



Joseph M. Centorino, Inspector General

TO: Honorable Mayor and Members of the City Commission
FROM: Joseph Centorino, Inspector General

DATE: March 4, 2021
RE: Unauthorized Outside Employment Investigation
OIG No. 21-16

This investigation was opened upon receipt of information by the OIG from a confidential source, alleging that the subject, Justin Karr, Real Estate Asset Specialist in the City of Miami Beach Department of Economic Development, engaged in unauthorized outside employment during the time he was employed by the City. Specifically, it was alleged that Karr, an attorney, had been representing private clients, using his City email to communicate with them, without obtaining authorization from the City as required by City policy; and that he also failed to file a disclosure of such employment pursuant to Miami-Dade County Code Section 2-11.1(k)(2).

The OIG obtained records from the subject's City computer that confirmed that he had, in fact, utilized his City computer to communicate by email with persons who appeared to be private legal clients, including family members. The emails from the City computer included the City's logo. There were also other documents found there which were related to his private work, including one which showed compensation to him in the amount of \$1732 during 2019. It should be noted that some of the suspected private client work may have involved small business assistance that was consistent with Mr. Karr's job duties, and that no indication of payment for such work was found. The computer records also included an acknowledgement by the subject that he was aware of the impropriety of unauthorized outside employment.

The OIG obtained the subject's personnel file from Human Resources Director Michael Smith, who informed that the employee had been made aware of the need to get authorization for such outside employment and to disclose it. The City Clerk was asked to provide any record of disclosure, and he informed that there was no disclosure on file from Mr. Karr.

As required under City of Miami Beach Code Section 2-256(d)(8)(b), the OIG notified the Miami-Dade Commission on Ethics and Public Trust (COE) of the possible violation of the County Ethics Code. COE Forensic Accountant/Investigator Karl Ross was assigned to the investigation, which was conducted jointly with the OIG.

The subject agreed to speak with the COE and OIG on a voluntary basis. The subject was very cooperative, acknowledging the private work he had done using his City computer and expressing remorse for his actions. The investigative findings were referred by the OIG to the Interim City Manager and Human Resources Director for whatever administrative action they deemed appropriate. The HR Director issued a Notice of Disciplinary Action to Mr. Karr, dated January 27, 2021, which is attached.

The Ethics investigation also led to the filing of a complaint by Commission Advocate Michael Murawski with the Ethics Commission. On February 1, 2021, Mr. Karr executed the attached Stipulation to Probable Cause in which he agreed to settle the Ethics Commission proceeding by not contesting a one-count violation of the County Ethics Code and paying a \$500 fine. On March 4, 2021, Mr. Karr submitted a statement to the OIG regarding his conduct leading to the investigation, disciplinary action and Ethics complaint. His statement is attached.

This matter is now closed.

Approved by:



Joseph M. Centorino, Inspector General

03/04/2021
Date

OFFICE OF THE INSPECTOR GENERAL, City of Miami Beach
1130 Washington Avenue, 6th Floor, Miami Beach, FL 33139
Tel: 305.673.7020 • Fax: 305.587.2401 • **Hotline: 786.897.1111**
Email: CityofMiamiBeachOIG@miamibeachfl.gov
Website: www.mbinspectorgeneral.com

To: Mr. Joseph Centorino, Inspector General
From: Justin Karr
Date: March 4, 2021
Subject: Office of Inspector General Draft Report No. 21-16

I recently accepted a settlement with the Ethics Commission, acknowledging that I had engaged in outside work without notifying Human Resources and, at times, used my work email for related communications. This was an isolated engagement for a good friend during a short duration of time and it ceased to occur long before any investigation began. The outside work was not performed during business hours at City Hall and never did I represent myself as operating in my official capacity.

Regrettably, I used my work email account for some communications because, at the time, I did not think that my actions were egregious or worthy of concealment. In retrospect, I recognize I exercised poor judgment and it is difficult to justify when I was aware of a policy for notifying HR, which, if I had followed, would have avoided this embarrassment and any appearance of impropriety. I truly regret this mistake and undergoing an ethics inquiry has affected me profoundly.

I have worked hard to lead an exemplary professional life and I have no prior history of legal or professional misconduct. I sincerely apologize for committing actions inconsistent with the City's high standards. I have expressed remorse to my supervisors, HR, and City management, and I am grateful they have confidence that this learning experience is not representative of my character. I take great pride in working for the City and I welcome the opportunity, if desired, to discuss the matter with City leadership.

**MIAMI-DADE COUNTY COMMISSION ON
ETHICS AND PUBLIC TRUST**

IN RE:

COMPLAINT # C21-01-01

Justin Karr
_____ /

STIPULATION TO PROBABLE CAUSE

1. Respondent, Justin Karr, does hereby stipulate and agree that the allegations enumerated in the above referenced Ethics Complaint regarding Section 2-11.1(g) and 2-11.1(k)(2) of the Miami-Dade County Conflict of Interest and Code of Ethics ordinance are supported by probable cause.

2. Respondent specifically waives any hearing or proceeding he may otherwise be entitled to before the Ethics Commission for the purpose of having a probable cause determination made in the above matter.

3. Respondent understands and agrees that a stipulation to probable cause in this matter in no way constitutes an admission to any of the material allegations made in the Ethics Complaint.

