



Miami-Dade Commission on Ethics & Public Trust

Investigative Report

Investigator: Karl Ross

Case: PI-027 ¹⁶ _A	Case Name: Mt. Sinai Medical Center	Date Open:	Date Closed:
Complainant(s):	Subject(s): Sasha Tirador, Glenn Rice, Isis Garcia-Martinez, Luis Gonzalez	June 20, 2016	CASE CLOSED

Date: 4/20/17

Allegation(s):

Information was developed suggesting political consultant Sasha Tirador and an associate, Glenn Rice, may have engaged in unregistered lobbying on behalf of Tenet Healthcare as it related to the zoning application of an industry rival (Mt. Sinai Medical Center) to open an urgent care facility in Hialeah. Tenet operates the city's two largest hospitals.

Additional questions were raised about Hialeah City Council President Luis Gonzalez, and whether he may have incurred in a conflict of interest by voting on a motion to table a pending vote on Mt. Sinai's zoning application back in April. He subsequently recused himself from a future vote as a result of business relationships with two of the affected parties.

It appears Gonzalez may have had a potential conflict under the state ethics code, in particular Section 112.3143(3) (a), but not the Miami-Dade ethics code.

Relevant Ordinances:

The Miami-Dade County Conflict of Interest and Code of Ethics Ordinance, Sec. 2-11.1, states in applicable parts, Subsection (s)(2), *Lobbying* ... , that: "All lobbyists shall register with the Clerk of [City] within three (3) business days of being retained as a lobbyist or before engaging in any lobbying activities, whichever shall come first."

The Code further states in Subsection (d), ... *Voting conflicts*, that "[N]o person ... shall vote on or participate in any way in any matter presented to the [City Council] if said person has any of the following relationships with any of the persons or entities which would be or might be directly or indirectly affected by any action of the [Council] consultant, employee ..."

Florida Statute 112.3143, titled *Voting conflicts*, states in applicable part:

(3)(a) No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss; which he or she knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained, other than an agency as defined in s. 112.312(2); or which he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Such public officer shall, prior to the vote being taken, publicly state to the assembly the nature of the officer's interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

Investigation:

Interviews

Luis Gonzalez, City Council President

City of Hialeah, FL

July 5, 2016

Council President Gonzalez said he did vote to approve the Mt. Sinai zoning application on first reading when it came before the City Council on April 26. He said he again voted to table the item at the May 10 public hearing, supporting a motion to this effect by Councilwoman Vivian Casals-Munoz. He said that he filed an 8B Memo regarding a potential conflict of interest and recused himself from the subsequent vote on May 24 after re-examining his business relationship with two of the affected parties. He noted he did not have a business relationship with the applicant, Mt. Sinai Medical Center, but rather with affected parties.

Gonzalez stated his firm does printing for Tenet Healthcare, the main opponent and industry rival to Mt. Sinai. He said his firm also does printing for the church selling the subject property to Mt. Sinai, Jesus Cristo Todopoderoso. He said that, furthermore, he manages several warehouse properties for the church, located next to his printing shop. The subject property is a 3-acre parcel located at 6050 W. 20th Avenue, Hialeah, FL.

Gonzalez said that, initially, he did not feel that he had a conflict since he has no such relationship with the applicant, Mt. Sinai, but that after talking it over with his parents and noting that the application had become increasingly politicized, he consulted City Attorney Lorena Bravo and decided to recuse himself from the final, decisive vote. He said he filed the conflict memo as a precautionary measure, not because he felt it was required.

The Mt. Sinai application was approved on May 24 by a 4-1 vote with Councilwoman Isis Garcia Martinez voting in opposition. He said Councilwoman Katherine Cue-Fuente recused herself from the May 10 and May 24 votes because "she had a contract" with Palmetto General Hospital, which is run by Tenet Healthcare, an opponent of the application.

Gonzalez advised that political consultant Sasha Tirador “had a contract” with Tenet Healthcare with respect to the Mt. Sinai application. He said Tirador prepared at least two opposition mailers that were sent out to likely voters (known as “4s and 5s”), and believes that her consulting fees would have been \$25,000 to \$50,000 for this campaign.

Gonzalez said Tirador “didn’t lobby me,” but said he would not be surprised if she lobbied other council members – among them “her best friend” and staunchest ally on the city council, Councilwoman Isis Garcia-Martinez, who is rumored to be challenging Mayor Hernandez in next year’s municipal election. He said he was not lobbied by Tirador’s partner, Glenn Rice, in connection with the Mt. Sinai application.

