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AUG 30 2010

Memorandum
City Manager's Office

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Debra Figone

SUBJECT: 2010-2011 PROPERTY TAX
REVENUE ESTIMATE

DATE: August 30, 2010

INFORMATION

In light of the article discussing the financial impact on the San José Redevelopment Agency of reduced property values that appeared in the San Jose Mercury News on Sunday, August 29, 2010, I wanted to let you know that our Budget Office and Finance Department staff have been meeting regularly with officials from the offices of the County Assessor, County Auditor-Controller, and County Treasurer-Tax Collector to review their latest data on reduced assessed property values within the City of San José, the County backlog on property valuations, and the potential resulting impacts on the City's 2010-2011 property tax revenue estimate. The analysis is currently underway and any preliminary downward adjustments to the property tax revenue estimate will be brought forward for City Council review and approval as part of the 2009-2010 Annual Report that is scheduled to be released on September 30, 2010.

As always, we will also continue to keep you apprised of the City's property tax revenue performance through our Bi-Monthly Financial Reports and as part of the 2010-2011 Mid-Year Budget Review that will be released at the end of January 2011.

for DEBRA FIGONE
City Manager

Please contact Jennifer A. Maguire, Budget Director, at (408) 535-8144 if you have any questions.