

OKALOOSA COUNTY CLERK OF CIRCUIT COURT



DEPARTMENT OF INSPECTOR GENERAL



INVESTIGATIVE REPORT: CARES ACT RELIEF FUNDS – EMERGENCY RENTAL ASSISTANCE - FRAUDULENT APPLICATION

REPORT NO. INV-21-02

REPORT ISSUED FEBRUARY 7, 2022

ISSUED BY: BRAD E. EMBRY, INSPECTOR GENERAL

INV -21-02

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Executive Summary

On June 29, 2021, our office received information regarding a suspicious application for Emergency Rental Assistance (ERA). The ERA program is managed by the Okaloosa County Growth Management Department and the funds are part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The program provides rental, mortgage, and utility assistance to those affected by the pandemic. Applications are collected electronically and evaluated before being submitted for payment to the Okaloosa County Clerk and Comptroller's finance department for additional prepayment evaluation and payment processing.

Initial information conveyed to our office by the Clerk's finance manager suggested an application was submitted by a landlord claiming to own property located at 220 Ann Circle Unit 3 in Destin, Florida. The finance manager stated that a cursory check of the Okaloosa County Property Appraiser's website indicated that the property was not owned by the applicant. The finance manager requested that we evaluate the application and information contained in the application for accuracy.

The rental assistance application was for \$19,500 in past due rent. In addition, the applicant submitted a notarized Lease Attestation attesting to owning the property (220 Ann Circle Destin, Florida) and having no familial relationship with the tenant(s) {spouse, significant other, children, siblings, parents, grandparents, uncle, aunt, or cousin}. We determined that the "landlord / applicant" and the tenant were evicted from a residence together in 2013. In addition to various social media posts which seem to confirm a relationship, we located two letters docketed in a pending criminal case against the tenant dated 04/07/2021 and 04/11/2021. The letters claim to be authored by the "landlord / applicant." In one of the letters the "landlord / applicant" claims to be the "girlfriend" of the tenant / defendant.

When the applicant was asked for additional information regarding the ownership of the property, she provided a Property Management Agreement via email. The agreement has two signatures, one from the applicant / landlord and the second from the listed owner of the property (Cynthia Netro). The signature of the property owner is highly questionable when compared to known signatures of the owner (traffic citations).

We requested additional third-party verification of payments from the tenant to the "landlord / applicant" as well as payments from the "landlord / applicant" to the property owner. On August 11, 2021, the applicant sent an Email with several handwritten receipts and a bank statement from Eglin Federal Credit Union. In evaluating the bank statement, we noticed several irregularities to include mathematical errors.

Further investigation determined there is a substantial likelihood that the information contained in the application is fraudulent. We were able to determine that the applicant did not own the property identified in the attestation. This report was forwarded to the Okaloosa County Sheriff's Office for criminal investigation. On February 5, 2022, the applicant was arrested on charges related to this case.

Background

On June 29, 2021, our office received information regarding a suspicious application for Emergency Rental Assistance (ERA). The ERA program is managed by the Okaloosa County Growth Management Department and the funds are part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The program provides rental, mortgage, and utility assistance to those affected by the pandemic. Applications are collected electronically and evaluated before being submitted for payment to the Okaloosa County Clerk and Comptroller's finance department for additional prepayment evaluation and payment processing.

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Scope & Methodology

The scope of our investigation included a review of all information submitted by the applicant and interviews. We evaluated and attempted to verify the information provided by the applicant through record searches and correspondence. Investigative methodology included: examinations of court documents, public records, as well as email correspondence with the applicant.

Our investigation was performed in compliance with the *Quality Standards for Investigations* found within the *Principles and Standards for Offices of Inspector General* as published by the Association of Inspectors General. The standard or degree of proof required to establish a conclusion of fact is at least "by a

preponderance of evidence,” which indicates evidence that establishes the fact sought to be true is more probable than not.

Investigations by the Department of Inspector General will reach one of the following four conclusions of fact per allegation: substantiated, unsubstantiated, unfounded, or not legally sufficient. **Substantiated** means there is sufficient information to justify a reasonable conclusion that the allegation is true. **Unsubstantiated** means there is insufficient information to either prove or disprove the allegation. **Unfounded** means there is sufficient information to indicate the allegation is false. **Not-Legally Sufficient** means that the allegation does not violate current governing directives.

Allegations

Governing directives: Florida Statutes.

1. The applicant, in a notarized document, falsely attested to owning property located at 220 Ann Circle (Unit 3).

Persons

Persons:

S – Subject, C – Complainant, W – Witness, O - Other

Name		Phone
McGill, Abra (O)	Grants and Housing Programs Coordinator (Okaloosa)	850-609-7024
Tanner, Olivia (W)	Clerk Finance Manager	850-689-5000
Kiss, Shannon (S)	Applicant / Subject	850-353-3856
Anglin, Stacy (O)	Tenant – No Statement	
Netro, Cynthia (O)	Co-Owner of 220 Ann Circle (Unit 3) Destin, Florida	Not Contacted

Investigative Narrative

On June 29, 2021, our office received information regarding an application for Emergency Rental Assistance (ERA). The Clerk’s Finance manager stated that a check (**EXHIBIT C**) had been printed and was ready to be mailed when she noticed some irregularities in the application. The Finance manager later provided a sworn written statement (**EXHIBIT G**).

The rental assistance application was for \$19,500 in past due rent. In addition, the applicant submitted a notarized Lease Attestation (**EXHIBIT A**) attesting to 1) owning the property (220 Ann Circle Destin, Florida) and 2) having no familial relationship with the tenant(s) {spouse, significant other, children, siblings, parents, grandparents, uncle, aunt, or cousin}. The Tenant also submitted a lease agreement between her and the tenant (**EXHIBIT I**). When asked for additional information related to the ownership of the property the applicant provided a Property Manager Agreement (**EXHIBIT B**).

