

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 12

Wednesday, March 22, 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

Mr. Emran left the Boardroom and Ms. Cohen entered via teleconference.

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

PROPERTY TAX PROGRAM NONAPPEARANCE MATTERS NOT SUBJECT TO CONTRIBUTION DISCLOSURE STATUTE

Property Tax Audits

MCI Communications Services, Inc. (2274)
2021 to 2022, \$71,000,000.00 Excessive Assessment

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

MCImetro Access Transmission Services LLC (2372)
2021 to 2022, \$5,600,000.00 Excessive Assessment

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

U.S. TelePacific Corp. (7757)
2019 to 2020, \$94,700,000.00 Escaped Assessment, \$9,470,000.00 Penalty,
\$36,462,000.00 Assessment In lieu of Interest

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 13

Wednesday, March 22, 2023

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

Land Escaped Assessments

Pacific Gas and Electric Company (0135)
2021 to 2022, \$637,560.00 Nonunitary Value

ACTION: Upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board adopted the nonunitary land escaped assessment as recommended by staff.

BNSF Railway Company (0804)
2021, \$326,762.00 Unitary Value

ACTION: Upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board adopted the nonunitary land escaped assessment as recommended by staff.

Los Angeles SMSA Ltd., Partnership dba Verizon Wireless (2532)
2019 to 2021, \$5,434,305.00 Unitary Value

ACTION: Upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board adopted the nonunitary land escaped assessment as recommended by staff.

Cellco Partnership dba Verizon Wireless (2559)
2019 to 2021, \$3,369,176.00 Unitary Value

ACTION: Upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board adopted the nonunitary land escaped assessment as recommended by staff.

AT&T Mobile, LLC (2606)
2019 to 2021, \$13,117,475.00 Unitary Value

ACTION: Upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board adopted the nonunitary land escaped assessment as recommended by staff.

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 14

Wednesday, March 22, 2023

T-Mobile West, LLC dba T-Mobile (2748)
2019 to 2021, \$391,770.00 Unitary Value

ACTION: Upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board adopted the nonunitary land escaped assessment as recommended by staff.

Board Roll Changes

2020, 2021, and 2022 State-Assessed Property Rolls

ACTION: Upon motion of Mr. Vazquez, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board approved corrections to the 2020, 2021, and 2022 Board Rolls of State-Assessed Property as recommended by staff.

- 2020 135 Pacific Gas and Electric Company,
Decrease \$7,150,000 Unitary Land in Tax Rate Area 000-001 and decrease \$303,373 Unitary Improvements in Tax Rate Area 000-001 due to staff processing error.
- 2021 135 Pacific Gas and Electric Company
Decrease \$336,230 Unitary Improvements in Tax Rate Area 000-001 due to staff processing error.
- 2022 135 Pacific Gas and Electric Company
Decrease \$6,500,000 Unitary Personal Property in Tax Rate Area 017-001 due to staff processing error.

2020, 2021, and 2022, Private Railroad Car Rolls

ACTION: Upon motion of Mr. Vazquez, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen voting yes, the Board approved corrections to the 2020, 2021, and 2022 Board Rolls of Private Railroad Cars as recommended by staff.

- 2022 6073 Evonik Corporation
Decrease assessment by \$2,623.00 and tax by \$30.30 to correct an assessee reporting error which resulted in an overassessment.

CONSENT AGENDA

Ms. Cohen left the meeting via teleconference and Mr. Emran entered the Boardroom on behalf of Ms. Cohen in accordance with Government Code, section 7.9.

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 15

Wednesday, March 22, 2023

With respect to the consent agenda, upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voting yes, the Board made the following order:

ACTION: Adopt the consent agenda including the Board Meeting Minutes of February 22, 2023, as presented by staff.

EXECUTIVE DIRECTOR MATTERS

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

The Board agreed to oppose ACA 11 (Ting) *State Tax Agency*, and Mr. Vazquez will work with the Executive Director to prepare a formal letter of opposition.

Speaker: Hon. Kristine Lee, Kings County Assessor-Recorder-Clerk

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

Lisa Thompson, Taxpayers' Rights Advocate, provided an update on workload of the Taxpayers' Rights Advocate Office ([Exhibit 3.1](#)).

