

**Tuesday, August 24, 2021**

The Board met at 10:04 a.m., via teleconference (Governor's Exec. Order No. N 8-21 (June 11, 2021)), 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.

### **ANNOUNCEMENTS**

Mr. Vazquez provided guidelines for teleconference Member participation. Catherine Taylor, Chief, Board Proceedings and Support Services Division, provided guidelines for teleconference invited speakers and public participation.

### **PUBLIC HEARINGS**

#### **Taxpayers' Bill of Rights Hearing**

Lisa Thompson, Taxpayers' Rights Advocate, made introductory remarks regarding the Taxpayers' Bill of Rights Hearing, which allows taxpayers to comment on items in the Taxpayers' Rights Advocate Annual Report or issues related to the agency's administration of its tax programs, as well as to share their experiences with property tax problems they may be having so the agency can help facilitate resolution ([Exhibit 8.1](#)).

Members provided opening remarks.

Speakers: Hon. Ernest J. Dronenburg Jr., President, California Assessors' Association (CAA); and San Diego County Assessor-Recorder-Clerk David Kline, Vice President of Communications and Research, California Taxpayers' Association  
Bart Norman

Ms. Cohen suggested that the Board identify the top five issues and develop taxpayer training and presentation modules that the BOE could roll out in partnership with County Assessors, statewide, to facilitate further education outreach and information sharing.

Catherine Taylor, Chief, Board Proceedings and Support Services Division, and Lisa Renati, Chief Deputy Director, read into the record written comments from the following individuals, and Lisa Thompson, Taxpayers' Rights Advocate, responded to each comment.

Dil Kazzaz ([Exhibit 8.2](#))

Jaimie Korody, Tongva Land Preservation Corporation, Santa Monica ([Exhibit 8.3](#))

T.R. Jahns, Hemet, Riverside County ([Exhibit 8.4](#))

Bea Stotzer, Board Member, New Economics for Women ([Exhibit 8.5](#))

Corinne Muelrath ([Exhibit 8.6](#))

Exhibits to these minutes are incorporated by reference.

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The Board recessed at 12:00 p.m. and reconvened at 12:24 p.m. with Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers present.

**Proposed Property Tax Rule 462.540**

Richard Moon, Tax Counsel, Legal Department, made introductory remarks regarding the public hearing on the proposed adoption of California Code of Regulations, title 18, section (Rule or Property Tax Rule) 462.540, *Change in Ownership – Base Year Value Transfers*, to implement and make specific provisions of section 2.1 of Article XIII A of the California Constitution ([Exhibit 8.7](#)).

Catherine Taylor, Chief, Board Proceedings and Support Services Division, read into the record written comments from the following individual.

Tricia Gonzales ([Exhibit 8.8](#))

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

Action: Upon motion of Mr. Gaines, seconded by Ms. Cohen and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers voting yes, the Board adopted new Property Tax Rule 462.540 as published.

**ADMINISTRATIVE SESSION****Administrative Matters, Consent**

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

Action: Approve the Board Meeting Minutes of July 27, 2021.

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

Action: Approve the invitation to the Annual Meeting of the State Board of Equalization and County Assessors as recommended by staff ([Exhibit 8.9](#)).

Ms. Stowers left the teleconference and Ms. Yee entered.

**LEGAL APPEALS PROPERTY TAX MATTERS, CONSENT**

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

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**Applications for Review, Equalization, and Adjustment under Cal. Const. Art. XIII, section 11**

Woodland-Davis Clean Water Agency for Review, Equalization and Adjustment of Assessments in Yolo County, Appeal Nos. ARA17-001 (2016-2017), ARA18-001 (2017-2018), ARA18-002 (2018-2019), ARA19-001 (2019-2020)

2016-2017, \$17,007,994.00 County-Assessed Value

2017-2018, \$17,633,617.00 County-Assessed Value

2018-2019, \$17,986,289.00 County-Assessed Value

2019-2020, \$18,346,014.00 County-Assessed Value

Action: Adopt the parties' agreed-to assessable value of zero for each of the lien dates at issue in the consolidated petition, as recommended by the Appeals Attorney ([Exhibit 8.10](#)).

