

ORDINANCE NUMBER O- 18523 (NEW SERIES)

ADOPTED ON JUN 08 1998

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AMENDING CHAPTER VI, ARTICLE 5, DIVISION 2 OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING THE TITLE OF DIVISION 2; BY AMENDING SECTION 65.0201; BY REPEALING EXISTING SECTION 65.0202; BY CREATING A NEW SECTION 65.0202; BY REPEALING EXISTING SECTIONS 65.0203 AND 65.0204; BY RENUMBERING AND AMENDING EXISTING SECTIONS 65.0205, 65.0206, 65.0207, AND 65.0215 TO SECTIONS 65.0203, 65.0204, 65.0205, AND 65.0206; BY REPEALING EXISTING SECTIONS 65.0208, 65.0209, 65.0209.5, 65.0210, AND 65.0211; BY CREATING NEW SECTIONS 65.0209, 65.0210, 65.0211, 65.0212, 65.0213, AND 65.0214; BY RENUMBERING AND AMENDING EXISTING SECTIONS 65.0212, 65.0213, AND 65.0214 TO SECTIONS 65.0219, 65.0220, AND 65.0221; BY REPEALING EXISTING SECTIONS 65.0216 AND 65.0217; AND BY RENUMBERING AND AMENDING EXISTING SECTIONS 65.0218, 65.0219, 65.0220, 65.0221, AND 65.0222, TO SECTIONS 65.0222, 65.0223, 65.0224, 65.0225, AND 65.0226; AND BY CREATING A NEW SECTION 65.0227; ALL PERTAINING TO MAINTENANCE ASSESSMENT DISTRICTS.

BE IT ORDAINED, by the Council of The City of San Diego, as follows:

Section 1. That Chapter VI, Article 5, Division 2, of the San Diego Municipal Code is hereby amended by amending the Title to read as follows:

**MAINTENANCE ASSESSMENT DISTRICTS**

Section 2. That Chapter VI, Article 5, Division 2, of the San Diego Municipal Code is hereby amended by amending Section 65.0201 to read as follows:

**SEC. 65.0201 Purpose and Intent**

(a) It is the purpose and intent of this Division to establish a method by which Improvements may be constructed, installed, or maintained; the costs of which are to be assessed to any real property which receives a special benefit from such Improvements.

(b) It is also the purpose and intent of this Division to establish alternative procedures for the collection of Assessments.

(c) It is also the purpose and intent of this Division to provide a method for the involvement by a representative agency to represent the affected property owners in a District and to participate in the review of proposed plans and specifications for District contracts and in the award of such contracts.

(d) It is also the intent of this Division to provide a method for the City Council to authorize a Non-profit Corporation to assume responsibility for the administration of certain contracts for a District.

Section 3. That Chapter VI, Article 5, Division 2 of the San Diego Municipal Code is hereby amended by repealing the existing Section 65.0202 and by creating a new Section 65.0202, to read as follows:

**SEC. 65.0202 Definitions**

The terms defined in Chapter VI, Article 5, Division 2 are indicated by capital letters. The following words and phrases whenever used in Chapter VI, Article 5, Division 2, shall be construed as defined in this section:

“Assessment” has the meaning contained in California Government Code section 53750, as amended from time to time.

“Contract for Goods” means an agreement between the City or a Non-profit Corporation and another party in which the City or the Non-profit Corporation is the purchaser of articles, commodities, materials, supplies, equipment, or insurance from the other party.

“Contract for Services” means an agreement between the City or a Non-profit Corporation and another party in which the City or Non-profit Corporation is the purchaser of services from the other party. It includes Maintenance Contracts.

“District” has the meaning contained in California Government Code section 53750, as amended from time to time.

“Engineer’s Report” means a report prepared by an engineer which contains the plans and specifications for the Improvement of a specified District, an estimate of the costs of the Improvements and Maintenance of the Improvements, a diagram of the specified District, the Assessments proposed to be levied in each parcel within the District, and any other information required by law determined by the engineer or the City to be relevant with respect to the District.

“Fiscal Year” means a twelve-month period commencing on July 1 and ending on the following June 30.

