

**CITY OF OAKLAND**  
*Agenda Report*

OFFICE OF THE CITY CLERK  
2006 NOV 21 PM 2:27

TO: Office of the City Administrator  
ATTENTION: Deborah A. Edgerly  
FROM: Finance and Management Agency  
DATE: December 5, 2006

SUBJECT: **Public Hearing on the Assessment of Liens for Delinquent Transient  
Occupancy Taxes**

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**SUMMARY**

Pursuant to Chapter 4.24 of the Oakland Municipal Code, hotel operators receiving rents are required to pay Transient Occupancy Tax to the City. If the tax is paid by the transient to the hotel operator at the time the rent is paid, then the transient's debt to the City is extinguished.

An administrative hearing for delinquent Transient Occupancy Taxes was held on November 9, 2006, to hear protests and resolve any inconsistencies or inequities raised by hotel owners/operators regarding the non-payment of Transient Occupancy Taxes. The administrative and public hearings are held only after all other procedural means to resolve unpaid taxes have been exhausted. Following the administrative hearing, the City notified hotel owners/operators of its intent to record a lien against their property should they fail to pay delinquent taxes due the City.

A public hearing has been scheduled for December 5, 2006, and a resolution has been prepared confirming the placement of liens on 2 properties and authorizing the subsequent assessment for all fees and charges, should the liens remain unpaid at the time of the City's submission to the County Assessor.

**FISCAL IMPACT**

Hotel owners/operators owe the City delinquent Transient Occupancy Taxes and administrative fees for the accounts not resolved at the November 9, 2006, administrative hearing as shown in the attached list. If the City fails to place a lien to recover the delinquent taxes, the General Fund would lose \$8,126 in estimated revenue.

**BACKGROUND**

Hotel owners/operators were sent notices during a review and assessment processes to address delinquent Transient Occupancy Taxes determined to be due the City. The owners/operators are then given the opportunity to appeal their cases via an administrative hearing process.

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City Council  
December 5, 2006

An administrative hearing for delinquent Transient Occupancy Taxes was held on November 9, 2006, to hear protests and resolve any inconsistencies or inequities raised by hotel owners/operators regarding the non-payment of Transient Occupancy Taxes.

Following the administrative hearing, the Tax Administrator filed with the City Administrator a written notice of those persons 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 Transient Occupancy Taxes and added administrative and assessment charges. The delinquent charges and assessments shall constitute a special assessment against said property, and shall be collected at such time as is established by the County Assessor for inclusion in the next property tax assessment.

The public hearing is scheduled for December 5, 2006. A resolution has been prepared confirming the placement of liens on 2 properties and authorizing the subsequent assessment for all fees and charges.

#### **KEY ISSUES AND IMPACTS**

None

#### **POLICY DESCRIPTION**

Pursuant to Chapter 4.24 of the Oakland Municipal Code, an administrative hearing for delinquent Transient Occupancy Taxes is held to hear protests and resolve any inconsistencies or inequities raised by property owners/operators prior to the public hearing before City Council.

#### **SUSTAINABLE OPPORTUNITIES**

Collections of delinquent Transient Occupancy Taxes have major economic and social equity implications for the City's sustainability. The revenue source is relied upon to fund essential City services.

#### **DISABILITY AND SENIOR CITIZEN ACCESS**

None

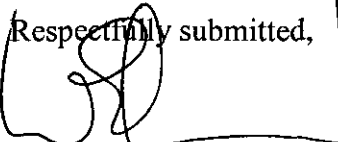
#### **RECOMMENDATION AND RATIONALE**

Staff recommends that the City Council pass the resolution confirming the placement of liens and authorize the subsequent assessment for all fees and charges should they remain unpaid prior to the transfer of said assessment to the County Assessor for inclusion on the next property tax assessment.

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**ACTION REQUESTED OF THE CITY COUNCIL**


Staff requests that the City Council approve the resolution confirming the placement of liens on all unpaid accounts and authorize the subsequent assessments for all fees and charges should they remain unpaid as of August 10, 2007.

Respectfully submitted,  


William E. Noland  
Director, Finance and Management Agency

Prepared by:  
Terry Adelman, Revenue Manager  
Revenue Division

APPROVED FOR FORWARDING  
TO THE CITY COUNCIL

  
OFFICE OF THE CITY ADMINISTRATOR

**CITY OF OAKLAND**  
**TRANSIENT OCCUPANCY TAX ADMINISTRATIVE HEARING LIST**  
**ADMINISTRATIVE HEARING DATE: SEPTEMBER 19, 2006**  
**PUBLIC HEARING DATE: OCTOBER 17, 2006**  
**LIEN**

