

14 FEB 19 PM 2:11

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

Introduced by Councilmembers Schaaf, Kalb, Kaplan, McElhanev

**RESOLUTION TO ENCOURAGE THE CALIFORNIA STATE ASSEMBLY
AND SENATE TO PLACE ON THE 2016 BALLOT A PROPOSITION THAT
WOULD REFORM PROPOSITION 13 BY SPLITTING THE TAX ROLL
BETWEEN RESIDENTIAL AND COMMERCIAL PROPERTIES**

WHEREAS, Proposition 13, passed in 1978, capped property taxes for California residents and commercial property owners; and

WHEREAS, while Proposition 13 shifted the overall property tax burden towards residential property and away from businesses; and

WHEREAS, the state of California continues to face chronic budget crises in large part because Proposition 13 has forced the state to rely on revenue sources that are more volatile than the property tax, such as income taxes and sales taxes paid by working families, which rise and fall with economic cycles, causing deficits and requiring cuts to vital services that grow our economy, and thereby worsening economic downturns; and

WHEREAS, the budget crises in California have been particularly detrimental for education funding, including negatively impacting the Oakland Unified School District and public institutions through the state; and

WHEREAS, regularly reassessing nonresidential property would, according to an analysis of data provided by the California Board of Equalization, generate at least \$6 billion in additional revenue for California; and

WHEREAS, regularly reassessing nonresidential property would shift the tax burden from homeowners, renters, and working families back to corporations and commercial landholders back to levels that existed before Proposition 13 was enacted; now, therefore, be it

RESOLVED: That, the Oakland City Council urges a change in state law that would allow a reassessment of commercial property tax after cumulative changes in ownership, regardless of how many parties are involved or whether a single party acquires more than 50% of ownership interest, which would change the current rules under which commercial properties avoid reassessment; and be it

FURTHER RESOLVED: That the Oakland City Council requests that state elected officials put a Constitutional Amendment on the California ballot to reassess commercial property periodically; and be it

FURTHER RESOLVED: That the Oakland City Council, in making these requests, in no way proposes changes that would affect the methodology for reassessments of residential property.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST, _____

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