

**SHASTA COUNTY ASSESSMENT APPEALS BOARD**

Wednesday, May 8, 2019

**REGULAR MEETING**

1:13 p.m.: The Shasta County Assessment Appeals Board convened with the following present:

**BOARD MEMBERS:**

Kasey Stewart  
Ken Murray  
Jerry Watega

**BOARD STAFF:**

Jenn Duval, Deputy Clerk of the Assessment Appeals Board  
James Underwood, Legal Counsel

**ELECTION OF CHAIRMAN AND VICE CHAIRMAN**

By motion made, seconded (Murray/Stewart), and unanimously carried, the Assessment Appeals Board re-elected Kasey Stewart as Chairman. By motion made, seconded (Murray/Stewart), and unanimously carried, the Assessment Appeals Board elected Jerry Watega as Vice Chairman.

**PUBLIC COMMENT PERIOD - OPEN TIME**

There was no one present who wished to speak during the Public Comment Period.

**REGULAR CALENDAR**

**SWEARING IN OF STAFF**

This was the time set for the Assessment Appeals Board to consider property assessment appeals. Appellants were duly notified by mail of the date and time of the hearings.

The following Shasta County staff were sworn in: Assessor-Recorder Leslie Morgan, Deputy Assessor-Recorder Eric Fitz, Appraisal Manager Bill Jostock, Appraisal Manager Jason Schurig, Real Property Appraiser Alycia Brom, and Real Property Appraiser Shawna Labella.

**REQUESTS FOR POSTPONEMENTS AS SUBMITTED BY THE ASSESSOR**

There were no requests for postponements submitted by the Assessor’s Office.

**POSTPONEMENTS/309 WAIVERS, WITHDRAWALS, AND STIPULATIONS**

Deputy Assessor-Recorder Eric Fitz presented the postponements, withdrawals, and stipulations as requested by appellants.

By motion made, seconded (Murray/Watega), and unanimously carried, the Assessment Appeals Board accepted the Assessor’s Office recommendations and approved the requests by the appellants for postponements and withdrawals of the following appeals:

**WAIVERS**

2016-021	Prime Healthcare Services	800-007-688
2017-097	Prime Healthcare Services	800-009-786
2017-096	Prime Healthcare Services	800-005-312
2017-098	Prime Healthcare Services	800-007-688
2018-016	Red Lobster Hospitality LLC	071-160-051
2018-060	Dignity Health	104-200-039
2018-061	Dignity Health	104-400-061
2018-062	Dignity Health	104-400-074
2018-063	Dignity Health	104-410-054
2018-064	Dignity Health	104-410-055
2018-065	Dignity Health	104-880-003
2018-066	Dignity Health	104-880-024
2018-067	Dignity Health	107-880-025
2018-068	Dignity Health	105-770-005
2018-069	Dignity Health	107-430-059
2018-070	Dignity Health	107-500-017
2018-071	Dignity Health	107-500-018
2018-072	Dignity Health	107-500-019

2018-073	Dignity Health	107-500-020
2018-074	Dignity Health	107-500-024
2018-075	Dignity Health	107-500-025
2018-077	Prime Healthcare Services	800-007-688
2018-078	Prime Healthcare Services	800-005-312
2018-079	Prime Healthcare Services	800-009-786
2018-087	Arjo Inc.	800-010-929
2018-089	MGP IX Properties LLC	107-260-039
2018-090	MGP IX Properties LLC	107-260-038
2018-091	MGP IX Properties LLC	107-260-033
2018-092	MGP IX Properties LLC	107-260-030
2018-093	MGP IX Properties LLC	107-260-029
2018-094	MGP IX Properties LLC	107-260-028
2018-095	MGP IX Properties LLC	107-260-024
2018-096	MGP IX Properties LLC	107-260-023

