



DATE: July 18, 2017

TO: Mayor and City Council

FROM: Interim Director of Development Services

SUBJECT Report and Special Assessment for Community Preservation Fees Past Due

RECOMMENDATION

That Council adopts the attached resolution (Attachment II) confirming the report and assessments for overdue community preservation charges, for the period from January 1, 2016 through May 2, 2017 (Attachment III and IV), and authorizing the assessments to become a special assessment against the properties if not paid on or before August 1, 2017.

SUMMARY

The purpose of the Special Assessment confirmation is to consider the proposed report and assessment list for unpaid community preservation fees and to determine whether a special assessment should be placed on these properties.

BACKGROUND

Article 7, Chapter 5 of the Hayward Municipal Code (HMC), otherwise known as the Community Preservation Ordinance, currently makes it unlawful for Hayward property owners to allow the condition of their property to deteriorate to the point that it becomes detrimental to the public health, safety, or general welfare of the community. This includes both inhabited properties and vacant properties, whether residential or commercial. Typical violations include debris, trash, vegetation, graffiti, signs, zoning issues, and abandoned and/or inoperable vehicles.

“Public nuisance” is defined in the Ordinance, as are the procedures for enforcing the Ordinance. The Ordinance provides due process protections that guarantee the property owners who are cited for violations of the Ordinance, notice and the opportunity to be heard.

Once a violation of the Ordinance has been established at a property and all appropriate notifications have been made, fines, fees, penalties and/or abatement of the violation can and will be imposed. Consequently, once the property owner has exhausted his or her administrative remedies, the property owner must then pay all costs related to his/her property violations in the appropriate timeframe set forth in the Ordinance. If those costs are not paid in full prior to the August deadline each year, the unpaid charges are then scheduled

for special assessment against the property once confirmed and authorized by Council resolution.

DISCUSSION

The costs that make up the special assessment charges were calculated pursuant to the City's Master Fee Schedule. Fines and fees include: failed re-inspection(s) fees; abatement related costs; contractor fees; subsequent violation(s); liens; and past due fees.

As of the date of this writing, there are overdue bills (including contractor costs) affecting 68 properties amounting to \$186,661. The accounts receivable list is attached as Attachment III and IV.

The unpaid charges, plus any administrative costs of the City and County, will become a special assessment against the property and will appear on the property owners' November tax bills. A Notice to Abate, sent by mail with proof of service, was mailed to each property owner, and tenant if applicable, in accordance with the Ordinance. Property owners were given an opportunity for an Administrative Hearing to dispute the factual findings and/or assessment of fees. As of the writing of this report, no requests for administrative hearings have been filed. Additionally, after three past due invoices were mailed to the property owners, a Final Notice was sent by certified mail on June 5, 2017 advising the property owners of the impending assessment against their property pursuant to Government Code Section 38773.5.

ECONOMIC IMPACT

The collection of un-paid fees supports the community preservation program in ensuring well maintained, safe and sanitary neighborhoods and properties.

FISCAL IMPACT

There is no fiscal impact to the City of Hayward associated with processing such overdue bills, as City costs are reimbursed through special assessment or other collection processes. All special assessment costs are collected along with lien amounts on individual tax bills. Collection of these fees also helps minimize the General Fund subsidy to this program and reduces unrecoverable costs of conducting inspections associated with the City's Community Preservation Program because they represent fees assessed for staff time related to enforcement actions. The City of Hayward annually receives two special assessment allocations from the county, one in December and one in April.

SUSTAINABILITY FEATURES

N/A

PUBLIC CONTACT

Notice of City Council's confirmation of this report was published in the Daily Review on July 7th & 14th 2017. In addition, all first invoices include specific language giving the property owner an opportunity for a Special Assessment Hearing to contest the fees and/or penalties and encouraging them to pay their bills to minimize additional fees and to avoid being placed on the proposed assessment list. Property owners have until August 1, 2017 to pay all outstanding fees.

NEXT STEPS

A copy of the Special Assessment List will be forwarded by the City of Hayward's Revenue Division to the Alameda County Assessor's Office. Upon receipt, the Assessor's Office will attach the City of Hayward's fees past due as a special assessment against each parcel. That assessment will then appear on the property owners' November 2017 property tax bill for collection. When the County Assessor receives the tax payment, the City of Hayward will be reimbursed by the Assessor's Office typically after payment of the second installment in April of the following year.

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Recommended by: Stacey Bristow, Interim Director of Development Services

Approved by:



Kelly McAdoo, City Manager