

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER WANG

RESOLUTION SUBMITTING TO THE VOTERS AT THE NOVEMBER 3, 2026, GENERAL MUNICIPAL ELECTION A MEASURE TO AMEND OAKLAND MUNICIPAL CODE CHAPTER 4.20 (REAL PROPERTY TRANSFER TAX) TO AMEND THE EXCEPTION FOR FORECLOSURE TRANSACTIONS; DIRECTING THE CITY CLERK TO TAKE ANY AND ALL ACTIONS NECESSARY UNDER LAW TO SUBMIT THESE MEASURES TO VOTERS AT THE GENERAL MUNICIPAL ELECTION; AND MAKING APPROPRIATE CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

WHEREAS, on July 24, 2018, the City Council adopted Resolution No. 87320 C.M.S., submitting to voters on its own motion a ballot measure (“Measure X”) to amend the City of Oakland’s (“City’s”) long standing Real Property Transfer Tax to establish a tiered rate structure; and

WHEREAS, on November 6, 2018, Oakland voters approved Measure X to establish the progressive Real Property Transfer Tax, codified in Oakland Municipal Code (“OMC”) Chapter 4.20, for the purpose of raising income and revenue which is necessary to pay the usual and current expenses of conducting the municipal government of the City; and

WHEREAS, proceeds from the existing Real Property Transfer Tax established by Measure X have been an important source of revenue for general City services and amending the exception for foreclosure transactions, to the extent allowed by state and federal law, could generate additional funding needed for critical municipal services; and

WHEREAS, Oakland’s Real Property Transfer Tax currently exempts transfers made pursuant to foreclosure proceedings, deeds in lieu of foreclosure, and related judicial and non-judicial lien enforcement actions from the tax imposed under OMC Chapter 4.20, providing a categorical benefit to financial institutions, lenders, and investors that acquire real property through distressed transfer mechanisms; and

WHEREAS, this exemption was not contemplated as part of the progressive rate structure approved by voters in Measure X, and its continuation is inconsistent with the policy goals of Measure X, which was designed to ensure that higher-value real estate transactions contribute meaningfully to the general revenues of the City; and

WHEREAS, the volume and aggregate value of foreclosure-related property transfers in Oakland, including transfers of large multifamily and commercial properties through deed-in-lieu and related mechanisms, represents a significant and recurring class of real estate transactions that currently escape contribution to the City’s general revenues; and

WHEREAS, the proposed amendments to the foreclosure exception would end the “zombie subsidy” for Wall Street banks and institutional speculators, create a financial incentive for lenders to prioritize loan modifications over seizures, and protect community banks and housing while generating additional revenue for municipal revenues; and

WHEREAS, pursuant to Section 2 of Article XIIC of the California Constitution, the City may impose, extend, or increase a general transaction tax on the sale of real property within the City by a majority vote of the electorate at a regularly scheduled general municipal election; and

WHEREAS, the California Constitution Article XI section 5(b) grants charter cities power to provide in their charters for the conduct of city elections; and

WHEREAS, Oakland City Charter section 1103 provides that all elections and procedures related thereto shall be in accordance with the applicable provisions of state law, except as otherwise may be provided by ordinance or the City Charter; and

WHEREAS, Oakland City Charter section 1101 provides that General Municipal Elections for the nomination of officers and for such other purposes as the Council may prescribe shall be held in the City on the first Tuesday after the first Monday in November in each even numbered year; and

WHEREAS, Oakland Municipal Code section 3.08.010 provides that except as may be otherwise provided in Chapter 3.08 all city elections and all procedures relating thereto shall be, where practicable, in accordance with the applicable provisions of state law relating to elections in general law cities; and

WHEREAS, California Elections Code section 9222 authorizes the City Council to submit a measure for the amendment or enactment of any ordinance to the voters at a regular municipal election; now, therefore, be it

RESOLVED: That the City Council does hereby submit to the voters at the November 3, 2026, General Municipal Election a measure that shall read as set forth in **Attachment 1 (“Real Property Transfer Tax Amendment Measure”)**, which is attached hereto; and be it

FURTHER RESOLVED: That each ballot used at said election shall have printed therein, in addition to any other matter required by law, the following:

Real Property Transfer Tax Amendment Measure

MEASURE _____

BALLOT QUESTION “Shall the measure (stating the nature thereof) be adopted?” [THE CITY ATTORNEY DETERMINES THE FINAL QUESTION]	YES	
	NO	

; and be it

FURTHER RESOLVED: That the City Council hereby authorizes and directs the City Clerk of the City of Oakland (the “City Clerk”) at least 88 days prior to the General Municipal Election to file with the Alameda County Clerk copies of this Resolution; and be it

FURTHER RESOLVED: That the City Council does hereby request that the Board of Supervisors of Alameda County include on the ballots and sample ballots the language to be voted on by the voters of the City of Oakland, and to print the full text of the Measure in the sample ballot pamphlet prepared for voters in connection with the election; and be it

