

John A. Carey Inspector General OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY



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# Redacted per §119.071 (5)(b) and (5)(f)1,F.S., and 15 U.S.C. §9058a(4)(A) Investigative Report 2022-0003

## False Information on County Rental Assistance Applications by Lake Worth Applicants June 13, 2023



#### **OFFICE OF INSPECTOR GENERAL** PALM BEACH COUNTY

**INVESTIGATIVE REPORT** 2022-0003



John A. Carey Inspector General

DATE ISSUED: JUNE 13, 2023

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FALSE INFORMATION ON COUNTY RENTAL ASSISTANCE APPLICATIONS BY LAKE WORTH APPLICANTS

#### SUMMARY

#### WHAT WE DID

The Palm Beach County (County) Office of Inspector General (OIG) received a complaint from the Palm Beach County Community Services Department (Community Services) concerning three Lake Worth, Florida residents' applications to the County Coronavirus Aid, Relief and Economic Security (CARES) Act -Coronavirus Relief Fund Rental, Utilities, and Food Assistance Program (CARES Act Program) and Emergency Rental and Utilities Assistance Program (ERA Program).

Community Services staff forwarded a letter from an attorney for the owners of Casa Brera at Toscana Isles (Casa Brera) apartments stating that former employees, while working at Casa Brera, submitted rental assistance applications to the County "misrepresenting their tenancy status, income, rental rates and discounts by misrepresenting the identity of actual leaseholders through a fraudulently created lease." According to the attorney, Casa Brera's owners believed at that time that they had received \$12,033.00 as a employees' result of the former misrepresentations.

Based upon our initial review of the complaint and the applications and accompanying documents Casa Brera's former employees submitted to the County, the OIG initiated an investigation of the following allegations:

#### Allegation (1):

Applicant 1 submitted false information to the County in support of her rental assistance applications, which resulted in improper grant funding from County programs.

#### Allegation (2):

Applicant 2 submitted false information to the County in support of her rental assistance application, which resulted in improper grant funding from a County program.

#### Allegation (3):

Applicant 3 submitted false information to the County, with assistance from Applicant 2, in support of Applicant 3's rental assistance application, which resulted in improper grant funding from a County program.

Our office reviewed Applicant 1, Applicant 2, and Applicant 3's rental assistance applications and supporting documents, and the program guidelines. We also interviewed Community Services employees, the Regional Vice President of Casa Brera's property management company, and Applicant 1. We attempted to interview Applicant 2 and Applicant 3, but they were unwilling to meet with our office.

#### WHAT WE FOUND

Allegation (1) is supported. We found that Applicant 1 submitted false information to the County in support of her rental assistance applications.

As a result, the County approved Applicant 1's rental assistance applications dated November 11, 2020 and August 27, 2021, and issued payments of \$5,385.00 and \$5,185.00, respectively, to PRCP PBC Investment LLC Casa Brera Apartments.<sup>1</sup> In addition, per these applications, the County made an electric bill payment of \$340.27 to Florida Power & Light Co. (FPL) on behalf of Applicant 1 and issued Applicant 1 a food card for a total amount of \$900.00 in food benefits.<sup>2</sup>

Allegation (2) is supported. We found that Applicant 2 and Applicant 1 worked collaboratively to submit false information to the County in support of Applicant 2's rental assistance application.

As a result, the County approved Applicant 2's rental assistance application dated November 3, 2020, and issued payment of \$6,748.00 to PRCP PBC Investment LLC Casa Brera Apartments. Additionally, the County made an electric bill payment to FPL in the amount of \$419.56 on Applicant 2's behalf and issued her a food card for a total amount of \$900.00 in food benefits.<sup>3</sup>

Allegation (3) is supported. We found that Applicant 3 and Applicant 2 worked collaboratively to submit false information to the County in support of Applicant 3's rental assistance application.

As a result, the County approved Applicant 3's rental assistance application dated September 27, 2021, and issued payment of \$6,848.00 to PRCP PBC Investment LLC Casa Brera Apartments.

In total, the County made inappropriate payments that totaled **Identified Costs<sup>4</sup> of \$26,725.83.** Casa Brera's owners subsequently returned to the County \$24,166.00, the total amount of rental assistance they received.

We found sufficient information to warrant referring our findings to local law enforcement (with copy to the State Attorney's Office) for a determination of

<sup>&</sup>lt;sup>1</sup> Although PRCP PBC Investment LLC no longer owned Casa Brera Apartments at the time of Applicant 1's applications, Community Services was advised by Casa Brera's management to make checks payable to "PRCP PBC Investment LLC Casa Brera Apartments." The property owners received and negotiated such checks.

<sup>&</sup>lt;sup>2</sup> Applicant 1 initially received \$400.00 in food assistance for application No. 48733. According to Community Services, individuals that were eligible for food cards received an automated additional \$500.00 reloaded to the food card in December 2020.

<sup>&</sup>lt;sup>3</sup> Applicant 2 initially received \$400.00 in food assistance for application No. 46050. According to Community Services, individuals that were eligible for food cards received an automated additional \$500.00 reload in December 2020.

<sup>&</sup>lt;sup>4</sup> Identified costs are costs that have been identified as dollars that have the potential of being returned to the entity to offset the taxpayers' burden.

whether the facts arise to a criminal act under section 817.03, Florida Statutes.

We also found sufficient information to warrant referral of our findings to the United States Attorney's Office for a determination of whether they constitute a violation of Title 18, Chapter 47, section 1001, United States Criminal Code.

WHAT WE RECOMMEND

We make one recommendation; that the County seek reimbursement of \$2,559.83 from Applicant 1 and Applicant 2, which is the amount the County paid in food and utility assistance as a result of Applicant 1 and Applicant 2's applications. This amount is the difference between the total \$26,725.83 in Identified Costs and the \$24,166.00, which Casa Brera's owners already returned to the County.

#### BACKGROUND

#### The CARES Act

On March 1, 2020, Florida Governor Ron DeSantis directed the State Health Officer to issue a public health emergency in the State of Florida due to the COVID-19 pandemic. On March 13, 2020, then-Palm Beach County Mayor Dave Kerner declared a state of emergency in the County due to COVID-19.

On March 27, 2020, the President signed the CARES Act into law. The CARES Act allocated \$2.2 trillion in

economic relief to individuals, businesses, and governments affected by COVID-19. State governments were allocated a total of \$139 billion based on their populations (as measured by the U.S. Census Bureau in 2019), with no state receiving less than \$1.25 billion. Florida received a total of \$8.328 billion, with \$261,174,832 of that total provided to Palm Beach County.

On May 15, 2020, the Palm Beach County Board of County Commissioners dedicated \$40 million of the approximately \$261 million allocated to it for "Emergency Mortgage, Rental and Utility Assistance." Community Services administrated the Rental Assistance portion of this funding.

## CARES Act- Coronavirus Relief Fund Rental, Utilities, and Food Assistance Program Guidelines

The CARES Act- Coronavirus Relief Fund Rental, Utilities, and Food Assistance Program was designed to utilize CARES Act funds to provide one-time rental and utility assistance to eligible County residents who experienced loss of income, reduction in hours, or unemployment as a direct result of the COVID-19 pandemic. The Community Services website explained that in order to be eligible for the program, the applicant must reside within the corporate limits of Palm Beach County and have documentable information to evidence loss of income, reduction in hours, or unemployment because of the COVID-19 pandemic, which contributed to missed rental payments and/or utility payments. Eligibility guidelines on the website also listed the income and asset requirements to qualify for the program. Assistance was provided for past due rent, utilities due from March 1, 2020 to December 31, 2020, and/or food assistance.

