



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: SEE BELOW

DATE: April 16, 2012

Approved

Date

4/24/12

SUBJECT: ADOPTION OF A RESOLUTION SETTING A PUBLIC HEARING FOR THE COST OF SIDEWALK REPAIRS FOR JUNE 12, 2012.

RECOMMENDATION

Adopt a resolution setting a public hearing on Tuesday, June 12, 2012, at 1:30 p.m. for the approval of the report from the Director of Finance for the cost of sidewalk repairs.

OUTCOME

Approval of the recommended action will set the public hearing to hear the report of the Director of Finance for the cost of sidewalk repairs. This is the first step in the process for the City to recover funds spent on sidewalk repairs from property owners.

BACKGROUND

State law and the San José Municipal Code make it the duty of each property owner to maintain the sidewalk fronting their property in a safe condition. When sidewalks need repairs, the Department of Transportation (DOT) inspects the property and obtains an estimate from City approved contractors if repairs are needed. DOT sends a repair notice to the property owner informing the owner of needed repairs and includes a cost estimate if a contractor hired by DOT performs the repairs. Within seven weeks after the repair notice was sent, DOT will mail an additional notice to the property owner stating repairs will be made by the contractor hired by DOT if the owner does not repair the sidewalk. A final notice will be mailed to the owner one week later if the repairs still have not been made by the owner. Approximately one week after the final notice, a door hanger will be placed by DOT at the property address stating a contractor

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hired by the City will be assigned to make the necessary sidewalk repairs. Then, the repairs are performed by the contractor hired by DOT.

After the repairs are performed by the contractor hired by DOT, the Finance Department will invoice the property owner for the cost of sidewalk repairs. The Finance Department sends a 30-day, 60-day and 90-day final notice if the invoice remains unpaid. To recover the costs of unpaid invoices, the City Council, upon confirming the amounts owed subsequent to a public hearing, can approve the filing of liens against the defaulting properties with the Santa Clara County (SCC) Office of the Clerk-Recorder.

Property owners who are affected by this process may satisfy the lien recorded against their property at any time prior to July 13, 2012, by making full payment to the City, in addition to a \$13.00 lien-release fee charged by the SCC Office of the Clerk-Recorder. Any unpaid lien amounts after this date will be added to the property owners' annual property tax bill. Recording liens against delinquent property owners for outstanding sidewalk repair costs will help ensure eventual collection of the past due amounts if the property is sold, transferred, or refinanced. This process will be conducted periodically to help protect the City from these types of events.

ANALYSIS

A Report from the Director of Finance for the cost of sidewalk repairs (Director's Report) is attached. The Director's Report includes properties currently in default in which the City incurred costs for the sidewalk repairs on behalf of the property owners. At the present time, there are 32 properties that are subject to a potential lien for a total lien amount, including administrative fees, of \$71,351.44. Individual lien amounts vary from \$829.72 to \$6,162.94. These amounts have been paid by the City to concrete contractors to complete sidewalk repairs at the affected properties.

In an effort to resolve potential protests prior to the public hearing, DOT invites property owners to attend administrative conferences. These conferences do not affect the property owners' right to protest the proposed lien at the City Council public hearing.

Results of the administrative conferences and staff recommendations will be included in the Director's Report submitted to the Council for consideration and approval on June 12, 2012. After hearing any protest, the City Council may confirm the Director's Report and the full amounts contained therein or reduce any of the amounts due. After the Director's Report is confirmed, the amounts owed shall constitute a special assessment against the property and shall become a lien on the property for the balance of the outstanding amount owed, until discharged. Any unpaid lien amount by July 13, 2012, shall be added to the property owner's annual property tax bill by the SCC Tax Collector.

The schedule to file liens on defaulting properties for sidewalk repairs made by the City is as follows:

Event	Date
1. City Council – Sets the public hearing	May 8, 2012
2. Department of Transportation – Mails first notices giving notice of the administrative conferences and the public hearing date	May 9, 2012
3. Department of Transportation – Mails second notices giving notice of the administrative conferences and the public hearing date	May 16, 2012
4. Department of Transportation – Conducts the administrative conferences	May 24, 2012
5. City Council – Conducts the public hearing and adopts the Resolution Confirming the Directors’ Report containing the proposed liens	June 12, 2012 1:30 P.M.
6. Department of Finance – Submits lien information to the Santa Clara County Office of the Clerk-Recorder	July 2012

EVALUATION AND FOLLOW-UP

A memo seeking authorization from the City Council to direct Finance staff to place special assessments secured by a lien against those listed in the Director’s Report is scheduled for the June 12, 2012 Council meeting. In addition, staff in the Revenue Management Division of the Finance Department will continue its collection efforts in order to reduce the number of delinquent accounts that require a lien hearing. Furthermore, said staff will also continue to monitor accounts placed with the County for special assessment for full compliance with the program.

PUBLIC OUTREACH/INTEREST

- 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)**

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Although this item does not meet any of the above criteria, this memorandum will be posted on the City's website for the May 8, 2012 City Council meeting.

COORDINATION

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

COST IMPLICATIONS

The funds (\$71,351.44) used to repair the sidewalks for those properties currently being considered for the filing of a special assessment secured by a lien were advanced from the General Fund.

CEQA:

Exempt, File No. PP11-102.

/s/

ARN ANDREWS FOR JULIA H. COOPER
Acting Director of Finance for Acting Director, Finance

For questions, please contact Wendy Sollazzi, Finance Division Manager at (408) 535-7005.

