

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:

- (1) A MEASURE TO AMEND OAKLAND MUNICIPAL CODE CHAPTER 4.20 (REAL PROPERTY TRANSFER TAX) TO AMEND THE EXCEPTION FOR FORECLOSURE TRANSACTIONS; AND**
- (2) AN ADVISORY MEASURE ON WHETHER THE INCREASED REVENUE FROM AMENDING THE CITY'S REAL PROPERTY TRANSFER TAX TO INCLUDE CERTAIN FORECLOSURE TRANSACTIONS SHOULD BE SPENT FOR THE PURPOSES OF PROVIDING INTERIM SHELTER, TRANSITIONAL HOUSING, ENCAMPMENT CLOSURE OPERATIONS, ADDICTION TREATMENT, JOB READINESS, AND OTHER RELATED HOMELESSNESS SERVICES; AND**

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 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, Oakland's unsheltered homeless population has grown dramatically in recent years, with the most recent point-in-time count identifying approximately 3,700 unsheltered individuals residing in Oakland; and

WHEREAS, conditions in encampments pose serious risks to the health, safety, and dignity of both encampment residents and surrounding communities; and

WHEREAS, the City lacks sufficient interim shelter capacity to meet the scale of unsheltered homelessness, and the construction of adequate shelter infrastructure requires additional funding; 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 removing the exception for foreclosure transactions, to the extent allowed by state and federal law, could generate additional funding needed for critical municipal services, including for homeless services and the development of new interim shelter beds in Oakland; 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 short sales to Oakland families or loan modifications over seizures, and protect community banks and families while generating additional revenue for municipal revenues; and

WHEREAS, the City Council finds it is the will of Oakland voters to direct that the additional revenues generated by removing the foreclosure exemption from the Real Property Transfer Tax be spent for the purposes of providing interim shelter, transitional housing, encampment closure operations, addiction treatment, job readiness, and related homelessness services, and desires to submit a non-binding advisory measure to confirm that intent; and

WHEREAS, the advisory measure may be referred to as the “RESTORE Oakland Measure,” seeking voter input for Reducing Encampments through Shelter and Treatment by Overhauling Real-estate Evasions in Oakland; and **WHEREAS**, pursuant to Section 2 of Article XIII C 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; and

WHEREAS, California Elections Code section 9603 provides that counties, cities, and districts may submit proposals to an advisory election to allow voters to voice their opinion on substantive issues or to indicate to the legislative body approval or disapproval of the ballot proposal; and

WHEREAS, Oakland Municipal Code section 3.08.190 provides that at any municipal election, the City Council may submit an advisory measure to obtain information for or advice to the City Council, and that the majority vote on any such measure shall be advisory only, and not binding on the City Council; 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

RESOLVED: That the City Council does hereby submit to the voters at the November 3, 2026, General Municipal Election a non-binding advisory measure that shall read as set forth in **Attachment 2 (“Real Property Transfer Tax Advisory 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	YES	
------------------------	------------	--

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

; 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 Advisory Measure

MEASURE _____

BALLOT QUESTION ADVISORY VOTE ONLY “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 Measures 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 Measures; and to make any changes to the text of the Measures 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 Measures 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

3467814v1/MJM

ATTACHMENT 1

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

SECTION 1. Findings and Purpose

A. The People of the City of Oakland find and declare as follows:

1. Oakland's unsheltered homeless population has grown dramatically in recent years. The most recent point-in-time count identified approximately 3,700 unsheltered individuals residing in Oakland, many in encampments on public property that pose serious risks to health, safety, and dignity for both encampment residents and surrounding communities.
2. Long-vacant properties impose costs on surrounding neighborhoods through blight, illegal dumping, and reduced community vitality.
3. Clean, managed tent sites with sanitation, security, and case management provide an immediate alternative that enables encampment resolution while permanent shelter capacity is being built.
4. The County of Alameda bears primary responsibility for homeless services and behavioral health under California law and is best positioned to operate shelter facilities. The City is best positioned to fund and develop shelter infrastructure. A binding partnership between the City and County is essential to a sustainable, results-oriented program.

B. Accordingly, the City needs funds to pay for general municipal services, including homeless services such as the following:

1. The capital costs of developing new interim shelter beds;
2. Clean, managed tent sites as an immediate alternative to encampment living while shelter capacity is being built;
3. Problem-solving and diversion services that prevent homelessness and resolve housing instability for individuals at the front of the system; and
4. New infrastructure that could incentivize a binding operational partnership with the County of Alameda to ensure that City-built shelter is sustainably operated.

SECTION 2. Amendments to Oakland Municipal Code Chapter 4.20, Section 4.20.050

Chapter 4.20, Section 4.20.050 of the Oakland Municipal Code is hereby amended as follows with deleted text shown as ~~striketrough~~ and new text shown as underscored. Sections 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:

- A. Any transfer made solely to secure a debt. There is an exemption for transfers of partial interests in property to a co-signor or from a co-owner as required pursuant to a verifiable demand by a lender in order to secure the debt for such transfer. Specifically, the subsequent removal or reinstatement of such co-owner or co-signing party(s) must be effected within seven years of the close of escrow pertaining to such loan in order to qualify for the exemption herein. Nothing herein contained shall be deemed to exclude the amount of any such indebtedness from being included in the “value of consideration” pursuant to Section 4.20.030 in connection with transfers which are not made solely to secure a debt;
- B. Transfers to make effective any plan of corporate reorganization or adjustment:
 - 1. Confirmed under the Bankruptcy Act, as amended,
 - 2. Approved in an equity receivership proceeding in a court involving a railroad corporation as defined in Section 77(m) of the Bankruptcy Act, as amended,
 - 3. Approved in an equity receivership proceeding in a court involving a corporation, as defined in Section 106(3) of the Bankruptcy Act, as amended;
- C. Any transfer of property from one spouse to the other in accordance with the terms of a decree of dissolution, legal separation or in fulfillment of a property settlement incident thereto; provided, however, that such property was acquired by the husband and wife or husband or wife prior to the final decree of dissolution. Furthermore, any transfer, if made during the term of the marriage or domestic partnership, between husband and wife or duly registered domestic partners, shall be tax-exempt interspousal transfers. However, no transfer of property to a third party shall be exempt from this tax, despite the existence of a valid court order or settlement agreement.

Notwithstanding the foregoing, a transfer to the other former spouse or partner, after dissolution, of the owner-occupied, single-family residential property that was the primary domicile of the parties shall be eligible for this real property transfer tax exemption, despite the absence of a court-ordered settlement agreement.

- 1. For domestic partners, the two parties to the transfer must have on file a valid domestic partnership registration: (a) as administered by the Office of the City Clerk of Oakland, or (b) under existing law and procedures for the state of California domestic partnership registry, or (c) with the City Clerk or appropriate governmental agency of a jurisdiction that recognizes domestic partnership registration and the City Clerk of the City of Oakland concludes that the registration requirements of that jurisdiction are minimally similar to those currently in effect in Oakland.
- 2. If the parties do not own, as joint tenants, the property that is the subject of their dissolution agreement, they must demonstrate that they were living together at the location of the real property in question either at least six months prior to the dissolution of the domestic partners relationship or the entire period of ownership of the transferring partner, whichever is more. This requirement is not subject to waiver notwithstanding the language of subsection (C)(1) of this Section regarding registration.

3. The parties must provide that portion of their dissolution and property settlement agreement between the domestic partners pertaining to the division or transfer of property, which shall be filed with the Office of the City Clerk. Such copy of such settlement agreement shall be accompanied by an affidavit with verifiable signatures or proof of identity, that the copy is an accurate and authentic reproduction of the final settlement agreement between the parties;
- D. Transfer or transfers, conveyance, lease or sublease without consideration that confirm or correct a deed, provided that such correction is recorded no later than ninety (90) days after the recordation of the transfer to be corrected;
 - E. Transfer to or between the United States, state of California, any city, county, city and county, district or any other political subdivision of the state of California and transfer executed pursuant to eminent domain proceedings by the United States, state of California, any city, county, city and county, district or other political subdivision of the state of California;

Any deed, instrument, or other writing by which the state of California, any political subdivision thereof, or agency or instrumentality of either thereof, conveys to a nonprofit corporation realty the acquisition, construction, or improvement of which was financed or refinanced by obligations issued by the nonprofit corporation on behalf of a governmental unit, within the meaning of Section 1.103-1(b) of Title 26 of the Code of Federal Regulations;

- F. Transfers of less than \$1 million 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. The transferee is a natural person or a family trust and the property consists of four (4) residential units or less;
 2. The transferee (including all members of a controlled group of corporations as defined by 26 U.S.C. § 1563) owns a combined total of fewer than twenty (20) residential units within the United States. As a condition of this exemption, the transferee must submit a sworn affidavit under penalty of perjury attesting to the total number of residential units owned by the transferee, its parent companies, its subsidiaries, and any entities under common control nationwide. The City shall verify such ownership using available federal and state beneficial ownership databases. For purposes of this subsection, a single-family home shall constitute one (1) residential unit;
 3. In the transfer of any commercial property, the transferee certifies that the property will be converted to interim shelter, SRO (single room occupancy) housing, permanent supportive housing, or a healthcare facility. This exception shall not apply and the full tax plus interest shall become due, if a certificate of occupancy for such use is not issued within thirty-six (36) months of the date of transfer; or
 4. The transferee is a community banking organization, as defined by the Federal Reserve, provided the institution is headquartered in the State of California and 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 (FDI) Call Report asset total to qualify for this exemption, or other information as requested by the City for verification.

