

File No. 106967

Committee Item No. 5

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 6/21/10

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
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| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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OTHER

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Completed by: Gail Johnson

Date 6/18/10

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

[Refuse Collection Service Liens and Fees]

Ordinance amending Article 6 of the San Francisco Health Code by amending Sections 291.7, 291.13, 291.14, and 293.3 to allow the Department of Public Health to recover its full costs of processing residential and commercial liens for refuse collection services, provide a process for the Controller to adjust fees annually based on program costs, eliminate the monetary cap on the continuing appropriation account, clarify lien hearing procedures, and add an employee class to enforce Sections 293 to 293.2.

NOTE: Additions are single-underline italics Times New Roman; deletions are ~~strike-through italics Times New Roman~~. Board amendment additions are double-underlined; Board amendment deletions are ~~strikethrough normal~~.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The San Francisco Health Code is hereby amended by amending Sections 291.7, 291.13, 291.14, and 293.3 to read as follows:

SEC. 291.7. PAYMENT BY DEPARTMENT OF PUBLIC HEALTH LIEN.

(a) ~~Following the receipt of the complaint filed in accordance with Section 291.5, the~~ The Director shall, regardless of any sale or other transfer of property, ~~following the date of receipt of such complaint process the complaint for~~ payment to the Collector for 1) nonpayment of a residential refuse collection charge, or 2) nonpayment of a commercial refuse collection charge incurred after an order from the Director requiring commercial refuse collection service. The Director shall process these payments from a continuing appropriation account so provided herein under Section 291.14, and the Owner shall be liable to the City for fees paid. The payment by the City will, upon the recording thereof in the manner herein provided, create a lien on the real property to which the service was rendered. The lien will be officially recorded in the County Recorder's files, the lien to carry and will include additional charges for administrative

1 expenses of \$87 for residential liens and \$127 for commercial liens, ~~\$50~~ or 10 percent of the
2 amount owed, whichever is higher, plus any applicable recording fees, and interest at a
3 rate of 1½ percent per full month compounded monthly from the date of the recordation of the
4 lien on all fees and charges due. The Owner shall be notified by the Director that the fees and
5 charges are due to the City. In addition, the Owner shall be notified that if the fees and
6 charges remain unpaid, subsequent proceedings may be taken to make said fees and
7 charges a special assessment on the real property to which said refuse collection service was
8 rendered.

9 (b) Beginning with fiscal year 2010-2011, fees set forth in this Section may be adjusted each
10 year, without further action by the Board of Supervisors, as set forth in this Section.

11 Not later than April 1, the Director shall report to the Controller the revenues generated by the
12 fees for the prior fiscal year and the prior fiscal year's costs of operation, as well as any other
13 information that the Controller determines appropriate to the performance of the duties set forth in this
14 Section.

15 Not later than May 15, the Controller shall determine whether the current fees have produced
16 or are projected to produce revenues sufficient to support the costs of providing the services for which
17 the fees are assessed and that the fees will not produce revenue that is significantly more than the costs
18 of providing the services for which the fees are assessed.

19 The Controller shall, if necessary, adjust the fees upward or downward for the upcoming fiscal
20 year as appropriate to ensure that the program recovers the costs of operation without producing
21 revenue which is significantly more than such costs. The adjusted rates shall become operative on July
22 1.

1 **SEC. 291.13. COLLECTION OF ASSESSMENT.**

2 Upon confirmation of the report by the ~~Director~~Board of Supervisors, the delinquent
3 charges contained therein shall constitute a special assessment against the property to which
4 the services were rendered. Thereafter, said assessment may be collected at the same time
5 and in the same manner as ordinary municipal taxes are collected and shall be subject to the
6 same penalties and same procedure of sale as provided for delinquent, ordinary municipal
7 taxes.

8 The assessments shall be subordinate to all existing special assessment liens
9 previously imposed upon the property and paramount to all other liens except those for state,
10 county and municipal taxes with which it shall be upon parity. The lien shall continue until the
11 assessment and all interest and penalties due and payable thereon are paid. All laws
12 applicable to the levy, collection and enforcement of municipal taxes shall be applicable to
13 said special assessments.

