Tuesday, February 26, 2019

The Board met at its offices at 450 N Street, Sacramento, at 10:06 a.m., with Ms. Cohen, Chair, Mr. Gaines and Mr. Schaefer 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 Ms. Cohen.

PUBLIC HEARINGS

Property Taxes – State Assessors’ 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 assessees’ presentations on capitalization rates and other factors and procedures affecting fiscal year 2019-20 property values of California public utilities, railroads, and pipelines; and, 2) private railroad car assessees’ presentations on factors and procedures affecting fiscal year 2019-20 taxable values of private railroad cars.

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

LEGAL APPEALS PROPERTY TAXES MATTERS, ADJUDICATORY

CenturyLink Communications, LLC (2463), 1056675
2018, $950,700,000.00 Unitary Value
Considered by the Board: December 12, 2018 Summary Decision (Rev. & Tax. Code, § 40)
Contribution Disclosures pursuant to Government Code section 15626: No contribution disclosure forms were filed. The Members noted that their records disclosed no contributions from this taxpayer, their agent, or participants.
Action: Upon motion of Mr. Gaines, seconded by Ms. Cohen and unanimously carried, Ms. Cohen, Mr. Gaines and Mr. Schaefer voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, Mr. Vazquez absent, the Board adopted the written summary decision as presented by staff.

Crown Castle NG West, LLC (7982), 1056698
2018, $325,900,000.00 Unitary Value
Considered by the Board: December 12, 2018 Summary Decision (Rev. & Tax. Code, § 40)
Contribution Disclosures pursuant to Government Code section 15626: None were disclosed. The Members noted that their records disclosed no contributions from this taxpayer, their agent, or participants.
Action: Upon motion of Mr. Gaines, seconded by Ms. Cohen and unanimously carried, Ms. Cohen, Mr. Gaines and Mr. Schaefer voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, Mr. Vazquez absent, the Board adopted the written summary decision as presented by staff.
CXA La Paloma, LLC (1112), 1056748
2018, $58,700,000.00 Unitary Value
Considered by the Board: December 12, 2018 Summary Decision (Rev. & Tax. Code, § 40)
Contribution Disclosures pursuant to Government Code section 15626: No contribution
disclosure forms were filed. The Members noted that their records disclosed no contributions
from this taxpayer, their agent, or participants.
Action: Upon motion of Mr. Gaines, seconded by Ms. Cohen and unanimously carried,
Ms. Cohen, Mr. Gaines and Mr. Schaefer voting yes, Ms. Stowers not participating in accordance
with Government Code section 7.9, Mr. Vazquez absent, the Board adopted the written summary
decision as presented by staff.

Wild Goose Storage, LLC (0195), 1056753
2018, $178,900,000.00 Value
Considered by the Board: November 8, 2018 Summary Decision (Rev. & Tax. Code, § 40)
Contribution Disclosures pursuant to Government Code section 15626: No contribution
disclosure forms were filed. The Members noted that their records disclosed no contributions
from this taxpayer, their agent, or participants.
Action: Upon motion of Mr. Gaines, seconded by Ms. Cohen and unanimously carried,
Ms. Cohen, Mr. Gaines and Mr. Schaefer voting yes, Ms. Stowers not participating in accordance
with Government Code section 7.9, Mr. Vazquez absent, the Board adopted the written summary
decision as presented by staff.

Frontier California, Inc. (0201), 1056696
Action: The Board deferred consideration of this matter to later in the day.

OTHER TAX PROGRAM NONAPPEARANCE MATTERS—NOT SUBJECT TO
CONTRIBUTION DISCLOSURE STATUTE

PROPERTY TAX MATTERS

Board Roll Changes

Mike Harris, Acting Chief, State-Assessed Properties Division, Property Tax
Department, provided an overview of the Board roll changes process (Exhibit 2.1).

2015, 2016, 2017 and 2018 State-Assessed Property Rolls
Action: Upon motion of Mr. Gaines, seconded by Mr. Schaefer and unanimously carried,
Ms. Cohen, Mr. Gaines and Mr. Schaefer voting yes, Ms. Stowers not participating in accordance
with Government Code section 7.9, Mr. Vazquez absent, the Board approved corrections to the
2015, 2016, 2017 and 2018 Board Rolls of State-Assessed Property as recommended by staff
(Exhibit 2.2).

