



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Counsel

DATE: April 3, 2006

BOARD MEETING DATE: April 18, 2006

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: County Counsel

SUBJECT: Correction of Property Tax Roll, APN 008-084-370 and 008-084-460
1900 and 1850 Sullivan Avenue, Daly City
Seton Medical Center

RECOMMENDATION:

Approve a correction to the 2003 and 2004 property tax rolls, and corresponding tax refunds to Seton Medical Center ("Seton"), to correct for welfare exemptions related to APN 008-084-370 and 008-084-460, located on Sullivan Avenue in Daly City (the "Properties").

VISION ALIGNMENT:

Commitment: responsive, effective, and collaborative government.

Goal 20: Government decisions are based on careful consideration of future impact, rather than temporary relief or immediate gain.

The implementation of this recommendation 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."

BACKGROUND:

APN 008-084-460 contains the Medical Office Building at 1850 Sullivan Avenue, Daly City, and APN 008-084-370 contains the hospital at 1900 Sullivan Avenue. For the 2001 and 2002 tax years, Catholic Healthcare West ("CHW") was the owner of

the Properties and was approved for the welfare exemption. In January 2002, CHW transferred all interest in the Properties to Seton. This change required Seton to file for its own welfare exemptions for the Properties. It was not until October 2004 that the Seton welfare exemption was confirmed. As a result of the exemption, there was a reduction to the 2003 and 2004 annual property tax rolls in excess of \$50,000.

DISCUSSION:

The Assessor is requesting approval of roll corrections completed for property owned or leased by Seton Medical Center pursuant to sections 214 and 270 of the Revenue and Taxation Code. For APN 008-084-370 the Assessor is seeking approval of 2003 and 2004 tax roll corrections. For APN 008-084-460 the Assessor is seeking approval of a 2003 tax roll correction. Pursuant to section 4831, et seq., of the Revenue and Taxation Code, which allows for corrections to the tax roll, the Assessor proposes to give effect to the exemptions for the Properties. The Requests for Approval of Decrease of Taxes Nos. 04-1900, 04-1901 and 04-1902 are attached for reference.

FISCAL IMPACT:

The fiscal impact of this action is a \$1,350,587.78 decrease in the 2003 tax roll (\$1,271,617.36 for APN 008-084-370, plus \$78,970.42 for APN 008-084-460); and a \$1,312,153.76 decrease in the 2004 tax roll (for APN 008-084-370 alone), and corresponding property tax refunds for the amounts already paid, plus interest.

**SAN MATEO COUNTY ASSESSOR'S OFFICE
REQUEST FOR APPROVAL OF DECREASE OF TAXES**

Marys Help Hospital
Po Box 1228
San Carlos, CA 94070

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No. 04-1900

APN: 008-084-370 VOL: 0 TRA: 005036 SITUS: 1900 Sullivan Ave Daly City

The following Tax Roll Change(s) are requested, pursuant to section code **4831.5** of the Revenue and Taxation Code, due to: **ASSESSEE ERROR - Correction To Institutional Exemption**

Year	Land	Imps	Pers. Prop 2003	Fixtures	Ex Cd	Ex Amt	Net Value
From	2,356,499	62,291,616	19,396,514	36,373,683		0	120,418,312
To	2,356,499	62,291,616	19,396,514	36,373,683	WEL	120,418,312	0
Diff	0	0	0	0		120,418,312	-120,418,312

<input type="checkbox"/> Tax Dollar Decreases over \$10,000 require County Counsel authorization	<u>Rate</u>	<u>Valuation</u>	<u>Dollars</u>	<u>Est. Interest</u>
	<u>1.0560</u>	x _____	= _____	_____
<input checked="" type="checkbox"/> Tax Dollar Decreases over \$50,000 also require Board of Supervisors approval.	<u>Revised</u>	<u>Valuation</u>	<u>Dollars</u>	<u>Est. Interest</u>
<u>Net Decreases</u>	<u>(+) (-)</u>	_____	= _____	_____
		<u><120,418,312></u>	= <u><1,271,617.36></u>	_____

Refund Required Y N
If yes, Estimated Refund: <635,808.68> Payable to: Seton Medical Center

Signature / Authorization

Assessor Representative:	Date:	Deputy Controller:	Date:
<i>Regina M. Verbeke</i>	11/29/04	<i>[Signature]</i>	3/12/06
County Counsel:	Date:	Board of Supervisors:	Date:
<i>[Signature]</i>	3/30/06		

Action

Tax Refund Payable to:			
Roll Changed by:	Date:	Tax bill corrected & mailed by	Date:

**SAN MATEO COUNTY ASSESSOR'S OFFICE
REQUEST FOR APPROVAL OF DECREASE OF TAXES**

RECEIVED
CONTROLLERS OFFICE

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Seton Medical Center
Attn Accounts Payable
P O Box 1228
San Carlos, CA 94070

2004 DEC -3 P 12:03 No. 04-1902

APN: 008-084-460

VOL: 0 SITUS: 1850 Sullivan Ave Daly City

TRA: 005022

The following Tax Roll Change(s) are requested, pursuant to section code 4831.5 of the Revenue and Taxation Code, due to: ASSESSEE ERROR - Correction To Institutional Exemption

Year	Land	Imps	Pers. Prop	Fixtures	Ex Cd	Ex Amt	Net Value
			2003				
From	260,771	15,154,587	882,071	972,323		0	17,269,752
To	260,771	15,154,587	882,071	972,323	WELP	7,478,261	9,791,491
Diff	0	0	0	0		7,478,261	-7,478,261

Tax Dollar Decreases over \$10,000 require County Counsel authorization	Rate	Valuation	Dollars
	1.0560	x 17,269,752	182,368.56
Tax Dollar Decreases over \$50,000 also require Board of Supervisors approval.	Revised (+) (-)	9,791,491	103,398.14
		(7,478,261)	(78,970.42)
		Estimated Tax Dollar Decrease	\$ _____

Signature / Authorization

Assessor Representative:	Date:	Deputy Controller:	Date:
<i>Eugenia M. Verbeek</i>	11/29/04	<i>[Signature]</i>	12/13/04
County Counsel:	Date:	Board of Supervisors:	Date:
<i>[Signature]</i>	12/20/04		

Action

Roll Changed by:	Date:	Tax bill corrected & mailed by	Date: