

BUDGET AND FINANCE COMMITTEE REPORT relative to the appropriations limit for 2026-27.

Recommendations for Council action:

1. ADOPT the following factors to calculate the appropriations limit for 2026-27:
 - a. Population Percent Change - City: -0.87 percent
 - b. Nonresidential New Construction: 9.55 percent
2. ADOPT \$10,026,603,100 as the appropriations limit for 2026-27.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no fiscal impact in adopting the recommendations in the report.

Community Impact Statement: None submitted

SUMMARY

At its meeting held on October 6, 2026, your Budget and Finance considered the CAO report, dated September 15, 2026, relative to the adoption of the appropriations limit for 2026-27 in the amount of \$10,026,603,100, and the recommended factors used to calculate said appropriations limit, pursuant to Article XIIIB of the State Constitution. An increase in the City's nonresidential new construction rate by 9.55 percent, and a decrease in the population growth percentage by 0.87 percent, was applied to adjust the appropriation limit to \$10,026,603,100 for 2026-27. The CAO report, which includes documentation used to calculate the appropriations limit, was made available to the public for review on September 15, 2026 in accordance with Government Code Section 7910. After an opportunity for public comment was held, the Committee moved to approve the recommendations contained in the CAO report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	ABSENT
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

AXB
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-NOT OFFICIAL UNTIL COUNCIL ACTS-