



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller
ChiaYu Ma
Deputy Controller

September 3, 2024

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 2024-25 Property Tax Rate Resolution

Dear Ms. Calvillo:

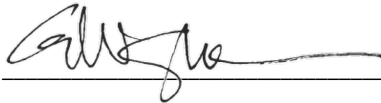
I am submitting a resolution for consideration to establish the tax levy for FY 2024-25. This resolution includes the following:

- 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 rates 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 18, 2024 to satisfy this requirement.

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

Sincerely,



Greg Wagner
Controller

CC: Brent Jalipa, Budget & Finance Committee Clerk



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
 Controller
 ChiaYu Ma
 Deputy Controller

September 3, 2024

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 2024-2025 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 15, 2024. The composite property tax rate for fiscal year 2024-2025 is \$1.17143563 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 0.01718123 debt service)	\$0.03162545 ¹
San Francisco Unified School District (SFUSD) (includes 0.03345173 debt service)	0.11044030 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	0.10600267
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 0.01480000 debt service)	0.02112528
Total Combined Tax Rate	<u>\$1.17143563</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 2003-2004. Attachment B provides the anticipated fiscal year 2024-2025 general obligation bond debt service schedule (principal and interest) relevant to the property tax rate calculations.

For fiscal year 2024-2025, the pass-through rates for residential tenants vary from \$0.00 to \$0.0122 per \$100 of assessed value depending on the tenancy commencement date pursuant to Sections 37.3(a)(6)(A)-(E) of the Administrative Code. Residential tenants may be eligible for relief from the property tax pass-through under Section 37.3(a)(6)(F) of the Administrative Code.

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 2024-2025, 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 2023-2024 in San Francisco was \$717,300. As shown in Attachment C, the combination of a tax rate of \$1.17143563 for each \$100 of assessed value and the 2.00% consumer price index adjustment that increases the assessed value of the example residence from \$717,300 in fiscal year 2023-2024 to \$731,646 in fiscal year 2024-2025 results in an approximate \$123.62 ad valorem property tax increase year-over-year (see attachment C for calculation).

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Wagner", followed by a horizontal line extending to the right.

Greg Wagner
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>
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 2024-25 and 2023-24