**LEGAL APPEALS PROPERTY TAX MATTERS, ADJUDICATORY**

**Petitions for Penalty Abatement on Private Railroad Car Tax**

The Proctor & Gamble Manufacturing Company (5891), PCP21-003

2020, \$786.92 Penalty, Interest, and Recovery Fee

Considered by the Board: Presented for Separate Discussion

Contribution Disclosures pursuant to Government Code, section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board ordered that an extension of time under Government Code section 15620, to timely file the petition for Proctor and Gamble Manufacturing Company, until February 23, 2021, be granted due to the good cause conditions of the COVID-19 pandemic; and that the petition be granted, abating the penalty, interest, and related recovery fees, as the Petitioner's late payment was due to reasonable cause stemming from the unique challenges of the COVID-19 pandemic.

Trinseo, LLC (6529), PCP21-001

2020, \$444.32 Penalty, Interest, and Recovery Fee

Considered by the Board: Presented for Separate Discussion

Contribution Disclosures pursuant to Government Code, section 15626: None were disclosed.

Action: Upon motion of Ms. Yee, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board ordered that an extension of time under Government Code section 15620, to timely file the petition for Trinseo, LLC, until February 23, 2021, be granted due to the good cause conditions of the COVID-19 pandemic; and that the petition be granted, abating the penalty, interest, and related recovery fees, as the Petitioner's late payment was due to reasonable cause stemming from the unique challenges of the COVID-19 pandemic.

Blue Cube Operations, LLC (6590), PCP21-002

2020, \$645.80 Penalty, Interest, and Recovery Fee

Considered by the Board: Presented for Separate Discussion

Contribution Disclosures pursuant to Government Code, section 15626: None were disclosed.

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Action: Upon motion of Ms. Yee, seconded by Mr. Schaefer and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Yee voting yes, the Board ordered that an extension of time under Government Code section 15620, to timely file the petition for Blue Cube Operations, LLC, until February 23, 2021, be granted due to the good cause conditions of the COVID-19 pandemic; and the each petition be granted, abating the penalty, interest, and related recovery fees, as the Petitioner's late payment was due to reasonable cause stemming from the unique challenges of the COVID-19 pandemic.

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

The Board recessed at 12:59 p.m. and reconvened at 3:03 p.m. with Mr. Vazquez, Mr. Gaines, Ms. Cohen and Ms. Stowers present.

#### **ANNOUNCEMENT OF CLOSED SESSION**

The Board recessed at 3:05 p.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 pending litigation (Gov. Code, § 11126(e)).

#### **ANNOUNCEMENT OF OPEN SESSION**

The Board reconvened at 3:57 p.m. in open session with Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers present.

#### **CLOSING**

The Board recessed at 3:58 p.m.

*The foregoing minutes are adopted by the Board on September 21, 2021.*

**Wednesday, August 25, 2021**

The Board met at 10:00 a.m., via teleconference (Governor's Exec. Order No. N 8-21 (June 11, 2021)), 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.

## **ANNOUNCEMENTS**

Mr. Vazquez provided guidelines for teleconference Member participation. Catherine Taylor, Chief, Board Proceedings and Support Services Division, provided guidelines for teleconference invited speakers and public participation.

## **ADMINISTRATIVE SESSION (CONTINUED)**

### **Executive Director's Report**

Brenda Fleming, Executive Director, provided a report regarding the status of pending and upcoming organizational issues.

Brenda Fleming, Executive Director, David Yeung, Deputy Director, Property Tax Department, and Richard Moon, Tax Counsel, Legal Department, presented proposed Constitutional and statutory draft amendments which would extend specific property tax deadlines intended to provide relief for taxpayers impacted by the COVID-19 pandemic and other state emergencies, as provided in Issue Paper No. 21-002, *Property Tax Deadlines Impacted by COVID-19 Pandemic – Amendments to Statutory and Constitutional Provisions Requested at the July 27, 2021, Board Meeting* ([Exhibit 8.11](#)).

The Board indicated consensus to receive additional stakeholder input by holding a public hearing on the above item, possibly as the third day of the October Board meeting.

