File No. 260692 **Committee Item No.** 1
Board Item No. 44

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget and Finance Committee **Date** July 22, 2026
Board of Supervisors Meeting **Date** July 28, 2026

Cmte Board

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Completed by: Brent Jalipa **Date** July 15, 2026
Completed by: Brent Jalipa **Date** July 23, 2026

[Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption]

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

MOVED, That the Board of Supervisors hereby submits the following ordinance to the voters of the City and County of San Francisco, at an election to be held on November 3, 2026.

Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

NOTE: **Unchanged Code text and uncodified text** are in plain font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in strikethrough italics Times New Roman font.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Article 12-C of the Business and Tax Regulations Code is hereby amended by revising Sections 1101, 1108.2, and 1111, to read as follows:

SEC. 1101. SHORT TITLE.

This Article *12-C* shall be known as the "Real Property Transfer Tax Ordinance." ~~It is adopted pursuant to the authority contained in Part 6.7 (commencing with Section 11901) of Division 2 of the Revenue and Taxation Code of the State of California.~~

SEC. 1108.2. EXEMPTION; DEEDS IN LIEU OF FORECLOSURE, ETC.

(a) Any tax imposed pursuant to this ~~ordinance~~*Article 12-C* shall not apply with respect to any deed, instrument~~,~~ or writing to a beneficiary or mortgagee, which is taken from the mortgagor, trustor*,* or trustee, as a result of or in lieu of foreclosure *of a qualified residential property as defined in subsection (b), or of interests in a legal entity directly or indirectly owning a qualified residential property, to the extent of any transfer tax otherwise due with respect to such qualified residential property*; provided, that such tax shall apply to the extent that the consideration *or value for the transfer of a qualified residential property, or the fair market value of the qualified residential property that experienced a change of ownership under California Revenue and Taxation Code Section 64 for the transfer of interests in a legal entity directly or indirectly owning a qualified residential property,* exceeds the unpaid debt, including accrued interest and cost of foreclosure. Consideration, *value, or fair market value, as applicable; the* unpaid debt amount*;* and identification of grantee as beneficiary or mortgagee shall be noted on said deed, instrument or writing or stated in an affidavit for tax purposes.

(b) For purposes of subsection (a), a "qualified residential property" means a single-family residence, condominium, cooperative unit, single live/work unit, multifamily residential property with

fewer than five residential units, or mixed-use property with fewer than five residential units and only a single floor of non-residential space. A qualified residential property shall not include a property with a unit or units designed for occupancy primarily by travelers, vacationers, or other transient occupants.

(c) Notwithstanding any other provision of this Article 12-C, the tax imposed with respect to any deed, instrument or writing to a beneficiary or mortgagee, which is taken from the mortgagor, trustor, or trustee, as a result of or in lieu of foreclosure, if such transfer is not subject to the exemption in subsection (a), shall be based on 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 sale), or the fair market value of all real property that experienced a change in ownership under California Revenue and Taxation Code Section 64 as a result of the transfer, as applicable, and shall not be based on consideration.

SEC. 1111. RECORDING PAYMENT OF TAX*; DEPOSIT OF TAX TO GENERAL FUND*.

(a) *Except as provided in any ballot measure amending this Article 12-C that the voters approve at the November 3, 2026 election, the tax this Article 12-C imposes is a general tax and t*~~T~~he County Recorder shall collect the tax ~~*hereby imposed*~~ and deposit *it in*~~*the same to*~~ the General Fund *to be expended for any City purpose*. The County Recorder shall not record any deed, instrument or writing subject to the tax imposed by this Article 12-C unless the tax is paid.

* * * *

Section 2. Scope of Ordinance. In enacting this ordinance, the People of the City and County of San Francisco intend to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions or deletions, in accordance with the "Note" that appears under the official title of the ordinance.

Section 3. Appropriations Limit Increase. Pursuant to California Constitution Article XIII B and applicable laws, for four years from November 3, 2026, the appropriations limit for the City shall be increased by the aggregate sum collected by the levy of the tax under Article 12-C of the Business and Tax Regulations Code as amended by this ordinance and any other ordinance amending Article 12-C of the Business and Tax Regulations Code that the voters approve at the November 3, 2026 election.

Section 4. Effective Date; Operative Dates.

(a) Effective Date. This ordinance shall become effective on the eleventh day after the date the official vote count is declared by the Board of Supervisors.

(b) Operative Dates. The amendments to Section 1108.2 of Business and Tax Regulations Code Article 12-C in this ordinance shall become operative on March 1, 2027, and shall apply to transfers occurring on or after that date. The amendments to Sections 1101 and 1111 of Business and Tax Regulations Code Article 12-C in this ordinance are declaratory of existing law and shall become operative immediately upon the effective date of this ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ Carole F. Ruwart
CAROLE F. RUWART
Deputy City Attorney

4937-8206-9143, v. 19

FILE NO. 260692

REVISED LEGISLATIVE DIGEST
(Amended in Committee, 7/15/2026)

[Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption]

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

Existing Law

The City's real property transfer tax applies to transfers of real property in the City. Existing law partially exempts from this tax transfers where the lender forecloses upon the property or where the borrower transfers the property to the lender in lieu of foreclosure (a "deed in lieu of foreclosure"). In such cases, tax applies only to the extent the consideration or value exceeds the unpaid debt on the property, including accrued interest and foreclosure costs.

Amendments to Current Law

For transfers on or after March 1, 2027, the proposed measure would remove the partial exemption described above for transfers of all properties other than single-family residences, multi-family residential properties with fewer than 5 residential units, and mixed-use properties with fewer than five residential units and only a single floor of non-residential space.

For transfers to the lender by foreclosure or deed in lieu of foreclosure that are no longer subject to the partial exemption, the transfer tax base would be the fair market value of the property being transferred to the lender.

The ordinance would also make non-substantive changes declarative of existing law and would increase the City's appropriation limit under Article XIII B of the California Constitution by the amount of real property transfer tax collected for four years from November 3, 2026.

4898-2435-2157, v. 5

OFFICE OF THE CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller

ChiaYu Ma
Deputy Controller

Ms. Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco, CA 94102-4689

July 14, 2026

RE: File 260692 – Initiative Ordinance – Real Property Transfer Tax Foreclosure Exemption

Dear Ms. Calvillo,

Should the proposed initiative ordinance be approved by the voters, in my opinion, it would significantly increase the City's Real Property Transfer Tax revenues although the amount generated each year would be unpredictable and likely to change significantly year-to-year. The measure could bring an average of $100 million to $150 million annually over the first five years. The total revenue in any given year will be highly dependent on the number of foreclosures and real estate conditions. It is likely that revenue increases would be highest in the near term then decline significantly over time.

The City currently exempts property foreclosures from its Real Property Transfer Tax, which imposes a tax ranging from 0.5% to 6% on properties' values when they are sold. The proposed ordinance would retain the existing exemption for foreclosures of residential and mixed-use properties with fewer than five residential units. However, the proposed ordinance would remove the foreclosure exemption from other property types and subject those transfers to the tax at the same rates as non-foreclosed properties.

The revenue generated by this measure will be highly dependent on the number of foreclosures and distressed properties in the City. The number of distressed properties has risen since the COVID-19 pandemic because of the decline in property values resulting from the pandemic. If real estate recovers quickly and the number of foreclosures decreases, the proposed ordinance would bring in less revenue. But if the real estate market does not recover quickly and the number of foreclosures remains high, the proposed ordinance will generate more revenue.

For context, in FY 2021-22, before the City's real estate market declined due to the pandemic, the proposed ordinance would have generated $3.2 million. However, several years later in FY 2025-26, the proposed ordinance would have generated $232.5 million. Based on the City's experience in the early 1990s recession and the Great Recession in the late 2000s, the number of foreclosure related transactions will likely fall over a four-to-six-year period back to non-crisis levels.

Revenue from this proposed measure is likely to be significantly more unpredictable than the current property transfer tax. It falls on a very narrow and highly cyclical portion of property transfers in the City. There may be years where the proposed measure generates next to no new tax revenue. While not included in this measure, the Mayor and the Board of Supervisors could take actions to reduce the impact of the unpredictability by adopting financial policies like those for the existing Real Property Transfer Tax.

Sincerely,

Greg Wagner
Controller

Note: This analysis reflects our understanding of the proposal as of the date shown. At times further information is provided to us which may result in revisions being made to this analysis before the final Controller's statement appears in the Voter Information Pamphlet.

BOARD of SUPERVISORS

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

M E M O R A N D U M

TO: Adam Thongsavat, Liaison to the Board of Supervisors, Mayor's Office
Brad Russi, Deputy City Attorney, Office of the City Attorney
John Arntz, Director, Department of Elections
Patrick Ford, Executive Director, Ethics Commission
José Cisneros, Treasurer, Office of the Treasurer and Tax Collector
Joaquín Torres, Assessor Recorder, Office of the Assessor Recorder

FROM: Brent Jalipa, Assistant Clerk, Budget and Finance Committee

DATE: July 17, 2026

SUBJECT: INITIATIVE ORDINANCE INTRODUCED

The Board of Supervisors' Budget and Finance Committee has received the following amendment to a matter for the November 3, 2026, Election. This matter is being **referred** to you in accordance with Board Rules of Order 2.22.5.

