



# Tenant Passthrough Rate Calculations Overview



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# Tenant Passthrough Rate Calculation Inputs

- Annual tenant passthrough rate is calculated by the Controller and set via a resolution along with the annual secured property tax rate factors.
- General obligation (G.O.) bond debt service and the City's total secured property assessed value help determine both the secured property tax rate factors and the tenant passthrough rate.
- Tenant passthrough rate reflects a subset of eligible portions of total G.O. bond debt service defined in Administrative Code, Chapter 37 as follows:
  - Debt service of City and County of San Francisco (**City**) G.O. bonds authorized by voters at elections held:
    - **Between November 1, 1996 and November 30, 1998** (100% passthrough)
    - **After November 14, 2002** (50% passthrough)
  - Debt service of San Francisco Unified School District (**SFUSD**) G.O. bonds authorized by voters at elections held **after November 1, 2006** (50% passthrough)
  - Debt service of San Francisco Community College District (**SFCCD**) G.O. bonds authorized by voters at elections held **after November 1, 2006** (50% passthrough)

# FY 2023-24 Tenant Passthrough Rate Calculation

**1.17769382%** FY 2023-24 secured property tax rate set in Resolution 457-23

FY 2023-24 for City, SFUSD, and SFCCD (BART sets their G.O. bond tax rate factor independently):

- **A** \$536,272,662 G.O. bond debt service required from secured property taxes
- **B** \$326,410,724,623 July 1, 2023 Secured Assessed Value (AV) net of exemptions
- **A ÷ B** or **0.16429382%** Secured property tax rate factor

**0.0726%** FY 2023-24 tenant passthrough rate set in Resolution 457-23

- **C** \$237,111,858 Tenant passthrough eligible G.O. bond debt service from bond issues related to voter authorizations at election date ranges in Administrative Code, Chapter 37
- **D** \$326,410,724,623 July 1, 2023 Secured Assessed Value (AV) net of exemptions
- **C ÷ D** or **0.0726% or 7.26 cents per \$100 AV** tenant passthrough rate

# Proposed Tenant Passthrough Rate Calculation

A

Various tenant passthrough rates based first upon the increase (A, if any) in sum of the property tax rate factors for City, SFUSD, and SFCCD G.O. bond debt service in current tax year from those in effect in the tax year when the tenant’s tenancy commenced, or 2005, whichever is later.

B

If there is an increase in the sum of the property tax rate factors, the difference is then multiplied by a ratio of debt eligible for passthrough to the total debt service of City, SFUSD, and SFCCD G.O. bonds in the current tax year (B).

## Example FY 2023-24 passthrough rates based upon proposed ordinance

Tenancy Start Date	FY 2023-24 Eligible Entities Rate	Tenancy Start Date’s Equivalent Rate	Increase (A)	Ratio for FY 2023-24 (B)	Tenant Passthrough Rate (A x B)
6/30/2006	0.16429382%	0.13520000%	0.02909382%	44.56%	0.0129%
5/5/2011	0.16429382%	0.16090000%	0.00339382%	44.56%	0.0015%
3/13/2020	0.16429382%	0.16808940%	N/A	44.56%	N/A

# Example FY 2023-24 Tenant Passthrough Rates vs. Existing

