

Tuesday, November 19, 2019

The Board met at its offices at 450 N Street, Sacramento, at 10:07 a.m., with Mr. Vazquez, Vice Chair, Mr. Gaines and Mr. Schaefer present.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by David Lange, AMVETS Post 1 Commander; and, Seth Reeb, American Legion member Post 119 and Veterans Advocate.

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

BOARD MEMBER REQUESTED MATTERS

Military Appreciation Month Resolution (Ms. Cohen)

Mr. Vazquez read into the record a Military Appreciation Month Resolution for special acknowledgement and presentation to BOE employees and countless Californians who have served in the armed services. On behalf of the Board, Mr. Vazquez presented the resolution to Seth Reeb, Veterans Advocate, Reeb Government Relations, representing the American Legion, AMVETS, California Association of County Veteran Services Officers, and the American G.I. Forum ([Exhibit 11.1](#))

On behalf of the recipients and himself, Mr. Reeb thanked the Board and made remarks in recognition of Military Appreciation Month. Members made complimentary remarks and expressed great thanks to the recipients for their service, and for providing protection and safety.

Henry D. Nanjo, Chief Counsel, stated for the record that all Members support this resolution by acclamation and by their signatures.

Exhibits to these minutes are incorporated by reference.

Board Member Resolution to recognize Member Schaefer (Mr. Gaines)

On behalf of Mr. Vazquez, Ms. Stowers and himself, Mr. Gaines read into the record and presented a Board Member Resolution to Member Mike Schaefer, commending him on being the oldest living constitutionally elected member as of November 16, 2019 ([Exhibit 11.2](#)).

Mr. Schaefer made remarks and thanked the Board for their acknowledgement. Members made complimentary remarks.

Tuesday, November 19, 2019

PROPERTY TAXES MATTERS, CONSENT

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

Petitions for Reassessment of Unitary Value

Trans Bay Cable, LLC (119), 1063360

2019, \$477,200,000.00 Unitary Value

Action: Reduce the 2019 unitary value to \$436,500,000.00 as recommended by staff.

Ms. Stowers not participating in accordance with Government Code section 7.9.

Petitions for Reassessment of Nonunitary Value

GATX Corporation (503), 1063359

2019, \$7,588,494.00 Nonunitary Value

Action: Reduce the 2019 nonunitary value to \$7,379,787.00 as recommended by staff.

Ms. Stowers not participating in accordance with Government Code section 7.9.

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

GreatCall, Inc. (2784)

2019, \$2,600,000.00 Excessive Assessment

Action: Upon motion of Mr. Gaines, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Mr. Gaines and Mr. Schaefer voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, Ms. Cohen absent, the Board adopted the audit adjustments as recommended by staff.

Board Roll Changes

2017, 2018 and 2019 State-Assessed Property Rolls

Action: Upon motion of Mr. Gaines, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Mr. Gaines and Mr. Schaefer voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, Ms. Cohen absent, the Board approved corrections to the 2017, 2018 and 2019 Board Rolls of State-Assessed Property as recommended by staff ([Exhibit 11.3](#)).

Tuesday, November 19, 2019

CHIEF COUNSEL MATTERS: RULEMAKING**Proposed Amendment to Property Tax Rule 202, Emergency Regulation**

Richard Moon, Tax Counsel, Legal Department, made introductory remarks regarding staff's request for adoption and authorization for publication of proposed amendments to Property Tax Rule 202, *Allocation of Aircraft of Certificated Air Carriers and Scheduled Air Taxi Operators*, as an Emergency Regulation ([Exhibit 11.4](#)).

Speakers: Eric J. Miethke, CEO, Capitol Law and Policy, Inc., representing Airlines for America
Honorable Leslie K. Davis, President, California Assessors' Association (CAA), and Calaveras County Assessor

Action: Upon motion of Ms. Stowers, seconded by Mr. Gaines and unanimously carried, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, Ms. Cohen absent, the Board adopted and authorized for publication proposed amendments to Property Tax Rule 202 as recommended by staff.

