

1 [California Constitution Appropriations Limit - FY2019-2020 - \$5,528,830,486]

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3 **Resolution establishing the appropriations limit of \$5,528,830,486 for FY2019-2020,**  
4 **pursuant to California Constitution, Article XIII B.**

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6 WHEREAS, Article XIII B of the California Constitution provides that the annual  
7 appropriations of the City and County of San Francisco which are subject to said Article may  
8 not exceed the Appropriations Limit for the prior year, with adjustments as provided in said  
9 Article XIII B; and

10 WHEREAS, The California Government Code, Section 7901, defines the terms, and  
11 Section 7902(b) sets forth the equations to be used to determine the City and County of San  
12 Francisco's annual Appropriations Limit, according to the following formula:

13 (b) "...the appropriations limit of the state and each local jurisdiction shall equal the  
14 appropriations limit for the prior fiscal year multiplied by the product of the change in  
15 cost of living, as defined in paragraph (2) of subdivision (e) of Section 8 of Article XIII B  
16 of the California Constitution, and the change in population of the local jurisdiction for  
17 the calendar year preceding the beginning of the fiscal year for which the  
18 appropriations limit is to be determined, and adjusted for other changes required or  
19 permitted by Article XIII B of the California Constitution;" and

20 WHEREAS, Article XIII B, Section 8(e)(2) of the California Constitution authorizes the  
21 calculation of the cost of living, either the use of the percentage change in California per-  
22 capita personal income from the preceding year, or the use of the percentage change in the  
23 local assessment roll from the preceding year for the jurisdiction due to the addition of local  
24 non-residential new construction; and

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1           WHEREAS, The change in California per-capita personal income in FY2018-2019 was  
2   3.85%, while the percentage change in the local assessment roll in 2018 due to the addition of  
3   local non-residential new construction was 23.65%; and

4           WHEREAS, The percentage change in population during calendar year 2018 for the  
5   City and County of San Francisco according to the California Department of Finance was  
6   0.33%; and

7           WHEREAS, Article XIII B, Section 4 of the California Constitution authorizes voters to  
8   approve an increase in the Appropriations Limit for up to four years; and

9           WHEREAS, Voters approved three measures, the Soda and Sugary Sweetened  
10   Beverages Tax (Proposition V-November 2016), the increase in the Real Estate Transfer Tax  
11   (Proposition W-November 2016), and the Tax on Cannabis Businesses (Proposition D-  
12   November 2018), that increased the Appropriations Limit by the aggregate sum collected by  
13   the levy of these taxes; and

14           WHEREAS, The aggregate sum collected by the levy of these taxes through FY2019-  
15   2020 is projected to be \$139,717,381; and

16           WHEREAS, Article XIII B, Sections 8(h) and 10.5 of the California Constitution  
17   establish that the Base Appropriations Limit for a local government is equal to the  
18   appropriations subject to limitation in FY1986-1987; and

19           WHEREAS, The Base Appropriations Limit for FY2018-2019 is \$4,343,960,284; and

20           WHEREAS, The resulting calculation establishing the City and County of San  
21   Francisco's FY2019-2020 Appropriations Limit is:

22           \$4,343,960,284 X 1.0033 X 1.236519 + \$139,717,381 = \$5,528,830,486; and

23           WHEREAS, This matter has been considered at a regularly scheduled meeting of the  
24   Board of Supervisors for the City and County of San Francisco; and

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1           WHEREAS, The documentation used to determine the Appropriations Limit for the City  
2 and County of San Francisco for FY2019-2020 was available for public inspection in the  
3 Office of the Clerk of the Board of Supervisors for at least 15 days prior to said regularly  
4 scheduled meeting; now, therefore, be it

5           RESOLVED, That the City and County of San Francisco elects to use the percentage  
6 change in the local assessment roll from 2018 due to the addition of local non-residential new  
7 construction and the percent change in population within its jurisdiction from the previous year  
8 for the purpose of computation of its Appropriations Limit pursuant to Article XIII B of the  
9 California Constitution for FY2019-2020; and, be it

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FURTHER RESOLVED, That the net appropriations limit for FY 2019-2020 is established at \$5,528,830,486.

Recommended: \_\_\_\_\_  
Ben Rosenfield  
Controller