



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**

County Counsel

**DATE:** November 15, 2002

**BOARD MEETING DATE:** December 3, 2002

**TO:** Honorable Board of Supervisors

**FROM:** Thomas F. Casey III, County Counsel

**SUBJECT:** Correction of Property Tax Roll: APN 070-360-070, 50 Valparaiso Avenue, Atherton (Menlo School and Menlo College)

**Recommendation**

Approve a change to the 2001 tax roll to reflect the granting to Menlo School and Menlo College ("MSMC") of a welfare exemption pursuant to section 214 of the California Revenue & Taxation Code for property located at 50 Valparaiso Avenue, in Atherton, California.

**Background**

Prior to 1994, the Valparaiso Avenue property qualified for a welfare exemption under section 214 of the Revenue & Taxation Code because it was owned and used for a qualifying purpose by Menlo School, a nonprofit private school. In 1994, ownership of the Valparaiso Avenue property was transferred to MSMC, another nonprofit entity which was established for the sole purpose of owning the property. Because welfare exemptions are specific to individual property owners, the 1994 change in ownership of the Valparaiso Avenue property invalidated the welfare exemption granted to Menlo School.

**Discussion**

The Assessor's Office did not determine that the 1994 change in ownership invalidated the welfare exemption granted to Menlo School until 2000, at which time the Assessor worked with MSMC to complete a welfare exemption application for that entity. MSMC did not provide all required information until December 2001, and the State Board of Equalization's approval of the exemption application was not received by the Assessor until April 2002. Because no welfare exemption existing for the Valparaiso Avenue property as of the time the 2001 property tax roll was prepared, the property was assessed at full market value on the

roll.

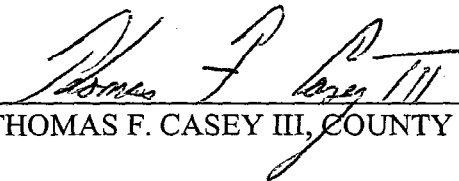
As a result of the granting of the welfare exemption, the County property tax roll for 2001 should be corrected. Since the correction will result in a tax dollar decrease of \$256,401.14 to the roll, the approval of this Board is required.

**Vision Alignment**

The implementation of this proposal will further commitments and assist on achieving goals set forth on 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 goals of ensuring that "[t]he skill level of new workers rises with improved K-12 education and training options" and that "[r]esidents have many educational and training opportunities beyond high school."

**Fiscal Impact**

The fiscal impact of this action is estimated to be a \$256,401.14 tax dollar decrease in the 2001 roll. The County's General Fund share of this decrease is approximately 14% of this amount (i.e., \$35,896.16).

  
\_\_\_\_\_  
THOMAS F. CASEY III, COUNTY COUNSEL

TFC:JDN/ag

L:\CLIENT\A\_DEPTS\ASSESSOR\Board Memo Menlo School.Doc

**RECOMMENDED**  
  
\_\_\_\_\_  
ASSISTANT COUNTY MANAGER