

IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT  
OF FLORIDA IN AND FOR THE COUNTY OF DADE

SPRING TERM A. D. 1984

FINAL REPORT OF THE GRAND JURY

FILED

FEBRUARY 6, 1985

Circuit Judge Presiding

Chief Judge

GERALD T. WETHERINGTON

Officers and Members of the Grand Jury

MILTON D. VICKERS, Foreperson

WALTER PALEVODA, Vice Foreperson

MARIANNE ROMANO, Clerk

CAROLYN WITTENBERG, Assistant Clerk

RICHARD W. PATCHETT, Treasurer

OLDRICH J. BALIK

WILLIAM D. BORRIES

BEATRICE BRADSHAW

ALBERT CIANCIOSI

HELEN COLIN

WILLIAM L. LIGON

HOWARD MANNING

JUNE A. MONCUR

JOHN H. SHERMAN

ADRIANNE D. STOKELING

ISAAC WEIS

CECILIA WITKIN

JUDY A. YOUNG

\*\*\*\*\*

State Attorney

JANET RENO

Chief Assistant State Attorney  
for Administration

THOMAS K. PETERSEN

Assistant State Attorneys

GERTRUDE NOVICKI

RUSS KILLINGER

\*\*\*\*\*

Clerk of the Circuit Court

RICHARD P. BRINKER

\*\*\*\*\*

Administrative Assistant

MADELINE CAMP

\*\*\*\*\*

Official Court Reporting

NATIONAL REPORTING SERVICE

\*\*\*\*\*

Bailiff

ROB KOEPPPEL

I N D E X

<u>SUBJECT</u>	<u>PAGES</u>
COMMISSIONER JOSEPH CAROLLO	1-2
MINORITY ENTERPRISE DEVELOPMENT	3-16
MIAMI BEACH FIRE CODE ENFORCEMENT	17-23
INDICTMENTS	24-31
ACKNOWLEDGEMENTS	32

COMMISSIONER JOSEPH CAROLLO

Pursuant to the provisions of Florida Statutes Section 905.28, publication of the Dade County Grand Jury Report on Commissioner Joseph Carollo will be withheld until a later date.

## MINORITY ENTERPRISE DEVELOPMENT

### I. MINORITY ENTERPRISE DEVELOPMENT IN FLORIDA AND IN DADE COUNTY

In December of 1984, the Initial Report of the Governor's Advisory Council on Minority Business Development was published. The Advisory Council's Report, as we shall indicate later in our Report, is an extremely thorough and important document which contains findings and recommendations that are of critical importance to the State of Florida and to the County of Dade. The Report opens as follows:

It is time for the State of Florida candidly to recognize the dimensions of the problems of race. The available statistical data confirms the obvious: society has not eradicated the vestiges of centuries of legally authorized racial discrimination. The Council urges that the Governor and the Legislature make a forthright, unapologetic statement that the time has come to marshal the authority and resources of the State of Florida to eliminate the socially crippling, morally unjust, and economically demeaning disparities between blacks and other Floridians...

This report reflects the Council's belief that government-backed efforts to diversify the ethnic composition of America's free enterprise system and, far more thoroughly and dramatically than a plethora of expensive social programs, improve race relations and treat the lingering symptoms of past deprivation...

The Council comprehends that Hispanics, other ethnic minority groups and women, also the subjects of invidious discrimination, have been inspired by the Civil Rights Movement to view their plights by analogy to the black experience. The Council recognizes the legitimacy of these aspirations and has suggested that women and minorities other than blacks be eligible for most of the programs proposed. Nevertheless, it is essential at this historical juncture that Florida's minority enterprise strategy place top priority on advancing the economic status of blacks. Agencies should be cautioned that successes in aiding non-minority females and minorities other than blacks do not substitute for achievement of the goal of increasing black participation.

To illustrate the low level of economic activity of Black-owned businesses, even as compared to other minorities, the Report points out that in 1984 the nearly 20,000 Hispanic-owned companies in the Miami area would do in excess of \$7.5 billion worth of business, while the approximately 600 Black businesses were expected to produce only \$25 million in goods and services. And, to further illustrate the embryonic state of Black business development in Miami, it should be added that five out of every six of the approximately 600 black businesses had no paid employees.

The evidence is clear, compelling and alarming. It fills the pages of consultant reports and of judicial opinions. The widely respected Economic Adjustment Plan for the Civil Disturbance Areas of the City of Miami and Dade County (the "Janus Report") prepared by Janus Associates includes the following:

The Black community presently lacks the tools of development necessary for economic growth and the confidence that economic progress can occur. There are few capital instruments in and for the Black community and few strong, experienced and well-supported Black economic and business development organizations. Entrepreneurial development is minimal, and there are few models of business success to inspire and provide examples for potential businesspersons...

Against the background of a thriving, growing regional economy, the economic and demographic profile of the Black community of Dade County projects a contrasting picture. Alone among the three major population groups, Blacks have not participated equitably in this general prosperity or in the major growth sectors, in terms of either jobs or business development...

Janus' assessment is that the Black community of Miami remains frustrated and explosively volatile, and that only a sustained, all-out effort to remove the disparities that separate Blacks from the rest of the community will reverse this deeply entrenched mood.

The Honorable James Kehoe, United States District Court Judge for the Southern District of Florida, wrote the following in his opinion dealing with the constitutionality of Dade County's set-aside ordinance:

After reviewing all of the evidence presented in the various reports and studies introduced into evidence, the Court expressly finds that the economic condition of the Black community in Dade County is serious. The county manager's description that a state of public exigency exists in Dade County is not unfounded.

