



Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

July 24, 2017

The Honorable Angela Calvillo  
Clerk of the Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Attention: Budget & Finance Committee

**Re: FY 2017-18 Property Tax Rate Ordinance**

Dear Ms. Calvillo:

I am submitting an ordinance for consideration to amend the tax levy for FY 2017-18. This ordinance includes the following:

- Property Tax Levy for City and County;
- Property Tax Levy for Unified School District;
- Property Tax Levy for Community College District, and
- Property Tax Levy for Bay Area Rapid Transit District
- Property Tax Levy for Bay Area Air Quality Management District
- Pass-through rate of residential tenants pursuant to Chapter 37 of the Administrative Code

Section 3.3 of the Administrative Code requires the property tax rate be adopted by the last working day of September. I hereby request these items be scheduled for the Budget & Finance Committee meeting no later than September 7, 2017 to satisfy this requirement.

Please contact Jamie Whitaker, Property Tax Manager, at 415-554-7593 if you have questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben Rosenfield".

Ben Rosenfield  
Controller

CC: Linda Wong, Budget & Finance Committee Clerk



Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

July 24, 2017

The Honorable Edwin Lee
Mayor, City and County of San Francisco
City Hall, Room 200
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

The Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Dear Ladies and Gentlemen:

I am submitting herewith an annual ordinance which formally adopts those portions of the property tax rate for fiscal year 2017-2018 which the City and County of San Francisco administers. The Bay Area Rapid Transit District (BART) also adopts a debt service tax rate factor for their combined three county service area. The rate shown below includes the estimated rate for BART, which is slated for adoption at BART's August Board meeting. The composite property tax rate for fiscal year 2017-2018 is projected to be \$1.1789 for each \$100 of assessed value, a decrease of \$0.0003 or 0.03 percent from the \$1.1792 rate established for fiscal year 2016-2017. Based on a \$1.1789 rate, the average tax bill for a home previously assessed at \$500,000 in fiscal year 2016-2017 will go from \$5,813.46 last fiscal year to \$5,929.86 in fiscal year 2017-2018, a \$116.40 or 2.00 percent increase. The respective tax rates by accruing entity are as follows:

Table with 4 columns: Entity Name, Tax Rate Ordinance, Estimated State Shift, Effect After State Shift. Rows include San Francisco Community College District, San Francisco Unified School District, CCSF - General Fund, CCSF - Library Preservation Fund, CCSF - Children's Fund, CCSF - Open Space Acquisition Fund, CCSF - Bond Interest and Redemption Fund, CCSF - County Superintendent of Schools, Bay Area Air Quality Management District, BART District General Fund, Total excluding BART District Debt Service, BART Debt Service (Estimate), and Total Combined Tax Rate.

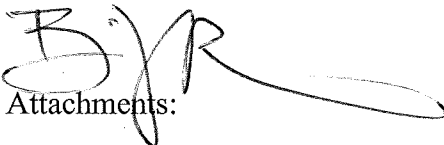
The property tax rate reflects anticipated debt service requirements pertaining to voter-approved general obligation bonds, including a 0.25% administrative allowance to reimburse costs of collection. Attachment A is a Property Tax Rate History table for the City and County beginning in fiscal year 1996-1997. Attachment B provides the anticipated fiscal year 2017-2018 general obligation bond debt service schedule (principal and interest) relevant to the property tax rate calculations.

For fiscal year 2017-2018, the pass-through rate for residential tenants is \$0.0890 per \$100 of assessed value, or 8.9 cents per \$100 of assessed value. The pass-through rate is comprised of 3 factors as outlined in Chapter 37.3 of the San Francisco Administrative Code: 1) 100% of the City's general obligation bonds approved by voters between November 1, 1996 and November 30, 1998; 2) 50% of the City's general obligation bonds approved by voters after November 14, 2002; and 3) 50% of the San Francisco Unified School District or San Francisco Community College District's general obligation bonds approved by voters after November 1, 2006.

