



COMMUNITY DEVELOPMENT DEPARTMENT

June 30, 2015

TO: MORTGAGE INDUSTRY STAKEHOLDERS

FROM: CITY OF CARSON FORECLOSURE REGISTRATION PROGRAM

RE: ADOPTION OF CITY COUNCIL ORDINANCE NO 13-1510: NOTICE OF CITY OF CARSON ADOPTION OF A FORECLOSURE REGISTRATION ORDINANCE AMENDING ARTICLE V, CHAPTER 7 (PROPERTY MAINTENANCE) AND ARTICLE V, CHAPTER 9 (RESIDENTIAL PROPERTY REPORT) OF THE CARSON MUNICIPAL CODE, INCLUDING AMENDMENTS TO SECTIONS 5702, 5902, 5910 AND 5913

**PLEASE TAKE NOTICE**

This letter is being issued to mortgage lenders, beneficiaries, banks, mortgage services, foreclosure trustee services, title insurance companies, real estate property management firms, real estate brokers and other interested persons who participate in the mortgage foreclosure industry as of May 12, 2013, in the City of Carson, California (the "City").

The City of Carson is one of many municipalities in California which is making efforts to deal with a historically high rate of real property mortgage loan defaults and the effects on the community of the exercise by lenders of their mortgage foreclosure remedy on a large scale. On February 7, 2013 the City Council of Carson enacted an Ordinance to require the registration of residential property in foreclosure. Adoption of Ordinance No. 13-1510 ("Foreclosure Registration Program") in its current form, requires the makers or holders of loans secured by real property mortgages, and their agents, (collectively, "Participants"):

Register the fact of initiation of mortgage foreclosure proceedings involving Carson properties with the City, and thereafter:

- (A) the Participants shall take certain other actions during the course of the mortgage foreclosure process, including property inspection and maintenance responsibilities; and

(B) if the mortgage loan default is not cured or if the foreclosure remedy is completed, adhere fully to all requirements of City Municipal Code, including but not limited to, maintenance and building health and safety codes of the City.

On February 19, 2013, the City Council of the City of Carson approved City Ordinance No. 13-1510 which defines the implementation of the Foreclosure Registration Program. A copy of the text of City Ordinance No. 13-1510 is enclosed. City Ordinance No. 13-1510 is codified in the Carson Municipal Code (CMC) at Chapter 8.08 (Registration of Residential Property in Foreclosure).

The specific provisions or sections of the Foreclosure Registration Ordinance in which have been codified by Ordinance No. 13-1510 are noted in the enclosed copy of Municipal Code Chapters 7 and 9 of the Carson Municipal Code. For more information, review the enclosed text of City Ordinance No. 13-1510 Codified as Sections 5702, 5902, 5910 and 5913 of the Municipal Code of the City of Carson.

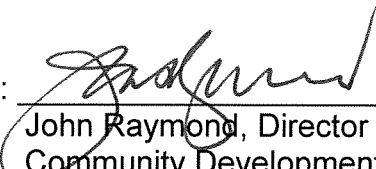
Interested persons are also invited to contact City officials by email to discuss any question regarding the Foreclosure Registration Program, or City Ordinance No. 13-1510. Please address any questions or concerns to the following:

City of Carson  
Community Development Department  
Foreclosure Registration Program  
foreclosure@carson.ca.us  
(310) 952-1756

A copy of this letter has been posted to the City of Carson website as of June 30, 2013 and copies of this letter have also been transmitted by U.S. First Class Mail to certain Participants, including each of the financial institutions who jointly executed the National Mortgage Settlement with the Attorney General for the State of California.

CITY OF CARSON

Date: June 30, 2015

By:   
\_\_\_\_\_  
John Raymond, Director  
Community Development Department  
City of Carson



## FORECLOSED PROPERTY ORDINANCE

### FORECLOSURE REGISTRATION PROGRAM INFORMATION

On February 19, 2013, the Carson City Council passed the *Foreclosure Registration Ordinance* (Ordinance No. 13-1510) and amended Chapter 7 and Chapter 9 of the Carson Municipal Code. The Foreclosure Registration Program was established as a mechanism to protect neighborhoods from blight resulting from the foreclosure crisis and unmaintained properties.

