

OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

September 6, 2022

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 2022-23 Property Tax Rate Resolution

Dear Ms. Calvillo:

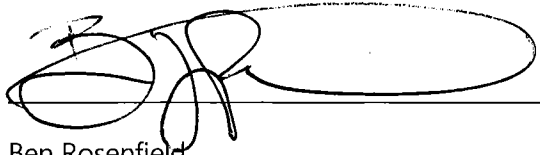
I am submitting a resolution for consideration to establish the tax levy for FY 2022-23. This resolution includes the following:

- 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 14, 2022 to satisfy this requirement.

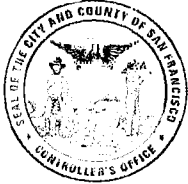
Please contact Jamie Whitaker, Property Tax Manager, at James.Whitaker@sfgov.org if you have questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to be "BR", written over a horizontal line.

Ben Rosenfield
Controller

CC: Brent Jalipa, Budget & Finance Committee Clerk



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

September 6, 2022

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 2022-2023 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 25, 2022. The composite property tax rate for fiscal year 2022-2023 is \$1.17973782 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 0.01595993 debt service)	\$0.03040415 ¹
San Francisco Unified School District (SFUSD) (includes 0.04216026 debt service)	0.11914883 ¹
CCSF - General Fund	0.80918319 ¹
CCSF - Library Preservation Fund	0.02500000
CCSF - Children's Fund	0.04000000
CCSF - Open Space Fund	0.02500000
CCSF - General Obligation Bond Debt Service	0.10761763
San Francisco County Office of Education (SFCOE)	0.00097335 ¹
Bay Area Air Quality Management District	0.00208539
Bay Area Rapid Transit District (BART) (includes 0.01400000 debt service)	0.02032528
Total Combined Tax Rate	<u>\$1.17973782</u>

¹ 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 2001-2002. Attachment B provides the anticipated fiscal year 2022-2023 general obligation bond debt service schedule (principal and interest) relevant to the property tax rate calculations.

For fiscal year 2022-2023, the pass-through rate for residential tenants is \$0.0713 per \$100 of assessed value, or 7.13 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 \$0.0079 per \$100 of assessed value, or 0.79 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 2022-2023, 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 2021-2022 in San Francisco was \$649,818. As shown in Attachment C, the combination of a tax rate of \$1.17973782 for each \$100 of assessed value and the 2.00% consumer price index adjustment that increases the assessed value of the example residence from \$649,818 in fiscal year 2021-2022 to \$662,814 in fiscal year 2022-2023 results in an approximate \$135.66 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', written over a large, horizontal, oval-shaped scribble.

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 & Special Districts G.O. Bonds Tax Rate</u>	<u>Combined Secured Property Tax Rate</u>	<u>% Change From Prior Year</u>
2001 - 2002	1.0000	0.1236	0.0004	1.1240	-1.05%
2002 - 2003	1.0000	0.1167	0.0003	1.1170	-0.62%
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%

Attachment B

CITY AND COUNTY OF SAN FRANCISCO Debt Service Requirements - General Obligation Bonds Comparative Statement - Fiscal Year 2022-23 and 2021-22