“Improvement” has the meaning contained in California Streets and Highways Code section 22525, as amended from time to time. In addition,

Improvement includes the provision of security services; the installation or construction of ponds; the installation or construction of flood control or drainage facilities; or the installation or construction of any other facilities, or, the provision of any other property-related services deemed by the City Council to provide a Special Benefit to real property within a District.

“Maintain or Maintenance” has the meaning contained California Streets and Highways Code section 22531, as amended from time to time. In addition, Maintain or Maintenance includes the furnishing of property-related services and materials for the ordinary and usual maintenance, operation, and servicing of any Improvement.

“Maintenance Contract” means an agreement between the City or a Non-profit Corporation and another Party for Maintenance of a District.

“Non-profit Corporation” has the meaning contained in United States Code, Title 26, Sections 501(c)(3) and (c)(4), as amended from time to time.

“Person” means Person as defined in section 11.0210 of this Code.

“Public Works Contract” has the meaning contained in Chapter II, Article 2, of this Code.

“Sole Source” means a Person who is the only source from which a procurement is available and there is no adequate substitute.

“Special Benefit” has the meaning contained in California Constitution, article XIID, section 2, as amended from time to time.

Section 4. That Chapter VI, Article 5, Division 2 of the San Diego Municipal Code is hereby amended by repealing existing Sections 65.0203 and 65.0204.

Section 5. That Chapter VI, Article 5, Division 2 of the San Diego Municipal Code is hereby amended by renumbering and amending existing Sections 65.0205, 65.0206, 65.0207 and 65.0215 to 65.0203, 65.0204, 65.0205, and 65.0206 to read as follows:

**SEC. 65.0203 Nonexclusiveness of Remedies**

The remedies provided in this Division for the enforcement of any Assessment levied pursuant to this Division are not exclusive, and additional remedies may be provided at any time.

**SEC. 65.0204 Abandonment of Proceedings**

Proceedings for the formation of a District or the levy of Assessments within a District may be abandoned at any time prior to formation of the District or confirmation of the Assessments.

**SEC. 65.0205 Effect Upon Other Law**

(a) This Division does not affect any other law relating to the same or any similar subject, but provides additional authority for the installation or construction of Improvements and the Maintenance of Improvements, and other matters pertaining to Districts.

(b) This Division is to be liberally construed.

**SEC. 65.0206 Alternate Method for Resolution of Intention**

The City Clerk may schedule the hearing of the City Council to approve the assessment engineer's report and declare the intention of the City Council to levy

and collect Assessments within a District at any time during a regularly scheduled Council meeting.

**[Sections 65.0207 through 65.0208 reserved for future use.]**

Section 6. That Chapter VI, Article 5, Division 2 of the San Diego Municipal Code is hereby amended by repealing existing Sections 65.0208, 65.0209, 65.0209.5, 65.0210 and 65.0211.

Section 7. That Chapter VI, Article 5, Division 2, of the San Diego Municipal Code is hereby amended by creating new Sections 65.0209, 65.0210, 65.0211, 65.0212, 65.0213, and 65.0214, to read as follows:

**SEC. 65.0209 Community Planning Groups and Designated Representatives**

(a) In the event a District's boundaries are substantially the same as the boundaries of a community represented by a community planning group that has been established under applicable City guidelines, the community planning group shall be the preferred representative for the property owners within the District for the purposes of Chapter VI, Article 5, Division 2.

(b) In the event the boundaries of a District are substantially not the same as the boundaries of an established community planning group, the property owners within the District may establish their own designated representatives to speak for the property owners.

**SEC. 65.0210 Meetings between City and Property Owners; Notice**

(a) Representatives of the City Manager shall conduct at least one (1) noticed meeting with property owners within each District to discuss the proposed

Improvements and level of Maintenance for each District for the following Fiscal Year. The City Manager shall use his or her best efforts to contact either orally or in writing the duly recognized community planning group or designated representatives of the District, and community newspapers serving the area, if any.

