

City Manager's Office

April 9, 2021

To: Honorable Mayor and Members of the City Council

From: *Dee* Dee Williams-Ridley, City Manager

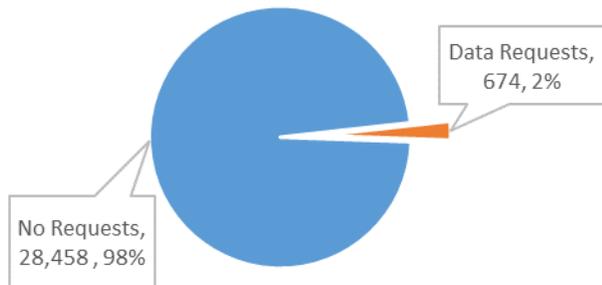
Subject: **Property Tax Data Update Process**

Over the past several months, the City has seen an increase in the number of claims regarding concerns surrounding Property Tax Special Assessments. Claims have been sent directly to the Finance Department, but also to the Mayor and City Council, various County officials, and other departments within the City. While Finance Department staff have been working diligently to respond to these claims, the number received and the different ways in which they have been sent to the City have led to an inefficient process for responding and resolving any errors that are found.

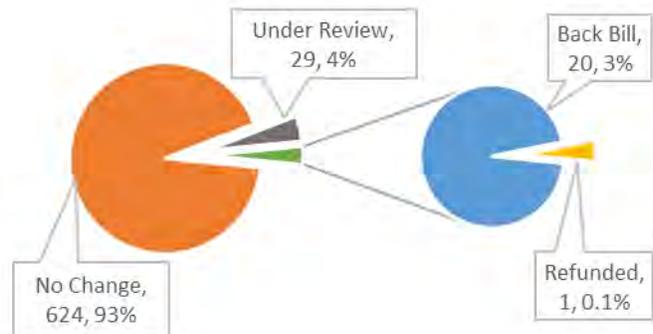
In order to provide greater customer service and respond to our community in an efficient manner, I have asked our Finance Department to establish a team that will be responsible to respond and process claims surrounding special assessments in a timely manner. Of the approximately 674 claims that the City has received since 2019, 645 have been resolved. Of those, 624 (97%) were determined to require no changes to existing data, while 21 (5%) did require a correction after review. There are 29 claims that are currently open and need to be reviewed.

Status of Existing Claims

Of 29,132 Total City parcels, we receive requests for a small portion...



...and most requests do not result in data corrections



Of the approximately 674 claims that the City has received since 2019, 645 have been resolved. Of those, 624 (93%) were determined to require no changes to existing data, while 21 (3.11%) did require a correction after review. There are 29 (4.30%) that are outstanding pending to be reviewed.

Of the claims that have been submitted to the City, some are reports from property owners requesting information about special assessments for their properties, but many are from other community members who want to provide the City with information they believe will help to correct the property taxes and special assessments for another property. All of these requests are important to the Finance Department. The Finance Department wants to ensure that property owners understand how their special assessments are determined, and to know that there are times when adjustments to property taxes and special assessments are necessary to account for incorrect data. Ultimately, the City's primary concern is and always has been to make sure that special assessments are administered in accordance with the law and that all taxpayers are treated fairly.

Responding to Claims Submitted to the City

To ensure a more effective process going forward, the Finance Department will establish a dedicated team to focus on the review of claims submitted to the City. Led by the Revenue Collection Manager, and staffed by an Assistant Management Analyst and other personnel, the Administrative Review team is modeled after similar ones used by the California State Franchise Tax Board and the Internal Revenue Service. Staff assigned to the Administrative Review team will be solely responsible for the review and implementation of any necessary mitigation resulting from a claim of tax assessment errors by the City. The team's primary function will be to research any claims submitted to the City by relying on available data such as land improvement records or official drawings, and contacting the property owner, if necessary, to resolve any discrepancies. The work of the Administrative Review team will be reviewed on a quarterly basis by the Finance Director to ensure that the team is achieving its intended objectives and providing a meaningful service to the community.

So that we are able to respond quickly and accurately to any concerns that property owners have about their own taxes, we will address those separately from tips we receive from persons other than the property owner.

Filing Claims with the City

Claims Filed by Property Owners:

Property owners with concerns about their property tax bills should continue to submit requests for information and data correction requests to propertytaxes@cityofberkeley.info. The City will continue to respond directly to property owners concerned about their property taxes and special assessments. After the claim has been reviewed by the Administrative Review team, the Finance Department will explain how the special assessment was calculated, and why the proposed adjustment was approved or declined.

Claims Filed by Third Parties who are not the Property Owner:

Persons other than the property owner(s) who have claims that they would like to submit to the City should provide information to proptaxtips@cityofberkeley.info. All claims will be evaluated by the Administrative Review team, and if any changes are required, a staff member from the Finance

Department will work directly with the affected taxpayer and inform them of any changes and any additional taxes or refunds that may be due as a result of investigating claims made by third-parties.

Conclusion

Implementing the organizational changes outlined in this Memorandum will help enable the Finance Department to respond to our taxpayers in a more expedient and efficient manner. At the same time, it will allow the Finance Department to use available resources to focus on maintaining and improving the accuracy of property data in order to ensure that property taxes and special assessments are fairly and equitably applied.

cc: Paul Buddenhagen, Deputy City Manager
David White, Deputy City Manager
Jenny Wong, City Auditor
Farimah Brown, City Attorney
Mark Numainville, City Clerk
Henry Oyekanmi, Finance Director
Matthai Chakko, Assistant to the City Manager