A copy of the interview notes were sent to Council President Gonzalez for his review. He sent the following remarks in reply: *I just want to note that what Casals-Munoz requested was to have all future application to include owner on record as well as the applicant. Also that Garcia Martinez made a motion to approve this project on first reading and then campaign on radio and TV against it without hearing either side. This is all I guess. Thank you.*

Paul Hernandez, City Councilman
City of Hialeah, FL
July 12, 2016

Councilman Hernandez stated he was very engaged in the controversy over the Mt. Sinai zoning application because he has a congenital heart condition and is very interested in healthcare issues. He stated that he was very careful, however, to avoid discussing the application since it was a quasi-zoning issue and he did not want to be lobbied. He noted that he voted for the application on first reading and again on second reading. He said he felt that, as with most things, competition would be good for the healthcare marketplace.

Nonetheless, Councilman Hernandez said he received numerous emails for and against the proposed Mt. Sinai urgent care center – a majority of them against it. He said that many of the emails were from employees of existing hospitals led by Tenet Healthcare, and that they seemed to raise the same issues “over and over.” Foremost among the issues were concerns that patients treated at a Mt. Sinai urgent care facility could be transported to the Mt. Sinai Medical Center in Miami Beach instead of a Hialeah-area hospital operated by Tenet.

Councilman Hernandez stated he also received a phone call from a woman named “Irma” who identified herself as an executive at Palmetto Hospital and voiced her strong opposition to the proposed Mt. Sinai facility. He said he did not recall her last name, but that he told her he was not allowed to discuss the matter and eventually had to terminate the call.

He said he also received a phone call on the issue from political consultant Sasha Tirador, and that she called him while he was visiting family in Sarasota. He said he advised her he was not at liberty to discuss the Mt. Sinai application, but that she persisted and that they spoke mainly in general terms about the issue and that Tirador asked him “to keep an open mind.” He said he told her that he felt competition was good, and that he was going to wait until the public hearing and wait to “hear the merits of the case.” He said she never told him “This is what I

want you to do' or 'This is how I want you to vote.' I told her I can't discuss a zoning item. I can't discuss the merits of the application. I can't discuss the case."

Councilman Hernandez said the second reading of the item on May 24 was very spirited and that he was surprised that the CEO of Hialeah Hospital was literally "jumping up and down" in anger at the meeting. He said he did not recall the CEO's name, but was surprised by the amount of animosity and the reaction of the crowd for and against the item.

At the conclusion of the interview, COE requested copies of the emails to Hernandez, as well as the phone number used by Tirador to contact him prior to the zoning item.

Glenn Rice, consultant
Governmental Strategic Access LLC
Aug. 1, 2016

Mr. Rice acknowledged he and partner Sasha Tirador were working on behalf of Tenet Healthcare in opposition of the Mt. Sinai zoning application. He said he would be willing to meet with COE to discuss any possible violations of lobbyist registration provisions. He suggested that COE contact Tirador directly to request a meeting on this topic.

Mr. Rice later declined to accept an invitation by COE to discuss the issue.

During a previous encounter with Rice on June 9 unrelated to this investigation, Rice indicated he did discuss the Mt. Sinai zoning application with Mayor Hernandez,

Mr. Rice acknowledged he had recently had a falling out with Mayor Hernandez, and stated that he had since teamed up with political operative Sasha Tirador in a consulting venture. He was asked if they were working on the Mt. Sinai Medical Center zoning issue on behalf of Tenet Healthcare, the parent company of the two existing hospitals in Hialeah.

At the time, his reply was noncommittal, but Rice suggested the Mayor was betraying Hialeah and its residents by supporting the entry of Mt. Sinai into the Hialeah urgent care market. He argued that many of Hialeah's residents have died at Palmetto or Hialeah hospitals and that they should be considered part of the community's fabric, as opposed to Mt. Sinai.

Sworn Statement of Mayor Carlos Hernandez
City of Hialeah, FL
Sept. 28, 2016

During a sworn statement at the office of Attorney Tom Cobitz, Mayor Hernandez alleged Rice and Tirador attempted to lobby him on matters unrelated to the Mt. Sinai zoning application. Those issues have been or are being addressed in separate inquiries.

With respect to this application, Mayor Hernandez advised as follows:

Mayor Hernandez stated that Tirador did not lobby him on the Mt. Sinai zoning application because by the time the application came before the City Council for consideration in April to May 2016, they were no longer on speaking terms. He further stated that he had no recollection of Rice discussing the Mt. Sinai application with him.