In the pages that follow we will discuss terms such as "set-asides," "enterprise zones" and "CDCs." These terms are foreign to all but a few. It is tempting to disregard reports which use such terminology and to leave these matters to economists and financiers. Yet to do so is to disregard realities which affect us all: the state of Black economic development in our community is best described as a wasteland upon which past vitalization efforts -- the term "revitalization" seems totally inappropriate -- have made but a small impact. Those of us most affected, of course, reside in the inner-city. Poverty, unemployment, dependence upon inadequate welfare support, family disintegration and academic failure and frustration are the burdens borne disproportionately by residents of Liberty City, Overtown, Black Coconut Grove and those other enclaves of inequity. Outside of these enclaves, the remainder of Dade County will continue to bear the burden of unacceptable crime rates and the costs of social services. We, unless we address issues related to Black inner-city vitalization, will all bear the responsibility for a de facto segregated society in which equality of opportunity is the myth and inequality the reality.

If we are to become bored and apathetic with regard to the economic jargon associated with the drab-sounding topic of inner-city economic development, we should be prepared to pay a heavy price for our apathy.

## II. BLACK ECONOMIC VITALIZATION: THE PUBLIC SECTOR

As might be expected, the Black economic vitalization process consists of a combination of federal, state and local action (or, all too often, inaction). The principal initiatives are as follows:

(1) Federal: It should come as no surprise that the federal commitment to the goal of Black economic vitalization has dwindled to the point of atrophy. The Community Development (CD) Block Grant Program in 1974 consolidated the federal urban renewal, neighborhood facilities, open spaces, basic water and sewer facilities and Model Cities programs. The Community Development Program's objective was to allocate federal assistance to the state and local governments in the form of block grants, thus placing the decision making power with respect to how these monies were to be spent at the local level. Since the program's inception, Dade County's allocation of community funds has declined considerably. In 1975 the County received \$22.5 million. The 1984 entitlement allocation is \$16.6 million. The CD Program is administered, by all accounts quite capably, by the Metro-Dade Community and Economic Development Department.

The 1984 CD plan allocated four million dollars (20%) to economic development, with the remainder going to housing, capital improvements, public services and administration.

The Reagan administration's proposed 1985-1986 budget cuts, which would eliminate most venture capital programs which exist within the federal government, such as the Small Business Administration, and severely curtail the Community Development block grants, indicates an intent on the part of the Administration to abdicate any responsibility in the area of minority economic development.

The viability of CD monies as a means toward Black economic vitalization is compromised not only by the reductions in funding, but also by the fact that much of the available funds have been spent, within the Black community, to bring the community infrastructure (sewers, streets, sidewalks, etc.) to acceptable levels, which levels have previously already existed in the non-Black community. This fact, in turn, lowers the visibility of community progress attributable to CD funds within the Black community.

In addition to Community Development block grants, a second major federal strategy for vitalization involves the creation of so-called Enterprise Zones. The underlying concept of enterprise zones, according to the federal description is "to create an environment conducive to economic revitalization and job creation in distressed areas through relief from taxes, regulations and other governmental burdens, improving municipal services and infrastructure and involving private entities and neighborhood organizations. Because the program is based on the concept of removing government burdens rather than providing government subsidies, it requires no federal appropriations. Local and state governments are to nominate areas for Federal Enterprise Zone designation. Within designated Zones the Federal government will offer major tax incentives and regulatory relief to stimulate job creation, business growth, and physical revitalization." The incentives would include eliminating capital gains taxes on investments within zones, investment tax credits, and employer tax credits for hiring disadvantaged workers.

Congress has not yet enacted the federal legislation which would implement this concept. However, Florida is one of approximately twenty states which have adopted enterprise zones legislation. Statewide more than one hundred enterprise zones have been created, with twenty-one of them in Dade County. The objective in Dade is to increase minority employment through the development of electronic

assembly, garment industry expansion and service firms. It is probably premature to attempt to assess the experiment's achievements.

The approach, we note, is passive. The concept will probably not result in the opening of new or relocated businesses in areas of the inner-city which do not present viable markets. The concept, however, may assist businesses already located in the inner-city to survive or expand. However, a significant setback to the concept occurred when Dade County failed to gain approval for a local property tax abatement referendum for industrial development in low income areas.

(2) State: The State of Florida's commitment to inner-city vitalization has been at best half-hearted and erratic. In 1980 the Legislature reacted to the Dade County Civil disturbances by creating a Revitalization Board to which it never appropriated a sufficient budget, thus assuring that effort's failure once its funding was completely eliminated in 1982. The Legislature also, however, did create a number of community-based Community Development Corporations which have received annual appropriations.

The CDCs were each created with identical annual budgets of \$100,000. Miami Capital Development and the Economic Development Corporation of Dade County (EDCO) were CDCs created to make venture capital loans. The fact that both of these entities have had their records seized by government investigators, and that their achievements have been of questionable benefit to Black entrepreneurs, is particularly unfortunate.

A major means by which units of government may promote minority economic development, as well as a major means by which they may demonstrate a commitment to that process, is by maximizing minority participation in contracts awarded to minorities for commodities, professional services and construction. The performance of Florida state agencies, as assessed by the already

mentioned Governor's Advisory Council on Minority Enterprise Development, has been dismal:

In light of the laws and resolutions encouraging agencies to increase minority participation in procurement programs, the absence of readily available, accurate information about agency performance is remarkable and troubling. If the agencies have not previously measured their performances, there are sound reasons to fear that they still have not committed themselves to achieving the goals articulated by the Legislature, the Governor, and the Cabinet.

Recently generated data reveal that state agencies have made little progress toward the goal of increasing the number and value of contracts awarded to minorities for commodities, professional services, and construction. In the area of affirmative action, organizations criticized for deficient performances regularly respond by attacking the accuracy of the data relied upon by the critics. Although one might expect some debate about the details of the data cited below, the overall picture is sufficiently clear to substantiate the Council's finding that minorities remain minimally involved in state procurement programs even though the formal barriers to minority participation were lowered with the enactment of Civil Rights Legislation two decades ago.

To illustrate the paucity of contracts awarded by the State to minority businesses, consider for example the startling fact that for the quarter ending September 30, 1984, state agencies made less than one percent of total purchases from minority enterprises. And only one-quarter of that one percent were to Black minority enterprises.