#### Emergency Rental Assistance Program

On March 9, 2021, under the authority of the U.S. Department of Treasury Emergency Rental Assistance (ERA) Program 1 (as established by the Consolidated Appropriations Act, 2021) and 2 (as established by section 3201 of the American Rescue Plan Act of 2021), the Palm Beach County Board of County Commissioners (BCC) approved ERA-1 funding to assist Palm Beach County residents affected by COVID-19 with rental and



utility assistance. On August 17, 2021, the BCC approved ERA-2 funding for the same purpose.

Eligible Palm Beach County households are renter households in which one or more individual(s) meets all of the following criteria:

- For ERA-1, qualifies for unemployment or experienced a reduction of household income, incurred significant costs, or experienced other financial hardships due to COVID-19 (either directly or indirectly), or for ERA-2, qualifies for unemployment or experienced other financial hardships during or due to (either directly or indirectly) COVID-19;
- Demonstrates a risk of homelessness or housing instability; and
- Has a household income at or below 80% of the area median.

#### **Rental Assistance Applications**

The County accepted applications electronically on the Community Services Online System for Community Access to Resources and Social Services (OSCARSS). OSCARSS required applicants to upload certain supporting documentation, including identification, a rental lease agreement, and a balance statement from



the landlord. The balance statement was to be completed by the applicant's landlord/property manager, and was to reflect the amount of rent owed by the applicant.

The form of the application differed slightly throughout the program, but each included eligibility questions and acknowledgements. Applicants were required to affirm certain statements by digitally checking a box next to each one.

The Acknowledgement section for applications Applicant 1's applications Nos. 48733 and 85614, Applicant 2's application No. 46050, and Applicant 3's application No. 77255 included the following:

□ I further certify that I have read<sup>5</sup> the above information and, to the best of my knowledge and belief, the information is accurate and has been properly recorded. Additionally, I understand that I am responsible for the accuracy of the information provided and that said information will be used as a basis for determining my eligibility for services. I also understand that any falsification or misrepresentation of this information is just cause for denial of services and prosecution for fraud. [Emphasis added]

The final page of the application required the applicant's digital signature.

<sup>&</sup>lt;sup>5</sup> In the version of this acknowledgment for applications 48733 and 46050, there was a comma after the word "read." The rest of this acknowledgment has been identical for all applications.

Community Services assigned applications it received to a Community Services reviewer. The reviewer checked whether the applicant submitted all required information and that there were no discrepancies within the documents. If information was missing, or if information in submitted documents was inconsistent, the reviewer would return the application to the applicant, noting what was missing or inconsistent. If the applicant met the eligibility guidelines and submitted required documentation, and the applicant's landlord had registered or was in the process of registering with the County as a vendor, the reviewer would send the application to a supervisor for review.

Then, applications were sent to Community Services fiscal personnel. Upon the approval of an application for rental assistance, the County sent notice of approval and a request for payment to the County Clerk and Comptroller's Office for payment processing.

The County Clerk and Comptroller's Office paid funds directly to the applicant's landlord. In order to be paid, the landlord had to register as a vendor with the County. If not already registered, the County sent the landlord a link to a portal to complete the vendor registration process.

#### Casa Brera Apartments and Fogelman Properties, LLC

According to its website,<sup>6</sup> Casa Brera is an apartment style community located at 4725 Via Bari in Lake Worth, FL. The Palm Beach County Property Appraiser's online database shows that PRCP PBC Investment LLC purchased Casa Brera in April of 2015 and held ownership until July of 2018. In July of 2018, PRCP PBC Investment LLC sold the property to Raia FL Exchange Group II, LLC; Raia FL Exchange Hackettstown, LLC; Raia FL Exchange Dom, LLC; Raia FL Exchange JSR, LLC; Raia FL Spe Group VII, LLC; Raia FL Exchange Aniero, LLC; and Raia FL Exchange Nina, LLC. Tenants continued to pay rent via an account titled "PRCP PBC Investment LLC Casa Brera Apartments."

According to its website,<sup>7</sup> Fogelman Properties, LLC (Fogelman) manages high quality apartment homes, to include Casa Brera.

#### ALLEGATIONS AND FINDINGS

Allegation (1):

Applicant 1 submitted false information to the County in support of her rental assistance applications, which resulted in improper grant funding from County programs.

<sup>&</sup>lt;sup>6</sup> https://www.casabreraapartments.com/

<sup>7</sup> https://www.fogelman.com/our-communities/?location=casa-brera

#### Governing Directives:

Palm Beach County CARES Act – Coronavirus Relief Fund Rental, Utilities, and Food Assistance application and program guidelines; Palm Beach County ERA - Emergency Rental and Utilities Assistance application and program guidelines.

#### Finding:

The information obtained supports the allegation.

#### Applicant 1's First Rental Assistance Application

County records show application No. 48733 seeking rent and food assistance was submitted to the County on behalf of Applicant 1 on November 11, 2020. The application lists Applicant 1's address as the second seco

What is your Landlord's Name? *	Casa Brera Apartments
What is your Landlord's Address? *	4725 Via Bari
What is your Landlord's Email Address? *	@casabreraapartments,com
What is your Landlord's Phone Number?*	561-433-0016
What is your Monthly Rent Amount? *	\$1,695.00

In her application, Applicant 1 attested that her crisis was Covid-19 related. In the Declaration of Crisis section of the application, she wrote *"Furloughed due to Covid-19. Unable to pay rent due to loss of hours at work."* [Emphasis added] Applicant 1's electronic signature appears on the last page.

Per the OSCARSS Routing Log, the County processed the application on November 13, 2020. On November 16, 2020, the County issued Applicant 1 a food card. Applicant 1 initially received \$400.00 in food assistance for application No. 48733. According to Community Services, individuals that were eligible for food cards received an automated additional \$500.00 reloaded to the food card in December 2020, for a total of \$900.00 in food benefits.

#### Balance Statement submitted with Application 48733

The balance statement submitted with the application No. 48733 was dated November 11, 2020, and showed a total of \$5,385.00 in past due rent, including late fees, for September through November 2020. The document lists Applicant 2 as the landlord and is purportedly signed by her.

Total balance (Rent + Lete Fees + Monthly arrears:		
NUM AND	1000	Late Charges_\$50
Month September \$		Late Charges 100
Month October		Late Charges 100
Month Movember	\$ 169.5	Late Charges 100
Month	\$	Late Charges
Month	\$	Late Charges
Altorney Fees: \$ MA		Court Cost \$ N/A
		11/11/20
Landlorda Name (Print)	Sign	ature Date

During her interview with the OIG, Regional Vice President of Fogelman Properties, Joanna Starling, identified Applicant 2 as the Casa Brera at the time of Applicant 1's application.

#### Lease submitted with Application 48733

Applicant 1 submitted a lease with her application for the period of November 1, 2020 to October 31, 2021. The lease was dated November 11, 2020-- the same date as the assistance application and supporting balance statement-- and appears to display a signature for the Owner/Owner's Representative signature line of the lease and the lease addendum. Relevant portions of the submitted lease are as follows:

APARTMENT LEASE CONTRACT
Date of Lease Contract: November 11, 2020 (when the Lease Contract is filled out) This is a binding document. Read carefully before signing.
Moving In — General Information
, Originals and Attachments
Resident or Residents (all sign below)
esentative (signing on behalf of owner)
Address and phone number of owner's representative for notice purposes
4725 Via Bari
<u>lake Worth, Fl</u> (561)433-0016
Name and address of locator service (if applicable)
Date form is filled out (same as on top of page 1) 11/11/2020

#### **Proof of COVID-19 Crisis document submitted with Application 48733**

Along with her application, Applicant 1 submitted an undated letter on Fogelman Management Group letterhead that stated, in part:

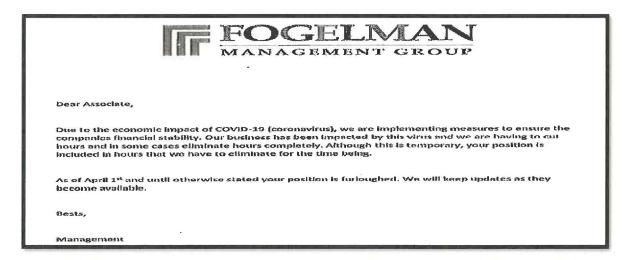
Due to the economic impact of COVID-19 (coronavirus), we are implementing measures to ensure the companies [sic] financial stability. Our business has been impacted by this virus and we are having to cut hours and in some cases eliminate hours completely. Although this is temporary, your position is included in hours that we have to eliminate for the time being.