File No. 260692-2

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c. Aly Bonde, Mayor's Office
Michael Canning, Ethics Commission
Amanda Kahn Fried, Office of the Treasurer and Tax Collector
Kurt Fuchs, Office of the Assessor Recorder
Holly Lung, Office of the Assessor Recorder

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MEMORANDUM

TO: Carol Isen, Director, Department of Human Resources

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

DATE: June 18, 2026

SUBJECT: LEGISLATION INTRODUCED – MEET AND CONFER DETERMINATION

The Board of Supervisors' Budget and Finance Committee Committee has received the following Initiative Ordinance. This matter is being **referred** to you as it may require the Department of Human Resources to fulfill "**Meet and Confer**" requirements. Please review, assess the impact and provide proper noticing as required and report back to on the status of the "Meet and Confer" requirement.

File No. 260692 (ver1)

Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please email or forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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RESPONSE FROM THE DEPARTMENT OF HUMAN RESOURCES - Date: 06/30/26

____ **Meet and Confer/Noticing requirement has been fulfilled.**

x____ **Meet and Confer/Noticing requirement not applicable.**

____ **Additional information attached.**

Gigi Whitley
Department of Human Resources

c: Gigi Whitley, Department of Human Resources
Aliya Chisti, Department of Human Resources
Ardis Graham, Department of Human Resources
Jonathan Wright, Department of Human Resources

BOARD of SUPERVISORS

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MEMORANDUM

Date: June 18, 2026

To: Planning Department / Commission

From: Victor Young, Clerk of the Rules Committee

Subject: Board of Supervisors Legislation Referral - File No. 260692
Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

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☒ California Environmental Quality Act (CEQA) Determination
(California Public Resources Code, Sections 21000 et seq.)
- ☐ Ordinance / Resolution
- ☒ Ballot Measure

CEQA does not apply to a ballot measure submitted to the voters by the Mayor or 4 or more Supervisors.

6/24/2026 Joy Navarrete

☐ Amendment to the Planning Code, including the following Findings:
(Planning Code, Section 302(b): 90 days for Planning Commission review)
☐ General Plan ☐ Planning Code, Section 101.1 ☐ Planning Code, Section 302

☐ Amendment to the Administrative Code, involving Land Use/Planning
(Board Rule 3.23: 30 days for possible Planning Department review)

☐ General Plan Referral for Non-Planning Code Amendments
(Charter, Section 4.105, and Administrative Code, Section 2A.53)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

☐ Historic Preservation Commission
- ☐ Landmark *(Planning Code, Section 1004.3)*
- ☐ Cultural Districts *(Charter, Section 4.135 & Board Rule 3.23)*
- ☐ Mills Act Contract *(Government Code, Section 50280)*
- ☐ Designation for Significant/Contributory Buildings *(Planning Code, Article 11)*

Please send the Planning Department/Commission recommendation/determination to Victor Young at Victor.Young@sfgov.org.

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M E M O R A N D U M

TO: Greg Wagner, City Controller, Office of the Controller

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

Victor Young

DATE: June 18, 2026

SUBJECT: INITIATIVE ORDINANCE INTRODUCED
November 3, 2026, Election

The Board of Supervisors' Budget and Finance Committee has received the following Initiative Ordinance for the November 3, 2026, Election. This matter is being **referred** to you in accordance with Rules of Order 2.22.3.

File No. 260692 (ver1)

Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

Please review and prepare a financial analysis of the proposed measure prior to the first Rules Committee hearing.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please email or forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: ChiaYu Ma, Office of the Controller
Natasha Mihal, Office of the Controller
Janice Levy, Office of the Controller
Hannah Kohanzedeh, Office of the Controller
Claire Stone, Office of the Controller

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MEMORANDUM

TO: Adam Thongsavat, Liaison to the Board of Supervisors, Mayor's Office
Brad Russi, Deputy City Attorney, Office of the City Attorney
John Arntz, Director, Department of Elections
Patrick Ford, Executive Director, Ethics Commission
Jose Cisneros, Treasurer, Office of the Treasurer and Tax Collector
Joaquin Torres, Assessor Recorder, Office of the Assessor Recorder

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

Victor Young

DATE: June 18, 2026

SUBJECT: INITIATIVE ORDINANCE INTRODUCED
November 3, 2026

The Board of Supervisors' Budget and Finance Committee has received the following Initiative Ordinance for the November 3, 2026, Election. This matter is being **referred** to you in accordance with Rules of Order 2.22.4.

