CITY OF SANTA CRUZ

MEASURE C

EFFECTIVE JULY 1, 2026

Santa Cruz voters approved Measure C (the Workforce Housing Affordability Act of 2025) to create dedicated local funding for affordable housing and homelessness prevention. Effective July 1, 2026, the 20-year measure establishes a $96 annual parcel tax and a graduated real estate transfer tax on property sales over $1.8 million.

The legislation enacts two primary funding mechanisms:

Annual Parcel Tax: A fixed $96 per parcel is applied to most properties, which landlords cannot pass on to tenants. Eligible low-income seniors and low-income homeowners can apply for tax exemptions.

Graduated Real Estate Transfer Tax: Property sales over $1.8 million are subject to a graduated transfer tax structure as following:

PROPERTY VALUE	CITY TAX RATE
Under $1.8 Million	No new city tax
$1.8M - $2.5M	0.5% on the portion in this tier
Over $2.5M - $3.5M	1.0% on the portion in this tier
Over $3.5M - $4.5M	1.5% on the portion in this tier
Over $4.5M	2.0% on the portion in this tier (capped at $200,000 per transaction)

For more information, visit the City's official site at https://www.santacruzca.gov/Government/City-Departments/Finance/Licenses-Fees-and-Taxes/Measure-C-Workforce-Housing-Affordability-Act-of-2025.

CHICAGO TITLE