

**IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL
CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA**

FALL TERM 2006

**IN RE: THE BUSINESS PRACTICES OF THE CITY OF WEST
PALM BEACH, PALM BEACH COUNTY, FLORIDA**

**IN THE NAME AND BY THE AUTHORITY BY THE STATE OF
FLORIDA**

**The Grand Jury Presentment on the City of West Palm Beach
Part A**

“Pay to Play”

Introduction

After irregular and illegal practices surfaced regarding Republic Properties and the West Palm Beach City Center project¹, this Grand Jury was convened to investigate corruption, ethics and whether the City of West Palm Beach conducts business under a “pay to play” practice.

Witnesses who testified included residents, the mayor, elected city officials, former and present city employees, commissioners, vendors, developers and businesses who have conducted business with or within the city.

¹ Republic Properties Corporation, a real estate development company, paid consulting fees to then City Commissioner Ray Liberti in relation to the City Center project. The City Center project is the construction of a civic complex that will house City Hall, the public library, and a non-profit cultural and educational institute in downtown West Palm Beach.

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In addition to witness testimony, the Grand Jury received and reviewed documents, correspondence, emails and other evidence.

Pay to play

One of the questions addressed by this Grand Jury is: Is the City of West Palm Beach a “pay to play” city?

The question posed in another way: Is it the understanding among developers and businesses that in order to successfully conduct business with the City of West Palm Beach, the developers and businesses must make large financial contributions or other considerations?

The evidence is as follows:

Campaign contributions

Developers and businesses perceive that the City of West Palm Beach is in fact a “pay to play” city. Developers take actions consistent with this conclusion, including the contribution of substantial sums of money to the campaign account of Mayor Lois Frankel. Contributions are made at times significant to approval of or consideration of projects or matters before various boards and the City Commission in West Palm Beach.

Campaign contributions in increments of \$500.00 were made by wealthy large-scale developers to the political campaign account of Mayor Lois Frankel. These

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contributions came from individuals, companies, and legal entities which were found to be connected to the developers. The total campaign contributions connected to a given developer varied from \$5,000 to \$21,000. Here are some examples:

Rendina: On June 14, 2005 28 checks attributed to developer Bruce Rendina totaled \$14,000.00; On June 15, 2005 an additional 12 checks totaling \$6,000.00 were connected to Bruce Rendina. Checks on various other dates brought the total to more than \$21,000.00.

Huizenga: On June 21, 2005, the West Palm Beach City Commission voted and approved future land use amendments and rezoning which increased allowed density and height (in planning board case number 1445 and 1445A). This action largely increased the value of certain property owned by developer Huizenga; On June 25, 2005, twenty \$500.00 checks associated with Huizenga were deposited into Mayor Frankel's campaign account, totaling \$10,000.00.

Rincon Properties LLC: This landowner donated \$5,000, all of which can be directly attributed to the one landowner. Amounts included one donation by a corporation and another by the same corporation under a fictitious name. This means one company donated \$1,000.00, twice the legal limit. If an eight-story development goes up on Flagler Drive near this property, the landowner stands to make \$50 million, as the value of the property is estimated to increase by that amount.

Kenco City Center Development: Kenco was a loser in the City Center project, apparently concluding in the process that West Palm Beach is a "pay to play" city. In connection with its next project, Kenco made \$10,000 in political contributions². On June 30, 2005, twenty checks from Kenco and other entities associated with Kenco were contributed to Mayor Lois Frankel's campaign account totaling \$10,000. This was approximately one month before the company was to go before the Plans and Plats Review Committee, a preliminary process for Commission approval of a development. The reasonable conclusion is that this large contribution was made to insure the success of the subsequent project. Such actions are consistent with an acquired understanding of the "pay to play" perception by developers.

Cypress Realty Group: This developer made a \$5,000.00 political contribution to the mayor's campaign account late in 2006. These contributions were collected from family, employees and employees' spouses. Cypress Realty received administrative staff approval regarding North Olive Place in December 2006

²Testimony revealed that this contribution totaled \$15,000.00. Only \$10,000.00 of the contribution was located in the campaign contribution reports reviewed during the course of this Grand Jury term.

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which was a critical deadline. If approval had not been received by December 31, 2006, the entire project would have been subject to a new and unknown city master plan. (Refer to the Chamber of Commerce section for more financial contribution information of this company.)

