



**DATE:** July 9, 2019

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Authorizing Delinquent Charges for Delinquent Garbage Bills Incurred by Property Owners of Single-Family Residence Households

### **RECOMMENDATION**

That Council adopts a resolution (Attachment II) confirming the report and assessment for delinquent single-family residential garbage bills and authorizing the delinquent charges to become a special assessment against the properties if not paid on or before July 26, 2019.

### **SUMMARY**

This report presents delinquent single-family residential garbage bills for the 2018-2019 service year and the amounts that are to be placed as a special assessment on the property tax rolls.

As of June 21, 2019, 1,245 property owners owe \$496,265.46 or a total of \$568,010.22, with administrative fees included (see Attachment III). The unpaid charges and the administrative fees assessed by the City and County will become a special assessment against the property and will appear on each property owner's tax bill later this year.

### **BACKGROUND**

On April 6, 2010, Council approved collection of delinquent garbage bills from single-family residential property owners with cart service via special assessments on property tax rolls. Under the City's solid waste ordinance, the property owner is ultimately responsible for the payment of the garbage bill, whether or not the owner occupies the property.

Beginning in 2010 and annually thereafter, Waste Management of Alameda County (WMAC) mails three separate notices in January, March, and April to delinquent residential property owners. The notices typically result in full payments by about half of all delinquent accounts, thereby avoiding placement of a special assessment on those owners' property tax bills. The outstanding amounts are then placed as a special assessment on the property tax rolls.

## **DISCUSSION**

The 2019 assessments include the total amount due from each delinquent account owed WMAC for the period from March 2018 through February 2019. Other charges that will be included in the assessment are a fifty-dollar administrative fee charged by the City and a 1.7% administrative fee charged by the Alameda County Tax Assessor's Office. These fees and this request for Council's confirmation of the list are made pursuant to Hayward Municipal Code Sections 5-1.28 through 5-1.32.

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## **ECONOMIC AND FISCAL IMPACT**

A breakdown of the 1,245 total number of delinquent accounts and the range of amounts owed are as follows:

<u>Profile of Accounts</u>	<u>Amount Owed</u>
79% (991 accounts)	Less than \$500
18% (220 accounts)	\$500 to \$1,000
3% (34 accounts)	\$1,000 to \$4,452.16

Payment of these fees should not have an undue adverse impact on property owners or tenants as they will be required to pay charges that the overwhelming majority of property owners and tenants pay on a regular basis. The only difference is that property owners of the delinquent accounts must also pay the small administrative fees mentioned above.

The City will receive a franchise fee on the recovered funds.

## **STRATEGIC INITIATIVES**

This agenda item is a routine operational item and does not relate to one of Council's three Strategic Initiatives.

## **SUSTAINABILITY FEATURES**

Solid waste management involves the safe and responsible management of discarded material from generation, through processing, to disposal. Reducing waste landfilled by maximizing the reuse, recycling, and composting of materials increases diversion, conserves natural resources, and plays an important role in making a community sustainable.

## **PUBLIC CONTACT**

WMAC mailed letters in January, March, and April to each residential property owner and tenant with a delinquent garbage bill. Each letter stated that the City's ordinance holds property owners responsible for garbage service fees, provided the past due amount, and included a phone number and email address to resolve questions regarding amounts owed. The March and April letters indicated that the City Council had authorized, at its April 6, 2010, meeting, collection of delinquent garbage bills through placement of assessments on the Alameda County tax rolls. The April letter identified a due date of June 1, 2019 for payment of delinquent amounts, though WMAC will continue to accept payments until 5:00 p.m., July 26, 2017. The April letter also indicated that the Council's confirmation of the report and list of delinquent charges would be scheduled for July 2019. All letters were approved by City staff. Property owners were given an opportunity for an administrative hearing to dispute the delinquent amount, but no hearings were scheduled.

The Notice of Council's scheduled confirmation of this report was published in The Daily Review on June 28, 2019.

### **NEXT STEPS**

WMAC will continue to accept payments until July 26, 2019. Staff will provide the final list to the Alameda County Tax Assessor's Office by August 10, 2019.

*Prepared by:* Jeff Krump, Solid Waste Program Manager

*Recommended by:* Alex Ameri, Director of Public Works

Approved by:



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Kelly McAdoo, City Manager