



Miami-Dade Commission on Ethics & Public Trust

Report of Investigation

Investigator: Larry Lebowitz

Case: K15-044	Case Name: RFP PAC	Date Open: July 15, 2015	Date Closed:
Complainant(s): COE self-generated	Subject(s): Jonah Wolfson, Philip Levine, Relentless for Progress PAC	CASE CLOSED	

Date: 3/7/18

Allegation(s):

Allegations of potentially illegal campaign contributions made by City of Miami Beach vendors, real estate developers and lobbyists in violation of a city ordinance that is more restrictive than county and state campaign-finance laws. The city ordinance prohibits those specific classes from directly or indirectly contributing to the campaigns of elected city officials. The question is whether contributions to a Political Action Committee (PAC) that is supporting a candidate for city office constitutes an indirect donation in violation of the city ordinance. In the instant case, the Relentless for Progress (RFP PAC) committee was created and run by a sitting City Commissioner, Jonah Wolfson, and was designed to largely benefit the re-election campaign of incumbent Mayor Philip Levine. Wolfson was accused by anonymous complainants of aggressively strong-arming city vendors with existing contracts and real estate developers with pending projects and their lobbyists and others into making donations to RFP PAC. Some complainants also questioned whether Wolfson was specifically trying to retaliate from the dais against persons who refused to donate to RFP PAC.

Relevant Law:

- City of Miami Beach Code, Division 5, Campaign Finance Reform**
- Sections 2-487 Prohibited campaign contributions by vendors
 - 2-488 Prohibited campaign contributions by lobbyists on procurement issues
 - 2-489 Prohibited campaign contributions by real estate developers
 - 2-490 Prohibited campaign contributions by lobbyists on real estate development issues
 - 2-491 Prohibited lobbying by campaign consultants

Investigation:

Interviews:

Several interviews were conducted in July, August and September 2015 with sources who preferred not to be identified for fear of political retribution or served as introductory liaison to persons who may have contributed to RFP PAC. None described a scenario where they felt they were pressured to donate to the RFP PAC by Wolfson, Levine or anyone else for fear of losing a city contract, or a zoning or development vote or anything else of interest.

Interviews:

In at least two other areas, interviews were conducted with sources in the community who specifically chose *NOT* to donate to RFP PAC and may have been subject to unanticipated regulatory scrutiny or a retaliatory vote that could have hurt their interests. See note about Wolfson's sponsorship of a motion that would have reclaimed \$15 million years after the city had already committed it toward a capital expansion project at Mount Sinai Medical Center after Mount Sinai officials refused to contribute to the PAC.

Interviews:

Attorneys Kendall Coffey, J.C. Planas, Ronald G. Meyer and Jennifer S. Blohm
Sept. 5, 2015

The following attorneys representing Levine (Coffey of Miami) and the PAC (Planas of Miami, Meyer and Blohm of the same firm in Tallahassee) asked for a meeting with COE Executive Director Joseph Centorino and Advocate Michael Murawski to discuss the ongoing controversies regarding RFP PAC.

Part of the discussion centered on whether the city's ordinance was overbroad and potentially unconstitutional in light of the US Supreme Court's decision in *Citizens United vs. Federal Elections Commission*, 558 U.S. 310 (2010), which broadened the concept that money, in the form of campaign contributions, is a form of speech protected under the First Amendment.

Document(s):

Using public records and the assistance of knowledgeable sources in the community, this investigator started building a spreadsheet/database that attempted to identify why any donors to RFP PAC may have pending interests, votes, approvals or endorsements with the City of Miami Beach.

This nascent spreadsheet would have been cross-referenced with the city's lists of registered lobbyists, planning and zoning agendas and city commission agendas and minutes, etc. It was abandoned in the fall of 2015 after Wolfson and Levine publicly announced they were closing the PAC and returning the funds. All of the materials have been burned to a disc and are included in the file.

Document(s):

A copy of the full-page print ads entitled "Now, What's Sleazy?" that were purchased by Wolfson on behalf of RFP PAC. The ads attacked WPLG-TV political reporters Michael Putney and Glenna Milberg. Putney had written an op-ed in the Miami Herald that described the RFP PAC as "sleazy."

