

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

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Interim City Clerk

When making inquiries relative to
this matter, please refer to the
Council File No.

July 8, 2014

To All Interested Parties:

City Attorney (w/blue sheet)

The City Council adopted the action(s), as attached, under Council File No. 12-0731, at its meeting held July 2, 2014.



City Clerk
wrq

OFFICE OF THE MAYOR
Mayor's Time Stamp
2014 JUL -3 PM 2:38
CITY OF LOS ANGELES

FORTHWITH

CITY CLERK'S OFFICE
City Clerk's Time Stamp
2014 JUL -3 PM 2:35
CITY CLERK
BY _____
DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 12-0731

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE July 2, 2014

RE: THE CALIFORNIA ATTORNEY GENERAL'S FORECLOSURE CRISIS RECOVERY FUND GRANT AWARD FOR USE BY THE CITY ATTORNEY TO CONTRACT WITH A MORTGAGE SECURITIES SPECIALIST TO INVESTIGATE, DEVELOP, AND ASSIST STAFF ATTORNEYS WITH UNLAWFUL FORECLOSURE CASES

LAST DAY FOR MAYOR TO ACT JUL 14 2014
(10 Day Charter requirement as per LAAC Section 14.7)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED
✓

*DISAPPROVED

*Transmit objections in writing pursuant to LAAC Section 14.7

DATE OF MAYOR APPROVAL OR DISAPPROVAL 7/7/14

EG
MAYOR

RECEIVED
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CITY CLERK
2014 JUL -8 PM 2:42

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PUBLIC SAFETY COMMITTEE REPORT relative to the California Attorney General's Foreclosure Crisis Recovery Fund grant award for use by the City Attorney to contract with a mortgage securities specialist to investigate, develop, and assist staff attorneys with unlawful foreclosure cases.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the City Attorney to approve the disbursement between the City and the California Attorney General's Foreclosure Crisis Recovery Fund.
2. AUTHORIZE the City Attorney, or designee, to:
 - a. Execute the Foreclosure Crisis Recovery Fund grant award on behalf of the City, subject to the approval of the City Attorney as to form and legality.
 - b. Accept the disbursement in the amount of \$75,000 from the California Attorney General's Foreclosure Crisis Recovery Fund to fund the project-based mortgage securities specialist.
3. AUTHORIZE the Controller to:
 - a. Establish a receivable in the amount of \$75,000 in Fund 368, City Attorney Grant Fund.
 - b. Establish the following appropriation account in Fund 368/12:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
12K925	Contractual Services	\$75,000

4. AUTHORIZE the City Attorney, or designee, to prepare Controller's instructions for any necessary technical adjustments, subject to the approval of the City Administrative Officer (CAO); and, AUTHORIZE the Controller to implement the instructions.

Fiscal Impact Statement: The CAO reports this action will not impact the General Fund. Approval of above actions will allow for the disbursement of funds from the California Attorney General's Foreclosure Crisis Recovery Fund. There is no required match for this grant. The above recommendations are in compliance with City financial policies in that one-time revenue will be used to support this one-time expenditure.

Community Impact Statement: None submitted.

SUMMARY

In a report to the Mayor and Council dated May 30, 2014 (attached to the Council file), the CAO states the City Attorney requests authority to accept \$75,000 in grant funding from the California Attorney General's Foreclosure Crisis Recovery Fund. As part of the settlement in People of the State of California v. Countrywide Financial Corporation, the California Attorney General's Office developed the Foreclosure Crisis Recovery Fund to aid cities and counties in combating the

effects of the real estate collapse and of mortgage and real estate fraud. Grant funding will be used to contract with a full-time, project-based mortgage securities specialist who will investigate illegal schemes and unlawful practices of financial institutions resulting from ownership of foreclosed mortgage-backed security trust-owned properties; draft and file civil complaints in cooperation with Deputy City Attorneys and staff; pursue material evidence through civil discovery; assist in litigation; and engage in multi-party settlement negotiations. The CAO recommends approval of the City Attorney's request.

At its meeting held June 13, 2014, the Public Safety Committee recommended that Council authorize the City Attorney to accept this grant award and approve the related actions above, as recommended by the CAO.

Respectfully Submitted,

PUBLIC SAFETY COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
ENGLANDER:	YES
BUSCAINO:	ABSENT
BONIN:	ABSENT
O'FARRELL:	YES
MARTINEZ:	YES

jaw

ADOPTED

JUL 2 2014

LOS ANGELES CITY COUNCIL

TO THE MAYOR FORTHWITH

-NOT OFFICIAL UNTIL COUNCIL ACTS-