



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

**SUBJECT: RECORDING LIENS ON
PROPERTY FOR THE COST OF
SIDEWALK REPAIRS**

DATE: May 29, 2007

Approved

Ray Winter

Date

6/4/07

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Conduct a Public Hearing and adoption of a resolution approving the Report of the Director of Finance on the Cost of Sidewalk Repairs, confirming the assessments contained in the Report and directing the recording of liens on the property tax roll for the cost of sidewalk repairs.

OUTCOME

To recover funds spent on sidewalk repairs from property owners.

BACKGROUND

On June 5, 2007, the City Council set a hearing for June 26, 2007 at 1:30 p.m. for public protest and approval of the Report of the Director of Finance to record liens on the property tax roll for the cost of sidewalk repairs the City made on behalf of property owners. The City Council schedules public hearings.

As discussed in the Council Memo that accompanied the setting of the public hearing, State law and the San Jose Municipal Code make it the duty of each property owner to maintain the sidewalk fronting their property in a safe condition. Sidewalk repair in the City of San Jose is a request-driven program. Residents who contact the Department of Transportation (DOT) regarding a sidewalk in need of repair may request an inspection of the property from DOT staff. If it is determined that the sidewalk needs repair, DOT sends a repair notice to the property owner. DOT works with property owners to facilitate the repairs. In some cases, DOT

completes the repairs and attempts to recover the cost of the repairs from the property owner. These repairs are currently funded by the City's General Fund.

The Finance Department invoices property owners for sidewalk repairs undertaken by DOT. Finance staffs work diligently to recover expended funds; however, in some cases, property owners neglect to pay the outstanding obligations. To recover the costs of these unpaid invoices, the City Council can levy assessments against the defaulting properties at the conclusion of a public hearing process.

ANALYSIS

A Report from the Director of Finance will be issued as to the costs incurred by the City for sidewalk repairs which will list the commercial and rental properties (those not qualifying for a sidewalk repair grant) currently in default. The report identified 69 properties with a proposed total assessment of \$89,932.59. The cost of the repairs (funded by the General Fund) and individual assessments vary from \$21.00 to \$10,852.97. An \$11.00 lien-release fee is charged by the County Recorder's Office for each assessment. These amounts have been paid by the City to concrete contractors to complete sidewalk repairs at the various properties listed on the report.

Sidewalk Repair Program

In August 1999, DOT began a 100% sidewalk repair grant program for owner-occupied residential property owners to offset the cost of maintaining their sidewalks. The current program places a \$100.00 limit on reimbursements. To date, more than 17,000 property owners have received assistance through this program. Commercial or rental property owners are not eligible for grants and may either make the repairs themselves or have DOT contract for the repairs.

Sidewalk Repair Collection Process

The City makes every attempt at collecting delinquent sidewalk repair invoices. Since the inception of this program, over 95% of the sidewalk repair invoices were paid by either collection efforts or placing a lien on the property, which is done through the County Recorder Office. The City ultimately received 99% of the amount due through the County property tax roll. These efforts have brought in over \$3,395,000. Following is a summary of the billing and collection process as it relates to recovery of City costs for sidewalk repairs:

- Initial invoices for sidewalk repairs are issued by the Department of Transportation (DOT).
- Payments are due within 30 days of the initial mailing.
- The Finance Department sends delinquency notices once an initial invoice is at least 60 days past due.

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- The Finance Department may call the property owner, if telephone contact information is available, to further attempt the collection of delinquent obligations.
- Two Notices of Intent to Lien are sent to each delinquent property owner.
- Administrative conferences are held by the Department of Transportation to provide property owners an opportunity to resolve any issues prior to a public hearing.
- City Council holds a public hearing and authorizes the placement of liens on delinquent properties.
- County Recorder places liens on delinquent properties.
- County Tax Collector assesses and collects delinquent amounts.
- The full amount assessed (less a .3% County administrative collection fee) is remitted to the City.

Notification Process

DOT will notify delinquent property owners listed in the report in two separate mailings to be sent on June 6, 2007 and June 13, 2007 respectively. These notifications indicate the time and place of the public hearing while affording property owners an opportunity to schedule an administrative conference as an effort to resolve potential protests prior to the public hearing. Two administrative conferences will be held on June 18 -19, 2007 in the offices of DOT, additional administrative conferences were held subsequent to the scheduled dates, providing property owners an opportunity to resolve any issue prior to the public June 26, 2007. These administrative conferences do not affect the property owners' right to protest the proposed assessment at the City Council public hearing.