Sasha Tirador, consultant
Governmental Strategic Access LLC
175 Fontainebleau Blvd, Suite 1-N6
Aug. 8, 2016

Ms. Tirador returned a phone message requesting a meeting to discuss the Mt. Sinai issue, and said she would consent to a meeting but requested it be held at her offices. She stated that she did not do any lobbying in connection with the Mt. Sinai zoning matter.

Ms. Tirador said she ran a “pure public relations campaign” and that the campaign focused on voters and not elected officials. She said the purpose of the campaign was to make it clear that the proposed Mt. Sinai urgent care center “was a bad idea” and that she did not attempt to lobby any Hialeah elected official because “their minds are already made up.”

Asked about the above-referenced conversation with Councilman Hernandez, Ms. Tirador stated that Hernandez is a client and she speaks to him regularly. She denied she attempted to lobby him in connection with the Mt. Sinai zoning application. She said she does not lobby politicians “because it’s the same as asking them for favors, and I don’t like to do that.”

Ms. Tirador indicated she had no need to discuss lobbyist rules with COE because it would be like somebody telling her how to bake a cake “and I am not a chef.”

Ms. Tirador was re-contacted on Nov. 30, 2016, to follow up on the previous request for a meeting. She said she would be willing to accommodate the request, but said she had to speak to her attorney, Jose “Pepe” Herrera, first and that she would get back to COE.

Mr. Herrera later shared these concerns with COE Executive Director Joe Centorino, which related to a possible voting conflict by Council President Gonzalez (see above).

Lorena Bravo, City Attorney
City of Hialeah, FL
March 27, 2017

Ms. Bravo advised she did speak with Council President Gonzalez regarding his possible conflict relating to the Mt. Sinai application. She said she did not recall the particulars, but thought she advised him to seek an opinion with the State Ethics Commission. She said she would speak to him at the next council meeting and get back to COE with more information.

Ms. Bravo re-contacted COE on April 6, 2017, and said that, with respect to Council President Gonzalez, she did discuss the matter with him and that at the time of the initial vote

(first reading) on April 26, 2016, Gonzalez was unaware of the involvement of his clients on either side of the dispute. (Note: One client, the Todopoderoso Church, was selling the subject property to Mt. Sinai and would stand to gain by the application's approval, while another client, Tenet Healthcare, was clearly opposed to the application.) She noted that Mt. Sinai was represented during that meeting by attorney/ lobbyist Javier Vazquez.

Ms. Bravo advised that, because the controversy over the application had not spilled into the public realm at that time, the only party identified on the initial agenda item was Mt. Sinai. "The adversity was only evident between the first and second reading," she said. "Tenet became vocal and hired an attorney to make its opposition known."

She identified Tenet's attorney as Felix Lasarte.

Ms. Bravo stated that, prior to this time, she had submitted a request for opinion to the Florida Commission on Ethics regarding any potential voting conflicts by Council President Luis Gonzalez as it related to his Hialeah-based printing business. She said that opinion, delivered in March 2015, was unrelated to the 2016 controversy over the zoning application.

Ms. Bravo further stated that, based on this opinion from Gray Schafer, a senior attorney with the Florida Ethics Commission, she advised Gonzalez to file an 8B Conflict Memo. She said that based on this opinion, Gonzalez could have a conflict if customers affected by a council vote were recurring customers who would foreseeably do business with him in the future. If the customers were past customers only, then no conflict would exist, she said.

"At that point, he decided to file the 8B memo. I helped him with the form. He announced it on the record and recused himself," Ms. Bravo said.

Felix Lasarte, attorney/ lobbyist

April 7, 2017

A phone message was left at the office of Mr. Lasarte on the above date. The purpose of the call was to inquire whether Lasarte did, in fact, represent Tenet Healthcare and to ask him about the role of Tirador, Rice and others ("Irma") with respect to the zoning issue.

An email was sent to Lasarte's associate Guillermo Cuadra on April 10, 2017, regarding the same. Cuadra had registered on behalf of two Tenet-owned hospitals.

Mr. Cuadra contacted COE on April 11, and advised that while he represented the two Tenet hospitals at the May 24, 2016, zoning hearing, he had no involvement with Sasha Tirador. He said he recalled seeing her at the event but had no interaction with her beyond that.

Document/Audio/Video Review:

COE obtained and reviewed copies of Hialeah City Council summary agendas for council meetings on April 26, May 10 and May 24 of 2016 – the dates for which the Mt. Sinai zoning application item appeared on the respective meeting agendas.

COE obtained a copy of the 2016 lobbyist registration list from the City Clerk’s office, and found only one registration that appeared to be linked to the Mt. Sinai zoning item – that of Guillermo Cuadra, who registered on behalf of Palmetto General and Hialeah hospitals.

