

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

### BUDGET AND FINANCE COMMITTEE

### SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Malia Cohen, Chair  
Budget and Finance Committee

FROM: Linda Wong, Assistant Clerk

DATE: September 7, 2018

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, September 11, 2018

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting on Tuesday, September 11, 2018, at 2:00 p.m. This item was acted upon at the Committee Meeting on Thursday, September 6, 2018, at 10:00 a.m., by the votes indicated.

**Item No. 24            File No. 180797**

Ordinance levying property taxes at a combined rate of \$1.1630 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing a pass-through rate of \$0.0675 per \$100 of assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for the fiscal year ending June 30, 2019.

#### **RECOMMENDED AS A COMMITTEE REPORT**

Vote: Supervisor Malia Cohen - Aye  
Supervisor Sandra Lee Fewer - Aye  
Supervisor Catherine Stefani - Excused

c: Board of Supervisors  
Angela Calvillo, Clerk of the Board  
Jon Givner, Deputy City Attorney  
Alisa Somera, Legislative Deputy Director

File No. 180797

Committee Item No. 2

Board Item No. 24

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date September 6, 2018

Board of Supervisors Meeting

Date September 11, 2018

### Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest                           |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

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Completed by: Linda Wong

Date August 29, 2018

Completed by: Linda Wong

Date September 7, 2018

1 [Setting Property Tax Rate and Establishing Pass-Through Rate for Residential Tenants -  
2 FY2018-2019]

3 **Ordinance levying property taxes at a combined rate of \$1.1630 on each \$100 valuation**  
4 **of taxable property for the City and County of San Francisco, San Francisco Unified**  
5 **School District, San Francisco Community College District, Bay Area Rapid Transit**  
6 **District, and Bay Area Air Quality Management District; and establishing a pass-**  
7 **through rate of \$0.0675 per \$100 of assessed value for residential tenants pursuant to**  
8 **Administrative Code, Chapter 37, for the fiscal year ending June 30, 2019.**

9  
10 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
12 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
13 **Board amendment additions** are in double-underlined Arial font.  
14 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
15 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
16 subsections or parts of tables.

17 Be it ordained by the People of the City and County of San Francisco:

18 **Section 1.** Pursuant to the laws of the State of California, a tax is hereby levied for the  
19 fiscal year ending June 30, 2019, on all property, real and personal, in the City and County of  
20 San Francisco, except such property as is by law exempt from taxation, in the sum of  
21 \$1.00764651 on each \$100 valuation of said taxable property as the same appears upon the  
22 secured assessment roll of the City and County for the fiscal year. The tax shall be  
23 apportioned to the General Fund, the General Obligation Bond Fund, and the County  
24 Superintendent of Schools, and according to the provisions of Sections 16.106, 16.107,  
25 16.108, and 16.109 of the Charter as follows:

1	For the General Fund, the rate of	\$ 0.80918319 <sup>(1)</sup>
2	For the Library Preservation Fund, the rate of	0.02500000
3	For the San Francisco Children's Fund, the rate of	0.04000000
4	For the Open Space Acquisition Fund, the rate of	0.02500000
5	For the County Superintendent of Schools, the rate of	0.00097335
6	For the General Obligation Bond Fund, the rate of	<u>0.10748997</u>
7	<b>TOTAL City and County of San Francisco</b>	<b>\$1.00764651</b>

8

9 (1) Includes an estimated \$0.25330113 for the State-mandated tax shift to the Educational  
10 Revenue Augmentation Fund.

11

12 **Section 2.** Pursuant to the laws of the State of California, a tax is hereby levied for San  
13 Francisco Unified School District purposes for the fiscal year ending June 30, 2019, on all  
14 property, real and personal, in the City and County of San Francisco, except such property as  
15 is by law exempt from taxation, in the sum of \$0.11568211 on each \$100 valuation of said  
16 taxable property as the same appears upon the secured assessment roll of the City and  
17 County for the fiscal year. The tax shall be apportioned as follows:

18	For General Operations, the rate of	\$0.07698857
19	For General Obligation Bond Debt Service, the rate of	<u>\$0.03869354</u>
20	<b>TOTAL San Francisco Unified School District</b>	<b>\$0.11568211</b>

21

22 **Section 3.** Pursuant to the laws of the State of California, a tax is hereby levied for San  
23 Francisco Community College District purposes for the fiscal year ending June 30, 2019, on  
24 all property, real and personal, in the City and County of San Francisco, except such property  
25 as is by law exempt from taxation, in the sum of \$0.02426446 on each \$100 valuation of said

1 taxable property as the same appears upon the secured assessment roll of the City and  
2 County for the fiscal year. The tax shall be apportioned as follows:

3	For General Operations, the rate of	\$0.01444422
4	For General Obligation Bond Debt Service, the rate of	<u>\$0.00982024</u>
5	<b>TOTAL San Francisco Community College District</b>	<b>\$0.02426446</b>

6  
7 **Section 4.** Pursuant to the laws of the State of California, a tax is hereby levied for Bay  
8 Area Rapid Transit District purposes for the fiscal year ending June 30, 2019, on all property,  
9 real and personal, in the City and County of San Francisco, except such property as is by law  
10 exempt from taxation, in the sum of \$0.01332528 on each \$100 valuation of said taxable  
11 property as the same appears upon the secured assessment roll of the City and County for  
12 the fiscal year. The tax shall be apportioned as follows:

13	For General Operations, the rate of	\$0.00632528
14	For General Obligation Bond Debt Service, the rate of	<u>\$0.00700000</u>
15	<b>TOTAL Bay Area Rapid Transit District</b>	<b>\$0.01332528</b>

16  
17 **Section 5.** Pursuant to the laws of the State of California, a tax is hereby levied for Bay  
18 Area Air Quality Management District purposes for fiscal year ending June 30, 2019, on all  
19 property, real and personal, in the City and County of San Francisco, except such property as  
20 is by law exempt from taxation, in the sum of \$0.00208539 on each \$100 valuation of said  
21 taxable property as the same appears upon the secured assessment roll of the City and  
22 County for the fiscal year. The tax shall be apportioned as follows:

23	For General Operations, the rate of	<u>\$0.00208539</u>
24	<b>TOTAL Bay Area Air Quality Management District</b>	<b>\$0.00208539</b>

1           **Section 6.** The combined property tax rate for the City and County of San Francisco,  
2 San Francisco Unified School District, San Francisco Community College District, Bay Area  
3 Rapid Transit District, and Bay Area Air Quality Management District, as set forth above, shall  
4 therefore be \$1.1630 on each \$100 valuation of said taxable property.

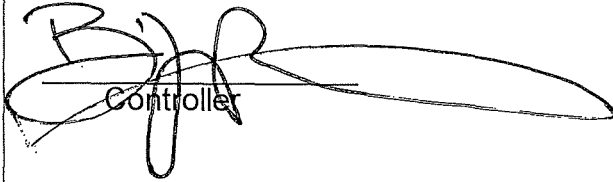
5  
6           **Section 7.** Pursuant to Sections 37.3(a)(6)(A), (B), and (C) of the Administrative Code,  
7 the Board of Supervisors hereby determines that, based on the combined property tax rate  
8 provided in Section 6 of this ordinance, the property tax pass-through rate for residential  
9 tenants for the fiscal year ending June 30, 2019, shall be \$0.0675 per \$100 of assessed  
10 value. The pass-through rate is based on three factors: (1) 100% of the change in the  
11 landlord's property tax resulting from repayment of the City's general obligation bonds  
12 approved by voters between November 1, 1996, and November 30, 1998; (2) 50% of the  
13 change in the landlord's property tax resulting from repayment of the City's general obligation  
14 bonds approved by voters after November 14, 2002; and (3) 50% of the change in the  
15 landlord's property tax resulting from repayment of the San Francisco Unified School District  
16 or San Francisco Community College District's general obligation bonds approved by voters  
17 after November 1, 2006, payable during the fiscal year ending June 30, 2019.