### WITHDRAWALS

2016-009	Sierra Pacific Industries	050-110-039
2016-039	Sierra Pacific Industries	050-110-039
2016-040	Sierra Pacific Industries	050-110-038
2017-018	Lehigh Southwest Cement Company	307-030-002
2017-036	Sierra Pacific Industries	050-110-038
2017-037	Sierra Pacific Industries	050-110-039
2017-101	Shasta Stations LLC	071-430-013
2017-105	Costco Wholesale Corp	071-430-020
2017-107	Lake Boulevard Development	116-160-015
2017-108	Walgreens Co.	101-150-074
2017-109	Walgreens Co.	107-220-057
2017-112	JC Penny Corporation Inc.	107-280-056
2018-001	BP West Coast Products	074-110-019
2018-002	Mountain Senior Center	028-500-038
2018-003	Burney Villa Apartments	028-420-034
2018-004	Tal Redding LLC	067-110-033
2018-005	Tal Redding LLC	067-110-035
2018-006	Tal Redding LLC	067-110-044
2018-007	Tal Redding LLC	067-110-047
2018-008	Tal Redding LLC	067-110-049
2018-009	Wallace J Baker	051-180-002
2018-010	Old 44	110-270-003
2018-011	Great America Financial Services	810-000-066
2018-012	Great America Financial Services	810-000-138
2018-013	Great America Financial Services	810-000-581
2018-014	Great America Financial Services	810-001-184
2018-015	Dialysis Center	800-006-123

2018-018	Ben Sale	041-480-005
2018-019	Fremont Able Construction Inc.	107-020-014
2018-020	Fremont Able Construction Inc	107-020-015
2018-021	Fremont Able Construction Inc	107-020-016
2018-022	Fremont Able Construction Inc	107-020-016
2018-023	Jerry & Melissa Santoro	035-390-026
2018-024	Dolgen California LLC dba Dollar General	028-110-045
2018-025	Dolgen California LLC dba Dollar General	114-080-040
2018-026	Dolgen California LLC dba Dollar General	059-080-049
2018-027	Bens's Truck & Equipment Inc	041-480-006
2018-028	Valdene Thomason dba Gold Hills Golf Club	073-200-003
2018-029	Valdene Thomason dba Gold Hills Golf Club	073-200-001
2018-030	Valdene Thomason dba Gold Hills Golf Club	073-200-002
2018-031	Valdene Thomason dba Gold Hills Golf Club	073-090-050
2018-032	Valdene Thomason dba Gold Hills Golf Club	073-090-060
2018-033	Valdene Thomason dba Gold Hills Golf Club	073-100-072
2018-034	Valdene Thomason dba Gold Hills Golf Club	073-100-085
2018-035	Cari Bowe dba Shasta Dog Camp Training	206-040-022
2018-036	Theobald Family Trust 1991	070-260-024
2018-037	Theobald Family Trust 1991	070-260-025
2018-038	Theobald Family Trust 1991	070-260-026
2018-039	Gary & Olivia Ryser Family Trust	018-730-009
2018-041	Janet M Chandler Revocable Trust	028-520-013
2018-046	Kohls Department Stores Inc.	107-260-036
2018-047	Kohls Department Stores Inc.	107-260-034
2018-049	Michael & Linda Ost	098-090-011
2018-050	GameStop Inc.	800-007-648
2018-051	GameStop Inc.	800-004-392
2018-052	Daniel & Joni Engelage	018-600-058
2018-053	Jeffrey & Alice Needleman	110-340-020
2018-054	Keith Roper & Associates Inc.	028-190-032
2018-056	Larry Elliott dba El Rio Estates LLC	050-510-019
2018-057	Michael & Roberta Ashby	208-370-010
2018-080	Lake Boulevard Development	116-160-015
2018-081	Walgreens Co.	101-150-074
2018-082	Walgreens Co.	107-220-057
2018-083	H & S Energy LLC	067-370-053
2018-084	H & S Energy LLC	114-080-028
2018-085	Mountain Senior Center	028-500-038
2018-086	Burney Villa Apartments	028-420-034
2018-088	Siemens Financial Services Inc.	810-000-776
2018-097	Costco Wholesale Corp	071-430-020
2018-098	HPT TA Properties Trust	055-260-025
2018-099	Lumber Liquidators Inc.	071-430-057
2018-100	HP Redding LLC	117-110-006
2018-101	Sue & Ernie Mieske 2016 Trust	101-690-030

2018-102	Sue & Ernie Mieske 2016 Trust	102-450-034
2018-103	Sue & Ernie Mieske 2016 Trust	102-450-033
2018-104	Sue & Ernie Mieske 2016 Trust	068-520-055
2018-105	Sue & Ernie Mieske 2016 Trust	068-520-054
2018-106	Jeffrey B Gladstone	046-480-035

**OTHER APPLICATION ACTIONS**

Deputy Clerk of the Assessment Appeals Board Jenn Duval presented the Other Action items.