Results of the administrative conferences and staff recommendations will be presented to the City Council in a supplemental memorandum along with a Report from the Director of Finance on the cost of sidewalk repairs. After hearing any protests and considering the updated information presented in the supplemental memorandum, the City Council may confirm the Directors Report and the full amounts contained therein or reduce any of the amounts due. In addition, Council may approve the following action for each assessment:

- Place a lien against the property for the unpaid amount, to be paid with the next annual property tax bill.

PUBLIC OUTREACH/INTEREST

This item does not meet any of the criteria listed below.

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- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

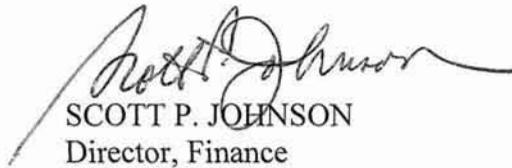
This memorandum has been coordinated with the Department of Transportation, Department of Finance and the City Attorney's Office.

COST IMPLICATIONS

The funds (\$89,932.59) used to repair the sidewalks currently listed in the report were advanced from the General Fund.

CEQA:

Not a project.


SCOTT P. JOHNSON
Director, Finance

For questions, please contact Scott P. Johnson, Director of Finance at (408) 535-7000.

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City of San Jose
 Department of Finance
 Report of the Director's of Finance to the City Council on the Cost of Sidewalk Repairs
 Public Hearing June 26, 2007