The timing of these financial contributions occurred in conjunction with the developers' presentation of projects to the city, the City Commission and the mayor at various stages of the approval process. Some contributions were made in anticipation of submission of development projects. Some contributions occurred within days of votes before the Commission, or on the same day that the City Commission voted. Others were made while decisions, approval, or votes were pending on development projects.

The evidence established that these contributions were bundled in several ways:

1. Where a large developer owns many companies (one controlled 131 companies), each individual, legally distinct company made a \$500.00 contribution. Additionally, contributions were made by family members and friends of the developer.
2. A developer asked friends, family, employees, and spouses of employees to make individual \$500 political contributions to Mayor Lois Frankel. These contributions were then reimbursed by the developer to the individual parties who made the contributions.
3. Developers made substantial contributions to the Chamber of Commerce of the Palm Beaches. These contributions were used for various purposes to aid the mayor and the city financially, and to gain favor with the mayor and Commissioners. This type of contribution will be discussed thoroughly in a separate section of this report.

Review of campaign contribution report

One observation of the campaign contribution reports showed that a large percentage of contributions came from developers, businesses, and individuals from outside Palm Beach County and the State of Florida. Why would someone who is not a

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resident of West Palm Beach, or a developer or business entity that is not based in the city of West Palm Beach, make such substantial contributions? This Grand Jury concludes the obvious; the contributions were consistent with the perception of the "pay to play" atmosphere made in the hopes of receiving favorable consideration.

This Grand Jury uncovered no evidence of any "quid pro quo" connecting the Mayor with any political contribution during its investigation.

Chamber of Commerce

Factual Basis

The Chamber of Commerce of the Palm Beaches is a non profit corporation. The Chamber of Commerce accepted checks or contributions from developers and businesses which were designated by the donor to be used for the "referendum campaign" and to oppose the lawsuit filed by West Palm Beach residents against the City Center project. One \$5,000.00 contribution was made by Cypress Realty Group on June 21, 2006 for the specific purpose of opposing the lawsuit filed by the residents of West Palm Beach. Additional contributions were in increments of \$5,000.00 and \$10,000.00. The Grand Jury discovered contributions for this purpose in the total amount of \$30,000.00 for the year 2006. These contributions were deposited in the Chamber of Commerce operating expense account and then paid out through that account according to the directions of the developer.

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Developers used the Chamber of Commerce and its operating account as a conduit for receipt of funds and payments used to fight the citizens initiative. The Grand Jury poses the question: Why was this money sent to the Chamber of Commerce? This question was not adequately explained to the Grand Jury. The use of the Chamber of Commerce's operating account disguised the initiative of the wealthy developers, the source of the contributions, and the existence of the payments. It would be difficult for the public to become aware of this practice.

Conclusions

Campaign contributions

The ability to bundle these campaign contributions enabled the wealthy, large scale developer to make significant financial contributions. These amounts, although they ran into thousands of dollars, are small compared to the large profits to be made, and are easily considered a "cost of doing business." When a developer stands to make millions of dollars on a project by acquiring the necessary permits and variances and votes, contributions of \$10,000 or even \$25,000 are insignificant to the developer, but not the recipient.

Regulating political campaign contributions is intended to prevent the illegal purchase of a bias or favor from elected officials. When loopholes are exploited, and the regulated system is misused and abused, the political contribution process becomes questionable. When contributions are bundled, the playing field is not level. Clearly, the large and powerful developer can out-contribute any small business. The large and

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powerful developer can purchase the votes needed for the permits and variances, unlike the smaller business that cannot compete. Laws are circumvented.

This political campaign process must be reevaluated by the voters and the State legislature to address the issue of "attribution" of the contributions. This loophole must be addressed. Developers should not be permitted to bundle contributions, thereby gaining undue influence, unfair access and favoritism that is not available to the average citizen or smaller business. Developers should not be permitted to circumvent the clear intent of the law. A limit should be placed on the amount that is attributed to one individual or one entity.

Chamber of Commerce of the Palm Beaches

The Chamber of Commerce is perceived to represent all of its business members. Acting as a conduit for substantial amounts of money from large developers gives the perception that the Chamber has come to represent the wishes of the developers. This organization should disclose when it is paying out substantial amounts of money which had been contributed by developers for a particular purpose.

Ethics

Question: Is the City of West Palm Beach acting in an ethical manner in its business process?

Question: Are there problems with the Mayor's Ethics Committee?

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Factual Basis

The evidence established the following:

Staff

Employees of the City of West Palm Beach have acted unethically by targeting residents, causing inconvenience, financial losses, and loss of property.

