



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: AUGUST 7, 2007

ITEM NUMBER:

**SUBJECT: APPROVE CERTIFICATION OF SPECIAL ASSESSMENTS FOR DELINQUENT CIVIL FINES FOR MUNICIPAL CODE VIOLATIONS – ADMINISTRATIVE HEARINGS**

**DATE: July 24, 2007**

**FROM: FINANCE DEPARTMENT, ADMINISTRATION DIVISION**

**PRESENTATION BY: MARC R. PUCKETT, DIRECTOR OF FINANCE**

**FOR FURTHER INFORMATION CONTACT: MARC R. PUCKETT, DIRECTOR OF FINANCE,  
(714)754-5243**

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## **RECOMMENDED ACTION:**

- 1) Hold Public Hearing
- 2) Adopt Resolution No.\_\_\_\_ entitled “A Resolution of the City Council of the City of Costa Mesa certifying Special Assessments for Collection of Delinquent Civil Citations for Municipal Code Violations.”

## **BACKGROUND:**

Pursuant to State law, certain delinquent fines, interest, and penalties may be collected as part of nuisance abatement procedures authorized by Government Code section 38773.5. These procedures authorize municipalities to levy and collect delinquent Civil Citation fines plus interest and penalties as a Special Assessment lien against the real property of those so assessed.

Staff has made repeated attempts to collect the Civil Citation fines due outlined in Attachment 1 entitled “Final County List” without success. There are a total of 38 delinquent civil citations that are recommended to be assessed against 16 properties. The total amount now delinquent equals \$10,875.

The purpose of the public hearing is to consider a resolution to certify the Special Assessments and authorize recording such assessments against the respective properties as liens. This action will also authorize the Tax Collector for the County of Orange to place the assessments on the tax roll and proceed to collect the assessments as property tax liens against their properties. Should the assessments be added to the tax roll as liens, penalties and interest will continue to accrue until paid at the maximum rate allowed by state law.

Those property owners who so choose may appear before City Council at this meeting and present evidence or testimony as to why the charges should not be assessed against their respective properties as special assessment property tax liens.

## **ANALYSIS:**

Per State law, the City may choose to collect delinquent fines, interest, and penalties as special assessments against the real property involved. The assessments are limited to property related violations, wherein the fines exceed \$250 cumulatively and are at least sixty days past due. In addition, all hearing or appeal rights of the cited persons have been exhausted.

For each of the Civil Citations listed in Attachment 1, the fines have not been paid. The total amount now delinquent equals \$10,875. These fine amounts will be levied against the properties as listed, non-payment of which will incur additional penalties and will appear as an exception to the title on a title report at time of transfer of the property. Once certified, the fines will be reported to the Orange County Tax Assessor for inclusion on the property tax bills as Special Assessments.

A Public Hearing is required prior to adoption of the resolution certifying the Special Assessments to the Orange County Assessor for inclusion on the Tax Roll.

Each of the property owners listed in Attachment 1 have received certified letters notifying them of the proposed Special Assessment against their property for delinquent Civil Citations and the date and time of the public hearing. Also, the legal notice advertising the public hearing which is required pursuant to the State Code have been published in the Daily Pilot five days prior to the date of the public hearing.

## **ALTERNATIVES CONSIDERED**

Council may choose to reject the resolution and direct staff to proceed to collect delinquent civil citations through the collection agency currently used by the City. No further alternatives were considered.

## **FISCAL REVIEW**

By certifying the Special Assessments to the Orange County Assessor for inclusion on the Property Tax Roll, the City will collect the total amount due of \$10,875. Overall, the City's current collection rate for Civil Citations is about 88%. If the City attempted to collect these delinquent receivables for Civil Citations through the City's collection agency, approximately \$9,570 would be collected, of which, the City would receive only 50% or \$4,785. The City will collect an additional \$6,090, less the County's Property Tax Administrative Fee, by adding the Special Assessments to the Property Tax Roll.

## **LEGAL REVIEW**

The City Attorney has reviewed and approved the attached resolution as to form.

**CONCLUSION:**

By adopting the attached resolution, the City will be able to collect 100% of the delinquent receivables for Civil Citations less the County's Property Tax Administrative Fee. Therefore, adoption of the attached resolution certifying the Special Assessments to the Orange County Assessor for inclusion on the Property Tax Roll is recommended.

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MARC R. PUCKETT  
Director of Finance

Attachment 1: [Civil Citation Special Assessment List](#)

Attachment 2: [Resolution Certifying Special Assessments for Collecting Delinquent Fines](#)