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Thousands affected by county building license scheme

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Thousands of homeowners throughout Miami-Dade County have had illegal work done to their homes over the past two years and don't know it -- the result of a far-reaching scam that involves the issuance of fake contractor's licenses to at least 178 companies.

Three employees in the county's Building Code Compliance Office created the fake contractor's licenses and sold them to companies that couldn't obtain or didn't want to wait the required time to be licensed. Contractors paid between \$2,000 and \$15,000 for each fake license, County Manager George Burgess said today.

The companies then got fake county permits to do jobs throughout the county such as roofing, electrical work and swimming pool construction. County inspectors who were unaware of the scheme would then certify the work.

The alleged mastermind of the scheme, Lazaro Herrera, failed to turn himself in to police today as promised, Miami-Dade Police Director Robert Parker said.

Herrera, Joaquin Barros and Jerry Hernandez have been charged with racketeering, conspiracy, scheme to defraud, unlawful access of a computer network, official misconduct, grand theft and unlawful compensation.

State Attorney Katherine Fernandez Rundle said convictions could land the trio in prison for more than 20 years.

So far, Miami-Dade police have identified about 3,300 victims in unincorporated Dade. Detectives said there is no telling how many others there are in the county and in each of its 34 municipalities.

The county is so concerned with the number of people who may have been duped, and the possible cost involved, that its 311 call center staff is prepared for a wave of public inquiries.

County officials have set up a website, www.miamidade.gov/contractors, where the public can search for contractors with illegally obtained licenses who may have done work on their homes.

Burgess said \$250,000 has been recovered so far from the building code employees and that the money will go toward any costs homeowners may incur after new inspections are made and, if needed, new permits are issued. The county will send out inspectors to take additional looks at homes that have had work done, and issue new permits where necessary.

Herrera, a network administrator at the Building Code Compliance Office, remains on the loose. Parker said his officers have targeted Miami International Airport should he try to leave the country.