



Legislation Text

File #: 23-1368, **Version:** 1

District Attorney recommending the Board receive and file the Eighteenth Annual Report on Real Estate Fraud for Fiscal Year 2022-23.

FUNDING: Real Estate Fraud Prosecution Fund.

DISCUSSION / BACKGROUND

In accordance with Government Code Section 27388(d), the Board of Supervisors is required to annually review the effectiveness of the District Attorney's Office efforts in deterring, investigating and prosecuting Real Estate Fraud crime based upon information provided by the District Attorney via an annual report. The report is attached.

As presented during the 18th Annual Real Estate Fraud Committee held on July 6, 2023, the overall number of FY 2022-23 Real Estate Fraud cases reported to the District Attorney's Office has remained consistent with the year prior. As of June 30, 2023, a total of 12 cases had been reported to and investigated by the office. The number of Notice of Defaults by homeowners has increased by 63% and the number of Notice of Trustee Sales has increased by 49% as compared to prior year data.

With the eruption of the Mosquito Fire during September 2022, the Real Estate Fraud Program provided additional services and information assistance at local assistance centers for victims of the fire, which consisted disbursing literature helping fire victims protect themselves from fraud. The office is actively working a case of vacation rental fraud, of which is a concern for the South Lake Tahoe region.

In the efforts of providing more outreach to the community regarding the awareness of Real Estate Fraud and rental scams, the program works to enhance social media outreach presence by providing links to site visitors to view the El Dorado County District Attorney's Office Vacation Rental Scam public service announcement, the Real Estate Fraud "Tips Resources" brochure and the Vacation Rental Scam Warning Flyer. Copies of these brochures are also available to the public in the front lobby of the District Attorney's Office, the County Recorder Clerk's Office, and at both the El Dorado County and El Dorado hills Chamber of Commerce offices. The District Attorney will continue to pursue new avenues to increase outreach efforts and education opportunities to promote the awareness of rental scams and fraud warning signs for homeowners experiencing financial distress.

ALTERNATIVES

N/A

PRIOR BOARD ACTION

July 26, 2022; Legistar File 22-1294: District Attorney recommending the Board receive and file the seventeenth annual report on Real Estate Fraud for Fiscal Year 2021-2022 and sign a resolution to suspend the \$2.00 recording fee for a term of 3 years, effective October 2022.

August 10, 2021; Legistar File 21-1229: District Attorney recommending the Board Receive and file the Sixteenth Annual Report on Real Estate Fraud for Fiscal Year 2020-2021.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Real Estate Fraud Committee

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

The Real Estate Fraud Prosecution Trust fund beginning balance as of July 1, 2022 was \$602,874.97. The FY 2022-23 revenue received, including interest, totals \$24,596.37, leaving an unadjusted ending balance as of June 30, 2023 in the amount of \$627,471.34. The total FY 2022-23 investigation and prosecution expenditures for the Real Estate Fraud Program are estimated at \$39,007.46. Following the transfer of expenditures from the Real Estate Fraud Prosecution Fund to the District Attorney's Office, the FY 2022-23 estimated ending fund balance will be \$588,463.88. There is no Net County Cost for this program.

As a notable change from prior year fund recordings, the overall revenue has decreased by approximately 75% due to the 3-year suspension of the \$2.00 recording fee that was approved by the committee and the Board, and made effective as of October 2022.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Public Safety

CONTACT

Vern Pierson, District Attorney