



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JUNE 8, 2021

DEPARTMENT: COMMUNITY DEVELOPMENT

FROM: MEGAN HUNTER, DIRECTOR

BY: TERESA KISTLER, REVENUE OFFICER

THROUGH: JOHN FALKENBERG, SR COMBO BUILDING INSPECTOR
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TITLE: 2021 SPECIAL ASSESSMENT FOR COLLECTION OF UNPAID
CHARGES FROM PROPERTY OWNERS

RECOMMENDED MOTION:

A motion to approve the attached Resolution approving the 2021 Special Assessment.

RECOMMENDATION:

Hold a public hearing on the 2021 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 2018 to 2020. If the Resolution is approved, the Finance Director would be authorized to collect the unpaid charges of \$458,864.31 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 and letters advising them of the total amount due and consequences for failing to pay. A letter was mailed to all affected property owners 30 days in advance of this City Council meeting advising owners that the Resolution was pending before Council. Exhibit A, in accordance with Municipal Code Section 1-05.41, 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 \$268,712 in 2019 to \$458,864 this year. The increase in the 2021 unpaid charges is an accumulation of several years of charges because the 2020 Special Assessment for Collection of Unpaid Charges from Property Owners was postponed as a result of the COVID-19 pandemic. 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 are also completed in the interest of protecting the community. All resulting charges are necessary to recoup administrative and board up costs, to deter owners from conducting unpermitted construction or unsafe alterations to their properties, and to ensure owners maintain their properties in compliance with applicable fire, building and zoning codes.

The City continues to pursue 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 (116 N. Main St, 1161 N. Main St and 58 N. Sanborn) 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. The Hearing Officers ordered daily fines be assessed for as long as the property owners failed to remediate the violations. The property owners have continued to ignore their respective violations after 36 months. These three properties have accumulated a total of \$215,741.39 in charges for non-compliance and are included in the total of the 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 Operational Efficiencies by ensuring penalties are imposed on non-compliant blighted or unsafe properties in order to compel compliance and through the collection of debt imposed by the City in connection with real property.

DEPARTMENTAL COORDINATION:

The 2021 Special Assessment for Collection of Unpaid Charges from Property Owners is a collaborative effort among the Community Development Department (Permit Services (Building) and Code Enforcement Divisions), Fire Department, City Attorney's Office, and Finance Department.

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 each fiscal year, and reimbursement will facilitate the closure of these cases.

ATTACHMENTS:

Resolution
Exhibit A – Special Assessment Charges for 2021
Sample Notice to Property Owners of Council Meeting