

MOTION

FEB 17 2009

The current foreclosure crisis has increased the number of empty and vacant foreclosed properties throughout the City, causing blighted conditions in many neighborhoods. Many properties sit vacant for months during the foreclosure process while they await a sale. In many cases, these lender-owned properties are in violation of existing city code due to lack of maintenance and security on the premises.

As noted in Motion (Smith-Zine-Rosendahl), there is a large inventory of foreclosed properties in the City whose numbers continue to grow (CF 08-1545). In order for the City to effectively target City resources to the growing foreclosure crisis, it is necessary for the City to track, locate and record where these properties are located as they enter the foreclosure process. The Office of the Chief Legislative Analyst has been researching the feasibility of requiring owners of vacant and foreclosed properties, including lenders, to register their properties with the City and pay a fee to support enforcement related to these properties.

Several California cities (such as Oakland, Chula Vista, and Murrieta) and the County of San Bernardino have either considered or implemented such a program. Establishing a registry of vacant and foreclosed properties in the City of Los Angeles would enable the City to monitor the location of vacant and foreclosed properties to mitigate the negative impacts caused by such properties.

I THEREFORE MOVE that Council instruct the Chief Legislative Analyst, the City Administrative Officer, the Los Angeles Housing Department (LAHD), the Department of Building and Safety (DBS), and request the City Attorney to report to Council with the framework for an Ordinance or Ordinances that would:

1. Require owners of vacant properties and foreclosed properties, whether vacant or occupied, to register ownership with the City;
2. Establish a process to contact registered owners of foreclosed properties and notify them of their obligations pursuant to current City code;
3. Require owners of foreclosed properties to furnish proof their properties have been recorded with the County at the time of registering their properties with the City;
4. Establish that noncompliance with the registration policy is subject to fines and civil penalties, including a lien and misdemeanor criminal prosecution;
5. Establish a fee to be paid by registered owners of foreclosed properties for the purposes of supporting the City's costs of maintaining the registry, enforcement, monitoring, etc;
6. Create a shared database of foreclosed properties to be used by DBS, LAHD, and the Department of Water and Power; and,
7. Prevent the disconnection of utilities at occupied foreclosed rental properties, and prevent the re-connection of electricity at lender-owned vacant properties without the consent of the lender.

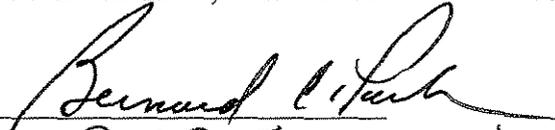
PRESENTED BY


ERIC GARCETTI
Councilmember, 13th District


GREG SMITH
Councilmember, 12th

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BR


09-0365 Refer to
08-1545

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