- G. Transfers recorded prior to the effective date of the ordinance codified in this Chapter;
- H. 1. In the case of real property held by a partnership or other entity treated as a partnership for federal income tax purposes, the tax imposed shall not apply by reason of any transfer of any interest in a partnership or other entity or otherwise, if both of the following occur:
 - a. Such partnership or other entity treated as a partnership is considered as a continuing partnership within the meaning of Section 708 of the Internal Revenue Code of 1986,
 - b. Such continuing partnership continues to hold the real property concerned.
- 2. If there is a termination of any partnership or other entity treated as a partnership within the meaning of Section 708 of the Internal Revenue Code of 1986, for purposes of this Chapter, such partnership or other entity shall be treated as having executed an instrument whereby there was transferred, for fair market value (exclusive of the value of any lien or encumbrance remaining thereon), all realty held by such partnership or other entity at the time of such termination;
- 3. Not more than one tax shall be imposed pursuant to this Chapter by termination described in subsection (H)(2) of this Section, and any transfer pursuant thereto, with respect to the real property held by such partnership or other entity treated as a partnership at the time of such termination.
 - a. The making or delivery of conveyances to make effective any order of the Securities and Exchange Commission, as defined in subdivision (a) of Section 1083 of the Internal Revenue Code of 1986, but only if:
 - i. The order of the Securities and Exchange Commission, in obedience to which such conveyance is made, recites that such conveyance is necessary or appropriate to effectuate the provisions of Section 79K of Title 15 of the United States Code, relating to the Public Utility Holding Company Act of 1935,
 - ii. Such order specifies the property that is ordered to be conveyed,
 - iii. Such conveyance is made in obedience to such order;
- I. Any real property that is inherited from a deceased transferor, without consideration, upon the death of such individual, or from that deceased's estate or trust. Transfers from a decedent's estate into a trust for the benefit of the transferee shall likewise be exempt. Upon request of the Agency Director, an affidavit of death certificate, trust documents, or other documents deemed necessary, shall be provided;
- J. Any transfer of real property between an individual or individuals and a legal entity or between legal entities that results solely in a change in the method of holding title to the realty and in which proportional ownership interests in the realty, whether represented by stock, membership interest, partnership interest, cotenancy interest, or otherwise, directly or indirectly, that remains the same for a minimum of one hundred eighty (180) days after the transfer. Transfers from a parent corporation to a wholly owned subsidiary corporation shall likewise be exempt; provided, the beneficial ownership of the property remains the same;
- K. Transfers, without consideration; provided, the transferee neither conveys an interest therein to a third party nor effects a refinancing for a period of one hundred eighty (180)

days after the gift transfer; however, refinancings for the purposes of rehabilitation of the gifted property are not subject to this limitation upon submission of documentation required by the Director or his or her designee(s)

Notwithstanding the foregoing paragraph, transfers, without consideration, of commercial real property, including residential rental property, other than the principal residence of the transferor will be subject to this tax to the extent that the fair market value thereof exceeds one million dollars (\$1,000,000.00). In such case, only the amount of the fair market value that exceeds one million dollars (\$1,000,000.00) will be taxed.

SECTION 3. General Tax and Effective Date

This Measure imposes a general tax and shall be effective if approved by a simple majority of the voters voting thereon. This Measure shall be considered adopted on the date the City Council declares the results of the election and shall be effective on January 1, 2027.

SECTION 4. 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.

ATTACHMENT 2

Real Property Transfer Tax Advisory Measure

This Advisory Measure Does Not Increase Taxes. This Advisory Measure is non-binding on the Oakland City Council.

If the City of Oakland amends the Real Property Transfer Tax, Oakland Municipal Code Chapter 4.20, to amend the exception for tax of certain foreclosed properties (Measure ____, as stated therein), should the additional revenue be used to provide services and programs for homeless individuals, as follows:

- A. Prioritize development of 115 new interim shelter beds in Year 1, and not fewer than 115 additional new interim shelter beds in each subsequent year through Year 5; and
- B. Provide interim shelter, transitional housing, encampment closure operations, addiction treatment, job readiness, and other related homelessness services, including but not limited to:
 - 1. Sanitation, bathroom, and cleaning services related to homeless encampments, including encampment abatement operations, and programs to supplement remedying and deterring blight and illegal dumping throughout the City of Oakland;
 - 2. Acquisition, construction, renovation, or site preparation of interim shelter facilities, including modular and prefabricated shelter units, to house unsheltered individuals within the City of Oakland;
 - 3. Acquisition, construction, or site preparation of clean, managed sites, including sanitation infrastructure, security, fencing, lighting, and utility connections;
 - 4. Operation of shelter sites, including staffing, sanitation, security, case management, water connection and harm reduction services; and
 - 5. Administration and implementation of a rapid re-housing program.