### **IF I WANT TO FILE A COMPLAINT ABOUT A PROPERTY, WHO DO I CALL?**

To report blighted properties call the City of Carson Community Development Department, Foreclosure Registration Program line at (310) 952-1756 or e-mail at [foreclosure@carson.ca.us](mailto:foreclosure@carson.ca.us)

### **HOW DO I REGISTER A FORECLOSED PROPERTY WITH THE CITY OF CARSON?**

The registration requirements of the Foreclosure Registration Program Ordinance may be satisfied by completing a foreclosure registration application for the City of Carson with **contact information including street address and telephone number** of the person(s) directly responsible for the property in foreclosure. If the responsible person(s) are located “Out of Area”, the **contact information, including street address and phone number**, for the staff of any property management or property preservation company responsible for the security, maintenance, and marketing of the property must also be provided.

Such person(s) must be empowered to:

- (1) Comply with code enforcement orders issued by the City,
- (2) Provide a trespass authorization upon request of local law enforcement authorities if the property is unlawfully occupied,
- (3) Conduct “monthly” inspections while in foreclosure and “occupied” and “weekly” inspections of the property if it is “vacant.”
- (4) Accept rental payments from tenants of the property if no management company is otherwise responsible for receipt of rents.

Lenders who register a property with the City of Carson must report any change of information contained in the registration to the Foreclosure Registration Program Division within ten (10) days.

## **WHAT ARE THE REGISTRATION FEES?**

An annual registration fee in the amount of **\$450.00** shall be paid to the City of Carson Community Development Department, Attention: Foreclosure Registration Program at the time of registration. The fee and registration shall be valid for the calendar year, or remaining portion of the calendar year, in which the registration was initially required. Subsequent registrations and fees are due January 1<sup>st</sup> of each year and must be received no later than January 31<sup>st</sup> of the year due. **Registration fees will not be prorated.**

## **WHO IS AFFECTED BY THIS ORDINANCE AND WHEN IS THE EFFECTIVE DATE?**

Any lender (or beneficiary or trustee who holds or has an interest in a deed of trust) on a property in foreclosure located within the City of Carson must register that property with the City Manager. The Foreclosure Registration Program applies to each notice of default recorded on or after April 12, 2013. Therefore, any lender who issues a Notice of Default after April 12, 2013, must register such property with the City of Carson **within ten (10) calendar days** of the recordation of the Notice of Default. A lender who has issued a Notice of Default **prior** to April 12, 2013, and the foreclosure action has not been rescinded or terminated, must register the property in foreclosure with the City of Carson, Community Development Department, Foreclosure Registration Program no later than April 30, 2013.

## **WHAT ARE THE PENALTIES IF I FAIL TO REGISTER?**

If the City of Carson determines that a lender has failed to register the property as required, the City will provide written notification to the lender of their failure to comply with this ordinance. If the lender fails to comply within ten (10) days of the City's written notification, ***the lender shall be liable to pay a penalty in the amount of \$250.00 for the first violation, \$500.00 for the second violation, \$1000.00 for the third violation and each subsequent violation until the violation is corrected.***



## COMMUNITY DEVELOPMENT DEPARTMENT

### FORECLOSED REGISTRATION PROGRAM PROPERTY REGISTRATION APPLICATION

This Foreclosed Property Registration Application (the "Application") shall be deemed to be complete by the City, when the information required below has been provided to the City, the registration fee amount set forth in Part 17 below, has been paid to the City and the City Planning Officer has accepted this Application, as indicated at Part 18, below.

A complete Application and the accompanying fee should be delivered to Community Development Department, Foreclosure Registration Program at Carson City Hall – 701 East Carson Street Carson, California 90745.

The information set forth below in this Application needs to be provided to the City by the Beneficiary, or the agent of the Beneficiary, to initiate the foreclosed property registration process with the City.

