

May 3, 2024

Amira D. Fox, Esq.  
State Attorney  
State Attorney's Office  
Lee County Justice Complex Center  
2000 Main Street  
Fort Myers, Florida 33901

DISP

Dear Ms. Fox,

The Florida Department of Commerce ("FloridaCommerce"), through the Office of Long-Term Resiliency (OLTR), supports communities following disasters by addressing long-term recovery needs for housing, infrastructure, and economic development. FloridaCommerce receives funding from the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant – Disaster Recovery (CDBGDR) program to assist Florida's most vulnerable citizens with obtaining safe, sanitary, and decent housing in the wake of disasters.

HUD provided the state of Florida with \$812 million in CDBGDR funding to support long-term recovery efforts following Hurricane Irma. FloridaCommerce has a contract (the "Contract") with a prime contractor to oversee construction projects for the CDBGDR Program aimed at providing housing repair and replacement for individuals whose homes were damaged by Hurricane Irma. This contractor, in turn, manages and monitors subcontractors who carry out the construction services required under the CDBGDR Program. The contractor and subcontractors are reimbursed after proof of performance is received by FloridaCommerce.

In this case, to qualify for reimbursement, the subcontractor was obligated to demolish and remove the grantee's damaged mobile home unit prior to receiving reimbursement.

In June of 2023, the contractor submitted an invoice to FloridaCommerce stating that the subcontractor had carried out the demolition and removal of the mobile home unit. Consequently, FloridaCommerce reimbursed the contractor in the amount of approximately \$58,760.78 for the purported demolition and removal costs for the mobile home unit.

Recent information provided to FloridaCommerce has revealed that the representations provided by the contractor and subcontractor were not correct and contained factual inaccuracies upon which FloridaCommerce relied when providing reimbursement. The subcontractor did not demolish and remove the storm-damaged mobile home unit, contrary to the representations made by the contractor. Additionally, the subcontractor purchased a new mobile home unit in the grantee's name, further complicating the situation.

It appears that false statements were made to FloridaCommerce regarding the demolition and removal of the mobile home unit, which led to the improper reimbursement of funds to the contractor and subcontractor.

Given these circumstances, FloridaCommerce is seeking your expertise in determining whether any wrongdoing has occurred and advising us on the appropriate course of action to rectify this situation. We would like to schedule a meeting to discuss this matter in more detail.