(b) For any Contract for Goods, Contract for Services, or Public Works Contract awarded by the City, or Maintenance provided by the City, or Improvement installed or provided by the City pursuant to this Division, representatives of the City Manager shall attempt to meet on a regular basis with the relevant community planning group or designated representatives of each District to evaluate the performance of the contractor or the City and to advise the representatives of the City Manager regarding Improvements and regular Maintenance for each District.

(c) Upon receipt of bids or proposals for a Contract for Services or Public Works Contract, representatives of the City Manager or the designated Non-profit Corporation shall meet with the relevant community planning group or designated representatives of each District and property owners within the District to review the bids or proposals.

**SEC. 65.0211 City Council Review**

The City Manager shall finalize the plans and specifications for the Improvements and Maintenance of each District administered by the City, taking into consideration any comments received from the relevant community planning group or designated representatives of each District, and from property owners

within the District, and the budget for such Improvements and Maintenance. The City Manager shall also order the preparation of an Engineer's Report and shall docket for City Council review the Engineer's Report and a resolution of intention to levy the Assessments for each District.

**SEC. 65.0212 Support of Property Owners for Administration by Non-Profit Corporations**

(a) Except as provided in Section 65.0212(b), any Non-profit Corporation wishing to establish the right to administer Contracts for Goods and Contracts for Services for a District shall provide written documentation to the City Manager verifying that property owners representing at least a majority of the parcel area of the relevant District support the Non-profit Corporation assuming responsibility for administration of Contracts for Goods and Contracts for Services for the District. The written documentation shall contain the name, signature, address and parcel number of each property owner signing the documentation. The City Manager shall verify the contents of the documentation.

(b) If a ballot protest procedure is conducted to form a new District and levy Assessments, or to increase Assessments for an existing District, a Non-profit Corporation wishing to establish the right to administer Contracts for Goods and Contracts for Services for a District may request that the ballot submitted to the property owners include an item on the ballot that allows property owners to vote on whether they support or oppose having the Non-profit Corporation administer such contracts. The Non-profit Corporation shall submit its request to



place such item on the ballot at least thirty (30) calendar days prior to the resolution to form a District or levy Assessments is scheduled to be heard before City Council. If a majority of the property owners vote in favor of having the Non-profit Corporation administer Contracts for Goods and Contracts for Services, the Non-profit Corporation may assume such administration.

(c) Upon the submission of the documentation required pursuant to Section 65.0212(a) or upon approval by a majority of the property owners of a District pursuant to Section 65.0212(b), the City Manager shall docket for City Council review a resolution authorizing the City Manager to enter into the agreement with the Non-profit Corporation to administer Contracts for Goods and Contracts for Services for such District.

(1) The agreement shall provide that the Non-profit Corporation agrees to indemnify, defend, and hold the City free and harmless from and against any and all claims, demands, liens, or judgments for death of or injury to any person or damage to any property whatsoever alleged to be caused, or caused, by any act or omission of the Non-profit Corporation or any officer, contractor, agent, or employee of the Non-profit Corporation.

(2) The agreement shall provide that the Non-profit Corporation shall obtain a comprehensive public liability insurance policy satisfactory to the City Manager and the City Attorney, naming the City as an additional insured. The Non-profit Corporation shall provide the City Manager a copy of a certificate of such insurance.

(3) The agreement shall provide that the Non-profit Corporation shall maintain workers' compensation insurance for its employees.

(4) The agreement shall provide for administration of any Contract for Services through on-site inspections by a representative of the Non-profit Corporation. The Non-profit Corporation shall submit a report to the City indicating that such on-site inspections have been completed or any bill or invoice received for goods or services received pursuant to a Contract for Goods or Contract for Services. Upon submission of such report, bills, or invoices, the City will be authorized to pay for work done by the Maintenance contractor or for the goods received.

(5) The agreement shall provide that the Non-profit Corporation agrees that it shall not have a financial interest in any contract awarded for such District.

