



AGENDA REPORT

TO: Elizabeth Lake
Acting City Administrator

FROM: Bradley Johnson
Director of Finance

SUBJECT: Delinquent Business Taxes 2026

DATE: May 29, 2026

City Administrator Approval


Betsy Lake (Jun 25, 2026 07:04:55 PDT)

Date: Jun 25, 2026

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 Business 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 the adoption of the proposed resolution, which will authorize the placement of liens on real property for unpaid City of Oakland Business Taxes (BT) and authorize the subsequent assessment, pursuant to Chapter 5.04 of the Oakland Municipal Code (O.M.C.), 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. The liens will be recorded against 2,174 delinquent parcels in an amount of \$4,060,985.60, as well as \$380,450.00 for administrative fees, for a total property tax roll of \$4,441,435.60. The proposed assessments represent delinquent taxes for residential and commercial properties up to tax year 2026. Failure to place liens to recover the delinquent taxes will result in a loss of \$4,441,435.60 in revenues to the General Purpose Fund.

BACKGROUND / LEGISLATIVE HISTORY

Chapter 5.04 of the O.M.C. provides that “the amount of business tax, penalty, and interest imposed under the provisions of this chapter is assessed against the business property on which the tax is imposed in those instances where the owner of the business and the business property are one and the same.” Pursuant to Chapter 5.04 of the Oakland Municipal Code, staff cross-referenced Alameda County Assessor data with the business tax system data to identify potential non-compliant/delinquent business operators where the owner of the business and the business property are the same. During the review and assessment process, 2,822 property owners were notified to address delinquent business taxes determined to be owed to

the City. An administrative hearing for delinquent business taxes was held on May 19, 2026, and Property owners were given the opportunity to appeal their business tax assessments in this administrative process.

ANALYSIS AND POLICY ALTERNATIVES

Of the originally identified 2,822 properties, 648 were deleted from the list through the administrative hearing process, payments, and/or account closures. A total of fifteen taxpayers appeared at the Fourth Quarter Lien (4QL) Administrative Hearing on May 19, 2026. The remaining 2,174 property owners who failed to respond were notified of the City's intent to record a lien against their property; these remaining parcels are subject to a lien. A breakdown by the property type of the parcels is as follows (**Table 1**):

Table 1: Property Type

Property Use	Number of Accounts	Total Value of Liens
Single Family Residential	938	\$1,019,680.77
Multi Residential, 2-4 Units & Mobile Homes	812	\$1,138,966.71
Commercial	182	\$970,508.66
Industrial	55	\$297,877.68
Multi Residential, 5 or More Units	159	\$884,392.25
Improved Commercial 8x Series	28	\$130,009.53
Total	2174	\$4,441,435.60

Following the administrative hearings, the Finance Director filed with the City Administrator a written notice of those property owners on whom the City will file liens for unpaid taxes, penalties, interest, and other charges. (**Attachment A**) A resolution has been prepared to confirm the placement of liens on 2,174 properties and authorize the subsequent assessment for all fees and charges.

Upon confirmation of the lien list in this staff report by the City Council, after a public hearing, the lien list 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.

RELATED PLANNING EFFORTS

The proposed lien action supports the City's Roadmap to Fiscal Health 9. **Maximizing the collection of existing revenue sources.** The collection of delinquent business taxes protects General Purpose Fund revenues, promotes compliance with the Oakland Municipal Code, and supports the City's ongoing efforts to strengthen its financial stability.

FISCAL IMPACT

Property owners owe the City delinquent business taxes and administrative fees for the accounts not resolved at the administrative hearings, as shown in **Attachment A**. Failure to place liens on these properties will result in the loss of \$4,060,985.60 in General Purpose Fund revenues and \$380,450.00 in administrative fees, for a total of \$4,441,435.60 over this period.

PUBLIC OUTREACH / INTEREST

Property owners were notified, and an administrative hearing for delinquent business taxes was held on May 19, 2026, to hear protests and resolve any inconsistencies or inequities raised by property owners regarding the non-payment of business taxes. Property owners subject to a property lien were sent lien notices on June 26, 2026, and notified of the public hearing.

At the public hearing, the Council will hear the City Administrator's reports on delinquent business taxes 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 business taxes, and any other interested persons, such as those that have a right in or claim against the subject property.

COORDINATION

In coordination with the Finance Department, Budget Bureau, and the City Attorney's Office, the agenda report, proposed resolutions, and supporting items attached to this report have been reviewed and/or approved for fiscal implications.

RACE AND EQUITY

The collection of delinquent business taxes is necessary to raise revenue, which, in turn, supports the City's financial ability to carry out its affairs and priorities that include making critical financial investments aimed at advancing racial and equity opportunities to historically underserved communities.


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 Business 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 Nicole Welch, Revenue & Tax Administrator, at (510) 238-7025.

Respectfully submitted,


[Bradley Johnson \(Jun 24, 2026 16:45:08 PDT\)](#)

BRADLEY JOHNSON
Finance Director
Finance Department

Reviewed by:
Nicole Welch,
Revenue & Tax Administrator
Revenue Management Bureau

Prepared by:
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Revenue Management Bureau

Attachment (1):

A: 4th Quarter 2026 Business Tax Liens