



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

Ms. Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place Room 244
San Francisco, CA 94102-4689

May 30, 2018

RE: File 180454 - Charter amendment authorizing \$425 Million Bond Issuance for construction and seismic strengthening of the Embarcadero Seawall

Dear Ms. Calvillo,

Should the proposed \$425 million in bonds be authorized and sold under current assumptions, the approximate costs will be as follows:

- a) In fiscal year (FY) 2019-2020, following issuance of the first series of bonds, and the year with the lowest tax rate, the best estimate of the tax required to fund this bond issue would result in a property tax rate of \$0.00181 per \$100 (\$1.81 per \$100,000) of assessed valuation.
- b) In FY 2024-2025, following issuance of the last series of bonds, and the year with the highest tax rate, the best estimate of the tax required to fund this bond issue would result in a property tax rate of \$0.0117 per \$100 (\$11.70 per \$100,000) of assessed valuation.
- c) The best estimate of the average tax rate for these bonds from FY 2019-2020 through FY 2042-2043 is \$0.0767 per \$100 (\$7.67 per \$100,000) of assessed valuation.
- d) Based on these estimates, the highest estimated annual property tax cost for these bonds for the owner of a home with an assessed value of \$600,000 would be approximately \$69.39.

These estimates are based on projections only, which are not binding upon the City. Projections and estimates may vary due to the timing of bond sales, the amount of bonds sold at each sale, and actual assessed valuation over the term of repayment of the bonds. Hence, the actual tax rate and the years in which such rates are applicable may vary from those estimated above. The City's current debt management policy is to issue new general obligation bonds only as old ones are retired, keeping the property tax impact from general obligation bonds approximately the same over time.

Sincerely,

Ben Rosenfield
Ben Rosenfield
Controller

Note: This analysis reflects our understanding of the proposal as of the date shown. At times further information is provided to us which may result in revisions being made to this analysis before the final Controller's statement appears in the Voter Information Pamphlet.