(3) Dade County: Dade County government, we expressly find, is demonstrating a commendable and visible commitment to Black economic vitalization.

This commitment is nowhere more clearly demonstrated than in the so-called "Set-aside Ordinance" enacted by the County Commission in 1982. This ordinance was held to be constitutional by the federal courts in 1984. A "Set-aside" is defined as the designation of a given contract for competition solely among Black

contractors. The ordinance provides that set-asides shall be considered in those contracts wherein at least three certified Black prime contractors with the capabilities consistent with the contract requirements exist. This "set-aside" may be coupled with a goal of 50% of the dollar value of the contract work being allocated to Black subcontractors. The "Set-aside" Ordinance, we strongly believe, represents a major step forward and a model for other communities as well as for the State of Florida.

Dade County and the City of Miami, whose Overtown-Park West Redevelopment Project in Overtown is particularly ambitious and commendable, appear to us to be making progress in the attempt to enhance Black economic vitalization. Unfortunately, their efforts are hindered by the uncoordinated nature of public and private initiatives toward that objective. Not only are the initiatives lacking even the most basic coordination, but the philosophies of the various efforts are often incompatible or inconsistent. Basic strategic questions remain unaddressed or unresolved: it has long been an assumption, for example, that the Black inner-city should provide the sites for Black business development and Chambers of Commerce have historically aimed their limited efforts in that direction. The question, quite appropriately, arises as to whether that sort of initiative in fact compounds the problem of the lack of Black entrepreneurs by limiting their markets to areas in which sufficient buying power is simply non-existent, which is a flaw implicit in the enterprise zone concept, as mentioned above. And by premising vitalization efforts upon the assumption that Black businesses shall be restricted to Black communities, are we not at the same time dooming these ventures to uncertainty and failure and perpetuating a segregated society, to say nothing of satisfying the possibly selfish motives of those entrepreneurs outside the inner-city who wish to restrict competition within their own spheres of activity?

It is basic that businesses can only thrive when and where markets exist, and that markets exist where the more affluent consumers reside and do business. Yet it appears that, all too often, this seemingly elementary consideration is overlooked with eventual unfortunate consequences.

There are many such philosophical areas in which it appears to us that there has been little consideration given to the reaching of a consensus on objectives, another being whether the goal of vitalization should be the creation of new Black businesses or rather the expansion of already existing small entrepreneurs. Obviously we need both, and an acceptable vitalization plan should address in a coherent fashion each of these priorities.

A model for a coordinated economic development effort is provided by our Downtown Development Authority. Our Black vitalization effort should and must identify one entity to provide that coordination and unification. As we will suggest below, the Metro-Miami Action Plan seems to provide the ideal forum to provide that initiative

### III. THE PRIVATE SECTOR AND THE COMMUNITY

The Greater Miami Chamber of Commerce has taken positive steps in the vitalization effort in the aftermath of the 1980 disturbance. Specifically it has generated in excess of two million dollars in seed capital funds, and loans to fifteen entrepreneurs have been made totalling \$800,000. This effort has been coordinated by the Business Assistance Center, which is criticized by some for using the same loan standards as private commercial banks.

Yet limited access to capital continues to provide the primary obstacle to Black business development or expansion. Public or quasi-public entities such as the Business Assistance Center, Miami Capital Development and DEEDCO, are attempts to meet

this overriding need. These efforts have been consistently criticized for using overly conservative loan policies which fail to differentiate them from private financial institutions. If true, this conservatism would deny the potential Black entrepreneur the risk venture capital that must be available if we are to create viable and successful Black entrepreneurs. Yet, irrespective of the lending policies of quasi-public agencies, the sad reality is that the private financial sector, with a few notable exceptions, has not only failed to assist in the vitalization effort, but has in fact represented an impediment to that effort.

The development of a Black entrepreneurial class in Dade County is of vital importance and represents an absolutely essential prerequisite to the solution of the interrelated problems of poverty, crime, inadequate education and family disintegration which plague our inner cities and which detract from the quality of life of our entire community. The private financial sector must acknowledge its moral obligation to provide venture capital, and risk venture capital, to the vitalization effort. And the obligation need not be merely moral. Potential Black entrepreneurs have historically been denied venture capital loans based upon lack of collateral and lack of business experience. Yet financial institutions must recognize that a market exists within the Black community and that the Black consumer represents an extremely viable entity which can best be captured by the Black entrepreneur.

The City of Atlanta, as a prerequisite for the deposit of City Funds in private financial institutions, requires that those institutions demonstrate a record of proportionate loans to Black entrepreneurs. We feel strongly that the same practice should be instituted by Dade County and the City of Miami, as well as all other of Dade's municipalities.

An additional imperative relates to crime and law enforcement. It is absolutely unrealistic to expect economic development in a neighborhood replete with crime, prostitution and overt drug transactions. To open a business in such an environment is to ensure failure. A Black business development effort cannot be undertaken without a simultaneous community wide attack upon those intolerable circumstances which deter law-abiding residents from walking the streets, let alone shopping at an enterprise upon those streets. We applaud City of Miami Police Chief Clarence Dickson for his new attack upon street drug dealers.

#### IV. FINDINGS AND RECOMMENDATIONS

(1) We fully agree with the statement of the County Manager that the condition of Black economic development in Dade County is in a state of public exigency. We have already found the evidence to be clear, compelling and alarming. The federal government has done little or nothing to alleviate this situation and its present commitment to severely curtail social programs without the existence of, or basis for the creation of, a Black entrepreneurial class appears to insure the perpetuation of poverty and inequality in our community, as well as nationally.

