



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

SUBJECT: Delinquent Real Property Transfer
Taxes Assessment of Liens

FROM: Bradley Johnson
Interim Director of
Finance

DATE: June 2, 2025

City Administrator Approval


Jestin Johnson (Jun 17, 2025 17:39 PDT)

Date: **Jun 17, 2025**

RECOMMENDATION

Staff Recommends That The City Council Conduct A Public Hearing And Upon Conclusion Adopt A Resolution 1) Confirming The Report And Notice Of Liens For Delinquent Real Property Transfer Taxes With Penalties, Interest, And Administrative And Assessment Charges, And 2) Overruling Any Protests And Objections Related To The Liens Included In Said Report And Authorizing The Recordation Of Liens, And 3) Directing The Notice Of Lien And Assessment Charges Be Turned Over To The County Tax Collector For Collection

EXECUTIVE SUMMARY

Staff recommends adoption of the proposed resolution, which authorizes the placement of liens on real property for unpaid City of Oakland Real Property Transfer Taxes (RPTT), including any penalties, interest, and administrative and assessment charges, should the fees and charges remain unpaid prior to the transfer/recording of said special assessment levies to the Alameda County Tax Collector and Auditor Controller for inclusion on the next property tax roll. All fees, charges, and due dates are detailed on taxpayer and City Council Hearing notices. The proposed resolution will confirm the placement of liens on fifty-seven (57) properties and authorize the assessment for all fees and charges for the period of November 2024 through April 2025, as shown in **Attachment A**.

BACKGROUND / LEGISLATIVE HISTORY

Pursuant to Oakland Municipal Code (O.M.C.) Chapter 4.20, all transfers of real property within Oakland city limits are subject to the real property transfer tax. The tax is due upon the sale or transfer of an interest of real property and is payable at the time of recordation with the Alameda County Recorder. Effective January 2019, the tax rate is tiered based on the amount of transfer, with some exceptions as provided in the O.M.C.

See **Table 1** below for current rates:

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Table 1: Current Tax Rates

Amount of Transfer	Tax
\$300,000.00 or Less	1.00%
More than \$300,000.00 up to \$2,000,000.00	1.50%
More than \$2,000,000.00 up to \$5,000,000.00	1.75%
More than \$5,000,000.00	2.50%

The seller and buyer are jointly and severally liable for payment of the tax as stated in Chapter 4.20 of the O.M.C.

ANALYSIS AND POLICY ALTERNATIVES

The recommended action is to place a lien on the property to ensure the collection of delinquent taxes. A lien effectively makes the property collateral for the taxes owed. The collection of taxes is necessary to pay the usual and current expenses of conducting the affairs and priorities of the City, as set by the City Council.

Administrative hearings for delinquent real property transfer taxes were made available upon request in the months of January, February, March, April, May and June 2025 to hear protests and resolve inconsistencies or inequities raised by property owners regarding the non-payment of real property transfer taxes prior to the public hearing before the City Council.

Following the administrative hearings, the Finance Director filed with the City Administrator a written notice of those property owners against whom the City will file liens for unpaid taxes, penalties, interest, and other charges. Property owners subject to the recordation of a lien for delinquent RPTT were sent a City Council Lien Notice on June 09, 2025. The proposed resolution confirms the City Administrator's report and authorizes the assessment for delinquent RPTT penalties, interest, and administrative charges, and the placement of liens on fifty-seven (57) properties if the assessment remains unpaid. After a public hearing by the City Council and upon approval of the proposed resolution authorizing the placement of the liens, the delinquent charges and assessments that remain unpaid shall constitute a special assessment against said property and shall be collected at the time established by the County Assessor for inclusion in the next property tax assessment.

Adoption of the proposed resolution advances the citywide priority of a **responsive, trustworthy government**. The collection of taxes is necessary to raise revenue, which, in turn, supports the City's financial ability to carry out its affairs and priorities.

FISCAL IMPACT

A list of delinquent real property transfer taxes and administrative fees for the accounts not resolved at the administrative hearings is shown in **Attachment A**. Failure to place these liens will result in a loss to the General Purpose Fund of at least \$455,097.41 in taxes and \$9,975.00 in administrative fees, for a total of \$465,072.41 from the period of November 2024 through April 2025 subject to ongoing Finance Department Revenue Management Bureau actions.

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PUBLIC OUTREACH / INTEREST

Property owners were notified of the administrative hearings made available upon request in the months of January, February, March, April, May, and June 2025 and afforded an opportunity to protest the delinquent RPTT or to resolve any inconsistencies or inequities regarding the non-payment of RPTT (See **Attachment B**). The initial letter to the homeowner also provided a 60-day window to make a payment as well as the City's procedure to lien the property if the account is unpaid after 60 days. Property owners subject to the recordation of a property lien for delinquent RPTT were sent a City Council Lien Notice on June 9, 2025, three weeks prior to the public hearing, to allow additional time to resolve the account with staff prior to the hearing.

At the public hearing, the City Council will hear the City Administrator's reports on delinquent RPTT and proposed recordation of liens, along with any objections or protests which may be raised by any of the property owners liable to be assessed for costs incurred for delinquent RPTT, and any other interested persons, such as those who have a right in or claim against the subject property.

COORDINATION

In coordination with the Office of the City Attorney and the Finance Department Budget Bureau, the agenda report, proposed resolution, and supporting documents have been reviewed and/or approved for form, legality, and fiscal implications.

SUSTAINABLE OPPORTUNITIES

Economic: Revenues fund essential City services, derived from revenues linked to property sales in Oakland.

Environmental: There are no environmental opportunities resulting from the recordation of liens.


Race & Equity: There are no direct Race & Equity opportunities because the Real Property Transfer Tax is based on the status of the changes on property ownership regardless of the property's location, property's value, owners' race, or ethnicity.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Conduct a Public Hearing and Upon Conclusion Adopt A Resolution 1) Confirming The Report And Notice Of Liens For Delinquent Real Property Transfer Taxes With Penalties, Interest, And Administrative And Assessment Charges, And 2) Overruling Any Protests And Objections Related To The Liens Included In Said Report And Authorizing The Recordation Of Liens, And 3) Directing The Notice Of Lien And Assessment Charges Be Turned Over To The County Tax Collector For Collection.

For questions regarding this report, please contact Rogers Agaba, Assistant Revenue & Tax Administrator, at (510) 238-7009.

Respectfully submitted,


Bradley Johnson (Jun 17, 2025 15:03 PDT)

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Attachments (2):

A: R.P.T.T. City Council Hearing Listing
B: Sample Notices Provided

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