Exhibits to these minutes are incorporated by reference.
CHIEF COUNSEL MATTERS

OTHER CHIEF COUNSEL MATTERS

Resolution Conferring Powers on the Executive Director

Henry D. Nanjo, Chief Counsel, presented a resolution conferring powers on the Executive Director for discussion and adoption (Exhibit 2.3).

Action: Upon motion of Ms. Stowers, seconded by Ms. Cohen and unanimously carried, Ms. Cohen, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, Mr. Vazquez absent, the Board adopted the resolution as recommended by staff.

Board Governance Policy

Henry D. Nanjo, Chief Counsel, provided a legal analysis of the proposed Board Governance Policy for discussion and possible adoption (Exhibit 2.4).

Action: The Board deferred consideration of this matter to later in the day.

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, Ms. Cohen, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, Mr. Vazquez absent, the Board made the following order:

Action: Approve the Board Meeting Minutes of January 29, 2019.

OTHER ADMINISTRATIVE MATTERS

Executive Director’s Report

Brenda Fleming, Executive Director, provided a report regarding the status of pending and upcoming organizational issues including: workforce capacity, risks, recruitment and retention issues; significant challenges related to limitations on BOE’s ability to directly perform some state administrative functions; and, office relocation projects.

Brenda Fleming, Executive Director, introduced Jeff McGuire, Chief Deputy Director, Department of General Services, who provided an update on the BOE offices relocation and consolidation efforts, discussing location alternatives, funding, and a preliminary timeline.

Mr. Vazquez entered the Board Room.
Lisa Thompson, Chief, Taxpayers’ Rights Advocate Office, presented the Taxpayers’ Rights Advocate’s 2017-18 Property Taxes and Alcoholic Beverage Tax Annual Report, highlighting Taxpayers’ Rights Advocate Office accomplishments, involvement in projects, current issues, and examples of cases illustrating services provided (Exhibit 2.5).

Lisa Thompson, Chief, Taxpayers’ Rights Advocate Office, read into the record written comments from Shawn Karl Mooney (Exhibit 2.6).

Property Tax Deputy Director’s Report

David Yeung, Chief, County-Assessed Properties Division, Property Tax Department, presented for adoption Phase One chapters of Assessors’ Handbook Section 260, General Exemptions, to provide guidance on qualifications and claim filing requirements for Aircraft for Display Exemption, Aircraft of Historical Significance Exemption, Works of Art Exemption, and Exhibition Exemption (Exhibit 2.7).

Action: Upon motion of Mr. Vazquez, seconded by Mr. Schaefer and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board adopted Phase One chapters of Assessors’ Handbook Section 260, General Exemptions, as recommended by staff.

LEGAL APPEALS PROPERTY TAXES MATTERS, ADJUDICATORY (CONTINUED)

Mr. Schaefer stated that he would not participate in the matter of Frontier California, Inc. (0201), 1056696, in accordance with Government Code section 87105, and left the Board Room.

Frontier California, Inc. (0201), 1056696 (Continued)
2018, $2,394,300,000.00 Unitary Value
Considered by the Board: December 12, 2018 Summary Decision (Rev. & Tax. Code, § 40) Contribution Disclosures pursuant to Government Code section 15626: No contribution disclosure forms were filed. The Members noted that their records disclosed no contributions from this taxpayer, their agent or participants.
Action: Upon motion of Mr. Vazquez, seconded by Mr. Gaines and unanimously carried, Ms. Cohen, Mr. Vazquez and Mr. Gaines voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, Mr. Schaefer absent and not participating in accordance with Government Code section 87105, the Board adopted the written summary decision as presented by staff.

Mr. Schaefer returned to the Board Room.
CHIEF COUNSEL MATTERS (CONTINUED)

Board Governance Policy (Continued)

Henry D. Nanjo, Chief Counsel, was available to answer questions regarding the legal analysis of the proposed Board Governance Policy for discussion and possible adoption (see Exhibit 2.4).

Action: Upon motion of Ms. Cohen, seconded by Mr. Vazquez and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board adopted the Board Governance Policy as presented.

ADMINISTRATIVE SESSION (CONTINUED)

OTHER ADMINISTRATIVE MATTERS

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.

The Board adjourned at 12:50 p.m. in memory of Member Ted Gaines’ father, Robert (Bob) F. Gaines, World War II veteran, who passed away January 31, 2019, at age 92.

The foregoing minutes are adopted by the Board on March 27, 2019.