



DATE: June 16, 2026

TO: Mayor and City Council

FROM: Director of Development Services

SUBJECT: Adopt a Resolution Confirming the Report and Code Enforcement Programs Assessment Listing, and Authorizing Transmittal of Assessments Associated with Past Due Code Enforcement Fees and Penalties for the Period of May 1, 2025 through April 30, 2026 to the County Assessor for Collection

RECOMMENDATION

Adopt a Resolution (Attachment II) confirming the report and Code Enforcement Programs Assessment Listing (Attachment III) and authorizing transmittal of assessments to the County Assessor for collection associated with overdue Code Enforcement fees and penalties for the period of May 1, 2025, Through April 30, 2026.

SUMMARY

The purpose of the special assessment confirmation is to consider the proposed report and Code Enforcement Programs Assessment Listing for unpaid Code Enforcement fees and penalties associated with enforcement of codes and regulations under Code Enforcement Community Preservation and Rental Programs, on private properties and to determine whether a special assessment should be placed on these properties.

FISCAL IMPACT

There is no negative fiscal impact to the City of Hayward associated with submitting this special assessment to the County Assessor, as all 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.

BACKGROUND

Community Preservation Program

Chapter 5, Article 7 of the Hayward Municipal Code (HMC), otherwise known as the Community Preservation Ordinance (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. Additionally, regulations adopted under the Ordinance make it unlawful for Hayward property owners to violate all adopted municipal codes, including those specifically developed to preserve community health and safety. This includes both inhabited properties and vacant properties, whether residential or commercial.

Typical violations include debris, trash, vegetation, graffiti, signs, zoning issues, abandoned and/or inoperable vehicles, in addition to violations of other adopted Code and Standards such as Fireworks, Cannabis, Building, Tobacco sales and Vacant Property conditions.

“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 receive notice and the opportunity to be heard.

Once a violation of the Ordinance has been established at a particular 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 any and 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 July deadline each year, the unpaid charges are then scheduled for special assessment against the property once confirmed and authorized by Council resolution.

Rental Housing Programs

Residential Rental Inspection Ordinance. The Residential Rental Inspection Ordinance, codified in Chapter 9, Article 5 of the HMC, creates an inspection program for residential rental units in the City. The purpose of the Residential Rental Inspection Ordinance is to safeguard the stock of safe and sanitary rental housing by inspecting units for violations of housing and building codes.

The Residential Rental Inspection Ordinance provides a process for the inspection of units, notification to property owners, and the imposition of fees/penalties and charges. When a violation has been identified at a property, the City provides a correction notice to the owner identifying the violation(s). If the violation is not corrected by the owner, the Ordinance authorizes fee and penalty charges for any inspection or re-inspection performed. Once the owner has exhausted his or her administrative hearing rights, the owner must pay any fees and penalty charges. If those costs are not paid in full prior to the August deadline each year, the

unpaid fees and/or charges are scheduled for special assessment against the property once confirmed and authorized by Council resolution.

Residential Rent Stabilization & Tenant Protection Ordinance. The Residential Rent Stabilization and Tenant Protection Ordinance , codified in Chapter 12, Article 1 is intended to provide relief to residential tenants in the City by stabilizing rent increases as allowed by State law; to alleviate the hardship and displacement caused by serious housing shortages by establishing a mediation and arbitration program and by increasing tenant protections; encouraging investment in new residential rental property in the City; and allowing efficient Landlords both a fair return on their property and rental income sufficient to cover the increasing cost of repairs, maintenance, insurance, employee services, additional amenities, and other costs of operation while the provisions of the Residential Rent Stabilization and Tenant Protection Ordinance is in effect. The program is administered on a cost recovery basis through the payment of an annual Residential Rent Stabilization Annual Fee.

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 and; abatement related costs; contractor fees; subsequent violation(s)fees; annual fees; annual registration fees and past due fees as well as general code violation penalties.

Community Preservation Programs

Community preservation, fireworks, tobacco retail inspections, cannabis, and vacant properties are all components of the Community Preservation Program. As of the date of this writing, there are 477 properties with overdue penalties and fees associated with the Community Preservation Programs (including contractor costs, past due fireworks penalties, general community preservation penalties and vacant property fees), amounting to \$21,252,667.39. Approximately \$20.3 million of the outstanding fees and penalties is associated with cannabis program violations. This amount reflects cases in which no appeal was filed and all applicable appeal deadlines have passed.

Rental Housing Programs

Residential Rental Inspection Program: As of the date of this writing there are 95 Rental Properties with overdue rental inspection fees and penalties that total \$99,033.

Residential Rental Inspection Program Annual Fee: As of the date of this writing, there are 1,018 rental properties with outstanding Residential Rental Inspection Program Annual Fees and penalties totaling \$237,241.

Residential Rent Stabilization Annual Fee: As of the date of this writing, there are 1,003 rental properties with outstanding Residential Rent Stabilization Annual Fees and penalties totaling \$208,858.

Total Assessments

The unpaid charges for all Code Enforcement Programs, totaling \$21,797,799.39 plus any administrative costs of the City and County, will become a special assessment against the property and, if payments are not received, will appear on the property owners' November tax bills.

The Code Enforcement Programs Assessment List including amounts due is attached as Attachment III.

Noticing

Notices sent by first class mail were mailed to each property owner, and tenant if applicable, in accordance with established codes. 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 hearing requests have been recently filed. Additionally, after three past-due invoices were mailed to the property owners, a Final Notice was sent by first class mail on May 16, 2026, advising the property owners of the impending assessment against their property pursuant to Government Code Section 38773.5.

ECONOMIC IMPACT

The collection of unpaid fees supports all Code Enforcement Programs in ensuring well maintained, safe and sanitary neighborhoods and properties as well as compliance with compliance with State Housing Laws.

STRATEGIC ROADMAP

This is a routine operational item.

PUBLIC CONTACT

Notice of City Council's confirmation of this report was published in the Daily Review on June 5, 2026 and June 12, 2026. In addition, all first invoices include specific language giving the property owner an opportunity for a 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, 2026, to pay all outstanding fees.

NEXT STEPS

A copy of the Special Assessment Lists 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 2026 property tax bill for

collection. When the County Assessor receives the tax payment, the City of Hayward will be paid by the Assessor's Office.

Prepared by: Junior Lee, Acting Code Enforcement Supervisor
Christina Morales, Deputy Director of Development Services

Recommended by: Sara Buizer, AICP, Director of Development Services

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jennifer Ott, City Manager