1. **Street Address of the Property:**
  
2. **Los Angeles County Assessor Parcel Number for the Property:**
  
3. **Los Angeles County Recorder Notice of Default Date:**

#### **24-Hour Phone Contact Information:**

If the City has any question regarding the Property or this Application who should the City contact by telephone?

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Print name of Application contact individual

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Print telephone number of Application contact individual

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Email address

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**4. (A) Name, Address, Phone and Email Contact for Beneficiary/Lender in Foreclosure:**

Beneficiary Email Address:

**(B) Name, Address, Phone and Email Contact for Trustor (If known:**

Trustor Email Address:

**(C) Name, Address, Phone and Email Contact for Renter/Occupant (If known):**

Renter/Occupant Email:

**5. (A) Beneficiary Telephone Contact Information:**

**(B) Trustor Telephone Contact Information:**

**(C) Renter/Occupant Telephone Contact Information:**

**6. Foreclosed Property Mortgage Description :**

Beneficiary Loan Identification Number:

Date of Deed of Trust; and:

Original Principal Amount of Mortgage:

**7. Date of Initial Default Inspection of the Property:**

**8. Date of Default Inspection Which Confirmed Property to Be Vacant or Abandoned/Date When Beneficiary Believes Property Became Vacant or Abandoned**

Date of such default inspection of the Property unknown at time of submission of Application

**9. Name, Address and Phone/Email Contact for Foreclosure Trustee:**

Phone Number:

Trustee Email Address:

**10. Name, Address, Phone and Email Contact for Property Management for Inspections:**

Property Manager Email Address:

**11. Other Contact Person(s) (Specify Relationship to Beneficiary, Trustee, Property Manager or Real Estate Broker):**

Phone Number:

Other Contact Person(s) Email Address:

**12. At the Time of Submission of Application, Has the Property Been Posted by Beneficiary as required (CMC Section 5902)**

Yes

No

**13. Photographs of Front, Rear, and Side-yards of Property and indicate Date on Each Photograph**

Photos attached by Declarant

Photos to follow within seven (7) days of submission of the Application by Declarant

**14. Property Maintenance and Security Conditions**

The following paragraphs of this Part 14 of the Application (A) – (G), inclusive are conditions of the registration of the Property with the City under the CMC Chapter 9 The Beneficiary is responsible for the compliance with each of the following property maintenance and security conditions set forth below:

(A) CMC Chapter 7 Section 5702(v) (Property Maintenance)

“Properties which are abandoned or vacant shall be, in comparison to the neighborhood standard maintained by the beneficiary and kept free of weeds, dry bush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspapers, circulars, flyers, notices, except those required by federal, state or local law, discarded personal items

including but not limited to furniture, clothing, large and small appliances, printed material or any other items that give the appearance that the property is abandoned.

The beneficiary shall maintain such property free of graffiti, tagging or similar markings by removal or painting over with an exterior grade paint that matches the color of the exterior of the structure.

In general, the maintenance of abandoned or vacant property by the beneficiary shall comply with the standards set forth in Section 5702(v) and HUD Mortgagee Letter 2007-03, dated January 25, 2007, or such other standard as may hereafter be ordered in writing addressed to the beneficiary by the City Planning Officer.

Adherence to the maintenance and monitoring standard set forth in Section 5702 does not relieve the beneficiary/trustee or property owner of any obligations set forth in any covenants, conditions and restrictions and/or homeowner's association rules and regulations which may apply to the property."

[Special Note: the full text of HUD Mortgage Letter 2007-03, may be viewed by interested parties at [www.hud.gov/offices/adm/hudclips/letters/mortgagee](http://www.hud.gov/offices/adm/hudclips/letters/mortgagee)]

(B) CMC Section 5702 (Minimum Property Security Standard)

"Properties which are abandoned or vacant shall be maintained by the beneficiary in a secure manner so as not to be accessible to unauthorized persons. In general, the security of abandoned or vacant property by the beneficiary shall comply with the standards set forth in Section 5702 and HUD Mortgage Letter 2007-03, dated January 25, 2007, or such other standard as may hereafter be ordered in writing addressed to the beneficiary by the Planning Officer.