Bond Description	FY 2022-2023 Principal	FY 2022-2023 Interest	FY 2022-2023 Admin Expense	FY 2022-2023 Total	FY 2021-2022 Total	INCREASE/ (DECREASE)
GENERAL CITY						
1992 SSLP/2016 PASS Program, Series 2020F (estimated) - \$102.58M	-	-	-	-	-	-
1992 UMB Program - Seismic Safety, Series 2007A - Drawdown 1-7	1,740,251	670,503	-	2,410,754	2,410,754	-
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D (1)	2,995,000	1,554,555	-	4,549,555	4,603,353	(53,798)
2008 Clean and Safe Neighborhood Parks, Series 2016A	390,000	183,250	-	573,250	577,000	(3,750)
2008 San Francisco General Hospital Improvement, BAB Series 2010C (1)	14,615,000	7,580,637	-	22,195,637	22,441,557	(245,920)
2008 San Francisco General Hospital Improvement, Series 2012D	-	-	-	-	15,052,500	(15,052,500)
2008 San Francisco General Hospital Improvement, Series 2014A	-	-	-	-	14,706,863	(14,706,863)
2010 Earthquake Safety & Emergency Response Series 2012E	-	-	-	-	2,890,950	(2,890,950)
2010 Earthquake Safety & Emergency Response, Series 2012E	-	-	-	-	-	-
2010 Earthquake Safety & Emergency Response, Series 2013B	-	-	-	-	-	-
2010 Earthquake Safety & Emergency Response Series 2014C	-	-	-	-	3,598,313	(3,598,313)
2010 Earthquake Safety & Emergency Response Series 2016C	1,140,000	586,325	-	1,726,325	1,725,575	750
General Obligation Bond Refunding, Series 2011 R1 (3)	-	-	-	-	25,867,150	(25,867,150)
2011 Road Repaving and Street Safety, Series 2013C	-	-	-	-	-	-
2011 Road Repaving and Street Safety, Series 2016E	1,995,000	1,026,400	-	3,021,400	3,021,400	-
2012 Clean and Safe Neighborhood Parks, Series 2013A	-	-	-	-	-	-
2012 Clean and Safe Neighborhood Parks, Series 2016B	1,270,000	595,150	-	1,865,150	1,865,650	(500)
2012 Clean and Safe Neighborhood Parks, Series 2018A	1,980,000	1,392,963	-	3,372,963	3,372,213	750
2014 Earthquake Safety & Emergency Response Series 2018C	5,620,000	4,529,150	-	10,149,150	10,151,900	(2,750)
2014 Earthquake Safety & Emergency Response Series 2014D	-	-	-	-	6,591,813	(6,591,813)
2014 Earthquake Safety & Emergency Response Series 2016D	3,840,000	1,978,013	-	5,818,013	5,821,013	(3,000)
2014 Transportation & Road Improvements Series 2020B	5,785,000	2,124,700	-	7,909,700	9,295,300	(1,385,600)
2014 Transportation & Road Improvements Series 2018B	4,505,000	3,167,838	-	7,672,838	7,672,338	500
2014 Transportation & Road Improvements Series 2015B	2,185,000	1,268,131	-	3,453,131	3,452,131	1,000
2014 Transportation & Road Improvements Series 2021C-\$122.8M (estimated)	2,055,000	3,578,800	-	5,633,800	22,039,673	(16,405,873)
2015 Affordable Housing Series 2018D	4,220,000	3,423,093	-	7,643,093	7,676,943	(33,850)
2015 Affordable Housing Series 2016F	2,500,000	1,137,180	-	3,637,180	3,636,180	1,000
2015 Affordable Housing, Series 2019C	1,145,000	518,040	-	1,663,040	1,665,555	(2,515)
General Obligation Bond Refunding, Series 2015 R1 (3)	22,850,000	8,711,750	-	31,561,750	31,559,750	2,000
2016 Preservation and Seismic Safety, Series 2019A	965,000	2,782,463	-	3,747,463	3,747,120	343
2016 Preservation and Seismic Safety, Series 2020C	1,660,000	2,476,215	-	4,136,215	4,136,494	(279)
2016 Public Health and Safety, Series 2020C (estimated) - \$126.8M	-	-	-	-	-	-
