

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: November 2, 2023

CAO File No. 0220-03529-0024

Council File No. 14-0955-S8

Council District: All

To: The Mayor and Council

From: Matthew W. Szabo, City Administrative Officer

Reference: Transmittal from the Board of Police Commissioners dated July 12, 2023

Subject: **2023-24 REAL ESTATE FRAUD PROSECUTION GRANT PROGRAM**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Approve and authorize the Chief of Police, or designee, to:
 - a. Retroactively apply for and accept the Fiscal Year 2023-24 Real Estate Fraud Prosecution (REFP) Program grant, in the amount of \$463,000, from the County of Los Angeles, for the period of July 1, 2023 through June 30, 2024;
 - b. Negotiate and execute any documents or agreements necessary to accept the grant, subject to the review and approval by the City Attorney as to form;
2. Authorize the Los Angeles Police Department (LAPD) to:
 - a. Spend up to \$463,000 in funding in accordance with the grant award agreement;
 - b. Submit grant reimbursement requests to the grantor and deposit the FY 2023-24 REFP grant funds received under this agreement into the Police Department Grant Fund 339, Department 70, account number to be determined;
 - c. Prepare Controller's instructions for any technical adjustments as necessary to implement Mayor and Council intentions, subject to the approval of the City Administrative Officer, and authorize the Controller to implement the instructions.
3. Authorize the Controller to:
 - a. Establish a grant receivable and appropriate up to \$463,000 within the Police Department Grant Fund 339, Department 70, account number to be determined, for the receipt and disbursement of the FY 2023-24 REFP Program grant funds; and,

- b. Increase appropriations and transfer, as necessary, from FY 2023-24 REFP Program grant funds, Fund 339, Department 70, account number to be determined, to Fund 100, Department 70, upon submission of proper documentation by the LAPD for sworn salary and overtime costs incurred during the grant performance period, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001012	Salaries Sworn	\$319,692
001092	Overtime Sworn	\$ 40,000

- c. Transfer funds for salaries and overtime sworn reimbursement purposes, up to \$93,808 from the FY 2023-24 REFP Program grant funds, Fund 339, Department 70, account number to be determined, and deposit into Fund 100, Department 70, Revenue Source Code 5346 Related Cost Reimbursements from Grants for fringe benefits, upon submission of proper documentation by the LAPD; and,

4. Authorize the continuation of two resolution authority positions through June 30, 2024:

<u>No.</u>	<u>Class Code</u>	<u>Class Title</u>
1	2223-2	Police Detective II
1	2223-3	Police Detective III

SUMMARY

At its meeting on July 11, 2023, the Board of Police Commissioners (Board) approved the Los Angeles Police Department's (Department) report for the grant application and award acceptance of the 2023-24 Real Estate Fraud Prosecution (REFP) Program grant. In accordance with Executive Directive No. 3, and through the Board, the Department transmits the proposed grant application and requests retroactive approval to apply for and accept the grant award in the amount of \$463,000 from the County of Los Angeles (County) for the period of July 1, 2023 through June 30, 2024.

Pursuant to Section 23788 of the California Government Code, the REFP Fund (Fund) was established in April 2009 for the deposit of fees from the recording of certain real estate transactions by the County. The Fund provides funding for use by local police, sheriffs, and district attorneys to deter, investigate, and prosecute real estate fraud crimes. The County evaluates applications for funds and provides grant awards to selected jurisdictions based on the number of document titles filed.

The Department has been a recipient of the REFP Program and recipient of grant funds for 23 years. The grant reimburses a portion of the annual costs of the Real Estate Fraud Unit (REFU), which is part of the Department's Commercial Crimes Division. The REFU is responsible for administering the City's REFP Program and handles white-collar real estate crimes within the City. The Unit opened 86 new cases in FY 2021-22 and made 18 arrests from cases filed by REFU Detectives.

The grant will assist the Department in fully funding two resolution authority positions in FY 2023-24 consisting of one Police Detective II and one Police Detective III assigned full-time to the REFU. The grant will also provide funding for the overtime costs and fringe benefits of REFU Detectives assigned to investigate white-collar real estate fraud crimes. In addition, the grant will provide funding for travel, equipment, supplies, and miscellaneous expenses projected to be incurred to carry out this program.

Under the grant agreement, the County will reimburse the City for expenses incurred in FY 2023-24, as follows:

Expense Category	Amount
Sworn Salaries	\$319,692
Sworn Overtime	40,000
Fringe Benefits	93,808
Travel / Training	1,000
Equipment (Cell phones)	2,500
Office Supplies	2,000
Other Costs*	4,000
Total	\$463,000

**Other Costs include document fees, court reporter fees, title searches, and other miscellaneous expenses the Detectives may incur in relation to their investigative work.*

In accordance with Los Angeles Administrative Code Section 14.6, Mayor and Council approval of the grant award is required before accepting and receiving the grant award.

FISCAL IMPACT STATEMENT

Approval of the recommendations stated in this report will authorize the Los Angeles Police Department to accept a grant award in the amount of \$463,000 from the County of Los Angeles for participation in the Fiscal Year 2023-24 Real Estate Fraud Prosecution Grant Program. There is no matching requirement associated with this grant award. There is no additional impact to the General Fund.

FINANCIAL POLICIES STATEMENT

The recommendations stated in this report comply with the City's Financial Policies in that, to the extent possible, current operations will be funded by current revenues.