



## CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

### **AGENDA ITEM**

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Report: The County of Los Angeles Real Estate Fraud Prosecution Trust Fund, Request for Authorization to Accept Grant Funds in the amount of \$16,000 for prosecution and/or investigation of real estate fraud.

1. Motion to approve the Glendale Police Department's participation in the Real Estate Fraud Prosecution Trust Fund Program and to authorize the City Manager, or his designee, to accept grant funds in the amount of \$16,000, and to execute the necessary agreements, certifications, and other documents required to accept the grant funds.

2. Resolution of appropriation

### **COUNCIL ACTION**

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**Item Type:** Consent Calendar

**Approved for**         June 27, 2023         **calendar**

### **EXECUTIVE SUMMARY**

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The intent of this report is to accept \$16,000 in grant funds from The County of Los Angeles Real Estate Fraud Prosecution Trust Fund.

## **COUNCIL PRIORITIES**

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N/A

## **RECOMMENDATION**

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That the City Council adopt a motion to approve the participation of the Glendale Police Department in the Los Angeles County Real Estate Fraud Prosecution Grant Program, authorize the City Manager to accept grant funds made available thereunder in the amount of \$16,000, and approve a resolution of appropriation.

## **BACKGROUND**

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The Los Angeles County Real Estate Fraud Prosecution Trust Fund was established to assist the District Attorney's Office and local law enforcement by providing the necessary funding to investigate and prosecute these complex cases that take between six to eighteen months to complete.

In 1995, the Legislature enacted Chapter 942, Statutes of 1995 (SB 537, Hughes), which created the Real Estate Fraud Prosecution Trust Fund Program. Initially, the program allowed counties to establish a fee of up to \$2 for the filing of certain real estate documents with the county. These revenues were dedicated to support local law enforcement activities to fight real estate fraud. Currently, counties are allowed to charge a fee of up to \$10 for these purposes when these documents are filed. Counties that opt into the program are required to deposit any fee revenues into a Real Estate Fraud Prosecution Trust Fund for use by local police, sheriffs, and district attorneys to deter, investigate, and prosecute real estate fraud crimes. Local law enforcement agencies receive 40 percent and district attorneys receive 60 percent of program allocations from the fund.

## **ANALYSIS**

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The Glendale Police Department has had the privilege of participating in this program since 2009. The department's participation in this program allows for the investigation of real estate fraud cases within our jurisdiction. Funding will be used for costs associated with compensation related to the investigations and training to stay abreast of current practices. The funding allows our agency to partner with professionals in the field of real estate to create "best practices" which deter fraud and ultimately protect consumers. It also allows investigators to educate the public through town hall forums where valuable information can be shared with members of our community. The Glendale Police Department's Financial Crimes Unit currently consists of four detectives and a supervisor. Real Estate fraud cases are investigated by all detectives in the Financial Crimes Unit. This allows for all the detectives to gain valuable experience in the investigation of these complex cases.

Although the Glendale Police Department has been committed to investigating and prosecuting real estate fraud since 2004, we have only received the assistance of grant funding through the Los Angeles County Real Estate Fraud Prosecution Trust Fund since 2009.

The grant has provided the Glendale Police Department with \$1,277,934 between FY 2009-2010 and FY 2023-2024.

- FY 2009-2010 Award - \$ 33,000
- FY 2010-2011 Award - \$150,000
- FY 2011-2012 Award - \$189,934
- FY 2012-2013 Award - \$200,000
- FY 2013-2014 Award - \$189,000
- FY 2014-2015 Award - \$120,000
- FY 2015-2016 Award - \$ 50,000
- FY 2016-2017 Award - \$ 75,000
- FY 2017-2018 Award - \$ 50,000
- FY 2018-2019 Award - \$ 50,000
- FY 2019-2020 Award - \$ 40,000
- FY 2020-2021 Award - \$ 39,000
- FY 2021-2022 Award - \$ 45,000
- FY 2022-2023 Award - \$ 31,000
- FY 2022-2023 Award - \$ 16,000

**STAKEHOLDERS/OUTREACH**

Participation in this program provides the Glendale Police Department with valuable resources necessary to forge partnerships with the community, professionals, and other law enforcement agencies to combat the crime of real estate fraud.

**FISCAL IMPACT**

The FY2023-24 Real Estate grant award in the amount of \$16,000 was not included as part of the FY2022-23 approved budget. Therefore, staff is requesting for an appropriation of \$16,000 from Local Grant Revenue. The appropriation request is outlined below:

| <b>Requesting Appropriation:</b> |   |   |                            |
|----------------------------------|---|---|----------------------------|
| <b>Amount</b>                    | <b>From (Account String)</b>                    | <b>To (Accounting String)</b>                   | <b>Funding Source</b>      |
| \$16,000                         | GL: 34301-2610-GPD-0020-P0000<br>PL: GPD01001AG |   | Police Fund – Local Grants |
| \$11,510                         |   | GL: 41100-2610-GPD-0020-P0000<br>PL: GPD01001AG | Police Fund - Labor        |

|          |  |   |                      |
|----------|--|---|----------------------|
| \$ 4,490 |  | GL: 44550-2610-GPD-0020-P0000<br>PL: GPD01001AG | Police Fund – Travel |
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**ENVIRONMENTAL REVIEW (CEQA/NEPA)**

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This item is considered a ministerial activity and therefore, not subjected to CEQA/NEPA review. There is no possibility that the acceptance of this award may have a significant effect on the environment. (14 Cal. Code Regs. § 15061(b)(3))

**CAMPAIGN DISCLOSURE**

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This item is exempt from campaign disclosure requirements.

**ALTERNATIVES**

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Alternative 1: Approve as requested by the Police Department.

Alternative 2: Deny the Police Department’s request. If the request is denied, the Police Department will not be able to utilize the grant funding for the investigations of real estate fraud cases within our jurisdiction and will have to utilize the general fund to investigate the fraud cases.

Alternative 3: The City Council may consider any other alternative not proposed by staff.

**ADMINISTRATIVE ACTION**

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**Prepared by:**

Joshua Wofford, Police Lieutenant  
 Brian Young, Police Sergeant  
 Alison Finch, Public Safety Business Administrator

**Approved by:**

Roubik R. Golanian, P.E., City Manager

**EXHIBITS/ATTACHMENTS**

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None.