<u>Acct #</u>	<u>Owner Name</u>	<u>Hotel Name</u>	<u>Property Address</u>	<u>Parcel #</u>	<u>\$ Amt Tax Liab</u>	<u>Delinquency Period(s)</u>
003-057-005	<b>SPITLER, Richard</b>	Grand Hotel	641 W. Grand Ave	008 065902500	\$ 7,615.62	8/1/06-9/30/06
003-175-004	<b>MULUGETA, Benyam &amp; Paula R.</b>	Lake Merritt Lodge	2332 Harrison St	010 076800500	\$ 510.38	7/1/06-9/30/06

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 TOTALS: \$8,126.00

OFFICE OF THE CITY CLERK  
CITY OF OAKLAND

# OAKLAND CITY COUNCIL

*Katherine Lee Boyd*  
City Attorney

2006 NOV 21 PM 2:29

**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 TRANSIENT OCCUPANCY TAXES AND CONFIRMING THE RECORDATION OF LIENS WITH ADMINISTRATIVE AND ASSESSMENT CHARGES AS NECESSARY – PURSUANT TO CHAPTER 4.24 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 4.24 of the Oakland Municipal Code, the City Administrator filed with the City Clerk on the 5th day of December 2006 her reports concerning the costs incurred by the City of Oakland for delinquent transient occupancy taxes and recordation of liens with added administrative and assessment charges on hereinafter described real property; and

**WHEREAS**, December 5, 2006, 7:00 p.m., was fixed as the day and hour for the Council to hear any protests by property owners or other interested persons regarding delinquent transient occupancy taxes, and to hear and accept the reports of the City Administrator; and

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

**RESOLVED:** That the reports which the City Administrator filed with the City Clerk on the 5<sup>th</sup> day of December 2006 concerning delinquent transient occupancy taxes, the recordation of liens with administrative and assessment charges for the real property described in the reports of the City Administrator attached hereto, be and are hereby accepted and confirmed, and assessments are hereby authorized to be levied upon the properties described in the attached reports in the amount set opposite each description for costs incurred for delinquent transient occupancy taxes, added administrative and assessment charges; and be it

**FURTHER RESOLVED:** That if any assessment levied on a property is not paid before the 10th day of August 2007, 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 2007-2008 County Tax Roll.

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

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California

OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

*[Signature]*  
City Attorney

**RESOLUTION No. \_\_\_\_\_ C.M.S.**  
Introduced by Councilmember \_\_\_\_\_

2006 NOV 21 PM 2:27

**RESOLUTION CONTINUING HEARING OF THE REPORTS OF THE CITY ADMINISTRATOR ON DELINQUENT TRANSIENT OCCUPANCY TAXES AND THE RECORDATION OF LIENS WITH ADMINISTRATIVE AND ASSESSMENT CHARGES AS NECESSARY—PURSUANT TO CHAPTER 4.24 OF THE OAKLAND MUNICIPAL CODE**

**RESOLVED:** That the hearing of the reports of the City Administrator on delinquent transient occupancy taxes and recordation of liens with added administrative and assessment charges that was duly noticed and held on the 5th day of December 2006, 7:00 p.m., is hereby continued for further hearing on the day of \_\_\_\_\_ in City Hall, One Frank H. Ogawa Plaza, Council Chambers, Oakland, California.

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

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

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

OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

  
City Attorney

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

2006 NOV 21 PM 2:27

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

**RESOLUTION OVERRULING PROTESTS AND OBJECTIONS AND ACCEPTING AND CONFIRMING REPORTS OF THE CITY ADMINISTRATOR ON THE COSTS INCURRED BY THE CITY OF OAKLAND FOR DELINQUENT TRANSIENT OCCUPANCY TAXES AND AUTHORIZING THE RECORDATION OF LIENS WITH ADMINISTRATIVE AND ASSESSMENT CHARGES AS NECESSARY – PURSUANT TO CHAPTER 4.24 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 4.24 of the Oakland Municipal Code, the City Administrator filed with the City Clerk on the 5<sup>th</sup> day of December 2006 her reports concerning the costs incurred for delinquent transient occupancy taxes and recordation of liens with added administrative and assessment charges on hereinafter described real property; and

**WHEREAS**, December 5, 2006, 7:00 p.m., was fixed as the day and hour for the Council to hear any protests by property owners or other interested persons regarding delinquent transient occupancy taxes, and to hear and accept the reports of the City Administrator; now, therefore be it

**RESOLVED:** That the protests are hereby overruled; and be it

**FURTHER RESOLVED:** That the reports the City Administrator filed with the City Clerk on the 5<sup>th</sup> day of December 2006 concerning delinquent transient occupancy taxes and the recordation of liens with administrative and assessment charges for the real property described in the reports of the City Administrator attached hereto, be and are hereby accepted and confirmed, and the assessments are hereby authorized to be levied upon the properties described in the attached reports, in the amounts set opposite each description for costs incurred for delinquent transient occupancy taxes, added administrative and assessment charges; and be it



**FURTHER RESOLVED:** That if any assessment levied on a property is not paid before the 10th day of August 2007, 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 2007-2008 County Tax Roll.

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

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

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