As of April 1<sup>st</sup> and until otherwise stated your position is furloughed.

Bests [sic],

Management

The letter did not have a company address, company phone number, or the name or signature of a company representative.



Applicant 1 certified that all documents she provided with her application were accurate when she electronically signed and submitted her application.

#### Payment to PRCP PBC Investment LLC Casa Brera Apartments

On December 2, 2020, the County issued check number 00003216724 in the amount of \$10,319.00<sup>8</sup> to PRCP PBC Investment LLC Casa Brera Apartments on for rental assistance, including late fees.

<sup>&</sup>lt;sup>8</sup> The County issued Check No. 3216724 dated December 2, 2020, to PRCP PBC Investment LLC Casa Brera Apartments for an amount totaling \$10,319.00. The check amount included \$5,385.00 on behalf of Applicant 1 for rental assistance application No. 48733 and \$4,934.00 for a different Casa Brera applicant.

BOARD OF COUNTY PALM BEACH COUNTY WEST PALM BEACH, FLORIDA PAY - Ten Thousand Three Hendred Mineteen And 007107 Dollars THE ORDER CASA BRERA APARTMENTS SMALLS I SMALLS	CHECK NO. DATE AMOUNT AMOUNT BBCB BBCB BBCB BBCB BBCB BBCB BBCB BB	00003216724 12/02/2020
In the standby darking disclopene when request       In the standby darking disclopene when request darking       In the request in the standby darking dar	Seq: 1 Dep: 108981 Date: 12/19/20	For Deposite Only to Teleforman Realty Group, Inc Godelman Management Group LLC Casa Brera Deposited by:

Applicant 1's Second Rental Assistance Application

County records show application No. 85614 seeking rent and utility assistance was submitted to the County on behalf of Applicant 1 on August 10, 2021. Applicant 1 listed her address as the second dependence, Lake Worth, FL, and her monthly rent payment as \$1,695.00. She requested past due rent for August 2021, including a \$100.00 late fee, and future rent for September and October, 2021, for a total of \$5,185.00. Applicant 1 listed her landlord as Casa Brera Apartments, with an email address of @casabreraapartments.com.

Additional Questions - Rental Assistance	
What is your Landlord's Name	? * Casa Brera Apartments
What is your Landlord's Address	? * 4725 Via Bari
What is your Landlord's Email Address	? * @casabreraapartments.com
What is your Landlord's Phone Number	? 561-433-0016
What is your Monthly Rent Amount	?* \$1,695.00

Applicant 1 also requested \$309.00 in utility assistance. In the application's Declaration of Crisis section, Applicant 1 stated the following:

Due to Covid 19 I have lost income. Increase in food,gas [sic], medication, back to school expenses and other expenses I have fallen behind and not able to pay my rent. Assistance would be greatly appreciated to help me get back on my feet.

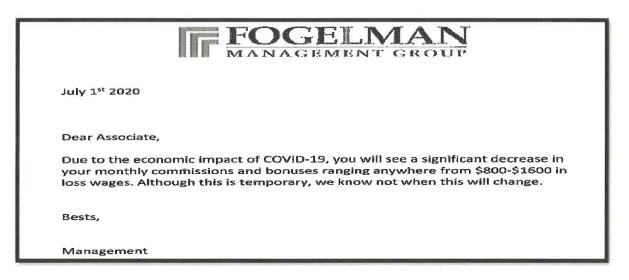
Along with her application, Applicant 1 submitted a letter on Fogelman Management Group letterhead dated July 1, 2020, stating, in part:

Due to the economic impact of COVID-19, you will see a significant decrease in your monthly commissions and bonuses ranging anywhere from \$800-\$1600 in loss wages. Although this is temporary, we know not when this will change.

Bests [sic],

Management

The letter did not have a company address, company phone number, or the name or signature of a company representative.



On August 11, 2021, the County returned the application to Applicant 1 and requested additional documentation, including a landlord balance statement, paystubs, and tax return documents as proof of COVID crisis. The OSCARSS Routing Log noted that the balance statement link was emailed to her landlord using the email address @casabreraapartments.com listed in her application.

Applicant 1 resubmitted the application on August 12, 2021. On August 23, 2021, the County again returned the application to Applicant 1 for additional documentation, including a Social Security card, paystubs, and proof of COVID crisis. Applicant 1 resubmitted the application on August 26, 2021.

On August 27, 2021, the County again returned the application for additional documentation. Specifically, the County requested that Applicant 1 "...provide paystubs from April 2020- April 2021 to show decrease in commissions and bonuses as your letter states." Applicant 1 resubmitted the application that same date. Applicant 1's paystubs reflect earnings from Fogelman Properties, LLC, not Fogelman Management Group.

Per the OSCARSS Log, the County processed the application on September 20, 2021.

#### **Balance Statement submitted with Application 85614**

The balance statement submitted with this application was dated August 11, 2021, and showed a total of \$5,185.00 in past due rent, including a late fee of \$100.00 for August 2021, and future due for September and October of 2021. It was electronically signed with the name Applicant 2.

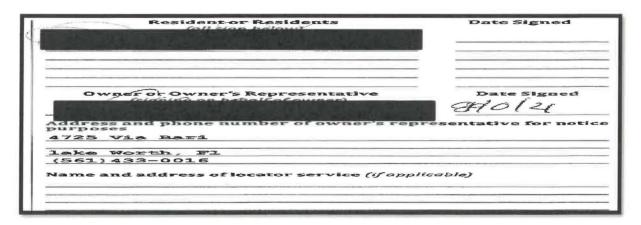
	Month	Rent Due	Late Fee	Legal Fee	Total Due	
Month 1	August 2021	\$1,695.00	\$100.00	\$0.00	\$1,795.00	
Month 2	September 2021	\$1,695.00	\$0.00	\$0.00	\$1,695.00	
Month 3	October 2021	\$1,695.00	\$0.00	\$0.00	\$1,695.00	
				Grand Total:	\$5,185.00	
				08/11/20	21	

#### Lease submitted with Application 85614

Applicant 1 submitted a lease with this application that covered the same period as the lease she submitted with her first application, November 1, 2020 to October 31, 2021. However, this lease was not an exact duplicate of the lease submitted with application No. 48733. Although the leases attached to both applications were for the same period and appeared to be signed with the same name, the date and the appearance of the signatures on the documents indicate that the two documents were not identical.

The lease submitted with application No. 85614 listed the "Date of Lease Contract" as August 10, 2021-- the same date that application No. 85614 was submitted originally to the County and two and one-half months before the lease would allegedly expire. Conversely, the lease submitted with Applicant 1's first application had a "Date of Lease Contract" of November 11, 2020.

The lease submitted with application No. 85614 displayed a signature in the Owner/Owner's Representative sections on the lease and lease addendum that appeared to read "**The Provide ProvideP** 





Applicant 1 certified in application No. 85614 that all documents she provided were accurate when she electronically signed and submitted her application.