1           **Section 8.** The rate for the City and County of San Francisco General Obligation Bond  
2 Fund includes a collection fee of 0.25% of the fund collected for the purpose of General  
3 Obligation Bond debt service. An amount sufficient to pay this fee is hereby appropriated  
4 within the General Obligation Bond Fund and the Controller is hereby authorized to pay this  
5 fee into the General Fund from the General Obligation Bond Fund.  
6

7 Prepared By:

Approved As to Form:

Dennis J. Herrera, City Attorney

8  
9  
10   
11 Controller

BY:   
Deputy City Attorney

## **LEGISLATIVE DIGEST**

[Setting San Francisco's Property Tax Rate and Establishing Pass-Through Rate for Residential Tenants - FY2018-2019]

**Ordinance levying property taxes at a combined rate of \$1.1630 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing a pass-through rate of \$0.0675 per \$100 of assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for the fiscal year ending June 30, 2019.**

### **Existing Law**

San Francisco's combined property tax rate and pass-through rate for residential tenants is adopted annually. Article XIII A of the California Constitution and Sections 93 and 100 of the California Revenue and Taxation Code fix the base property tax rate at \$1.0000 on each \$100 valuation of taxable property. The portion of the property tax rate above the fixed amount varies each year based on the anticipated debt service requirements related to voter-approved general obligation bonds.

The Board of Supervisors adopted and the Mayor approved Ordinance Number 195-17 for Fiscal Year 2017-2018. That Ordinance established the 2017-2018 fiscal year's combined secured property tax rate of \$1.1723 on each \$100 valuation of taxable property within the City and County of San Francisco. Ordinance Number 195-17 also established the property tax pass-through rate of residential tenants of \$0.0890 per \$100 of assessed value based upon the criteria defined in Chapter 37.3(a)(6)(A) and (B) and (C) of the San Francisco Administrative Code.

### **Amendments to Current Law**

This legislation would update the combined property tax rate to \$1.1630 on each \$100 valuation of taxable property within the City and County of San Francisco to reflect the change in anticipated debt service requirements, including a 0.25% administrative allowance to reimburse costs of collection, for Fiscal Year 2018-2019. The legislation also updates the property tax pass-through rate of residential tenants to \$0.0675 per \$100 of assessed value.

### **Background Information**

California Government Code Section 29100 requires the Board of Supervisors to adopt the composite property tax rate for the City and County of San Francisco, San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District for the fiscal year on or before October 3 of each year. Section 3.3 of the City and County of San Francisco's Administrative Code requires the property tax rate be adopted by the last working day of September. This legislation fulfills both of those requirements.



<p><b>Item 2</b> <b>File 18-0797</b></p>	<p><b>Department:</b> Controller's Office (Controller)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objective</b></p>	
<ul style="list-style-type: none"> <li>• The proposed ordinance sets the property tax rate for FY 2018-19 for taxing entities within the City and County of San Francisco including (a) the City and County of San Francisco (City); (b) the San Francisco Unified School District (SFUSD); (c) the San Francisco Community College District (SFCCD); (d) the Bay Area Rapid Transit District (BART); and (e) 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 such as 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, SFUSD, SFCCD, and BART.</li> <li>• The proposed ordinance also would set the property tax pass-through rate that landlords can pass-through to tenants in FY 2018-19, as allowed under the City Administrative Code.</li> </ul>	
<p style="text-align: center;"><b>Fiscal Impact</b></p>	
<ul style="list-style-type: none"> <li>• The proposed ordinance 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 2018-19 at \$1.1630 per \$100 of assessed value. The FY 2017-18 property tax rate of \$1.1630 is \$0.0093, or 0.79 percent, less than the FY 2017-18 property tax rate of \$1.1723 per \$100 of assessed value.</li> <li>• The proposed FY 2018-19 property tax rate of \$1.1630 would increase property taxes by \$73.24 on a single-family residence that has an assessed value of \$530,400 in FY 2018-19.</li> </ul>	
<p style="text-align: center;"><b>Recommendation</b></p>	
<ul style="list-style-type: none"> <li>• Approve the proposed ordinance.</li> </ul>	

**MANDATE STATEMENT**

California Revenue and Taxation Code Section 2151 requires the Board of Supervisors to fix the rates of county taxes and to collect the taxes for the City, County, and State.

San Francisco Administrative Code Section 3.3(h) requires the Board of Supervisors to adopt the property tax rate for the City and County of San Francisco before the last working day in September.

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.

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 one-half 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: (1) general operations, (2) specific Charter-required activities such as 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 and County of San Francisco (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 Revenue and Taxation Code, 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 one percent is used to pay for debt service on voter-approved General Obligation bonds.

**DETAILS OF THE PROPOSED LEGISLATION**

The proposed ordinance sets the property tax rate for FY 2018-19 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) San Francisco Community College District; (d) BART; and (e) the Bay Area Air Quality Management District (BAAQMD).

