

ADDITIONAL PARCEL TAX FOR CITY COLLEGE

The Way It Is Now

City College of San Francisco (“City College”) is a public, two-year community college. City College receives funding from the state, the federal government and the City.

San Francisco property owners pay an annual flat tax of \$99 per parcel to help fund City College. The revenues from this existing tax pay for teachers, libraries and counselors, among other uses. This parcel tax will expire on June 30, 2032.

State law limits the amount of revenue, including tax revenue, that the City can spend each year. State law authorizes San Francisco voters to approve increases to this limit for up to four years.

The Proposal

The proposal would impose an additional parcel tax on San Francisco property owners beginning on July 1, 2023 and continuing until June 30, 2043. The tax would be adjusted annually for inflation. The proposed 2023 tax rates would be:

Property Type	Rate
Single Family Residential	\$150
Residential – One Residential Unit	\$150
Residential – Two or more Residential Units	\$75 per unit
Non-Residential, under 5,000 Square Feet	\$150
Non-Residential, 5,000 – 24,999 Square Feet	\$1,250
Non-Residential, 25,000 – 100,000 Square Feet	\$2,500
Non-Residential, over 100,000 Square Feet	\$4,000

The rates are based on the square footage of the buildings, or if undeveloped, on the square footage of the parcel. For properties with mixed residential and commercial uses, different rates would apply according to the uses.

The tax would not apply to two types of properties:

1. properties in which a person who is at least 65 years old before July 1 of the fiscal year has an ownership interest and also resides at that property; and
2. properties not required to pay standard property taxes, such as parcels owned and used by certain non-profits.

The proposal would require the City to collect and transfer all revenue from the additional parcel tax to City College. City College must use these tax revenues for the following purposes:

- 25% for services and programs that support student enrollment, basic needs, retention and job placement;
- 25% for programs that address basic-skills needs, including supporting English proficiency and technology use and obtaining United States citizenship;

- 25% for workforce development programs that support job training and placement;
and
- 25% for programs that support the academic success and leadership development of historically underrepresented students.

Before receiving these tax revenues, City College must submit an expenditure plan to the Mayor and the Board of Supervisors.

The proposal would also require the City Controller to perform annual audits for the first five years of the tax and periodically after. The Mayor or Board of Supervisors may suspend disbursements of revenues from the additional tax to City College, if City College has not adopted the Controller's audit recommendations.

The proposal would require City College to establish an independent oversight committee to ensure that the tax revenues are used only for the designated purposes.

This proposal would increase the City's spending limit for four years.