#### Payments to PRCP PBC Investment LLC Casa Brera Apartments and FPL

On September 21, 2021, the County issued check number 00003258192 in the amount of \$5,185.00 to PRCP PBC Investment LLC Casa Brera Apartments for rental assistance, including late fees.

BOARD OF COUNTY COMMISSIONERS PAIN BEACH COUNTY WEST PAIN BEACH, FLORIDA FAY: Five Thousand one Hundred Highty Five And 00/100 Dolla	AMOUNT		00003258192 .09/21/2021 *****5.185.00
TO THE ORDER OF CASA BRERA APARTMENTS	al de antes de		
THIS COCUMENT IS PRINTED IN TWO COLORS DO NOT ACCEPT UNLESS BLUE AND BLAC		CURITY FEA	TURES ON BACK - H
Her service the provide the service of the service the servic	Seq: 1 Dep: 114049 Dare: 10/05/21	00 NOT WRITE STAMP OR SOM BELOW THIS LINE RESEARCH COMMANDER ASSAULTON (OF	For Deposit Only to recovering the set of t

As a result of this application, the County also made a payment of \$340.27 to FPL on September 14, 2021.

#### Review of Applicant 1's Resident Ledger

Attorneys representing the owners of Casa Brera provided the OIG a copy of the Resident Ledger for the Applicant 1's unit at Casa Brera. This ledger records transactions associated with the unit, such as rental payments, water payments, late fees, and credits such as the "Employee Unit Allowance." The ledger shows that Applicant 1 was charged rent of \$1,695.00 each month, offset by a credit of \$750.00 as an "Employee Unit Allowance" towards her rental payments. The ledger also shows that from August 1, 2019 through November 1, 2021, Applicant 1 was charged a late fee on three occasions: August 4, 2019, January 4, 2020, and February 4, 2020.

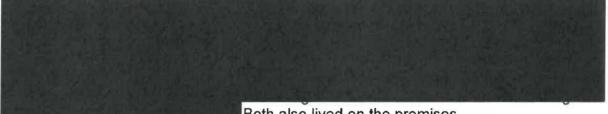
On application 48733, Applicant 1 requested \$5,385.00 in rental assistance. The balance statement submitted with the application, signed by Applicant 2, indicated Applicant 1 owed \$1,695.00 per month for September through November 2020, as well as \$100 per month in late fees for each of those months. The ledger provided to the OIG by Applicant 1's landlord for her unit does not reflect that she was charged any late fees during that period.

County check 00003216724 posted to Applicant 1's ledger on December 10, 2020. The ledger did not reflect a past due balance at that time and showed that Applicant 1's rent was current for September through November 2020. Once the County funds were received, the funds were credited to future rent.

On application 85614, Applicant 1 requested \$5,185.00 in rental assistance. The balance statement submitted with the application, electronically signed by Applicant 2, listed Applicant 1's rent as \$1,695.00 per month for August through October 2021, and included a late fee of \$100 for the month of August. However, the ledger dated November 10, 2021, which Applicant 1's landlord provided to the OIG, did not reflect a late fee for August and showed that Applicant 1's rent was current for August and September when County check 00003258192 posted to Applicant 1's ledger on October 1, 2021. The ledger reflects no additional rental payments after the check posted.

## OIG Interview of Joanna Starling, Regional Vice President of Fogelman Properties, LLC

Ms. Starling told the OIG that both Applicant 2 and Applicant 1 worked for Casa Brera.



Both also lived on the premises.

Ms. Starling said that while she was conducting audits of the rental payment ledgers for each employee that lived on site at Casa Brera Apartments, she noticed large deposits in the form of checks received from the County. Ms. Starling observed that Casa Brera received a payment from the County on behalf of Applicant 1, which was applied to her ledger. However, the payment was not applied to a past due balance but was applied as pre-paid rent. Applicant 1's ledger showed a total of two payments from the County on Applicant 1's behalf.

Ms. Starling said she knew about the County's rental assistance program, and based on her knowledge of the program's requirements, she did not believe Applicant 1 was eligible for assistance. Ms. Starling interviewed Applicant 1 to find out how the rental payments were acquired. In questioning Applicant 1, Ms. Starling discovered that Applicant 1 had used Casa Brera resources available through her apply for rental assistance.

These resources allowed Applicant 1 to create lease agreements in order to qualify for rental assistance.

Ms. Starling said that Applicant 1 acknowledged that she provided a lease to the County that she generated on the company's internal leasing system, and said that the County never asked her for proof of late rent. Ms. Starling stated that Applicant 1 was tearful and apologetic, and explained that she did not have bad intentions but was having a hard time making ends meet. Ms. Starling said Applicant 1 believed she would have qualified for the assistance, so she did not feel she had done anything wrong. The company terminated Applicant 1 and as per her employee agreement, she was required to move out of the community.

The OIG showed Ms. Starling a copy of the lease agreements Applicant 1 submitted with her applications. Ms. Starling stated that the lease looked like one created through Casa Brera's system, but that Casa Brera has never had a lease agreement with Applicant 1.

Ms. Starling said employees receive rental discounts that are based on negotiations between the property and the potential employee. She said the rent for Applicant 1's unit was normally \$1,693.00 per month<sup>9</sup>, but Applicant 1 received a monthly employee discount of \$750.00.

The OIG showed Ms. Starling copies of the letters with Fogelman Management Group's logo that Applicant 1 submitted to the County. Ms. Starling stated that the letters were fraudulent, and that Casa Brera did not terminate or furlough any employee during the time referenced in the letters.

Ms. Starling explained that each community's manager was responsible for registering properties as vendors with the County, so that the checks would be sent to the property management office.

Ms. Starling explained that Applicant 2, **Second and Second at the time of the** applications, was the employee responsible for monitoring @casabreraapartments.com and **Second**@casabreraapartments.com, the landlord's email addresses from Applicant 1's first and second applications.

#### **OIG Interview of Applicant 1**

Applicant 1 told the OIG she was employed by Fogelman Properties, which managed Casa Brera Apartments. She lived in the community throughout her employment. Applicant 1 said her duties were to

<sup>&</sup>lt;sup>9</sup> While Ms. Starling told the OIG that she believed the monthly rent amount was \$1,693.00, records examined by the OIG showed that it was \$1,695.00 per month.

Applicant 1 said she learned of the County assistance program through a resident who and spoke about it with her and Applicant 2. Applicant 1 asked Applicant 2 for permission to apply for County assistance, and Applicant 2 granted permission. Applicant 1 told our office that she applied for rental assistance because she was and her employer changed her hours. The OIG asked Applicant 1 to clarify whether she experienced a reduction in hours or just a change in schedule, and Applicant 1 stated she could not remember.

Applicant 1 submitted a letter with application 48733 stating her position was being furloughed. While reviewing the document with OIG, Applicant 1 stated that her position was never furloughed. Rather, she stated she only experienced

and was aware the information on the letter was not accurate but submitted it anyway. Regarding the balance statements that Applicant 1 submitted with her applications, Applicant 1 said she completed the forms and then asked Applicant 2 to sign them.

Applicant 1 said she never signed a lease with Casa Brera. When she needed a lease for the rental assistance applications, she printed a lease agreement from the system and asked Applicant 2 to sign it, but did not tell Applicant 2 why she needed it.

The OIG told Applicant 1 that the lease agreements submitted with her applications displayed the same lease term but were not exact duplicates. Applicant 1 explained that when a lease was printed, it showed the print date on top of the first page next to "Date of Lease Contract." Applicant 1 did not remember if she completed a second lease, but stated based on the "Date of Lease Contract," the lease must have been redone since the print dates were different.