(2) The Janus and Associates Report, mentioned previously, made a series of important recommendations in its Economic Adjustment Plan. The first of these recommendations was for the creation of a single coordinating authority for the implementation of an overall economic development strategy. Janus recommended that the state-created Community Revitalization Board assume that role. High hopes for the Revitalization Board were also implicit in the initial MMAP Report which, in 1982, recommended that the Greater Miami Chamber of Commerce purchase ten million dollars worth of goods from Black vendors each year and further recommended that this undertaking be monitored by the Revitalization Board. The

Board, a victim of the State Legislature's failure to fund it (in the face of the Governor's recommendation for adequate funding), is now defunct. Our firm finding, and our strong recommendation, is that one clearly identified coordinating agency be identified to oversee and administer the entire vitalization effort and to issue regular reports as to progress and problems. The Office of the Metro-Miami Action Plan should be that entity and the County and City of Miami should agree to invest them with that authority.

(3) The 1984 Metro-Miami Action Plan, in its economic development section, contains twenty-four "short-term," twelve "intermediate term," and four "long-term" recommendations. It appears that while a number of these recommendations have been implemented, many have not, through no fault of the Metro-Miami Action Plan. What is even more troubling is that it is extremely difficult, even impossible, to determine exactly what has been done with respect to these proposals. These proposals are cogent and must be implemented, with regular status reports. What is of particular concern is the evident lack of real commitment by our large and growing corporate community to the Metro-Miami Action Plan efforts.

We have alluded to the need for a coherent and consistent philosophical and programmatic approach to Black economic vitalization. We have found that, all too often, the various agencies involved in the vitalization process operate without such coordination and without a consensus as to both means and objectives. The need for one coordinating and unifying agency is obvious, and it is equally obvious to us that the Office of the Metro-Miami Action Plan should be that agency.

(4) We applaud the initial Report of the Governor's Advisory Council on Minority Enterprise Development. The State Legislature should adopt the findings and recommendations of the Council and enact the necessary legislation to implement them.

(5) The State of Florida can also increase its commitment to inner-city vitalization by a review and consolidation of the community development corporations. The existence of numerous CDCs, each with limited resources, may not be the most appropriate means for dealing with venture capital or high risk loan funds. However, one CDC per County, permitting the consolidation of wider resources would create a unitary venture-risk capital program that would provide enhanced services through consolidation of resources.

(6) All of Dade County's municipalities, from Homestead-Florida City to Opa Locka, must recognize that Black economic vitalization is a community-wide problem, and all of the municipalities must participate in the vitalization process.

(7) We have mentioned earlier the Atlanta procedure for requiring a demonstration of a suitable performance record of loans made to Black entrepreneurs as a prerequisite for the deposit of City funds in financial institutions. We urge that the County, the City of Miami, and all other municipalities institute this practice.

(8) We have also endorsed City of Miami Police Chief Clarence Dickson's offensive against street drug dealers. We strongly recommend that the Metro-Dade Police Department, particularly in the Southwest, Northwest and Central Districts, as well as Dade's other municipalities, implement similar initiatives.

(9) We have endorsed race-conscious set-asides as laudible vehicles for the enhancement of Black economic vitalization. Set-asides promote Black entrepreneurial development without increasing taxes. The City of Miami and all other Dade municipalities should consider the enactment of race-

conscious set-aside ordinances similar to the County's. Black inner-city vitalization requires result oriented commitment. It is not enough to express the virtue of equal opportunity unless there is an accompanying commitment to tangible results.

(10) Dade County and the City of Miami, we recommend, should consider the depositing of one half of their revenue sharing funds in the Black owned People's National Bank of Commerce and in any other Black financial institutions which may subsequently come into existence.

## MIAMI BEACH FIRE CODE ENFORCEMENT

### I. INTRODUCTION

The subject of fire code enforcement is of vital significance to all people everywhere. But nowhere is this significance greater than where the population is elderly or impaired and where the buildings in which they live are old and in decay.

Consider the population of Miami Beach's South Beach, who reside in the decrepit shell of what was once an affluent and thriving resort community. Today the median age of those living below Fifteenth Street is sixty-nine, meaning that half of its residents are aged seventy or over. Many are ill, partially disabled or only marginally able to care for themselves. Yet only 142 adult congregate living facility beds exist there in which the elderly may reside in an environment offering some health and personal care.

And the buildings in which they live are among the most deteriorated in Dade County. With the exception of downtown Miami, Dade's oldest multi-story hotels and apartment buildings, many dating to the early 1930's, provide shelter for South Beach's elderly population.

And while the area below Fifteenth Street provides the most acute aspect of the potentially hazardous equation of old people in old buildings, the problem exists north of Fifteenth Street as well. During our Term two fires, one at the Delano Hotel and the other at the Lombardy Inn Hotel (in both cases the label of hotel is misleading: they are both in fact residential hotels with little other than semantics to distinguish them from apartment buildings) called attention to the risk of deadly fires and to the importance of a vigorous fire inspection process. Only due to the speedy response of the fire department in one instance,

and to the heroism of residents in the other, was the loss of life averted.

Because of the peculiar demographics and architecture of the non-affluent portions of Miami Beach, the importance of the fire code inspection process has historically maintained a high profile. Innuendoes that the process has been compromised by politics and favoritism have historically been expressed. These innuendoes have persisted in the context of a political environment in which hotels, and hotel owners, have existed as major economic and political forces. Anecdotes, albeit unproven or unproveable, are related of incidents in years past in which a well meaning fire inspector was turned away from a large hotel after a well-placed phone call from the hotel owner to someone in the political establishment.

Yet what is the state of the fire inspection process on Miami Beach today? We decided early in our Term to attempt to address that problem. Admittedly and unfortunately, the time and effort we were able to expend in this effort were seriously compromised by our expenditure of time in the investigation of possible criminal acts within the City of Miami. Because of the fact that we were diverted from the important area of fire code enforcement, we urge that the Fall Term 1984 Grand Jury consider following up on the topic, not only in the context of Miami Beach but in the County as a whole.

Yet our inquiry did permit us to gather sufficient information to make several observations as well as preliminary findings and recommendations. We present these in the following two sections of our Final Report.

