



Memorandum

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To: The Honorable Carlos Alvarez, Mayor
The Honorable Chairperson Dennis C. Moss
and Members, Board of County Commissioners

From: Christopher Mazzella, Inspector General

Date: February 11, 2009

Re: MMAP Grant Recipient Arrested for Organized Scheme to Defraud – IG08-46

An investigation by the Office of the Inspector General (OIG), in conjunction with the Miami-Dade State Attorney's Office, has resulted in the arrest of Robert Word (Word) for an Organized Scheme to Defraud the Metro-Miami Action Plan (MMAP) of \$175,000 in grant funds targeted to assist business development in the Overtown area. The OIG investigation uncovered that Word, the managing member of BCJ Development, L.L.C. (BCJ), represented to the MMAP Board that he was a franchisee of the Subway sandwich store chain and that he was interested in starting a Subway restaurant in Overtown. At MMAP's authorization, BCJ was issued a Miami-Dade County check for the entire \$175,000 grant on August 9, 2005.

The funds were specifically targeted to foster economic development in the Overtown area. BCJ's proposal featured the establishment of a Culinary Arts Training facility, a Veterans' assistance program, an art gallery, and a Subway restaurant. Word, through several substantial misrepresentations, led MMAP to believe that he was an owner/franchisee of Subway with authority to expand the national franchise into Overtown. In reality, Word had no majority ownership interest in any Subway and was not a licensed franchisee.

The OIG investigation found that Word used over \$132,000 of the \$175,000 in MMAP funds for personal purposes. Word paid himself, paid personal debts, bought land in Colorado, and contributed to several local political campaigns with the grant money. The OIG investigation into the use of the remaining MMAP funds continues.

cc: Mr. George Burgess, County Manager
Mr. Denis Morales, Chief of Staff, Office of the Mayor
Ms. Cynthia Curry, Senior Advisor to the County Manager
Mr. John T. Jones, Chairperson, MMAP Trust Board
Mr. John Dixon, Jr., Interim Executive Director, MMAP Trust
Ms. Cathy Jackson, Director, Audit & Management Services
Mr. Charles Anderson, Commission Auditor
Clerk of the Board (copy filed)