ADMINISTRATIVE SESSION**Administrative Matters, Consent**

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

Action: Approve the Board Meeting Minutes of October 22-23, 2019.

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

Action: Adopt Property Tax Forms and Instructions (BOE-570-1 and BOE 570-2) as recommended by staff ([Exhibit 11.5](#)).

It was noted for the record that public comment was heard on this matter during the previous item (Chief Counsel Matters: Rulemaking, Proposed Amendment to Property Tax Rule 202, Emergency Regulation) from the following speakers: Eric J. Miethke, CEO, Capitol Law and Policy, Inc., representing Airlines for America; and, Honorable Leslie K. Davis, President, California Assessors' Association (CAA), and Calaveras County Assessor.

Tuesday, November 19, 2019

Executive Director's Report

Brenda Fleming, Executive Director, provided a report regarding the status of pending and upcoming organizational issues ([Exhibit 11.6](#)).

Brenda Fleming, Executive Director, made introductory remarks regarding scheduling options for Statewide Informational Hearings, for discussion and possible action. The matter was continued to the following day.

Brenda Fleming, Executive Director, provided an overview of the BOE Strategic Plan Outline ([Exhibit 11.7](#)).

Brenda Fleming, Executive Director, provided an overview of Budget Plans for Fiscal Year 2020-2021, which included budget-related actions to date.

Brenda Fleming, Executive Director, made introductory remarks regarding Board meeting location options, for discussion and possible action. The matter was continued to the following day.

Brenda Fleming, Executive Director, provided the Taxpayers' Rights Advocate monthly update.

Property Tax Deputy Director's Report

David Yeung, Deputy Director, Property Tax Department, provided an update on the 2019 Property Tax Roll Value, which included the total assessed value of locally and state-assessed property from the 58 counties.

David Yeung, Deputy Director, Property Tax Department, provided an overview of the Dark Store Valuation Theory and the assessment of buildings as if vacant ([Exhibit 11.8](#)).

David Yeung, Deputy Director, Property Tax Department, introduced Diane Yasui, Manager, County-Assessed Properties Division, Property Tax Department, who provided a summary of Assessment Practices Surveys issued in the past three years ([Exhibit 11.9](#)).

The Board recessed at 12:51 p.m. and reconvened at 1:04 p.m. with Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers 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.

Tuesday, November 19, 2019

BOARD MEMBER REQUESTED MATTERS (CONTINUED)

Property Tax Exemptions Review & Affordable Housing (Ms. Cohen)

The Board deferred consideration of the matter to the following day.

Workforce Planning Workgroup (Mr. Gaines/Mr. Vazquez)

Mr. Vazquez and Mr. Gaines provided an overview of the Board's recent discussions about the proposed Workforce Planning Workgroup ([Exhibit 11.10](#)).

CLOSING

Brenda Fleming, Executive Director, informed the Members and public of the special Boardroom configuration for the facilitated discussion for the development of the Board Member Strategic Planning Sessions on Wednesday, November 20, 2019.

The Board recessed at 1:31 p.m.

The foregoing minutes are adopted by the Board on December 17, 2019.

Wednesday, November 20, 2019

The Board met at its offices at 450 N Street, Sacramento, at 9:17 a.m., with Ms. Cohen, Chair, Mr. Vazquez, Vice Chair, Mr. Gaines and Mr. Schaefer present, Ms. Stowers present on behalf of Ms. Yee in accordance with Government Code section 7.9.

BOARD MEMBER REQUESTED MATTERS

Board Member Strategic Planning Discussion (Mr. Vazquez)

Ms. Cohen and Mr. Vazquez made introductory remarks regarding the facilitated discussion for the development of the Board Member strategic planning sessions ([Exhibit 11.11](#)).

Mr. Vazquez introduced Eric Douglas, President, Leading Resources, Inc. (LRI); and, Karin Bloomer, Senior Consultant, LRI, who facilitated the discussion.

Workshop Agenda and Approach

Eric Douglas, President, LRI, discussed the workshop agenda and approach, which included a review of the workshop agenda and plan and a discussion of potential ground rules.

