



**LOS ANGELES COUNTY
REGISTRAR-RECORDER/COUNTY CLERK**

DEAN C. LOGAN
Registrar-Recorder/County Clerk

November 23, 2022

TO: Supervisor Hilda L. Solis
Supervisor Holly Mitchell, Chair
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

Fesia Davenport, Chief Executive Officer

FROM: Dean C. Logan,  Registrar-Recorder/County Clerk

**NOTIFICATION OF INTENT TO NEGOTIATE A SOLE SOURCE CONTRACT WITH
CORELOGIC SOLUTIONS, LLC (CORELOGIC) FOR REAL ESTATE FRAUD
NOTIFICATION SERVICES BY MAIL**

This is to inform your Board of the Registrar-Recorder/County Clerk's (RR/CC) intent to negotiate a sole source contract with its current contractor, CoreLogic, for real estate fraud notification services. CoreLogic, RR/CC, Treasurer and Tax Collector (TTC), Assessor and the Department of Consumer and Business Affairs (DCBA) have created specialized processes such as early draw-off reporting, data collection, and specific system programming allowing specialized integration between CoreLogic and County databases to gather information seamlessly, particularly the most recent tax address and homeowner information. We anticipate the sole source agreement will reduce operating expenses to administer the real estate fraud notification program.

BACKGROUND

The RR/CC is responsible for recording five (5) types of real estate documents affecting a homeowner's property ownership in Los Angeles County: (1) Deeds; (2) Quitclaim Deeds; (3) Deeds of Trust; (4) Notices of Default and (5) Notices of Sale. Pursuant to and in accordance with Government Code §27297.6(a)(1)A and §27297.6 (a)(1)B the RR/CC is required to mail fraud notification packets to homeowners or occupants after recordation of one of the aforementioned real estate documents. The notification packet sent via United States Postal Services first-class mail contains a letter printed in both English and Spanish which includes contact information for the DCBA, the entity offering technical assistance, investigative and support services, and an enclosed copy

of the 1st page of the recorded document. In addition to the partnership with DCBA, the fraud notification services also require the RR/CC to collaborate with the Los Angeles County Assessor and TTC to ensure property owner contact information is valid by utilizing Assessor parcel numbers and TTC tax records. The Fraud Notification program and the efforts by RR/CC and DCBA through CoreLogic's notifications services, continues to provide homeowners and occupants with vital, timely information regarding their real property records. These notification mailings are helping to provide notice of property chain of title changes and protect constituents from real estate foreclosure, eviction and fraud, schemes and scams.

The current contract with CoreLogic was executed on October 25, 2015, after a Request for Proposals was issued and garnered two bids, both of which were processed through the evaluation and selection process. CoreLogic was the highest-ranking Proposer. CoreLogic continued maintaining an above average level of service without issue throughout the life of the agreement. On October 25, 2022, the RR/CC entered into its final six-month extension term with CoreLogic under its current contract - Contract #15-005. Contract #15-005 is set to expire on April 24, 2023.

The current established processes and systems in place support maintaining compliance with current legislation through the year 2028 at which time legislation will be reassessed and Los Angeles County will be required to report data to the Senate Committee on Judiciary and the Assembly Committee on Local Government encompassing 2013-2028. The discontinuance and interruption of this contract will require the reestablishment of these efforts with a new vendor and the county facilities resulting in significant IT programmable hours to get IT systems from various County departments in sync.

FISCAL IMPACT

The fraud notification program is fully funded by a \$7 filing fee and does not require any Net County Cost (NCC). The existing FY 22-23 ongoing budget for the RR/CC includes \$2,200,000 in appropriation and revenue for real estate fraud notification services. Actual expenditures are driven by the number of qualifying documents that are recorded. The \$7 fee has remained constant since the inception of the program.

Government Code Section §27387 allows the RR/CC to collect a fraud notification mailing fee from a party recording a Deed, Quitclaim Deed, Deed of Trust, Notice of Default, or Notice of Sale. The RR/CC is responsible for the collection of said fee and will distribute the fee to cover the cost of mailing services first, followed by RR/CC's administrative cost, and the remaining balance will be allocated to DCBA to cover the cost of providing the information, counseling or assistance to owners or occupants in response to the mail notification services. Fee distribution shall be based on covering the contractual mailing cost prior to subsequent distributions. The fee shall not exceed the mailing cost of the notice specified in Section 27297.6 and the actual cost to provide information, counseling, or assistance to a person who receives the notice, not to exceed seven dollars (\$7).

CLOSING

In accordance with Board Policy 5.100, the RR/CC must provide a four-week Board notification to enter into sole source negotiations. We will proceed to enter into negotiations with CoreLogic after the four-week notification period unless otherwise directed. The negotiated Agreement with CoreLogic is expected to be presented at the Operations Cluster Meeting no later than March 29, 2023.

If you have any questions, please contact Albert Navas, Assistant Registrar-Recorder/County Clerk, at (562) 462-2652.

DCL:JG:AN
NH:VW:cp

c: Chief Executive Office
Executive Office, Board of Supervisors
Board Deputies
County Counsel