ACCT#	ASSIGN	NAME	MAILING ADDRESS	SITUS	APN	AMOUNT	FEE	TOTAL
114740	4/8/03	Mahmood R Ahmadian	1155 Weyburn Ln 7 San Jose CA 95129	1155 Weyburn Ln	372-27-007	\$ 975.85	\$ 11.00	\$ 986.85
116154	7/10/03	James Burch Investment Company	2 W Santa Clara St., 9th Fl San Jose CA 95113	1260 Santa Clara St	467-33-008	\$ 1,164.87	\$ 11.00	\$ 1,175.87
117120	10/1/03	Krishna Hotels San Jose LLC	5315 Silva Ave Richmond CA 94805	605 S 2nd St	472-26-070	\$ 3,094.25	\$ 11.00	\$ 3,105.25
117788	12/10/03	FC Third St Associates	Po Box 29542 Phoenix AZ 95038	33 4th St/99 S 4th St	467-23-096	\$ 1,380.00	\$ 11.00	\$ 1,391.00
117788		Western Region Real Estate						
121862	2/3/05	PG & E	111 Almaden Bl San Jose CA 95118	corner of Branham & Jarvis		\$ 3,860.84	\$ 11.00	\$ 3,871.84
121869	8/30/33	Citibank (West) FSB	135 Main St Unit 7th San Francisco CA 94105	3490 Stevens Creek Blvd	303-33-069	\$ 2,158.61	\$ 11.00	\$ 2,169.61
123158	6/14/05	Bennito & John J Arriaga	909 Cinnabar St San Jose CA 95126	909 Cinnabar St	261-03-002	\$ 136.30	\$ 11.00	\$ 147.30
123160	6/14/05	Grace M Elmore Trustee	4131 Wilson Ave Castro Valley CA 94546	906 Del Mar Ave	282-33-027	\$ 296.71	\$ 11.00	\$ 307.71
123425	7/15/05	Verena M & Steve W Market	4399 Alum Rock Ave San Jose CA 95127	1055 N 4th St	235-09-032	\$ 879.25	\$ 11.00	\$ 890.25
123540	7/27/05	Sateki & Kaho Pahulu & Tupou H Kaho	1553 Ilikai Ave San Jose CA 95118 2900 Eisenhower Ave FL 3rd Alexandria VA 22314	1553 Ilikai Ave	451-45-068	\$ 962.56	\$ 11.00	\$ 973.56
123996	9/23/05	Bay Apartments Communities Inc		Sandpebble Sand	462-65-004	\$ 10.00	\$ 11.00	\$ 21.00
123996		Avalon Bay Communities						
124456	11/4/05	Victor E & Merle D Cabrerros Trustee	2036 Fairway Ave Santa Clara CA 95054	5113 Lapa Dr	381-43-033	\$ 1,344.77	\$ 11.00	\$ 1,355.77
124665	11/30/05	Kristine C Gregory	509 N 21st St San Jose CA 95112	509 N 21st St	249-24-010	\$ 346.68	\$ 11.00	\$ 357.68
124673	11/30/05	Santa Clara Land Title Co	1500 E Hamilton Ave 212 Campbell CA 95007	808 Colleen Dr	695-11-045	\$ 401.10	\$ 11.00	\$ 412.10
124673		Arcadia Development Co						
124676	11/30/05	Richard S & Sheryl V Tunder	6780 Mount Pakron Dr San Jose CA 95120	6780 Mount Pakron Dr	701-39-031	\$ 390.10	\$ 11.00	\$ 401.10
124791	12/8/05	Juan & Martha A Jacinto	1017 Locust St San Jose CA 95110	1017 Locust St	434-05-059	\$ 1,316.51	\$ 11.00	\$ 1,327.51
124802	12/8/05	Donna Goessling-Evans	255 S 12th St San Jose CA 95112	255 S 12th St	467-41-051	\$ 832.84	\$ 11.00	\$ 843.84
124811	12/5/05	Jose M & Maria S Ramirez	2606 Mozart Ave San Jose CA 95122	2606 Mozart Ave	670-24-029	\$ 641.57	\$ 11.00	\$ 652.57
124814	12/6/05	Gloria Wellwood	6091 Lean Ave San Jose CA 95123	6091 Lean Ave	689-25-060	\$ 613.81	\$ 11.00	\$ 624.81
125031	1/11/06	Novellus Systems Inc	90 Headquarters Dr San Jose CA 95134	3970 N 1st St	097-79-011	\$ 323.40	\$ 11.00	\$ 334.40
125044	1/11/06	Elizabeth Ayala	1253 Lancelot Ln San Jose CA 95127	1253 Lancelot Ln	647-05-031	\$ 229.54	\$ 11.00	\$ 240.54
125047	1/11/06	Gerard B Wytman	5966 Fishurne Ave San Jose CA 95123	5966 Fishburne Ave	694-33-009	\$ 510.92	\$ 11.00	\$ 521.92
125101	1/12/06	Trennie C Valles	54 George St San Jose CA 95110	54 George St	259-18-047	\$ 2,753.14	\$ 11.00	\$ 2,764.14
125101		Desiree Valles-Rider						