(6) The agreement shall provide that the Non-profit Corporation agrees to conduct at least one (1) noticed meeting with property owners within the District and to attempt to meet on a regular basis with the relevant community planning group or designated representatives of the District, and property owners within the District, to finalize plans and specifications for the Improvements and Maintenance of the District, to evaluate the performance of any Maintenance contractor for the District, and to advise the Non-profit Corporation regarding the Improvements and regular Maintenance for the District. For any such

meeting, the Non-profit Corporation shall use its best efforts to contact either orally or in writing the relevant community planning group or designated representatives of the District, and community newspapers, if any.

(7) The agreement shall provide that the Non-profit Corporation is required to submit to the City Manager a budget for the Improvements and Maintenance for the District no later than March 1 of each year for the following Fiscal Year.

(8) The agreement between the City and the Non-profit Corporation may be renewed, at the City's sole option, each year.

(d) After receiving the budget for a District from a Non-profit Corporation, the City Manager shall order the preparation of an Engineer's Report. The City Manager shall also docket for City Council review the Engineer's Report and a resolution of intention to levy the Assessments for the District.

(e) The agreement shall provide that failure of the Non-profit Corporation to comply with any term or condition of the agreement may result in termination of the agreement.

(f) The City Council may terminate the agreement with the Non-profit Corporation at any time provided:

(1) a public hearing is held on the City Council's intention to terminate the agreement with the Non-profit Corporation;

(2) the Non-profit Corporation is provided thirty (30) calendar days' notice of the public hearing on the City Council's intention to terminate the agreement;

(3) a notice of the public hearing is mailed at least fifteen (15) calendar days prior to the public hearing to each property owner within the District; and,

(4) the City Council determines at the conclusion of the public hearing that it is in the best interests of the District to terminate the agreement with the Non-profit Corporation.

Upon the termination of the agreement with the Non-profit Corporation, the City Manager shall resume administration of Contracts for Goods and Contracts for Services for the District.

**SEC. 65.0213 City Award of Contracts**

(a) For the award of any Public Works Contract, Contract for Goods, and Contract for Services, other than Maintenance Contracts, by the City on behalf of a District, the City Manager shall follow the provisions of Chapter II, Article 2 of this Code.

(b) For the award of any Maintenance Contract by the City on behalf of a District, the City Manager shall follow the provisions of Chapter II, Article 2 of this Code. Notwithstanding the provisions of Chapter II, Article 2, a Maintenance Contract for a District may be awarded to other than the low acceptable bidder if the City Manager receives a protest from the relevant community planning group

or designated representatives of a District, or other property owners within the District, in accordance with the provisions of Sections 65.0213(b)(1) or (2).

(1) In order to protest the award, the relevant community planning group or designated representatives of the District must submit to the City Manager, no later than forty-five (45) calendar days after the announcement of the determination of the low acceptable bidder, a written protest stating the reasons for their opposition to the award to the low acceptable bidder and the reasons in support of awarding to other than the low acceptable bidder. In the event the District has fewer than five hundred (500) parcels located within its boundaries, then the written protest of the community planning group or designated representatives of the District must be signed by property owners representing at least twenty-five percent (25%) of the parcel area of the District

(2) In order for other property owners within the District to protest the award, the property owners must submit to the City Manager, no later than forty-five (45) calendar days after the announcement of the determination of the low acceptable bidder, a written protest signed by property owners representing at least twenty-five percent (25%) of the parcel area of the District, stating the reasons for their opposition to the award to the low acceptable bidder and the reasons in support of awarding to other than the low acceptable bidder.

(c) In the event the City Manager receives a valid written protest pursuant to sections 65.0213(b)(1) or (2), the City Manager shall submit the Maintenance Contract for review and award by the City Council. After reviewing the protests and hearing any public testimony, and upon a determination that the Maintenance Contract should be awarded to other than the low acceptable bidder, the City Council may award the contract to other than the low acceptable bidder.

**SEC. 65.0214 Contracts Awarded by Non-Profit Corporations**

(a) Contracts for Goods and Contracts for Services administered by a Non-profit Corporation shall be awarded by the Non-profit Corporation on the basis of the low acceptable bid that best meets the respective District's requirements as provided below:

(1) When a Contract for Goods or Contract for Services provides for an expenditure greater than five thousand dollars (\$5,000), but equal to or less than ten thousand dollars (\$10,000), the Non-profit Corporation shall seek competitive prices either orally or in writing.

