



## Legislation Text

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Staff Report for City of San Leandro City Council Approval of Resolutions Regarding the Matter of Imposing Liens for Non-payment of Delinquent 2020 Business License Tax, Solid Waste Service Charges, Certified Unified Program Agency Fees, Code Compliance Administrative Penalties and Charges.

### **SUMMARY AND RECOMMENDATIONS**

Staff recommends City Council approval of the attached Resolutions:

- Resolution Overruling Protests
- Resolution Imposing liens for the non-payment of delinquent 2020 business license tax, solid waste service charges, Certified Unified Program Agency (CUPA) fees, code compliance administrative penalties and charges.

Approval of the Resolutions at the close of the public hearing will permit the City to place these delinquent charges on the applicable Fiscal Year 2020-21 Alameda County secured property tax bills.

### **BACKGROUND**

The San Leandro Municipal Code provides that delinquent 2020 business license tax, solid waste service charges, Certified Unified Program Agency Fees (CUPA) fees, code compliance administrative penalties and charges shall become a lien on the real property where the service was received. A detailed listing of all delinquent accounts for each category type is attached. The accounts listed have not been paid as of July 20, 2020, for the services received, although ongoing attempts have been made to collect the balances due.

Businesses were sent an annual business license and fee renewal notice in December 2019, with 2<sup>nd</sup> and 3<sup>rd</sup> notices sent in March and April, with a final notice in June 2020. The deadline to pay the 2020 business license fees was extended by one month from Jan 31<sup>st</sup> to Feb 29<sup>th</sup>. Also, July 6, 2020, a Notice of Violation letter was sent to businesses and property owners that have not renewed their license or that have a balance due, as well as notification of the July 20, 2020 public hearing. It should be noted that business license taxes were due well before the start of the coronavirus pandemic. Staff received a few requests for waiver of late payment fees which were accepted. It is expected that there will be a substantial number of delinquencies next year as a result of the pandemic as well as fewer overall renewals. Staff will re-evaluate the liens process at that time.

Alameda County Industries (ACI) conducts solid waste activities in the City. In accordance with the San Leandro Municipal Code, ACI provided the requisite notices regarding the conduct of a public hearing to lien delinquent accounts.

Property owners with CUPA fees, code compliance administrative penalties and charges were sent an initial invoice. Statements with overdue amounts have been sent monthly. The June and July statements included lien information and a notice of the public hearing date. Certified letters with

notice of the public hearing were mailed July 7, 2020.

## **CONCLUSION**

Staff recommends City Council approval of the Resolution Overruling Protests and the Resolution Imposing Liens for non-payment of delinquent 2020 business license tax, solid waste service charges, CUPA fees, code compliance administrative penalties and charges in order to collect the amounts due on the applicable Fiscal Year 2020-21 Alameda County secured property tax bills.

### **Current City Council Policy**

The City Council conducts a public hearing to lien delinquent accounts annually.

### **Summary of Public Outreach Efforts**

The meeting and public hearing have been properly noticed in accordance with State law. A notice of the public hearing was sent to all property owners in accordance with the provisions of the City of San Leandro's Municipal Code.

### **Budget Authority**

The City of San Leandro Charter

### **Fiscal Impact**

The City will eventually collect the entire delinquent amount less any collection fees charged by the Alameda County Tax Collector. The total amount of fees and charges submitted for liens is as follows:

| <b><u>Type</u></b>             | <b><u>Amount</u></b> | <b><u># of Accounts</u></b> |
|--------------------------------|----------------------|-----------------------------|
| Business license tax           | \$83,159.86          | 128                         |
| Solid waste service charges    | 24,925.72            | 56                          |
| CUPA fees                      | 2,041.12             | 5                           |
| Code compliance                | 40,883.50            | 13                          |
| Planning Permits               | 13,316.64            | 1                           |
| <b>Total liens for 2019-20</b> | <b>\$164,326.84</b>  | <b>203</b>                  |

### **Attachment**

Summary of Delinquent Accounts as of July 20, 2020

**PREPARED BY:** Susan Nunes, Acting Senior Accountant, Finance Department