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December 5, 2017

BPC #17-0477

The Honorable Eric Garcetti
Mayor, City of Los Angeles
City Hall, Room 303
Los Angeles, CA 90012

The Honorable City Council
City of Los Angeles, Room 395
c/o City Clerk's Office

Dear Honorable Members:

RE: PROPOSED CHANGE OF MAJORITY OWNERSHIP OF HANK'S WILSHIRE TOW,
INC., S & J TOW, FROM STEVE SMITH TO RICHARD REEVES, CONTRACT NO. C-
129767, PURSUANT TO LOS ANGELES MUNICIPAL CODE SECTION 80.77.4(E)(2).

At the regular meeting of the Board of Police Commissioners held Tuesday, December 5, 2017, the Board APPROVED the Executive Director's report relative to the above matter.

This matter is being forwarded to you for approval.

Respectfully,

BOARD OF POLICE COMMISSIONERS

A handwritten signature in blue ink that reads "Maria Silva".

MARIA SILVA
Commission Executive Assistant

Attachment

c: Chief of Police

INTRADEPARTMENTAL CORRESPONDENCE

November 21, 2017

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TO: The Honorable Board of Police Commissioners

FROM: Executive Director, Board of Police Commissioners

SUBJECT: REQUEST FOR APPROVAL OF PROPOSED CHANGE OF MAJORITY OWNERSHIP OF HANK'S WILSHIRE TOW, INC., S & J TOW, FROM STEVE SMITH TO RICHARD REEVES, CONTRACT NO. C-129767, PURSUANT TO LOS ANGELES MUNICIPAL CODE SECTION 80.77.4(E)(2).

RECOMMENDED ACTION

That the Board **APPROVE** and **TRANSMIT** to the Office of the Mayor and City Council the Executive Director's report recommending the approval of the proposed change of majority ownership of Hank's Wilshire Tow, Inc., S & J Tow, from Steve Smith to Richard Reeves, Contract No. C-129767, pursuant to Los Angeles Municipal Code Section 80.77.4(E)(2).

BACKGROUND

Commission Investigation Division has received a request for Hank's Wilshire Tow Inc., (Hank's), the Official Police Garage for Service Area 7, to transfer majority ownership of the company from Steve Smith to Richard Reeves. Currently, Mr. Steve Smith is the majority owner with 60% of the shares and Mr. Reeves is the minority owner with 40% of the shares. The company reports that Mr. Smith is in ailing health and wishes to transfer his shares to Mr. Reeves, who will become the sole owner of the corporation.

DISCUSSION

Los Angeles Municipal Code Section 80.77.4 (E)(2) states that any sale or transfer of a majority of either the ownership interest or stock, except for public share stocks of any Official Police Garage shall be subject to the approval of the City Council, which shall consider any recommendation of the Board of Police Commissioners.

Mr. Reeves is currently the President of Hank's and oversees the daily operations. Under the proposed transfer, local management of Hank's would not change. All current facilities, equipment, and employees would be retained. The only apparent change in structure would be at the corporate level. Staff does not believe that the change of corporate ownership would adversely affect the operations of Hank's.

Honorable Board of Police Commissioners

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Commission Investigation Division has conducted a background investigation of Mr. Reeves. No adverse history was discovered. Approval of this transfer will not affect the expiration date of the contract, which is scheduled to expire on June 27, 2022.

Should you have any questions, please contact Detective Benjamin Jones, Official Police Garage Coordinator, at (213) 996-1270.



RICHARD M. TEFANK, Executive Director
Board of Police Commissioners

BOARD OF
POLICE COMMISSIONERS
Approved *December 15, 2017*
Secretary *Maria Silva*

ATTACHMENT