The OIG asked Applicant 1 whether she received an employee discount of \$750.00 on her monthly rent, and she stated she did. On both of her applications, Applicant 1 answered "No" to the eligibility question asking whether she had "…received any subsidy or assistance for Rental or Utilities from another Entity." Applicant 1 told the OIG that she must have answered that way because she misunderstood the question.

On both of her applications, Applicant 1 answered "Yes" to the question, "Did you receive a Rental Late or Eviction Notice?" The OIG showed Applicant 1 a copy of her rental ledger, and she clarified that although it appears she was able to pay her rent, that was not the case. She told the OIG she posted her rent on the ledger to make it appear that she paid her rent on time when she had not, and then made the payments later. She stated this was not allowed, and it was the reason for her termination.

Applicant 1 said she never had a discussion with Ms. Starling about rental assistance applications.

#### **OIG Interview of Applicant 2**

The OIG made multiple attempts to contact Applicant 2 for an interview. Applicant 2 did not respond to the OIG's efforts.

#### **OIG Analysis and Conclusion**

Applicant 1 submitted two applications (No. 48733 and 85614) for assistance. On each occasion, she attested that she provided accurate information to the County. In Applicant 1's applications, she listed her rent as \$1,695.00 per month and requested assistance for that monthly amount. Applicant 1 advised the OIG that Applicant 2 signed a balance sheet that listed \$1,695.00 as Applicant 1's monthly rent due and that late fees had been assessed in September, October, and November 2020 and in August 2021. However, records and statements provided by Casa Brera's management showed that Applicant 1 received an Employee Incentive Credit of \$750.00 each month and that she had not been assessed the late fees reflected in her applications. Applicant 1 did not disclose the credit subsidy on her applications. Additionally, Applicant 1 later acknowledged to the OIG that she did not sign a lease with Casa Brera.

Applicant 1 also provided letters allegedly from her employer to support her claim in her applications that she was unable to pay her rent due to being furloughed and a decrease in her hours **application and a second second and a second second second and a second seco** 

Applicant 1 admitted to the OIG that she provided inaccurate information to the County. Based upon our review of documents and the statements of Applicant 1 and the Regional Vice President for her employer/landlord, we found that the lease agreements, employment letters, and balance statements submitted to the County in support of the applications were fabricated.

As a result of the false information, Applicant 1 provided in her applications, the County issued payments of \$5,385.00 and \$5,185.00, respectively, to Applicant 1's landlord for her rent. In addition, the County made an electric bill payment of \$340.27 and issued Applicant 1 food assistance in the amount of \$900.00. We find the total amount of assistance issued of **\$11,810.27** to be Identified Costs.

The allegation that Applicant 1 provided the County with false information in support of her rental assistance applications is **supported**.

#### Allegation (2):

Applicant 2 submitted false information to the County in support of her rental assistance application, which resulted in improper grant funding from a County program.

#### **Governing Directives:**

Palm Beach County CARES Act – Coronavirus Relief Fund Rental, Utilities, and Food Assistance application and program guidelines.

#### Finding:

The information obtained supports the allegation.

#### Applicant 2's Rental Assistance Application

County Records show application No. 46050 seeking rental assistance on behalf of Applicant 2 was electronically signed and submitted to the County on November 3, 2020. Applicant 2 listed her address as the second second



Applicant 2 also requested \$420.00 in utility assistance. In the Declaration of Crisis section of the application, she listed the reason for her crisis as, "Hours were reduced due to COVID-19 and business shut downs, furloughed for a month, then back to reduced hours at work." Applicant 2 submitted paystubs reflecting earnings from Fogelman Properties, LLC. Per the OSCARSS Routing Log, the County processed the application on November 8, 2020.

#### **Balance Statement Submitted with Application 46050**

The balance statement submitted with Applicant 2's application was dated November 3, 2020 and showed a total of \$6,748.00 in rent due for August through November of 2020. It identified Applicant 1 as the landlord, and appeared to be signed by Applicant 1.

Example: Month April 2011 \$	<u>    1000                              </u>	Late Charges <u>\$60</u>
Month Deptember	\$1627	Late Charges
Month Mayember	\$	Late Charges
Month	\$	Late Charges
Attorney Fees: \$		Court Cost \$
		N/3/A
Landlords Name (Print)	Sions	

#### Lease Submitted with Application 46050

Applicant 2 submitted a lease with her application for the period of January 3, 2020 to January 2, 2021. The lease and lease addendum were dated November 3, 2020 (ten months after the lease's stated effective date), showed a monthly rental rate of \$1,687.00, and were electronically signed with Applicant 1 listed as the "Owner or Owner's Representative." Relevant portions of the submitted lease are as follows:

### RENT AND CHARGES. Unless modified by addenda, you will pay <u>1687.00</u> per month for rent, payable in advance and without demand:

at the on-site manager's office, or
 at our online payment site, or
 at

Resident or	Residents (all sign below)
Owner or O	wher's Representative (signing on behalf of owner)
Owner or O	wner's Representative (signing on behalf of owner)
	wner's Representative (signing on behalf of owner) d phone number of owner's representative for notice
Address an	d phone number of owner's representative for notice
Address an purposes	d phone number of owner's representative for notice Bari

#### Proof of COVID-19 Crisis Document Submitted with Application 46050

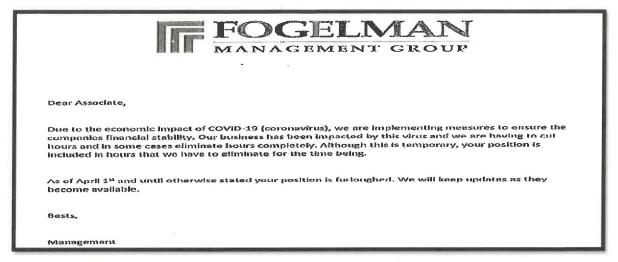
Along with her application, Applicant 2 submitted an undated letter on Fogelman Management Group letterhead as proof of COVID-19 Crisis. The letter stated, in part:

Due to the economic impact of COVID-19 (coronavirus), we are implementing measures to ensure the companies [sic] financial stability. Our business has been impacted by this virus and we are having to cut hours and in some cases eliminate hours completely. Although this is temporary, your position is included in hours that we have to eliminate for the time being. As of April 1<sup>st</sup> and until otherwise stated your position is furloughed.

Bests [sic],

Management

The letter did not have a company address, company phone number, or the name or signature of a company representative. This letter is identical to the letter Applicant 1 submitted with her first application.



Applicant 2 certified in application No. 46050 that all documents she provided with the application were accurate when she electronically signed and submitted it.

#### Payments to PRCP PBC Investment LLC Casa Brera Apartments and FPL

On November 12, 2020, the County issued check number 00003211724 in the amount of \$6,748.00 to PRCP PBC Investment LLC Casa Brera Apartments for rental assistance for Applicant 2. The County also made a payment of \$419.56 to FPL on November 10, 2020, as a result of this application.

BOARD OF COUNTY PAIN BEACH COUNTY WEST-PAIN BEACH, FLORIDA PAY Six Thousand Seven Hondred Forty Eight And 00/100 Doll To BE ORDER CASA BRERA APARTMENT LLC: OF Shouas I Shouas I Shouas I	AMOUNT	00003211724 -11/12/2020 
Heat an analysis of the second to be at t	Seq: 1 Dep: 109328 Date: 01/09/21	For Babassik Carly to Mogelman Realty Group, Inc Nodelman Management Group LLC, data Brera Deposited by: 

#### **Review of Applicant 2's Resident Ledger**

Casa Brera provided the OIG a copy of the Resident Ledger for Applicant 2's unit at Casa Brera. The ledger shows that Applicant 2's rent was \$1,687.00 each month, offset by a credit of \$300.00 as an "Employee Unit Allowance." The ledger does not reflect any late rental payments by Applicant 2 from August through November of 2020, the dates listed on her application for assistance.

