The Board met at its offices at 450 N Street, Sacramento, at 10:05 a.m., with Ms. Cohen, Chair, Mr. Vazquez, Vice 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 Assessee's Presentations on the Valuation of State-Assessed Properties

Mike Harris, Acting Chief, State-Assessed Properties Division, Property Tax Department, made introductory remarks regarding state assessees’ presentations on the valuation of state-assessed properties.

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

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

Audits

Coast Belle Rail Corporation (0869)
2015 to 2018, $238,989.00 Excessive Assessment

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

CHIEF COUNSEL MATTERS: RULEMAKING

Property Tax Rule 140, Welfare Exemption Requirements for Low-Income Housing Properties, Section 100 Changes

Henry D. Nanjo, Chief Counsel, introduced Richard Moon, Tax Counsel, Legal Department, who made introductory remarks regarding staff’s request for authorization to make Section 100 changes to amend Rule 140, subdivision (b)(2) to update the exemption limit for certain low-income rental housing, consistent with the passage of SB 1115 (Stats. 2018, ch. 694) (Exhibit 4.1).

Action: Upon motion of Mr. Vazquez, seconded by Ms. Stowers and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board approved authorization to make Section 100 changes to Property Tax Rule 140 as recommended by staff.

Exhibits to these minutes are incorporated by reference.
Property Tax Rule 464, *Veterans’ Exemption, Section 100 Changes*

Henry D. Nanjo, Chief Counsel, introduced Richard Moon, Tax Counsel, Legal Department, who made introductory remarks regarding staff’s request for authorization to make Section 100 changes to renumber the regulation to Regulation Number 149 to place it in the article of the property tax regulations that govern exemptions (Exhibit 4.2).

Action: Upon motion of Mr. Vazquez, seconded by Ms. Stowers and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board approved authorization to make Section 100 changes to Property Tax Rule 464 as recommended by staff.

**ADMINISTRATIVE SESSION**

**Administrative Matters, Consent**

Ms. Cohen made introductory remarks regarding approve the Board Meeting Minutes of March 27, 2019.

Action: Mr. Vazquez moved to approve the Board Meeting Minutes of March 27, 2019 with Ms. Cohen’s edits. The motion was seconded by Ms. Stowers.

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

Henry D. Nanjo, Chief Counsel, was available to answer questions regarding a report on the time extensions for Butte and Los Angeles Counties to complete and submit the 2019 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155 (Exhibit 4.3).

**Executive Director’s Report**

Brenda Fleming, Executive Director, provided a report regarding the status of pending and upcoming organizational issues including: BOE’s office relocation, website accessibility, and an outline of Department’s Strategic Plan: Rebuilding and Modernization (Exhibit 4.4).

**Chief Counsel’s Report**

Henry D. Nanjo, Chief Counsel, provided a report regarding Legal Opinions and other workload.

The Board recessed at 11:59 a.m. and reconvened at 12:51 p.m. with Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers present.
Property Tax Deputy Director’s Report

David Yeung, Chief, County-Assessed Properties Division, Property Tax Department, provided a presentation on the Welfare Exemption, including its history and function, and a discussion of the roles and responsibilities of the Board and County Assessors (Exhibit 4.5).

David Yeung, Chief, County-Assessed Properties Division,Property Tax Department, introduced Honorable Leslie K. Davis, President, California Assessors’ Association (CAA), and Calaveras County Assessor, who provided a presentation, Nuts & Bolts of an Assessor’s Office, which included an overview of the roles, responsibilities, and processes in an Assessor’s Office (Exhibit 4.6).

The Board recessed at 2:14 p.m. and reconvened at 2:30 p.m. with Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers present.

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. He also provided an update on ACA 2, AB 576, SB 577, SB 791, and others (Exhibit 4.7).

BOARD MEMBER REQUESTED MATTERS

Discussion and Possible Support on Senate Bill 791 (Ms. Yee/Ms. Stowers)

Ms. Stowers made introductory remarks regarding SB 791 for discussion and possible support. SB 791 is an act to amend the Revenue and Taxation Code relating to taxation of aircraft, and declaring the urgency thereof, to take effect immediately (Exhibit 4.8).

Speaker: Honorable Leslie K. Davis, President, California Assessors’ Association (CAA), and Calaveras County Assessor

Action: Upon motion of Ms. Stowers, seconded by Mr. Gaines and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board directed the Executive Director to draft a letter of support for Senate Bill 791.

Board Member Committee Structure: Options & Alternatives (Ms. Cohen)

Ms. Cohen made introductory remarks regarding a Board Member committee structure for discussion and possible action (Exhibit 4.9).

Action: Mr. Schaefer moved to approve Member recommendations on the following items: Board Member Committee Structure; Board Member Strategic Plan; Opportunity Zones; and, Statewide Assessment & Administration of Property Taxes. Mr. Schaefer withdrew his motion.
The Board directed the Executive Director to provide to the Board for discussion at its May meeting, a legal opinion on post-Assembly Bill 102 options and alternatives for a Board Member committee structure, that addresses how these options may be implemented, and include pathways other than committees.

**Board Member Strategic Plan (Ms. Cohen)**

Ms. Cohen made introductory remarks regarding a Board Member strategic plan for discussion and possible action (Exhibit 4.10).

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 approved Ms. Cohen’s recommendation to direct the Executive Director to achieve the following items related to this initiative for review at its next meeting: provide possible dates for a publicly noticed strategic planning session; develop a proposed agenda in partnership with the Vice-Chair; and, propose a strategic planning process timeline in partnership with the Vice-Chair.


All Members supported Ms. Cohen’s proposal and directed the Executive Director to review and report on Opportunity Zones and associated property tax implications via white paper.

**Statewide Assessment & Administration of Property Taxes: Understanding Emerging Issues (Ms. Cohen)**

Ms. Cohen presented *Statewide Assessment & Administration of Property Taxes: Understanding Emerging Issues* for discussion and possible action (Exhibit 4.12).

Ms. Cohen directed the Executive Director to immediately explore options to schedule informational hearings throughout the state. Upon the compilation of expert testimony, data, and evaluation of existing and proposed best practices, the Board plans to issue its report on a long-term plan to address property administration and information technology issues facing local County Assessor offices.

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

Lisa Thompson, Taxpayers’ Rights Advocate, read into the record a written submission from Shawn Karl Mooney (Exhibit 4.13).
ADMINISTRATIVE SESSION

Administrative Matters, Consent (Continued)

Action: Ms. Stowers withdrew her second to the earlier motion by Mr. Vazquez to approve the Board Meeting Minutes of March 27, 2019 with Ms. Cohen’s edits. The motion failed for lack of a second.

Ms. Stowers moved to approve the Board Meeting Minutes of March 27, 2019 with new edits. The motion was seconded by Mr. Vazquez. Ms. Stowers withdrew her motion.

Upon motion of Mr. Gaines, seconded by Ms. Stowers and unanimously carried, Ms. Cohen, Mr. Vazquez, Mr. Gaines, Mr. Schaefer and Ms. Stowers voting yes, the Board approved the original Board Meeting Minutes of March 27, 2019 presented by staff.

The Board adjourned at 3:49 p.m.

The foregoing minutes are adopted by the Board on May 29, 2019.