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125168	1/13/06	Jonathan T Mai & Vivian Trieu	Po Box 51857 San Jose CA 95151	1556 & 1558 Flanigan Dr	607-33-007	\$ 587.05	\$ 11.00	\$ 598.05
125227	1/20/06	Matthew Miranda	322 E San Salvador St San Jose CA 95112	322 E San Salvador St	467-48-072	\$ 1,645.69	\$ 11.00	\$ 1,656.69
125239	1/23/06	George S & Molly M Green Trustee	20110 Thompson Rd Los Gatos CA 95033	172 E San Salvador St	467-47-066	\$ 987.96	\$ 11.00	\$ 998.96
125638	3/10/06	Tommy E Pugh	2181 Naomi Rd Franklinville NC 27248-8246	27 Cleaves Ave	261-32-025	\$ 388.30	\$ 11.00	\$ 399.30
125639	3/10/06	David J Alves & Karen Stalker-Alves	2121 Hoover Ct Santa Clara CA 90051	274 Brooklyn Ave	274-20-033	\$ 1,100.00	\$ 11.00	\$ 1,111.00
125652	3/10/06	Ewa M Szorc	391 Scotts Bluff Pl MorganHill CA 95037	2845 Alwood Ct	654-48-047	\$ 997.32	\$ 11.00	\$ 1,008.32
126289	5/18/06	Idalia J McLean	365 E San Fernando St San Jose CA 95112	365 E San Fernando St	467-24-092	\$ 1,738.19	\$ 11.00	\$ 1,749.19
126961	7/25/06	Louise K Selman Trustee	Po Box 1539 Paso Robles CA 93447	1104 Meridian Ave	429-51-039	\$ 3,404.52	\$ 11.00	\$ 3,415.52
126961		Conocophilips Co-Retail						
127003	7/25/06	Emmanuel & Nelly Inneh	393 E San Fernando St San Jose CA 95112	393 E San Fernando St	467-24-089	\$ 1,264.11	\$ 11.00	\$ 1,275.11
127052	8/1/06	Sergio P Garcia	442 N 13th St San Jose CA 95112	442 N 13th St	249-55-006	\$ 1,602.71	\$ 11.00	\$ 1,613.71
127056	8/1/06	Son Van Do	3973 Camden Ave San Jose CA 95124	3971 Camden Ave	419-42-021	\$ 213.40	\$ 11.00	\$ 224.40
127057	8/1/06	Lois Swenson & El Dora L Borden	1035 Palm St San Jose CA 95110	1035 Palm St	434-05-017	\$ 853.04	\$ 11.00	\$ 864.04
127058	8/1/06	Nick & Rocio Andrade	1045 Palm St San Jose CA 95110	1045 Palm St	434-05-018	\$ 800.00	\$ 11.00	\$ 811.00
127060	8/1/06	Jesus Delatore	1709 Leeward Dr San Jose CA 95122	1709 Leeward Dr	486-30-072	\$ 1,695.60	\$ 11.00	\$ 1,706.60
127062	8/1/06	Cresenciano L	573 Conti Ct San Jose CA 95111	573 Conti Ct	497-40-027	\$ 490.80	\$ 11.00	\$ 501.80
127062		Hermogena T Respicio						
127065	8/1/06	Sulito & Mary A Austria	1432 Stone Creek Dr San Jose CA 95132	1432 Stone Creek Dr	587-06-014	\$ 2,404.92	\$ 11.00	\$ 2,415.92
127202	8/22/06	Perchy&Jennifer Dizon	501 E San Fernando St San Jose CA 95112	501 E San Fernando St	467-26-023	\$ 2,621.39	\$ 11.00	\$ 2,632.39
127202		Ernest & Emerita Matro						
127875	11/9/06	Richard Valencia	1283 Mich Bluff Dr San Jose CA 95131	1283 Mich Bluff Dr	245-09-038	\$ 642.52	\$ 11.00	\$ 653.52
127877	11/9/06	Clifford C Grodeon	494 N 2nd St San Jose CA 95112	492 N 2nd St	249-43-072	\$ 2,346.23	\$ 11.00	\$ 2,357.23
127887	11/9/06	Eva Torres	1503 Calco Creek Dr San Jose CA 95127	49 S 9th St	467-24-081	\$ 346.08	\$ 11.00	\$ 357.08
127890	11/9/06	Linda Le	498 S 4th St San Jose CA 95112	498 S 4th St	467-47-081	\$ 2,248.00	\$ 11.00	\$ 2,259.00
127902	11/9/06	Hung & Jessica P Le	1965 Luby Dr San Jose CA 95133	1965 Luby Dr	254-50-040	\$ 327.03	\$ 11.00	\$ 338.03
127958		Tony & Kim Dinh						
127958	11/13/06	Jennifer & Tuan Quoc Tran	1128 Jacklin Rd Milpitas CA 95035	3975 Senter Rd	494-08-002	\$ 10,841.97	\$ 11.00	\$ 10,852.97
127967		Arcadia Development Co						
127967	11/13/06	Santa Clara Land Title Co	1500 E Hamilton Ave 212 Campbell CA 95008	824 Colleen Dr	695-11-030	\$ 309.81	\$ 11.00	\$ 320.81
128630	12/22/06	Joseph Micheal & Sladana Lucich	14920 Winchester Blvd Los Gatos CA 95030	1949 Park Ave	274-06-024	\$ 200.00	\$ 11.00	\$ 211.00
128633	12/22/06	Timothy M & Melissa L Brinton	2059 Camden Ave 207 San Jose CA 95124	497 S 6th St	467-48-012	\$ 259.00	\$ 11.00	\$ 270.00
128878	1/24/07	Melvin L William	3496 Rubion Dr San Jose CA 95148	3496 Rubion Dr	649-26-015	\$ 460.00	\$ 11.00	\$ 471.00
128882	1/25/07	David A Nguyen	1907 Luby Dr San Jose CA 95133	1907 Luby Dr	254-50-048	\$ 475.33	\$ 11.00	\$ 486.33
128884	1/25/07	Ronald R Durham	14620 Big Basin Way Saratoga CA 95070	337 S Monroe St	277-34-003	\$ 969.98	\$ 11.00	\$ 980.98