Bond Description	FY 2024-2025 Principal	FY 2024-2025 Interest	FY 2024-2025 Admin Expense	FY 2024-2025 Total	FY 2023-2024 Total	INCREASE/ (DECREASE)
GENERAL CITY						
1992 UMB Program - Seismic Safety, Series 2007A - Drawdown 1-7	1,916,476	494,278	-	2,410,754	2,410,754	-
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D (1)	3,205,000	1,234,515	150	4,439,665	4,498,815	(59,150)
2008 Clean and Safe Neighborhood Parks, Series 2016A	420,000	155,550	-	575,550	573,750	1,800
2008 San Francisco General Hospital Improvement, BAB Series 2010C (1)	15,630,000	6,019,827	150	21,649,977	21,930,657	(280,680)
2010 Earthquake Safety & Emergency Response Series 2016C	1,255,000	469,575	-	1,724,575	1,724,325	250
2011 Road Repaving and Street Safety, Series 2016E	2,195,000	822,150	-	3,017,150	3,016,650	500
2012 Clean and Safe Neighborhood Parks, Series 2016B	1,360,000	504,950	-	1,864,950	1,866,650	(1,700)
2012 Clean and Safe Neighborhood Parks, Series 2018A	-	-	-	-	3,373,963	(3,373,963)
2014 Earthquake Safety & Emergency Response Series 2018C	-	-	-	-	10,153,150	(10,153,150)
2014 Earthquake Safety & Emergency Response Series 2016D	4,235,000	1,584,263	-	5,819,263	5,821,013	(1,750)
2014 Transportation & Road Improvements Series 2020B	5,120,000	1,908,600	-	7,028,600	7,029,000	(400)
2014 Transportation & Road Improvements Series 2018B	-	-	-	-	7,672,588	(7,672,588)
2014 Transportation & Road Improvements Series 2015B	-	-	-	-	3,453,881	(3,453,881)
2014 Transportation & Road Improvements Series 2021C-1	2,265,000	3,368,050	-	5,633,050	5,636,050	(3,000)
2015 Affordable Housing Series 2018D	4,520,000	3,122,443	-	7,642,443	7,645,393	(2,950)
2015 Affordable Housing Series 2016F	2,605,000	1,031,335	-	3,636,335	3,637,180	(845)
2015 Affordable Housing, Series 2019C	1,185,000	479,915	-	1,664,915	1,664,720	195
2016 Preservation and Seismic Safety, Series 2024A (estimated)	-	-	-	-	1,389,610	(1,389,610)
2016 Preservation and Seismic Safety, Series 2019A	1,020,000	2,729,243	-	3,749,243	3,747,171	2,072
2016 Preservation and Seismic Safety, Series 2020C	1,675,000	2,459,302	-	4,134,302	4,134,558	(256)
2016 Public Health and Safety, Series 2017A	-	-	-	-	9,521,050	(9,521,050)
2016 Public Health and Safety, Series 2018E	-	-	-	-	2,650,188	(2,650,188)
2016 Public Health and Safety, Series 2020D-1	2,360,000	3,171,850	-	5,531,850	5,550,100	(18,250)
2016 Preservation and Seismic Safety, Series 2024E (estimated) - \$55M	595,000	2,566,667	-	3,161,667	-	3,161,667
2018 Embarcadero Seawall Earthquake Safety, Series 2024D (estimated) - \$120M	30,000,000	5,080,000	-	35,080,000	-	35,080,000
2019 Social Bonds-Affordable Housing, Series 2021A	6,020,000	3,740,553	-	9,760,553	8,357,878	1,402,675
2019 Social Bonds-Affordable Housing, Series 2023C	2,215,000	5,320,978	-	7,535,978	9,764,313	(2,228,335)
2019 Affordable Housing, Series 2024B (estimated) - \$174.4M	50,000,000	8,139,133	-	58,139,133	-	58,139,133
2020 Health and Recovery, Series 2021D-1	4,475,000	6,652,550	-	11,127,550	11,130,800	(3,250)
2020 Health and Recovery, Series 2023A	1,760,000	1,232,750	-	2,992,750	3,080,750	(88,000)
2020 Health and Recovery, Series 2024B (estimated)	-	-	-	-	132,781,785	(132,781,785)
2020 Earthquake Safety & Emergency Response Series 2021-B1	1,750,000	2,603,400	-	4,353,400	4,356,900	(3,500)
2020 Earthquake Safety & Emergency Response, Series 2021E-1	1,620,000	2,408,500	-	4,028,500	4,030,750	(2,250)
2024 Affordable Housing, Series 2024C (estimated) - \$30M	10,000,000	1,400,000	-	11,400,000	-	11,400,000