14
15 **SEC. 291.14. CONTINUING APPROPRIATION ACCOUNT.**

16 There is hereby created in the general fund a continuing appropriation account entitled
17 "Payment of Property Owners' Delinquencies for Refuse Collection Service." This account
18 shall be credited with such sums as may be appropriated by the Board of Supervisors,
19 delinquencies collected by the Director of Public Health, assessments collected by the Tax
20 Collector, and sums received in consideration of release of liens. Expenditures from said
21 sums shall be made to Collectors for Owner delinquent accounts. *In the event that the*
22 *unexpended balance in said account shall exceed \$160,000, such excess shall be transferred to the*
23 *unappropriated balance of the general fund.*


1 **SEC. 293.3. ENFORCEMENT.**

2 In addition to any peace officer, the following classes of employees of the City and
3 County of San Francisco shall have the authority to enforce the provisions of Sections 293 to
4 293.2:
5
6

Classification Number	Class Title
<u>6108</u>	<u>Environmental Health Technician</u>
6120	Environmental Health Inspector
6122	Senior Environmental Health Inspector
6124	Principal Environmental Health Inspector
6126	Director, Bureau of Environmental Health
6127	Assistant Director, Bureau of Environmental Health
8280	Environmental Control Officer

18
19 APPROVED AS TO FORM:

20 DENNIS J. HERRERA, City Attorney

21
22 By: 
23 CECILIA T. MANGOBA
24 Deputy City Attorney
25

LEGISLATIVE DIGEST

[Refuse Collection Service Liens and Fees]

Ordinance amending Article 6 of the San Francisco Health Code by amending Sections 291.7, 291.13, 291.14, and 293.3 to allow the Department of Public Health to recover its full costs of processing residential and commercial liens for refuse collection services, provide a process for the Controller to adjust fees annually based on program costs, eliminate the monetary cap on the continuing appropriation account, clarify lien hearing procedures, and add an employee class to enforce Sections 293 to 293.2.

Existing Law

Currently, the Department of Public Health creates liens on property following the City's payment of refuse collection bills. Health Code Sec. 291.7 provides that the lien will include additional charges for administrative expenses of \$50 or 10 percent of the amount owed.

The Mandatory Recycling and Composting Ordinance, passed by the Board on June 9, 2009, shifted the hearing procedures for refuse collection liens from the Board to the Director of Public Health or his or her designee. Sec. 291.13 continues to reference the Board of Supervisors.

The Department of Public Health processes payments for delinquent refuse collection bills through a continuing appropriation account. Section 291.14 provides that in the event the unexpended balance in that account exceeds \$160,000, such excess shall be transferred to the unappropriated balance of the general fund.

Health Code Section 292.3 lists the employees who may enforce Sections 293-293.2, which pertain to who may take, remove, move or otherwise appropriate recyclable materials. Environmental Health Technicians (Class 6108) are not included in this list.

Amendments to Current Law

The ordinance would amend Health Code Sec. 291.7 to allow the Department of Public Health to recover the full amount of administrative expenses for processing liens, which in FY 2010-2011 are \$87 for residential liens and \$127 for commercial liens, or 10% of the amount owed, whichever is higher. In addition, the ordinance would create a procedure for the Controller to annually adjust fees to reflect program costs.

The ordinance would correct Sec. 291.13 to reflect that the Director, not the Board of Supervisors, confirms the report of a delinquent account.

FILE NO.

The ordinance would amend Sec. 291.14 to remove the \$160,000 cap on the continuing appropriation account.

The ordinance would add Environmental Health Technicians to the employee classes authorized to enforce Health Code Sections 293 to 293.2.

Background Information

Among other changes, the Mandatory Recycling and Composting Ordinance imposed requirements on the Department of Public Health to monitor and pay delinquent commercial refuse collection service bills after an order from the Director. The proposed amendments would permit the Department to collect the full costs of processing liens, remove the appropriation account limits to allow expanded payment capabilities, and add a class of employees to enforce requirements.



TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *PJK* Mayor Gavin Newsom *ST*
RE: Refuse Collection Service Liens and Fees
DATE: June 1, 2010

Dear Madame Clerk:

Attached for introduction to the Board of Supervisors is the ordinance amending Article 6 of the San Francisco Health Code by amending Sections 291.7, 291.13, 291.14, and 293.3 to allow the Department of Public Health to recover its full costs of processing residential and commercial liens for refuse collection services, provide a process for the Controller to adjust fees annually based on program costs, eliminate the monetary cap on the continuing appropriation account, clarify lien hearing procedures, and add an employee class to enforce Sections 293 to 293.2.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Starr Terrell (415) 554-5262.

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BOARD OF SUPERVISORS
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BY *[Signature]*

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