

File No. 230957

Committee Item No. 1

Board Item No. 14

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date September 20, 2023

Board of Supervisors Meeting

Date September 26, 2023

### Cmte Board

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- Introduction Form
- Department/Agency Cover Letter and/or Report
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- CON Presentation 9/20/23
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Completed by: Brent Jalipa

Date September 14, 2023

Completed by: Brent Jalipa

Date September 21, 2023

1 [Setting Property Tax Rate and Establishing Pass-Through Rate for Residential Tenants -  
FY2023-2024]

2

3 **Resolution levying property taxes at a combined rate of \$1.17769382 on each \$100**  
4 **valuation of taxable property for the City and County of San Francisco, San Francisco**  
5 **Unified School District, San Francisco County Office of Education, San Francisco**  
6 **Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality**  
7 **Management District; and establishing a pass-through rate of \$0.0726 per \$100 of**  
8 **assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for**  
9 **the Fiscal Year (FY) ending June 30, 2024.**

10

11 WHEREAS, Administrative Code, Section 3.3(m) requires the Board of Supervisors to  
12 enact a Resolution each year by September 30 adopting the property tax rate for the City and  
13 County of San Francisco (the "City"), including amounts required for debt service; now,  
14 therefore, be it

15 RESOLVED, That under the laws of the State of California, a tax is hereby levied for  
16 the fiscal year ending June 30, 2024, on all property, real and personal, in the City, except  
17 such property as is by law exempt from taxation, in the sum of \$1.01213351 on each \$100  
18 valuation of said taxable property as the same appears upon the secured assessment roll of  
19 the City for the fiscal year; and the tax shall be apportioned to the General Fund and the  
20 General Obligation Bond Fund, and according to Sections 16.106, 16.107, 16.108, and  
21 16.109 of the Charter as follows:

22	For the General Fund, the rate of	\$ 0.80918319
23	For the Library Preservation Fund, the rate of	\$ 0.02500000
24	For the San Francisco Children's Fund, the rate of	\$ 0.04000000
25	For the Open Space Fund, the rate of	\$ 0.02500000

1 For the General Obligation Bond Fund, the rate of \$ 0.11295032

2 **TOTAL City and County of San Francisco** \$ 1.01213351;

3 and, be it

4 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
5 levied for San Francisco Unified School District purposes for the fiscal year ending June 30,  
6 2024, on all property, real and personal, in the City, except such property as is by law exempt  
7 from taxation, in the sum of \$0.11724577 on each \$100 valuation of said taxable property as  
8 the same appears upon the secured assessment roll of the City for the fiscal year; and the tax  
9 shall be apportioned as follows:

10 For General Operations, the rate of \$ 0.07698857

11 For General Obligation Bond Debt Service, the rate of \$ 0.04025720

12 **TOTAL San Francisco Unified School District** \$ 0.11724577;

13 and, be it

14 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
15 levied for San Francisco County Office of Education purposes for the fiscal year ending June  
16 30, 2024, on all property, real and personal, in the City and County of San Francisco, except  
17 such property as is by law exempt from taxation, in the sum of \$0.00097335 on each \$100  
18 valuation of said taxable property as the same appears upon the secured assessment roll of  
19 the City for the fiscal year; and the tax shall be apportioned as follows:

20 For General Operations, the rate of \$ 0.00097335

21 **TOTAL San Francisco County Office of Education** \$ 0.00097335;

22 and, be it

23 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
24 levied for San Francisco Community College District purposes for the fiscal year ending June  
25 30, 2024, on all property, real and personal, in the City, except such property as is by law

1 exempt from taxation, in the sum of \$0.02553052 on each \$100 valuation of said taxable  
2 property as the same appears upon the secured assessment roll of the City for the fiscal year;  
3 and the tax shall be apportioned as follows:

4 For General Operations, the rate of \$ 0.01444422

5 For General Obligation Bond Debt Service, the rate of \$ 0.01108630

6 **TOTAL San Francisco Community College District** \$ **0.02553052**;

7 and, be it

8 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
9 levied for Bay Area Rapid Transit District purposes for the fiscal year ending June 30, 2024,  
10 on all property, real and personal, in the City, except such property as is by law exempt from  
11 taxation, in the sum of \$0.01972528 on each \$100 valuation of said taxable property as the  
12 same appears upon the secured assessment roll of the City for the fiscal year; and the tax  
13 shall be apportioned as follows:

14 For General Operations, the rate of \$ 0.00632528

15 For General Obligation Bond Debt Service, the rate of \$ 0.01340000

16 **TOTAL Bay Area Rapid Transit District** \$ **0.01972528**;

17 and, be it

18 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
19 levied for Bay Area Air Quality Management District purposes for fiscal year ending June 30,  
20 2024, on all property, real and personal, in the City, except such property as is by law exempt  
21 from taxation, in the sum of \$0.00208539 on each \$100 valuation of said taxable property as  
22 the same appears upon the secured assessment roll of the City for the fiscal year; and the tax  
23 shall be apportioned as follows:

24 For General Operations, the rate of \$ 0.00208539

25 **TOTAL Bay Area Air Quality Management District** \$ **0.00208539**;

