



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rick Bruneau

SUBJECT: See Below

DATE: July 22, 2024

Approved

Date:

7/24/24

COUNCIL DISTRICT: Citywide

SUBJECT: Public Hearing for the Fiscal Year 2024-2025 Annual Residential Solid Waste Collection Service Charges to be Placed on the 2024-2025 Santa Clara County Secured Property Tax Roll

RECOMMENDATION

- (a) Conduct a public hearing on the Fiscal Year 2024-2025 annual report prepared by the Director of Finance detailing the Residential Solid Waste Collection Service Charges filed with the City Clerk's Office.
- (b) Adopt a resolution confirming the approval of the report and the placement of charges as set forth therein on the 2024-2025 Santa Clara County Secured Property Tax Roll, with such modifications the City Council may make based on public hearing testimony.

SUMMARY AND OUTCOME

Conducting the public hearing and adopting the recommended resolution will allow the City of San José (City) to place Residential Solid Waste Collection Service Charges on the 2024-2025 Santa Clara County (County) Secured Property Tax Roll for the billing and collection of approximately \$158 million in revenue to cover costs related to the City's Solid Waste Collection Services Program.

BACKGROUND

On September 17, 2013, the City Council approved a service delivery strategy to collect Residential Garbage and Recycling payments for garbage and recycling services for single family residential households within the City through the County Secured Property Tax Roll. Subsequently, on May 5, 2015, Ordinance No. 29562 was passed by

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the City Council amending Chapter 9.10 of the San José Municipal Code to allow for the billing and collection of fees for Solid Waste Collection Service.

On June 4, 2024, the City Council adopted Resolution 2024-204¹ to establish the Fiscal Year 2024-2025 Residential Solid Waste Collection Service Charges and set rates for Fiscal Year 2024-2025.

Section 9.10.1202, subdivision B of the San José Municipal Code requires the following:

“at least fifteen days in advance of the last city council meeting before the city is required to provide the Santa Clara County Tax Assessor with the amount of the solid waste collection service charges for the purpose of placing the solid waste collection services charges on the tax roll, the Director of Finance is hereby directed to prepare and file with the city clerk a written report describing all parcels served by the solid waste collection system for which solid waste collection service charges are to be billed and collected on the tax roll, and the amount of the solid waste collection service charges for each such parcel for the forthcoming fiscal year, computed in conformity with the provisions of this part and the council resolution establishing the solid waste collection service charges for the forthcoming fiscal year.”

These charges will appear as a single line item entitled “GARBAGE SVC-CURRENT” on each County Secured Property Tax bill and is collected by the County Tax Collector. Pursuant to an agreement between the City and the County, the County will remit 100 percent of the charges placed on the County Secured Property Tax Roll back to the City in two payments, typically in January and June, less a one percent administration fee for this service deducted from the first payment remitted to the City.

ANALYSIS

The Director of Finance’s written report for Fiscal Year 2024-2025 was submitted to the City Clerk’s Office on July 11, 2024. This report includes charges totaling approximately \$158 million and covers approximately 198,000 parcels. On June 18, 2024, the City Council adopted Resolution 2024-246² to set the public hearing for August 13, 2024, at 1:30 p.m., or as soon thereafter as the matter may be heard, in the City Hall Council Chambers. The City Clerk will publish public notices in accordance with Section 9.10.1202 of the San José Municipal Code.

¹ <https://records.sanjoseca.gov/Resolutions/RES2024-204.pdf>

² <https://records.sanjoseca.gov/Resolutions/RES2024-246.pdf>

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The Director of Finance recommends the City Council conduct a public hearing and adopt a resolution to approve placement of the Residential Solid Waste Collection Service Charges on the 2024-2025 County Secured Property Tax Roll.

EVALUATION AND FOLLOW-UP

Upon acceptance of this recommendation, staff will place the Fiscal Year 2024-2025 Residential Solid Waste Collection Service Charges, as detailed above, on the 2024-2025 County Secured Property Tax Roll, with such modifications, if any, the City Council may make based on public hearing testimony scheduled to be heard on August 13, 2024.

COST SUMMARY/IMPLICATIONS

This action will result in the placement of Fiscal Year 2024-2025 Residential Solid Waste Collection Service Charges of approximately \$158 million on the 2024-2025 County Secured Property Tax Roll. Revenues received from these charges have been allocated by the City Council to various allowable City functions as part of the 2024-2025 Adopted Budget.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Clerk's Office, City Manager's Budget Office, and the Environmental Services Department.

PUBLIC OUTREACH

Per the adoption of Resolution 2024-246, the City Clerk's Office will publish the notice of the time and place of the public hearing as required by Section 9.10.1204 of the San José Municipal Code. In addition, this memorandum will be posted on the City's Council Agenda website for the August 13, 2024 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

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CEQA

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

RICK BRUNEAU
Director of Finance

For questions, please contact John Kachmanian, Deputy Director of Finance – Revenue Management, john.kachmanian@sanjoseca.gov or (408) 535-7034.