Attachment

City of San José - Finance Department

ATTACHMENT

Report from the Director of Finance for the Cost of Sidewalk Repairs

Public Hearing: June 12, 2012

ACCOUNT#	DATE ASSIGNED	MAILING ADDRESS	CITY, STATE, ZIP	PROPERTY ADDRESS	APN #	CURRENT BALANCE	LIEN FEE	TOTAL BALANCE
178787	5/17/2011	537 MCCOLLAM DR	SAN JOSE, CA 95127	537 MCCOLLAM DR	599-43-025	\$816.72	\$13.00	\$829.72
178428	5/2/2011	1405 DENTWOOD DR	SAN JOSE, CA 95118	1405 DENTWOOD DR	569-08-028	830.99	13.00	843.99
165350	8/16/2010	PO BOX 51655	SAN JOSE, CA 95151	27 11TH ST	467-25-077	992.77	13.00	1,005.77
172057	1/6/2011	PO BOX 9217	SAN JOSE, CA 95157	4825 GRIMSBY DR	403-30-070	1,038.79	13.00	1,051.79
183755	11/15/2011	16690 OAK VIEW CIR	MORGAN HILL, CA 95037	1354 ESSEX WY	305-07-012	1,119.78	13.00	1,132.78
177993	4/26/2011	3318 CARDIN AV	SAN JOSE, CA 95118	3318 CARDIN AV	447-22-023	1,146.47	13.00	1,159.47
178045	4/28/2011	105 S 15TH ST	SAN JOSE, CA 95112	105 S 15TH ST	467-27-066	1,171.89	13.00	1,184.89
178737	5/16/2011	5 MORNING WOOD DR	LAGUNA NIGUEL, CA 92677	898 TULLY RD	499-20-026	1,246.17	13.00	1,259.17
178579	5/9/2011	6448 BERWICKSHIRE WAY	SAN JOSE, CA 95120	6448 BERWICKSHIRE WAY	577-36-046	1,299.91	13.00	1,312.91
157471	1/13/2010	2749 PERIDOT DR	SAN JOSE, CA 95132	2749 PERIDOT DR	589-21-001	1,441.52	13.00	1,454.52
175278	3/1/2011	1554 CLAYTON RD	SAN JOSE, CA 95127	1554 CLAYTON RD	612-58-007	1,490.02	13.00	1,503.02
177456	4/19/2011	PO BOX 2564	SAN JOSE, CA 95109	661 14TH ST	249-31-069	1,529.95	13.00	1,542.95
184042	11/29/2011	995 PARK AV	SAN JOSE, CA 95126	995 PARK AV	261-31-060	1,642.00	13.00	1,655.00
178052	4/28/2011	475 S 14TH ST	SAN JOSE, CA 95112	475 S 14TH ST	467-50-009	1,642.95	13.00	1,655.95
172022	1/6/2011	10490 MADERA DR	CUPERTINO, CA 95014	605 REBECCA WY	299-38-070	1,738.60	13.00	1,751.60
175270	3/1/2011	2491 ALFRED WY	SAN JOSE CA 95122	2491 ALFRED WY	486-30-026	1,797.17	13.00	1,810.17
184483	12/21/2011	4430 NORWICH WY	SAN JOSE, CA 95130	4430 NORWICH WY	403-04-049	1,898.91	13.00	1,911.91
176639	3/24/2011	875 N 13TH ST	SAN JOSE, CA 95112	875 N 13TH ST	249-10-052	1,923.53	13.00	1,936.53
178776	5/17/2011	1547 PIEDMONT RD	SAN JOSE, CA 95132	1547 PIEDMONT RD	586-17-007	2,227.28	13.00	2,240.28
178778	5/17/2011	3160 KNIGHTS BRIDGE RD	SAN JOSE, CA 95132	3160 KNIGHTS BRIDGE RD	586-21-054	2,238.67	13.00	2,251.67
183751	11/15/2011	16690 OAK VIEW CIR	MORGAN HILL, CA 95037	1368 ESSEX WY	305-07-010	2,260.00	13.00	2,273.00
178425	5/2/2011	5604 SEIFERT AV	SAN JOSE, CA 95118	5604 SEIFERT AV	567-46-019	2,283.06	13.00	2,296.06
132294	1/23/2008	3523 CABRILLO AV	SANTA CLARA, CA 95051	3762 TRINA WY	303-27-028	2,471.45	13.00	2,484.45
181494	8/3/2011	882 A DELMAS AV	SAN JOSE CA 95125	882 DELMAS AV	264-47-070	2,527.24	13.00	2,540.24
183423	10/28/2011	1205 FORESTAL AV	SAN JOSE, CA 95110	1205 FORESTAL AV	230-34-025	2,579.36	13.00	2,592.36
178498	5/3/2011	448 COLFAX DR	SAN JOSE, CA 95123	448 COLFAX DR	692-25-038	2,592.93	13.00	2,605.93
175271	3/1/2011	705 DAKOTA DR	SAN JOSE, CA 95111	705 DAKOTA DR	497-52-091	3,112.33	13.00	3,125.33
171955	1/4/2011	719 N 4TH ST	SAN JOSE, CA 95112	719 N 4TH ST	249-03-046	3,580.57	13.00	3,593.57
178053	4/28/2011	1075 S 12TH ST	SAN JOSE, CA 95112	1075 S 12TH ST	472-12-023	3,989.72	13.00	4,002.72
173647	2/2/2011	15275 CLYDELLE AV	SAN JOSE, CA 95124	15275 CLYDELLE AV	421-16-046	4,554.87	13.00	4,567.87
183741	11/14/2011	895 WHITEHORNE DR	SAN JOSE CA 95128	895 WHITEHORNE DR	282-18-060	5,599.88	13.00	5,612.88
178732	5/16/2011	1195 CLAYBURN LN	SAN JOSE, CA 95121	1195 CLAYBURN LN	494-60-059	6,149.94	13.00	6,162.94
						\$70,935.44	\$416.00	\$71,351.44