(2) When a Contract for Goods or Contract for Services provides for an expenditure greater than ten thousand dollars (\$10,000), but equal to or less than fifty thousand dollars (\$50,000), the Non-profit Corporation shall solicit written price quotations from at least five (5) potential sources.

(3) When a Contract for Goods or Contract for Services provides for an expenditure greater than fifty thousand dollars (\$50,000), the Non-profit Corporation shall advertise for sealed proposals.

(4) The following Contracts for Goods or Contracts for Services are not required to be competitively bid by a Non-profit Corporation:

(A) a Contract for Goods or Contract for Services that provides for an expenditure of less than five thousand dollars (\$5,000);

(B) a Contract for Goods or Contract for Services that is available from a Sole Source only.

(b) A Non-profit Corporation may consider the following factors in evaluating whether a bid or proposal best meets the respective District's requirements and gains the best economic advantage for the District: unit cost, life cycle cost, economic cost analysis, operating efficiency, warranty and quality, compatibility with existing equipment, maintenance costs (including the costs associated with proprietary invention), experience and responsibility of the bidder, and any additional factors the Non-profit Corporation deems relevant.

(c) Notwithstanding the provisions of Section 65.0214(a) and (b), a Maintenance Contract for a District may be awarded to other than the low acceptable bidder if the Non-profit Corporation receives a protest from the relevant community planning group or designated representatives of a District, or

other property owners within the District, in accordance with the provisions of Sections 65.0214(c)(1) or (2).

(1) In order to protest the award, the relevant community planning group or designated representatives of the District must submit to the Non-profit Corporation, no later than forty-five (45) calendar days after the announcement of the determination of the low acceptable bidder, a written protest stating the reasons for their opposition to the award to the low acceptable bidder and the reasons in support of awarding to other than the low acceptable bidder. In the event the District has fewer than five hundred (500) parcels located within its boundaries, then the written protest of the community planning group or designated representatives of the District must be signed by property owners representing at least twenty-five percent (25%) of the parcel area of the District.

(2) In order for other property owners within the District to protest the award, the property owners must submit to the Non-profit Corporation, no later than forty-five (45) calendar days after the announcement of the low acceptable bidder, a written protest signed by property owners representing at least twenty-five percent (25%) of the parcel area of the District, stating the reasons for their opposition to the award to the low acceptable bidder and the reasons in support of awarding to other than the low acceptable bidder.



(d) In the event the Non-profit Corporation receives a valid written protest pursuant to Sections 65.0214(c)(1) or (2), the Non-profit Corporation shall conduct a noticed meeting with property owners in the District to review any protests and hear any public testimony. Notices shall be given by notifying the relevant community planning group or designated representatives of the District, and by notifying community newspapers serving the area, if any. After reviewing any protest and hearing any public testimony, and upon a determination that the Maintenance Contract should be awarded to other than the low acceptable bidder, the Non-profit Corporation may award the contract to other than the low acceptable bidder.

**[Sections 65.0215 through 65.0218 reserved for future use.]**

Section 8. That Chapter VI, Article 5, Division 2, of the San Diego Municipal Code is hereby amended by renumbering and amending existing Sections 65.0212, 65.0213, and 65.0214 to 65.0219, 65.0220, and 65.0221, to read as follows:

**SEC. 65.0219 Assessment Recorded; Notice; Late Charge**

(a) After the Assessments for a District are confirmed by the City Council, the City Clerk shall transmit to the City Manager the recorded map of the District and the Assessments as confirmed by the City Council.

(b) The City Manager shall maintain the map and Assessments in an accessible location and shall fix a day not less than thirty (30), nor more than sixty (60), calendar days from the billing of the Assessments, after which all Assessments remaining unpaid shall become delinquent.

(1) After the billing of the Assessments, the City Manager shall send an Assessment notice to each property owner whose property is liable for the Assessment, stating that the Assessment for the property is due and payable and that the penalty for delinquency, as specified, may be added to the total Assessment.

