

CITY OF LONG BEACH **R-32**

POLICE DEPARTMENT

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Jim McDonnell
Chief of Police

September 7, 2010

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a Memorandum of Understanding, Reimbursement Agreement, and Equitable Sharing Agreement and any subsequent amendments thereto, and all necessary documents with the Internal Revenue Service, Criminal Investigation (IRS, CI) for a joint task force with the Long Beach Police Department to develop and assist with criminal investigations and asset forfeitures of illegal activities in the Long Beach Metropolitan and surrounding area. (Citywide)

DISCUSSION

In 2006, the Criminal Investigations office of the Internal Revenue Service started developing joint task forces with state and local agencies around the country to help conduct financial investigations with an emphasis on money laundering and tax evasion investigations. The IRS Los Angeles office is currently developing a similar task force that will consist of various federal, state, and local law enforcement agencies.

The Long Beach Police Department (LBPD), through its Asset Forfeiture Unit, will initiate financial criminal investigations of persons and criminal organizations that operate in and around the Long Beach area. These investigations will help focus on a top-down approach of large to medium scale money laundering and other financial crimes that drive criminal enterprises, such as narcotic and gang activity, in our city.

The MOU and related agreements shall be for the term commencing at the signing of this agreement through September 30, 2010, automatically renewable at the end of each fiscal year. Either party shall have the right to terminate the agreement for any reason or no reason by giving the other party 30 days' prior written notice.

City of Long Beach expenditures, primarily for police overtime, will be reimbursed by the IRS, CI per the terms of the related "Agreement Between Treasury Law Enforcement Agencies and Long Beach Police Department for the Reimbursement of Expenses" (Reimbursement Agreement).

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PATROL BUREAU
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SUPPORT BUREAU
(562) 570-7342
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Asset seizures and forfeitures will be governed by the related "Agreement Between the Internal Revenue Service, Criminal Investigation and the Long Beach Police Department for Equitable Sharing from Asset Seizure and Forfeiture" (Equitable Sharing Agreement).

The MOU will include the following:

- One Long Beach Police Department Asset Forfeiture Unit Detective assigned part-time to work cases as determined by the IRS Coordinator.
- One IRS Senior Special Agent responsible for management, supervision, and coordination of all investigative and operational activities of the task force investigations.
- One additional IRS Special Agent or Investigative Analyst to assist in the investigative and operational activities.
- One sergeant assigned part-time to direct and coordinate LBPd personnel, insure compliance with the agreement, and review and approve all monthly reports prepared for IRS, CI.
- Additional LBPd personnel may participate on a case-by-case basis.

This item was reviewed by Deputy City Attorney Gary Anderson on August 12, 2010 and Budget Officer Victoria Bell on August 18, 2010.

TIMING CONSIDERATIONS

City Council action on this matter is requested on September 7, 2010, to expedite the agreement.


FISCAL IMPACT

The IRS, CI will reimburse the City of Long Beach for monthly police overtime, travel, and vehicle lease expenses incurred by LBPd officers acting as members of the task force within the limits set forth in the Reimbursement Agreement. In addition, there is potential for revenue from asset forfeiture per the terms of the Equitable Sharing Agreement, in amounts that cannot be predicted. There is no net cost to the General Fund (GP). No local Long Beach jobs will be lost or created through participation in this task force.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


for J.M.

JIM McDONNELL
CHIEF OF POLICE

APPROVED:


PATRICK H. WEST
CITY MANAGER