1 and, be it

2 FURTHER RESOLVED, That the combined property tax rate for the City, San  
3 Francisco Unified School District, San Francisco County Office of Education, San Francisco  
4 Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality  
5 Management District, as set forth above, shall therefore be **\$1.17769382** on each \$100  
6 valuation of said taxable property; and, be it

7 FURTHER RESOLVED, That pursuant to Sections 37.3(a)(6)(A)-(D) of the  
8 Administrative Code, the Board of Supervisors hereby determines that, based on the  
9 combined property tax rate provided in the preceding paragraph, the property tax pass-  
10 through rate for residential tenants for the fiscal year ending June 30, 2024, shall be \$0.0726  
11 per \$100 of assessed value, based on the calculations set forth in that Section; and residential  
12 tenants may be eligible for relief from the property tax pass-through under Section 37.3(a)(6)€  
13 at a rate of \$0.0259 per \$100 of assessed value.

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15 Recommended By:

16 Ben Rosenfield

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18 /s/ \_\_\_\_\_

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Controller

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<p><b>Item 1</b> <b>File 23-0957</b></p>	<p><b>Department:</b> Controller’s Office (CON)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution sets the property tax rate for FY 2023-24 for taxing entities within San Francisco including (a) the City; (b) the San Francisco Unified School District; (c) the San Francisco County Office of Education; (d) the San Francisco Community College District; (e) Bay Area Rapid Transit (BART); and (f) the Bay Area Air Quality Management District (BAAQMD).</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• The Board of Supervisors annually sets the combined property tax rate that provides revenues for: (1) general operations, (2) specific Charter-required activities for the City such as services for children, open space, or the public library; and (3) paying debt service on voter-approved General Obligation bonds that were issued by the City, the San Francisco Unified School District (SFUSD), the San Francisco Community College District (SFCCD), and the Bay Area Rapid Transit District (BART).</li> <li>• The proposed resolution would also set the property tax pass-through rate that landlords can pass-through to tenants in FY 2023-24, as allowed under the Administrative Code.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would set the combined property tax rate (comprised of the property tax rates levied for all of the taxing jurisdictions within the City) for FY 2023-24 at \$1.17769382 per \$100 of assessed value. The FY 2023-24 property tax rate of \$1.17769382 is \$0.00204400, or 0.17 percent less than the FY 2022-23 tax rate of \$1.17973782 per \$100 of assessed value.</li> <li>• The proposed FY 2023-24 property tax rate would increase property taxes by \$147 on a median-priced single-family residence and increase the allowable pass-through to tenants by \$19 on the same residence. Although the property tax rate decreased this year, the allowed two percent increase in the assessed value of a median valued home more than offsets the property tax rate decrease.</li> <li>• The FY 2023-24 General Fund share of property tax revenue is budgeted at \$2,510.0 million, which is \$130.5 million, or 5.5 percent, more than the \$2,379.5 million in the FY 2022-23 budget.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• Approve the proposed resolution.</li> </ul>	

## MANDATE STATEMENT

California Revenue and Taxation Code Section 2151 requires the Board of Supervisors to fix the rates of county and district property taxes and to levy the property taxes for the County and Districts.

San Francisco Administrative Code Section 3.3(m) requires the Board of Supervisors to adopt the property tax rate for the City and County of San Francisco by September 30.

City Charter Section 16.107-109 requires that portions of the City's annual property tax levy be set aside for specific uses including \$0.0250 for the Library Preservation Fund; \$0.0400 for the Children's Fund; and \$0.0250 for the Open Space Acquisition Fund per \$100 of assessed value. San Francisco Administrative Code Section 37.3(a)(6)(A-D), the Residential Rent Stabilization and Arbitration Ordinance allows landlords to pass through to tenants a portion of property tax increases that result from certain voter-approved General Obligation bonds.

## BACKGROUND

The Board of Supervisors annually sets the combined property tax rate that provides revenues for affected taxing entities: (1) General Operations, (2) specific Charter-required activities for the City and County of San Francisco such as services for children, acquiring open space, or constructing, maintaining and operating the public library; and (3) paying debt service on voter-approved General Obligation bonds that were issued by the City, the San Francisco Unified School District (SFUSD), the San Francisco Community College District (SFCCD), and the Bay Area Rapid Transit District (BART).

Under the California Constitution Article XIII(A), the base property tax rate that the City can levy on property owners is one percent and can be used for general purposes. Any amount over the base of one percent is used to pay for debt service on voter-approved General Obligation bonds.

## DETAILS OF PROPOSED LEGISLATION

The proposed resolution sets the property tax rate for FY 2023-24 for taxing entities<sup>1</sup> within the City and County of San Francisco including (a) the City; (b) the San Francisco Unified School District; (c) the San Francisco County Office of Education; (d) the San Francisco Community College District; (e) BART; and (f) the Bay Area Air Quality Management District (BAAQMD).

