

Sanchez, Rodzandra (COE)

From: Diaz-Greco, Gilma M. (COE)
Sent: Thursday, January 25, 2018 10:47 AM
To: Sanchez, Rodzandra (COE)
Subject: , Craig Emmanuel, Board member, MDEAT (Conflict of Interest) INQ 18-18

INQ 18-18 Emmanuel

From: Turay, Radia (COE)
Sent: Wednesday, January 24, 2018 4:26 PM
To: 'Craig Emmanuel' <craigemmanuel@gmail.com>; Johnson, Eric (MDEAT) <Eric.Johnson2@miamidade.gov>
Cc: Centorino, Joseph (COE) <Joseph.Centorino@miamidade.gov>
Subject: RE: INQ 18-18, Craig Emmanuel, Board member, MDEAT

Dear Mr. Emmanuel,

You have inquired whether a prohibited conflict of interest exists where you a Board member of Miami-Dade Economic Advocacy Trust (MDEAT), will receive compensation through a real estate transaction in which the buyer of the property will utilize Down Payment Assistance Dollars administered through MDEAT.

Background

- You are an uncompensated, volunteer, Board member of MDEAT.
- You are also a real estate professional, licensed as a broker for you own company, Commercial Realty Advisors & Investment Group (CRAIG).
- Through your company, CRAIG, you listed a property for sale, received an offer, and will be compensated as the listing agent of a property for which the Buyer will use Down Payment Assistance Dollars that are administered through MDEAT Homeownership Assistance Program (HAP) Initiative.
- The HAP Initiative is designed to address the need of low/moderate income families in Miami-Dade County by providing down payment and closing costs assistance to purchase their first home. It utilizes documentary surtax dollars to provide funds in the form of a 0 percent-interest, non-amortized (no payment) mortgage. The HAP loan is forgiven if the borrower owns and occupies the property for 10 years without doing a cash-out refinance.
- It is our understanding that a buyer's application for the HAP program is usually submitted by the buyers HAP approved Lender, Loan Officer, or Title Company, not a realtor. The application is reviewed by an MDEAT housing staff member for approval.
- It is also our understanding from our discussion with MDEAT staff, that the MDEAT Board of Directors does not have any input or oversight over the day-to-day operations of the HAP program. It does not review any of the applications submitted, nor does it approve/vote on whether buyers receive the funding or not.
- The MDEAT Board of Directors role is limited to (1) determining the amount of funds the HAP Initiative provides to applicants (dollar amount determined as a program, and not on an individual applicant basis); and (2) approving the total dollar amount of HAP loans forgiven on a yearly basis.

Analysis

The following provisions of the County Ethics Code would govern the facts presented:

- Section 2-11.1(c)(3) prohibits a board member from contracting with any County department or agency that is subject to the regulation, oversight, management, policy-setting, or authority of the board on which they serve.
- Section 2-11.1(g) prohibits a board member from using his or her County board position to secure special privileges or exemption for himself/herself or others.
- Section 2-11.1(h) prohibits a board member from disclosing confidential information acquired by reason of his or her board position.
- Section 2-11.1(m)(2) prohibits a board member, either directly or through an associate from appearing before the board on which he or she serves to make a presentation or seek a benefit (ie. grant or other source of funding) on behalf of a third party. This means that the board member must not “lobby” or try to influence or persuade his/her board for the benefit of a third party.
- Section 2-11.1(n) prohibits a board member from participating in any official action affecting a business in which he or she or any member of his or her immediate family has a financial interest.
- Section 2-11.1(v) prohibits a board member from voting on matters presented to the board on which the member sits IF the board member would be directly affected by the action of the board he or she serves and he or she has any of the following relationships with the third party: (i) officer, director, partner, of counsel, consultant, employee, fiduciary or beneficiary; or (ii) stockholder, bondholder, debtor or creditor. Consequently, a member of a board may not participate or vote on matters concerning a third party where he or she is an officer.

Based on the information that you have provided, it does not appear that prohibited conflict of interest exists because:

- You are not seeking to contract with MDEAT;
- You will not prepare or submit the buyer’s application to MDEAT, as this is done by the Buyer’s lender and loan officer;
- You will not appear before the MDEAT board of Directors or County personnel to make a presentation or to seek a benefit on behalf of yourself or others;
- The MDEAT Board of Directors of which you are a member does not have any input or oversight, or management over the day to day operations of the HAP program; and
- You will not participate in any official action affecting the buyer’s HAP application because the MDEAT board does not review any of the applications submitted to the HAP initiative nor does it approve or vote on whether a buyer receives HAP funding.