## II. THE INSPECTORS AND THE INSPECTION PROCESS

### (1) The Inspectors

We find, first of all, that the present Miami Beach city administration is committed to maintaining integrity and professionalism in the fire code enforcement process. Having heard from City Manager Robert Parkins, we were very impressed by his professionalism and his evident interest in assigning a high priority to the inspection process. During his administration, for example, the number of inspectors has been increased from four to eight. All eight inspectors are State Certified, having completed the State recommended two hundred hours of training. The backgrounds of these inspectors, including attendance at a variety of in-service training functions, makes it apparent that a high priority is being assigned to maintaining acceptable levels of competence. It may well be argued that eight inspectors is still far too few for an area such as Miami Beach and we feel that in fact, given the volatile and unique character of the community's population and buildings, as many as six additional inspectors are needed. It should be noted that these eight inspectors have a number of functions independent of the required annual fire inspections, such as arson investigations, court hearings, public fire drills and new construction testing.

Also, we feel that the City administration has sensitized the inspectors to the pitfalls of the political nature of the inspection process in which building and hotel owners will often attempt to use political pressure to undermine objective inspections. While we cannot comment on the process in past years and decades, we feel that the message has been sent forth that the inspection process will not be undermined by undue or unlawful influence.

(2) The Inspection Code

Obviously competent fire inspectors are only one of several ingredients that are prerequisite to an acceptable inspection process. Without a state-of-the-art inspection code to enforce, vigorous inspectors are of little or no value. The fire code now used for existing structures on Miami Beach, as in Dade County generally, is in a state of transition. The City of Miami Beach does not have its own fire code and has adopted the Dade County Code which adopts the 1967 Code for Safety to Life from Fire in Buildings and Structures. A more stringent 1981 Code has been adopted by the State Fire Marshall, yet municipalities have been permitted to use the 1967 Code for existing buildings (while the 1981 Code is used for new constructions).

It is essential, we feel, that the 1981 Code, or an updated uniform code for all municipalities, be adopted to replace the 1967 provisions. The art of fire detection is a rapidly evolving one. In 1967, for example, smoke detectors were not in general use and that Code contains no requirements for smoke detection. The 1981 Code, in contrast, requires hard wired smoke detection. Also the 1967 Code requires no fire alarm unless the building exceeds three stories, while the 1981 Code requires a fire alarm in all apartment buildings with twelve or more units or four or more stories.

We are pleased to note that an ongoing committee of the Dade County Fire Chiefs' Association is in place, whose task it is to update the various codes and to provide for a uniform Code for all municipalities, which will include the 1981 Code provisions. The Committee meets weekly and its report is anticipated within the next three months. It will then become the function of the political processes within the various municipalities to enact the revised Code. We urge the current Grand Jury to follow this process as the enactment of a stringent and state-of-the-art Code is, we repeat, vitally important. We trust that the Miami

Beach City Commission, as well as the legislative bodies in the other municipalities, will enact the Committee's recommendations swiftly.

(3) Inspection Record Keeping

A third area, and one in which we express concern, is that of the fire inspection records. Without an effective record keeping system an inspection process is severely compromised: not only do poor records make it impossible to determine what is transpiring in the process, but they also make it virtually impossible to police the inspectors. Records which are manual, handwritten, and characterized by incomplete or incomprehensible entries are records which do not permit us to assess how vigorous an inspection process is in place. And yet the fact is that the Miami Beach fire inspection records are exactly that: manual, handwritten, and characterized by incomplete or incomprehensible entries. Automation of the inspection records is absolutely essential and, we add, automation would have averted the inexcusable confusion over whether the Lombardy Inn was a hotel or an apartment building. This confusion resulted in the structure's existing over the years without fire alarms which are required of a hotel, which the Lombardy Inn is and would have been clearly revealed to be given an adequate automated record keeping system.

We hasten to add that the Miami Beach administration candidly concurs with the criticism of its fire inspection record keeping, and steps are being taken to introduce automation. In a thorough analysis of Beach fire inspection procedures prepared last week for the City Manager by his Office of Management and Budget, an automated record keeping system, and one integrated with records of certificates of building use, is recommended as a high priority. The Office of Management and Budget accurately

concludes that "there are no formal procedural cross references between the Fire Prevention Bureau and the Occupational License Section" and recommends that "a priority should be given to establishing an automated property data base which could be programmed to do such a cross reference."

The Office of Management and Budget report also examined a sample of fifty of the Fire Prevention Bureau's inspection files and their conclusion that "the files contained minor errors but were found to be current" is consistent with our own review of approximately thirty files conducted during our Term. We should add, however, that the finding that in twenty percent of the files it appeared that the last inspection was over one year old is troubling. Inspections are required by law to be annual. An automated file system would regularly and easily indicate buildings which had not received annual inspections.

### III. FINDINGS AND RECOMMENDATIONS

(1) We have found that the integrity of the fire inspection process will continue to be, as well it should, a vitally important function of government on Miami Beach. Miami Beach's unique blend of elderly residents and deteriorated or decaying residences will continue to pose the risk of catastrophe in the form of fire. We urge that the present Grand Jury, prior to the conclusion of its Term, receive an update from the City Manager as to the City's response to our recommendations.

(2) We find that the present city administration is committed to maintaining integrity and professionalism in the fire inspection process. Yet we recommended the commitment of additional resources in the form of six additional fire code inspectors. Also, sufficient monies for in-service training must be allocated to insure that the expertise of the inspection unit is maintained at a high level.

(3) The Code inspection process on Miami Beach has historically been tainted by recurring allegations of political influence and cronyism, due in large measure to the disproportionate power wielded in this once thriving resort community by hotel and apartment owners. We have heard a number of suggestions that such a situation continues to exist but we have found no evidence to substantiate these allegations. In fact, we find that the City Manager seems completely committed to safeguarding the integrity of the process and its insulation from attempts at improper influence.