The proposed resolution would also set the property tax pass-through rate that landlords can pass-through to tenants in FY 2023-24, as allowed in Chapter 37.3 of the City Administrative Code. The pass through to tenants may only be imposed on a tenant's anniversary date and does not become part of a tenant's base rent. The allowable tenant pass-through rate is based on the portion of the landlord's property tax liability that comes from General Obligations bond debt

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<sup>1</sup> Taxing entities are agencies or organizations located within the City and County of San Francisco that have taxing authority but may not be part of the City government. The General City Operations tax rate factor of \$0.80918319 includes \$0.25330113 to be shifted to the Educational Revenue Augmentation Fund (ERAF) for the benefit of San Francisco Unified School District, the County Office of Education, and the San Francisco Community College District.

service for certain periods and is comprised of three factors outlined in Chapter 37.3 of the Administrative Code, as shown in Exhibit 1 below.

**Exhibit 1: Percent of Property Tax Increases for General Obligation Bond Debt Service Allowed for Pass-Through to Tenants**

Entity	Date of GO Bond Approval	Pass-Through Rate
City and County of San Francisco	November 1, 1996-November 30, 1998	100%
San Francisco Unified School District	November 14, 2002-Present	50%
San Francisco Community College District	November 1, 2006-Present	50%

Source: Administrative Code Section 37.3(6)

**FISCAL IMPACT**

The proposed resolution would set the combined property tax rate for FY 2023-24 at \$1.17769382 per \$100 of assessed value. The FY 2023-24 property tax rate of \$1.17769382 is \$0.00204400, or 0.17 percent less than the FY 2022-23 tax rate of \$1.17973782 per \$100 of assessed value. See Exhibit 2 below for the proposed tax rates for all taxing jurisdictions in the City, as determined by the Controller.



**Exhibit 2: Current and Proposed Tax Rates per \$100 of Assessed Property Value**

<b>Tax/Entity</b>	<b>FY 2022-23</b>	<b>FY2023-24</b>	<b>Change</b>
<b>City &amp; County of San Francisco</b>			
General Fund	\$0.80918319	\$0.80918319	No change
Library Preservation Fund	\$0.02500000	\$0.02500000	No change
Children's Fund	\$0.04000000	\$0.04000000	No change
Open Space Fund	\$0.02500000	\$0.02500000	No change
GO Bond Fund	\$0.10761763	\$0.11295032	\$0.00533269
<b>City Subtotal</b>	<b>\$1.00680082</b>	<b>\$1.01213351</b>	<b>\$0.00533269</b>
<b>San Francisco Unified School District</b>			
General Operations	\$0.07698857	\$0.07698857	No change
General Obligation Debt Service	\$0.04216026	\$0.04025720	(\$0.00190306)
<b>SFUSD Subtotal</b>	<b>\$0.11914883</b>	<b>\$0.11724577</b>	<b>(\$0.00190306)</b>
<b>San Francisco County Office of Education</b>	<b>\$0.00097335</b>	<b>\$0.00097335</b>	<b>No change</b>
<b>San Francisco Community College District</b>			
General Operations	\$0.01444422	\$0.01444422	No change
General Obligation Bond Debt Service	\$0.01595993	\$0.01108630	(\$0.00487363)
<b>SFCCD Subtotal</b>	<b>\$0.03040415</b>	<b>\$0.02553052</b>	<b>(\$0.00487363)</b>
<b>Bay Area Rapid Transit</b>			
General Operations	\$0.00632528	\$0.00632528	No change
General Obligation Bond Debt Service	\$0.01400000	\$0.01340000	(\$0.00060000)
<b>Bay Area Rapid Transit Subtotal</b>	<b>\$0.02032528</b>	<b>\$0.01972528</b>	<b>(\$0.00060000)</b>
<b>Bay Area Air Quality Management District</b>	<b>\$0.00208539</b>	<b>\$0.00208539</b>	<b>No change</b>
<b>Total Property Tax Rate</b>	<b>\$1.17973782</b>	<b>\$1.17769382</b>	<b>(\$0.00204400)</b>

Source: Proposed Resolution

**Tenant Pass-Through Tax Rate**

The proposed resolution would set the allowable property tax rate that landlords can pass-through to tenants at \$0.0726 per \$100 of assessed value (or 7.26 cents per \$100 of assessed value). The FY 2023-24 pass-through rate is \$0.0013 more than the FY 2022-23 rate of \$0.0713.

Residential tenants may file a financial hardship application with the Rent Board to request a portion of the FY 2023-24 pass-through be waived under Section 37.3(a)(6)e of the Administrative Code. In such cases, the Rent Board may waive the pass-through amount up to \$0.0259 per \$100 of assessed value, or 2.59 cents per \$100 of assessed value.

**Impact of the Combined Property Tax Rate and Allowable Pass-Through**

Under Proposition 13, the City may annually increase the assessed value of a property by a State-determined inflation factor or 2.00 percent, whichever is less. For FY 2023-24, the California Consumer Price Index (CCPI) adjustment authorized by the State Board of Equalization is 2.00 percent. The median assessed value of a single-family residence was \$683,637 in FY 2022-23, as

shown in Exhibit 3 below. The taxable assessed value on that same home with the assessed value increased by the State-determined inflation factor of 2.00 percent, with a homeowner’s exemption, would be \$690,310 in FY 2023-24.

