



**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 Unsecured Property Tax Roll

**RECOMMENDATION:**

Approve Property Tax Roll corrections: Millbrae Square Co. (11-296) and Flores Gardens (11-358).

**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 in excess of \$50,000, Board of Supervisor's approval of that correction is required.

**DISCUSSION:**

1) Millbrae Square Co. Millbrae Square Co. owns the Millbrae shopping center which includes Kohls, Trader Joe's Inline Retail and Walgreens. The property owner filed a form 157L listing the leasehold improvements as business property and as a result they were assessed on both the unsecured business property account as well as the secured real property roll resulting in a duplicate assessment of the leasehold improvements. This board change is to undo the duplicate assessment by cancelling the unsecured property roll assessment pursuant to Revenue and Taxation Code § 4986.

2) Flores Gardens. Flores Gardens leases the subject property from the City of San Mateo and uses the property for subsidized (Section 8) rental one and two bedroom apartments as part of a complex that serves the elderly and is handicap accessible. Flores Gardens' interest in the property is taxed as a possessory interest. In July of 2011 Flores Gardens applied for the welfare exemption. Revenue & Taxation Code

Section 214 allow 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 unsecured property roll is requested.

Authorizing these corrections of the unsecured 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.