

2023 MINUTES OF THE STATE BOARD OF EQUALIZATION

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Tuesday, September 26, 2023

The Board convened at 450 N Street, Sacramento, at 10:03 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.

The Board recessed at 10:16 a.m. and reconvened at 10:40 a.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Ms. Cohen present.

TAX PROGRAM MATTERS

Property Tax Program Nonappearance Matters

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, presented the following recommendation for changes to values of state-assessed properties discovered on audit:

Crown Castle Fiber, LLC (8169): Audit adjustments of \$90,800,000.00
Escaped Assessment, \$9,080,000.00 Penalty, \$24,564,000.00
Assessment In-lieu of Interest, for 2019 to 2022.

MOTION: Mr. Gaines made a motion to adopt the audit adjustments as recommended by staff. The motion was seconded by Mr. Schaefer. 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:

Ducor Telephone Company (0228), SAU23-022: The Petitioner's 2023 unitary value be reduced by \$8,230,000 to \$3,170,000 to reflect agreement with Petitioner's request for reassessment of unitary value.

California Internet LP, dba Geolinks (8202), SAU23-011: The Petitioner's 2023 unitary value be reduced by \$11,880,000 to \$36,080,000 to reflect agreement with Petitioner's request for reassessment of 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.

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

ANNOUNCEMENTS

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

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. The Board received written public comment from Howard Merriken, Homeowner, San Diego County ([Exhibit 9.1](#)).

Exhibits to these minutes are incorporated by reference.

CONSENT AGENDA

MOTION: Mr. Schaefer made a motion to adopt the consent agenda including the Board Meeting Minutes of August 29-30, 2023, as presented. The motion was seconded by Mr. Emran. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

BOARD MEMBER MATTERS AND INITIATIVES

Mr. Vazquez provided an update on the Statewide Informational Hearing on Modernizing California's Property Tax System Part IV: Board Work Group on Affordable Housing ([Exhibit 9.2](#)).

Mr. Vazquez and Ms. Lieber made introductory remarks and presented for discussion and approval the Veterans' Exemption, Disabled Veterans' Exemption, and Homeowners' Exemption Board Work Group Minutes ([Exhibit 9.3](#)) and Report ([Exhibit 9.4](#)) of August 30, 2023.

MOTION: Ms. Lieber made a motion to approve the Veterans' Exemption, Disabled Veterans' Exemption, and Homeowners' Exemption Board Work Group Minutes of August 30, 2023. The motion was seconded by Mr. Schaefer. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

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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 of August 30, 2023. The motion was seconded by Mr. Vazquez. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

Mr. Vazquez and Mr. Gaines made introductory remarks and presented for discussion and approval the Workforce Planning Board Work Group Minutes ([Exhibit 9.5](#)) and Report ([Exhibit 9.6](#)) of August 29, 2023.

MOTION: Mr. Vazquez made a motion to approve the Workforce Planning Board Work Group Minutes and Report of August 29, 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 have the Executive Director examine whether California Bureau of Real Estate Appraisers (BREA's) real estate license applicants could, in the future, apply their work experience in County Assessors' offices toward BREA's appraiser license work experience requirements; and to welcome the services of Jim Lancaster, Vice Chancellor of the Los Angeles Community College District, in submitting to the Centers of Excellence for Labor Market Research a request for a regional labor market analysis for the Los Angeles region. The motion was seconded by Mr. Schaefer. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

The Board recessed at 11:56 a.m. and reconvened at 1:05 p.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

Mr. Vazquez opened a public hearing regarding the Assessment Appeals Board (AAB) County Counsel Training Course ([Exhibit 9.7](#)). The Board received comments from the following speakers:

Thomas R. Parker, Senior Deputy County Counsel,
Los Angeles County Counsel's Office

Marc A. Aprea, Principal, Aprea & Micheli
Associates, on behalf of California Alliance of
Taxpayer Advocates (CATA). ([Exhibit 9.8](#))