**Exhibit 3: Estimated Property Tax for Single Family Residence with Median Assessed Value**

	Single Family Residence	Allowable Tenant Pass-Through
<b>Fiscal Year 2022-23</b>		
Assessed Value	\$683,637	\$683,637
Less Homeowner's Exemption	\$7,000	\$0
Total Taxable Assessed Value	\$676,637	\$683,637
Property Tax Rate	1.17973782%	0.0713%
<b>Property Taxes Payable in 2022-23</b>	<b>\$7,983</b>	<b>\$487</b>
<b>Proposed FY 2023-24</b>		
Prior Year Assessed Value	\$683,637	\$683,637
Assessed Value + California Consumer Price Index Increase (2.00%)	\$13,673	\$13,673
Subtotal	\$697,310	\$697,310
Less Homeowner's Exemption	\$7,000	\$0
<b>Total Taxable Assessed Value</b>	<b>\$690,310</b>	<b>\$697,310</b>
Property Tax Rate	1.17769382%	0.0726%
<b>Property Taxes Payable in 2023-24</b>	<b>\$8,130</b>	<b>\$506</b>
Total Increase in Property Taxes Payable in FY 2023-24 versus FY 2022-23	\$147	\$19

Source: Controller’s Office

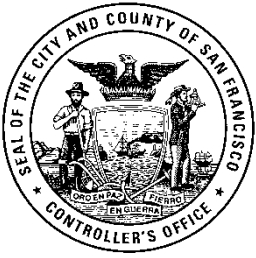
Note: Total may not add up due to rounding.

As shown above in Exhibit 3, the proposed FY 2023-24 property tax rate of \$1.17769382 per \$100 of assessed value would increase property taxes by \$147 on a single-family residence with an assessed value of \$697,310 in FY 2023-24 and increase the allowable pass-through to tenants by \$19 on the same residence. Although the property tax rate decreased this year, the allowable two percent increase in the assessed value of a median valued home more than offsets the property tax rate decrease.

The FY 2023-24 General Fund share of property tax revenue is budgeted at \$2,510.0 million, which is \$130.5 million, or 5.5 percent, more than the \$2,379.5 million in the FY 2022-23 budget.

**RECOMMENDATION**

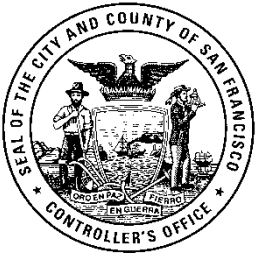
Approve the proposed resolution.



# Property Tax Rate History

(Referenced in CON Summary Letter Attachment A)

<b>Fiscal Year</b>	<b>Prop 13 Base Countywide Tax Rate</b>	<b>San Francisco G.O. Bonds Tax Rate</b>	<b>Schools &amp; Special Districts G.O. Bonds Tax Rate</b>	<b>Combined Secured Property Tax Rate</b>	<b>% Change from Prior Year</b>
2017 - 2018	1.0000	0.1074	0.0649	1.1723	-0.59%
2018 - 2019	1.0000	0.1075	0.0555	1.1630	-0.79%
2019 - 2020	1.0000	0.1167	0.0634	1.1801	1.47%
2020 - 2021	1.00000000	0.11972733	0.07873635	1.19846368	1.56%
2021 - 2022	1.00000000	0.11463663	0.06784836	1.18248499	-1.33%
2022 - 2023	1.00000000	0.10761763	0.07212019	1.17973782	-0.23%
2023 - 2024	1.00000000	0.11295032	0.06474350	1.17769382	-0.17%



# Comparative Tax Bill

(Referenced in CON Summary Letter Attachment C)

	Assessed Value (AV)	Property Tax Rate	Tax Bill*
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**FY 2022-2023**

Assessed Value FY 2022-23	\$683,637		
Less Homeowner's Exemption	(\$7,000)		
Taxable Value	\$676,637	1.17973782%	\$7,982.54

**FY 2023-2024**

Prior Year Assessed Value	\$683,637		
Add 2% - California CPI			
Increase for FY 2023-24	\$13,673		
Assessed Value FY 2023-24	\$697,310		
Less Homeowner's Exemption	(\$7,000)		
Taxable Value	\$690,310	1.17769382%	\$8,129.72

\* Secured property tax bill pennies are rounded down to next even penny value.

**Dollar Increase \$147.18**  
**Percent Increase 1.84%**



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

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

September 5, 2023

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 2023-24 Property Tax Rate Resolution

Dear Ms. Calvillo:

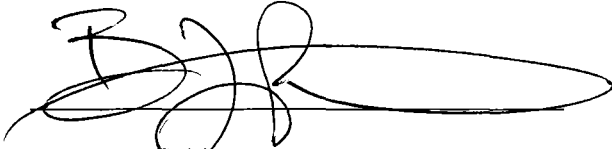
I am submitting a resolution for consideration to establish the tax levy for FY 2023-24. This resolution includes the following:

- Property Tax Levy for City and County;
- Property Tax Levy for Unified School District;
- Property Tax Levy for County Office of Education;
- Property Tax Levy for Community College District
- 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(m) of the Administrative Code requires the property tax rate be adopted by September 30 each year. I hereby request these items be scheduled for the Budget & Finance Committee meeting no later than September 20, 2023 to satisfy this requirement.

