



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Adopt a Resolution for Unpaid Administrative Fines to be Placed on the FY 2015/16 County of Santa Clara Property Tax Roll

BACKGROUND

Chapter 1.05 of the Sunnyvale Municipal Code allows enforcement of code violations through the issuance of administrative citations. These citations are an important tool in facilitating cooperation from property owners regarding uncorrected code violations. Citations are only issued after repeated attempts at voluntary compliance have failed. Most violations are corrected after the first warning. However, some property owners fail to correct the violation and are consequently issued administrative citations. Despite the efforts of City staff to collect on these citations, there are several unpaid administrative citations outstanding at this time.

Each year, the City holds a public hearing to provide the public an opportunity to comment regarding the proposed assessments for delinquent administrative citations.

EXISTING POLICY

Sunnyvale Municipal Code Section 1.05.110(d) - Recovery of administrative citation fines and costs, Special Assessment Procedure.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under CEQA Guideline 15378(b)(5) (government administrative activities that will not result in any direct or indirect change to the physical environment).

DISCUSSION

Each administrative citation results in the Department of Finance issuing up to three written notices to the property owner: a bill, an interest invoice and statement, and a final demand letter notifying the recipient that failure to pay may result in legal action. The property owners listed on Exhibit A of Attachment 1 are a minimum of 90 days delinquent in paying the administrative citation fines. Repeated attempts to collect the delinquent funds through the billing and notification process have been unsuccessful. Additionally, property owners were notified of tonight's public hearing by certified mail.

Based on past history, the City is likely to experience a high collection rate by placing these delinquent accounts on the property tax roll. It provides the added security that, should a property owner not pay the balance on their property tax bill, a tax lien will be placed on the property.

Notice of tonight's public meeting was sent to all affected property owners. Council should expect that

some people may make an attempt to have their cases heard at the public hearing in an effort to get the balance owed to the City reduced or eliminated before they are placed on the property tax roll. It should be noted that all citation recipients have already been provided with the opportunity to appeal the citations and the appeal period has long since expired. Some citation recipients on this list appealed and subsequently presented their cases in front of a Hearing Officer who upheld the citations, based upon evidence presented by staff, while others opted not to appeal the citations. Council has the authority to either place these debts on the property tax roll or attempt to collect the delinquent funds utilizing other means, such as a collection agency or sending additional delinquent notices; however, these approaches have proven mostly ineffective.

Any property owners wishing to pay at tonight's Council meeting may pay the amount due under the "Balance at Meeting" column on Exhibit A to Attachment 1. If the amount due is not paid tonight, the amount in the "Balance for Tax Roll" column will be placed on the property tax roll, if approved by Council. This amount includes the original amount due, penalties to November 1, 2015 (the due date of the first installment of property taxes), and the County's administrative fee of one percent.

FISCAL IMPACT

If approved, staff will forward the charges including late payment penalties and administrative charges of one percent to the County of Santa Clara for collection on the FY 2015/16 Property Tax Roll. The total assessments with administrative charges equal \$35,215.82.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

Notification of the hearing was also sent via certified mail directly to the mailing address for each owner of the affected properties.

ALTERNATIVES

1. Adopt a resolution for unpaid administrative fines to be placed on the FY 2015/16 County of Santa Clara Property Tax Roll.
2. Do not adopt a resolution. Direct staff to attempt to collect the delinquent funds through other specific means, such as a collection agency or sending additional delinquent notices.

RECOMMENDATION

Alternative 1: Adopt a resolution for unpaid administrative fines to be placed on the FY 2015/16 County of Santa Clara Property Tax Roll.

This method has been the most effective way for the City to collect delinquent administrative citation fines.

Prepared by: Brice McQueen, Senior Management Analyst

Reviewed by: Grace K. Leung, Director, Finance

Reviewed by: Jane A. Chambers, Interim Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENT

1. A Resolution of the City Council of the City of Sunnyvale for Unpaid Administrative Fines to be Placed on the FY 2015/16 Property Tax Roll