(2) In the event of a delinquency, an administrative late charge equal to fifty percent (50%) of the Assessment, but not to exceed twenty-five dollars (\$25.00), shall be added to the total amount of the Assessment and the delinquency due.

(c) From the date a District map and an Assessment roll are recorded, all affected property owners shall be deemed to have notice of the contents of the Assessment roll.

(1) Upon recording, each Assessment contained in the Assessment roll shall become due and payable.

(2) Each Assessment shall be a lien upon the property against which it is made, paramount to all other liens, except liens for prior Assessments and taxation, and shall only be discharged by payment of the Assessment, including late charges, if any, or by redemption of the property after sale for delinquency.

**SEC. 65.0220 Waiver of Delinquent Payments**

(a) If notice of an Assessment is sent to an incorrect address and that Assessment becomes delinquent, upon application of the property owner, the City

Manager may waive the late charge for delinquency or refund the late charge if it has already been paid.

(b) In the event commencement of the Maintenance proposed in a District, through circumstances beyond the control of the City, is delayed past the delinquency date established by the City Manager as provided in Section 65.0220, the Council, by resolution, may amend the established delinquency date and set a new delinquency date to be not less than thirty (30) calendar days from the date of commencement of the Maintenance.

(1) The resolution shall order and authorize the refunding or cancellation of all late charges collected or due based on the delinquency date originally established by the City Manager and shall require a new notice be mailed by the City Manager to each affected property owner.

(2) This procedure for amending the delinquency date shall not be applied where the alternate method for collecting an Assessment under Section 65.0221 is used.

**SEC. 65.0221 Alternate Method for Collecting the Assessment**

(a) If, prior to the confirmation of Assessments, the City enters into an agreement with the County of San Diego for collection and enforcement of Assessments pursuant to the California Government Code, Assessments for those parcels appearing on the last equalized tax roll of the County and for which a tax bill is issued by the County Tax Collector, shall be so collected and enforced.

(1) Notwithstanding any other provisions of this Division, notice by the County Tax Collector of any Assessments to be included with the general tax for the City and County shall be sufficient for the Assessment notice.

(2) All Assessments collected by and payable to the County Tax Collector shall be subject to the same penalties and enforcement provisions relating to general taxes.

(b) The City Manager shall furnish each year, in accordance with the agreement with the County Tax Assessor, the necessary information regarding the amount of the Assessments, or installments thereof, that are to be billed for and collected by the County Tax Assessor during the taxpaying period.

(c) All Assessments levied under this Division which are not collected or enforced pursuant to the agreement with the County shall be subject to all other enforcement provisions of this Division or any other enforcement provisions or remedies available at law.

Section 9. That Chapter VI, Article 5, Division 2, of the San Diego Municipal Code is hereby amended by repealing existing Sections 65.0216 and 65.0217.

Section 10. That Chapter VI, Article 5, Division 2, of the San Diego Municipal Code is hereby amended by renumbering and amending existing Sections 65.0218, 65.0219, 65.0220, 65.0221, and 65.0222 to 65.0222, 65.0223, 65.0224, 65.0225, and 65.0226, to read as follows:

**SEC. 65.0222 Notice of Sale of Delinquent Property**

(a) In the event the total amount of a delinquency or delinquencies for a property exceeds three thousand dollars (\$3,000), the City Manager shall undertake the following procedures:

(1) Not less than one (1) year, but not more than fourteen (14) months after the date of any delinquency, the City Manager shall begin publication of a notice of sale for any property upon which any Assessment has not been paid, which publication shall be made by two (2) insertions in the city official newspaper.

(2) The notice of sale shall contain a description sufficient to identify each lot or parcel of delinquent property, the name of the owner, the amount of any Assessment, the delinquency penalties, and the portion of the costs of sale attributable to such lot or parcel.

(3) The notice shall also contain a statement that unless any delinquent Assessment, penalty, and cost is paid, the property upon which the Assessment is a lien will be sold to the City by operation of law at a sale to take place at a location and at a time specified in the notice. The City Manager shall also mail the same notice to the owner of each lot or parcel of delinquent property.