Except for a consumer price index adjustment which is capped at the lesser of inflation or 2.00% under Proposition 13, individual assessments increase only when property is sold, transferred, or otherwise improved. For fiscal year 2017-2018, the consumer price index adjustment authorized by the State is 2.00%. The median assessed valuation for a single residential dwelling parcel in fiscal year 2016-2017 in San Francisco was about \$500,000. As shown in Attachment C, the combination of a tax rate of \$1.1789 for each \$100 of assessed value and the 2.000% consumer price index adjustment that increases the assessed value of the example residence from \$500,000 in fiscal year 2016-2017 to \$510,000 in fiscal year 2017-2018 results in a \$116.40 property tax increase.

Sincerely,

Ben Rosenfield  
Controller

  
Attachments:

- A - Property Tax Rate History
- B - Debt Service Requirements
- C - Comparative Property Tax Bill

# Attachment A

## Property Tax Rate History City and County of San Francisco

<u>Fiscal Year</u>	<u>Prop 13 Tax Rate</u>	<u>San Francisco G.O. Bonds Tax Rate</u>	<u>Schools &amp; Special Districts G.O. Bonds Tax Rate</u>	<u>Combined Secured Property Tax Rate</u>	<u>% Change From Prior Year</u>
1996 - 1997	1.0000	0.1564	0.0266	1.1830	1.64%
1997 - 1998	1.0000	0.1643	0.0257	1.1900	0.59%
1998 - 1999	1.0000	0.1449	0.0201	1.1650	-2.10%
1999 - 2000	1.0000	0.1277	0.0013	1.1290	-3.08%
2000 - 2001	1.0000	0.1348	0.0012	1.1360	0.62%
2001 - 2002	1.0000	0.1236	0.0004	1.1240	-1.05%
2002 - 2003	1.0000	0.1167	0.0003	1.1170	-0.62%
2003 - 2004	1.0000	0.1068	0.0002	1.1070	-0.90%
2004 - 2005	1.0000	0.1284	0.0156	1.1440	3.35%
2005 - 2006	1.0000	0.1201	0.0199	1.1400	-0.35%
2006 - 2007	1.0000	0.0966	0.0384	1.1350	-0.43%
2007 - 2008	1.0000	0.1037	0.0373	1.1410	0.53%
2008 - 2009	1.0000	0.1053	0.0577	1.1630	1.93%
2009 - 2010	1.0000	0.1084	0.0506	1.1590	-0.34%
2010 - 2011	1.0000	0.1121	0.0519	1.1640	0.43%
2011 - 2012	1.0000	0.1147	0.0571	1.1718	0.67%
2012 - 2013	1.0000	0.1083	0.0608	1.1691	-0.23%
2013 - 2014	1.0000	0.1195	0.0685	1.1880	1.38%
2014 - 2015	1.0000	0.1195	0.0548	1.1743	-1.15%
2015 - 2016	1.0000	0.1135	0.0691	1.1826	0.71%
2016 - 2017	1.0000	0.1189	0.0603	1.1792	-0.29%
2017 - 2018	1.0000	0.1074	0.0715	1.1789	-0.03%

# Attachment B

## CITY AND COUNTY OF SAN FRANCISCO Debt Service Requirements - General Obligation Bonds Comparative Statement - Fiscal Year 2017-2018 and 2016-2017

