

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

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Tuesday, August 29, 2023

The Board convened at 450 N Street, Sacramento, at 10:05 a.m., with Mr. Vazquez, Chair, Ms. Lieber, Vice Chair, Mr. Gaines, and Mr. Schaefer present, Mr. Emran present on behalf of Ms. Cohen, in accordance with Government Code, section 7.9. A quorum was established.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Vazquez.

ANNOUNCEMENTS

Mary Cichetti, Clerk, Board Proceedings, provided guidelines for public participation and other Boardroom procedures.

PUBLIC HEARING

Lisa Thompson, Taxpayers' Rights Advocate, made introductory remarks regarding the Taxpayers' Bill of Rights Hearing, which allows taxpayers to comment on items in the Taxpayers' Rights Advocate Annual Report or issues related to the agency's administration of its tax programs, as well as to share their experiences with property tax problems they may be having so the agency can help facilitate resolution ([Exhibit 8.1](#)). The Board received public comments from the following, and Ms. Thompson responded to each comment.

Hon. Christina Wynn, President-Elect, California Assessors' Association (CAA); and Sacramento County Assessor

Marc A. Aprea, Attorney, Aprea & Micheli, on behalf of California Alliance of Taxpayer Advocates (CATA) ([Exhibit 8.2](#))

Gina Rodriguez, Principal, Advocacy Service Practice, Ryan, LLC ([Exhibit 8.3](#))

Timothy Clancy, Property Owner, Danville, Contra Costa County

Vickie Traylor, Homeowner, Los Angeles County ([Exhibit 8.4](#))

Bill Cruickshank, Farmer, Property Owner, Yolo County

Margie Wing, Senior Specialist Property Appraiser, Taxpayers' Rights Advocate Office, read into the record written comments from the following, and Ms. Thompson responded to each comment.

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Wendy Yang, Palo Alto Resident, Santa Clara County ([Exhibit 8.5](#))

Eric Llewellyn, El Cajon Resident, San Diego County ([Exhibit 8.6](#))

Henry Hallmark, Wrightwood Resident, San Bernardino County
([Exhibit 8.7](#))

Manuel Avila, Tehachapi Resident, Kern County ([Exhibit 8.8](#))

Mike Tajran, Property and Business Owner, Ocean Beach
Brewery, San Diego, San Diego County ([Exhibit 8.9](#))

Chaunchy F. McKearn, LLC Managing Member, Santa Monica
Mountains Farmstead, LLC, Thousand Oaks, Ventura County
([Exhibit 8.10](#))

Exhibits to these minutes are incorporated by reference.

The Board recessed at 12:16 p.m. and reconvened at 1:05 p.m. with
Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen present.

TAX PROGRAM MATTERS

Property Tax Matters Nonappearance Consent

Jack McCool, Chief, State-Assessed Properties Division, Property Tax
Department, presented the following recommendations on Petitions for penalty
abatement on unitary value:

Indigo Generation, LLC (1141), SAU23-001

Petitioner's 2023 unitary value be reduced by \$1,900,000 to \$19,000,000 to reflect
agreement with Petitioner's request for penalty abatement.

Larkspur Energy, LLC (1142), SAU23-002

Petitioner's 2023 unitary value be reduced by \$1,270,000 to \$12,700,000 to reflect
agreement with Petitioner's request for penalty abatement.

Mariposa Energy, LLC (1159), SAU23-003

Petitioner's 2023 unitary value be reduced by \$6,060,000 to \$60,600,000 to reflect
agreement with Petitioner's request for penalty abatement.

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LCB Communications, LLC (8214), SAU23-009

Petitioner's 2023 unitary value be reduced by \$54,800 to \$548,000 to reflect agreement with Petitioner's request for penalty abatement.

Bandwidth.com CLEC, LLC (8122), SAU23-013

Petitioner's 2023 unitary value be reduced by \$175,000 to \$1,750,000 to reflect agreement with Petitioner's request for penalty abatement.

Foresthill Telephone Co. (235), SAU23-023

Petitioner's 2023 unitary value be reduced by \$1,530,000 to \$15,300,000 to reflect agreement with Petitioner's request for penalty abatement.

