



Legislation Details (With Text)

File #: 22-1294 **Version:** 1
Type: Agenda Item **Status:** Approved
File created: 7/8/2022 **In control:** Board of Supervisors
On agenda: 7/26/2022 **Final action:** 7/26/2022
Title: District Attorney recommending the Board:
1) Receive and file the Seventeenth Annual Report on Real Estate Fraud for Fiscal Year 2021-22; and
2) Adopt and authorize the Chair to sign Resolution 115-2022, suspending the Real Estate Fraud recording fee of \$2.00 per recording for a period of three years, October 1, 2022 - September 30, 2025.

FUNDING: Real Estate Fraud Prosecution Trust.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - FY 21-22 Real Estate Annual Report_22-1294.pdf, 2. B - Real Estate Fraud Committee Meeting Minutes_22-1294.pdf, 3. C - Resolution Request Real Estate Fraud Fee Suspension_22-1294.pdf, 4. D - Resolution BR - Real Estate Recording Fee.pdf, 5. Executed Resolution 115-2022

Date	Ver.	Action By	Action	Result
7/26/2022	1	Board of Supervisors	Approved	Pass

District Attorney recommending the Board:

- 1) Receive and file the Seventeenth Annual Report on Real Estate Fraud for Fiscal Year 2021-22; and
- 2) Adopt and authorize the Chair to sign Resolution **115-2022**, suspending the Real Estate Fraud recording fee of \$2.00 per recording for a period of three years, October 1, 2022 - September 30, 2025.

FUNDING: Real Estate Fraud Prosecution Trust.

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 in deterring, investigating and prosecuting Real Estate Fraud crime based upon information provided by the District Attorney in an annual report. The report is attached.

As presented during the 17th Annual Real Estate Fraud Committee held on July 12, 2022, the overall number of FY 2021-22 Real Estate Fraud cases reported to the District Attorney's Office was lower than in years past, with the prior FY 2020-21 being at the lowest. Now that the impact of the pandemic has leveled, the department did experience a slight increase in reported cases as compared to FY 2020-21.

For the second consecutive year, there were no vacation rental fraud cases reported, which the department attributes to their ongoing outreach efforts within the community. 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.

Primarily due to the decrease in overall reported cases, the department has consequently been

required to exhaust less efforts than anticipated. This has resulted in decreased expenditures to be drawn from the Real Estate Fraud Prosecution Trust Fund. As a result, District Attorney Vern Pierson recommended to the committee that the Board of Supervisors suspend the Real Estate Recording Fee of \$2.00 per recording for a period of three years. The committee unanimously voted in favor of this motion. The District Attorney's Office will continue to utilize the Real Estate Fraud Prosecution Fund to support ongoing Real Estate Fraud efforts as casework requires.

ALTERNATIVES

Should the Board opt not to execute Resolution xxx-2022, the Real Estate Fraud Prosecution Fund balance will continue to grow in excess of what is necessary to combat Real Estate Fraud by the District Attorney's Office.

PRIOR BOARD ACTION

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 and Recorder-Clerk

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

The Real Estate Fraud Prosecution Trust fund beginning balance as of July 1, 2021 was \$535,110.14. The FY 2021-22 revenue received, including interest, totals \$95,709.99, leaving an unadjusted ending balance as of June 30, 2022 in the amount of \$630,820.13. The total FY 2021-22 investigation and prosecution expenditures for the Real Estate Fraud Program are estimated at \$27,901.01. The FY 2021-22 estimated ending fund balance is \$602,919.12. There is no Net County Cost for this program.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Upon approval, Clerk of the Board to provide one copy of the executed resolution to the CAO Central Fiscal Unit; Attn: Justene Cline.

STRATEGIC PLAN COMPONENT

Public Safety

CONTACT

Vern Pierson, District Attorney