

Thursday, February 20, 2020

The Board met at its offices at 450 N Street, Sacramento, at 9:11 a.m., with Mr. Vazquez, Chairman, Mr. Schaefer, Vice Chair, Mr. Gaines and Ms. Cohen 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 Mr. Vazquez.

PUBLIC HEARINGS

Property Taxes – State Assesseees’ Presentations on Capitalization Rates and Other Factors Affecting Values

Mike Harris, Acting Chief, State-Assessed Properties Division, Property Tax Department, made introductory remarks regarding 1) state assesseees’ presentations on capitalization rates and other factors and procedures affecting fiscal year 2020-21 property values of California public utilities, railroads, and pipelines; and, 2) private railroad car assesseees’ presentations on factors and procedures affecting fiscal year 2020-21 taxable values of private railroad cars.

Speakers were invited to address the Board, but there were none.

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

Mr. Gaines stated that he would not participate in the following matters and left the Boardroom.

Audits

Sierra Pacific Power Company (0146)

2016 to 2019, \$2,600,000.00 Escaped Assessment, \$260,000.00 Penalties, \$552,000.00 In-lieu Interest

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

Volcano Telephone Company (0327)

2016 to 2018, \$ 500,000.00 Escaped Assessment, \$50,000.00 Penalties, \$138,000.00 In-lieu Interest

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

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NetFortris Acquisition Co., Inc. (8164)

2017 to 2018, \$3,322,000.00 Escaped Assessment, \$332,200.00 Penalties, \$427,920.00 In-lieu Interest

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

Mr. Gaines returned to the Boardroom.

ANNOUNCEMENT OF CLOSED SESSION

The Board recessed at 9:16 a.m. and reconvened immediately in closed session with Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers present.

CLOSED SESSION

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

ANNOUNCEMENT OF OPEN SESSION

The Board reconvened at 10:18 a.m. in open session with Mr. Vazquez, Mr. Schaefer, Ms. Cohen and Ms. Stowers present.

Henry D. Nanjo, Chief Counsel, announced that the Board discussed a personnel matter regarding the Executive Director during closed session and was provided direction that he will carry out.

BOARD MEMBER REQUESTED MATTERS: BOARD MEMBERS INITIATIVES

Board Member Strategic Planning Session (Mr. Vazquez)

Mr. Vazquez made introductory remarks regarding the Board Member Strategic Planning Session summary report and next steps.

Ms. Cohen provided material to the Board ([Exhibit 2.1](#)).

Exhibits to these minutes are incorporated by reference.

ADMINISTRATIVE SESSION

Administrative Matters, Consent

Brenda Fleming, Executive Director, provided a report on time extension for San Luis Obispo County to complete and submit the 2020 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155 ([Exhibit 2.2](#)).

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**BOARD MEMBER REQUESTED MATTERS: BOARD MEMBERS INITIATIVES
(CONTINUED)****Public Testimony on Property Tax Exemptions to Spur Affordable Housing
Development in California - Part III (Ms. Cohen)**

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

Speaker: Francesc R. Martí, Director of Legislation, Department of Legislature, California Housing Finance Agency (CalHFA)

ADMINISTRATIVE SESSION (CONTINUED)**Executive Director's Report**

Brenda Fleming, Executive Director, provided a report regarding the status of pending and upcoming organizational issues ([Exhibit 2.3](#)).

Property Tax Deputy Director's Report

David Yeung, Deputy Director, Property Tax Department, provided operational updates, including the status of pending and upcoming departmental issues.

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 2.4](#)).

Taxpayers' Rights Advocate Office's Report

Lisa Thompson, Taxpayers' Rights Advocate, presented the 2018-19 Taxpayers' Rights Advocate's Annual Report highlighting the office's accomplishments, involvement in projects, current issues, and examples of cases illustrating services provided ([Exhibit 2.5](#)).

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

**BOARD MEMBER REQUESTED MATTERS: BOARD MEMBERS INITIATIVES
(CONTINUED)****Workforce Planning Workgroup (Mr. Vazquez)**

Mr. Vazquez made introductory remarks regarding a proposed framework/outline for the Board Member's Workforce Planning Workgroup for discussion and possible action ([Exhibit 2.6](#)).

Ms. Cohen provided a memo to the Board ([Exhibit 2.7](#)).

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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 12:22 p.m.

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