

Tuesday, January 28, 2020

The Board met at its offices at 450 N Street, Sacramento, at 10:04 a.m., with Mr. Vazquez, Chairman, Mr. Schaefer, Vice Chair, Mr. Gaines, Ms. Cohen and Ms. Yee present.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Honorable Don H. Gaekle, President, California Assessors' Association and Stanislaus County Assessor.

PROPERTY TAX MATTERS, CONSENT

With respect to the Property Taxes Matters, Consent Agenda, upon a single motion of Ms. Yee, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board made the following order:

Petition for Reassessment of Private Railroad Car Tax

Univar Canada, Ltd. (6484), 1063608

2019, \$250,834.00 Value

Action: Reduce the 2019 private railroad value to \$129,496.00, as recommended by staff.

LEGAL APPEALS PROPERTY TAXES MATTER, ADJUDICATORY

Section 40 Decision

Frontier California, Inc. (0201), 1063284

2019, \$2,270,200,000.00 Unitary Value

Considered by the Board: December 17, 2019 Summary Decision (Rev. & Tax. Code, § 40)

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board adopted the written summary decision as presented by staff.

PROPERTY TAX MATTERS, OTHER—NOT SUBJECT TO CONTRIBUTION DISCLOSURE STATUTE

Audits

Cal-Ore Telephone Co. (0328)

2019, \$170,000.00 Escaped Assessment, \$17,000.00 Penalty, \$10,200.00 In-lieu Interest

Action: Upon motion of Mr. Gaines, seconded by Ms. Yee and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board adopted the audit adjustments as recommended by staff.

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Mitel Cloud Services, Inc. (2381)

2016 to 2019, \$1,386,000.00 Escaped Assessment, \$138,600.00 Penalties, \$197,730.00 In-lieu Interest

Action: Upon motion of Mr. Gaines, seconded by Ms. Yee and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board adopted the audit adjustments as recommended by staff.

VCOM Solutions, Inc. (7913)

2016 to 2019, \$152,000.00 Escaped Assessment, \$15,200.00 Penalties, \$21,450.00 In-lieu Interest

Action: Upon motion of Mr. Gaines, seconded by Ms. Yee and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board adopted the audit adjustments as recommended by staff.

Utility Telecom Group, LLC (7994)

2019, \$340,000.00 Escaped Assessment, \$20,400.00 In-lieu Interest

Action: Upon motion of Mr. Gaines, seconded by Ms. Yee and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board adopted the audit adjustments as recommended by staff.

Nonunitary Land Escaped Assessments**Pacific Gas and Electric Company (0135)**

2019, \$810,000.00 Value

Action: Upon motion of Mr. Gaines, seconded by Ms. Yee and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board adopted the audit adjustments as recommended by staff.

Board Roll Changes**2019 State-Assessed Property Rolls**

Action: Upon motion of Mr. Gaines, seconded by Ms. Yee and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board approved corrections to the 2019 Board Rolls of State-Assessed Property as recommended by staff ([Exhibit 1.1](#)).

Exhibits to these minutes are incorporated by reference.

CHIEF COUNSEL MATTERS: OTHER CHIEF COUNSEL MATTERS**Organization of the Board**

Henry D. Nanjo, Chief Counsel, made introductory remarks regarding Organization of the Board and the possible vote for the Chair and Vice Chair.

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Action: Upon motion of Ms. Cohen, seconded by Mr. Gaines and duly carried, Mr. Vazquez, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, Mr. Schaefer voting no, the Board voted on the Chair and Vice Chair of the Board without changing the rotation policy.

Ms. Yee left the Boardroom and Ms. Stowers entered on behalf of Ms. Yee in accordance with Government Code section 7.9.

ADMINISTRATIVE SESSION

Administrative Matters, Consent

Mr. Gaines clarified for the record that he was not present at the Informational Board Meeting on December 6, 2019.

With respect to the Administrative Matters, Consent Agenda, upon a single motion of Mr. Vazquez, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers voting yes, the Board made the following order:

Action: Approve the Board Meeting Minutes of December 6, 2019 and December 17, 2019.

Executive Director's Report

Brenda Fleming, Executive Director, provided a report regarding the status of pending and upcoming organizational issues ([Exhibit 1.2](#)).

