



420 Capitola Avenue
Capitola, California, 95010
Telephone: (831) 475-7300
FAX: (831) 479-8879
Website: www.cityofcapitola.org

December 9, 2022

Daniel Castagnola
Castagnola Deli & Café
201 Monterey #C
Capitola, CA 95010
castagnola76@yahoo.com
castagnoladeli@gmail.com

RE: Delinquent Outdoor Dining Space Rent

Dear Mr. Castagnola,

The Outdoor Dining Space Rent in the amount of \$324.00 for the period of Oct. 2022 – Dec. 2022 which was sent to you on Sept. 23, 2022, was due on October 14, 2022, and is now approaching 60 days past due. On Dec. 2, 2022, I contacted you advising that payment was past due and needed to be received by the City no later than 5:00 PM Monday Dec. 5, 2022. We have not received any correspondence from you regarding either the original invoice or my follow-up requesting payment.

Per the terms of the Revocable Encroachment Agreement, late payments will be charged a ten percent late penalty and incur interest at a rate of one and one-half percent per month until payment is received. Accounts that become over 30 days delinquent will be charged an additional late penalty of twenty percent, continue to incur interest of one and one-half percent per month, and will be required to pay rent for one year in advance. Accounts that become 60 days delinquent will be charged an additional late penalty of twenty five percent, continue to incur interest of one and one-half percent per month, required to pay rent one year in advance, and be given notice to bring the account current or remove the improvements from the public right-of-way within 10 days.

In order to continue to participate in the Outdoor Dining Program please pay the enclosed invoice No Later December 30, 2022. Invoiced amounts include:

Outdoor Dining Space Rent Oct. – Dec. 2022	\$ 324.00
Late Penalty Oct. – Dec. 2022	259.20
Interest Oct. Dec. 2022	12.07
Outdoor Dining Space Rent Jan. – Dec. 2023	<u>1,296.00</u>
Total	<u>\$ 1,891.27</u>

If the City of Capitola is not in receipt of the full balance of \$1,891.27 by December 30, 2022, we will apply your \$500.00 deposit towards the Oct. – Dec. 2022 delinquent balance of \$595.27 and you will be required to remove the outdoor dining improvements from the public right-of-way.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Jim Malberg". The signature is fluid and cursive, with the first name "Jim" and last name "Malberg" clearly legible.

Jim Malberg, Finance Director

cc: Jamie Goldstein, City Manager
Katie Herlihy, Community Development Director