

Appeal of Special Assessment Tax Lien 1806 Walnut St.

Jenny McNulty, Resilient Buildings Program Manager
Angel Sindayen, Housing Inspector Supervisor
Rental Housing Safety Program
Planning and Development Department



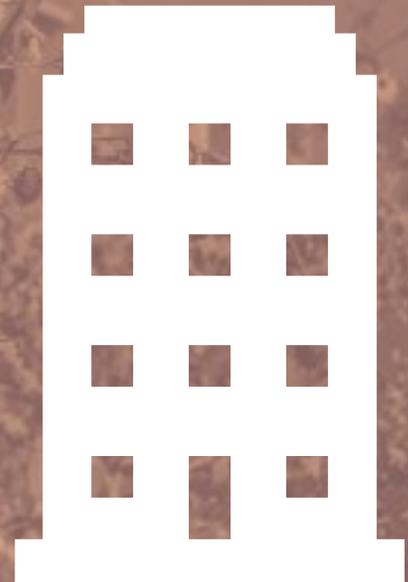
Berkeley's Rental Housing Safety Program increases tenant safety by requiring owners to meet minimum housing and property maintenance standards.



Inspections are carried out per BMC 19.40 in the Berkeley Housing Code.



Along with responsive housing inspections, the City randomly selects residential rental units for proactive inspections.