Bond Description	FY 2017-2018 Principal	FY 2017-2018 Interest	FY 2017-2018 Total	FY 2016-2017 Total	INCREASE/ ( DECREASE )
<b>GENERAL CITY</b>					
1992 UMB Program - Seismic Safety, Series 2007A (1st to 7th draw)	\$ 1,368,225	\$ 1,042,529	\$ 2,410,754	\$ 2,410,753	\$ 1
1992 UMB Program - Seismic Safety, Series 2015A (Estimate)	-	260,000	260,000	260,000	-
2008 Clean and Safe Neighborhood Parks, Series 2010B	2,510,000	224,375	2,734,375	2,733,875	500
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D	-	1,956,703	1,956,703	1,956,703	-
2008 Clean and Safe Neighborhood Parks, Series 2012B	2,640,000	1,708,626	4,348,626	4,350,226	(1,600)
2008 Clean and Safe Neighborhood Parks, Series 2016A	305,000	268,250	573,250	578,000	(4,750)
2012 Clean and Safe Neighborhood Parks, Series 2013A	1,810,000	1,956,750	3,766,750	3,768,000	(1,250)
2012 Clean and Safe Neighborhood Parks, Series 2016B	995,000	870,400	1,865,400	1,867,900	(2,500)
2012 Clean and Safe Neighborhood Parks, Series 2017C (Estimate) \$80M	25,000,000	2,181,473	27,181,473	-	27,181,473
2008 San Francisco General Hospital Improvement Bonds, Series 2009A	5,265,000	553,313	5,818,313	5,813,813	4,500
2008 San Francisco General Hospital Improvement Bonds, Series 2010A	12,245,000	1,094,713	13,339,713	13,342,963	(3,250)
2008 San Francisco General Hospital Improvement Bonds, BAB Series 2010C	-	9,540,977	9,540,977	9,540,977	-
2008 San Francisco General Hospital Improvement Bonds, Series 2012D	7,670,000	7,385,500	15,055,500	15,055,750	(250)
2008 San Francisco General Hospital Improvement Bonds, Series 2014A	7,325,000	7,380,613	14,705,613	14,709,613	(4,000)
2010 Earthquake Safety & Emergency Response, Series 2010E	2,360,000	2,100,500	4,460,500	4,463,000	(2,500)
2010 Earthquake Safety & Emergency Response, Series 2012A	6,320,000	5,168,500	11,488,500	11,489,500	(1,000)
2010 Earthquake Safety & Emergency Response, Series 2012E	1,475,000	1,418,450	2,893,450	2,893,700	(250)
2010 Earthquake Safety & Emergency Response, Series 2013B	780,000	843,700	1,623,700	1,625,950	(2,250)
2010 Earthquake Safety & Emergency Response, Series 2014C	1,740,000	1,858,563	3,598,563	5,265,813	(1,667,250)
2010 Earthquake Safety & Emergency Response, Series 2016C	890,000	832,825	1,722,825	1,725,325	(2,500)
2010 Earthquake Safety & Emergency Response, Series 2014D	3,190,000	3,403,813	6,593,813	9,651,313	(3,057,500)
2014 Earthquake Safety & Emergency Response, Series 2016D	3,010,000	2,809,763	5,819,763	5,818,013	1,750
2011 Road Repaving and Street Safety, Series 2012C	2,705,000	1,749,150	4,454,150	4,453,150	1,000
2011 Road Repaving and Street Safety, Series 2013C	3,260,000	3,521,450	6,781,450	6,781,700	(250)
2011 Road Repaving and Street Safety, Series 2016E	1,560,000	1,457,650	3,017,650	3,016,900	750
2014 Transportation & Road Improvements, Series 2015B	1,710,000	1,740,631	3,450,631	3,452,131	(1,500)
2014 Transportation & Road Improvements, Series 2016G (Estimate)	-	-	-	21,564,237	(21,564,237)
2014 Transportation & Road Improvements, Series 2018A (Estimate) \$117M	40,000,000	1,464,707	41,464,707	-	41,464,707
2014 Earthquake Safety & Emergency Response, Series 2017B (Estimate) \$190M	40,000,000	5,660,428	45,660,428	-	45,660,428
2015 Affordable Housing, Series 2016F (Estimate)	2,265,000	1,372,780	3,637,780	23,208,655	(19,570,875)