County check 3211724 posted to Applicant 2's ledger on January 6, 2021. Once the County funds were received, the funds were applied to future rent and there were no additional payments made towards Applicant 2's rent until the County funds were exhausted in May of 2021.

## OIG Interview of Joanna Starling, Regional Vice President of Fogelman Properties, LLC

Ms. Starling told the OIG that her review of employee rental ledgers showed that two separate payments from the County were received and applied to the rental account of the county applied to the rental account of the county were applied as pre-payment of rent. One of the County checks applied to Applicant 2's ledger was written out to Casa Brera Apartments referencing Applicant 2's unit, but stated it represented rental assistance on behalf of Applicant 3.

#### Ms. Starling interviewed Applicant 2 to find out how the rental payments were acquired,

Ms. Starling said that Applicant 2 told her she understood she would not have qualified for assistance because she was employed and her rent was not late. She said Applicant 2 was tearful and apologetic, and that Applicant 2 told Ms. Starling that she applied because she was overwhelmed and in a "tough spot." The company terminated Applicant 2, and she was required to vacate her apartment.

The OIG showed Ms. Starling a copy of the lease agreement that Applicant 2 submitted with her application. Ms. Starling stated Applicant 2's lease dated November 3, 2020 is not an accurate copy of the actual lease Casa Brera has in its system. Ms. Starling explained that she signed page 9 of the actual lease, but the lease submitted to the County had an electronic signature with the name Applicant 1. Ms. Starling further stated the rent for Applicant 2's unit was \$1,687.00 per month, but Applicant 2 received a monthly employee discount of \$300.00 that was not reported in the application to the County.

The OIG showed Ms. Starling a copy of the letter with Fogelman Management Group's logo that Applicant 2 submitted to the County referencing that her position was being furloughed. Ms. Starling stated that the document was fraudulent, and that Applicant 2 had not been furloughed.

Ms. Starling said that Applicant 2 was the for Casa Brera, but because it was to Ms. Starling.

#### OIG Interview of Applicant 1

Applicant 1 confirmed that Applicant 2 was the design of the time Applicant 1 worked for Fogelman.

The OIG showed Applicant 1 a copy of the balance statement and lease agreement submitted with Applicant 2's application, both of which appeared to be signed by Applicant 1. The lease was signed electronically, but the balance statement's signature was handwritten.

			133	20.40			a all a se		5074s						1	131	30
L	Landlords Name (Print)			C.	Signature				Date								
Applicant	1 :	said	this	could	be	her	signat	ure,	but	she	did	not	ren	nem	ber	signir	ng the

document, and

#### OIG Interview of Applicant 2

The OIG made multiple attempts to contact Applicant 2 for an interview. Applicant 2 did not respond to the OIG's efforts.

#### **OIG Analysis and Conclusion**

In Applicant 2's application, she listed her rent at \$1,687.00 and requested assistance in that monthly amount, and Applicant 1 listed \$1,687.00 as the monthly rent due on the balance statements. However, records and statements provided by Casa Brera's management showed that \$300.00 of that rent was actually credited by Casa Brera each month as an employee incentive. Applicant 2 did not disclose this subsidy/assistance on her application.

Applicant 2's resident ledger showed she made her rental payments each month. However, when County check 3211724 was posted to her account on January 6, 2021, no additional payments were made towards her rent until the funds were exhausted in May of 2021.

On Applicant 2's submitted application, she attested that she provided accurate information to the County. Based on our review of the documents and the statements made by Applicant 2's employer/landlord, we found that the lease agreement and letter from her employer were fabricated.

As a result of the false information Applicant 2 provided in her application, the County issued a check for \$6,748.00 to Applicant 2's landlord for her rent. In addition, the County made an electric bill payment of \$419.56. We find the total amount of assistance issued of **\$7,167.56** to be Identified Costs.

The allegation that Applicant 2 submitted false information to the County in support of her rental assistance application is **supported**.

#### Allegation (3):

Applicant 3 provided the County with false information, with assistance from Applicant 2, in support of her rental assistance application, which resulted in improper grant funding from a County program.

#### **Governing Directives:**

Palm Beach County ERA - Emergency Rental and Utilities Assistance application and program guidelines.

#### Finding:

The information obtained supports the allegation.

#### **Applicant 3's Rental Assistance Application 77255**

County Records show application 77255 was submitted to the County on behalf of Applicant 3 on June 21, 2021. Applicant 3 listed her address as Lake Worth, FL 33463, which is the same address Applicant 2 listed on application 46050.

Applicant 3 listed her monthly rent payment as \$1,687.00. She requested assistance for past due rent for June, and future rent for July, August, and September, 2021, for a total of \$6,848.00, including late fees. Applicant 3 listed her landlord as Casa Brera, with the landlord's email address as a casa a casa

What is the Rent Due Date?	
What is your Landlord's Name?	Casa Brera
What is your Landlord's Address?	4725 Via Bari Lake Worth FL
What is your Landlord's Email Address?	@casabreraapartments.com
What is your Landlord's Phone Number?	561-433-0016
What is your Monthly Rent Amount?	\$1,687.00
Are you currently receiving section 8 or any federal housing subsidies?	No
Did you receive a Rental Late or Eviction Notice?	Yes
Have you received an eviction notice (issued after 3/15/2020) caused by the COVID-19 pandemic?*	
What is the Rental Months Requested?*	09/2021,08/2021,07/2021,06/2021
What is the Rental Past Due Amount Requested?*	\$6,748.00
What is the Rental Late Fees Amount Requested?	\$100.00
What is the Rental Total Amount Requested?	\$6,848.00

In the application's Declaration of Crisis section, Applicant 3 listed:

Laid off from work due to COCID (sic)-19. I am a caregiver and my company furloughed me and eventually closed and did not re-open.

On June 22, 2021, the County returned the application for additional information, including income documentation. The County reviewer noticed that Applicant 3 requested assistance for the same address used by Applicant 2 in a prior application. In its email returning the application, the County stated,

...letter from job needs to have a date and signed. Please upload a utility bill for proof of residency with your name or does live with you if so I need there (sic) income also for 2 month (sic).

On July 29, 2021, a note was added to the application review log stating, "Client stated does not live with her and she has no income coming in since April will upload the documents you requested by the end of the week." Applicant 3 resubmitted the application on August 4, 2021.

On August 20, 2021, the County again returned the application for additional documentation, including income information, proof of residency, and proof of COVID crisis. Applicant 3 resubmitted the application on August 26, 2021, with three separate letters on Health Care letterhead as proof of COVID-19 Crisis. On August 30, 2021, the County again returned the application for additional information. Specifically, the County requested that Applicant 3 "...Remove Self Attestation for adults with Zero Income you are currently working...." and stated that the letter she submitted as Proof of COVID Crisis "does not have the job phone number please provide a phone number and paystubs showing declined (sic) in hours."

On September 2, 2021, Applicant 3 resubmitted the application. The County returned the application on that same date, requesting that Applicant 3 provide a paystub from her prior employer. On September 22, 2021, Applicant 3 submitted paystubs reflecting earnings from El Motor City for August and September 2021. Also on September 22, 2021, the County Reviewer spoke with Applicant 3 via phone, and Applicant 3 provided a contact number to her employer to "verify letter." Applicant 3 resubmitted the application on that same date. On September 23, 2021, the County again returned the application for documentation proving residency. Applicant 3 again resubmitted her application.

On October 4, 2021, Community Services staff noted in the OSCARSS Application Notes stating that the employer's name was "illegible in termination letter and applicant has not provided unemployment award letter." Per the OSCARSS Routing Log, the County processed the application on October 6, 2021.