COE reviewed a copy of an 8B Conflict memo obtained from the Hialeah City Clerk’s office file by City Councilwoman Katharine Cue-Fuente relating to her conflicting relationship with Tenet Healthcare, the main opponent to the Mt. Sinai zoning application. Councilwoman Cue-Fuente advised that she had accepted employment with Tenet the week prior to the May 10, 2016, vote on the Mt. Sinai zoning item. Accordingly, she said “this creates a conflict for me” and “therefore I will be abstaining from” voting.

COE reviewed a copy of an 8B Conflict memo obtained from the Hialeah City Clerk’s office filed by Council Vice President Luis Gonzalez with respect to his potentially conflicting relationship with entities on both sides of the zoning controversy (see notes above).

COE obtained a copy of a March 2015 letter from State Ethics Commission Senior Attorney Gray Schaefer in response to a request for opinion from Hialeah City Attorney Lorena Bravo on behalf of Council Vice President Luis Gonzalez regarding potential voting conflicts relating to his printing business. Based on this reply, Gonzalez filed a conflict memo for the matter at issue – the Mt. Sinai zoning application appearing on the April and May 2016 agendas.

Conclusion(s):

The investigation confirmed that Sasha Tirador, ran a large-scale public awareness campaign to oppose a zoning application that would allow Mt. Sinai entry into the city’s urgent care market. It is less clear whether she acted as an unregistered lobbyist on behalf of Tenet Healthcare. Tenet owns and operates the city’s two major hospitals – Palmetto General and Hialeah hospitals.

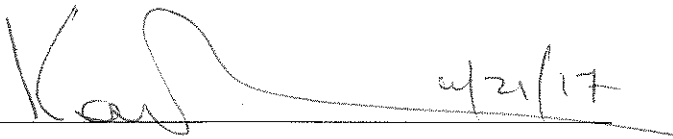
Elected officials interviewed in connection with this preliminary inquiry advised that Tirador and her associate, Glenn Rice, did not lobby them. However, in the case of one of these officials, City Councilman Paul Hernandez, it appears that Tirador did attempt to discuss the item. If her actions did not rise to the level of being considered lobbying, it is only because Councilman Hernandez said he did not wish to entertain a conversation on the topic.

With respect to Rice, it should be noted that Rice himself disclosed a conversation with Mayor Carlos Hernandez regarding Mt. Sinai's incursion into the local healthcare market. The Mayor, however, was unable to recall this conversation during a sworn statement.

The inquiry also examined potential conflicts surrounding the item involving two other members of the City Council – Councilwoman Katharine Cue-Fuentes and Vice Chairman Luis Gonzalez. A review of the conflict memos they filed and interviews with the City Attorney Lorena Bravo suggest that the memos were filed in a timely manner.

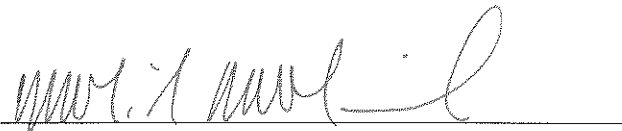
Councilwoman Cue-Fuentes advised in her memo that she was approached by Tenet with a job offer the week before the May 24, 2016, vote on the Mt. Sinai application. Hence, her vote on any previous agenda items would not have created a conflict of interest. Council President Gonzalez, similarly, indicated he only became aware of his potential conflict after the first reading of the item in late April, and that he immediately sought guidance once this changed.

Accordingly, it does not appear that further action is warranted at this time.

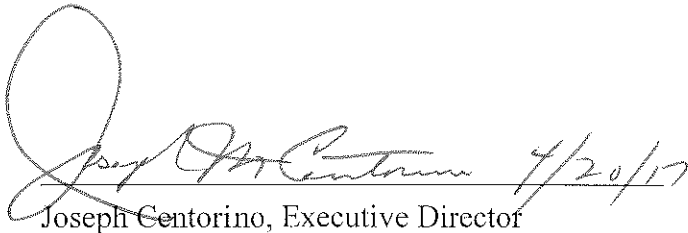
Handwritten signature of Karl Ross in black ink, with the date 4/21/17 written to the right of the signature.

Karl Ross, COE Investigator

Approved by:

Handwritten signature of Michael Murawski in black ink, with a horizontal line underneath.

Michael Murawski, Advocate

Handwritten signature of Joseph Centorino in black ink, with the date 7/20/17 written to the right of the signature and a horizontal line underneath.

Joseph Centorino, Executive Director