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OAKLAND

2018 JUN -6 AM 10:41

# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Katano Kasaine  
Director of Finance

**SUBJECT:** Delinquent Real Property Transfer  
Taxes

**DATE:** May 25, 2018

City Administrator Approval

Date:

*6/5/18*

## RECOMMENDATION

**Staff Recommends That The City Council Conduct A Public Hearing And Upon Conclusion Adopt A 1) Resolution Accepting And Confirming Reports Of The City Administrator On The Costs Incurred By The City Of Oakland For Delinquent Real Property Transfer Taxes And 2) Confirming The Recordation Of Liens With Administrative And Assessment Charges As Necessary Pursuant To Chapter 4.20 Of The Oakland Municipal Code, And 3) Directing The Notice Of Lien And Assessment Charges Be Turned Over To The County Tax Collector For Collection.**

## EXECUTIVE SUMMARY

Adoption of the proposed resolution will authorize the placement of liens on real property for unpaid Real Property Transfer Taxes ("RPTT") and authorize the subsequent assessment, pursuant to Chapter 4.20 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 Tax Collector and Auditor Controller for inclusion on the next property tax roll. All fees, charges and due dates are detailed on taxpayer notices and City Council Hearing notices. The proposed resolution has been prepared confirming the placement of liens on nine properties and authorizing the subsequent assessment for all fees and charges for the periods of June 2016 through May 2018, see shown in Attachment A.

## BACKGROUND / LEGISLATIVE HISTORY

Pursuant to O.M.C, Chapter 4, Article 20, all transfers of real property within the city limits of Oakland are subject to the real property transfer tax. The tax is due upon transfer of an interest of real property and is payable at the time of recordation with the Alameda County Recorder. The tax rate is 1.50 percent of the total value of the consideration transferred, with some exceptions provided by statute. The seller and buyer are jointly and severally liable for payment of the tax as stated in Chapter 4.20 of the Oakland Municipal Code (O.M.C.).

Item: \_\_\_\_\_  
City Council  
June 19, 2018

## **ANALYSIS AND POLICY ALTERNATIVES**

Property owners subject to the recordation of a lien for delinquent RPTT were sent a City Council Lien notice on May 29, 2018.

Administrative hearings for delinquent real property transfer taxes were held on June 6, 2016, April 2, 2018, and May 7, 2018 to hear protests and resolve inconsistencies or inequities raised by property owners regarding the non-payment of real property transfer taxes. A resolution has been prepared confirming the placement of liens on nine properties and authorizing the subsequent assessment for all fees and charges.

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. If these amounts remain unpaid or unresolved after a public hearing by the City Council, the City Council shall authorize by resolution the recordation of liens on the subject properties for costs incurred for delinquent real property transfer taxes, and additional administrative charges and assessments. The delinquent charges and assessments 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.

## **FISCAL IMPACT**

A list of delinquent real property transfer taxes and administrative fees for the accounts not resolved at the administrative hearings as shown in **Attachment A**. Failure to place these liens will result in the loss of \$83,724 in General Purpose Fund revenues and \$1,125 in administrative fees, for a total of \$84,849 over the period of June 2016 through May 2018.

## **PUBLIC OUTREACH / INTEREST**

Property owners were notified and administrative hearings for delinquent RPTT were held on June 6, 2016, April 2, 2018, and May 7, 2018, to hear protests and resolve any inconsistencies or inequities raised by property owners regarding the non-payment of RPTT. Property owners subject to the recordation of a lien for delinquent RPTT were sent a City Council Lien notice on May 29, 2018.

## **COORDINATION**

In coordination with the Office of the City Attorney and the Budget Bureau, the agenda report, resolutions, and supporting items attached to this report have been reviewed and/or approved for form, legality and fiscal implications.

**SUSTAINABLE OPPORTUNITIES**

**Economic:** Collections of delinquent real property transfer taxes have major economic implications for the City's sustainability. The revenue source is relied upon to fund essential City services.

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

**Social Equity:** Collections of delinquent real property transfer taxes have significant social equity implications for the City's sustainability. The revenue source is relied upon to fund essential City services to all citizens and taxpayers.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends that the City Council Conduct a Public Hearing and upon Conclusion Adopt a Resolution Accepting and Confirming Reports of the City Administrator on the Costs Incurred by the City of Oakland for Delinquent Real Property Transfer Taxes and Confirming the Recordation of Liens with Administrative and Assessment Charges as Necessary Pursuant to Chapter 4.20 of the Oakland Municipal Code, and 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 MARGARET O'BRIEN, REVENUE & TAX ADMINISTRATOR at (510) 238-7480.

