



Miami-Dade Commission on Ethics & Public Trust

Investigative Report

Investigator: Karl Ross

Case: PI 17-005 ¹⁵ ^{AP}	Case Name: Steven Alexander	Date Open:	Date Closed: CASE
Complainant(s):	Subject(s): South Miami City Manager Steven J. Alexander	Feb. 27, 2017	CLOSED Date: 3/7/17

Allegation(s):

It was alleged City Manager Alexander has an “active real estate business that may conflict with his position in South Miami, where he’s actively involved in running the CRA ...” Based on this information, a preliminary inquiry was opened to determine whether the allegation should be pursued.

Relevant Ordinances:

The Miami-Dade County Conflict of Interest and Code of Ethics Ordinance states in applicable part, Subsection (j), titled *Conflicting employment prohibited*, that “No person ... shall accept other employment, which would impair his or her independence of judgment in the performance of his or her public duties.”

In addition, Subsection (k), titled *Prohibition on outside employment*, states in applicable part that “No person ... shall receive any compensation for his or her service as an officer or employee of the [City], from any source other than the [City], except as may be permitted ...”

Investigation:

Interviews

Steven Alexander, City Manager

South Miami, FL

Phone: (305) 668-2510

March 2, 2017

This writer interviewed Mr. Alexander in his office at South Miami City Hall.

Mr. Alexander advised that he has not been active in real estate in over a decade. He said he obtained a license back in 1998, and for a short time worked as an agent for several real estate companies, including Terranova and Keyes. He said that, unlike most agents, he received a small salary. He said the companies were willing to pay him because he had previously served as an assistant city manager in Broward County and thought he would help with business development. He said the arrangement did not work out and he never made any sales.

Alexander said he stopped working in real estate shortly after moving to Miami-Dade County, and that his real estate license is current but inactive. He acknowledged this means he is not legally able to work as a real estate agent because his license is not activated through a real estate brokerage. He said that, prior to taking over as South Miami City Manager in January 2013, he worked as a consultant for several environmental firms. He said he listed one of those firms, Ygrene (the name is "energy" spelling backwards), on his past financial disclosure forms only because the company owed him money and he was expecting payment.

Alexander said he has had no other outside employment, and maintained that his above-noted consulting arrangements ceased shortly after he became City Manager. He said these prior arrangements were fully disclosed and vetted at the time he was hired.

Alexander said his only involvement with the South Miami CRA was when the CRA asked him to negotiate a deal with Family Dollar to bring the retailer to South Miami as part of an affordable housing, mixed-use project known as Madison Square.

He said the Madison Square project had been in the works for decades and that residents in South Miami's predominantly black neighborhoods had been clamoring for economic development. He said that Family Dollar, as part of the deal, will help finance 40 units of affordable housing. He said the company is willing do so without tax credits.

Alexander said the South Miami CRA does not report to the City Manager's Office and acts as an independent entity. He said he does not regularly attend CRA meetings and has little involvement in overseeing the entity's affairs. He said that, except for the Family Dollar development agreement, he has not been involved in any other transactions.

Document/Audio/Video Review:

A copy of City of South Miami resolution No. 110-14-14204 was added to the file, regarding the employment agreement between the City and Steven Alexander. The agreement – date May 20, 2014 – was for a term of three years with two, two-year options. The agreement states Alexander’s pay as City Manager would start at \$175,000 and increase up to \$185,000.

With respect to outside employment, Section 15, titled “Outside Activities,” holds that Alexander’s City service shall be his primary employment and that: “The City Manager may continue to receive residual compensation from activities prior to this Agreement ... No new revenue producing activities are permitted unless approved by resolution of the City.”

Copies of Outside Employment Requests were also provided showing that Mr. Alexander received permission to serve as a consultant for three entities – Ygrene Energy Fund Florida, Alexander Global Communications, and Luxxad, an energy efficient lighting wholesaler.

Copies of records with the Florida Department of Business and Professional Regulation were added to the file, showing that Mr. Alexander has a “current, inactive” license.

On March 6, 2017, COE examined the City of South Miami’s webpage as retrieved from the following address: <http://www.southmiamifl.gov/index.aspx?NID=204>. It showed that the city’s CRA (SMCRA) was established in 1997 and was extended in 2005 through 2020. The city’s elected officials serve as its board of directors. The SMCRA Director is Stephen A David, and the agency has two staff members – James McCants and Lorraine Council. There is no reference to South Miami City Manager Alexander serving in an official capacity.

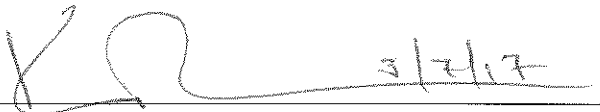
Conclusion(s):

Given that Mr. Alexander does not have an active real estate license and does not have any known outside employment, there does not seem to be any basis for the tip regarding an alleged conflict of interest due to alleged real estate activities relating to the SMCRA.

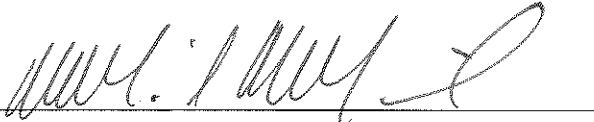
Furthermore, since Alexander does not have any official involvement with the city’s CRA, the allegations would also seem to be unfounded as no conflict would exist.

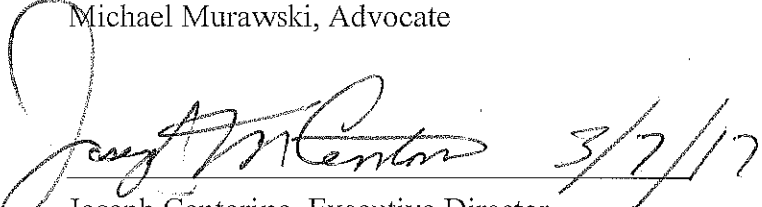
The Manager’s contract clearly states that any outside employment would have to be approved by the South Miami City Commission and there is nothing on file relating to real estate. It should be further noted that Mr. Alexander cannot legally practice real estate without activating his state of Florida Sales Associate License, No. SL658882.

Absent any available information suggesting otherwise, the preliminary inquiry did not find evidence to support the allegations and, accordingly, this matter should be closed.


Karl Ross, COE Investigator

Approved by:


Michael Murawski, Advocate


Joseph Centorino, Executive Director