

Monthly Newsletter

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Dealing with city permitting problems.

Investment property owners must occasionally deal with city permitting problems:

- The City of SLO recently forced condominium owners at the Cedar Creek complex to remove some unpermitted bedroom conversions that were done many years ago. Property owners were forced to either relocate their tenants, or reduce rent to compensate for the fewer bedrooms. However, owners who had properly notified their tenants from the outset that there was no additional bedroom did not have to compensate tenants who disobeyed those rules.
- Last year, California West took over managing a property that had been renovated by the owner, but without necessary permits. Specifically, a garage was converted into living space. When the city found out, the owner had to move her tenants out of the converted space and then obtain the necessary permits. Fortunately, those permits were available because the property was on a large lot and there was plenty of space for the required parking.
- Recently, California West was managing a property for many years that developed structural problems that made habitation unsafe. When this was discovered, the tenants' lease was terminated and the owner had to pay a structural engineer and contractor substantial sums to fix the property.

In our experience, a city most commonly gets involved in such issues because of complaints by either tenants or neighbors.

The best way to deal with such problems is to be proactive and to not argue with the city. City employees are reasonable to deal with as long as you are acting to solve whatever problem may exist without confrontation. Bottom line: you have to comply with the city's requirements.

Arroyo Grande will begin collecting delinquent waste removal accounts by adding the delinquency to the property owner's tax bill.

The City of Arroyo Grande operates its own waste removal service and has decided to begin collecting delinquent balances by working in coordination with the San Luis Obispo County Assessor's office.

The way it works right now is that if a person gets behind by a few months, then the City of AG threatens to turn the property owner over to collections. With this new ordinance, at the end of each fiscal year the City will also have the ability to tack on the delinquent balance to a property owner's tax bill.

The result for investment property owners is that if a tenant fails to pay his trash bill then that delinquent bill may eventually result in a tax lien.

However, before turning over the delinquent account to collections or adding it to a tax bill, the City of AG does notify property owners by mail. Also, if property owners inform the City that California West is their management company then we will also receive notice of the problem.

California West urges its clients to make sure that the City of AG has us on record as the property manager for your property so that we may promptly deal with any problems as they may arise.

Employee profile: Mike Dixon brings a general contractor's license to California West.

California West employee, Mike Dixon, worked for 12 years as the owner of CBC Roofing, Inc. before joining California West in November 2012.

Mike is now the qualifying individual for California West's general contractor's license. His responsibilities at California West include working closely with Alan Schmidt, our maintenance supervisor, and also Ellie Malykont, our property supervisor in San Luis Obispo.

Mike is presently busy assisting Ellie and the other SLO staff with summer turnovers. He is also studying to obtain a real estate license.

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