



CASE STUDY – JANUARY 2026

Measure ULA (City of Los Angeles, 2022) **What Didn't Work for the Opposition and Lessons Learned**

Background

On November 8, 2022, voters in the City of Los Angeles approved Measure ULA, commonly known as the “mansion tax,” which introduces a new, higher real estate transfer tax on high-value transactions to support affordable housing and tenant assistance programs. Key provisions include:

- A 4% tax on sales/transfers of non-exempt real property exceeding \$5 million (and below \$10 million).
- A 5.5% tax on sales/transfers of non-exempt real property of \$10 million or more.
- An official ballot estimate of approximately \$600 million to \$1.1 billion in annual revenue, until ended by voters.
- The measure passed 57.77% to 42.23% (512,808 “Yes” votes to 374,934 “No” votes).

Origins and Political Context

Measure ULA reached the ballot as a citizen-sponsored initiative backed by a broad coalition of tenant advocates, labor unions, and allied community organizations under the “United to House LA” umbrella. The initiative was placed on the November 2022 ballot after proponents submitted an initiative petition, and the Los Angeles City Council voted to put it before voters.

The political climate supported the measure’s main message. Los Angeles faced — and, even after ULA’s approval, continues to face — serious housing affordability and homelessness issues. ULA was promoted as a dedicated funding source paid by high-end property sales. Major media outlets and influential worker and tenant rights organizations backed ULA, strengthening a straightforward moral idea: “tax luxury home sales to house people.”

Strategic Challenge

For opponents, Measure ULA presented a classic “values trap.” The ballot label and campaign narrative focused on housing and homelessness, making it difficult to oppose without seeming indifferent to the city’s crisis. At the same time, the tax applied to both residential and commercial transactions above the thresholds. A technical point was underemphasized during the campaign, which was an even greater challenge given a high-turnout, heavily progressive November midterm election.

Opponents also faced asymmetry in trust and messengers. ULA supporters could rely on local elected officials, and tenant and labor validators, while the public face of opposition was largely associated with real estate, development, and taxpayer groups — easy targets for the “protecting the rich” counterattack.

What Didn’t Work

The following takeaways are grounded in the 2022 campaign environment and public records. They focus on where opposition strategy predictably underperformed — and why.

1. Letting the “mansion tax” frame become the default

The opposition never displaced the “mansion tax” shorthand, even though the measure applied to high-value commercial transactions, and multifamily properties, as well as luxury homes. When voters recall the slogan, “A tiny tax paid by the super-rich,” and keep the mental picture of “taxing mansions,” persuasion becomes an uphill climb.

2. Arguing consequences without overcoming the trust gap

Opponents argued that the measure would increase housing costs (including effects on apartment buildings and commercial properties) and raise the cost of doing business. While these arguments were plausible, they were easier for voters to dismiss when voiced mainly by the real estate sector and business groups, who many already assume will oppose new taxes.

3. Insufficient “validator” diversity in a progressive-turnout election

ULA’s supporters benefited from a coalition of identity that signaled broad civic backing suited to Los Angeles’ voting population, including local elected officials, unions, and tenant groups. In contrast, the opposition’s brand was narrower. In Los Angeles politics, coalition optics often define policy: a campaign can be substantively correct and still lose if the messenger appears self-interested.

Furthermore, arguments that used anti-tax (Prop. 13-like) messaging failed to resonate with local voters, most of whom weren't born when Prop. 13 passed and are renters rather than homeowners.

4. Underestimating the power of ballot language and official estimates

The official ballot question foregrounded housing and homelessness and included a large annual revenue estimate. That combination, along with a misleading UCLA study, functioned as an implicit endorsement for voters. Once voters see a dedicated fund tied to a major crisis, alongside a promise of hundreds of millions of dollars annually, opposition messaging must be both sharper and simpler to break through.

5. Treating ULA like a traditional tax campaign in a city defined by a housing crisis

Los Angeles voters have repeatedly shown a willingness to approve revenue measures framed as direct responses to homelessness and housing insecurity. In this context, technical critiques about market distortion and pass-through costs require exceptionally strong storytelling, third-party validators, and localized examples to feel real.

Lessons Learned

For coalitions seeking to defeat similar transfer-tax initiatives in major cities, ULA offers a clear playbook for what to do differently next time:

1. Start early enough to define the measure before the “mansion tax” label hardens. For the No on ULA campaign, proponents put the tax on the ballot late, and opponents got organized and started even later.
2. Build a broader messenger bench: affordable housing developers, nonprofit service providers, small business owners, and neighborhood voices, not just trade associations.
3. Make the harm legible: show how a transfer tax hits apartment buildings, commercial corridors, and new housing production — then connect that impact to rents, jobs, and overall affordability.
4. Pre-bunk the moral attack by leading with shared values (housing outcomes), then pivoting to execution, accountability, and unintended consequences.
5. Treat election timing as strategy: progressive, high-turnout cycles amplify “tax-the-rich” framings unless the opposition has a coalition that breaks partisan expectations.

ULA Post-2022

While Measure ULA passed overwhelmingly, it had many of the impacts that opponents predicted. Below are highlights of Measure ULA, as implemented.

- **Housing Development Stalled:** Measure ULA sharply reduced high-value property sales by roughly 50%, especially on commercial, multifamily, and industrial parcels that would have become new housing. Fewer property transactions mean fewer housing projects: UCLA and RAND researchers estimate ULA is now reducing new housing production by ~1,900 units per year (an 18% decline), including the loss of about 168 affordable apartments annually that would have been built for low-income Angelenos.
- **Net Loss in Affordable Housing:** Ironically, ULA was meant to fund affordable housing, but it is taxing new housing out of existence. By deterring development, the tax prevents more affordable units than it finances, effectively giving with one hand and taking with the other. Only a tiny fraction of ULA revenue comes from sales of newly built apartments (about \$29 million through 2024, enough to subsidize ~70 affordable units a year), yet that tax has stopped ~170 affordable units per year from being built. The result is a net loss of affordable housing, undermining the measure's core goal.
- **Economic Damage and Lost Revenue:** ULA's drag on real estate activity has broader fiscal fallout. With far fewer \$5 million-plus sales, properties stay off the market and avoid reassessment, depriving local governments (including L.A. City and LAUSD) of roughly \$25 million a year in property tax revenue. At the same time, ULA has severely underperformed its own revenue promises. Voters were told it could raise over \$1 billion per year for housing programs; in reality, the tax raised only about \$1 billion in its first three years, barely one-third of expectations.
- **Exaggerated Benefits (The "10,000 Jobs" Myth):** Proponents claim ULA "created 10,000 union construction jobs," but independent analysis shows this is false. UCLA researchers found "no reasonable approach gets anywhere near 10,000" jobs — the real figure is off by at least a factor of five, and likely, only a few dozen jobs so far. ULA is failing to deliver on its promises while actively harming Los Angeles' housing production and fiscal health.