



PUBLICAN'S POSTINGS

City of Berkeley Taxes: Why the Increase?

Soon after the secured real estate property tax bills were sent out in mid-October, I began to hear numerous concerns from my fellow Berkeley citizens that their property tax bills had increased dramatically. The same chatter was shared through various Nextdoor posts. Being the Tax Collector, I decided to take a look. I invited folks on Nextdoor to share their APNs (6 did), and I also analyzed my own home and two friends' homes. I admit it's not a significant sample, but it was enough for me to draw some conclusions. I want to share some specific Berkeley items with you, but I also want to conclude this blog with some advice on how to pay taxes, which, of course, are increasing for everyone in the County.

It's not difficult to compare one year to another. I used our internal database, but anyone can use the public database at <https://propertytax.alamedacountyca.gov/search>. That's the same place where you can pay your bill online, and it can also be used to analyze this year's and previous year's bills. You can copy and paste the data into an Excel spreadsheet, and with moderate skills, you can move things around and make comparisons.

When I analyzed my 9-sample set, I found that **the overall average increase in a Berkeley resident's total tax bill is about 13%**; this is why people are a bit shocked. My own taxes increased by almost 14%, while over the previous 3 years the increase ranged from a tiny 0.7% to a moderate 3.6%. This year, in my sample set, the range of increases was vast, from about 9% to over 15%. I did find one significantly higher taxpayer, but I think that was a special circumstance, which I will explain below.

I have tried to explain taxes many times in my blogs, but here's a refresher:

There are two main types of real property taxes; the first is called "Ad Valorem taxes." The word "ad valorem" comes from the Latin word for "according to value." These taxes are based on assessed value, which the County Assessor determines. Within this type, there are two sub-types: the first is the "County taxes," (which is really mis-named, as only about 15% of these are kept by the County; the other 85% is paid out to cities, schools and districts within the County) which are mandated to be charged at 1% and generally increase with one's assessment (which cannot exceed 2%/year); the second is for voter-approved debt measures. The rates on the debt measures are set each year by several factors but must be high enough to pay off the bonds. All of the people in my sample had the exact same increase for these Ad Valorem taxes: 4.5%. For everyone I studied, all of our county taxes increased by 2%, and the voter-approved debt measures increased by about 2.5%; thus, resulting in the exact same increase for many Berkeley residents of 4.5%.

So, if it wasn't the Ad-Valorem taxes that caused the average 13% increase, what was it? The significant increase was due to the sharp rise in the second type of taxes, called "Special

Assessments and Charges.” Berkeley taxpayers have 29 of these types of taxes, more than any other Alameda County taxpayer.

2025-26 was a bit of a “perfect storm.” For many of us, special assessments rose at an average of about 20%. How did this happen?

For all of us, there were two new ballot measures we passed in November 2024: Measure FF, the Street Repair Measure, and a Library Relief Measure. These two new measures increased the special assessments by over 50%. Almost every other special assessment increased, some by around 6.5%, and some by a much greater amount. The one that went up the most for everyone was a 15.72% increase in the School Education Progress/BSEP tax, which is \$0.54 per square foot. For instance, a city landscaping tax went up by 20%, but because the cost is only 26.5 cents/sq. foot, the overall amount didn’t contribute much to the increase. So, again, the two new ballot measures and the School Education Tax were the primary reasons for the rise in special assessments and overall taxes.

I encourage you to read your ballot measures carefully when you vote and to review the provisions on costs and how they can increase over time. I think many people have forgotten that they voted for those measures in November 2024. And I think it’s rare for taxpayers to understand how costs can increase.

Why one home’s overall tax rate increase is different from another’s has to do with two main factors: The first is when you bought your home, which affects your County-related ad valorem taxes; the other has to do with the size of your home, in terms of square feet. Because virtually all special assessments are based on square footage, as special assessments rise (as they have since Proposition 13 was passed), those with larger houses will see their taxes increase faster.

In my small sample set, all of the examples were for taxpayers who had bought their homes a long time ago. For a more recent buyer of property, because their ad-valorem taxes are so much higher, they will likely not experience such a sharp increase this year.

A few small other items to mention, which I saw as I did my analysis:

- 1) Our waste management bills are collected through the property tax bill; one person’s Zero Waste Services bill doubled, which means she is paying for another trash can, which she either didn’t know about or forgot about; check that on your bill.
- 2) Another person’s bill overall bill went up by almost 25%, which was significantly higher than that of the average Berkeley taxpayer. This was caused by an increase in her square footage due to remodeling, which is entirely justifiable. However, both she and I feel that a mistake may have occurred, and the City of Berkeley Finance Department has agreed to check her information. The Finance Department maintains a publicly accessible database, so you can check it (although it is admittedly difficult to use): https://data.cityofberkeley.info/City-Government/Taxable-Square-Footage/9a47-nj4i/data_preview. I encourage everyone to check their square footage. Of course, an old issue remains: there can be a significant discrepancy between the County’s and the City’s definitions of square footage. However,

regardless of any difference, the City is bound by its charter to use its definition of square footage, not the County's, for the special assessment charges.

- 3) Although Proposition 13 states that the County's tax will only increase by a maximum of 2%/year, there are other parts of the "Ad-Valorem" taxes, which are currently six bond measures. The two largest ones for Berkeley taxpayers are the School District (whose rate increased by 50% this year), and the City of Berkeley's bond (which decreased by 18%). That explains why the total Ad-Valorem taxes increased by almost 4.5%.

As property taxes increase for all of us, there are ways to help to pay for them:

- 1) The tax bill lists those specific assessments that, in theory, grant Senior and/or Low-Income Exemptions. One needs to call each listed phone number and find someone to speak with. This program is run by specific agencies that administer these assessments and only they can explain to you the criteria needed to qualify.
- 2) We have a short explanation on our website about how to pay property taxes monthly: <https://propertytax.alamedacountyca.gov/monthlypayments>. Paying monthly makes property taxes feel more affordable, and I do it myself through **Easy Smart Pay**. It's absolutely free if you use your checking account to make the payment but note this is not a county program; a quasi-public/private company runs it. The web link is: <https://easysmartpay.net/>.
- 3) The County does have an installment payment plan, but this is only for people who are already delinquent, so hopefully this is not for you! The link for that is here: <https://propertytax.alamedacountyca.gov/docs/InstallmentPlanAgreement.pdf>
- 4) There is another option, which is run by the State Controller's Office, called Property Tax Postponement. Here is the link: https://www.sco.ca.gov/ardtax_prop_tax_postponement.html.

I love my City of Berkeley, and I love that our libraries, schools, and city services are well-funded. I don't mind paying taxes to support well-governed, well-run programs. I am dedicated to helping everyone understand their tax bill and to getting them help paying their taxes if they need it.