2016 Public Health and Safety, Series 2017A	5,500,000	4,021,050	-	9,521,050	9,523,050	(2,000)
2016 Public Health and Safety, Series 2018E	1,490,000	1,169,688	-	2,659,688	2,618,688	41,000
2016 Public Health and Safety, Series 2020D-1	2,180,000	3,394,100	-	5,574,100	5,593,850	(19,750)
2018 Seawall Earthquake Safety, Series 2020A	-	-	-	-	-	-
2018 Embarcadero Seawall Earthquake Safety, Series 2022A- \$80M (estimated)	15,000,000	3,386,667	-	18,386,667	14,586,667	3,800,000
2019 Affordable Housing, Series 2020E (estimated) - \$200M	-	-	-	-	-	-
2019 Affordable Housing, Series 2021A	5,985,000	3,775,864	-	9,760,864	9,764,415	(3,551)
2019 Affordable Housing, Series 2022C-\$175M (estimated)	40,000,000	8,025,694	-	48,025,694	-	48,025,694
General Obligation Bond Refunding, Series 2020 R1	13,830,000	8,178,700	500	22,009,200	22,012,950	(3,750)
General Obligation Bond Refunding, Series 2021 R1	8,045,000	4,119,550	-	12,164,550	12,159,558	4,992
General Obligation Bond Refunding, Series 2021 R2	20,700,000	3,214,250	-	23,914,250	-	23,914,250
General Obligation Bond Refunding, Series 2022-R1	25,240,000	17,592,375	-	42,832,375	-	42,832,375
2020 Health and Recovery, Series 2021D- \$421.3M (estimated)	4,068,000	7,068,800	-	11,136,800	60,155,107	(49,026,307)
2020 Health and Recovery, Series 2022B-\$160M (estimated)	30,000,000	6,773,333	-	36,773,333	-	36,773,333
2020 Earthquake Safety & Emergency Response Series 2021-B1	1,590,000	2,766,400	-	4,356,400	6,220,900	(1,864,500)
2020 Earthquake Safety & Emergency Response, Series 2021E -\$87.3M (estimated)	1,470,000	2,559,250	-	4,029,250	15,007,780	(10,978,530)
2020 Earthquake Safety & Emergency Response, Series 2020D (estimated) - \$150M	-	-	-	-	-	-
SUB-TOTAL GENERAL CITY BEFORE NET PREMIUM & SUBSIDIES	\$ 258,545,251	\$ 125,330,877	\$ 500	\$ 383,876,628	\$ 377,222,453	\$ 6,654,175
FEDERAL SUBSIDY, NET BID PREMIUM, SB 1128 REIMBURSEMENT, and TOBACCO SETTLEMENT REVENUE AVAILABLE FOR DEBT SERVICE PAYMENT						
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D (1)	-	(513,081)	-	(513,081)	(560,541)	47,460
2008 San Francisco General Hospital Improvement, BAB Series 2010C (1)	-	(2,501,989)	-	(2,501,989)	(2,733,328)	231,339
2014 Transportation & Road Improvements Series 2020B	-	(879,527)	-	(879,527)	(2,265,300)	1,385,773
2020 Earthquake Safety and Emergency Response Series 2021B-1	-	-	-	-	(1,865,104)	1,865,104
Tobacco Settlement Revenue Reimbursement (2)	(12,885,000)	(5,522,009)	-	(18,407,009)	(18,406,400)	(609)
PASS Loan Repayments	-	(1,143,959)	-	(1,143,959)	(236,208)	(907,751)
TOTAL NET PREMIUM, SB 1128 REIMBURSEMENT, FEDERAL SUBSIDY	(12,885,000)	(10,560,565)	-	(23,445,565)	(26,066,881)	2,621,316
SUB-TOTAL GENERAL CITY NET OF NON-PROPERTY TAX SOURCES	\$ 245,660,251	\$ 114,770,312	\$ 500	\$ 360,431,063	\$ 351,155,572	\$ 9,275,491
OUTSIDE CITY ANNUAL BUDGET						
SAN FRANCISCO COMMUNITY COLLEGE DISTRICT (SFCCD)						
2005 Community College District, 2010 Series D	-	-	-	-	-	-
2015 Community College District Refunding Bonds	18,810,000	6,630,250	-	25,440,250	24,821,500	618,750
2020 Community College District Refunding Bonds	1,295,000	987,200	-	2,282,200	2,283,950	(1,750)
2020 Community College District, 2020 Series A-1	-	4,633,077	-	4,633,077	21,159,427	(16,526,350)
