

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE DECLARING THE CITY'S OPPOSITION TO INITIATIVE 25-0006A1, WHICH IS A PROPOSED BALLOT MEASURE LIMITING THE ABILITY OF VOTERS TO RAISE REVENUES FOR LOCAL GOVERNMENT SERVICES

WHEREAS, a ballot measure titled "Limits Ability of Voters to Raise Revenues for Local Government Services. Initiative Constitutional Amendment" has qualified for the 2026 November ballot that would make it harder for local jurisdictions to pass revenue measures and also would invalidate previously passed measures for many jurisdictions across the state ("Initiative 25-0006A1"); and

WHEREAS, if approved, Initiative 25-0006A1 would increase the voter threshold for locally proposed special taxes from a simple majority to a two-thirds vote and prohibit local real estate transfer taxes beyond those already authorized by state law, which would significantly decrease real property transfer and conveyance taxes and corresponding revenues for all charter cities in California; and

WHEREAS, most concerningly, Initiative 25-0006A1 would apply retroactively, potentially invalidating numerous voter-approved local revenue measures throughout the State of California that were lawfully adopted under existing constitutional standards, devastating budgets across cities, counties and special districts by retroactively revoking taxes that passed by simple majority; and

WHEREAS, Initiative 25-0006A1 poses a direct threat to Measure E, the City of San José's real property transfer tax approved by 53% of voters in March 2020, a tax calculated at 0.75% of the transferred property value for properties between \$2.3 million and \$5 million; 1% for properties between \$5 million and \$10 million; and 1.5% for properties above \$10 million, which generates approximately \$55 million to \$70 million

in annual revenue that provides resources for homelessness prevention, operating emergency interim housing and transitioning people to permanent housing; and

WHEREAS, if conveyance taxes were prohibited, the City of San José (“City”) would also lose approximately \$43 million to \$60 million in annual revenue from the City’s Construction and Conveyance Tax, a fee at the rate of \$3.30 for each \$1,000 of the value of property conveyed, which funds the development and infrastructure improvements of recreation facilities, parks, libraries, fire stations, and service yards; and

WHEREAS, by retroactively overturning voter-approved measures and imposing additional barriers to future local revenue decisions, Initiative 25-0006A1 would weaken the ability of the City to respond to local needs and maintain essential public services; and

WHEREAS, recognizing these concerns, the League of California Cities at its March Board meeting officially opposed the ballot measure by unanimous vote, and given the potential impacts on the City’s fiscal stability, it is important that San José join the growing coalition in opposition to Initiative 25-0006A1 and protect local revenues that are vital for operation; and

WHEREAS, the City Council has historically adopted positions on various ballot measures in past statewide elections that impact San José’s residents, businesses, and visitors, and at the June 10, 2026 Rules and Open Government Committee meeting, the Committee approved a recommendation to oppose Initiative 25-0006A1;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City of San José declares its opposition to Initiative 25-0006A1, which is a proposed ballot measure limiting the ability of voters to raise revenues for local government services.

ADOPTED this _____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, MMC
City Clerk