Please contact Jamie Whitaker, Property Tax Manager, at [James.Whitaker@sfgov.org](mailto:James.Whitaker@sfgov.org) if you have questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'B. Rosenfield', written over a horizontal line.

Ben Rosenfield  
Controller

CC: Brent Jalpa, Budget & Finance Committee Clerk



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

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

September 5, 2023

The Honorable London Breed  
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 resolution which formally adopts those portions of the property tax rate for fiscal year 2023-2024 which the City and County of San Francisco (CCSF) administers. The Bay Area Rapid Transit District (BART) also adopts a debt service tax rate factor for their combined three county service areas. The rate shown below includes the BART's debt service tax rate factor adopted by their Board on August 24, 2023. The composite property tax rate for fiscal year 2023-2024 is \$1.17769382 for each \$100 of assessed value. The CCSF property tax rate factor for this fiscal year's general obligation bond debt service remains below the CCSF Capital Plan's designated cap of \$0.12012547, established in FY 2005-2006. The respective tax rates by accruing entity are as follows:

	<u>Tax Rate Resolution</u>
San Francisco Community College District (SFCCD) (includes 0.01108630 debt service)	\$0.02553052 <sup>1</sup>
San Francisco Unified School District (SFUSD) (includes 0.04025720 debt service)	0.11724577 <sup>1</sup>
CCSF - General Fund	0.80918319 <sup>1</sup>
CCSF - Library Preservation Fund	0.02500000
CCSF - Children's Fund	0.04000000
CCSF - Open Space Fund	0.02500000
CCSF - General Obligation Bond Debt Service	0.11295032
San Francisco County Office of Education (SFCOE)	0.00097335 <sup>1</sup>
Bay Area Air Quality Management District	0.00208539
Bay Area Rapid Transit District (BART) (includes 0.01340000 debt service)	0.01972528
<b>Total Combined Tax Rate</b>	<b><u>\$1.17769382</u></b>

<sup>1</sup> Tax rate factors listed represent apportionments prior to State-mandated tax shifts of local property tax revenues into and out of the Educational Revenue Augmentation Fund (ERAF).

State law requires a shift of \$0.25330113 of the CCSF General Fund's \$0.80918319 apportionment into the CCSF's Educational Revenue Augmentation Fund (ERAF). After the State-mandated shift to ERAF,

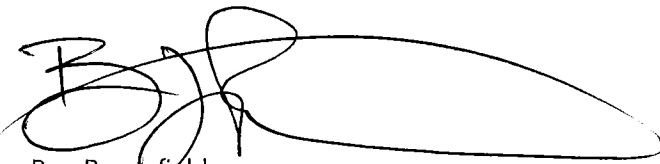
the CCSF General Fund's allocation factor is reduced to \$0.55588206 for each \$100 of assessed value. State law further prescribes how ERAF revenues are allocated among SFCCD, SFUSD, SFCOE, and CCSF.

The property tax rate reflects anticipated debt service requirements pertaining to voter-approved general obligation bonds. Attachment A is a Property Tax Rate History table for the City and County beginning in fiscal year 2003-2004. Attachment B provides the anticipated fiscal year 2023-2024 general obligation bond debt service schedule (principal and interest) relevant to the property tax rate calculations.

For fiscal year 2023-2024, the pass-through rate for residential tenants is \$0.0726 per \$100 of assessed value, or 7.26 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. Residential tenants may be eligible for relief from the property tax pass-through under Section 37.3(a)(6)(E) of the Administrative Code at a rate of \$0.0259 per \$100 of assessed value, or 2.59 cents per \$100 of assessed value.

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 2023-2024, the consumer price index adjustment authorized by the State is 2.00%. The median assessed valuation for a single-family residential parcel at the beginning of fiscal year 2022-2023 in San Francisco was \$683,637. As shown in Attachment C, the combination of a tax rate of \$1.17769382 for each \$100 of assessed value and the 2.00% consumer price index adjustment that increases the assessed value of the example residence from \$683,637 in fiscal year 2022-2023 to \$697,310 in fiscal year 2023-2024 results in an approximate \$147.18 ad valorem property tax increase year-over-year (see attachment C for calculation).

Sincerely,

A handwritten signature in black ink, appearing to read 'Ben Rosenfield', is written over a large, horizontal, oval-shaped line that serves as a signature separator.