2020 Community College District, 2020 Series A	19,080,000	3,933,450	-	23,013,450	7,440,450	15,573,000
SUB-TOTAL SAN FRANCISCO COMMUNITY COLLEGE DISTRICT	\$ 39,185,000	\$ 16,183,977	\$ -	\$ 55,368,977	\$ 55,705,327	\$ (336,350)
NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT						
2020 Community College District, 2020 Series A	-	(3,126,475)	-	(3,126,475)	(4,100,450)	973,975
TOTAL NET BID PREMIUM	\$ -	\$ (3,126,475)	\$ -	\$ (3,126,475)	\$ (4,100,450)	\$ 973,975
SUB-TOTAL NET OF NET PREMIUM AVAILABLE FOR DEBT SERVICE	\$ 39,185,000	\$ 13,057,502	\$ -	\$ 52,242,502	\$ 51,604,877	\$ 637,625
SAN FRANCISCO UNIFIED SCHOOL DISTRICT (SFUSD)						
2006 Unified School District, Series A (2007)	-	-	-	-	-	-
2006 Unified School District, 2010 Series C (QSCBs) (1)	-	742,969	-	742,969	742,969	-
2006 Unified School District, 2010 Series D (BABs) (1)	-	4,150,420	-	4,150,420	4,150,420	-
2006 Unified School District, 2010 Series E	-	-	-	-	-	-
2006 Unified School District, 2015 Series F	655,000	463,463	-	1,118,463	1,116,263	2,200
2011 Unified School District, Series 2012 Series A	-	-	-	-	-	-
2011 Unified School District, 2014 Series B	-	-	-	-	15,409,763	(15,409,763)
2011 Unified School District, 2015 Series C	9,190,000	6,514,863	-	15,704,863	15,705,063	(200)
2012 General Obligation Refunding Bonds	-	-	-	-	-	-
2015 Unified School District Refunding Bonds	9,290,000	785,050	-	10,075,050	10,077,550	(2,500)
2016 Unified School District, Series A	5,990,000	5,125,863	-	11,115,863	11,115,313	550
2016 Unified School District, Series B	8,265,000	7,727,550	-	15,992,550	24,419,550	(8,427,000)
2016 General Obligation Bonds, Series C (estimated)	12,685,000	12,264,750	-	24,949,750	15,445,556	9,504,194
2017 Unified School District Refunding Bonds	10,870,000	1,129,000	-	11,999,000	12,248,500	(249,500)
2020 General Obligation Refunding Bonds	24,700,000	4,633,600	-	29,333,600	29,323,200	10,400
2022 General Obligation Refunding Bonds	8,305,000	6,424,576	-	14,729,576	-	14,729,576
SUB-TOTAL SF UNIFIED SCHOOL DISTRICT BEFORE NET PREMIUM	\$ 89,950,000	\$ 49,962,104	\$ -	\$ 139,912,104	\$ 139,754,147	\$ 157,957
NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT						
2006 Unified School District, 2010 Series C (QSCBs) (1)	-	(662,138)	-	(662,138)	(662,138)	-
2006 Unified School District, 2010 Series D (BABs) (1)	-	(1,369,846)	-	(1,369,846)		

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 \$649,818 at the start of fiscal year 2021-2022 compared with fiscal year 2022-2023 is as follows:

	<u>Assessed Value (100%)</u>	<u>Property Tax Rate (%) per \$100 Value</u>	<u>Tax Bill</u>	<u>% Change</u>
<u>FY 2021-2022</u>				
Assessed Value FY 2021-22	\$649,818			
Less Homeowners' Exemption	<u>(7,000)</u>			
	<u>\$642,818</u>	x 1.18248499 %	= \$7,601.22	
<u>FY 2022-2023</u>				
Prior Year Assessed Value	\$649,818			
Add 2% California Consumer Price Index (CPI) Increase	<u>12,996</u>			
Assessed Value FY 2022-23	662,814			
Less Homeowner's Exemption	<u>(7,000)</u>			
	<u>\$655,814</u>	x <u>1.17973782 %</u>	= <u>\$7,736.88</u>	
Increase / (Decrease)		<u>1.78 %</u>	<u>\$ 135.66</u>	

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.