2016 Public Health, Series 2016H (Estimate)	-	-	-	25,799,667	(25,799,667)
2016 Public Health and Safety, Series 2017A	4,310,000	5,211,800	9,521,800	-	9,521,800
2008 General Obligation Bond Refunding, Series 2008 R1	1,565,000	267,000	1,832,000	1,821,800	10,200
2008 General Obligation Bond Refunding, Series 2008 R2	5,680,000	269,800	5,949,800	5,952,488	(2,688)
2011 General Obligation Bond Refunding, Series 2011 R1	25,860,000	9,906,900	35,766,900	35,841,900	(75,000)
2015 General Obligation Bond Refunding, Series 2015 R1	13,060,000	12,414,500	25,474,500	29,288,000	(3,813,500)
<b>SUB-TOTAL GENERAL CITY BEFORE NET PREMIUM &amp; FEDERAL SUBSIDY</b>	<b>\$ 228,873,225</b>	<b>\$ 99,897,132</b>	<b>\$ 328,770,357</b>	<b>\$ 280,501,815</b>	<b>\$ 48,268,542</b>
<b>FEDERAL SUBSIDY AVAILABLE FOR DEBT SERVICE PAYMENT</b>					
2010 Earthquake Safety & Emergency Response, Series 2014C	\$ -	\$ -	\$ -	\$ (1,669,589)	\$ 1,669,589
2010 Earthquake Safety & Emergency Response, Series 2016C	-	(816,832)	(816,832)	(875,325)	58,493
2011 Road Repaving & Street Safety, Series 2016E	-	(1,428,159)	(1,428,159)	(1,531,900)	103,741
2014 Earthquake Safety & Emergency Response, Series 2016D	-	(2,738,714)	(2,738,714)	(2,953,013)	214,299
2008 San Francisco General Hospital Improvement Bonds, BAB Series 2010C	-	(3,108,927)	(3,108,927)	(3,112,266)	3,339
2008 Clean and Safe Neighborhood Parks, BAB 2010D	-	(637,591)	(637,591)	(638,276)	685
2008 Clean and Safe Neighborhood Parks, Series 2016A	-	(164,965)	(164,965)	(283,000)	118,035
2012 Clean and Safe Neighborhood Parks, Series 2016B	-	(524,305)	(524,305)	(917,900)	393,595
2014 Transportation & Road Improvement, Series 2015B	-	-	-	(660,688)	660,688
2016 Public Health and Safety Series 2017A	-	(5,211,800)	(5,211,800)	-	(5,211,800)
SB 1128 Reimbursement	-	(3,836,248)	(3,836,248)	(4,048,097)	211,849
Tobacco Settlement Revenue Reimbursement	(10,845,000)	(4,466,902)	(15,311,902)	(15,154,053)	(157,849)
<b>TOTAL FEDERAL SUBSIDY</b>	<b>(10,845,000)</b>	<b>(22,934,443)</b>	<b>(33,779,443)</b>	<b>(34,901,596)</b>	<b>1,122,153</b>
<b>SUB-TOTAL GENERAL CITY NET OF NET PREMIUM &amp; FEDERAL SUBSIDY</b>	<b>\$ 218,028,225</b>	<b>\$ 76,962,689</b>	<b>\$ 294,990,914</b>	<b>\$ 245,600,219</b>	<b>\$ 49,390,695</b>
<b>OUTSIDE CITY ANNUAL BUDGET</b>					
<b>SAN FRANCISCO COMMUNITY COLLEGE DISTRICT (SFCCD)</b>					
2005 Community College District, 2010 Series D	\$ -	\$ 1,497,300	\$ 1,497,300	\$ 1,497,300	\$ -
2015 Community College District, Refunding Bonds	14,380,000	10,542,450	24,922,450	24,949,950	(27,500)
<b>SUB-TOTAL SF COMMUNITY COLLEGE DISTRICT BEFORE NET BID PREMIUM</b>	<b>\$ 15,845,000</b>	<b>\$ 12,141,813</b>	<b>\$ 27,986,813</b>	<b>\$ 28,017,063</b>	<b>\$ (30,250)</b>
<b>SAN FRANCISCO UNIFIED SCHOOL DISTRICT (SFUSD)</b>					
2006 Unified School District, 2007 Series A	\$ -	\$ 834,600	\$ 834,600	\$ 5,843,100	\$ (5,008,500)
2006 Unified School District, 2009 Series B	9,890,000	943,550	10,833,550	13,753,263	(2,919,713)
2006 Unified School District, 2010 Series C ( QSCBs)	-	742,969	742,969	742,969	-
2006 Unified School District, 2010 Series D ( BABs)	-	4,150,420	4,150,420	4,150,420	-
2006 Unified School District, 2010 Series E	8,025,000	2,690,500	10,715,500	10,711,500	4,000