(4) It is imperative that the 1967 Code currently in use for existing buildings be replaced by the 1981 Code or a similar updated uniform Code for all of Dade County. We commend the efforts of the Dade County Fire Chiefs' Association which is presently engaged in the process of drafting a new uniform Code. It is essential that this process be completed and that the new provisions be adopted by the Miami Beach City Commission, assuming its provisions are endorsed by the Association and by fire inspection experts generally.

(5) We have found that the fire inspection record keeping system is manual, handwritten, and characterized by incomplete or incomprehensible entries. We recommend immediate steps to automate the system and we acknowledge that the Fire Department and the City administration are committed to this process, as well as to the integration of the fire inspection process with the occupational license process.

(6) We regret that our preoccupation with a criminal investigation which occupied us for much of our Term did not permit us to delve further into the fire code inspection process not only on Miami Beach, but in Dade County generally. There are few areas of government with greater impact upon human safety than fire prevention. We urge the presently impaneled Grand Jury, as well as Grand Juries to come, to pay close attention to this critical issue.

CAPITAL AND OTHER CRIMINAL CASES PRESENTED TO THE GRAND JURY

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
GREGORIO BATISTA	First Degree Murder	True Bill
JAMES ALLEN BRYANT, DEE DYNE CASTEEL and MICHAEL RHAE IRVINE	Burglary First Degree Murder Burglary First Degree Murder	True Bill
MARIO GARCIA, also known as HECTOR BAROU CASTENEDA	First Degree Murder	True Bill
HERBERT HENDERSON, also known as BALDY	Second Degree Murder Unlawful Possession of a Firearm while Engaged in a Criminal Offense Carrying a Concealed Firearm	True Bill
RUSSELL SANBORN, also known as RANDY SANDERS, also known as RUSTY	First Degree Murder Burglary Robbery Robbery Kidnapping Kidnapping Aggravated Battery	True Bill
MICHAEL RAY WHEELER	First Degree Murder Attempted First Degree Murder Unlawful Possession of Firearm by Convicted Felon	True Bill
JULIO ACUNA	First Degree Murder Attempted First Degree Murder Burglary Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
MARTIN LUTHER McCRAY	First Degree Murder	True Bill
ALEJANDRO GONZALEZ, also known as "FLACO"	Sexual Battery Sexual Battery Aggravated Assault	True Bill
ROBERT NICHOLSON	Sexual Battery	True Bill
ALAN SYLVESTER BASS	First Degree Murder Burglary Robbery	True Bill

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
LYNN WETZ and BETTYE C. GRINDLE	First Degree Murder Possession of Firearm during the Commission of a Felony Accessory after the Fact	True Bill
GEORGE MENDOZA, JOSE CRUZ and TITO GONZALEZ, JR.	First Degree Murder First Degree Murder Armed Robbery	True Bill
STANLEY WARREN ROBINSON	Sexual Battery	True Bill
IRIS MONROY	First Degree Murder	True Bill
RICKEY BERNARD ROBERTS, also known as LESS McCOLLARS	First Degree Murder Armed Sexual Battery Armed Robbery Armed Robbery Armed Kidnapping	True Bill
ANGEL EMILIO GOMEZ	First Degree Murder Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
JULIO GARCIA-FUENTES	First Degree Murder Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
CHRIS HOLTON and VERNON KELSON	I. First Degree Murder II. Unlawful Possession of a Firearm while Engaged in a Criminal Offense ("A" Defendant) III. Unlawful Possession of a Firearm while Engaged in a Criminal Offense ("B" Defendant) IV. Armed Robbery (5 Counts) VIX. Attempted Armed Robbery (13 Counts)	True Bill
FLOYD DUNLOP	First Degree Murder	True Bill
MANUEL ROBELDO-RODRIGUEZ	I. First Degree Murder II. First Degree Murder III. Aggravated Battery IV. Shooting within an Occupied Dwelling V. Possession of a Firearm while Engaged in a Criminal Offense VI. Armed Robbery VII. Kidnapping VIII. Armed Burglary IX. Carrying a Concealed Firearm X. Possession of a Firearm while Engaged in a Criminal Offense	True Bil

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
CHRISTOPHER HARRIS	First Degree Murder Robbery Forgery (2 Counts) Uttering a Forged Instrument (2 Counts)	True Bill
PABLO MARTINEZ-CABRALES	First Degree Murder Unlawful Possession of a Weapon while Engaged in a Criminal Offense	True Bill
MIGUEL ANGEL YANEZ, also known as MICHEL YANEZ	First Degree Murder Armed Robbery Burglary Kidnapping	True Bill
TOMMY JOE CHAPPELL	First Degree Murder Burglary Robbery	True Bill
JAMES ALLEN BRYANT, DEE DYNE CASTEEL, MICHAEL RHAE IRVINE and WILLIAM E. RHODES	I. Burglary II. First Degree Murder III. Burglary IV. First Degree Murder V. Armed Robbery VI. Grand Theft First Degree VII. Grand Theft Second Degree VIII. Grand Theft First Degree IX. Grand Theft First Degree X. Grand Theft First Degree	True Bill
LUIS ALVAREZ-MENDEZ	First Degree Murder Armed Burglary with an Assault Armed Robbery Armed Robbery	True Bill
RICARDO ENRIQUE REDONDO, also known as "ARGENTINO", JOSE LUIS OGAZA, JOEL ESTREMER, and GUSTAVO ADOLFO BENEDIT	I. Aggravated Assault II. Aggravated Assault III. Aggravated Assault IV. Kidnapping V. Attempted First Degree Murder VI. Shooting or Throwing Deadly Missile into Occupied Building or Vehicle VII. Shooting or Throwing Deadly Missile into Occupied Building or Vehicle VIII. Shooting or Throwing Deadly Missile into Occupied Building or Vehicle IX. First Degree Murder X. Attempted First Degree Murder XI. Attempted First Degree Murder	True Bill