One such example is a pastor targeted because of development interests in his properties, including a church at 5312 Broadway. He was harassed, given multiple fines, and given misleading and inconsistent information by city employees. The harassment continued despite his good faith attempts to correct any perceived deficiencies. He presented 13 proposals for improvements and was denied 13 times for various reasons. His attempts to address the unethical treatment by the City were futile. He could not get a fair speedy review of the issues and problems facing him from the City. He was without an advocate or a remedy.

Finally, the grand jury heard testimony concerning recourse for city hall employees who have issues about unethical conduct observed or unethical treatment of the employees. No avenue exists for swift independent review of such issues for the city employees themselves.

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Conclusions:

The City of West Palm Beach must implement an independent process by which residents, businessmen and women, and City employees can swiftly receive an unbiased, fair review of any unethical conduct or treatment at the hands of the City.

1. What is meant by independent? An individual or committee with no association with the City or the Mayor should be in place to review complaints. This reviewer must not be appointed or chosen by the City or Mayor, or answer to the City or the Mayor, or be subordinate to the City or the Mayor.
2. What is meant by swift review? A review must happen immediately; before more unethical conduct continues; before a resident incurs financial losses, fines, or loss of property; before more injury is inflicted. Delays in evaluation of the situation work against the individual, resident, or business suffering the breach of public trust. Fines accumulate quickly and injure the individual and smaller business. Injuries can be ongoing while review is pending.

Mayor's Ethics Committee

Factual Basis

In July of 2006 Mayor Lois Frankel empanelled a City of West Palm Beach Ethics Committee, the members of which were handpicked by Mayor Lois Frankel. This blue ribbon panel is comprised of influential, powerful individuals. No average citizens/residents of West Palm Beach are included. No entity or person who is independent of

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the mayor is involved in this committee. The committee functions within the structure of the City of West Palm Beach and serves at the pleasure of the mayor. If this panel is to serve as the guardian of the ethical standards of conduct for the mayor and the staff of the City of West Palm Beach, some issues of independence and individual ethical conduct must be addressed.

Based on the credible evidence and credible testimony before it, this Grand Jury concludes that one member of the Ethics Committee acted unethically while conducting Ethics Committee business. The factual basis and resulting conclusions are detailed in Part B of this report.

Conclusions

1. In order for the Ethics Committee to be effective, the members themselves must first exhibit ethical behavior in their role as the City's ethics monitors.
2. Secondly, the members of the committee should be chosen by a process that is independent of the mayor. The City of West Palm Beach Ethics Committee and its members must be objective and unbiased.
3. The Grand Jury recognizes that a public office and the functioning of that office involve a public trust. The residents have the right of review to guard against the abuse of public trust. For any City of West Palm Beach Ethics Committee to

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function and accomplish an unbiased ethical result, that committee must act and function independently of the governing body.

Editing cable programming

Testimony established that Mayor Lois Frankel pressured the manager of the City's cable access channel to limit and/or edit rebroadcasts of commission meetings she deemed unflattering. The mayor in her testimony admitted to one such occurrence. The station manager resigned out of ethical objection to these pressures. The Grand Jury finds that this practice constitutes editing the public record.

Strong mayor form of government

"Absolute power corrupts absolutely." Under the strong mayor format of government, there are virtually no checks and balances to the mayor's power. There is no independent recourse to address grievances under this form of government. This Grand Jury recognizes that the City Commissioners have a responsibility to speak in a strong voice when representing their views. Commissioners simply agreeing with the strong mayor, rather than standing up for their constituents' best interests, do a disservice to the City and its residents. The issue of a strong mayor is for the resident voters to address. The residents must evaluate this form of government to determine if this format still supports the best interests of the citizens of the City of West Palm Beach and the City itself. This Grand Jury understands that such a change would be accomplished through referendum.

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It is the recommendation of this Grand Jury that this report be furnished to the

following:

- Governor Charlie Crist
- Ken Pruitt, Senate President
- Marco Rubio, Speaker of the House
- House Committee on Ethics & Elections in care of Chair Pat Patterson
- Senate Committee on Ethics & Elections in care of Chair Lee Constantine
- Philip Claypool, Executive Director and General Counsel, Florida Commission on Ethics
- Chris Anderson, Legal Counsel, Florida Commission on Ethics
- Chance Irvine, Chair, Florida Elections Commission
- Commissioner Isaac Robinson
- Commissioner Kimberly Mitchell
- Commissioner Jeri Muoio
- Commissioner William Moss
- City Attorney Claudia McKenna
- Northwood Renaissance in care of Mr. Carl Flick
- Ethics Committee in care of Chair Keith James
- Ms. Wendy Sartory Link, Chamber of Commerce of the Palm Beaches
- State Representative Mary Brandenburg; and
- Mayor Lois Frankel

The Grand Jury respectfully submits this unanimous report this 31st day of January, 2007.



