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Former City Property Manager Arrested and Charged With Felonies

Beverly Hills, CA – In December of 2015, the City of Beverly Hills discovered a possible embezzlement involving a former City employee, Brenda Lavender, the former Real Estate and Property Manager for the City. 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 allegedly failing to collect more than \$800,000 from a city tenant over a period of three years.

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

At the time of the crime, Lavender's job responsibilities included the oversight and collection of monthly lease payments from City-owned properties. From 2012 to 2015, Lavender allegedly failed to collect obligated lease payments from one of the tenants leasing a City-owned property, and intentionally failed to report to the City that this particular tenant was in arrears for these lease payments. 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.

In addition to failing to collect lease payments, it was determined that Lavender allegedly provided 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. Failure to report a loan on the annual *Statements of Economic Interest – Form 700* is a felony violation of California Penal Code §118(a) - Perjury by Declaration.

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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