



Independent, locally owned and operated!

www.lamorindaweekly.com 925-377-0977

Published July 20th, 2011

Orinda Property Tax Revenues Down 3%

By *Andrea A. Firth*

After wrestling to balance the City's budget in June, the Orinda City Council will have to find \$94,000 to close a newly discovered revenue shortfall due to a less than optimistic property tax report from the County Assessor's office. Current property tax revenues, which are based on taxes collected in the 2010 calendar year (reported property tax runs about 18 months in arrears), are down 3% as compared to 2009.

This equates to about \$150,000 in lost revenue to the City.

The City's current budget was based on a projection of flat property tax growth, says City Manger Janet Keeter.

"Based on earlier communications with the Assessor's office and tracking trends, we felt that we were being conservative." At this point she does not have a complete explanation for why Orinda's property tax revenue is down more than neighboring Lafayette, which is down .7%, and Moraga, which is up .5%

"The negative 3% is not totally indicative of what is going on with real estate in Orinda," says County Assessor Gus Kramer. The drop reflects the change in assessed value in new construction, with change of ownership, or temporary reductions, he explains. "I believe Orinda's real estate market is healthy, probably one of the healthiest in the county," Kramer adds.

Asked about property values going forward, Kramer says assessed values may go down "a little bit more within one or two years" based on the market's history of a double dip at the bottom and a double bump at the top. He feels that a subsequent decline could fall in the range of 1% to 2%.

On a positive budget note, the City will re-acquire a \$100,000 police services grant, says Keeter. She acknowledges this is offset, in part, by a \$45,000 hit on the reimbursement of vehicle license fees due to changes coming from the State. The net-net is \$94,000 hole in the City budget.

Reach the reporter at: andrea@lamorindaweekly.com

[back](#)

Copyright © Lamorinda Weekly, Moraga CA