File No. 260692 (ver1)

Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

Please review and submit any reports or comments you wish to be included with the legislative file.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Michael Canning, Ethics Commission
Aly Bonde, Mayor's Office
Kurt Fuchs, Office of the Assessor Recorder
Holly Lung, Office of the Assessor Recorder

Amanda Kahn Fried, Office of the Treasurer and Tax Collector

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M E M O R A N D U M

TO: Carol Isen, Director, Department of Human Resources

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

DATE: June 18, 2026

SUBJECT: LEGISLATION INTRODUCED – MEET AND CONFER DETERMINATION

The Board of Supervisors' Budget and Finance Committee Committee has received the following Initiative Ordinance. This matter is being **referred** to you as it may require the Department of Human Resources to fulfill "**Meet and Confer**" requirements. Please review, assess the impact and provide proper noticing as required and report back to on the status of the "Meet and Confer" requirement.

File No. 260692 (ver1)

Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please email or forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

****

RESPONSE FROM THE DEPARTMENT OF HUMAN RESOURCES - Date: ________

____ Meet and Confer/Noticing requirement has been fulfilled.

____ Meet and Confer/Noticing requirement not applicable.

____ Additional information attached.

____
Department of Human Resources

c: Gigi Whitley, Department of Human Resources
Aliya Chisti, Department of Human Resources
Ardis Graham, Department of Human Resources
Jonathan Wright, Department of Human Resources

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MEMORANDUM

Date: June 18, 2026

To: Planning Department / Commission

From: Victor Young, Clerk of the Rules Committee

Subject: Board of Supervisors Legislation Referral - File No. 260692
Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

---

☒ California Environmental Quality Act (CEQA) Determination
(California Public Resources Code, Sections 21000 et seq.)
- ☐ Ordinance / Resolution
- ☒ Ballot Measure

☐ Amendment to the Planning Code, including the following Findings:
(Planning Code, Section 302(b): 90 days for Planning Commission review)
☐ General Plan ☐ Planning Code, Section 101.1 ☐ Planning Code, Section 302

☐ Amendment to the Administrative Code, involving Land Use/Planning
(Board Rule 3.23: 30 days for possible Planning Department review)

☐ General Plan Referral for Non-Planning Code Amendments
(Charter, Section 4.105, and Administrative Code, Section 2A.53)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)

☐ Historic Preservation Commission
- ☐ Landmark *(Planning Code, Section 1004.3)*
- ☐ Cultural Districts *(Charter, Section 4.135 & Board Rule 3.23)*
- ☐ Mills Act Contract *(Government Code, Section 50280)*
- ☐ Designation for Significant/Contributory Buildings *(Planning Code, Article 11)*

Please send the Planning Department/Commission recommendation/determination to Victor Young at Victor.Young@sfgov.org.

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MEMORANDUM

TO: Katy Tang, Director, Small Business Commission
Kerry Birnbach, Commission Secretary

Small Business Commission, City Hall, Room 448

FROM: Victor Young, Assistant Clerk

DATE: June 18, 2026

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS Budget and Finance Committee

The Board of Supervisors' Budget and Finance Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 260692

Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

****

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: ________________

____ **No Comment**

____ **Recommendation Attached**

____

Chairperson, Small Business Commission

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one):

- [x] 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- [ ] 2. Request for next printed agenda (For Adoption Without Committee Reference) *(Routine, non-controversial and/or commendatory matters only)*
- [ ] 3. Request for Hearing on a subject matter at Committee
- [ ] 4. Request for Letter beginning with "Supervisor ______ inquires…"
- [ ] 5. City Attorney Request
- [ ] 6. Call File No. ______ from Committee.
- [ ] 7. Budget and Legislative Analyst Request (attached written Motion)
- [ ] 8. Substitute Legislation File No. ______
- [ ] 9. Reactivate File No. ______
- [ ] 10. Topic submitted for Mayoral Appearance before the Board on ______

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

☐ Yes ☐ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Mahmood; Dorsey, Melgar, Chen

Subject:

Initiative Ordinance - Business and Tax Regulations Code - Real Property Transfer Tax Foreclosure Exemption

Long Title or text listed:

Motion ordering submitted to the voters at an election to be held on November 3, 2026, an Ordinance amending the Business and Tax Regulations Code to, beginning March 1, 2027, eliminate the real property transfer tax foreclosure exemption for the transfer of all properties other than the transfer of residential and mixed-use properties with fewer than five residential units, and to make other non-substantive clarifications to the real property transfer tax; and increasing the City's appropriations limit by the amount of real property transfer tax collected for four years from November 3, 2026.

Signature of Sponsoring Supervisor: /s/ Bilal Mahmood