



Miami-Dade Commission on Ethics & Public Trust

Investigative Report

**Investigators:** Larry Lebowitz

<b>Case:</b> K16-20	<b>Case Name:</b> Arriola	<b>Date Open:</b>	<b>Date Closed:</b>
<b>Complainant(s):</b> COE self-generated	<b>Subject(s):</b> Joe Arriola, George Feldenkreis	April 20, 2016	<b>CASE CLOSED</b>

**Allegation(s):**

Date: 9/25/17

Potential unregistered lobbying of Miami-Dade Aviation ("MDAD") officials by executives of Doral-based clothing manufacturer that was establishing a new miniature store kiosk inside a heavily travelled section of the North Terminal at Miami International Airport ("MIA")

**Relevant Ordinances:**

The Miami-Dade Code of Ethics and Conflict of Interest Ordinance prohibits Exploitation of Official Position, as described in Sec. 2.11-1(s) Lobbying of the county's ethics ordinance.

(s)(1)(a) As used in this section, "County personnel" means those County officers and employees specified in 2-11.1 (i) (2) of the county ordinance. [(i)(2) includes heads or directors of County departments and their assistant or deputy department heads;]

(s)(1)(b) defines lobbyist as "persons, firms or corporations employed or retained by a principal who seeks to encourage the passage, defeat or modifications of

(1) ordinance, resolution, action or decision of the County Commission;

(3) any action, decision or recommendation of County personnel during the time period of the entire decision-making process on such action, decision or recommendation which foreseeably will be heard or reviewed by the County Commission or a County board or committee. "Lobbyist" specifically includes the principal, as well as any employee whose normal scope of employment includes lobbying activities.

(s)(2) All lobbyists shall register with the Clerk of the Board of County Commissioners within three (3) business days of being retained as a lobbyist or before engaging in any lobbying activities, whichever shall come first.

## **Investigation:**

### ***Interviews***

Emilio T. Gonzalez, Director

Miami-Dade Aviation

May 8, 2016

Mr. Gonzalez was interviewed in his office at MIA with other assistants present. Previously requested public records were provided at that time and the context explained by Mr. Gonzalez. He was also asked to explain comments attributed to him in a previously published article in the Miami Herald that mentioned some of these events.

Despite the appearances in the newspaper article, Mr. Gonzalez stated that he had originated the conversations with Joe Arriola (“Arriola”), then chairman of the board of directors of Perry Ellis International. Gonzalez said that he has known Arriola for years, pre-dating his tenure as the MDAD director.<sup>1</sup>

Gonzalez asked Arriola if Perry Ellis would be interested in opening a small retail outlet in the “marketplace” area of the North Terminal. Gonzalez says MDAD staff was pushing an initiative to attract and showcase Miami-based and themed businesses in the marketplace, and Perry Ellis – specifically the recently resurgent Perry Ellis brand Original Penguin by Munsingwear -- fit that bill.

Arriola carried the message to George Feldenkreis, then-chairman and CEO of Perry Ellis, who followed through, with other Perry Ellis staffers, on the specifics necessary to open the kiosk inside the North Terminal.

Gonzalez similarly said he and his team at MDAD identified other “hometown” Miami brands to enhance the local flavor of retail and food and beverage options inside the North Terminal.

### ***Document/Audio/Video Review:***

See emails provided by MDAD via public records request regarding all interactions with Arriola, Feldenkreis and other representatives of Perry Ellis International.

See Miami Herald article, April 18, 2016, “In Miami-Dade Mayoral Race, A Pitch for Secrecy,” by Douglas Hanks. <http://www.miamiherald.com/news/local/community/miami-dade/article72487762.html>

In the article, MDAD director Gonzalez states that Arriola helped Perry Ellis in its pursuit of a no-bid retail lease in the North Terminal at MIAirport in 2015 under a county rule that provides preferential treatment for local brands: Relevant passage here:

<sup>1</sup> Gonzalez was cited by COE for unregistered lobbying and a Cone of Silence violation in 2011 when he was CEO of a company bidding to renovate the Miami-Dade Transit computerized central command center. He agreed not to contest the charges in return for a stipulated settlement and paid a \$500 fine [Case# C11-015]

*"González said he met with Arriola and George Feldenkreis, then the CEO of Perry Ellis, at the airport as the company was looking for space last year. "We spoke a couple of times. He visited maybe once or twice," González said of Arriola. "That's about it. This was strictly a business deal."*

See Miami-Dade Commission on Ethics PI13-041, In re: David Beckham. In that case, Beckham, an international soccer star, was deemed not to be in violation of the lobbyist rules prior to his June 2013 stadium tour with the Mayor and other County officials. The Ethics Commission had previously opined that preliminary "meet and greet" general discussions of product lines, goods and services, when no related matter is foreseeably before any commission, board or committee, does not constitute lobbying. In the Beckham case, several of the witnesses said the County was essentially lobbying Mr. Beckham and his team of likely investors to bring an MLS team to Miami – not the other way around. Mr. Beckham subsequently registered to lobby.

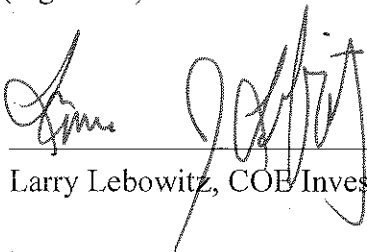
**Conclusion(s):**

The Beckham case precedent appears to apply here. In the Beckham case, the county officials were soliciting Beckham to bring a Major League Soccer sports franchise to the county, and with it, a possible new stadium deal that would require some interaction with the county. There was no advertised RFP or other pending county procurement, and no proposal on the table at the time of the relevant conversation.

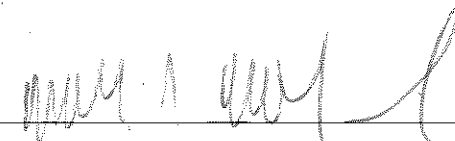
In the present case, the Perry Ellis International board members, executives and employees were being solicited by Gonzalez and Miami-Dade Aviation to open a new Penguin-brand kiosk inside an area of the North Terminal where MDAD was making a push to concentrate high-profile, local brands.

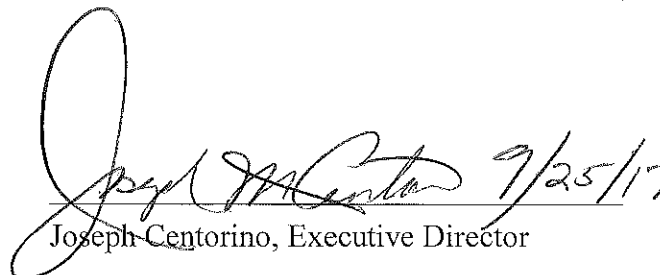
After discussion with the Ethics Commission Advocate it was determined that this matter would be closed with no further action.

(Signature)

  
Larry Lebowitz, COE Investigator

Approved by:

  
Michael Murawski, Advocate

 9/25/17  
Joseph Centorino, Executive Director