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
JORGE PEREZ	First Degree Murder Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
GABRIEL RODRIGUEZ-ACOSTA	First Degree Murder Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
CHRIS HOLTON, VERNON KELSON, STANLEY PETTIGREW, WALTER PERRY, and KIBBY HOLTON	I. First Degree Murder II. Unlawful Possession of a Firearm while Engaged in a Criminal Offense III. Unlawful Possession of a Firearm while Engaged in a Criminal Offense IV. Unlawful Possession of Firearm while Engaged in a Criminal Offense V. Unlawful Possession of Firearm while Engaged in a Criminal Offense VI. Armed Robbery (5 Counts) XI. Attempted Armed Robbery (13 Counts) XXIV. Accessory after the Fact ("E" Defendant)	True Bill
DUANE MONTESE LEACH and JEFFREY EPPS	I. First Degree Murder II. First Degree Murder III. Burglary IV. Robbery V. Robbery VI. Robbery VII. Kidnapping VIII. Kidnapping IX. Kidnapping X. Shooting or Throwing Deadly Missile into Occupied Building or Vehicle	True Bill
COSBY KEITH PERKINS	First Degree Murder	True Bill
JULIO CESAR ROJAS	First Degree Murder Aggravated Assault	True Bill
FRANCISCO FELIPE	First Degree Murder Attempted First Degree Murder Burglary of a Dwelling	True Bill
EMILIO BRAVO	First Degree Murder	True Bill
RIGOBERTO CASO	First Degree Murder First Degree Murder Burglary	True Bill

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
JUAN AMADOR	First Degree Murder First Degree Murder First Degree Murder Attempted First Degree Murder Unlawful Possession of a Firearm Engaged in a Criminal Offense	True Bill
MIGUEL TOLEDO GONZALEZ and MIKE PARRA-DIAZ	Conspiracy to Commit Murder and Robbery First Degree Murder First Degree Murder Robbery	True Bill
JOSE RAMON CASIMIRO	First Degree Murder Robbery First Degree Arson	True Bill
DAVID ANDERSON McCRAY	First Degree Murder Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
HARRY JACQUES, also known as GARY BELIZA, also known as DRED, and LEON SIDNEY CLEVIS, also known as BRIMSTONE	Robbery First Degree Murder Unlawful Possession of Firearm while Engaged in Criminal Offense Unlawful Possession of Firearm while Engaged in Criminal Offense Carrying a Concealed Firearm Unlawful Possession of a Short-Barreled Rifle	True Bill
TYRONE MORLEY	First Degree Murder Attempted First Degree Murder Possession of a Firearm during the Commission of a Felony	True Bill
NELSON BERTOLOTTI	First Degree Murder	True Bill
LORENZO LEAL and JOSE FRANCISCO LLOPIZ	First Degree Murder Robbery	True Bill
PERRY TEE HILTON	First Degree Murder	True Bill
ANTHONY LEE COLE	First Degree Murder Armed Burglary	True Bill

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
FLORENCIO ALVAREZ	First Degree Murder	True Bill
ARNOLD GILBERT	First Degree Murder	True Bill
DEREK HARRISON, MELVIN NAIRN and DAVID COOK	First Degree Murder First Degree Murder Burglary Attempted Robbery Attempted Robbery Unlawful Possession of Firearm while Engaged in Criminal Offense	True Bill
WILLIE DAVIS	First Degree Murder Armed Robbery Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
RALPH WILLIAM GAJUS, JR.	First Degree Murder Attempted First Degree Murder Unlawful Possession of a Firearm while Engaged in a Criminal Offense Possession of Controlled Substance	True Bill
CHARLES LEE SMITH	First Degree Murder Attempted Armed Robbery Shooting within an Occupied Building Unlawful Possession of Firearm during the Commission of a Criminal Offense	True Bill
ROBERT WILLIAM WELLER and OWEN RICHARD FINE	First Degree Murder First Degree Murder Attempted First Degree Murder Attempted First Degree Murder Robbery Trafficking in Cocaine	True Bill
RUPERTO RODRIGUEZ and JOSE GUILARTE	First Degree Murder Armed Burglary Armed Robbery Attempted Armed Robbery Attempted Armed Robbery Armed Kidnapping Armed Kidnapping Armed Kidnapping Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
KEITH DAVID TULLIS	First Degree Murder Armed Robbery	True Bill

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
FLORENCIO ALVAREZ and JOSE LUIS SOSA RODRIGUEZ	First Degree Murder	True Bill
FRANKLIN D. R. REED	First Degree Murder Aggravated Assault	True Bill
EDIE PIQUION	First Degree Murder Attempted Armed Robbery Armed Burglary Shooting into an Occupied Dwelling Attempted First Degree Murder Possession of Firearm while Engaged in a Criminal Offense	True Bill
PEDRO ROMERO, also known as GIOVANNI MASCARA, also known as JIMMY	First Degree Murder First Degree Murder	True Bill
JOSE ANTONIO SANTOS, MIGUEL ANGEL GONZALEZ and PABLO RAFAEL ALVAREZ	First Degree Murder Armed Burglary Armed Robbery Kidnapping	True Bill
LEONARD NORTON	Second Degree Murder	True Bill
CARLYLE SAUNDERS, also known as CARLOT	First Degree Murder Attempted Armed Robbery	True Bill
VICTOR COLE, HORACE LOVELL and YOLANDA GASTON	First Degree Murder Armed Robbery Armed Robbery Possession of a Firearm by a Convicted Felon Grand Theft	True Bill
SHIRLEY LLOYD BALFOUR	First Degree Murder Attempted Armed Robbery Armed Robbery	True Bill
MATTHEW TED MARSHALL	First Degree Murder Armed Burglary Armed Robbery (6 Counts) Aggravated Assault (3 Counts) Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
NORMAN EASTMAN	Aggravated Child Abuse First Degree Murder	True Bill