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128884		Richard A Sermone Trustee							
128903	1/25/07	Majorie K Humphrey Trustee Et Al	2888 Del Loma Dr Campbell CA 95008	2888 Del Loma Dr	403-12-035	\$ 675.72	\$ 11.00	\$ 686.72	
129086	2/20/07	Hamid Abtahi & Behrooz Aram	10650 St Tantau Ave Cupertino CA 95014	77 N Bascom Ave	274-41-073	\$ 1,422.00	\$ 11.00	\$ 1,433.00	
129088	2/20/07	Metropolitan Life Ins Co	Po Box 4900 Dept 304 Scottsdale CA 85261-4900	1510 S Winchester Blvd	279-27-037	\$ 2,122.92	\$ 11.00	\$ 2,133.92	
129088		c/o Washington Mutual							
129094	2/20/07	KDF Lexington LP c/o VPM Mngt Inc	2400 Main St 210 Irvine CA 92614	1370 Lexington Dr	305-07-046	\$ 129.00	\$ 11.00	\$ 140.00	
129098		Cal-Western Property Management							
129098	2/21/07	Robert M & Marilyn J Kulick Trustee	1270 S Winchester Blvd 127 San Jose CA 95128	4309 Ross Ave	419-02-006	\$ 908.88	\$ 11.00	\$ 919.88	
129103	2/21/07	Beebe L & Rosario L Tupaz	2831 Cortina Way Union City CA 94587	888 Clarkston Dr	459-24-019	\$ 772.40	\$ 11.00	\$ 783.40	
129104	2/21/07	Myong Cha Means	929 E El Camino Real 202A Sunnyvale CA 94087	1715 Almond Blossom Ln	567-16-024	\$ 972.40	\$ 11.00	\$ 983.40	
129290	3/9/07	Paris Investments	2860 Story Rd San Jose CA 95127	451 S 4th St	467-47-058	\$ 746.25	\$ 11.00	\$ 757.25	
129294	3/9/07	JT Acquisition Corp	2711 N Haskell Ave Dallas TX 75204	1173 McLaughlin Ave	477-48-004	\$ 2,327.00	\$ 11.00	\$ 2,338.00	
129294		The Southland Corp							
129406	3/20/07	Wesley Dobashi Et Al	224 Jackson St San Jose CA 95112	224 Jackson St	249-38-030	\$ 1,576.50	\$ 11.00	\$ 1,587.50	
129411	3/20/07	Barry E Zamira Trustee	815 Elm St San Jose CA 95126	921 Emory St	261-12-020	\$ 2,070.80	\$ 11.00	\$ 2,081.80	
129413	3/20/07	Aim One	23118 Henry Lane Hayward CA 94541	1101 W San Carlos St	261-41-103	\$ 1,801.39	\$ 11.00	\$ 1,812.39	
129426	3/20/07	Robert C Yen & Vivian W Shen	Po Box 321 Cupertino CA 95015	1705 Tully Rd	491-28-127	\$ 3,792.92	\$ 11.00	\$ 3,803.92	
129428	3/20/07	Martin M Ohan	76-6223A Mikilana St Kailua-Kona HI 96740	5078 Willow Est	660-13-041	\$ 559.18	\$ 11.00	\$ 570.18	
129431	3/20/07	Donnie & Linder J Saucier	14203 Canterbury Lane Rockville MD 20853	2011 Bridgecastle Ct	676-53-037	\$ 1,093.80	\$ 11.00	\$ 1,104.80	
129434	3/20/07	Jaycee Thu Lam Trustee	1745 Ravens Place Way San Jose CA 95121	1745 Ravens Place Way	676-42-031	\$ 1,368.86	\$ 11.00	\$ 1,379.86	
						\$ 89,184.59	\$ 748.00	\$ 89,932.59	