

Tuesday, October 23, 2018

The Board met at its offices at 450 N Street, Sacramento, at 9:36 a.m., with Mr. Runner, Chairman, Ms. Ma, Vice Chairwoman, and Mr. Horton present, Ms. Stowers present on behalf of Ms. Yee in accordance with Government Code section 7.9.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Brian K. Wiggins, Professional Advisor to Chairman George Runner, First Equalization District.

PROPERTY TAXES MATTERS, CONSENT

With respect to the Property Taxes Matters, Consent Agenda, upon a single motion of Mr. Horton, seconded by Ms. Ma and unanimously carried, Mr. Runner, Ms. Ma and Mr. Horton voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, Ms. Harkey absent, the Board made the following orders:

Petitions for Reassessment of Unitary Value

San Diego Gas & Electric Co. (0141), 1056694

2018, \$9,637,300,000.00 Unitary Value

Action: Reduce the 2018 unitary value to \$9,550,400,000.00 as recommended by staff.
Ms. Stowers not participating in accordance with Government Code section 7.9.

Kern River Gas Transmission Company (0188). 1056676

2018, \$201,900,000.00 Unitary Value

Action: Reduce the 2018 unitary value to \$163,800,000.00 as recommended by staff.
Ms. Stowers not participating in accordance with Government Code section 7.9.

GTT Americas, LLC (8143), 1055694

2018, \$14,800,000.00 Unitary Value

Action: Reduce the 2018 unitary value to \$11,500,000.00 as recommended by staff.
Ms. Stowers not participating in accordance with Government Code section 7.9.

Petitions for Penalty Abatement on Unitary Value

NTT America, Inc. (7732) 1056741

2018, \$2,140,000.00 Penalty

Action: Approve the penalty abatement on 2018 unitary value as recommended by staff.
Ms. Stowers not participating in accordance with Government Code section 7.9.

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OTHER TAX PROGRAM NONAPPEARANCE MATTERS—NOT SUBJECT TO CONTRIBUTION DISCLOSURE STATUTE**PROPERTY TAX MATTERS****Board Roll Changes****2018 State-Assessed Property Roll**

Action: Upon motion of Mr. Horton, seconded by Ms. Ma and unanimously carried, Mr. Runner, Ms. Ma and Mr. Horton voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, Ms. Harkey absent, the Board approved corrections to the 2018 Board Roll of State-Assessed Property as recommended by staff ([Exhibit 10.1](#)).

Exhibits to these minutes are incorporated by reference.

ADMINISTRATIVE SESSION**ADMINISTRATIVE MATTERS, CONSENT**

With respect to the Administrative Matters, Consent Agenda, upon a single motion of Ms. Stowers, seconded by Ms. Ma and unanimously carried, Mr. Runner, Ms. Ma, Mr. Horton and Ms. Stowers voting yes, Ms. Harkey absent, the Board made the following order:

Action: Approve the Board Meeting Minutes of September 25, 2018.

OTHER ADMINISTRATIVE MATTERS**Property Tax Deputy Director's Report**

Mike Harris, Manager, State-Assessed Properties Division, Property Tax Department, provided an overview of the Tax Area Services Section program ([Exhibit 10.2](#)).

David Yeung, Chief, County-Assessed Properties Division, Property Tax Department, presented Issue Paper 18-001, *Assessment of Community Land Trust Housing*, which is a proposed Letter To Assessors providing guidance to assessors about the assessment of community land trust housing ([Exhibit 10.3](#)).

Speakers: Francis McIlveen, California Community Land Trust Network ([Exhibit 10.4](#))
Susan Scott, California Community Land Trust Association of West Marin (CLAM) ([Exhibit 10.5](#))

Action: The Board referred the matter back to the Interested Parties Process to address the concerns raised by the Board Members: (1) explore the “de minimis” rule and the form over substance issue; (2) explore the utilization of different methods to calculate land value; (3) include county assessors in the discussion for uniformity; and, (4) consider a statute change.

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Mr. Runner requested the status of items related to the California Alliance of Taxpayer Advocates (CATA) petition for property tax rule changes. Henry D. Nanjo, Chief Counsel, reported that a December public hearing is scheduled to consider the proposed amendments to Property Tax Rules 302, *The Board's Function and Jurisdiction*; 305, *Application*; 305.1, *Exchange of Information*; 305.2, *Prehearing Conference*; and, 323, *Postponement and Continuances*.

Legislative, Research & Statistics Division Chief's Report

Mark Durham, Chief, Legislative, Research & Statistics Division, provided a report on the 2018 legislative year in review, which included staffing information and workload statistics. Glenna Schultz, Legislative Analyst, reported the 2018 legislative bills impacting the BOE.

BOARD MEMBER REQUESTED MATTER

Discussion and Decision on Response to BOE Building Consolidation Plan (Horton)

Mr. Horton made introductory remarks regarding the BOE's response to the BOE Consolidation Plan proposed by the Department of General Services.

Action: The Board requested an opinion from the Attorney General relative to the Board's authority to decide budget change proposals.

ANNOUNCEMENT OF CLOSED SESSION

The Board recessed at 11:55 a.m. and reconvened immediately in closed session with Mr. Runner, Ms. Ma and Ms. Stowers present.

CLOSED SESSION

The Board met to discuss personnel matters (Gov. Code § 11126(a)(1)).

The Board recessed at 11:58 a.m. and reconvened immediately in open session with Mr. Runner, Ms. Ma and Ms. Stowers present.

The Board adjourned at 11:59 a.m.

The foregoing minutes are adopted by the Board on December 12, 2018.