#### Balance Statement Submitted with Application 77255

The balance statement submitted with the application was dated June 24, 2021, and showed a total of \$6,848.00 for rent for June through September of 2021, including a late fee of \$100.00 for the month of June. It was electronically signed with the name Applicant 1.

	SERVICES	Landlord	s Balance St	atement.	
Tenente ( Tenente Acie			Vendor Hame:	VC0000159250 PRCP PBC INVESTI CASA BRERA APAR 4725 VIA BARI LARE WORTH FL 33463	
	Participant talla	Florit Duro	Late Fee	Legal Pare	Total Due
Month 1	June 2021	\$1,687.00	\$100.00	00.0Q	\$1,787.00
Month 2	July 2021	\$1,587.00	190.00	\$0.00	\$1,687.00
Millio patrix 3.	August 2021	\$1,587.00	190.00	00.04	\$1,087.00
Month 4	September 2021	\$1,887.00	SPOR CHOIL	\$0.00	\$1,687,00
				Grand Total:	\$6,848.00
property     i certify &     isted on     i certify i     property     i certify i     i certify i     i certify i	hat the above information this is months requestion this request and/or the fu- had, I will return future flamt prior to any Future flamt that the mailing address. Is and the mailing address is and that by signing and sub- rold the teach for the pe-	I by my lenent are ; dure rent Neted abs e.Rent paid on my collected as stated i correct hmitting this balance and that in doing :	past due and i have : ove will be applied to Terant's behalf to P in this Balance Stat or statement I ans app 50, tenant may remain	not received rents for i wards the tensori's act alm Beech Gounty II th ament. asing to accept funds o a on the property and a	the months court, my vacate my n behalt of the o steps will be
C LContilly U	hat the tenant and I (the Li	andlord) are in agre	ement on lease statu	06/24/20	21
Elec	tronically Signed By			Date	

#### Lease Submitted with Application 77255

Applicant 3 submitted a lease with her application for the period of January 3, 2021 to January 2, 2022. The lease was dated June 21, 2021, and listed the monthly rental rate as \$1,687.00. It was electronically signed with the name Applicant 1 in the Owner/Owner's Representative sections of the lease and lease addendum. Relevant portions of the lease are as follows:

The of_	initial term of the	Lease Contract b	FICE REQUIREMENTS. egins on the <u>3rd</u> da _, and ends at 11:59 p.m _, 2022 .This Leas			
ine .						
	<b>Resident or Residents</b> (All Residents must sign here)		Owner or Owner's Representative (signs here)			

	ts must sign here)	(signs here)
terrotat	trine and the second	
Resident	Date	June 21, 2021
		والجما ومسرية المؤاذي وأمكر الملك فكالك فللتك فتترك المتحد والمتحد المحد المحد المحد والمحد والمحد

#### Review of Proof of COVID-19 Crisis Document Submitted with Application 77255

Applicant 3 submitted three separate letters on Health Care letterhead as proof of COVID-19 Crisis. The letters contained no address or phone number for Health Care. The notices all stated, in part:

Due to the economic impact of Covid-19 (coronavirus), we are implementing measures to ensure the company's financial stability. Our business has been impacted by this virus and we are having to cut hours and, in some cases, eliminate hours completely. Although this is temporary, your position is included in hours that we have to eliminate for the time being.

As of April 30<sup>th</sup> and until otherwise stated your position is furloughed....

One of the letters was dated April 1, 2020, one was dated April 1, 2021, and one was undated. The dated letters appeared to be signed by "Maria Santiago"; the undated letter had no signature. All three letters closed with "Bests (sic), Management."

HEALTH CARE
April 1* 2020
Dear Associate,
Due to the economic impact of Covid-19 (coronavirus), we are implementing measures to ensure the company's financial stability. Our business has been impacted by this virus and we are having to cut hours and, in some cases, eliminate hours completely. Although this is temporary, your position is included in hours that we have to eliminate for the time being.
As of April 30 <sup>th</sup> and until otherwise stated your position is furloughed. We will keep updated as they become available.
Bests, Mana Soustiago Management

HEALTH CARE
April 1" 2021
Dear Associate,
Due to the economic impact of Covid-19 (coronavirus), we are implementing measures to ensure the company's financial stability. Our business has been impacted by this virus and we are having to cut hours and, in some cases, eliminate hours completely. Although this is temporary, your position is included in hours that we have to eliminate for the time being.
As of April 30 <sup>th</sup> and until otherwise stated your position is furloughed. We will keep updated as they become available.
Bests, Manace Santing, S Management
HEALTH CARE
Dear Associate,
Due to the economic impact of Covid-19 (coronavirus), we are implementing measures to ensure the company's financial stability. Our business has been impacted by this virus and we are having to cut hours and, in some cases, eliminate hours completely. Although this is temporary, your position is included in hours that we have to eliminate for the time being.
As of April 30 <sup>th</sup> and until otherwise stated your position is furloughed. We will keep updated as they become available.
Bests,
Management

The wording of these letters is almost identical to the wording of the documents submitted with Applicant 2's application and Applicant 1's first application.

Applicant 3 certified in application 77255 that all documents she provided were accurate when she electronically signed and submitted her application.

#### Payment to PRCP PBC investment LLC Casa Brera Apartments

On October 7, 2021, the County issued check number 00003261117 in the amount of \$6,848.00 to PRCP PBC Investment LLC Casa Brera Apartments for rental assistance.

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY WEST PALM BEACH, FLORIDA PAY Six Thousand Eight Hundred Forty Eight And 607100 Doll	AMOUNT	00003261117 ,10/07/2021 \$******6,848.60
TO THE PRCP PBC INVESTMENT LLC ORDER CASA BRERA APARTMENTS OF	the states	نو استراد المان المان محمد مستحد مستر
THIS DOCUMENT IS PRIMITED IN TWO COLORS OD NOT ACCEPTUALE SE SELLE AND DUAC	ARE PRESENT PADLOCK LET GEOUN	
Hard transition price of the generative received to the second to the generative received to the second to the	Date: 11/05/21	For Deposit Qnly to Drøgelman Realty Group, Inc Fogelman Management Group LLC Assa Brera Deposited by:

#### Review of Applicant 2's Resident Ledger

Applicant 3 listed the same address on her County application as Applicant 2. The ledger for **Exercise** shows County check number 3261117 posted to that unit on November 2, 2021 on Applicant 3's behalf for June through September 2021. County check number 3211724 had posted to this same unit on January 6, 2021 for Applicant 2's benefit for August through November 2020.

The balance statement submitted with Applicant 3's application requested \$100.00 in late fees for the month of June 2021. However, Applicant 2's ledger does not show a late fee charged for that month.

#### OIG Interview of Robert McKay, CEO of McKay's Care LLC

Applicant 3's OSCARSS application log noted that she provided a Community Services reviewer a phone number to contact her employer and verify the furlough letters she had submitted. Public records showed the number to be connected to Robert McKay, CEO of McKay's Care LLC in Miami, FL.

Mr. McKay told the OIG that Applicant 3 was an independent contractor that worked for him when he was in Palm Beach County. He further stated that when he moved, she continued caring for the clients he had left in the County.

Mr. McKay could not remember any instances of him providing COVID assistance letters to his employees. Mr. McKay had no knowledge of anyone named Maria Santiago being associated with his company.

## OIG Interview of Joanna Starling, Regional Vice President of Fogelman Properties, LLC

Ms. Starling told the OIG that one of the County checks applied to Applicant 2's ledger was written to Casa Brera Apartments referencing Applicant 2's unit, but stated it represented rental assistance on behalf of Applicant 3. Applicant 3 was not an employee of or a lease holder at Casa Brera.