STATE OF FLORIDA - PALM BEACH COUNTY
I hereby certify that the foregoing is a true copy of the record in my office with redactions, if any as required by law.

THIS 21 DAY OF Aug. 2025

CLERK OF THE CIRCUIT COURT & COMPTROLLER

By: [Signature]
Deputy Clerk

[Signature]
FOR PERSON OF THE GRAND JURY

[Signature]
MARY ANN DUGGAN
ASSISTANT STATE ATTORNEY
FIFTEENTH JUDICIAL CIRCUIT

4100014



STATE OF FLORIDA - PALM BEACH COUNTY

I hereby certify that the foregoing is a true copy of the record in my office.

THIS 16 DAY OF Sept. 2007

SHARON R. BOCK
CLERK & COMPTROLLER

By: [Signature]
DEPUTY CLERK



CLERK OF THE CIRCUIT COURT & COMPTROLLER

PALM BEACH COUNTY

eCaseView GuestUser (Public Internet)

Defying 4 JUDGES' Orders

.....
Lois Frankel ignores, and makes Clerk HIDE report of Frankel's deceit and Pay-to-Play findings

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Search Criteria

Case Number:	2007CA009291	
Name Search Type:	Exact Name Search	As a ROE v. WADE tribute...
Last Name / Company Name:	Roe	
First Name:	John	Lois Frankel makes Clerk change name to John ROE so voters won't see
Court Type:	All - Court Types	
Case Type:	All - Case Types	
One Row Per Case:	True	

Search Results

1 record returned. Click on a column name to sort the results by that column's data.

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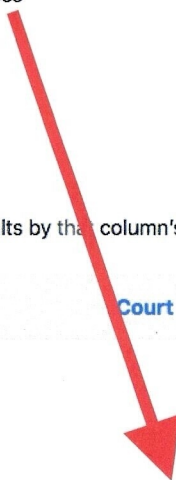
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Sealed / Non Public



IN THE DISTRICT COURT OF APPEAL OF THE STATE OF FLORIDA
FOURTH DISTRICT, P.O. BOX 3315, WEST PALM BEACH, FL 33402

December 20, 2007

CASE NO.: 4D07-2371

L.T. No. : 2007CA009291XXXXMB

JOHN ROE

v.

GRAND JURY

Appellant / Petitioner(s),

Appellee / Respondent(s).

BY ORDER OF THE COURT:

ORDERED that appellant's Request For Immediate Issuance Of The Mandate So That The Report Can Be Released filed December 20, 2007, is granted.

I HEREBY CERTIFY that the foregoing is a true copy of the original court order.

Served:

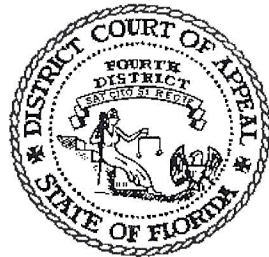
Sharon R. Bock, Clerk
Barry E. Krischer
L. Martin Reeder, Jr.

Cynthia E. Gunther
Attorney General-W.P.B.
Hon. Kathleen Kroll

Bruce S. Rogow
Mary Ann Duggan

cd

Marilyn Beutenmuller
MARILYN BEUTENMULLER, Clerk
Fourth District Court of Appeal



I hereby certify that the above and foregoing is a true copy of instrument filed in my office.

Lonn Weissblum, CLERK
DISTRICT COURT OF APPEAL OF
FLORIDA, FOURTH DISTRICT

Per *Andrea Morris* 2/23/06
Deputy Clerk

DISTRICT COURT OF APPEAL OF THE STATE OF FLORIDA
FOURTH DISTRICT
July Term 2007

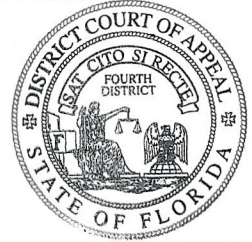
JOHN ROE,
Appellant,

v.

GRAND JURY,
Appellee.

No. 4D07-2371

[December 19, 2007]



I hereby certify that the above and foregoing is a true copy of instrument filed in my office.