Kerman Telephone Co. (246), SAU23-024

Petitioner's 2023 unitary value be reduced by \$2,590,000 to \$25,900,000 to reflect agreement with Petitioner's request for penalty abatement.

MOTION: Ms. Cohen made a motion to approve staff recommendations. The motion was seconded by Mr. Gaines. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voted yes.

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, presented the following recommendations for petitions for reassessment of unitary value:

Fresno MSA Limited Partnership (2552), SAU23-005

Petitioner's 2023 Board-Adopted Unitary Value be reduced by \$16,600,000 to \$166,600,000 to reflect agreement with Petitioner's request for reassessment of the 2023 unitary value.

Los Angeles SMSA Ltd., Partnership (2532), SAU23-006

Petitioner's 2023 Board-Adopted Unitary Value be reduced by \$137,500,000 to \$1,411,200,000 to reflect agreement with Petitioner's request for reassessment of the 2023 unitary value.

Cellco Partnership (2559), SAU23-007

Petitioner's 2023 Board-Adopted Unitary Value be reduced by \$159,300,000 to \$1,866,100,000 to reflect agreement with Petitioner's request for reassessment of the 2023 unitary value.

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California RSA #4 Partnership (2669), SAU23-008

Petitioner's 2023 Board-Adopted Unitary Value be reduced by \$1,200,000 to \$17,900,000 to reflect agreement with Petitioner's request for reassessment of the 2023 unitary value.

Citizens Telecommunications Company of California, Inc. (0284), SAU23-012

Petitioner's 2023 Board-Adopted Unitary Value be reduced by \$11,100,000 to \$130,000,000 to reflect agreement with Petitioner's request for reassessment of the 2023 unitary value.

MOTION: Mr. Vazquez made a motion to approve staff recommendations. The motion was seconded by Ms. Lieber. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voted yes.

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, presented the following recommendation for petition for reassessment of unitary value and penalty abatement:

Sentinel Energy Center, LLC (1160), SAU23-004

Petitioner's 2023 unitary value be reduced by \$43,200,000 to \$341,100,000 to reflect agreement with Petitioner's request for unitary reassessment and penalty abatement.

MOTION: Ms. Cohen made a motion to approve the staff recommendation. The motion was seconded by Ms. Lieber. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voted yes.

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, presented the following recommendation for petition for unitary escaped assessment:

U. S. TelePacific (7757), EAU23-001

Petitioner's 2020 Escaped Audit Assessments be reduced by \$131,996,000 to \$8,636,000 to reflect agreement with Petitioner's request for escaped audit assessment.

MOTION: Ms. Lieber made a motion to approve the staff recommendation. The motion was seconded by Mr. Gaines. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voted yes.

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Other Property Tax Program Nonappearance Matters

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, presented the following recommendations for 2023 State-Assessed Property Roll Changes:

- 2023 8243 HWCA L.P. (dba Hotwire Communications)
Decrease \$13,900,000 Unitary Personal Property in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$3,230 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$55,981 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$48,551 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 8243 HWCA L.P. (dba Hotwire Communications)
Increase \$13,900,000 Unitary Personal Property in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$9,927 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$35,910 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$468,511 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Decrease \$701,956 Unitary Improvements and Personal Property in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$57,988 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$8,480 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.
- 2023 7956 Telespan Communications, LLC
Increase \$13,378 Unitary Improvements in Tax Rate Area 000-001 due to BOE processing error.

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MOTION: Ms. Cohen made a motion to approve corrections to the 2023 Board Roll of State-Assessed Property as recommended by staff. The motion was seconded by Ms. Lieber. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voted yes.

The Board recessed at 1:36 p.m.

The foregoing minutes are adopted by the Board on September 26, 2023.

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Wednesday, August 30, 2023

The Board reconvened at 450 N Street, Sacramento, at 10:05 a.m., with Mr. Vazquez, Chair, Ms. Lieber, Vice Chair, Mr. Gaines, and Mr. Schaefer present, Mr. Emran present on behalf of Ms. Cohen, in accordance with Government Code, section 7.9.

CONSENT AGENDA

MOTION: Mr. Gaines made a motion to adopt the consent agenda including the Board Meeting Minutes of July 25-26, 2023, as presented. The motion was seconded by Mr. Schaefer. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

BOARD MEMBER MATTERS AND INITIATIVES

Mr. Vazquez provided a report on the Assessment Appeals Board (AAB) County Counsel Training Course submitted by Thomas R. Parker, Senior Deputy County Counsel, Los Angeles County Counsel Office ([Exhibit 8.11](#)).