2020 Earthquake Safety & Emergency Response, Series 2024A (estimated) - \$150M	40,000,000	6,350,000	-	46,350,000	-	46,350,000
General Obligation Bond Refunding, Series 2015 R1	-	-	-	-	31,554,250	(31,554,250)
General Obligation Bond Refunding, Series 2020 R1	18,570,000	6,760,950	500	25,331,450	22,012,700	3,318,750
General Obligation Bond Refunding, Series 2021 R1	8,870,000	3,295,050	-	12,165,050	12,162,300	2,750
General Obligation Bond Refunding, Series 2021 R2 (2)	13,955,000	1,260,250	-	15,215,250	20,559,250	(5,344,000)
General Obligation Bond Refunding, Series 2022-R1	25,835,000	13,872,250	-	39,707,250	39,718,000	(10,750)
General Obligation Bond Refunding, Series 2024-R1 (2)	20,025,000	18,118,826	-	38,143,826	-	38,143,826
SUB-TOTAL GENERAL CITY BEFORE NET PREMIUM & SUBSIDIES	\$ 286,656,476	\$ 118,357,703	\$ 800	\$ 405,014,979	\$ 418,610,892	\$ (13,595,913)
FEDERAL SUBSIDY, NET BID PREMIUM, SB 1128 REIMBURSEMENT, and TOBACCO SETTLEMENT REVENUE AVAILABLE FOR DEBT SERVICE PAYMENT						
2020 Health and Recovery, Series 2023A	-	(1,232,750)	-	(1,232,750)	(1,320,750)	88,000
2019 Affordable Housing, Series 2023C	-	-	-	-	(814,243)	814,243
Tobacco Settlement Revenue Reimbursement (2)	(13,503,265)	(2,655,437)	-	(16,158,702)	(18,403,562)	2,244,860
2008 San Francisco General Hospital Improvement, BAB Series 2010C (1)	-	(1,986,844)	-	(1,986,844)	(2,251,158)	264,314
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D (1)	-	(407,452)	-	(407,452)	(461,679)	54,227
PASS Program-Affordable Housing Loan Repayments	(2,695,000)	(5,188,545)	-	(7,883,545)	(3,098,070)	(4,785,475)
SB 1128 Reimbursement (2)	-	(1,660,648)	-	(1,660,648)	-	(1,660,648)
TOTAL NET PREMIUM, SB 1128 REIMBURSEMENT, FEDERAL SUBSIDY	(16,198,265)	(13,131,676)	-	(29,329,941)	(26,349,462)	(2,980,479)
SUB-TOTAL GENERAL CITY NET OF NON-PROPERTY TAX SOURCES	\$ 270,458,211	\$ 105,226,027	\$ 800	\$ 375,685,038	\$ 392,261,430	\$ (16,576,392)
OUTSIDE CITY ANNUAL BUDGET						
SAN FRANCISCO COMMUNITY COLLEGE DISTRICT (SFCCD)						
2015 Community College District Refunding Bonds	13,790,000	4,709,000	-	18,499,000	25,472,750	(6,973,750)
2020 Community College District Refunding Bonds	1,430,000	854,450	-	2,284,450	2,282,450	2,000
2020 Community College District, 2020 Series A-1	4,210,000	4,602,518	-	8,812,518	8,378,077	434,441
2020 Community College District, 2020 Series A	-	2,979,450	-	2,979,450	2,979,450	-
2020 Community College District, 2024 Series B	22,260,000	13,350,000	-	35,610,000	-	35,610,000
SUB-TOTAL SAN FRANCISCO COMMUNITY COLLEGE DISTRICT	\$ 41,690,000	\$ 26,495,418	\$ -	\$ 68,185,418	\$ 39,112,727	\$ 29,072,691
NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT						
2020 Community College District, 2024 Series B	-	(9,216,279)	-	(9,216,279)	-	(9,216,279)
TOTAL NET BID PREMIUM	\$ 41,690,000	\$ 17,279,139	\$ -	\$ 58,969,139	\$ 39,112,727	\$ 19,856,412
SUB-TOTAL NET OF NET PREMIUM AVAILABLE FOR DEBT SERVICE	\$ 41,690,000	\$ 17,279,139	\$ -	\$ 58,969,139	\$ 39,112,727	\$ 19,856,412
SAN FRANCISCO UNIFIED SCHOOL DISTRICT (SFUSD)						
2006 Unified School District, 2010 Series C (QSCBs) (1)	-	742,969	-	742,969	742,969	-
2006 Unified School District, 2010 Series D (BABs) (1)	11,325,000	3,535,914	-	14,860,914	14,865,420	(4,506)
2006 Unified School District, 2015 Series F	720,000	396,463	-	1,116,463	1,115,713	750
2011 Unified School District, 2015 Series C	10,130,000	5,572,863	-	15,702,863	15,705,363	(2,500)
2015 Unified School District Refunding Bonds	3,265,000	165,050	-	3,430,050	3,430,550	(500)
2016 Unified School District, Series A	6,605,000	4,511,863	-	11,116,863	11,116,363	500
2016 Unified School District, Series B	8,940,000	7,053,150	-	15,993,150	15,991,950	1,200
2016 Unified School District, Series C	7,760,000	10,915,500	-	18,675,500	-	18,675,500
2016 General Obligation Bonds, Series C	-	-	-	-	25,930,500	(25,930,500)
2017 Unified School District Refunding Bonds	-	-	-	-	12,295,500	(12,295,500)
2020 General Obligation Refunding Bonds	18,945,000	2,781,000	-	21,726,000	25,260,600	(3,534,600)
2022 General Obligation Refunding Bonds	9,500,000	5,235,000	-	14,735,000	14,732,250	2,750
SUB-TOTAL SF UNIFIED SCHOOL DISTRICT BEFORE NET PREMIUM	\$ 77,190,000	\$ 40,909,772	\$ -	\$ 118,099,772	\$ 141,187,178	\$ (23,087,406)
NET PREMIUM AVAILABLE FOR DEBT SERVICE PAYMENT						
2006 Unified School District, 2010 Series C (QSCBs) (1)	-	(245,217)	-	(245,217)	(662,138)	416,921
2006 Unified School District, 2010 Series D (BABs) (1)	-	(1,167,029)	-	(1,167,029)	(1,369,846)	202,817
TOTAL NET BID PREMIUM	\$ -	\$ (2,031,984)	\$ -	\$ (1,412,246)	\$ (2,031,984)	\$ 619,738
SUB-TOTAL NET OF NET PREMIUM AVAILABLE FOR DEBT SERVICE	\$ 77,190,000	\$ 38,877,788	\$ -	\$ 116,687,526	\$ 139,155,194	\$ (22,467,668)
BAY AREA RAPID TRANSIT DISTRICT (BART)						
2004 BART Earthquake Safety Bonds 2013 Series C	3,610,693	763,650	-	4,374,343	4,669,877	(295,534)
2004 BART Gen Obligation Bonds Refunding 2017 Series E	-	1,048,102	-	1,048,102	1,060,853	(12,751)
2004 BART Gen Obligation Bonds Refunding 2015 Series D	3,870,297	3,739,867	-	7,610,164	7,451,270	158,894
2004 BART Gen Obligation Bonds 2019 Series F-1	2,260,077	2,627,645	-	4,887,722	4,937,464	(49,742)
2004 BART Gen Obligation Bonds Refunding 2019 Series G	-	416,857	-	416,857	421,928	(5,071)
2016 BART General Obligation Bonds 2017 Series A	1,922,423	3,720,600	-	5,643,023	5,741,618	(98,595)
2016 BART General Obligation Bonds 2019 Series B-1	2,066,647	3,805,548	-	5,872,195	5,946,126	(73,931)
2016 BART General Obligation Bonds 2020 Series C	3,244,194	6,841,075	-	10,085,269	7,006,395	3,078,874
2016 BART General Obligation Bonds 2022 Series D	1,457,512	10,162,047	-	11,619,559	10,322,560	1,296,999
SUB-TOTAL BAY AREA RAPID TRANSIT DISTRICT	\$ 18,431,843	\$ 33,125,391	\$ -	\$ 51,557,234	\$ 47,558,091	\$ 3,999,143
SUB-TOTAL SFCCD, SFUSD AND BART NET OF NON-PROPERTY TAX						
	\$ 137,311,843	\$ 89,282,318	\$ -	\$ 227,213,899	\$ 225,826,012	\$ 1,387,887
TOTAL GENERAL OBLIGATIONS - GENERAL CITY, SFCCD, SFUSD, AND BART NET OF NON-PROPERTY TAX SOURCES						
	\$ 407,770,054	\$ 194,508,345	\$ 800	\$ 602,898,937	\$ 618,087,442	\$ (15,188,505)

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 \$717,300 at the start of fiscal year 2023-2024 compared with fiscal year 2024-2025 is as follows:

	<u>Assessed Value (100%)</u>	<u>Property Tax Rate</u>	<u>Tax Bill</u>
<u>FY 2023-2024</u>			
Assessed Value FY 2023-24	\$717,300		
Less Homeowner's Exemption	<u>(7,000)</u>		
	<u>\$710,300</u>	x 1.17769382%	= \$8,365.14
<u>FY 2024-2025</u>			
Prior Year Assessed Value	\$717,300		
Add 2% California Consumer Price Index (CPI) Increase	<u>14,346</u>		
Assessed Value FY 2024-25	\$731,646		
Less Homeowner's Exemption	<u>(7,000)</u>		
	<u>\$724,646</u>	x 1.17143563%	= <u>\$8,488.76</u>
Tax Bill Increase / (Decrease)		<u>1.48%</u>	<u>\$123.62</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.