

1 [California Constitution Appropriations Limit for FY2021-2022]

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3 **Resolution establishing the appropriations limit for Fiscal Year (FY) 2021-2022**
4 **pursuant to California Constitution Article XIII B.**

5
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

1 WHEREAS, The change in California per-capita personal income in fiscal year 2020-
2 2021 was 5.73%, while the percentage change in the local assessment roll in 2020 due to the
3 addition of local non-residential new construction was 18.57%; and

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

7 WHEREAS, The percentage change in population of the City and County of San
8 Francisco was -1.70%; and

9 WHEREAS, The percentage change in population during calendar year 2020 for the
10 San Francisco Metropolitan Statistical Area was -0.64%; and

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

13 WHEREAS, Voters approved eight measures, the Tax on Cannabis Businesses
14 (Proposition D-November 2018), the Homeless Gross Receipts Tax (Proposition C-November
15 2018), the Traffic Congestion Mitigation Tax (Proposition D-November 2019), the Vacancy
16 Tax (Proposition D-March 2020), the Parcel Tax for San Francisco Unified School District
17 (Proposition J-November 2020), the Real Estate Transfer Tax (Proposition I-November 2020),
18 the Executive Compensation Tax (Proposition L-November 2020), and the Business Tax
19 Overhaul (Proposition F-November 2020), that increased the Appropriations Limit by the
20 aggregate sum collected by the levy of these taxes; and

21 WHEREAS, The aggregate sum collected by the levy of these taxes through fiscal year
22 2021-2022 is projected to be \$1,744,826,544; and

23 WHEREAS, Article XIII B, Sections 8(h) and 10.5 of the California Constitution
24 establish that the Base Appropriations Limit for a local government is equal to the
25 appropriations subject to limitation in fiscal year 1986-1987; and



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 220181

Date Passed: April 26, 2022

Resolution establishing the appropriations limit for Fiscal Year (FY) 2021-2022 pursuant to California Constitution Article XIII B.

April 20, 2022 Budget and Finance Committee - RECOMMENDED

April 26, 2022 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 220181

I hereby certify that the foregoing Resolution was ADOPTED on 4/26/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved