



**CITY AND COUNTY OF SAN FRANCISCO**  
**OFFICE OF THE CONTROLLER**

**Ben Rosenfield**  
**Controller**

**Todd Rydstrom**  
**Deputy Controller**

July 12, 2016

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

RE: File 160670 – Ordinance amending the Business Tax & Regulations Code – Half-cent sales tax (first draft)

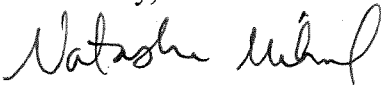
Dear Ms. Calvillo,

Should this ordinance be approved, in my opinion, it would result in an annual tax revenue increase to the City of an estimated \$25 million in fiscal year (FY) 2016-2017 and \$103.4 million in FY 2017-18. The tax is a special tax and proceeds would be used for projects included in the San Francisco Transportation Expenditure Plan (Expenditure Plan) which will be administered by the San Francisco County Transportation Authority (SFCTA).

The Expenditure Plan includes projects for transit services and affordability; Muni fleet, facilities, and infrastructure repair and improvement; transit optimization and expansion; regional transit and smart system management; Vision Zero safer and complete streets; and street resurfacing. The proposed ordinance would authorize the SFCTA to issue bonds as provided for in the San Francisco Transportation Expenditure Plan, not to exceed a total aggregate of \$2 billion, which would be repaid with proceeds from the tax.

The measure would amend the City's Business Tax and Regulations Code to increase the local sales tax rate by 0.5% (one-half of one percent) as of April 2017, for a period of twenty-five years.

Sincerely,

  
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.