

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: September 2, 2025

CAO File No. 0220-03529-0026

Council File No. 14-0955-S10

Council District: All

To: The Mayor and Council

From: Matthew W. Szabo, City Administrative Officer



Reference: Transmittal from the Board of Police Commissioners dated August 12, 2025

Subject: **FISCAL YEAR 2025-26 REAL ESTATE FRAUD PROSECUTION (REFP) GRANT PROGRAM – AWARD ACCEPTANCE**

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 (FY) 2025-26 Real Estate Fraud Prosecution (REFP) Program grant award, in the amount of \$371,000, from the County of Los Angeles, for the period of July 1, 2025 through June 30, 2026;
 - 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 \$371,000 in funding in accordance with the grant award agreement;
 - b. Submit grant reimbursement requests to the grantor and deposit the FY 2025-26 REFP Program grant funds received under this agreement into the Police Department Grant Fund 339, Department 70, account number to be determined;
 - c. Prepare Controller 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 \$371,000 within the Police Department Grant Fund 339, Department 70, account number to be determined, for the receipt and disbursement of the FY 2025-26 REFP Program grant funds; and,

- b. Increase appropriations and transfer, as necessary, from FY 2025-26 REFP Program grant funds, Fund 339, Department 70, account number to be determined, to Fund 100, Department 70, account numbers and amounts as stated below; and,

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001012	Salaries Sworn	\$187,643
001092	Overtime Sworn	\$ 37,811
To Be Determined	Related Costs	\$139,347

- c. Authorize the continuation of one resolution authority position through June 30, 2026:

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

SUMMARY

At its meeting on August 12, 2025, the Board of Police Commissioners (Board) approved a Los Angeles Police Department (Department) report for the grant application and award acceptance of the 2025-26 Real Estate Fraud Prosecution (REFP) Program grant. In accordance with Executive Directive No. 3, and through the Board, the Department transmitted the proposed grant application and requests retroactive approval to apply for and accept the grant award in the amount of \$371,000 from the County of Los Angeles (County) for the period of July 1, 2025 through June 30, 2026.

Pursuant to Section 23788 of the California Government Code, the REFP Trust 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 25 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 87 new cases in calendar year 2024 and made 17 arrests from cases filed by REFU Detectives. Additionally, as of December 31, 2024, there are 28 cases pending filing by the Los Angeles County District Attorney's Office. These cases are often complex and frequently lead to the discovery of multiple victims, with identity theft and forgery typically serving as the initial trigger in real estate-related investigations.

The grant will assist the Department in fully funding one Police Detective III resolution authority position in FY 2025-26, which will be 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 equipment, supplies, and miscellaneous expenses required to implement this program.

Under the grant agreement, the County will reimburse the City for expenses incurred in FY 2025-26, as provided in the table below.

Expense Category	Amount
Sworn Salaries	\$187,643
Sworn Overtime	37,811
Fringe Benefits	139,347
Office Supplies	299
Other Costs*	5,900
Total	\$371,000

**Other Costs include cellular phone services, document fees, court reporter fees, title searches, and other miscellaneous expenses 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 \$371,000 from the County of Los Angeles for participation in the Fiscal Year 2025-26 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 provided in this report comply with the City's Financial Policies in that all grant funds will be utilized for grant-eligible activities.

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