



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Counsel

DATE: August 20, 2002

BOARD MEETING DATE: September 10, 2002

TO: Honorable Board of Supervisors

FROM: Thomas F. Casey III, County Counsel

SUBJECT: Correction of the FY 2001 Property Tax Roll: APN 055-432-150-5 (1340 Willow Road, East Palo Alto)

Recommendation

Approve a change to the 2001 property tax roll (and a corresponding property tax refund to Mid Peninsula Education Center, Inc.) to reflect the granting of a welfare exemption from property taxation for the property located at 1340 Willow Road, East Palo Alto.

Background

In April 2000, Mid Peninsula Education Center, Inc. ("Mid Peninsula"), a non-profit corporation, purchased the Willow Road property for use as a private high school, and the Assessor imposed a supplemental assessment on the 2001 tax roll of \$4,850,000 for the property, which resulted in a tax liability of \$50,556.40.

In February 2001, the Assessor received Mid Peninsula's application for a welfare exemption from property taxation. The Assessor did not receive the State Board of Equalization's approval of the welfare exemption application until November 2001.

Due to the granting of the welfare exemption relating to the Willow Road property, the Assessor proposes to correct the 2001 property tax roll to reflect a \$4,850,000 reduction in the 2001 supplemental assessment on the Willow Road property.

Discussion

Section 4831 of the Revenue & Taxation Code allows for corrections to the tax roll, and, pursuant to sections 214, 214.4 and 214.5 of the same code, Mid Peninsula is eligible for a

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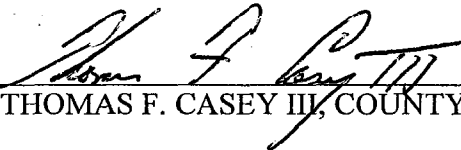
welfare exemption from property taxation because it uses the Willow Road property as a high school. However, since the proposed tax roll correction will result in a tax dollar decrease of \$50,556.40 (and a corresponding refund to Mid Peninsula in that amount), the approval of this Board is required.

Vision Alignment

The implementation of this proposal will further commitments and assist in achieving goals set forth in the County's Shared Vision 2010 report. Specifically, this proposal implements the commitment of providing "responsive, effective, and collaborative government." Similarly, the instant proposal will help the County to achieve the goal of ensuring that "[t]he skill level of new workers rises with improved K-12 education and training options."

Fiscal Impact

The fiscal impact of this action is estimated to be a \$50,556.40 tax dollar reduction in the 2001 tax roll, with a refund in this amount paid to Mid Peninsula. The County's General Fund share of the reduction/refund is 14% of the total (i.e., approximately \$7,077.90).


THOMAS F. CASEY III, COUNTY COUNSEL

TFC:JDN/ag

cc: John Maltbie, County Manager
Warren Slocum, Assessor-County Clerk-Recorder
Tom Huening, Controller