We recommend that in order to avoid the appearance of impropriety, although not directly prohibited by the County Ethics Code, it would be advisable in your role as the seller’s realtor, that you do not participate in any discussion relating to the buyer’s application or receiving funding through the HAP Initiative.

This opinion is based on the facts presented. If any of the facts change, please contact us.

Sincerely,

RADIA TURAY

Staff Attorney
Miami-Dade Commission on Ethics and Public Trust
19 W. Flagler Street, Suite 820
Miami, FL 33130
Tel: (305) 350-0601
Fax: (305) 579-0273
Ethics.miamidade.gov

From: Turay, Radia (COE)
Sent: Wednesday, January 24, 2018 4:23 PM
To: 'Craig Emmanuel' <craigemmanuel@gmail.com>; Johnson, Eric (MDEAT) <Eric.Johnson2@miamidade.gov>
Cc: Centorino, Joseph (COE) <Joseph.Centorino@miamidade.gov>
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Sincerely,

RADIA TURAY

Staff Attorney
 Miami-Dade Commission on Ethics and Public Trust
 19 W. Flagler Street, Suite 820
 Miami, FL 33130
 Tel: (305) 350-0601

Fax: (305) 579-0273
Ethics.miamidade.gov

From: Craig Emmanuel [<mailto:craigemmanuel@gmail.com>]
Sent: Monday, January 22, 2018 2:36 PM
To: Turay, Radia (COE) <Radia.Turay@miamidade.gov>
Subject: RE: Opinion

1) Does the board of MDEAT have any involvement in:

- a. determining which buyers receive the Down Payment Assistance Dollars **No**
- b. how the funds are administered, or

We could but it has not been an agenda item since I have been a member of the Board, 2015.

- c. provide any oversight over the program?

The Board in general does have oversight, but generally not involved in day to day operations. There have been Board members present and past that have been active in assisting in processing files.

2) As part of your duties at MDEAT, will you have to vote to approve the Buyers receiving the funding

No

3) Please provide the best telephone number at which I can reach you.

305.502. 8217

On Jan 22, 2018 2:19 PM, "Turay, Radia (COE)" <Radia.Turay@miamidade.gov> wrote:

Good afternoon Mr. Emmanuel,

My name is Radia Turay. I am a staff attorney at the Miami-Dade Commission on Ethics and Public Trust. I was assigned to handle this request for opinion. In order to better assist you please provide responses to the questions below:

1) Does the board of MDEAT have any involvement in:

- a. determining which buyers receive the Down Payment Assistance Dollars
- b. how the funds are administered, or

c. provide any oversight over the program?

2) As part of your duties at MDEAT, will you have to vote to approve the Buyers receiving the funding

3) Please provide the best telephone number at which I can reach you.

Thanks,

RADIA TURAY

Staff Attorney

Miami-Dade Commission on Ethics and Public Trust

19 W. Flagler Street, Suite 820

[Miami, Fl 33130](#)

Tel: [\(305\) 350-0601](tel:(305)350-0601)

Fax: [\(305\) 579-0273](tel:(305)579-0273)

Ethics.miamidade.gov

From: Craig Emmanuel [<mailto:craigemmanuel@gmail.com>]

Sent: Wednesday, January 17, 2018 3:08 PM

To: Ethics (COE) <ethics@miamidade.gov>

Subject: Opinion

Good Afternoon,

My name is Craig Emmanuel, I am a Board member of Miami Dade Economic Advocacy Trust. I am also the past Chair of the Housing Advocacy Committee within MDEAT.

I am a real estate professional, licensed as a Broker of my own company, Commercial Realty Advisors & Investment Group. My general clientele are investors. I recently received an offer on a property listed by my company, the property is owned by an investor and the Buyers will be utilizing the Down Payment Assistance Dollars that are administered through MDEAT. The Buyer is represented by another Realtor that is not affiliated with my office. I did not recommend the Down Payment Assistance Program to the Buyer nor the Seller nor the Buyer's Real Estate Agent.

This is the first transaction that I have been involved in where the transaction utilizes MDEAT funds to close a transaction. I will be compensated through commissions that will be paid out of the closed transaction. Real Estate commissions are in general a percentage of the contract price. The contract price on this transaction is \$180,000. Commission will be 3% of the contract price, \$5,400. I will not be compensated otherwise.

Thank you in advance for your Opinion on this matter! I look forward to your response.