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>
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	0.0649	1.1723	-0.59%
2018 - 2019	1.0000	0.1075	0.0555	1.1630	-0.79%
2019 - 2020	1.0000	0.1167	0.0634	1.1801	1.47%
2020 - 2021	1.0000	0.11972733	0.07873635	1.19846368	1.56%
2021 - 2022	1.0000	0.11463663	0.06784836	1.18248499	-1.33%
2022 - 2023	1.0000	0.10761763	0.07212019	1.17973782	-0.23%
2023 - 2024	1.0000	0.11295032	0.06474350	1.17769382	-0.17%

# Attachment B

## CITY AND COUNTY OF SAN FRANCISCO Debt Service Requirements - General Obligation Bonds Comparative Statement - Fiscal Year 2023-24 and 2022-23

Bond Description	FY 2023-2024 Principal	FY 2023-2024 Interest	FY 2023-2024 Admin Expense	FY 2023-2024 Total	FY 2022-2023 Total	INCREASE/ (DECREASE)
<b>GENERAL CITY</b>						
1992 UMB Program - Seismic Safety, Series 2007A - Drawdown 1-7	1,826,206	584,548	-	2,410,754	2,410,754	-
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D	3,100,000	1,398,815	-	4,498,815	4,549,555	(50,740)
2008 Clean and Safe Neighborhood Parks, Series 2016A	410,000	163,750	-	573,750	573,250	500
2008 San Francisco General Hospital Improvement, BAB Series 2010C (1)	15,110,000	6,820,657	-	21,930,657	22,195,637	(264,980)
2010 Earthquake Safety & Emergency Response Series 2016C	1,195,000	529,325	-	1,724,325	1,726,325	(2,000)
2011 Road Repaving and Street Safety, Series 2016E	2,090,000	926,650	-	3,016,650	3,021,400	(4,750)
2012 Clean and Safe Neighborhood Parks, Series 2016B	1,335,000	531,650	-	1,866,650	1,865,150	1,500
2012 Clean and Safe Neighborhood Parks, Series 2018A	2,080,000	1,293,963	-	3,373,963	3,372,963	1,000
2014 Earthquake Safety & Emergency Response Series 2018C	5,905,000	4,248,150	-	10,153,150	10,149,150	4,000
2014 Earthquake Safety & Emergency Response Series 2016D	4,035,000	1,786,013	-	5,821,013	5,818,013	3,000
2014 Transportation & Road Improvements Series 2020B	5,020,000	2,009,000	-	7,029,000	7,909,700	(880,700)
2014 Transportation & Road Improvements Series 2018B	4,730,000	2,942,588	-	7,672,588	7,672,838	(250)
2014 Transportation & Road Improvements Series 2015B	2,295,000	1,158,881	-	3,453,881	3,453,131	750
2014 Transportation & Road Improvements Series 2021C-1	2,160,000	3,476,050	-	5,636,050	5,633,800	2,250
2015 Affordable Housing Series 2018D	4,370,000	3,275,393	-	7,645,393	7,643,093	2,300
2015 Affordable Housing Series 2016F	2,550,000	1,087,180	-	3,637,180	3,637,180	-
2015 Affordable Housing, Series 2019C	1,165,000	499,720	-	1,664,720	1,663,040	1,680
2016 Preservation and Seismic Safety, Series 2024A (estimated)	415,000	974,610	-	1,389,610	-	1,389,610
2016 Preservation and Seismic Safety, Series 2019A	990,000	2,757,171	-	3,747,171	3,747,463	(292)
2016 Preservation and Seismic Safety, Series 2020C	1,665,000	2,469,558	-	4,134,558	4,136,215	(1,657)
2016 Public Health and Safety, Series 2017A	5,775,000	3,746,050	-	9,521,050	9,521,050	-
2016 Public Health and Safety, Series 2018E	1,555,000	1,095,188	-	2,650,188	2,659,688	(9,500)
2016 Public Health and Safety, Series 2020D-1	2,265,000	3,285,100	-	5,550,100	5,574,100	(24,000)
2018 Embarcadero Seawall Earthquake Safety, Series 2022A- \$80M (estimated)	-	-	-	-	18,386,667	(18,386,667)
2019 Affordable Housing, Series 2022C-\$175M (estimated)	-	-	-	-	48,025,694	(48,025,694)
2019 Affordable Housing, Series 2023C	2,865,000	5,492,878	-	8,357,878	-	8,357,878
2019 Affordable Housing, Series 2021A	6,000,000	3,764,313	-	9,764,313	9,760,864	3,449
2020 Health and Recovery, Series 2022B-\$160M (estimated)	-	-	-	-	36,773,333	(36,773,333)
2020 Health and Recovery, Series 2021D-1	4,265,000	6,865,800	-	11,130,800	11,128,800	2,000
2020 Health and Recovery, Series 2023A	1,760,000	1,320,750	-	3,080,750	-	3,080,750
2020 Health and Recovery, Series 2024B (estimated)	130,680,000	2,101,785	-	132,781,785	-	132,781,785
2020 Earthquake Safety & Emergency Response Series 2021-B1	1,670,000	2,686,900	-	4,356,900	4,356,400	500
2020 Earthquake Safety & Emergency Response, Series 2021E-1	1,545,000	2,485,750	-	4,030,750	4,029,250	1,500
General Obligation Bond Refunding, Series 2015 R1	23,985,000	7,569,250	-	31,554,250	31,561,750	(7,500)
General Obligation Bond Refunding, Series 2020 R1	14,525,000	7,487,200	500	22,012,700	22,009,200	3,500
General Obligation Bond Refunding, Series 2021 R1	8,445,000	3,717,300	-	12,162,300	12,164,550	(2,250)
General Obligation Bond Refunding, Series 2021 R2	18,380,000	2,179,250	-	20,559,250	23,914,250	(3,355,000)
General Obligation Bond Refunding, Series 2022-R1	24,615,000	15,103,000	-	39,718,000	42,832,375	(3,114,375)
SUB-TOTAL GENERAL CITY BEFORE NET PREMIUM & SUBSIDIES	\$ 310,776,206	\$ 107,834,186	\$ 500	\$ 418,610,892	\$ 383,876,628	\$ 34,734,264
<b>FEDERAL SUBSIDY, NET BID PREMIUM, SB 1128 REIMBURSEMENT, and TOBACCO SETTLEMENT REVENUE AVAILABLE FOR DEBT SERVICE PAYMENT</b>						
2014 Transportation & Road Improvements Series 2020B	-	-	-	-	(879,527)	879,527
