

Contra Costa County property tax values show large increases

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MARTINEZ -- In a sign that Contra Costa County's housing market has recovered from the depths of the Great Recession, assessed property values jumped 9 percent over the past year, pushing the total to the highest in county history, according to figures released this week from the county assessor.

While the higher valuations will mean higher tax bills for many homeowners who have seen their home assessments plunge in recent years, they will also translate into badly needed cash for public agencies that have slashed budgets in large part because of dwindling tax revenues.

"Wow," Antioch City Manager Steve Duran said upon learning of the 17.8 percent jump in his city's assessed property tax roll. Antioch, brought to the brink of bankruptcy in spring 2010 largely because of the nose-dive in property taxes, conservatively projected a 5 percent increase and hoped for maybe 7 percent.

The actual number means the city will receive an additional \$1.3 million, which can help close its budget deficit, Duran said.

"It definitely gets us going in the right direction," he said.

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Contra Costa's overall assessment roll of \$159.3 billion for commercial and residential properties is the highest ever, county Assessor Gus Kramer said. That number is up \$13.3 billion from last year, or about 9.1 percent.

"The county's housing market is on the mend. It hasn't fully recovered, but it is getting healthier every day," he said.

The new assessment numbers and unexpected extra revenue surprised both city and county officials.

"It's clearly good news countywide. It's a little more than we projected, although it doesn't mean we're flush with cash," county Supervisor John Gioia, of Richmond, said.

The extra revenue could help the county address some needs such as fixing up aging buildings, and add reserves to a rainy-day fund, he said.

"The demand for county services goes up when the economy goes down, so that will put us in a better position," Gioia said.

All 19 Contra Costa cities saw property values for the purpose of collecting taxes rise at least 7 percent.

East Contra Costa cities, hit hardest during the housing meltdown, saw the largest increases: Oakley's roll went up 20.1 percent, followed by Brentwood at 18.6 percent and Antioch.

In West Contra Costa, Hercules saw a 17.4 percent increase, San Pablo rose 14.6 percent and Richmond 8.7 percent. The West Contra Costa Unified School District will benefit from a 10.8 percent increase in property valuations within the district.

Charles Ramsey, West Contra Costa school board president, said the additional revenue will pay big dividends for the district's ongoing construction bond program, with its bonding capacity increasing more than \$100 million beyond the district's expectations.

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"This is beyond good news. We have now basically almost completely got ourselves out of recessionary problems that could have plagued the bond program. This is unbelievable," he said.

Several factors have contributed to the increase, including demand for homes outstripping the supply, resulting in bidding wars, Kramer said.

Kramer also said those who were forced to short-sale homes or saw their credit scores plummet are starting to regain financial footing.

While commercial real estate is hot in some areas, single-family homes and condominiums have "really driven the bus" as far as the gains, Kramer said.

Homes are taxed at 1 percent of their assessed value, plus whatever indebtedness for city, special district or school taxes is attached to the property.

The assessed value increases mean that homeowners can expect to pay more, but how quickly depends on several factors, including when the home was bought, market conditions in neighborhoods and how far property value decreased, Kramer said.

Homes that were assessed in recent years below the base level set when they were purchased may not immediately return to their former level, he said.

"Every property is different. Some increases have been stretched over three years, some in two or four years," he said. "It's not across the board."

Walnut Creek, where values jumped 8.1 percent, will receive an extra \$500,000 beyond its expectations, City Manager Ken Nordhoff said.

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He attributes Walnut Creek's gain to a limited inventory of homes turning over at rapidly climbing market prices, coupled with investments in both new and existing residential and commercial properties.

Concord City Manager Valerie Barone noted in an email that there is a lag between when assessed valuations are released and when the county auditor-controller notifies the city of property tax changes. She said Concord's nearly 10 percent jump in valuations "is certainly helpful but not enough to make a significant difference" in addressing the city's fiscal challenges.

Brentwood's assessed valuation is 14 percent higher than it projected, and the city is in the process of reviewing the specific impacts, assistant finance director Kerry Breen said.

Oakley will receive \$400,000 more than it had expected. Council members have not decided how to spend the extra money, but it might go toward road repairs and addressing staffing shortages that weren't possible during the recession, said Nancy Marquez-Suarez, assistant to the city manager.

Staff writers Paula King, Rowena Coetsee, Lisa White, Robert Rogers and Elisabeth Nardi contributed to this story. Contact Paul Bugarino at 925-779-7164. Follow him at [Twitter.com/paulbugarino](https://twitter.com/paulbugarino).

ASSESSMENT DISPUTES:

The Contra Costa Assessor's Office will be sending letters to those with property tax adjustments in the next few weeks. Anyone who disagrees with their assessed value can call the office at 925-313-7400.

GOING UP

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Here is a list of the Contra Costa cities and their percent increase in assessed value:

Antioch 17.8

Brentwood 18.6

Clayton 7.5

Concord 9.8

Danville 9.4

El Cerrito 8.7

Hercules 17.4

Lafayette 7.8

Martinez 7.7

Moraga 7.9

Orinda 8.2

Oakley 20.12

Pinole 12.2

Pittsburg 11.3

Pleasant Hill 9.5

Richmond 8.7

San Pablo 14.6

San Ramon 9.4

Walnut Creek 8.1

Source: Contra Costa Assessor's office

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