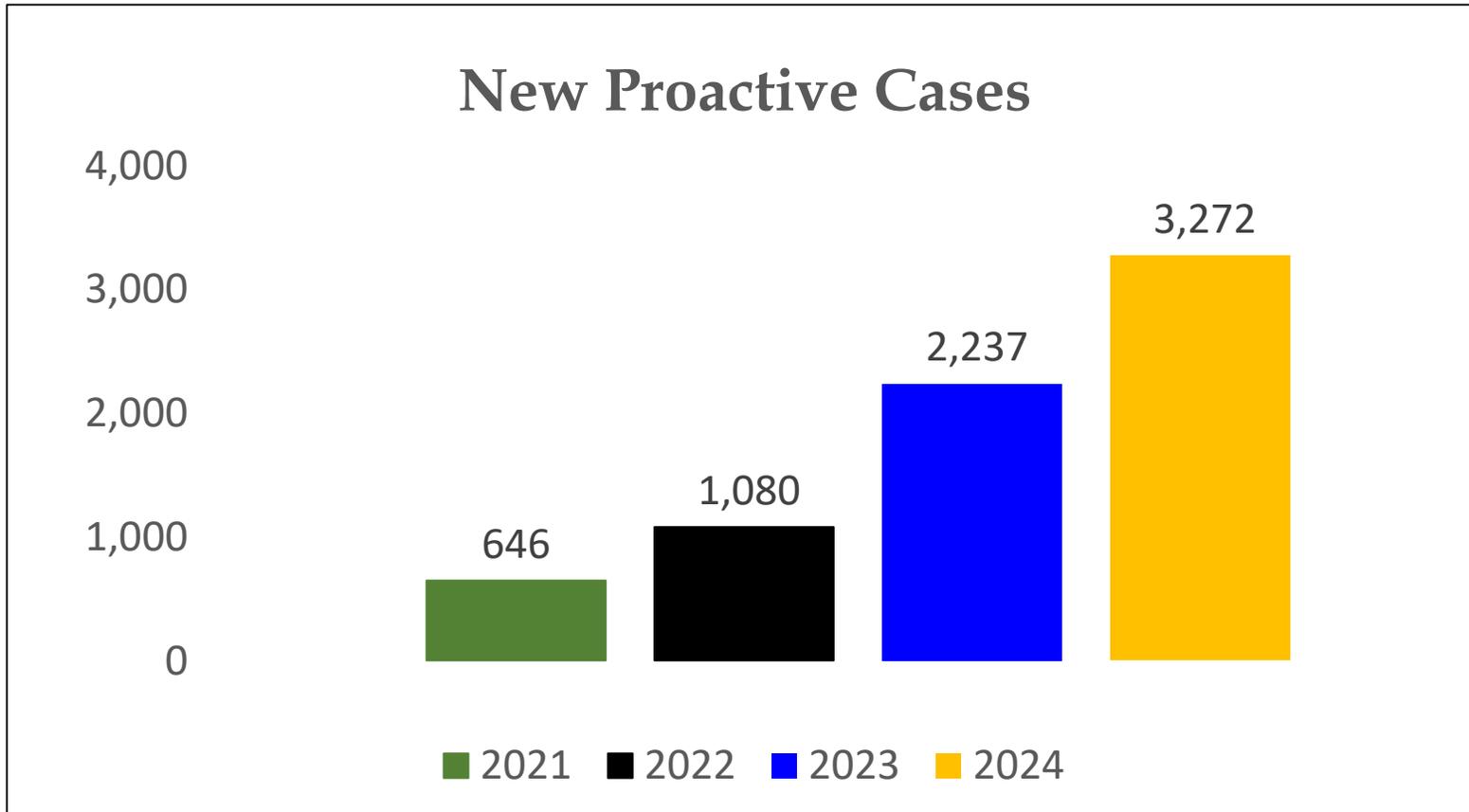
1806 WALNUT ST

Rental Property Owned by Peter and Philip Wright
Managed by the K&S Company

Randomly-selected for
proactive inspections.
5 out of 13 units selected.



RHSP is Expanding Proactive Inspections



Council adopted the following Inspection Service Fees in 2019 by Resolution 68,940-N.S.

Type	Status	Amount
Initial Inspection	With or without violations	None
1 st Reinspection --	All violations corrected	None
1 st Reinspection --	All violations not corrected	\$400
2 nd Reinspection	WHETHER OR NOT all violations corrected	\$600
Subsequent Reinspections	Whether or not all violations corrected	\$800

Time extensions may be granted upon owner request for qualifying reasons.

Penalty Fees

Adopted in 2019 by Resolution 68,940-N.S.

Type	Status	Amount
Late payment fee --	1-30 days late	10% of delinquent amount
Late payment fee --	31+ days late	40% of delinquent amount
Administration Lien Fee	60+ days late	\$250

Violations at 1806 Walnut

		Unit A	Unit 1	Unit 10
Housing Violations	Missing smoke and carbon monoxide alarms	X	X	X
	Non-grounded electrical outlet in the bedroom	X	X	X
	Damaged electrical outlet in the living room			X
	Lack of Ground Fault Circuit Interrupter protection in the kitchen	X	X	X



**Damaged Outlet / Missing GFCI =
Heightened risk
of electric shock**



**Missing smoke &
Carbon monoxide alarms
=
No early warning to evacuate**

October 18, 2022

First Notice of Violation
Initial Inspection Results
APN: 057 204900400
Case #: H2022-00939

PHILIP & PETER WRIGHT
FIONNUA WRIGHT
1580 HAWTHORNE TER
BERKELEY, CA 94708

Subject: **NOTICE OF VIOLATION PURSUANT TO THE RENTAL HOUSING SAFETY PROGRAM (RHSP); BMC12.48; BUILDING AT 1806 WALNUT St #1, BERKELEY, CALIFORNIA**