FURTHER RESOLVED: That the City Attorney, in accord with the City Attorney’s powers and duties, is hereby authorized to insert the final ballot questions into this Resolution after adoption by the Council so that the ballot question constitutes a true and impartial synopsis of the final proposed Measure; and to make any changes to the text of the Measure to conform to law or requirements of the County Registrar; and be it

FURTHER RESOLVED: That the City Clerk is hereby directed to cause the posting, publication and printing of notices, pursuant to the requirements of the Charter of the City of Oakland, Chapter 3 of the Oakland Municipal Code, the California Government Code, and the California Elections Code; and be it

FURTHER RESOLVED: That in accordance with the Elections Code and the Oakland Municipal Code, the City Clerk shall fix and determine a date for submission of arguments for or against said proposed Measure and rebuttals and said dates shall be posted in the Office of the City Clerk; and be it

FURTHER RESOLVED: That the City Clerk and City Administrator are hereby authorized and directed to take any and all actions necessary under law to prepare for and conduct the special election and appropriate all monies necessary for the City Administrator and City Clerk to prepare and conduct the general election; and be it

FURTHER RESOLVED: That in accordance with the California Environmental Quality Act (“CEQA”), CEQA Guidelines section 15378(b)(4), adoption of this Resolution to place proposed ballot measures for voter approval is not a project subject to the requirements of CEQA; and in addition, this Resolution is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3), since there is no possibility that the activity authorized herein may have a significant effect on the environment that has not already been studied.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROWN, FIFE, GALLO, HOUSTON, RAMACHANDRAN, UNGER, WANG, AND
PRESIDENT JENKINS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____

ASHA REED
City Clerk and Clerk of the Council of
the City of Oakland, California

3473580v1/MJM

ATTACHMENT 1

THE CITY COUNCIL AND PEOPLE OF CITY OF OAKLAND DO ORDAIN AS FOLLOWS:

SECTION 1. Amendments to Oakland Municipal Code

Chapter 4.20, Section 4.20.050(F) of the Oakland Municipal Code is hereby amended as follows with deleted text shown as ~~strikethrough~~ and new text shown as underscored. Subsections of Chapter 4.20 not indicated below remain unchanged.

4.20.050 – Exceptions.

The tax imposed by Section 4.20.020 shall not apply to:

....

F. Transfers made pursuant to any order by the court in any note and deed of trust or lien foreclosure proceeding or upon execution of a judgment, or a transfer in lieu of foreclosure, ~~but only if: In cases of transfers in lieu of foreclosure or foreclosure by junior lien holders to protect their position with respect to that property, a transfer tax shall be set by the amount of any senior liens or notes and deeds of trust on that property that are paid or assumed by the junior note holder;~~

1. In the transfer of commercial property, the property will be converted to interim shelter, SRO (single room occupancy) housing, affordable housing, permanent supportive housing, or a healthcare facility. To be eligible, the tax imposed under Section 4.20.020 must be paid timely pursuant to Section 4.20.070. The transferee shall have thirty-six (36) months from the date of recordation to submit a refund application pursuant to Section 4.20.180, supported by a certificate of occupancy and documents certifying such use; or

2. The transferee is a community banking organization, as defined by the Federal Reserve, provided the institution has total consolidated assets of less than ten billion dollars (\$10,000,000,000.00). The transferee must provide a sworn certification of its most recent Federal Deposit Insurance Corporation (FDIC) Call Report asset total to qualify for this exemption, or other information as requested by the City for verification; or

3. The transferee is a natural person or a family trust and the property consists of four (4) residential units or less, with information as requested by the City for verification;
or

4. The City Council may, by ordinance, establish other exceptions to the tax imposed by this Chapter for foreclosure-related transfers by amendment of this subsection F.

Notwithstanding any other provision of this Chapter, for any transfer described in this subsection F that does not qualify for an exception, the value of consideration shall be deemed to be the fair market value of the interest or property conveyed, not excluding the value of any lien or encumbrances remaining thereon at the time of transfer, or the fair market value of all real property that experienced a change in control and ownership of legal entities, as defined in section 4.20.030.

SECTION 2. General Tax and Effective Date

This Measure imposes a general tax for unrestricted general revenue purposes and shall be effective if approved by a simple majority of the voters voting thereon. Tax revenue collected pursuant to the Measure may be used by the City for any municipal governmental purpose. This Measure shall be considered adopted on the date the City Council declares the results of the election and shall go into effect on January 1, 2027.

SECTION 3. Savings Clause

Nothing in this Measure shall be construed as requiring the payment of any tax prohibited by the Constitution of the United States, the Constitution of the state of California, and/or federal or state law.

If any section, subsection, sentence, clause or phrase of this Measure is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Measure. The voters hereby declare that they would have passed this Measure and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.