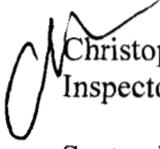




Memorandum

19 West Flagler Street ♦ Suite 220 ♦ Miami, Florida 33130
Phone: (305) 375-1946 ♦ Fax: (305) 579-2656
visit our website at www.miamidadeiq.org

To: The Honorable Carlos Alvarez, Mayor
The Honorable Chairperson Bruno A. Barreiro
Members, Board of County Commissioners

From:  Christopher Mazzella
Inspector General

Date: September 25, 2007

Re: REVISED Memo Regarding Arrest of Real Estate Developer Dennis Stackhouse

An investigation by the Miami-Dade County Office of the Inspector General (OIG) has resulted in a state judge issuing a warrant for the arrest of Poinciana Biopharmaceutical Park developer Dennis Stackhouse (Stackhouse), and in charges being filed against several companies controlled by Stackhouse. One of those companies received Federal funds expended through the Empowerment Trust. Stackhouse was arrested following a joint investigation by the OIG and the State Attorney's Office for violations of campaign financing laws.

The OIG investigation revealed that Stackhouse reimbursed two of his employees to hide several contributions to the election campaigns of several candidates. Stackhouse reimbursed the employees through checks drawn on various Florida companies he controlled, namely, Canalside LLC; Poinciana Partners LLLP; Poinciana Park, LLC; Town Center O-L I, Inc.; and Town Center O-L I, LLC, all of which are located in Opa Locka, Florida. A total of \$3,500 in contributions was made by Stackhouse in the names of his two employees, who were later reimbursed through checks drawn on the accounts of the charged companies. Stackhouse and his companies had already made donations to the campaigns when they sought to make the additional illegal donations and provided the reimbursement to the two employees. Stackhouse's employees gave statements to the State Attorney's Office and OIG special agents. One statement clearly shows Stackhouse knew it was illegal to make excessive contributions. Additionally, it is clear from a statement that on at least one occasion Stackhouse tried to avoid any tracing of a reimbursement.

Canalside LLC; Poinciana Partners LLLP; Poinciana Park, LLC; Town Center O-L I, Inc. and Town Center O-L I, LLC, were each charged with one count of Campaign Contributions in the Name of Another, a third degree felony. Canalside LLC, Poinciana Partners LLLP and Poinciana Park, LLC were also charged with one count each of Excessive Campaign Contributions, a third degree felony. Stackhouse was charged with three counts of

Contributions in the Name of Another and two counts of Excessive Campaign Contributions. The case against Stackhouse highlights the need to be vigilant of campaign finances. Maintaining a fair electoral process is crucial to our system of government.

This investigation is continuing.

cc: Mr. George Burgess, County Manager
Mr. Denis Morales, Chief of Staff, Office of the Mayor
Ms. Alina Hudak, Assistant County Manager
Ms. Cynthia Curry, Assistant County Manager
Mr. Lester Sola, Supervisor of Elections
Mr. T. Willard Fair, Chair, Empowerment Trust Board
Mr. Aundra Wallace, Director, Empowerment Trust
Ms. Cathy Jackson, Director, Audit & Management Services
Mr. Charles Anderson, Commission Auditor

Clerk of the Board (copy filed)