In researching the property, we determined that the Okaloosa County Property Appraiser's Office listed the owners as Josue and Cynthia Netro (**EXHIBIT J**). We also conducted a cursory search of court records and determined that the property is currently in foreclosure proceedings. In researching the property, tenant, and applicant we discovered information that was concerning. The tenant, Stacy Anglin, at the time of our research had an active warrant in Okaloosa County for failure to appear in court. The original offense was listed as dealing in stolen property.

In researching the applicant, we discovered the applicant and tenant were living together and evicted from a Destin residence in 2013 (Okaloosa County Court Case No. 2013 CC 599). We located a "Property Manager Agreement" nearly identical to the one provided by the applicant at www.rocketlawyer.com. A cursory search of the applicant's Facebook revealed several photos of a person closely resembling the tenant. One of the photos (**EXHIBIT F**) has a caption that reads "I love this Man." The post is dated February 23, 2012. In email communications with the applicant, we asked for contact information for the owner of the property. We located correspondence from the applicant in one of the tenant's criminal cases (**EXHIBIT H**). The applicant failed to provide an address or phone number of the owner. The applicant did provide an email address of cynthianetro@gmail.com. We did not contact the email address as we were unable to locate any other source documentation identifying the email address as belonging to the owner (Lexis Nexis).

On July 9, 2021, we attempted to contact the owner of 220 Ann Circle, Unit 3. We traveled to 186 Peach Tree Circle in Santa Rosa Beach attempting to locate the co-owner, Josue Netro. We contacted a female that resided at the residence. Due to a language barrier, we were only able to ascertain limited information. We determined that Josue and Cynthia were no longer married and had allowed the property to go into foreclosure. We left our information asking for Josue to call us regarding the property at 220 Ann Circle. We never heard back from Mr. Netro.

On August 11, 2021, we received two emails from the applicant. One of the emails contained five handwritten numbered receipts (**EXHIBIT D**) for cash rental payments and a bank statement (**EXHIBIT E**). In the email, the applicant explained that she was allowed to keep 10% of the total rent payment for compensation.

The receipts were from December 5, 2019 (receipt number 182205), January 5, 2020 (receipt number 182206), February 5, 2020 (receipt number 182207), March 5, 2020 (receipt number 182208), April 5, 2020 (receipt number 182213) and one with an illegible date that appears to be May 5, 2020 (receipt number illegible).

The bank statement appears to be from Eglin Federal Credit Union checking account ending in 8058. The name on the statement is that of the applicant (Shannon Kiss). The date on the statement is from March 1, 2020, to May 21, 2020. In evaluating the statement, we noticed several "red flags." The statement only contains 9 transactions, three deposits in the amount of \$1300 in cash, three "Venmo" payments to "Cynthia Netro" in the amount of \$1,1170, three cash withdrawals of \$130. The bank statements are mathematically incorrect. Furthermore, the debit, credit, and balance columns on the statement are misaligned.

On August 13, 2021, we met with Shannon Kiss at the Fort Walton Beach Courthouse. The meeting was arranged in an attempt to gather more legible copies of the documents provided during the application

process and to physically identify the applicant. The meeting was audio recorded. We were unable to obtain copies of the documents as the applicant forgot to bring them with her.

On August 17, 2021, we met with the applicant at a coffee shop in Destin. The applicant provided a copy Property Management Agreement, Lease Agreement, and rental receipts. The applicant also provided a sworn written statement. Prior to collecting the sworn written statement, the Applicant's identity was verified via Florida Driver's license.

Based on the information gathered during our investigation, we have reason to believe the applicant may have violated Florida Statutes by presenting false information attempting to obtain \$19,500 of CARES Act funds from Okaloosa County (Chapter 817). In addition, the applicant may be in violation of Florida Statutes related to engaging in real estate activities without a license (Chapter 475). **This investigation was referred to the Okaloosa County Sheriff's Office Criminal Investigation Section. On February 5, 2022, the applicant was arrested on charges related to this case.**

Findings of Fact and Recommendations

Allegation 1: The applicant, in a notarized document, falsely attested to owning property located at 220 Ann Circle (Unit 3).

SUBSTANTIATED. We could find no documentation to support the applicant's claim that she owned the property. In addition, several of the documents provided by the applicant are suspicious, for reasons explained above. The "Property Management Agreement" was located on the internet as a fillable template (www.rocketlawyer.com). In addition, we located documents that show the property is currently in foreclosure proceedings in Okaloosa County (2019 CA 004361 F).

Case Exhibits – Not Attached

1. Exhibit A - Lease Attestation – provided by applicant
2. Exhibit B - Property Manager Agreement – provided by applicant
3. Exhibit C - Voided Check to applicant – provided by Finance Manager
4. Exhibit D - Rental receipts – provided by applicant
5. Exhibit E - Bank Statement – provided by applicant
6. Exhibit F - Photos - obtained from Facebook
7. Exhibit G - Sworn written statement – provided by finance manager
8. Exhibit H - Letters to judge- obtained from court file
9. Exhibit I - Lease Agreement – provided by applicant
10. Exhibit J - 220 Ann Circle Unit 3 owner information- obtained from OPA website
11. Exhibit K - Rental Receipts- Obtained from applicant 8/17/21
12. Exhibit L - Property Management Agreement- Obtained from applicant 8/17/21
13. Exhibit M - Lease Agreement – Obtained from applicant 8/17/21
14. Exhibit N - Sworn Written Statement – Obtained from Applicant 8/17/21
15. Exhibit O - Recorded Interview with Shannon Kiss 8-13-2021
16. Exhibit P - Voice message from Shannon Kiss 7-9-2021