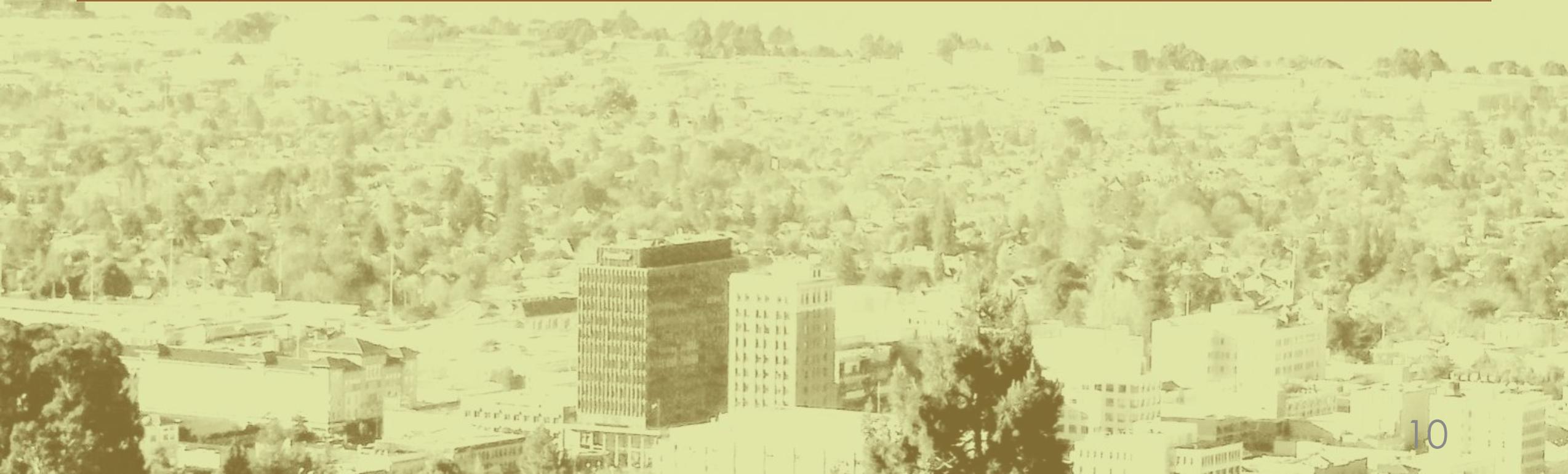
Dear Owner(s):

The above subject property was inspected on October 13, 2022 as part of the City of Berkeley's Rental Housing Safety Program (RHSP) to determine compliance with the Uniform Housing Code as adopted by the City of Berkeley (BMC Chapter 19.40). Attached to this letter is a list of the violations that were identified during this inspection.

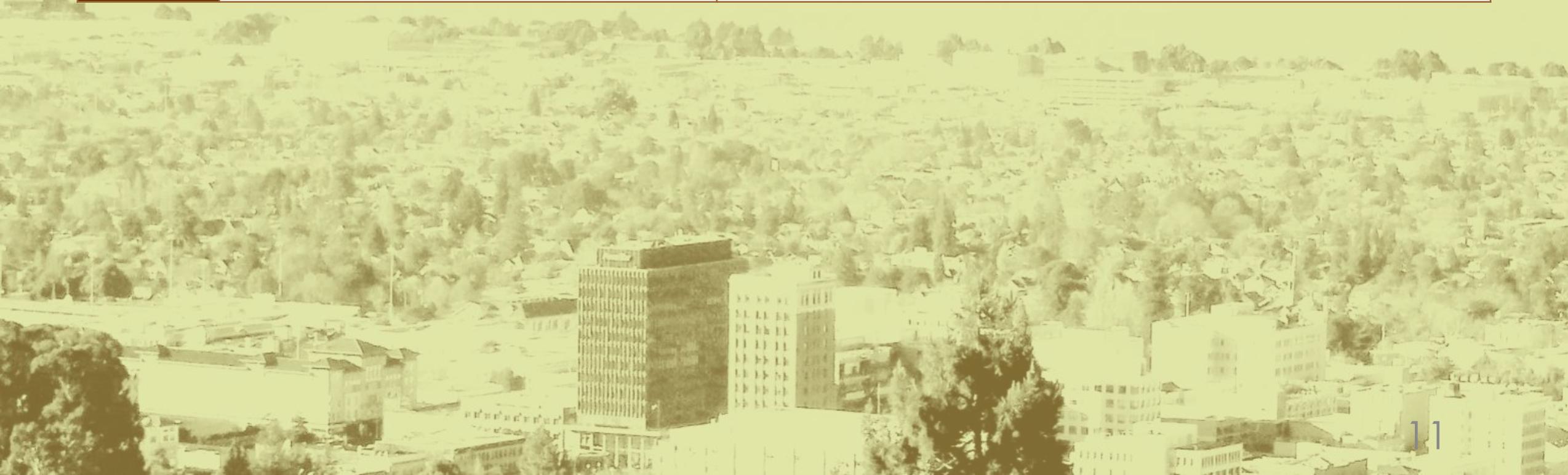
To determine compliance with this Notice of Violation, a reinspection has been scheduled. At the time of the reinspection we expect to have access into the building and where applicable, the unit.