2020 Health and Recovery, Series 2023A	-	(1,320,750)	-	(1,320,750)	-	(1,320,750)
2019 Affordable Housing, Series 2023C	-	(814,243)	-	(814,243)	-	(814,243)
Tobacco Settlement Revenue Reimbursement	(13,755,236)	(4,648,326)	-	(18,403,562)	(18,407,009)	3,447
2008 San Francisco General Hospital Improvement, BAB Series 2010C	-	(2,251,158)	-	(2,251,158)	(2,501,989)	250,831
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D	-	(461,679)	-	(461,679)	(513,081)	51,402
PASS Loan Repayments	-	(3,098,070)	-	(3,098,070)	(1,143,959)	(1,954,111)
TOTAL NET PREMIUM, SB 1128 REIMBURSEMENT, FEDERAL SUBSIDY	(13,755,236)	(12,594,226)	-	(26,349,462)	(23,445,565)	(2,903,897)
SUB-TOTAL GENERAL CITY NET OF NON-PROPERTY TAX SOURCES	\$ 297,020,970	\$ 95,239,960	\$ 500	\$ 392,261,430	\$ 360,431,063	\$ 31,830,367
<b>OUTSIDE CITY ANNUAL BUDGET</b>						
<b>SAN FRANCISCO COMMUNITY COLLEGE DISTRICT (SFCCD)</b>						
2015 Community College District Refunding Bonds	19,775,000	5,697,750	-	25,472,750	25,440,250	32,500
2020 Community College District Refunding Bonds	1,360,000	922,450	-	2,282,450	2,282,200	250
2020 Community College District, 2020 Series A-1	3,745,000	4,633,077	-	8,378,077	4,633,077	3,745,000
2020 Community College District, 2020 Series A	-	2,979,450	-	2,979,450	23,013,450	(20,034,000)
SUB-TOTAL SAN FRANCISCO COMMUNITY COLLEGE DISTRICT	\$ 24,880,000	\$ 14,232,727	\$ -	\$ 39,112,727	\$ 55,368,977	\$ (16,256,250)
<b>NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT</b>						
2020 Community College District, 2020 Series A	-	-	-	-	(3,126,475)	3,126,475
TOTAL NET BID PREMIUM	\$ -	\$ -	\$ -	\$ -	(3,126,475)	\$ 3,126,475
SUB-TOTAL NET OF NET PREMIUM AVAILABLE FOR DEBT SERVICE	\$ 24,880,000	\$ 14,232,727	\$ -	\$ 39,112,727	\$ 52,242,502	\$ (13,129,775)
<b>SAN FRANCISCO UNIFIED SCHOOL DISTRICT (SFUSD)</b>						
2006 Unified School District, 2010 Series C (QSCBs)	-	742,969	-	742,969	742,969	-
2006 Unified School District, 2010 Series D (BABs)	10,715,000	4,150,420	-	14,865,420	4,150,420	10,715,000
2006 Unified School District, 2015 Series F	685,000	430,713	-	1,115,713	1,118,463	(2,750)
2011 Unified School District, 2015 Series C	9,650,000	6,055,363	-	15,705,363	15,704,863	500
2015 Unified School District Refunding Bonds	3,110,000	320,550	-	3,430,550	10,075,050	(6,644,500)
2016 Unified School District, Series A	6,290,000	4,826,363	-	11,116,363	11,115,863	500
2016 Unified School District, Series B	8,595,000	7,396,950	-	15,991,950	15,992,550	(600)
2016 General Obligation Bonds, Series C	14,300,000	11,630,500	-	25,930,500	24,949,750	980,750
2017 Unified School District Refunding Bonds	11,710,000	585,500	-	12,295,500	11,999,000	296,500
2020 General Obligation Refunding Bonds	21,615,000	3,645,600	-	25,260,600	29,333,600	(4,073,000)
2022 General Obligation Refunding Bonds	9,045,000	5,687,250	-	14,732,250	14,729,576	2,674
SUB-TOTAL SF UNIFIED SCHOOL DISTRICT BEFORE NET PREMIUM	\$ 95,715,000	\$ 45,472,178	\$ -	\$ 141,187,178	\$ 139,912,104	\$ 1,275,074
<b>NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT</b>						
2006 Unified School District, 2010 Series C (QSCBs)	-	(662,138)	-	(662,138)	(662,138)	-
2006 Unified School District, 2010 Series D (BABs)	-	(1,369,846)	-	(1,369,846)	(1,369,846)	-
TOTAL NET BID PREMIUM	\$ -	\$ (2,031,984)	\$ -	\$ (2,031,984)	\$ (2,031,984)	\$ -
SUB-TOTAL NET OF NET PREMIUM AVAILABLE FOR DEBT SERVICE	\$ 95,715,000	\$ 43,440,194	\$ -	\$ 139,155,194	\$ 137,880,120	\$ 1,275,074
<b>BAY AREA RAPID TRANSIT DISTRICT (BART)</b>						
2004 BART Earthquake Safety Bonds 2013 Series C	3,718,164	951,713	-	4,669,877	5,107,238	(437,361)
2004 BART Gen Obligation Bonds Refunding 2017 Series E	-	1,060,853	-	1,060,853	1,104,890	(44,037)
2004 BART Gen Obligation Bonds Refunding 2015 Series D	3,500,055	3,951,215	-	7,451,270	7,559,626	(108,356)
2004 BART Gen Obligation Bonds 2019 Series F-1	2,177,659	2,759,805	-	4,937,464	5,155,085	(217,621)
2004 BART Gen Obligation Bonds Refunding 2019 Series G	-	421,928	-	421,928	439,442	(17,514)
2016 BART General Obligation Bonds 2017 Series A	1,908,028	3,833,590	-	5,741,618	5,979,956	(238,338)
2016 BART General Obligation Bonds 2019 Series B-1	1,992,180	3,953,946	-	5,946,126	6,195,859	(249,733)
2016 BART General Obligation Bonds 2020 Series C	-	7,006,395	-	7,006,395	7,297,235	(290,840)
2016 BART General Obligation Bonds 2022 Series D	-	10,322,560	-	10,322,560	7,346,554	2,976,006
SUB-TOTAL BAY AREA RAPID TRANSIT DISTRICT	\$ 13,296,086	\$ 34,262,005	\$ -	\$ 47,558,091	\$ 46,185,885	\$ 1,372,206
SUB-TOTAL SFCCD, SFUSD AND BART NET OF NON-PROPERTY TAX	\$ 133,891,086	\$ 91,934,926	\$ -	\$ 225,826,012	\$ 236,308,507	\$ (10,482,495)
<b>TOTAL GENERAL OBLIGATIONS - GENERAL CITY, SFCCD, SFUSD, AND BART NET OF NON-PROPERTY TAX SOURCES</b>	<b>\$ 430,912,056</b>	<b>\$ 187,174,886</b>	<b>\$ 500</b>	<b>\$ 618,087,442</b>	<b>\$ 596,739,570</b>	<b>\$ 21,347,872</b>

