Resolution establishing the appropriations limit of $8,364,999,808 for Fiscal Year (FY) 2020-2021, 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 fiscal year 2019-20 was 3.73%, while the percentage change in the local assessment roll in 2019 due to the addition of local non-residential new construction was 28.95%; and

WHEREAS, The percentage change in population during calendar year 2019 for the City and County of San Francisco according to the California Department of Finance was 0.76%; 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 seven measures, the Tax on Cannabis Businesses (Proposition D-November 2018), the Homeless Gross Receipts Tax (Proposition C-November 2018), the Traffic Congestion Mitigation Tax (Proposition D-November 2019), the Parcel Tax for San Francisco Unified School District (Proposition J-November 2020), the Real Estate Transfer Tax (Proposition I-November 2020), the Executive Compensation Tax (Proposition L-November 2020), and the Business Tax Overhaul (Proposition F-November 2020), 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 fiscal year 2020-21 is projected to be $1,362,924,073; 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 fiscal year 1986-87; and

WHEREAS, The Base Appropriations Limit for fiscal year 2019-20 is $5,389,113,105; and
WHEREAS, The resulting calculation establishing the City and County of San Francisco’s fiscal year 2020-21 Appropriations Limit is:

\[5,389,113,105 \times 1.0076 \times 1.2895 + 1,362,924,073 = 8,364,999,808; \text{ and}\]

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 FY2020-2021 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 2019 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 FY 2020-2021; and, be it

FURTHER RESOLVED, That the net appropriations limit for FY 2020-2021 is established at $8,364,999,808.

Recommended:

Ben Rosenfield

Controller
Resolution establishing the appropriations limit of $8,364,999,808 for Fiscal Year (FY) 2020-2021, pursuant to California Constitution, Article XIII B.

February 17, 2021 Budget and Appropriations Committee - RECOMMENDED

February 23, 2021 Board of Supervisors - ADOPTED
Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 210071

I hereby certify that the foregoing Resolution was ADOPTED on 2/23/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

3/5/21
Date Approved

Mayor