Investigator

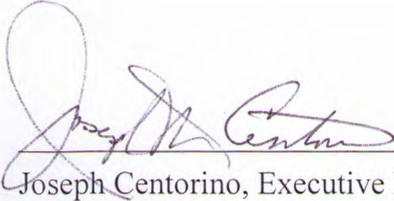
Approved by:



Michael Murawski, Advocate



Miriam S. Ramos, Deputy General Counsel



Joseph Centorino, Executive Director

7/16/14

Date