The proposed ordinance also would set the property tax pass-through rate that landlords can pass-through to tenants in FY 2018-19, as allowed under the City Administrative Code. The pass through to tenants may only be imposed on a tenant's anniversary date and shall not become part of a tenant's base rent. The allowable tenant pass-through rate is based on the portion of

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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 \$0.8092 General City Operations factor includes \$0.2533 to be shifted to the Educational Revenue Augmentation Fund for the benefit of San Francisco Unified School District, the County Office of Education, and the San Francisco Community College District.

the landlord's property tax liability that comes from General Obligation bond debt service for certain periods, as shown in Table 1 below.

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

<b>Taxing Entity</b>	<b>Date of General Obligation Bond Approval by Voters</b>	<b>Pass-Through Rate</b>
City and County of San Francisco	November 1, 1996 – November 30, 1998	100%
City and County of San Francisco	November 14, 2002 – Present	50%
San Francisco Unified School District San Francisco Community College District	November 1, 2006 – Present	50%

## **FISCAL IMPACT**

### **Combined Property Tax Rate**

The proposed ordinance 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 2018-19 at \$1.1630 per \$100 of assessed value. The FY 2018-19 property tax rate of \$1.1630 is \$0.0093, or 0.8 percent, less than the FY 2017-18 property tax rate of \$1.1723 per \$100 of assessed value. Table 2 below shows the proposed property tax rates for all taxing jurisdictions within the City, as calculated by the Controller.

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

Tax	FY 2017-18	Proposed FY 2018-19	Increase (Decrease)
General Fund	\$0.8117	\$0.8092	(\$0.0025)
Library Preservation Fund	0.0250	0.0250	-
Children's Fund	0.0375	0.0400	0.0025
Open Space Acquisition Fund	0.0250	0.0250	-
County Superintendent of School	0.0010	0.0010	-
General Obligation Bond Fund	0.1074	0.1075	(0.0001)
<b>City Subtotal</b>	<b>\$1.0076</b>	<b>\$1.0077</b>	<b>\$0.0001</b>
General Operations	\$0.0770	\$0.0770	-
General Obligation Bond Debt Service	0.0452	0.0387	(0.0065)
<b>SFUSD Subtotal</b>	<b>\$0.1222</b>	<b>\$0.1157</b>	<b>(\$0.0065)</b>
General Operations	\$0.0144	\$0.0144	-
General Obligation Bond Debt Service	0.0114	0.0098	(\$0.0016)
<b>SFCCD Subtotal</b>	<b>\$0.0258</b>	<b>\$0.0242</b>	<b>(\$0.0016)</b>
General Operations	\$0.0063	\$0.0063	-
General Obligation Bond Debt Service	0.0084	0.0070	(0.0014)
<b>BART Subtotal</b>	<b>\$0.0147</b>	<b>\$0.0133</b>	<b>(\$0.0014)</b>
<b>Bay Area Air Quality Management District Operations</b>	<b>\$0.0021</b>	<b>\$0.0021</b>	<b>-</b>
<b>Total Property Tax Rate<sup>2</sup></b>	<b>\$1.1723</b>	<b>\$1.1630</b>	<b>(\$0.0093)</b>

\* Totals may not add due to rounding.

The proposed combined property tax rate shown in Table 2 above includes a 0.25 percent administrative allowance charged on the City's voter-approved General Obligation bonds to reimburse the City for the costs of collecting property taxes. This 0.25 percent administrative allowance is charged to the total property tax collection attributable to the General Obligation bonds, rather than to the assessed value.

#### **Allowable Tenant Pass-Through Property Tax Rate**

The proposed ordinance also would set the allowable property tax rate that landlords can pass through to tenants at \$0.0675 per \$100 of assessed value in FY 2018-19. The allowable tenant pass-through rate is \$0.0215 less than the rate of \$0.0890 in FY 2017-18.

#### **Impacts 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 of up to 2.00 percent. For FY 2018-19, the State Board of

<sup>2</sup> Because the property tax rate is calculated to the 8<sup>th</sup> decimal place, totals in the above table do not add due to rounding.