# Attachment C

## COMPARATIVE PROPERTY TAX BILL

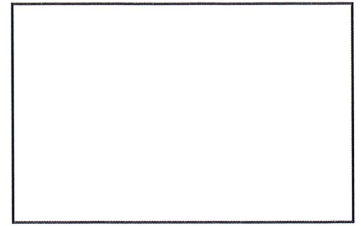
A tax bill calculation of a single-family residential dwelling in San Francisco with the citywide median assessed value for that parcel grouping of \$683,637 at the start of fiscal year 2022-2023 compared with fiscal year 2023-2024 is as follows:

	<u>Assessed Value (100%)</u>	<u>Property Tax Rate</u>	<u>Tax Bill</u>
<b><u>FY 2022-2023</u></b>			
Assessed Value FY 2022-23	\$683,637		
Less Homeowner's Exemption	<u>(7,000)</u>		
	<u>\$676,637</u>	x 1.17973782%	= \$7,982.54
<b><u>FY 2023-2024</u></b>			
Prior Year Assessed Value	\$683,637		
Add 2% California Consumer Price Index (CPI) Increase	<u>13,673</u>		
Assessed Value FY 2023-24	\$697,310		
Less Homeowner's Exemption	<u>(7,000)</u>		
	<u>\$690,310</u>	x 1.17769382%	= <u>\$8,129.72</u>
<b>Tax Bill Increase / (Decrease)</b>		<b><u>1.84%</u></b>	<b><u>\$147.18</u></b>

Please note that the annual secured property tax due for each parcel is rounded down to the nearest even penny to ensure the two installment bills' amounts are equal.

**Introduction Form**

*(by a Member of the Board of Supervisors or the Mayor)*



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)  
*(Routine, non-controversial and/or commendatory matters only)*
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor \_\_\_\_\_ inquires..."
- 5. City Attorney Request
- 6. Call File No. \_\_\_\_\_ from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. \_\_\_\_\_
- 9. Reactivate File No. \_\_\_\_\_
- 10. Topic submitted for Mayoral Appearance before the Board on \_\_\_\_\_

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission     Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes                       No

*(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)*

Sponsor(s):

Chan

Subject:

Setting Property Tax Rate and Establishing Pass-Through Rate for Residential Tenants - FY2023-24

Long Title or text listed:

Resolution levying property taxes at a combined rate of \$1.17769382 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco County Office of Education, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing a pass-through rate of \$0.0726 per \$100 of assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for the fiscal year ending June 30, 2024.

Signature of Sponsoring Supervisor: