

HOUSING COMMITTEE REPORT and COMMUNICATION FROM MEMBERS, BUDGET AND FINANCE COMMITTEE relative to amending the Foreclosure Registry Program to require lenders to pay a proactive inspection fee for properties that change status from Notice of Default (NOD) to Real-Estate Owned (REO).

Recommendations for Council action, pursuant to Motion (Cedillo - Krekorian - Wesson):

1. REQUEST the City Attorney, with the assistance of the Los Angeles Housing and Community Investment Department (HCIDLA), Los Angeles Department of Building and Safety (LADBS), Chief Legislative Analyst (CLA), and City Administrative Officer (CAO), to prepare and present an ordinance to amend the Foreclosure Registry Program to require lenders to pay a proactive inspection fee at the time a property changes status from NOD to REO.
2. INSTRUCT the CAO, with the assistance of the CLA and LADBS, to report on a fee analysis based on the needed LADBS personnel to carry out the inspection of bank-owned properties.
3. INSTRUCT the HCIDLA, with the assistance of the City Attorney, to report on the number of properties where the banks have issued an NOD, since the adoption of the Foreclosure Registry Ordinance, and have failed to register with the City; this report should include the amount of fines that could have been collected from these properties along with a plan of action on how to notify the banks of the \$250 fine per day moving forward.
4. INSTRUCT the HCIDLA, with the assistance of the CLA, to report on a cost analysis to upgrade the technology of our current foreclosure registry to allow for better coordination between the LADBS and any other involved departments.

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

At a special joint meeting held on June 24, 2014, the Housing and Budget and Finance Committees considered Motion (Cedillo - Krekorian - Wesson) relative to amending the Foreclosure Registry program to require lenders to pay a proactive inspection fee at the time a property changes status from NOD to REO, a request to the CAO to report on a fee analysis on the needed LADBS personnel to carry out the inspections of REO properties, and requests to the HCIDLA to report on unrecovered NOD fines and cost analysis for upgrading Foreclosure Registry technology for better coordination with LADBS and other involved departments.

Representatives of the City Attorney and the HCIDLA addressed the Committees and discussed the matter in depth. The Committees then recessed into closed session, pursuant to Government Code Section 54956.9 (d)(2)/(e)(1), for further discussion and to confer with the City Attorney.

Upon returning to open session, the Housing Committee and Members of the Budget and Finance Committee approved the recommendations in the Motion. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES
FUENTES:	YES
WESSON:	ABSENT
BUSCAINO:	ABSENT
PRICE:	YES

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	ABSENT
ENGLANDER:	ABSENT
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	YES

REW
8/1/14
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-NOT OFFICIAL UNTIL COUNCIL ACTS-