Equalization determined that the allowable inflation factor is 2.00 percent.<sup>3</sup> Therefore, a single-family residence in San Francisco with an assessed value of \$520,000 in FY 2017-18 has an assessed value of \$530,400 in FY 2018-19.<sup>4</sup>

Table 3 below shows the impact of the proposed property taxes payable by owners and tenants. As shown in Table 3 below, the proposed FY 2018-19 property tax rate of \$1.1630 would increase property taxes by \$73.24 on a single-family residence that has an assessed value of \$530,400 in FY 2018-19.

**Table 3: Impact on Property Tax Payments**

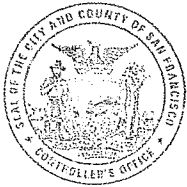
<b>Fiscal Year 2017-18</b>	<b>Single Family Residence</b>	<b>Allowable Tenant Pass-Through</b>
Assessed Value	\$520,000	\$520,000
Less Homeowners Exemption	-7,000	0
<b>Total Taxable Assessed Value</b>	<b>513,000</b>	<b>520,000</b>
Tax Rate per \$100 of Assessed Value	1.1723	0.089
<b>Property Taxes Payable in 2017-18</b>	<b>\$6,013.90</b>	<b>\$462.80</b>
<b>Proposed Fiscal Year 2018-19</b>		
Prior Year Assessed Value	\$520,000	\$520,000
Plus Cost of Living Increase (2.000 percent)	10,400	10,400
Subtotal	530,400	530,400
Less Homeowners Exemption	-7,000	0
<b>Total Taxable Assessed Value</b>	<b>523,400</b>	<b>530,400</b>
Tax Rate per \$100 of assessed value	1.1630	0.0675
<b>Property Taxes Payable in FY 2018-19</b>	<b>\$6,087.14</b>	<b>\$358.02</b>
<b>Total Increase / (Decrease) in FY 2018-19 as Compared to FY 2017-18</b>	<b>\$73.24</b>	<b>(\$104.78)</b>

## RECOMMENDATION

Approve the proposed ordinance.

<sup>3</sup> The State calculates the allowable inflation factor based on the California Consumer Price Index (CCPI) using a weighted equation that combines the metropolitan areas of San Francisco, Los Angeles, San Diego, and the national average.

<sup>4</sup> The median assessed valuation for a single residential parcel in FY 2017-18 in San Francisco was approximately \$520,000.



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

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

July 31, 2018

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

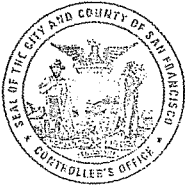
**Re: FY 2018-19 Property Tax Rate Ordinance**

Dear Ms. Calvillo:

I am submitting an ordinance for consideration to amend the tax levy for FY 2018-19. This ordinance includes the following:

- Property Tax Levy for City and County;
- Property Tax Levy for Unified School District;
- Property Tax Levy for Community College District, and
- 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 of the Administrative Code requires the property tax rate be adopted by the last working day of September. I hereby request these items be scheduled for the Budget & Finance Committee meeting no later than September 6, 2018 to satisfy this requirement.



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

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

July 31, 2018

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 ordinance which formally adopts those portions of the property tax rate for fiscal year 2018-2019 which the City and County of San Francisco administers. The San Francisco Bay Area Rapid Transit District (BART) also adopts a debt service tax rate factor for their combined three county service area. The rate shown below includes the **estimated** rate for BART, which is slated for adoption at BART's August Board meeting. The composite property tax rate for fiscal year 2018-2019 is projected to be \$1.1630 for each \$100 of assessed value, a decrease of \$0.0093 or 0.79 percent from the \$1.1723 rate established for fiscal year 2017-2018. Based on a \$1.1630 rate, the ad valorem tax bill for a single home previously assessed at the City's median taxable value for homes of \$520,000 in fiscal year 2017-2018 will go from \$6,013.90 last fiscal year to \$6,087.14 in fiscal year 2018-2019 (considering inflation adjusted assessed value of \$530,400). The respective tax rates by accruing entity are as follows:

	<u>Tax Rate</u> <u>Ordinance</u>	<u>Estimated</u> <u>State Shift</u>	<u>Effect After</u> <u>State Shift</u>
San Francisco Community College District (includes 0.00982024 debt service)	\$0.02426446	0.0400	\$0.06426446
San Francisco Unified School District (includes 0.03869354 debt service)	0.11568211	0.2133	0.32898211
CCSF - General Fund	0.80918319	(0.2533)	0.55588319
CCSF - Library Preservation Fund	0.02500000		0.02500000
CCSF - Children's Fund	0.04000000		0.04000000
CCSF - Open Space Acquisition Fund	0.02500000		0.02500000
CCSF - Bond Interest and Redemption Fund	0.10748997		0.10748997
CCSF - County Superintendent of Schools	0.00097335		0.00097335
Bay Area Air Quality Management District	0.00208539		0.00208539
BART District General Fund	<u>0.00632528</u>		<u>0.00632528</u>
Total excluding BART District Debt Service	\$1.15600375		\$1.15600375
BART Debt Service (Estimate)	<u>0.00700000</u>		<u>0.00700000</u>
Total Combined Tax Rate	<u>\$1.16300375</u>		<u>\$1.16300375</u>

# 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>
1996 - 1997	1.0000	0.1564	0.0266	1.1830	1.64%
1997 - 1998	1.0000	0.1643	0.0257	1.1900	0.59%
1998 - 1999	1.0000	0.1449	0.0201	1.1650	-2.10%
1999 - 2000	1.0000	0.1277	0.0013	1.1290	-3.08%
2000 - 2001	1.0000	0.1348	0.0012	1.1360	0.62%
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%



# Attachment B

## Y AND COUNTY OF SAN FRANCISCO Debt Service Requirements - General Obligation Bonds Comparative Statement - Fiscal Year 2018-2019 and 2017-2018

Bond Description	FY 2018-2019	FY 2018-2019	FY 2018-2019	FY 2017-2018	INCREASE/ ( DECREASE )
	Principal	Interest	Total	Total	
<b>GENERAL CITY</b>					
1992 UMB Program - Seismic Safety, Series 2007A (1st to 7th draw)	\$ 1,435,545	\$ 975,208	\$ 2,410,753	\$ 2,410,754	\$ (1)
1992 UMB Program - Seismic Safety, Series 2015A (Estimated variable interest)	450,000	240,000	690,000	260,000	430,000
2008 Clean and Safe Neighborhood Parks, Series 2010B	2,610,000	123,975	2,733,975	2,734,375	(400)
2008 Clean and Safe Neighborhood Parks, BAB Series 2010D	-	1,956,703	1,956,703	1,956,703	-
2008 Clean and Safe Neighborhood Parks, Series 2012B	2,750,000	1,603,026	4,353,026	4,348,626	4,400
2008 Clean and Safe Neighborhood Parks, Series 2016A	325,000	253,000	578,000	573,250	4,750
2012 Clean and Safe Neighborhood Parks, Series 2013A	1,900,000	1,866,250	3,766,250	3,766,750	(500)
2012 Clean and Safe Neighborhood Parks, Series 2016B	1,045,000	820,650	1,865,650	1,865,400	250
2012 Clean and Safe Neighborhood Parks, Series 2017C (Estimate) \$80M	-	-	-	27,181,473	(27,181,473)
2008 San Francisco General Hospital Improvement Bonds, Series 2009A	5,525,000	290,063	5,815,063	5,818,313	(3,250)
2008 San Francisco General Hospital Improvement Bonds, Series 2010A	12,735,000	604,913	13,339,913	13,339,713	200
2008 San Francisco General Hospital Improvement Bonds, BAB Series 2010C	-	9,540,977	9,540,977	9,540,977	-
2008 San Francisco General Hospital Improvement Bonds, Series 2012D	8,055,000	7,002,000	15,057,000	15,055,500	1,500
2008 San Francisco General Hospital Improvement Bonds, Series 2014A	7,695,000	7,014,363	14,709,363	14,705,613	3,750
2010 Earthquake Safety & Emergency Response, Series 2010E	2,480,000	1,982,500	4,462,500	4,460,500	2,000
2010 Earthquake Safety & Emergency Response, Series 2012A	6,635,000	4,852,500	11,487,500	11,488,500	(1,000)
2010 Earthquake Safety & Emergency Response, Series 2012E	1,545,000	1,344,700	2,889,700	2,893,450	(3,750)
2010 Earthquake Safety & Emergency Response, Series 2013B	820,000	804,700	1,624,700	1,623,700	1,000
2010 Earthquake Safety & Emergency Response, Series 2014C	1,830,000	1,771,563	3,601,563	3,598,563	3,000
2010 Earthquake Safety & Emergency Response, Series 2016C	935,000	788,325	1,723,325	1,722,825	500
2014 Earthquake Safety & Emergency Response, Series 2014D	3,345,000	3,244,313	6,589,313	6,593,813	(4,500)
2014 Earthquake Safety & Emergency Response, Series 2016D	3,160,000	2,659,263	5,819,263	5,819,763	(500)
2011 Road Repaving and Street Safety, Series 2012C	2,815,000	1,640,950	4,455,950	4,454,150	1,800
2011 Road Repaving and Street Safety, Series 2013C	3,420,000	3,358,450	6,778,450	6,781,450	(3,000)
2011 Road Repaving and Street Safety, Series 2016E	1,640,000	1,379,650	3,019,650	3,017,650	2,000
2014 Transportation & Road Improvements, Series 2015B	1,795,000	1,655,131	3,450,131	3,450,631	(500)
2014 Transportation & Road Improvements, Series 2018A (Estimate) \$117M	-	-	-	41,464,707	(41,464,707)
2014 Earthquake Safety & Emergency Response, Series 2017B (Estimate) \$190M	-	-	-	45,660,428	(45,660,428)
2015 Affordable Housing, Series 2016F	2,310,000	1,327,480	3,637,480	3,637,780	(300)
2016 Public Health and Safety, Series 2017A	4,525,000	4,996,300	9,521,300	9,521,800	(500)
2008 General Obligation Bond Refunding, Series 2008 R1	1,630,000	204,400	1,834,400	1,832,000	2,400
2008 General Obligation Bond Refunding, Series 2008 R2	-	-	-	5,949,800	(5,949,800)
2011 General Obligation Bond Refunding, Series 2011 R1	27,120,000	8,613,900	35,733,900	35,766,900	(33,000)
2015 General Obligation Bond Refunding, Series 2015 R1	13,725,000	11,761,500	25,486,500	25,474,500	12,000
2012 Clean and Safe Neighborhood Parks, Series 2018A	1,630,000	1,744,213	3,374,213	-	3,374,213
2014 Transportation & Road Improvements Series 2018B	3,705,000	3,966,588	7,671,588	-	7,671,588
2014 Earthquake Safety & Emergency Response Series 2018C	52,165,000	8,385,855	60,550,855	-	60,550,855
2015 Affordable Housing Series 2018D	40,075,000	5,324,329	45,399,329	-	45,399,329
2016 Public Health and Safety, Series 2018E	13,585,000	2,166,192	15,751,192	-	15,751,192
1992 UMB Program - Seismic Safety, Series 2018F (estimate) \$35M	640,000	510,417	1,150,417	-	1,150,417
<b>SUB-TOTAL GENERAL CITY BEFORE NET PREMIUM &amp; SUBSIDIES</b>	<b>\$ 236,055,545</b>	<b>\$ 106,774,347</b>	<b>\$ 342,829,892</b>	<b>\$ 328,770,357</b>	<b>\$ 14,059,535</b>
<b>FEDERAL SUBSIDY, NET BID PREMIUM, SB 1128 REIMBURSEMENT, and TOBACCO SETTLEMENT REVENUE AVAILABLE FOR DEBT SERVICE PAYMENT</b>					
2010 Earthquake Safety & Emergency Response, Series 2016C	-	-	-	(816,832)	816,832
2011 Road Repaving & Street Safety, Series 2016E	-	-	-	(1,428,159)	1,428,159
2014 Earthquake Safety & Emergency Response, Series 2016D	-	-	-	(2,738,714)	2,738,714
2008 San Francisco General Hospital Improvement Bonds, BAB Series 2010C	-	(3,108,927)	(3,108,927)	(3,108,927)	-
2008 Clean and Safe Neighborhood Parks, BAB 2010D	-	(637,591)	(637,591)	(637,591)	-
2008 Clean and Safe Neighborhood Parks, Series 2016A	-	-	-	(164,965)	164,965
2012 Clean and Safe Neighborhood Parks, Series 2016B	-	-	-	(524,305)	524,305
2016 Public Health and Safety Series 2017A	(4,316,161)	(4,316,161)	(4,316,161)	(5,211,800)	895,639
2012 Clean and Safe Neighborhood Parks, Series 2018A	(1,321,778)	(1,321,778)	(1,321,778)	-	(1,321,778)
2014 Transportation & Road Improvements Series 2018B	(3,005,486)	(3,005,486)	(3,005,486)	-	(3,005,486)
2014 Earthquake Safety & Emergency Response Series 2018C	(8,385,855)	(8,385,855)	(8,385,855)	-	(8,385,855)
2015 Affordable Housing Series 2018D	(985,799)	(985,799)	(985,799)	-	(985,799)
2016 Public Health and Safety, Series 2018E	(1,826,379)	(1,826,379)	(1,826,379)	-	(1,826,379)
SB 1128 Reimbursement	(636,703)	(636,703)	(636,703)	(3,836,248)	3,199,545
Tobacco Settlement Revenue Reimbursement	(11,350,000)	(7,124,197)	(18,474,197)	(15,311,902)	(3,162,295)
<b>TOTAL FEDERAL SUBSIDY</b>	<b>(11,350,000)</b>	<b>(31,348,876)</b>	<b>(42,698,876)</b>	<b>(33,779,443)</b>	<b>(8,919,433)</b>
<b>SUB-TOTAL GENERAL CITY NET OF NET PREMIUM &amp; FEDERAL SUBSIDY</b>	<b>\$ 224,705,545</b>	<b>\$ 75,425,471</b>	<b>\$ 300,131,016</b>	<b>\$ 294,990,914</b>	<b>\$ 5,140,102</b>

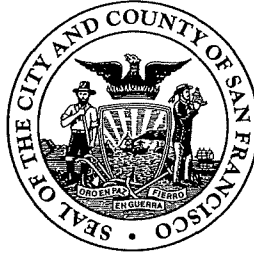
# Attachment C

## COMPARATIVE TAX BILL

A tax bill calculation of a home in San Francisco with an assessed value of \$520,000 in fiscal year 2017-2018 compared with fiscal year 2018-2019 is as follows:

	<u>Assessed Value (100%)</u>	<u>Property Tax Rate per \$100 Value</u>	<u>Tax Bill</u>	<u>% Change</u>
<b><u>FY 2017-2018</u></b>				
Assessed Value FY 2017-18	\$520,000			
Less Homeowners' Exemption	<u>7,000</u>			
	<u>\$513,000</u>	\$1.1723	\$6,013.90	
<b><u>FY 2018-2019</u></b>				
Prior Year Assessed Value	\$520,000			
Add 2.000% California Consumer Price Index (CPI) Increase	<u>10,400</u>			
Assessed Value FY 2018-19	\$530,400			
Less Homeowners' Exemption	<u>7,000</u>			
	<u>\$523,400</u>	<u>\$1.1630</u>	<u>\$6,087.14</u>	
<b>Increase / (Decrease)</b>		<b><u>(\$0.0093)</u></b>	<b><u>\$ 73.24</u></b>	<b>1.22%</b>

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: Jose Cisneros, Treasurer, Office of the Treasure and Tax Collector

FROM: Linda Wong, Assistant Clerk  
Budget and Finance Committee

DATE: August 24, 2018

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Budget and Finance Committee has received the following proposed legislation, introduced by Supervisor Malia Cohen:

**File No. 180797**

**Ordinance levying property taxes at a combined rate of \$1.1630 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing a pass-through rate of \$0.0675 per \$100 of assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for the fiscal year ending June 30, 2019.**

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [linda.wong@sfgov.org](mailto:linda.wong@sfgov.org).

c: Amanda Kahn Fried, Office of the Treasure and Tax Collector

Print Form

# Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED  
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 SAN FRANCISCO  
 2018 JUL 31 PM 1:29  
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 or meeting date

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

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [ ] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Topic submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

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

Sponsor(s):

Cohen

Subject:

[Setting Property Tax Rate and Establishing Pass-Through Rate for Residential Tenants - FY2018-2019]

The text is listed:

Ordinance levying property taxes at a combined rate of \$1.1630 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing a pass-through rate of \$0.0675 per \$100 of assessed value for residential tenants pursuant to Administrative Code, Chapter 37, for the fiscal year ending June 30, 2019.

Signature of Sponsoring Supervisor:



For Clerk's Use Only