



## **CITY OF SALINAS COUNCIL STAFF REPORT**

---

**DATE:** MAY 15, 2018

**DEPARTMENT:** COMMUNITY DEVELOPMENT

**FROM:** MEGAN HUNTER, DIRECTOR

**THROUGH:** JOHN FALKENBERG, SR COMBO BUILDING INSPECTOR  
LORENZO SANCHEZ, SR CODE ENFORCEMENT OFFICER  
SAMUEL KLEMEK, INTERIM DEPUTY CHIEF  
MICHAEL MUTALIPASSI, ASSISTANT CITY ATTORNEY

**BY:** TERESA KISTLER, REVENUE OFFICER

**TITLE:** 2018 SPECIAL ASSESSMENT FOR COLLECTION OF UNPAID  
CHARGES FROM PROPERTY OWNERS

### RECOMMENDED MOTION:

A motion to approve the attached Resolution approving the 2018 Special Assessment.

### RECOMMENDATION:

Hold a public hearing on the 2018 Special Assessment and approve a Resolution to collect the unpaid charges from the property owners.

### EXECUTIVE SUMMARY:

The attached Resolution confirms unpaid nuisance abatement charges and administrative costs and penalties incurred by the City of Salinas from calendar years 2016 to 2017. If the Resolution is approved, the Finance Director would be authorized to collect the unpaid charges of \$616,789.31 from the property owners in the same manner as ordinary municipal taxes. These charges are a result of non-compliant owners of work without permit, severely blighted properties, and/or unsafe buildings. In a few cases, the City had to board up buildings in order to protect the community.

### BACKGROUND:

In 2013, the City Council approved adoption of Section 1-49, now re-codified as 1-05.39, of the Salinas Municipal Code, which authorizes the City to impose a special assessment against real property where fines and fees remain outstanding. Section 1-05.39 allows for recovery by special assessment against the subject property when the amount of any nuisance abatement charge, administrative penalty, administrative cost, or other debt imposed by the city in connection with

real property has not been satisfied in full within ninety days and/or has not been challenged by a timely writ of mandate.

### DISCUSSION:

Pursuant to the requirements as outlined in the ordinance, property owners are provided with adequate notice before their properties are assessed, including multiple invoices advising them of the total amount due and consequences for failing to pay. A letter was mailed to all affected property owners ten days in advance of this City Council meeting advising owners that the Resolution was pending before Council. Exhibit A lists the properties to be assessed, as well as the amounts owed. This list includes unpaid charges from Building, Code Enforcement, Fire Prevention and Legal Risk Management divisions. Property owners have the option at any time to pay the charges in full and thereby avoid the special assessment. However, after multiple attempts to collect these charges, the City now has the alternative provided by the Municipal Code to secure payments through the special assessment.

As the City has expanded code enforcement and focused our resources on cleaning up the most egregious properties, collection of this special assessment has increased from approximately \$67,000 last year to \$226,498.58 this year. While the main objective is to bring properties into compliance, administrative citations have been used to induce owners to remediate their properties, eliminate unsafe conditions, and clear these cases. Emergency board-ups and abatements are also completed in the interest of protecting the community. All resulting charges are necessary to recoup administrative, board up, and emergency abatement costs, to deter owners from conducting unpermitted construction or unsafe alterations to their properties, and to ensure owners maintain their properties in compliance with the code.

This is the first year the City is pursuing the collection of fines resulting from Administrative Orders. When Property Owners fail to bring their properties into compliance after multiple notices and a Compliance Order, the City will bring cases to Administrative Order Hearings. Three of the properties listed in Exhibit A (114 E. Bernal Dr, 1486 Lassen Ave and 834 Camille Ct) have been brought to a Hearing. In all three instances, the Administrative Hearing Officers determined that a violation did exist at the property, that the property owner was properly notified, and that they were provided sufficient time to correct the violation but had failed to do so. The Hearing Officers ordered daily fines be assessed for as long as the property owners failed to remediate the violations. These three properties have accumulated a total of \$63,900 in charges for non-compliance.

On December 19, 2017, Council approved Resolution No. 21314 (N.C.S.) finding that the structure located at 45 Soledad St, constituted an imminent emergency and public nuisance, confirming the abatement and removal of the structure, and confirming the costs of abatement. Public Works, and the Building and Code Enforcement divisions led the effort to contract for the abatement work at the Property. Staff contracted with a demolition contractor, Randazzo Enterprises, Inc., who completed the abatement work on July 30, 2017. Abatement costs totaled \$390,290.73, which included the cost of abatement, completely clearing the Property of asbestos material, fencing to secure the job site, and staff time. The Legal Department sent demands for repayment to Victory Mission on September 18, 2017 and on October 20, 2017. Despite the City's best efforts, responsible parties have not responded to the demands for repayment of these costs. This charge has also been added to the 2018 Special Assessment.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

Approval of the proposed Resolution supports the City Council's goal of a Safe, Livable Community by ensuring penalties are imposed on non-compliant blighted or unsafe properties in order to compel compliance. It also furthers the goal of Effective, Sustainable Government through the collection of debt imposed by the City in connection with real property.

FISCAL AND SUSTAINABILITY IMPACT:

Upon approval of the Resolution, the Finance Director will provide notice to the tax collector that the special assessment of the unpaid balance should be imposed against each of the subject properties at the same time and in the same manner as ordinary municipal taxes. Adoption of the Resolution in a timely manner is essential to direct the Finance Director to assess the subject properties in July of each fiscal year, and reimbursement will close these cases in their entirety.

ATTACHMENTS:

Resolution  
Exhibit A – Special Assessment Charges for 2018  
Sample Notice to Property Owners of Council Meeting