

1 [California Constitution Appropriations Limit for FY2023-2024]

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3 **Resolution establishing the appropriations limit established at \$11,678,040,780 for**  
4 **Fiscal Year (FY) 2023-2024 pursuant to California Constitution, Article XIII B, due to**  
5 **the addition of local non-residential new construction and the percent change in**  
6 **population within the San Francisco Metropolitan Area from the previous year for the**  
7 **purpose of computation of its Appropriations Limit.**

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

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

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

23 WHEREAS, Article XIII B, Section 8(e)(2) of the California Constitution authorizes the  
24 calculation of the cost of living, either the use of the percentage change in California per-  
25 capita personal income from the preceding year, or the use of the percentage change in the

1 local assessment roll from the preceding year for the jurisdiction due to the addition of local  
2 non-residential new construction; and

3 WHEREAS, The change in California per-capita personal income in fiscal year 2022-  
4 23 was 4.44%, while the percentage change in the local assessment roll in 2021 due to the  
5 addition of local non-residential new construction was 9.74%; and

6 WHEREAS, Chapter 1222 of the California State Statutes of 1980 allows the City and  
7 County of San Francisco to use the greater of its percentage change in population from the  
8 preceding year or the percentage change of the Metropolitan Statistical Area population;  
9 and

10 WHEREAS, The percentage change in population of the City and County of San  
11 Francisco was -0.64%; and

12 WHEREAS, The percentage change in population during calendar year 2022 for the  
13 San Francisco Metropolitan Statistical Area was -0.45%; and

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

16 WHEREAS, Voters approved five measures, the Parcel Tax for San Francisco  
17 Unified School District (Proposition J-November 2020), the Real Estate Transfer Tax  
18 (Proposition I-November 2020), the Executive Compensation Tax (Proposition L-November  
19 2020), the Business Tax Overhaul (Proposition F-November 2020), and the Residential  
20 Vacancy Tax (Proposition M-November 2022), that increased the Appropriations Limit by  
21 the aggregate sum collected by the levy of these taxes; and

22 WHEREAS, The aggregate sum collected by the levy of these taxes through fiscal  
23 year 2023-24 is projected to be \$1,639,691,483; and

24 WHEREAS, Article XIII B, Sections 8(h) and 10.5 of the California Constitution  
25 establish that the Base Appropriations Limit for a local government is equal to the

1 appropriations subject to limitation in fiscal year 1986-87; and

2 WHEREAS, The Base Appropriations Limit for fiscal year 2022-23 is \$9,188,742,541;

3 and

4 WHEREAS, The resulting calculation establishing the City and County of San

5 Francisco's fiscal year 2023-24 Appropriations Limit is:

6  $\$9,188,742,541 \times 0.9955 \times 1.0974 + \$1,639,691,483 = \$11,678,040,780$ ; and

7 WHEREAS, This matter has been considered at a regularly scheduled meeting of the

8 Board of Supervisors for the City and County of San Francisco; and

9 WHEREAS, The documentation used to determine the Appropriations Limit for the

10 City and County of San Francisco for FY2023-2024 was available for public inspection in

11 the Office of the Clerk of the Board of Supervisors for at least 15 days prior to said regularly

12 scheduled meeting; now, therefore, be it

13 RESOLVED, That the City and County of San Francisco elects to use the percentage

14 change in the local assessment roll from 2022 due to the addition of local non-residential

15 new construction and the percent change in population within the San Francisco

16 Metropolitan Area from the previous year for the purpose of computation of its

17 Appropriations Limit pursuant to Article XIII B of the California Constitution for FY 2023-

18 2024; and, be it

19 FURTHER RESOLVED, That the net appropriations limit for FY 2023-2024 is

20 established at \$11,678,040,780.

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1 Recommended:

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4 Ben Rosenfield

5 Controller

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