Strategic Goals and Priorities

Eric Douglas, President, LRI, presented the draft Board goals and related priorities numerated below, and worked with Members to develop and refine them.

Goal 1: Ensuring the Board's Constitutional mandates are being performed in the most cost effective, efficient, and timely manner with the 58 elected Assessors and California taxpayers in the forefront.

Goal 2: Establish and meet workload priorities and provide direction for Members to achieve statewide objectives and workload in a manner that ensures maximum transparency and opportunity for open discussion.

The Board recessed at 10:44 a.m. and reconvened at 11:00 a.m. with Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers present.

Goal 3: Develop an education and outreach plan.

Conclusion

Eric Douglas, President, LRI, and Members discussed next steps and reflected on meeting outcomes. Mr. Douglas noted that his next steps are to create a synopsis of this meeting; and, create a draft plan for Board action at a future Board meeting. Mr. Douglas thanked the Members for their attention and participation.

Wednesday, November 20, 2019

Ms. Cohen thanked Mr. Douglas and Ms. Bloomer, for facilitating the discussion. Ms. Cohen also thanked Mr. Vazquez for bringing the item to the Board. Mr. Vazquez thanked the Members for their support and participating in this item and thanked Mr. Douglas and Ms. Bloomer for their expertise and leadership.

Public Comment

Ms. Cohen invited persons who wish to address the Board regarding the *Board Member Strategic Planning Discussion*.

Speaker: Honorable Ernest J. Dronenburg, Jr., San Diego County Assessor, on behalf of the California Assessors' Association (CAA)

The Board recessed at 12:10 p.m. and reconvened at 12:15 p.m. with Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers present.

The Board recessed at 12:17 p.m. and reconvened at 12:34 p.m. with Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers present.

Subsequent Board Members' Strategic Planning Session (Mr. Vazquez)

Mr. Vazquez made introductory remarks regarding subsequent Board Members' Strategic Planning Session for discussion and possible action.

Action: The Board deferred consideration of scheduling options for a subsequent Board Members' Strategic Planning Session to after receipt of the facilitator's report.

Board Member Resolution to recognize Member Schaefer (Mr. Gaines) (Continued)

Henry D. Nanjo, Chief Counsel and Acting Chief of Board Proceedings, read into the record written comments from Nancy McPherson, State Director, American Association of Retired Persons (AARP) California ([Exhibit 11.12](#)).

ADMINISTRATIVE SESSION

Executive Director's Report (Continued)

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

Action: Upon motion of Ms. Cohen, seconded by Mr. Vazquez and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Schaefer and Ms. Stowers voting yes, Mr. Gaines abstaining, the Board supported an informational hearing on December 6, 2019.

Wednesday, November 20, 2019

Ms. Cohen requested that the roll be reopened so that she could vote on the items of the previous day. The roll was called for each of the following: Property Taxes Nonappearance Matters, Consent; Other Tax Program Nonappearance Matters, Property Tax Matters (Not Subject to Contribution Disclosure Statute); Chief Counsel Matters Rulemaking; and, Administrative Consent Agenda and Ms. Cohen stated her votes which were the same as those of the majority of Members in the actions taken by the Board on the previous day.

BOARD MEMBER REQUESTED MATTERS (CONTINUED)

Property Tax Exemptions Review & Affordable Housing (Ms. Cohen)

Ms. Cohen made introductory remarks regarding property tax exemptions review & affordable housing for discussion and possible action to allocate time at the December Board Meeting to take testimony on a review of property tax exemptions to spur affordable housing development in California ([Exhibit 11.13](#)).

Action: Ms. Cohen moved to approve an allocation of time at the December Board Meeting to take testimony on a review of property tax exemptions to spur affordable housing development in California. The motion was seconded by Mr. Gaines. Mr. Vazquez offered an amendment that would expend the time allocation over the next three Board Meetings to include additional exemptions. The amended motion was accepted by Ms. Cohen and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Ms. Cohen 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 12:54 p.m.

The foregoing minutes are adopted by the Board on December 17, 2019.