Brenda Fleming acknowledged Ms. Cohen and her leadership as the Board's Chair in 2019. She thanked Ms. Cohen for her support on the Board's modernization goals and the Board's mission to serve the public through fair, effective and efficient tax administration.

Brenda Fleming, Executive Director, made introductory remarks regarding scheduling options for Statewide Informational Hearings, for discussion and possible action.

Brenda Fleming, Executive Director, made introductory remarks regarding the progress for the proposed draft spring finance letter.

Ms. Stowers left the Boardroom for the remainder of the Board Meeting.

Lisa Thompson, Taxpayers' Rights Advocate, provided an update on the status of the Mountain Ranch properties damaged by the Butte Fire of 2015 that was discussed at the August 2019 Taxpayers' Bill of Rights Hearing.

Speaker: Honorable Don H. Gaekle, President, California Assessors' Association and Stanislaus County Assessor

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Brenda Fleming, Executive Director, introduced Vivek Viswanathan, Chief Deputy Director, Budget, Department of Finance, who provided an overview of the Governor's Budget (Budget Act of 2020-2021).

Chief Counsel's Report

Henry D. Nanjo, Chief Counsel, provided a report regarding the Legal Department's workload over the last three months and calendar year 2019 ([Exhibit 1.3](#)).

Property Tax Deputy Director's Report

David Yeung, Deputy Director, Property Tax Department, introduced Patricia Lumsden, Manager, County-Assessed Properties Division, Property Tax Department, who provided an update of the Letters to Assessors issued for the last quarter of 2019 ([Exhibit 1.4](#)).

The Board recessed at 11:45 a.m. and reconvened at 12:45 p.m. with Mr. Vazquez, Mr. Gaines and Ms. Cohen present.

Legislative, Research & Statistics Division Chief's Report

Mark Durham, Chief, Legislative, Research & Statistics Division, provided an update on legislative bills impacting the BOE, both administrative and program related ([Exhibit 1.5](#)).

Mr. Schaefer entered the Boardroom.

BOARD MEMBER REQUESTED MATTERS

Board Member Strategic Planning Session (Mr. Vazquez)

Mr. Vazquez made introductory remarks regarding the Board Member Strategic Planning Session summary report and next steps ([Exhibit 1.6](#)).

Workforce Planning Workgroup (Mr. Vazquez)

Mr. Vazquez made introductory remarks regarding the Los Angeles County Assessor's Appraiser College-Based Certification Program Concept.

Speakers: George Renkei, Assistant Assessor, Los Angeles County Assessor's Office ([Exhibit 1.7](#))
Honorable Don H. Gaekle, President, California Assessors' Association and Stanislaus County Assessor

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California Complete Count-2020 Census (Mr. Vazquez)

Mr. Vazquez made introductory remarks regarding Secretary of State, Honorable Alex Padilla's call to action for outreach assistance to ensure a fair and accurate count of all Californians.

Speaker: Lizette Mata, Deputy Secretary of State, Operations ([Exhibit 1.8](#))

The Board recessed at 1:58 p.m. and reconvened at 2:07 p.m. with Mr. Vazquez, Mr. Schaefer, Mr. Gaines and Ms. Cohen present.

Public Testimony on Property Tax Exemptions to spur Affordable Housing Development in California - Part II (Ms. Cohen)

Ms. Cohen made introductory remarks regarding public testimony on a review of property tax exemptions to spur affordable housing development in California.

Speakers: Honorable Darrell Steinberg, Mayor of Sacramento
Richard Lyon, Senior Consultant, California Building Industry Association

Board Member Strategic Planning Session (Mr. Vazquez) (Continued)

Mr. Schaefer provided comments regarding the Board Member Strategic Planning Session summary report and next steps.

Mr. Vazquez requested, and the Board agreed that Mr. Schaefer should take the lead in reassessing the Bagley-Keene Open Meeting Act limits to determine what the Board Members can and cannot do so that the law is not violated.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Mr. Vazquez invited persons who wish to address the Board regarding items not on the agenda to come forward, but there were none.

CLOSING

The Board adjourned at 3:07 p.m. in memory of Kobe Bryant, an American professional basketball player, who was killed in a helicopter crash in Calabasas, California on January 26, 2020.

The foregoing minutes are adopted by the Board on March 25, 2020.