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Respectfully submitted,

  
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KATANO KASAINE  
Director of Finance

Reviewed by:  
Margaret O'Brien, Revenue & Tax Administrator  
Revenue Management Bureau

Prepared by:  
Carmen Q. Mac, Acting Revenue Audit  
Supervisor  
Revenue Management Bureau

*Attachment (A):  
A: R.P.T.T City Council Hearing Listing*


CITY OF OAKLAND

R.P.T.T. CITY COUNCIL HEARING LISTING FOR 06/19/18 (UNRESOLVED ACCOUNTS)

Ref	DEBTOR NAME	PROPERTY ADDRESS	PARCEL #	Recording #	Invoice	AMOUNT	Admn. Fee	Total
1	1001 E 33rd St LLC	1000 E 33rd St	023-0394-001-00	2016316234	RPTT012918-02	8,807.96	\$125	\$8,933
2	O-Fig Inc.	9838 Holly St	046-5428-014-00	2016322301	RPTT012918-04	14,381.25	\$125	\$14,506
3	O-Fig Inc.	2657 79th Ave	040-3385-011-00	2016322302	RPTT012918-05	12,744.00	\$125	\$12,869
4	Robin Donovan and Stephen Bloom	2025 Damuth St	029A-1303-031-00	2016340731	RPTT012918-12	17,632.96	\$125	\$17,758
5	Ismael Del Toro	1230 75th Ave	041-4193-016-00	2016341577	RPTT012918-13	6,637.50	\$125	\$6,763
6	Regina Williams	3573 Custer Street	032-2111-017-01	2017014644	RPTT030718-18	1,752.87	\$125	\$1,878
7	Patricia V Jordan	8722 Dowling St	043-4610-012-00	2017018428	RPTT030718-21	2,707.85	\$125	\$2,833
8	Jamilah Richardson and Kenneth Lee Richardso	7843 Sunkist Drive	040A-3432-003-00	2017022000	RPTT030718-24	12,546.06	\$125	\$12,671
9	Alternative Wealth Builders	1730 89th Ave	043-4588-016-02	2015304704	RPTT030716-13	6,513.83	\$125	\$6,639
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39	**Interest calculated through June 2018					\$ 83,724	\$ 1,125	\$ 84,849

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

  
\_\_\_\_\_  
City Attorney

2018 JUN -6 AM 10:41

RESOLUTION No. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

**RESOLUTION ACCEPTING AND CONFIRMING REPORTS OF THE CITY ADMINISTRATOR ON THE COSTS INCURRED BY THE CITY OF OAKLAND FOR DELINQUENT REAL PROPERTY TRANSFER TAXES AND CONFIRMING THE RECORDATION OF LIENS WITH ADMINISTRATIVE AND ASSESSMENT CHARGES AS NECESSARY PURSUANT TO CHAPTER 4.20 OF THE OAKLAND MUNICIPAL CODE, AND DIRECTING THE NOTICE OF LIEN AND ASSESSMENT CHARGES BE TURNED OVER TO THE COUNTY TAX COLLECTOR FOR COLLECTION**

**WHEREAS**, pursuant to Chapter 4.20, of the Oakland Municipal Code, the City Administrator filed with the City Clerk the reports concerning the costs incurred for delinquent real property transfer taxes and recordation of liens with added administrative charges and assessment charges on hereinafter described real property; and

**WHEREAS**, the date of **June 19, 2018** and the time **6:30 p.m.**, was fixed as the day and hour for the Council to hear and accept said reports, together with any objections or protests which may be raised by any of the property owners liable to be assessed for costs incurred for delinquent real property transfer taxes, and any other interested persons; and

**WHEREAS**, no protest were made at said hearing; now, therefore be it

**RESOLVED**, that the reports that the City Administrator filed with the City Clerk on **June 19, 2018**, concerning delinquent real property transfer taxes, the recordation of liens with administrative charges for the real property described therein be and are hereby accepted and confirmed, and assessments are hereby authorized to be levied upon the hereinafter described properties in the amount set opposite each description for costs incurred for delinquent real property transfer taxes, added administrative charges and assessment charges; and be it

**FURTHER RESOLVED**, that attached hereto and incorporated herein is *Attachment A*, which includes a listing of all properties subject to the special assessment levy by the County Assessor; and be it.

**FURTHER RESOLVED**, that if said assessment therein levied is not paid before the 10<sup>th</sup> day of August 2018, the City Administrator shall present an itemized report to the Auditor Controller of the County of Alameda, State of California, to be placed on the 2018-2019 County Tax Roll.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, and PRESIDENT REID

~~NOES~~

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California