Ms. Starling discovered that Applicant 3 resided on the property due to an internal investigation into the property due to an internal Applicant 2. During that investigation, Applicant 2 told Ms. Starling that Applicant 3 was her roommate. Applicant 2 admitted that she gave Applicant 3 a copy of a lease. However, Applicant 2 said it was so that Applicant 3 could update her driver's license and that she had no idea Applicant 3 used the lease to apply for rental assistance.



#### OIG Interview of Applicant 1

The OIG showed Applicant 1 copies of the balance statement and lease agreement submitted with Applicant 3's application, both of which have Applicant 1's name in the signature line. Applicant 1 stated she did not sign either of the documents. She said she does not know whether Applicant 2 would have placed her (Applicant 1's) e-signature on documents without her permission.

#### OIG Interview of Applicant 2

The OIG made multiple attempts to contact Applicant 2 for an interview. Applicant 2 did not respond to the OIG's efforts.

#### **Interview of Applicant 3**

The OIG contacted Applicant 3 in an attempt to conduct an interview. Applicant 3 stated she no longer lives in Palm Beach County. She declined to be interviewed.

#### **OIG Conclusion**

Applicant 3 told Community Services that Applicant 2 did not live with her. However, Ms. Starling, the Regional Vice President of Fogelman Properties, told the OIG that the unit listed in Applicant 3's application was leased to Applicant 2, not Applicant 3. Ms. Starling also advised our office that Applicant 2 admitted during an internal investigation that Applicant 3 was her roommate and that she had given Applicant 3 a lease from Casa Brera's internal system.

Applicant 3 submitted to the County a lease agreement and balance statement for Casa Brera listing her monthly rent at \$1,687.00. However, Applicant 3 never had a valid lease with Casa Brera. The lease and balance statement submitted with Applicant 3's application for rental assistance showed an electronic signature by Applicant 1. Applicant 1 told the OIG that her signature was added without her knowledge or permission.

Applicant 3 requested rental assistance for \$1,687.00 per month. However, records and statements provided by Casa Brera's management showed that the unit was rented to Applicant 2 with a \$300.00 employee incentive credit each month. Applicant 3 did not acknowledge in her application the \$300.00 credit, which reduced the amount Applicant 2 owed each month to lease the unit.

In addition, Applicant 2's resident ledger showed she was current with her rental payments at the time of Applicant 3's rental assistance application. The County issued check 3261117, due to Applicant 3's application, and the check posted on November 2, 2021. Subsequently, there were no additional payments posted to Applicant 2's ledger.

Applicant 3 submitted letters purporting to be from her employer to the County as proof of COVID-19 Crisis. The OIG discovered a telephone number linked to an employer of Applicant 3's in OSCARSS. Robert McKay, CEO of McKay's Care LLC in Miami, FL, verified that Applicant 3 was a former employee, but he did not recall providing her with a COVID-related hardship letter. In addition, the employer did not know the name Maria Santiago, the employer representative's purported signatory on two of the three letters.

When Applicant 3 submitted her application, she attested that she provided accurate information to the County. Based on our review of the documents and the statements made by Applicant 3's employer and landlord, we found that the lease agreement and letter from her employer were fabricated.

As a result of the false information Applicant 3 provided in her application, the County issued a check for \$6,848.00 to Casa Brera for her rent. We find this amount to be Identified Costs.

The allegation that Applicant 3 provided the County false information in support of her rental assistance application is supported.

#### Repayment to the County

According to both Fogelman and Community Services, Casa Brera returned \$24,166.00 to the County. This amount reflects the rental assistance Casa Brera received for the applications of Applicant 1, Applicant 2, and Applicant 3.

#### IDENTIFIED, QUESTIONED, AND AVOIDABLE COSTS

#### Identified Costs: \$26,725.83

Allegation	Applicant	Rent	Food	Utilities	Tota	l Identified Costs	
1	Applicant 1	\$10,570.00	\$900.00	\$340.27	\$	11,810.27	
2	Applicant 2	\$6,748.00	\$900.00	\$419.56	\$	8,067.56	
3	Applicant 3	\$6,848.00			\$	6,848.00	
Total				\$	26,725.83		

#### ACKNOWLEDGEMENT

The Inspector General's Investigations Division would like to thank the Palm Beach County Community Services Department staff for their cooperation throughout this investigation.

#### **RECOMMENDED CORRECTIVE ACTIONS**

The OIG recommends that the County seek reimbursement of \$2,559.83 in issued funds from Applicant 1 and Applicant 2, which is the difference between the \$26,725.83 in Identified Costs and the \$24,166.00 Casa Brera has already returned to the County.

#### **RESPONSE FROM MANAGEMENT**

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, Community Services was provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this Investigative Report within ten (10) calendar days. Their written response is:

The County concurs with the IG recommendation included in Investigative Report 2022-0003. The Community Services Department will seek reimbursement of the \$2,559.83 issued to the subject(s) named in this investigation.

#### **RESPONSE FROM APPLICANT 1**

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, Applicant 1 was provided the opportunity to submit a written explanation or rebuttal to the finding as stated in the Investigative Report within ten (10) calendar days. On May 26, 2023, Applicant telephoned the OIG and stated that she would not be submitting a response.

#### **RESPONSE FROM APPLICANT 2**

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, Applicant 2 was provided the opportunity to submit a written explanation or rebuttal to the finding as stated in the Investigative Report within ten (10) calendar days. Her written response is:

Good evening, I am in response to this email for recipients **and** and **only**. We have our attorney drafting a response letter to you and will have it mailed out by 5/28/23. We will be paying the outstanding requested balance due and would like to know when it would need to be paid by and to whom we need to make payment to.

Thank you,

No further response was received from Applicant 2 or anyone representing Applicant 2.

#### **RESPONSE FROM APPLICANT 3**

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, Applicant 3 was provided the opportunity to submit a written explanation or rebuttal to the finding as stated in the Investigative Report within ten (10) calendar days.

On June 8, 2023 Applicant 3 told the OIG during a telephonic conversation that she intended to repay the identified costs attributed to her, and that a letter from her lawyer would be forthcoming. On June 9, 2023, the following response was submitted by Applicant 3:

June 9, 2023

John A. Carey

Office of Inspector General

Palm Beach County

Subject: Intention to Corporate

Dear, Mr. Carey

I, three dollars and twenty-eight cents (\$853.28) in accordance with the terms outlined in this document.

- Payment Amount and Due Date: The total payment amount of \$853.28 shall be paid in full to Palm Beach County. The payment shall be made by Check on or before [the county specified due date].
- Payment Method: The payment shall be made in the form of [check], such as a certified check, money order, or electronic transfer. The details regarding the payment method shall be communicated between the undersigned parties.
- 3. Release of Liability: Upon receipt of the full payment, Palm Beach County agrees to release from any further financial obligation related to the aforementioned debt.
- 4. Governing Law: This Payment Agreement shall be governed by and construed in accordance with the laws of [Florida], without regard to its conflict of law provisions.
- 5. Entire Agreement: This document constitutes the entire agreement between **Provide State State** and Palm Beach County regarding the payment of \$853.28 and supersedes any prior discussions, understandings, or agreements, whether oral or written.

Please sign below to indicate your acceptance of the terms and conditions set forth in this Payment Agreement.



Accepted by:



Joseph A. Carey Office of Inspector General Palm Beach County

Please make a copy of this document for your records. Should you have any questions or require further clarification, please do not hesitate to contact me at the provided contact information.

Thank you for your prompt attention to this matter.

Sincerely,



This Investigation has been conducted in accordance with the ASSOCIATION OF INSPECTORS GENERAL Principles & Quality Standards for Investigations.