



# Palm Beach County Commission on Ethics

**Commissioners**

Edward Rodgers, *Chair*  
Manuel Farach, *Vice Chair*  
Robin N. Fiore  
Ronald E. Harbison  
Bruce E. Reinhart

**Executive Director**

Alan S. Johnson

May 6, 2011

David Schwartz, Project Coordinator  
PBC Department of Housing & Community Development  
100 Australian Avenue  
West Palm Beach, FL 33406

Re: RQO 11-013  
Prohibited Contractual relationships

Dear Mr. Schwartz,

The Commission on Ethics considered your request and rendered its opinion at a public meeting held on May 5, 2011. The opinion rendered is as follows:

YOU ASKED in your e-mail of March 23, 2011, whether the code of ethics prohibited PBC Department of Housing & Community Development (HCD) from offering loan assistance to an applicant who is related to the Vice Mayor of Pahokee. This matter was considered at a public meeting held on April 7, 2011 and continued to May 5, 2011.

IN SUM, the Commission on Ethics does not currently have jurisdiction over municipal employees or officials of Pahokee and, therefore, cannot comment on the appropriateness of entering into a loan agreement for residential rehabilitation between Palm Beach County and an applicant and resident of Pahokee who is the sister-in-law of the vice-mayor of Pahokee.

THE FACTS as we understand them are as follows:

You are the Community Development Project Coordinator for HCD. One of your duties involves coordinating a residential rehabilitation program that offers deferred repayable loans to qualified owners of certain residential properties within Palm Beach County for the purpose of repairing their properties to meet applicable housing and building code standards. These loans are funded by the U.S. Department of Housing and Urban Development. All approvals for rehabilitation loans under this program lie with Palm Beach County, through the Director of HCD.

HCD offers these loans to qualified persons living in Pahokee (and certain other municipalities) under inter-local agreements, where the municipality receives funds for assisting in the application and repair inspection process. Prior to submission to HCD, the municipality receives the application from the resident, checks it to ensure it is properly completed, verifies both ownership of the property and residency of the applicant, and once repairs begin, inspects the work of the contractor to ensure it meets all building standards.

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Ms. Mattie Crawford, a resident of Pahokee, is an applicant for this HCD program and you advised that her brother-in-law, Henry Crawford, serves as the Vice-Mayor of Pahokee.

THE RATIONALE for the determination that it would be inappropriate for the Commission on Ethics to opine based upon the facts and circumstances submitted is grounded in the lack of jurisdiction over the parties to a significant segment of the transaction. While County employees have final discretion over who receives financial assistance, Pahokee employees have at least some discretion over the submission and review process. At this time, the commission cannot opine regarding the relationship between the recipient and her brother-in-law, the Vice-Mayor of Pahokee. Without being able to investigate both sides of the transaction, the Commission would be remiss in recommending that the county take or not take any action at this time.


It is anticipated that by June, 2011 the county-wide Code of Ethics will be extended to all municipalities within Palm Beach County and once municipalities are within its jurisdiction, the Commission on Ethics will have the ability to scrutinize municipal transactions. While any potential violation of the code would depend upon the facts and circumstances of events and transactions, the Commission on Ethics cannot advise, even those county officials currently under our jurisdiction, on matters where the entire transaction cannot be properly addressed.

IN SUMMARY, based upon the facts and circumstances as submitted, at this time we do not have jurisdiction to determine whether or not there is a conflict of interest.

This opinion construes the Palm Beach County Code of Ethics Ordinance, but is not applicable to any conflict under state law. Inquiries regarding possible conflicts under state law should be directed to the State of Florida Commission on Ethics.

Please feel free to contact me at (561) 233-0724 should you have any further questions in this matter.

Sincerely,

  
Alan S. Johnson  
Executive Director  
Commission on Ethics

ASJ/mcr/gal