Craig A. Becker, Pillsbury Law, and CATA Vice
President

Paul A. Waldman, Director, Ryan, and President,
CATA

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Edward Yen, Assistant Executive Officer,
Los Angeles County Executive Office of the Board
of Supervisors ([Exhibit 9.9](#))

Hon. Kristine Lee, President, California Assessors'
Association (CAA), and Kings County Assessor-
Recorder-Clerk

MOTION: Ms. Lieber made a motion to ask the Executive Director to confer with Mr. Parker about how he wants to proceed with this product that he owns and that an item come forward at the next feasible Board Meeting, preferably next month, to have the Board decide if BOE needs to augment the training that it already provides; and if so, then BOE will proceed to the public hearing. The motion was seconded by Mr. Gaines. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

The Board recessed at 2:18 p.m. and reconvened at 2:30 p.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

Mr. Vazquez presented a proposed 2024 Board Meeting potential issues agenda plan, that tentatively schedules key subjects and critical issues for each meeting date on the calendar, to serve as a substantive roadmap for maximizing transparency and engagement opportunities for all stakeholders over the next year ([Exhibit 9.10](#)).

EXECUTIVE DIRECTOR'S REPORTS

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

Yvette M. Stowers, Executive Director, presented staff's recommendation for the 2024 Board meeting dates and property tax calendars for Board adoption, and noted alternative dates for the months of February and March ([Exhibit 9.11](#)).

MOTION: Mr. Vazquez made a motion to adopt the alternative Board meeting dates of February 21-22, 2024, and March 19-20, 2024, and the remainder of the Board meeting dates, and property tax calendars (with adjustments for the alternative February meeting date) as recommended by staff. The motion was seconded by Ms. Lieber. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, and Mr. Emran voted yes; Mr. Schaefer voted no. (Additional action was taken the next day.)

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

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David Yeung, Deputy Director, Property Tax Department, introduced Glenna Schultz, Principal Property Appraiser, County-Assessed Properties Division, who reported on the status of Letters to Assessors ([Exhibit 9.12](#)), and the Appraisal Training and Certification Program. And Jack McCool, Chief, State-Assessed Properties Division, reported on the status of pending and upcoming projects and activities for the Division.

Lisa Thompson, Taxpayers' Rights Advocate, provided an update on the workload of the Taxpayers' Rights Advocate Office ([Exhibit 9.13](#)).

Ted Angelo, Chief, Legislative, Research & Statistics Division, provided an update on administrative and program related legislative bills impacting the BOE ([Exhibit 9.14](#)).

The Board recessed at 4:23 p.m.

The foregoing minutes are adopted by the Board on October 24, 2023.

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The Board reconvened at 450 N Street, Sacramento, at 10:04 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.

EXECUTIVE DIRECTOR'S REPORTS (CONTINUED)

MOTION: Mr. Schaefer made a motion to reopen the prior day's vote that adopted the alternative Board meeting dates of February 21-22, 2024, and March 19-20, 2024, and the remainder of the Board meeting dates, and property tax calendars (with adjustments for the alternative February meeting date) as recommended by staff, to allow Mr. Schaefer to change his vote. The motion was seconded by Mr. Vazquez. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

MOTION: Ms. Lieber made a motion to adopt the alternative Board meeting dates of February 21-22, 2024, and March 19-20, 2024, and the remainder of the Board meeting dates, and property tax calendars (with adjustments for the alternative February meeting date) as recommended by staff. The motion was seconded by Mr. Vazquez. The motion passed. Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran voted yes.

ANNUAL BOARD MEETING WITH COUNTY ASSESSORS

Mr. Vazquez opened the annual meeting of the Board and County Assessors required under section 15607 of the Government Code and delivered opening remarks regarding this year's theme, Serving Those in Need. Mr. Vazquez welcomed the County Assessors to the meeting on behalf of the Board.

Members welcomed the County Assessors and thanked them for attending the annual meeting and for all their good work.