Lisa Renati, Chief Deputy Director, provided an update on administrative and program related legislative bills impacting the BOE ([Exhibit 3.2](#)).

Speakers: Jeannine Kilroy

Christine Hui

Gina Tse Louie

Lisa Renati, Chief Deputy Director, read into the record written comments from the following:

Diana Snyder ([Exhibit 3.3](#))

Lilly Lim, a Retired Senior from the Education Field ([Exhibit 3.4](#))

The Board recessed at 11:59 a.m. and reconvened at 1:13 p.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 16

Wednesday, March 22, 2023

BOARD MEMBER REQUESTED MATTERS

Mr. Vazquez made introductory remarks regarding 2023 affordable housing legislation potentially affecting property assessments, valuation, exemptions, and related processes ([Exhibit 3.5](#)).

AB 84 (Ward) Property Taxation: Welfare Exemption

Speaker: Hon. Christopher Ward, Assembly Member, California State Assembly District 78

ACTION: Upon motion of Mr. Schaefer, seconded by Ms. Lieber and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voting yes, the Board Members support Assembly Bill 84 (Ward) *Property Taxation: Welfare Exemption*, as published today.

SB 588 (Allen) Property Taxation: Exemption

Speakers: Hon. Ben Allen, Senator, California State Senate District 24

Susie Shannon, Policy Director – Housing is a Human Right / AIDS Healthcare Foundation

ACTION: Upon motion of Mr. Vazquez, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voting yes, the Board Members support Senate Bill 588 (Allen) *Property Taxation: Exemption*, as published today.

SB 4 (Wiener), Planning and zoning: housing development: higher education institutions and religious institutions; and SB 423 (Wiener), Land use: streamlined housing approvals: multifamily housing developments

Speaker: Hon. Scott Wiener, Senator, California State Senate District 11

ACTION: Upon motion of Ms. Lieber, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voting yes, the Board Members support Senate Bill 4 (Wiener), *Planning and zoning: housing development: higher education institutions and religious institutions*; and Senate Bill 423 (Wiener), *Land use: streamlined housing approvals: multifamily housing developments*, as published today.

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 17

Wednesday, March 22, 2023

Mr. Vazquez made introductory remarks regarding 2023 Economic Trends in California; Forecasts for Sectors of Growth and/or Decline, Possible Impacts on Property Values from Inflation, Rising Interest Rates, State and Local Initiatives, and Other Factors ([Exhibit 3.6](#)).

Speakers: Scott Thornberry, Assistant County Assessor, on behalf of Hon. Jeffrey Prang, Los Angeles County Assessor

Jason M. Ward, Ph.D. Associate Director, RAND Center for Housing and Homelessness in Los Angeles; and Associate Economist and Professor, Pardee RAND Graduate School RAND Corporation

Oscar Wei, Deputy Chief Economist, California Association of Realtors

Mr. Vazquez made introductory remarks and introduced Yvette M. Stowers, Executive Director, who provided an update on the new Board Meeting Agenda structure and guidelines and discussed the recommended options and procedures for Board modification and approval ([Exhibit 3.7](#)).

ACTION: Upon motion of Ms. Lieber, seconded by Mr. Gaines and unanimously carried, Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voting yes, the Board approved the new agenda structure template as presented.

The Board recessed at 3:30 p.m. and reconvened at 3:47 p.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

EXECUTIVE DIRECTOR MATTERS (CONTINUED)

David Yeung, Deputy Director, Property Tax Department, reported on the status of pending and upcoming projects, activities, and departmental issues.

Glenna Schultz, Principal Property Appraiser, County-Assessed Properties Division, reported on the status of Letters to Assessors ([Exhibit 3.8](#)), and the Appraisal Training and Certification Program.

Pamela DiNapoli, Principal Property Appraiser, State-Assessed Properties Division, reported on the status of pending and upcoming projects and activities for the Division.

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 18

Wednesday, March 22, 2023

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 none provided comment.

CLOSING

The Board adjourned at 4:13 p.m. in memory of Gloria Flores Moraga.

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