Wolfson went after Milberg by association because her husband, Michael, is a former registered lobbyist in the city who is now representing Mount Sinai Medical Center in its various interests. [Michael

Milberg's title was Executive Director of the medical center's non-profit foundation].

Wolfson went after the medical center from the dais on several occasions, even attempting, at one point, to get the city to reconsider a \$15 million commitment to help the hospital construct an emergency management facility on the hospital property as part of a larger capital campaign. The funds were already committed to bonds that had been sold to construct the hospital expansion. Mount Sinai CEO Steve Sonnenreich was interviewed about this issue and whether Wolfson targeted the medical center for retribution after the hospital refused to donate to the RFP PAC.

Document(s):

Media clippings on the Relentless for Progress PAC from multiple sources. One document in the file will also include multiple online links (YouTube and other sources) with campaign ads for Levine

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Document(s):

Packet of documents that were compiled after RFP PAC closed and the city strengthened the ordinance to specifically prohibit indirect contributions from vendors, and real estate developers with projects pending and certain lobbyists to candidates vying for elected city office via a PAC or any type of political committee.

The documents were created by City Attorney Raul Aguila in consultation with several experts on campaign finance, constitutional law and ethics, including former Florida Supreme Court Justice Raoul Cantero, COE Executive Director Centorino and others.

The legislation, originally sponsored by Wolfson before his term ended in November, was approved on first reading in September 2015, was the subject of a public workshop in December 2015 and approved by the City Commission in January 2016.

Conclusion:

COE may have had jurisdiction to help the city enforce its unique ordinance, but that still has not withstood a legal test. Similarly, the constitutionality of the city's unique campaign-finance laws, which set standards higher than county ordinances or state statutes, has not been tested in the courts.

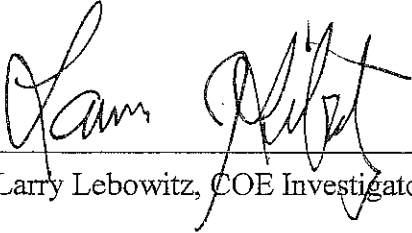
But the definitions that existed in the city code in 2015 when RFP PAC was most active did not clearly address whether a contribution from a city vendor, real estate developer or lobbyist to a PAC that supports a candidate for city office constitutes an indirect contribution prohibited by the city ordinance.

The debate became moot when Levine and Wolfson decided to close the controversial RFP PAC and return the donations. Wolfson subsequently sponsored substantive changes to the relevant ordinances that clearly prohibited contributions to PACs that were supporting specific candidates for city offices.

Those proposed changes, which were hashed out by the City legal staff in concert with the COE Executive Director and former Florida Supreme Court Justice Raoul Cantero acting as a constitutional law adviser, were passed on first reading in October 2015, discussed at length at a public workshop in December 2016 and then adopted as law in January 2016 (shortly after Wolfson's term ended).

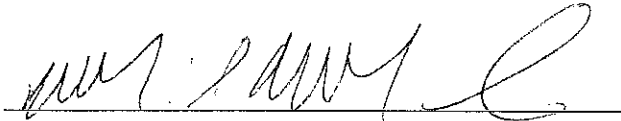
[Those 2016 amendments helped investigators from COE and the Miami-Dade State Attorney's Office successfully build an illegal campaign-contribution case that led to the resignation of former Miami Beach Commissioner Michael Grieco who pleaded no contest to misdemeanor violations in October 2017 for his role in a secretive PAC called People for Better Leaders. Grieco co-sponsored the 2016 updated ordinances with Wolfson's successor, Micky Steinberg]

Recommend the file be closed.

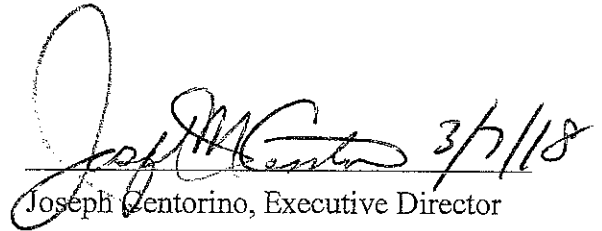


Larry Lebowitz, COE Investigator

Approved by:



Michael Murawski, Advocate



Joseph Centorino, Executive Director