Lonn Weissblum, CLERK
DISTRICT COURT OF APPEAL OF
FLORIDA, FOURTH DISTRICT

Per Andrew Lewis 2/2/10
Deputy Clerk

GROSS, J.

Appellant timely appeals the partial denial of a motion brought under section 905.28(1), Florida Statutes (2006), to repress or expunge a portion of a grand jury presentment which referred to appellant. We affirm the order of the circuit court which allowed the release of certain language but ordered the redaction of one sentence.

The presentment states that the grand jury was convened "to investigate corruption, ethics and whether the City of West Palm Beach conducts business under a 'pay to play' practice." In an ethics section of the report, the grand jury made findings relating to rebroadcasts of commission meetings. Appellant's section 905.28(1) motion was directed at this portion of the report. The circuit court redacted one sentence from the report because it quoted testimony before the grand jury.

Under section 905.28(1), where a grand jury presentment relating to an individual is not accompanied by a true bill or indictment, the report remains confidential until the individual has been furnished a copy and given 15 days to file a motion in the circuit court to "repress or expunge the report or that portion which is improper and unlawful." "The policy behind the statute is to give a person *not* charged with a crime the chance to prevent the publication of 'improper and unlawful' material." *Barber v. Interim Report of the Grand Jury Spring Term 1995*, 689 So. 2d 1182, 1184 (Fla. 4th DCA 1997).

Something is "unlawful" within the meaning of section 905.28(1) if it is "outside the lawful ambit of the grand jury's authority." *Id.* "In

addition to criminal offenses, a grand jury may investigate the actions of public officials, including 'reporting or presenting findings and recommendations as to practices, procedures, incompetency, inefficiency, mistakes and misconduct involving public offices and monies.'" *Id.* (quoting *In re Presentment of Grand Jury (Freeport School Project)*, 544 So. 2d 1104, 1106 (Fla. 1st DCA 1989)). As the challenged language in the report was a part of the grand jury's investigation into the conduct of public officials, the comments were not unlawful.

A matter is "improper" under section 905.28(1) if it is (1) not "germane to the scope of the proceedings for which the grand jury was convened and given investigative authority" and (2) not "supported by the facts contained in the report itself." *Barber*, 689 So. 2d at 1184-85. The challenged statements were not improper, since they related to unethical practices in the operation of the city government. Whether a public official has manipulated, or attempted to manipulate, a recording of a public meeting is a type of conduct a grand jury may properly investigate. Also, there is a factual basis for the challenged statements in the report. We reject appellant's attempt to manufacture an issue by setting up the straw man of the section 119.01(11) definition of public records. As appellee argues, the presentment used the term "public record" in the general sense, not as a statutory term of art. The propriety of the grand jury's finding does not turn on the application of the public records law.

We affirm the order of the circuit court. A motion for rehearing, if any, must be filed within five days. The report shall be released pursuant to the circuit court's order upon issuance of the mandate.

WARNER and FARMER, JJ., concur.

* * *

Appeal from the Circuit Court for the Fifteenth Judicial Circuit, Palm Beach County; Kathleen Kroll, Judge; L.T. Case No. 2007CA009291XXXXMB.

Bruce S. Rogow and Cynthia E. Gunther of Bruce S. Rogow, P.A., Fort Lauderdale, for appellant.

Bill McCollum, Attorney General, Tallahassee, and Melynda L. Melear, Assistant Attorney General, West Palm Beach, for appellee.

Not final until disposition of timely filed motion for rehearing.

4th District Court of Appeal

110 South Tamarind Ave.

West Palm Beach FL 33401

Case No.	4D2007-2371	Judge	
Case Title	JOHN ROE VS GRAND JURY		
Receipt No.	R 2026-0000484	Receipt Date	03-31-2026 03:07 PM
Payor	JOHN ROE	Transaction Date	03-31-2026 03:09 PM
Cashier	MS	Receipted	\$7.00
		Change Due	\$0.00
Comments	Deborah J. Adeimy		

Payment Methods

Method	Card Type	Reference No.	Void	Amount
Check		1249		\$7.00
				\$7.00

Cost Types

Name	Assessment No.	Case No.	Amount	Balance
Copies	A 2026-0003801	4D2007-2371	\$3.00	\$0.00
Certification of Document	A 2026-0003802	4D2007-2371	\$4.00	\$0.00
			\$7.00	\$0.00

Balances

Due From	Case No.	Balance
		\$0.00