



# AGENDA REPORT

**TO:** Elizabeth Lake  
Acting City Administrator

**FROM:** Bradley Johnson  
Director of Finance

**SUBJECT:** SUPPLEMENTAL – Proposed Ballot  
Measure affecting Real Property  
Transfer Tax Foreclosure  
Transactions

**DATE:** June 4, 2026

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City Administrator Approval

  
Betsy Lake (Jun 4, 2026 07:04:44 PDT)

Date: Jun 4, 2026

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## **RECOMMENDATION**

Staff Recommends That City Council Adopt A 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

## **REASON FOR SUPPLEMENTAL:**

The purpose of this supplemental information report is to provide the City Council with estimates on the cost of putting the two ballot measures on the November ballot and estimates on returns if the ballot measure goes into effect. The measure seeks voter approval to replace the existing Real Property Transfer Tax ("RPTT") exemption for all foreclosure transactions with a narrow set of qualifying exemptions. If approved by voters, additional revenue generated by the measure would serve as a non-mandatory funding source for interim shelter, transitional housing, and related homelessness services.

Accompanying the primary tax measure is a companion advisory measure. This second measure would ask voters to recommend spending the newly generated RPTT revenue specifically on the aforementioned homelessness services. Since it is an advisory measure, it is legally non-binding and does not mandate or restrict the City's eventual use of funds, which would be deposited into the General Purpose Fund.

Rules Committee  
June 11, 2026

## **BACKGROUND**

Currently, Oakland Municipal Code Section 4.20.050(F) exempts foreclosure transactions from the RPTT. The proposed Resolution would eliminate this blanket exemption and replace it with four new, distinct categories of narrow exemptions. Consequently, any real property transfer resulting from a completed foreclosure proceeding that triggers a change in ownership would become subject to the RPTT. This rule would apply to all foreclosures unless a transaction specifically qualifies for one of the four new exemptions or is explicitly preempted by state or federal law.

## **ANALYSIS**

### **Election Cost:**

The City of Oakland does not conduct elections directly. Elections are administered by the Alameda County Registrar of Voters, and the City is responsible for reimbursing the County for its proportionate share of election costs. The cost of an election varies depending on the number of ballot measures and contests and whether the election is consolidated with other jurisdictions. For the November 3, 2026 General Election, the cost for each measure is estimated at approximately \$600,000 per measure.

### **Limited Data and Administrative Burden:**

The proposed change would apply to a category of transactions that has not previously been separately monitored or reviewed as a discrete source of revenue. Historically, staff has not tracked foreclosure-related transfers for purposes of revenue forecasting, compliance monitoring, or tax enforcement. As a result, the current analysis has required, and will continue to require, a substantial allocation of staff time and resources to develop reliable methodologies and validate underlying data.

To support this effort, staff must coordinate extensively with Alameda County agencies to obtain transaction-level information, reconcile discrepancies, and verify the accuracy of property transfer records. This process is particularly resource-intensive for commercial foreclosure transactions, which frequently involve complex ownership arrangements, multi-layered corporate structures, and extensive transactional histories that complicate both identification and verification. The administrative burden associated with this work is expected to remain significant as staff continues to refine datasets, institutionalize tracking procedures, and ensure ongoing compliance accuracy.

### **Revenue Projection:**

Given the limited availability of historical data and the absence of a comprehensive or fully representative dataset, current revenue projections remain preliminary and may or may not be representative. Based on the review of 30 transactions, some of which do not have supporting documents and require further research, annual revenue is estimated to range from the low end

of \$400,000 to \$600,000 to the high end \$800,000 to \$1,000,000 depending on transfer type and timing<sup>1</sup>.

It is important to note that the data reviewed for this report reflects transactions activity from calendar year 2024, a period when foreclosure numbers were lower and consisted of mostly residential foreclosures versus the rise in commercial property foreclosures observed and reported today in 2026<sup>2</sup>.

*Section intentionally left blank.*

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<sup>1</sup> Timing refers to the period required for a foreclosure action to conclude and transfer title, for the transaction to be made available by the county, and for staff to subsequently issue notices, complete assessments, and provide due process.

<sup>2</sup> Sources:


- ATTOM (Jan 16 2025) — [2024 Foreclosures Decline Nationwide](#)
- The Real Deal (Apr 3 2026) — [Shorenstein Loses Oakland Tower in Foreclosure Transfer](#)
- Washington Morning (Mar 12 2026) — [Oakland CRE Crisis Deepens Amid Imminent Foreclosure Auctions](#)
- The Real Deal (Feb 13 2026) — [Oakland Office Added to Highbridge Default Portfolio](#)
- The Real Deal (Jan 30 2026) — [Rialto Moves to Foreclose on Distressed Oakland Offices](#)

**ACTION REQUESTED OF THE CITY COUNCIL**

Adopt A 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

For questions regarding this report, please contact Nicole Welch, Revenue & Tax Administrator, at (510) 238-7025.

Respectfully submitted,

  
Bradley Johnson (Jun 3, 2026 16:10:43 PDT)

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