(C) Basic Property Maintenance and Monitoring Guidance At Time of Submission of Application:

Active maintenance and monitoring of each vacant building or structure on each parcel of land shall include all of the following:

- (1) Maintenance of landscaping and plant materials on the parcel of land on which the vacant building is located in good condition
- (2) Maintenance of the exterior of the building and exterior signage and signage structures, in good condition.
- (3) Regular removal of all exterior trash and debris from the parcel of land which the vacant building is located.
- (4) Maintenance of the vacant building in continuing compliance with all applicable codes and regulations.



(5) Prompt removal of graffiti which has been applied to any exterior surface on the vacant building.

(6) Prevention of criminal activity on the premises (vacant building and/or the parcel of land on which the vacant building is located), including but not limited to use and sale of controlled substances, prostitution and criminal street gang activity.

(D) Does the property have a pool or spa?

If "YES", please describe the pool maintenance arrangements undertaken by the Beneficiary:

(E) At the time of submission of the Application to the City, the undersigned Declarant (See Part 16, below) on behalf of the Beneficiary, hereby certifies that there is no graffiti on any structure, fence, wall or sign on the Property.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

(F) The Chief Building/Planning Official of the City may, for good cause, add additional property maintenance and security conditions to the Property upon written notice to the Beneficiary at any time after the date of submission of this Application to the City.

**15. Number of Dwelling Units on Property:**

\_\_\_ one dwelling unit

\_\_\_ two dwelling units

\_\_\_ three or more dwelling units

**16. Name and Contact Information for Person (the "Declarant") Submitting this Application to the City:**

The undersigned hereby represents and warrants to the City of Carson that this Application is submitted to the City on behalf of:  
who is the:

Beneficiary (See Part 4)

Trustee in foreclosure (See Part 9)

Property Manager (See Part 10)

Other \_\_\_\_\_ (See Part 11)

The undersigned Declarant on behalf of the Beneficiary, whose name, address and contact information appears in Part 4 of this Application, hereby authorizes, requests and gives consent to the City of Carson to conduct such regulatory inspections of the Property as set forth in CMC Section 5910, from time to time as may be indicated.

The undersigned Declarant hereby declares under penalty of perjury that the facts set forth in this Application are true and correct to the best personal knowledge of the Declarant.

Date: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

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**17. Fee Schedule**

Registration for Property (per legal parcel)	\$450.00
<b>TOTAL FEE</b>	<b>\$450.00</b>

*Additional costs for inspections or other specific City response cost relating to the Property in excess of the foreclosed residential property program requirements set forth are the responsibility of the Beneficiary to pay the City and if not paid within thirty (30) days following the date of an invoice from the City, shall be deducted from the Inspection and Maintenance Deposit: (i) at the rate of \$60.00 per hour for such additional City services , rounded to the half hour for City employee time, plus 20% of such additional hourly cost, as City indirect overhead expense recovery; and (ii) for third party service costs (e.g. pool maintenance, property security and the like) at the City's direct cost for third party services if any, plus 20% for such third party cost as indirect City overhead expense recovery.*

\*Any unused Maintenance and Inspection Deposit funds are refundable by the City to the Beneficiary upon submission to the City proof of sale (escrow closing) or lease of the Property to a residential occupant.

**NOTE: ALL RESIDENTIAL PROPERTY SOLD OR TRANSFERRED IN THE CITY IS SUBJECT TO THE RESIDENTIAL PROPERTY REPORT OF THE CITY. CONTACT THE CITY OF CARSON PLANNING DIVISION FOR MORE INFORMATION REGARDING THE INSPECTION OF THE PROPERTY PRIOR TO THE SALE OR TRANSFER UNDER THIS SEPARATE PROGRAM.**

**18. ACCEPTANCE OF APPLICATION BY THE CITY OF CARSON**

The undersigned hereby deem this Application to be complete, and accepts this Application for registration of the Property on behalf of the City of Carson.

Date: \_\_\_\_\_

By: \_\_\_\_\_