<u>Defendant</u>	<u>Charge</u>	<u>Disposition</u>
JOSE ARMANDO JORGE	First Degree Murder	True Bill
ROBERTO ALONSO	First Degree Murder	True Bill
JAIME SAVINO, also known as MARIO CORTEZ, also known as JOSE PEREZ	First Degree Murder First Degree Murder	True Bill
ANDREW ALEXANDER	First Degree Murder Possession of a Firearm while in a Commission of a Felony	True Bill
SHELLMAN PETERSON	First Degree Murder Armed Robbery	True Bill
GUILLERMO A. VILARO	First Degree Murder Aggravated Assault Unlawful Possession of a Firearm while Engaged in a Criminal Offense	True Bill
JESUS RUIZ and ALBERTO RUIZ	Grand Theft-Second Degree First Degree Murder Burglary Attempted Robbery Possession of Firearm during Commission of a Felony	True Bill
JESSE PAUL WILLIAMS	First Degree Murder Armed Kidnapping Battery on a Law Enforcement Officer Resisting an Officer with Violence Leaving the Scene of an Accident with Property Damage Unlawful Possession of a Firearm during the Commission of an Offense	True Bill

#### ACKNOWLEDGMENTS

On the morning of May 8, 1984, we were chosen to serve as Dade County Grand Jurors for the 1984 Spring Term. We would like to thank the many dedicated individuals who helped us carry out this awesome responsibility. Madeline Camp, our Administrative Assistant, for her efficient and professional handling of an enormous volume of work; our Bailiff Rob Koeppel for always looking after our needs; Tom Petersen, Chief Assistant State Attorney, whose dedication greatly simplified our work; Janet Reno, State Attorney, for her assistance throughout our Term, and Chief Judge Gerald T. Wetherington for his support.

During our Term we heard numerous capital crime cases. We acknowledge the professionalism of the Metro-Dade and the North Miami Police Departments in the performance of their duties.

Our Final Report on Minority Enterprise Development would not have been possible without the testimony and work of many persons. We gratefully acknowledge the assistance of Mr. Robert Foote, Research Assistant, who coordinated the questionnaire and research, Mr. Frank Scruggs, Chairman, Governor's Council on Minority Business, and Mr. John Smith, Advisor to the Governor.

Respectfully submitted,



Milton Vickers, Foreperson  
Dade County Grand Jury  
Spring Term 1984

ATTEST:

  
Marianne Romano  
Clerk

Dated: February 6, 1985

IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT  
OF FLORIDA IN AND FOR THE COUNTY OF DADE

SPRING TERM A.D. 1984

ADDITION TO THE  
FINAL REPORT TO THE GRAND JURY  
COMMISSIONER JOSEPH CAROLLO

FILED  
FEBRUARY 6, 1985

Circuit Judge Presiding

Chief Judge

GERALD T. WETHERINGTON

Officers and Members of the Grand Jury

MILTON D. VICKERS, Foreperson

WALTER PALEVODA, Vice Foreperson

MARIANNE ROMANO, Clerk

CAROLYN WITTENBERG, Assistant Clerk

RICHARD W. PATCHETT, Treasurer

OLDRICH J. BALIK

WILLIAM D. BORRIES

BEATRICE BRADSHAW

ALBERT CIANCIOSI

HELEN COLIN

WILLIAM L. LIGON

HOWARD MANNING

JUNE A. MONCUR

JOHN H. SHERMAN

ADRIANNE D. STOKELING

ISAAC WEIS

CECILIA WITKIN

JUDY A. YOUNG

\*\*\*\*\*

State Attorney

JANET RENO

Chief Assistant State Attorney  
for Administration

THOMAS K. PETERSEN

Assistant State Attorneys

GERTRUDE NOVICKI

RUSS KILLINGER

\*\*\*\*\*

Clerk of the Circuit Court

RICHARD P. BRINKER

\*\*\*\*\*

Administrative Assistant

MADELINE CAMP

\*\*\*\*\*

Official Court Reporting

NATIONAL REPORTING SERVICE

\*\*\*\*\*

Bailiff

ROB KOEPEL

COMMISSIONER JOSEPH CAROLLO

This Grand Jury has investigated the following allegations involving City of Miami Commissioner Joseph Carollo:

(1) An allegation that the Commissioner used his City of Miami aides to perform work for his personal enterprise, Federated Security Corporation, Inc.;

(2) An allegation that he authorized the removal of office supplies belonging to the City of Miami from his office in Miami City Hall for use in the office of his private enterprise, Federated Security Corporation, Inc.;

(3) An allegation that he authorized and permitted the use of a "beeper," which belongs to the City of Miami and assigned to the Commissioner, by employees of Federated Security Corporation, Inc.

The evidence presented to the Grand Jury was insufficient to indict Commissioner Carollo on criminal charges.

Our investigation, however, has brought to light personnel practices which certainly suggest the appearance of impropriety and which, if permitted to continue, are subject to abuse.

We have learned that no records of overtime work hours, reimbursable as compensatory time ("comp time"), are kept by the Commissioner or his staff. Thus the only records existing of how many hours of "comp time" an employee has accumulated exist in the individual memories of the employees and Commissioner Carollo. One administrative aide, for example, estimates that she has accumulated, by her recollection, approximately twelve hundred hours of "comp time" with no written records to substantiate or contradict her estimate.

The Commissioner's aides justify their labors at Federated Security Corporation, Inc., as being justifiable use of their accumulated "comp time." No documentation is maintained which could refute or verify these claims.

Clearly, we feel that the practice of not recording over-time hours and accumulated "comp time" lends itself to possible abuse. If an aide, or any other City employee, is found to be engaged in work for a superior's private firm, during regular City working hours, and it is contended that the employee is using compensatory time while engaged in such private work, it is difficult if not impossible to prove otherwise. This Grand Jury strongly recommends that this personnel practice be re-evaluated and corrected at once.

Respectfully submitted,



Walter Palevoda, Vice Foreperson  
Dade County Grand Jury  
Spring Term 1984

Attest:

  
Marianne Romano  
Clerk

Date: February 6, 1985