(b) In the event the total amount of any delinquency for a property are equal to or less than three thousand dollars (\$3,000), the City Manager, at his or her discretion, may undertake the procedures provided in Sections 65.0222(a)(1) and (2).

**SEC. 65.0223 Payment of Delinquent Assessments**

At any time after the delinquency date, but prior to the sale by operation of law of any lots or parcels of delinquent property, any Person may pay any delinquent Assessment, penalties, and publication and administrative costs. The costs shall include the cost of advertising. The penalties, less costs, shall be placed in the Special Assessment District Delinquency Fund and distributed in accordance with the provisions of San Diego Municipal Code section 61.2392.

**SEC. 65.0224 Sale of Delinquent Property**

At the time fixed in the notice of sale of delinquent property, the City Manager shall execute a certificate of sale to the City. This certificate shall refer to the proceedings, shall state that the property was sold to the City for nonpayment of delinquent Assessments which were a lien on the property, shall describe the property sold, and shall state the amount for which the property was sold to the City, which amount shall be the sum of any delinquent Assessment, the penalties, and the publication and administrative costs. The certificate shall be kept on file by the City Manager.

**SEC. 65.0225 Redemption of Delinquent Property**

(a) At any time after the date of sale of delinquent property, by operation of law, but prior to the issuance and delivery of a deed to the property sold, any property sold under the provisions of this Division may be redeemed by payment to the City Treasurer of the amount for which the property was sold, together with a penalty of two-thirds ( $\frac{2}{3}$ ) of one percent (1%) of the total amount per month, and such other penalties as may be payable as provided in this Division.

The two-thirds ( $\frac{2}{3}$ ) of one percent (1%) penalty shall be added on the first day of each month following the date of the sale of the property.

(b) Upon redemption of any parcel or lot of property, the City Manager shall enter that fact and the date of redemption upon the certificate of sale.

**SEC. 65.0226 Execution of Deed to Delinquent Property**

(a) If a property has not been redeemed pursuant to Section 65.0225 the City Manager shall, after the expiration of three (3) years but before the expiration of four (4) years from the date of sale, execute to the City a deed of property sold. The deed shall recite the matters contained in the certificate, and the fact that no Person has redeemed the property.

(b) At least thirty (30) calendar days before execution of the deed, the City Manager shall cause to be served upon the owner of the property, and upon any occupant of the property, if it is occupied, a written notice setting forth:

- (1) a description of the property;
- (2) that the property has been sold for a delinquent Assessment or Assessments (specifying the Maintenance for which the Assessment was levied);
- (3) the amount for which the property was sold;
- (4) the amount necessary to redeem the property at the time of giving notice; and
- (5) the date when the City Manager will deed the property to the City.

(c) If the owner cannot be found, the notice shall be posted in a conspicuous place upon the property at least thirty (30) calendar days before the date for execution of the deed. The Person actually serving the notice shall file with the City Manager a declaration showing that the required notice has been given and, if the notice was not served on the owner of the property personally, that due diligence was used to find the owner. The City Manager shall receive and file such declaration.

(d) If the property is redeemed after declarations are filed, the Person retaining the property shall pay the City Manager, in addition to the other amounts required, fifteen dollars (\$15.00) for the service of notice and the preparation of the declaration. No deed for any property sold for delinquent Assessments shall be executed by the City Treasurer until all the provisions of this Division have been complied with.

(e) The deed of the City Treasurer shall be prima facie evidence of the truth of all matters recited therein, of the regularity of all proceedings prior to the execution thereof, and of title to the property in the grantee.

Section 11. That Chapter VI, Article 5, Division 2, of the San Diego Municipal Code is hereby amended by creating a new Section 65.0227, to read as follows:


**SEC. 65.0227 Limitation of Actions**

The validity of any Assessment levied under this Division shall not be contested in any action or proceeding unless the action is commenced within thirty (30) calendar days after the time the City Council has confirmed the Assessment.



Section 12. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By   
Kelly J. Salt  
Deputy City Attorney

KJS:pev

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