



# OFFICE OF THE CONTROLLER

## CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner  
Controller  
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Deputy Controller

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

January 7, 2026

RE: File 251216 – Ordinance authorizing \$535 Million General Obligation Bond Issuance for Healthy, Safe, and Vibrant San Francisco

Dear Ms. Calvillo,

If the proposed \$535 million in general obligation bonds ("Earthquake Safety and Emergency Response", or "ESER") is authorized by the voters and sold under current assumptions, the approximate costs will be as follows:

- a) In Fiscal Year (FY) 2027-2028, following issuance of the first series of bonds, the best estimate of the tax required to fund this bond issue would result in a property tax rate of \$0.0034 per \$100 (\$3.40 per \$100,000) of assessed valuation.
- b) In FY 2033-2034, the year with the highest estimated tax rate following the issuance of the last series of bonds, the best estimate of the tax required to fund this bond issue would result in a property tax rate of \$0.01155 per \$100 (\$11.55 per \$100,000) of assessed valuation.
- c) The best estimate of total debt service, including principal and interest, that would be required to be repaid if all proposed \$535 million in general obligation bonds are issued and sold, would be approximately \$933 million.
- d) The best estimate of the average tax rate for these bonds over the entire projected duration of the bond debt service from FY 2027-2028 through FY 2052-2053 is \$0.00745 per \$100 (\$7.45 per \$100,000) of assessed valuation.
- e) 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 \$700,000 would be approximately \$80.01.

The City Charter limits the amount of City general obligation bonds ("City GO bonds") that can be outstanding at any given time to 3% of the assessed value of taxable property in the City. The current City Charter limit is \$10.74 billion for FY 2025-2026. Bonds issued by the San Francisco Community College District, San Francisco Unified School District, the Bay Area Rapid Transit District (BART) or other non-City entities are not counted for the purposes of the City Charter limit. As of December 1, 2025, there was \$2.67 billion in outstanding City GO bonds (representing 0.75% of assessed value of taxable property in the City). An additional \$1.19 billion of City GO bonds remain authorized but unissued. If the ESER Bond is approved by the voters, the total amount of (i) outstanding and (ii) authorized but unissued City GO bonds would be \$4.39 billion, or approximately 1.23% of the assessed value of taxable property in the City. This calculation assumes the issuance of all of the bonds authorized by the voters, including the proposed ESER Bond measure.

The City's current non-binding debt management policy is to keep the property tax rate for City general obligation bonds at or below the 2005-2006 tax rate by issuing new bonds as older ones are retired and the tax base grows, though this property tax rate may vary based on other factors. Given this policy, it is not anticipated that the levy of the City's GO bond property taxes for this measure, if approved by the voters, would increase the property tax rate for City GO bonds above the 2006 fiscal year level.

Under current law, landlords may be able to pass through a portion of general obligation bond repayment costs, if any, to tenants. The amount of the passthrough is determined by tenancy start date among other factors. The Rent Board publishes information on pass throughs each year.

The above estimates are based on projections given current assumptions. Actual results may differ, and these estimates 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 will incur nominal costs related to staff time administering the ESER Bond program. Subject to rules and regulations of tax law, staff costs of the City may be eligible for reimbursement by bond proceeds and accordingly impose no increased cost of City government.

Sincerely,



Greg Wagner  
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.