[California Constitution Appropriations Limit - FY2019-2020 - $5,528,830,486]

Resolution establishing the appropriations limit of $5,528,830,486 for FY2019-2020, pursuant to California Constitution, Article XIII B.

WHEREAS, Article XIII B of the California Constitution provides that the annual appropriations of the City and County of San Francisco which are subject to said Article may not exceed the Appropriations Limit for the prior year, with adjustments as provided in said Article XIII B; and

WHEREAS, The California Government Code, Section 7901, defines the terms, and Section 7902(b) sets forth the equations to be used to determine the City and County of San Francisco's annual Appropriations Limit, according to the following formula:

(b) "...the appropriations limit of the state and each local jurisdiction shall equal the appropriations limit for the prior fiscal year multiplied by the product of the change in cost of living, as defined in paragraph (2) of subdivision (e) of Section 8 of Article XIII B of the California Constitution, and the change in population of the local jurisdiction for the calendar year preceding the beginning of the fiscal year for which the appropriations limit is to be determined, and adjusted for other changes required or permitted by Article XIII B of the California Constitution;" and

WHEREAS, Article XIII B, Section 8(e)(2) of the California Constitution authorizes the calculation of the cost of living, either the use of the percentage change in California per-capita personal income from the preceding year, or the use of the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local non-residential new construction; and
WHEREAS, The change in California per-capita personal income in FY2018-2019 was 3.85%, while the percentage change in the local assessment roll in 2018 due to the addition of local non-residential new construction was 23.65%; and

WHEREAS, The percentage change in population during calendar year 2018 for the City and County of San Francisco according to the California Department of Finance was 0.33%; and

WHEREAS, Article XIII B, Section 4 of the California Constitution authorizes voters to approve an increase in the Appropriations Limit for up to four years; and

WHEREAS, Voters approved three measures, the Soda and Sugary Sweetened Beverages Tax (Proposition V-November 2016), the increase in the Real Estate Transfer Tax (Proposition W-November 2016), and the Tax on Cannabis Businesses (Proposition D-November 2018), that increased the Appropriations Limit by the aggregate sum collected by the levy of these taxes; and

WHEREAS, The aggregate sum collected by the levy of these taxes through FY2019-2020 is projected to be $139,717,381; and

WHEREAS, Article XIII B, Sections 8(h) and 10.5 of the California Constitution establish that the Base Appropriations Limit for a local government is equal to the appropriations subject to limitation in FY1986-1987; and

WHEREAS, The Base Appropriations Limit for FY2018-2019 is $4,343,960,284; and

WHEREAS, The resulting calculation establishing the City and County of San Francisco’s FY2019-2020 Appropriations Limit is:

\[4,343,960,284 \times 1.0033 \times 1.236519 + 139,717,381 = 5,528,830,486;\]

WHEREAS, This matter has been considered at a regularly scheduled meeting of the Board of Supervisors for the City and County of San Francisco; and
WHEREAS, The documentation used to determine the Appropriations Limit for the City and County of San Francisco for FY2019-2020 was available for public inspection in the Office of the Clerk of the Board of Supervisors for at least 15 days prior to said regularly scheduled meeting; now, therefore, be it

RESOLVED, That the City and County of San Francisco elects to use the percentage change in the local assessment roll from 2018 due to the addition of local non-residential new construction and the percent change in population within its jurisdiction from the previous year for the purpose of computation of its Appropriations Limit pursuant to Article XIII B of the California Constitution for FY2019-2020; and, be it

Office of the Controller
BOARD OF SUPERVISORS
FURTHER RESOLVED, That the net appropriations limit for FY 2019-2020 is established at $5,528,830,486.

Recommended:

Ben Rosenfield
Controller
Resolution

File Number: 200008  Date Passed: February 04, 2020

Resolution establishing the appropriations limit of $5,528,830,486 for FY2019-2020, pursuant to California Constitution, Article XIII B.

January 29, 2020 Budget and Finance Committee - RECOMMENDED

February 04, 2020 Board of Supervisors - ADOPTED
   Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 2/4/2020 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved 2/14/20