



ANTONIO VAZQUEZ
MEMBER
CALIFORNIA STATE BOARD OF EQUALIZATION

MEMORANDUM

Date: June 10, 2024

To: Sally J. Lieber, Chair
Ted Gaines, Vice Chair
Mike Schaefer, Board Member, Fourth District
Malia M. Cohen, State Controller

From: Antonio Vazquez, Board Member, Third District

Re: June 25, 2024 Board Meeting, Fair Market Value Guidance and Methodologies for Properties Negatively Impacted by Special Circumstances.

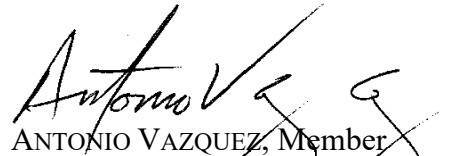
At the May 29, 2024, Board meeting, Member Schaefer presented Item 20. Property Valuation or Special Exemption, which consisted of a discussion and possible action on pursuing a constitutional amendment and/or legislation that would provide property tax relief when a sexually violent predator (SVP) is released into a specified area and surrounding properties subsequently experience a respective decline in value. Member Schaefer's accompanying memorandum stated that SVPs, after judicial evaluation, have been placed in communities in the San Diego area – and the residents of those communities have expressed concerns about the potential decline in the fair market value of their properties, which may affect their property's base year value for property tax purposes (e.g., for base year value transfers, etc.).

Before considering legislation or other property tax relief that addresses these circumstances, I believe it would be prudent for the Executive Director to have staff present to the Board at the July or August 2024 Board meeting the current guidance and methods for valuing properties negatively impacted by crime, placement of SVPs or other formerly incarcerated individuals in communities, or other circumstances affecting fair market value of properties. While we recognize that Proposition 8 and implementing statutes and regulations provide the basic authority for decline in value property tax relief, the challenge raised here is how special circumstances may be handled.

The staff's presentation should also cover what property tax relief or other remedies, if any, are currently available to taxpayers whose properties experience a decline in value under such circumstances, including any tools that assessors may have available to them for such purposes.

I appreciate Member Schaefer's leadership on this matter and look forward to a review and discussion of potential solutions.

Thank you for your consideration.



ANTONIO VAZQUEZ, Member
Board of Equalization, 3rd District

Ms. Deborah Bautista-Zavala, Chief Deputy, Office of Member Antonio Vazquez
Mr. Douglas Winslow, Chief Deputy, Office of Chair Sally J. Lieber
Mr. Matt Cox, Chief Deputy, Office of Vice Chair Ted Gaines
Mr. Cody Petterson, Chief Deputy, Office of Member Mike Schaefer
Mr. Hasib Emran, Deputy State Controller
Ms. Yvette Stowers, Executive Director