Date: Monday, December 12, 2022
Time Window: AM = 9:00 am - 12:00 noon
 PM = 12:30 pm - 4:00 pm

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SECOND ISSUE	The property manager argued penalty fees continued to accrue unfairly after the city determined units were in compliance and while an appeal was in progress.	

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SECOND ISSUE	<p>The property manager argued that penalty fees continued to accrue unfairly after the city determined units were in compliance and while an appeal was in progress.</p>	<ul style="list-style-type: none"> • Penalty fees accrue because owners are delinquent in making payments, whether or not violations have been corrected. per the City Council approved fee schedule

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FIRST ISSUE	<p>The property owner claimed staff changes at the City led to miscommunication with the property manager, resulting in excessive and unnecessary fines.</p>	<ul style="list-style-type: none"> • Staff changes did not impact the inspection process • All inspectors followed established protocols • Multiple staff confirmed the accuracy of the assessed fees
SECOND ISSUE	<p>The property manager argued that penalty fees continued to accrue unfairly after the city determined units were in compliance and while an appeal was in progress.</p>	<ul style="list-style-type: none"> • Penalty fees accrue because owners are delinquent in making payments, whether or not violations have been corrected. <small>per the City Council approved fee schedule</small> • The owner was delinquent in making payments: <ul style="list-style-type: none"> • Owner filed appeal on <u>May 26, 2023</u> • 1st and 2nd penalty fees assessed monthly in <u>March, April, and May 2023</u> due to unpaid inspection service fees. June fees adjusted.

RECOMMENDATION

Adopt a Resolution to

- Denying the property owners' appeal
- Authorizing the City Manager to record the special assessment lien for 1806 Walnut Street for \$6,230.

Unit 1	1 st Reinspection 12/12/22	2 nd Reinspection 2/8/23	3 rd Reinspection 3/13/23	Admin Fee	<u>Unit lien</u>
	Property management not present. Left door tags.	Property management not present. Left door tag.	Property management present. Violations corrected.		
Fees & Penalties	\$400 * 10% Penalty= \$440	\$600 * 10% + 40% Penalty = \$900	\$800 * 10% Penalty = \$880	\$250	\$2470

Unit A	1 st Reinspection 12/12/22	2 nd Reinspection 2/8/23	3 rd Reinspection 3/13/23	Admin Fee	<u>Unit lien</u>
	Property management not present. Left door tags.	Property management not present. Left door tag.	Property management present. Violations corrected.		
Fees & Penalties	\$400 * 10% Penalty= \$440	\$600 * 10% + 40% Penalty = \$900	\$800 * 10% Penalty = \$880	\$250	\$2470

Unit 10		1 st Reinspection 2/8/23	2 nd Reinspection 3/13/23	Admin Fee	<u>Unit lien</u>
	Tenant asked to reschedule the reinspection	Property management not present. Left door tag.	Property management present. Violations corrected.		
Fees & Penalties		\$400 * 40% Penalty= \$600	\$600 * 10% Penalty = \$660	\$250	\$1510

Total lien on property : \$6,450