2011 Unified School District, 2012 Series A	4,605,000	4,178,350	8,783,350	8,782,600	750
2011 Unified School District, 2014 Series B	7,675,000	7,734,263	15,409,263	15,409,763	(500)
2011 Unified School District, 2015 Series C	7,410,000	8,292,063	15,702,063	15,705,063	(3,000)
2006 Unified School District, 2015 Series F	525,000	589,763	1,114,763	1,120,013	(5,250)
2016 Unified School District, 2012 Series A	18,340,000	7,695,858	26,035,858	-	26,035,858
2015 General Obligation Refunding Bonds	7,280,000	2,796,550	10,076,550	5,064,550	5,012,000
2012 General Obligation Refunding Bonds	8,580,000	3,131,450	11,711,450	11,709,950	1,500
2017 General Obligation Refunding Bonds	-	2,647,250	2,647,250	-	2,647,250
<b>SUB-TOTAL SF UNIFIED SCHOOL DISTRICT BEFORE NET BID PREMIUM</b>	<b>\$ 72,330,000</b>	<b>\$ 46,427,586</b>	<b>\$ 118,757,586</b>	<b>\$ 92,993,191</b>	<b>\$ 25,764,395</b>
<b>NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT</b>					
2006 Unified School District, 2010 Series C (QSCBs)	-	\$ (653,712)	\$ (653,712)	\$ (654,414)	\$ 702
2006 Unified School District, 2010 Series D (BABs)	-	(1,352,414)	(1,352,414)	(1,353,866)	1,452
2016 Unified School District, Series A	-	(7,695,858)	(7,695,858)	-	(7,695,858)
<b>TOTAL NET BID PREMIUM</b>	<b>\$ -</b>	<b>\$ (9,701,984)</b>	<b>\$ (9,701,984)</b>	<b>\$ (2,008,280)</b>	<b>\$ (7,693,704)</b>
<b>SUB-TOTAL NET OF NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT</b>	<b>\$ 72,330,000</b>	<b>\$ 36,725,602</b>	<b>\$ 109,055,602</b>	<b>\$ 90,984,911</b>	<b>\$ 18,070,691</b>
<b>BAY AREA RAPID TRANSIT DISTRICT (BART)</b>					
2004 BART Earthquake Safety Bonds, 2005 Series A	\$ -	\$ -	\$ -	\$ -	\$ -
2004 BART Earthquake Safety Bonds, 2007 Series B	1,296,000	1,437,636	2,733,636	2,546,220	187,416
2004 BART Earthquake Safety Bonds, 2013 Series A	6,340,800	3,214,872	9,555,672	3,335,584	6,220,088
2015 BART General Obligation Bonds	336,000	3,948,640	4,284,640	3,953,680	330,960
2016 BART General Obligation Bonds 2017 Series A (Estimate)	5,779,200	2,604,603	8,383,803	-	8,383,803
<b>SUB-TOTAL BAY AREA RAPID TRANSIT DISTRICT</b>	<b>\$ 13,752,000</b>	<b>\$ 11,205,751</b>	<b>\$ 24,957,751</b>	<b>\$ 9,835,484</b>	<b>\$ 15,122,267</b>
<b>SUB-TOTAL SFCCD, SFUSD AND BART</b>	<b>\$ 101,927,000</b>	<b>\$ 60,073,166</b>	<b>\$ 162,000,166</b>	<b>\$ 128,837,458</b>	<b>\$ 33,162,708</b>
<b>TOTAL GENERAL OBLIGATIONS - GENERAL CITY, SFCCD, SFUSD, AND BART</b>	<b>\$ 319,955,225</b>	<b>\$ 137,035,855</b>	<b>\$ 456,991,080</b>	<b>\$ 374,437,677</b>	<b>\$ 82,553,403</b>

# Attachment C

## COMPARATIVE TAX BILL

A comparative tax bill calculation of a home in San Francisco with an assessed value of \$500,000 in fiscal year 2016-2017 is as follows:

	<u>Assessed Value (100%)</u>	<u>Property Tax Rate per \$100 Value</u>	<u>Tax Bill</u>	<u>% Change</u>
<b><u>FY 2016-2017</u></b>				
Assessed Value FY 2016-17	\$500,000			
Less Homeowners' Exemption	<u>7,000</u>			
	<u>\$493,000</u>	\$1.1792	\$5,813.46	
<b><u>FY 2017-2018</u></b>				
Prior Year Assessed Value	\$500,000			
Add 2.000% Consumer Price Index (CPI) Increase	<u>10,000</u>			
Assessed Value FY 2017-18	\$510,000			
Less Homeowners' Exemption	<u>7,000</u>			
	<u>\$503,000</u>	\$1.1789	\$5,929.86	
<b>Increase / (Decrease)</b>		<b><u>(\$0.0003)</u></b>	<b><u>\$ 116.40</u></b>	<b>2.00%</b>