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## Former City Property Manager Pleads Guilty to Felony Theft

Beverly Hills, CA – On January 10, 2018, former City employee Brenda Lavender pleaded guilty to felony grand theft related to an embezzlement investigation. As part of the plea agreement, Ms. Lavender will be placed on probation for a three-year period, must complete 200 hours of community services and was ordered to pay the City of Beverly Hills \$100,000 in restitution.

From 2012 to 2015, Ms. Lavender, the former Real Estate and Property Manager for the City, failed to collect obligated lease payments from a tenant occupying a City-owned property. In addition, she intentionally failed to report to the City that the tenant was in arrears for these lease payments.

In December of 2015, the City of Beverly Hills discovered the embezzlement involving Ms. Lavender. The matter was immediately reported to the Beverly Hills Police Department and Ms. Lavender's employment was terminated. The Police Department conducted a thorough investigation that resulted in Ms. Lavender being arrested for two felony offenses, including failing to collect more than \$800,000 from a City tenant over a period of three years.

Ms. Lavender was arrested on July 10, 2017 without incident and bail was set at \$50,000. She was arraigned on Sept. 5, 2017 in the Criminal Courts Building in downtown Los Angeles.

At the time of the crime, Ms. Lavender's job responsibilities included the oversight and collection of monthly lease payments from City-owned properties. The aggregate uncollected lease payments over the three-year period exceed \$800,000. Failure to collect lease payments is a felony violation of California Penal Code §424(a) - Misappropriation of Public Funds. The original charges included allegedly providing false information on her 2015 Statements of Economic Interests – Form 700, when she failed to report a \$15,000 loan she received from another tenant during the course of her employment. Those charges were dismissed due to the plea agreement.

The investigation into the crimes pointed to a need for the property management operation to be reorganized in order to create the appropriate oversight and accountability. In order to establish a check and balance process, the property management function has been split among three City departments: Administrative Services collects and monitors rent payments; Policy and Management oversees property leasing; and Public Works manages tenant relations. In addition, the City will be hiring an internal auditor to monitor all City operations.

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