



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



**DATE:** October 3, 2011  
**BOARD MEETING DATE:** October 18, 2011  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors  
**FROM:** John C. Beiers, County Counsel  
**SUBJECT:** Correction of Property Tax Roll

**RECOMMENDATION:**

Approve Property Tax Roll corrections: Fairway Apartments (11-0886) (South San Francisco); Green Hills Country Club (11-0545) (Millbrae); and Sarah King Willmer (11-0821) (Woodside).

**BACKGROUND:**

In the course of a year, it is not uncommon to uncover some failure to properly assess a property among the assessments made by the Assessor. Errors may be caused by defects or delays in information provided by assesses or applications for exemptions, unknown economic or historical information, duplication of assessments or clerical or mathematical errors by the assessee or the Assessor, or both. Corrections are also warranted when there is an error in the base year value, when new construction is erroneously or prematurely assessed, or when an audit reveals errors in an assessment to personal property. When the correction to the tax roll involves a refund, cancellation or correction of taxes in excess of \$50,000, Board of Supervisor's approval of that correction is required.

**DISCUSSION:**

1) Fairway Apartments. Fairway Apartments uses the subject property (APN 013-260-030) for subsidized (Section 8) rental one and two bedroom apartments as part of a complex that serves the elderly and is handicap accessible. In July of 2011 Fairway Apartments applied for the welfare exemption. Revenue & Taxation Code Section 214 allows for a welfare exemption when the property is used for an exempt charitable purpose. After a review of the claim and inspection of the property, the Assessor found that the requirements of Section 214 have been met and that a welfare exemption is appropriate. Approval of the roll correction recognizing the welfare exemption for the 2011 annual roll is requested.

2) Green Hills Country Club. Rev. & Tax Code § 4831 allows for the correction of the tax roll where there is a decline in value of the subject property. As a result of the

Assessment Appeal Board's approval of a stipulation, a decline in value for the 2010 annual roll resulted in a reduction in the assessed value for the subject property (APN 021-470-030) for tax year 2010 from \$17,165,543 to \$11,700,000, a difference of \$5,465,543. The parties have now determined that the decline in value should also apply to the 2011 annual roll. The decline in value in 2011 warrants an adjustment of the roll value from the originally enrolled value of \$17,514,681 down to \$11,729,410, for a difference of \$5,785,271. The Assessor therefore requests a correction to the 2011 annual roll value to reflect the decline in value.

3) Sarah King Wilmer. A transfer of ownership of the subject property (APN 072-112-020) occurred and as a result the property was reassessed under Prop 13. Under Revenue and Taxation Code section 63.1, any transfer of a primary residence is exempt from reassessment under certain criteria if it is transferred from a parent to a child. This is commonly referred to as the parent-child exemption from Prop 13. The requested correction arises from an application for exemption under the parent-child exemption. After a review of the application, the Assessor found that the requirements of Section 63.1 of the Revenue & Taxation Code have been met and that no reassessment should occur as a result of transfer. Approval of the roll correction to restore the pre-transfer assessed value for the 2011 annual roll is requested.

Authorizing these corrections of the property tax roll will contribute to the Shared Vision 2025 outcome of collaborative community by demonstrating fiscal accountability.

**FISCAL IMPACT:**

No property tax refunds will be due as a result of these roll corrections.