4. Respondent specifically WAIVES a hearing to determine probable cause.

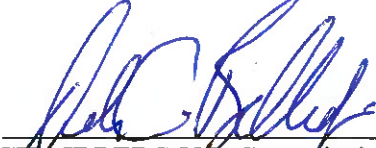


Justin Karr
Respondent

2-1-21
Date



Michael Murawski
Advocate



CHAIRPERSON, Commission on
Ethics and Public Trust



IN RE:

CASE NO. C21-01-01

Justin Karr

_____ /

SETTLEMENT AGREEMENT

Pursuant to section 5.13 of the Miami-Dade County Commission on Ethics and Public Trust (COE) Rules of Procedure, Petitioner and Respondent do hereby enter into this settlement in full satisfaction of the above captioned matter based upon the following terms and conditions:

1. Respondent, JUSTIN KARR, believes it to be in his best interest and the best interest of all the parties involved to avoid the expense and time of litigation in this matter. Accordingly, Respondent agrees Not to Contest the allegation contained in COUNT TWO of Ethics Complaint No. C21-01-01 concerning Section 2-11.1(k)(2) of the Miami-Dade County Conflict of Interest and Code of Ethics ordinance.
2. Pursuant to this agreement, Respondent agrees to pay a fine of Five Hundred and 00/100 Dollars (\$500.00) no later than ten (10) days after this agreement is ratified by the Ethics Commission and accept a Letter of Instruction in full satisfaction of complaint C20-01-01.
3. Pursuant to this agreement, the allegation in COUNT ONE will be dismissed.
4. Respondent understands and agrees that failure by him to pay all monies due, as outlined in paragraph 2 above, may result in garnishment or other appropriate processes or proceedings to enforce the recovery of a judgment as governed by the Florida Rules of Civil Procedure.
5. Failure by Respondent to fulfill and abide by his obligation under this agreed Settlement Agreement may also result in contempt proceedings against Respondent.
6. Respondent understands and acknowledges that the Ethics Commission does **not** accept cash in any form as payment for the above-mentioned costs and that the costs can only be paid in a commercially reasonable manner either by personal check, cashier's check or

Karr C21-01-01

MasterCard or Visa credit cards. Failure to pay the costs or attempt to pay in any other manner than as prescribed shall result in contempt proceedings being brought against Respondent.

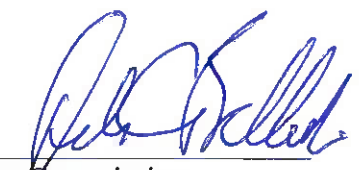
7. This agreement, consisting of two (2) pages, embodies the entire agreement of the parties respecting the subject matter herein. There are no promises, terms, conditions, or obligations other than those contained herein. This agreement supersedes any and all previous communications, representations, and agreement either verbal or written between the parties.

8. By signing this agreement, Respondent acknowledges that he is doing so freely, voluntarily and without duress; that he is competent to enter this agreement; that he has consulted with an attorney or has freely chosen to proceed without legal representation and has fully and completely read and understands the terms and conditions of the agreement.

9. Petitioner and Respondent agree that settlement of this action in the manner described above is just and in the best interest of the Respondent, the City of Miami Beach and Miami-Dade County.

10. Should the Ethics Commission reject this agreement; evidence of this offer of compromise and settlement is inadmissible to prove any of the allegations alleged.

DONE and ORDERED in Miami-Dade County, Florida this 3rd day of, 2021.

By: 
Ethics Commission
Chairperson


Michael Murawski
Advocate


Justin Karr
Respondent

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

MEMORANDUM

TO: Justin Karr, Real Estate Asset Specialist
FROM: Michael Smith, Human Resources Director
DATE: January 27, 2021
SUBJECT: **Notice of Disciplinary Action**



Recently you were the subject of an Investigation by the by the Miami-Dade Commission on Ethics and Public Trust (MDCPT). They issued a report on December 30, 2020.

I have reviewed their final report and note that you are also not in compliance with *Miami-Dade County Code Section 2-11.1* regarding outside employment by public employees and the following Citywide procedures: *CM.02.01-Misuse of Public Employment*; and *IT 21.01- Use of City's Email and Computer Systems*.

You acknowledged to the investigators that your actions violated the City's ethics rules in that you provided legal advice to individuals who were closely related to one of our leasing clients, as well as friends who have businesses in the City and do business with the City. Some of this work was also performed apparently on City time, used City equipment and in some cases, correspondence even was done on City letterhead and via city emails. In one of the email exchanges with Hilton Woman soon after your employment in 2018, you even acknowledged your concerns to him that you had not obtained outside employment authorization. Further, since you have been employed by the City, you have been notified by me on three (3) occasions of the requirement for outside employment authorization approvals and never filed the necessary outside employment forms with the City or County.

I reviewed your performance evaluations since your hire in 2018, which have been above satisfactory, and had discussions with your managers who indicate your work performance remains exemplary. Further you were cooperative and truthful with investigators during the inquiry and you have expressed regret about the infractions. Accordingly, in consultation with the City Manager, and in consideration of all of the aforementioned mitigating factors, I have decided to issue you this formal written warning.

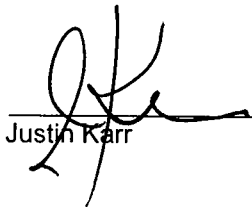
Going forward I strongly urge you to comply with all relevant City, County and State ethics regulations. The City Manager has set very high standards of conduct for all staff in the City and I share his commitment to high ethical standards for all employees of the City. As an attorney you are also held to high standards by the Florida Bar Association.

If you intend to continue outside employment, you must submit the attached City form for approval I as well as those required by Miami-Dade County. In no case should your outside employment be done on City time, on city equipment and not with any entity which has a relationship with the City of Miami Beach of any kind.

Future violations of ethics regulations will result in more serious disciplinary action up to and including discharge. If you have any questions about whether an action may violate any ethics regulation, please reach out to me or the City Attorney's office.

The MDCPT may take additional actions at their discretion.

CC: Raul Aguila, Acting City Manager
Eric Carpenter, Assistant City Manager
Rickelle Williams, Economic Development Director

RECEIVED:  _____ 1-28-21
Justin Karr Date