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## OAKLAND CITY COUNCIL

RESOLUTION NO. 84865 C.M.S.

Introduced by Councilmembers Schaaf, Kalb, Kaplan, McElhaney

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**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.

**MAR 04 2014**

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

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN — 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST \_\_\_\_\_

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