Speakers: Hon. Ernest J. Dronenburg Jr., President, California Assessors' Association (CAA); and San Diego County Assessor-Recorder-Clerk Thomas R Parker, Deputy County Counsel, Los Angeles County Counsel Office, on behalf of the Los Angeles County Assessment Appeals Board  
John McKibben, Committee Chair, California Association of Clerks and Election Officials (CACEO)

Exhibits to these minutes are incorporated by reference.

Brenda Fleming, Executive Director, provided a report on options for establishing Board Work Groups, with proposed associated guidelines and procedures, for Board Members to engage in significant policy discussions without requiring the full use of agency resources needed for regularly scheduled Board meetings ([Exhibit 8.12](#)).

Action: Upon motion of Ms. Stowers, seconded by Ms. Cohen and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers voting yes, the Board approved the Board Work Group Structure proposal, including the proposed implementation plan as well as a revision to the Board's Public Agenda Notice.

**Wednesday, August 25, 2021**

Lisa Renati, Chief Deputy Director, provided a report on the status of operational priorities.

Lisa Renati, Chief Deputy Director, made introductory remarks and her staff provided reports on the status of agency projects, and legislative developments related to the implementation of Proposition 19 ([Exhibit 8.13](#)).

David Yeung, Deputy Director, Property Tax Department, provided an update on the Property Tax Department's implementation actions, including updates on guidance.

Henry D. Nanjo, Chief Counsel, and Richard Moon, Tax Counsel, Legal Department, provided an update on the Legal Department's implementation actions, including updates on rulemaking.

Dustin Weatherby, Chief, Legislative, Research & Statistics Division, provided an update on legislation related to the implementation of Proposition 19.

Peter Kim, Chief Communications Officer, provided an update on the Communications Department's implementation actions.

Lisa Thompson, Taxpayers' Rights Advocate, provided updates on the Taxpayers' Rights Advocate Office's implementation actions, and Education and Outreach implementation actions.

Speakers:       Yananna  
                  Corinne Muelrath (See [Exhibit 8.6](#))

### **Property Tax Deputy Director's Report**

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

Patricia Lumsden, Chief, County-Assessed Properties Division, Property Tax Department, provided reports on: Letters to Assessors; Appraisal Training and Certification; and, Assessment Practices Surveys.

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, provided a report on the status of pending and upcoming projects, activities, and departmental issues.

The Board recessed at 12:25 p.m. and reconvened at 12:42 p.m. with Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers present.

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### **Legislative, Research & Statistics Division Chief's Report**

Dustin Weatherby, Chief, Legislative, Research & Statistics Division, provided an update on administrative and program related legislative bills impacting the BOE ([Exhibit 8.14](#)).

### **Taxpayers' Rights Advocate Office's Report**

Lisa Thompson, Taxpayers' Rights Advocate, provided an update on activities of the Taxpayers' Rights Advocate Office.

### **BOARD MEMBER REQUESTED MATTERS: BOARD MEMBER INITIATIVES**

#### **Schedule Reopening of Public Policy Hearings on Assessment Appeals Boards' Remote Hearings (Mr. Vazquez/Ms. Cohen)**

Mr. Vazquez and Ms. Cohen made introductory remarks regarding the follow up discussion on procedural and due process issues in remote hearings to ensure continuity of business during or related to the pandemic, to protect the rights of all parties, provide guidance, and seek additional authorities or actions, if required ([Exhibit 8.15](#)).

Action: Upon motion of Mr. Schaefer, seconded by Mr. Vazquez and unanimously carried, Mr. Vazquez, Mr. Schaefer, Mr. Gaines, Ms. Cohen and Ms. Stowers voting yes, the Board approved the proposal to reopen Public Policy Hearings on Assessment Appeals Board Remote Hearings starting next month (September).

### **PUBLIC POLICY HEARINGS**

#### **Proposition 19 Implementation**

Mr. Vazquez made introductory remarks regarding the implementation of Proposition 19, *The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act of 2020*.

### **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

Mr. Vazquez invited public comment regarding items not on the agenda, but none provided public comment.

Catherine Taylor, Chief, Board Proceedings and Support Services Division, read into the record written comments from the following individual.

P Tubbs ([Exhibit 8.16](#))

Wednesday, August 25, 2021

**CLOSING**

The Board adjourned at 1:15 p.m.

*The foregoing minutes are adopted by the Board on September 21, 2021.*