MOTION: Mr. Vazquez made a motion to schedule a hearing to allow public input and discussion with County Assessors and stakeholders regarding the training plan at the regularly scheduled September Board Meeting. The motion was seconded by Ms. Lieber. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

Exhibits to these minutes are incorporated by reference.

Mr. Vazquez provided a proposal to select a date for the Statewide Informational Hearing on Modernizing California's Property Tax System Part IV: Board Work Group on Affordable Housing ([Exhibit 8.12](#)).

MOTION: Mr. Vazquez made a motion to convene a meeting in the Third Equalization District, Santa Monica, on October 19, 2023, for Part IV of the Statewide Informational Hearing on Modernizing California's Property Tax System, in a Board Work Group format to focus on affordable housing. The motion was seconded by Ms. Lieber. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

Mr. Vazquez and Ms. Lieber made introductory remarks regarding the Veterans' Exemption, Disabled Veterans' Exemption, and Homeowners' Exemption Board Work Group Report, and meeting minutes of July 25, 2023 ([Exhibit 8.13](#)). The Board received written public comments from Cheryl Carter ([Exhibit 8.14](#)).

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MOTION: Ms. Lieber made a motion to approve the Veterans' Exemption, Disabled Veterans' Exemption, and Homeowners' Exemption Board Work Group Report and minutes of July 25, 2023, with a correction to add Mr. Gaines to the first paragraph. The motion was seconded by Mr. Emran. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

MOTION: Ms. Lieber made a motion to request the Executive Director to work with the BOE Legal Team and BOE Property Tax Department staff to review state and federal laws, cases, and regulations regarding nonprofit veteran-serving organizations to determine the most inclusive interpretation of the California veterans property tax exemption that would allow veteran-serving organizations to achieve their mission with minimum restrictions, and that the Executive Director engage in an interested parties process to solicit input from those organizations. The motion was seconded by Mr. Vazquez. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

The Board recessed at 11:12 a.m. and reconvened at 11:25 a.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

Mr. Vazquez made introductory remarks regarding the Workforce Planning Board Work Group Report and minutes of July 25, 2023 ([Exhibit 8.15](#)).

MOTION: Mr. Vazquez made a motion to approve the Workforce Planning Board Work Group Report and minutes of July 25, 2023. The motion was seconded by Mr. Gaines. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

MOTION: Mr. Vazquez made a motion to adopt the Workforce Planning Work Group recommendation to direct the Executive Director to meet with the Chief of the Bureau of Real Estate Appraisers (BREA) and the California Assessors' Association (CAA) President to discuss the possibility of partnering with them on steps we can pursue together in order to advance appraiser and auditor-appraiser college curriculum, accelerated training programs, internships, and expanding recruitment and retention options, and report to the Board with a concept in the next two to three months. The motion was withdrawn. The matter was postponed to the September Board Meeting.

EXECUTIVE DIRECTOR'S REPORTS

Yvette M. Stowers, Executive Director, reported on the status of pending and upcoming organizational issues.

Lisa Renati, Chief Deputy Director, reported on the status of operational priorities.

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The Board recessed at 12:00 p.m. and reconvened at 3:50 p.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

David Yeung, Deputy Director, Property Tax Department, reported on the status of pending and upcoming projects, activities, and departmental issues, including activities of the State-Assessed Properties Division. Mr. Yeung introduced Carolyn Stemen, Supervising Property Appraiser, County-Assessed Properties Division, who reported on the status of Letters to Assessors ([Exhibit 8.16](#)), and the Appraisal Training and Certification Program.

Ted Angelo, Chief, Legislative, Research & Statistics Division, provided an update on administrative and program related legislative bills impacting the BOE ([Exhibit 8.17](#)).

CLOSING

The Board adjourned at 4:22 p.m. in memory of the victims and families affected by the wildfires in Maui, Hawaii, three firefighters who perished in a helicopter accident, and the rash of shootings that have occurred recently across the nation.

The foregoing minutes are adopted by the Board on September 26, 2023.