Yvette M. Stowers, Executive Director, acknowledged Hon. Kristine Lee, President, California Assessors' Association (CAA), and Kings County Assessor-Recorder-Clerk, and Hon. Christina Wynn, President-Elect, CAA, and Sacramento County Assessor, and all the County Assessors and their good work. David Yeung, Deputy Director, Property Tax Department, highlighted BOE's shared work with all 58 County Assessors: Legal Entity Ownership Program (LEOP), Welfare Program, and over 100 forms to be used by each county.

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Mr. Vazquez introduced Hon. John Tuteur, Napa County Assessor-Recorder-Clerk.

The Board recessed to take the group photograph of the Board Members and County Assessors at 10:27 a.m. and reconvened at 10:45 a.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

Roll was called for each county.

Members discussed and recognized awards received by County Assessors in their respective Equalization Districts, and acknowledgment County Assessors' accomplishments, projects, and priorities. Members introduced some of their County Assessors, who provided more information on some of those accomplishments, in addition to complimentary remarks towards the Members, BOE staff, and their colleagues in the CAA. Hon. Kristine Lee, President, CAA, and Kings County Assessor-Recorder-Clerk acknowledged the accomplishments of the CAA and the contributions of the County Assessors who did not speak at this meeting. Ms. Lee commended the Board for establishing Board Work Groups on affordable housing, exemptions, and workforce planning.

Third District County:

Hon. Jeffrey Prang, Los Angeles County Assessor,
Represented by George Renkei, Assistant
Assessor, Los Angeles County Assessor's Office

Second District Counties:

Hon. Sheri Thomas, Santa Cruz County Assessor-Recorder

Hon. Shelly Scott, Marin County Assessor-Recorder-Clerk. Ms. Scott shared a video.

First District Counties:

Hon. Kristine Lee, President, CAA, and Kings County Assessor-Recorder-Clerk

Hon. Christina Wynn, President-Elect, CAA, and Sacramento County Assessor

Hon. Kristen DePaul, Modoc County Assessor-Recorder

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Fourth District Counties:

Hon. Claude Parrish, Orange County Assessor

Hon. Jordan Z. Marks, San Diego County
Assessor-Recorder-Clerk

Hon. Robert Menvielle, Imperial County Assessor

On behalf of Ms. Cohen, Mr. Emran congratulated the County Assessors on their accomplishments and recognized the institution of the CAA and its leadership. Mr. Emran read into the record an honorary certificate.

The Board recessed at 11:51 a.m. and reconvened at 12:04 p.m. with Mr. Vazquez, Ms. Lieber, Mr. Gaines, Mr. Schaefer, and Mr. Emran present.

Mr. Vazquez made introductory remarks regarding possessory interest challenges, including possessory interest in general, Low- and moderate-income housing issues, and valuation and administration issues. He also discussed Senate Bill 734 (Rubio). The Board received comments from the following County Assessors:

Hon. Claude Parrish, Orange County Assessor

Hon. Jordan Z. Marks, San Diego County
Assessor-Recorder-Clerk

On the topic of Assessment Appeals Challenges, Edward Yen, Assistant Executive Officer, Los Angeles County Executive Office of the Board of Supervisors provided a presentation on the Assessment Appeals Training for County Counsels and for County Boards (see [Exhibit 9.9](#)). The Board received comments from the following County Assessors:

Hon. Kristine Lee, President, CAA, and Kings
County Assessor-Recorder-Clerk

Hon. John Tuteur, Napa County Assessor-
Recorder-Clerk

Hon. Jordan Z. Marks, San Diego County
Assessor-Recorder-Clerk

Hon. Joaquin Torres, San Francisco City & County
Assessor

Hon. Robert Menvielle, Imperial County Assessor

Hon. Jon DeVille, El Dorado County Assessor

Hon. Claude Parrish, Orange County Assessor

Exhibits to these minutes are incorporated by reference.

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CLOSING

The Board adjourned at 12:56 p.m. in memory of Jacqueline Mora, Ed.D., Assistant Superintendent of Educational Services, Santa Monica Malibu Unified School District; and Deputy Ryan Clinkunbroomer, Los Angeles County Sheriff's Department.

The foregoing minutes are adopted by the Board on October 24, 2023.