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Adopt a Resolution Imposing FY 2026 Liens for Non-Payment of Delinquent Solid Waste Service Charges, Sidewalk/Driveway Repair Charges, CalEPA CUPA Surcharge Fees, Building Code Violation and Code Compliance Citation Fees, Fire Inspections, and Water Pollution Control Plant Commercial and Industrial User Charges; and

Adopt a Resolution Overruling Protests Related to Non-Payment of Delinquent Solid Waste Service Charges, Sidewalk/Driveway Repair Charges, CalEPA CUPA Surcharge Fees, Building Code Violation and Code Compliance Citation Fees, Fire Inspections, and Water Pollution Control Plant Commercial and Industrial User Charges.

..Staffreport

COUNCIL PRIORITY

- Fiscal Sustainability

SUMMARY AND RECOMMENDATION

Staff recommend that City Council conduct the public hearing and adopt the following:

- Resolution Imposing 2026 Liens for Non-Payment of Delinquent Solid Waste Service Charges, Sidewalk/Driveway Repair Charges, CalEPA CUPA Surcharge Fees, Building Code Violation and Code Compliance Citation Fees, Fire Inspections, and Water Pollution Control Plant Commercial and Industrial User Charges.
- Resolution Overruling Protests Related to Non-Payment of Delinquent Solid Waste Service Charges, Sidewalk/Driveway Repair Charges, CalEPA CUPA Surcharge Fees, Building Code Violation and Code Compliance Citation Fees, Fire Inspections, and Water Pollution Control Plant Commercial and Industrial User Charges

BACKGROUND

The San Leandro Municipal Code grants the City authority to enforce the collection of delinquent service charges through assessment liens. This process is pursued only after all other collection methods have been exhausted by the Finance Department in coordination with the issuing department. The purpose of these assessment liens is to recover funds the City has expended in providing specialized services.

Typically, the collection process spans several months, beginning with repeated billings and monthly statements sent by the Finance Department to affected residents and businesses. Finance coordinates with departments on the billing and collection efforts with the option to assess liens as the last resort. If an account remains delinquent despite repeated efforts, the City initiates a formal lien process by sending at least three notices of intent to the property address and/or an alternative address if given, starting with the May statements. Staff offer multiple opportunities for the account holder to

resolve outstanding charges before further collection actions are pursued. In addition, a public notice is published twice in the San Leandro Times informing the community of the impending lien process in accordance with the San Leandro Municipal Code.

The final stage involves City Council action. A public hearing notice is issued in advance, ensuring affected parties can address the delinquent payments and submit protests. Following the hearing, the Council can approve the resolution authorizing the assessment of delinquent charges on the tax roll, allowing the Alameda County Tax Collector to incorporate these assessments into property tax bills.

This approach ensures financial accountability and provides a structured mechanism for the City to recover costs associated with unpaid service charges.

DISCUSSION

Delinquent accounts proposed for liens cover solid waste (refuse) service charges, sidewalk/driveway repairs for property owners completed by the City, Certified Unified Program Agency (CUPA) fees, building code violation and code compliance citation fees, fire inspections, and WPCP commercial and industrial user charges. The delinquent amounts become an assessment lien on the real property where the service was received. The summary of all delinquent accounts for each category type is shown below. Amounts shown have not been paid as of July 9, 2026, although ongoing and continuing attempts have been made to collect overdue balances.

Statements for May, June and July 2026 with overdue amounts include lien information and the public hearing date. Delinquent accounts arise from the following services:

- Alameda County Industries (ACI) provides refuse collection (solid waste) in the City. In accordance with the San Leandro Municipal Code, ACI bills accounts and provides the required notices regarding the public hearing and lien.
- Major repairs to sidewalks and driveways undertaken by the City (repairing street tree related sidewalk damage is shared) pursuant to or in accordance with an agreement with the property owner in compliance with the City Sidewalk/Driveway Repair Program.
- The City enforces environmental laws in its role as a Certified Unified Program Agency (CUPA) with CalEPA CUPA Surcharge Fees.
- Building Code violation and Code Compliance enforcement citation fees, including administrative penalties and charges.
- Fire Inspections – Annual R2 fire inspections (multiple family dwellings with 3 or more units).
- WPCP Commercial and Industrial User and Connection Charges. Note: \$340,000 is associated with one account.

Analysis

The San Leandro Municipal Code authorizes the City to enforce the collection of delinquent service charges after all reasonable efforts to recover outstanding balances have been exhausted. This process ensures that the City can recoup funds spent on essential services, particularly those related to public safety and regulatory compliance.

Most of the delinquent charges subject to lien assessments are tied to services that the City has already provided, such as solid waste collection, sidewalk/driveway repairs, fire inspections, CUPA fees, and code enforcement actions. These services are necessary for maintaining safety, compliance, and environmental health within the community. By recovering these costs through the property tax system, the City ensures that the financial burden does not fall disproportionately on the general taxpayer base.

This enforcement mechanism helps sustain critical municipal functions while reinforcing fiscal responsibility and compliance with established financial policies.

Notice of Public Hearing

Statements for May, June and July 2026 with overdue amounts, lien information, and the public hearing date were mailed directly to delinquent accounts holders. Additionally, the legal Notice of Public Hearing was published in the Daily Review on July 3, 2026 and July 10, 2026.

Financial Impacts

The City will eventually collect the entire delinquent amount submitted by the Alameda County Tax Collector through the 2027 fiscal year. Notice and collection efforts will continue through the end of July and only the remaining balances will be submitted to the County. The total amount of fees and charges submitted for lien is as follows:

Type	Total Assessment	# of Properties
Solid Waste Service Charges	\$ 59,395.63	122
Fire Inspections	\$ 7,206.29	56
Code Enforcement/Compliance	\$ 234,002.55	56
CUPA	\$ 31,800.37	18
Sidewalk Repair	\$ 1,095.82	1
Wastewater User/Connection	\$ 419,782.22	4
	\$ 753,282.87	257

ATTACHMENTS

- Attachment A – DRAFT FY 2026 Resolution Imposing Liens for Non-Payment of Delinquent Accounts
 - Exhibit 1 – Liens List Memo
- Attachment B – DRAFT FY 2026 Resolution Overruling Protests
- Attachment C – FY 2027 Special Assessment (Lien) Presentation

PREPARED BY

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