By motion made, seconded (Murray/Stewart), and unanimously carried, the Assessment Appeals Board denied the following appeals:

**OTHER:**

2018-076	Red Lobster Hospitality LLC (Duplicate)	071-160-051
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**REQUESTS FOR FINDINGS OF FACT**

Deputy Assessor-Recorder Eric Fitz reported that the Assessor's Office did not have any requests for Findings of Fact on the items that were being heard.

1:20 p.m.: The Assessment Appeals Board recessed.

**SCHEDULED HEARINGS**

1:30 p.m.: The Assessment Appeals Board reconvened in Open Session with Board Members Kasey Stewart, Ken Murray, Jerry Watega, Legal Counsel James Underwood and Deputy Clerk of the Assessment Appeals Board Jenn Duval present.

APPLICATION NO. 2017-021  
ESA PROJECT COMPANY  
ASSESSOR'S PARCEL NO. 800-010-467

Application No. 2017-0021, ESA Project Company, Assessor's Parcel No. 800-010-467, was called to hearing.

Deputy Clerk of the Assessment Appeals Board Jenn Duval informed the Board that the Agent for Applicant, ESA Project Company filed a 309 Waiver after the Agenda was finalized.

By motion made, seconded (Stewart/Murray), and unanimously carried, the Assessment Appeals Board accepted the 309 Waiver of Applicant 2017-021, ESA Project Company, Assessor's Parcel No. 800-010-467.

APPLICATION NO. 2018-048  
ESA PROJECT COMPANY  
ASSESSOR'S PARCEL NO. 800-010-467

Application No. 2018-048, ESA Project Company, Assessor's Parcel No. 800-010-467, was called to hearing.

Deputy Clerk of the Assessment Appeals Board Jenn Duval informed the Board that the Agent for Applicant, ESA Project Company filed a 309 Waiver after the Agenda was finalized.

By motion made, seconded (Stewart/Murray), and unanimously carried, the Assessment Appeals Board accepted the 309 Waiver of Applicant 2018-048, ESA Project Company, Assessor's Parcel No. 800-010-467.

APPLICATION NO. 2018-040  
VALLACRES FAMILY TRUST  
ASSESSOR'S PARCEL NO. 306-600-004

Appraisal Manager Jason Schurig explained that Application No. 2018-040, Vallacres Family Trust, Assessor's Parcel No. 306-600-004, involved a vacant parcel; not owner occupied; therefore, the burden of proof is upon the Allicant.

Kathleen Vallacres was sworn in. Ms. Vallacres stated her property tax bill increased 27.7% over the previous year despite no improvements made to the vacant land. She described the property to be one of four lots outside the gates of Tierra Oaks subdivision and inferior to those within the gates of Tierra Oaks subdivision. Ms. Vallacres explained the property lacked utilities and was purchased during the peak of the market in 2002 for \$42,000. Ms. Vallacres stated the property had trees that added value to the property but the snow storm in 2003-2004 caused significant damage and subsequently the trees were removed, reducing the value of the property. In 2017 the property was listed with an inexperienced realtor for \$99,500. No offers were received so the listed price was reduced to \$69,500 and still no offers were received. Ms. Vallacres presented comparable properties and listings to the Clerk of the Board for the Boards consideration.

In response to inquiry from the Board, Ms. Vallacres explained the comparable property presented had not sold, rather it had foreclosed.

Appraisal Manager Jason Schurig stated the subject property's assessed value for the 2018 year was \$53,455. Mr. Schurig explained the 2% annual increase to properties are governed by the State.

In response to inquiry from the Board, Appraisal Manager Jason Schurig explained Proposition 8 allows the Assessor's Office to temporarily reduce the assessed value due to a decline in market value. He also explained when a property is on Proposition 8 review, good property sales are needed to increase the value which may be more than the 2% when a property is removed from Proposition 8 review. The Vallacres Family Trust property was removed from Proposition 8 review during the 2018 tax year.

Real Property Appraiser Shawna Labella, principal appraiser for the Vallacres Family Trust property described the subject property and opportunity for utilities. Ms. Labella presented comparable properties in a greater geographical area to obtain accurate comparable properties not within the Tierra Oaks subdivision and one comparable property in the Tierra Oaks subdivision that sold March 23, 2018 for \$79,000. Ms. Labella found based on the location, overall amenities, and current market data, no reduction was warranted.

Appraisal Manager Jason Schurig expounded on Proposition 8 explaining a base year value is established when a property is originally sold or acquired, it establishes a base year value. The Vallacres originally purchased the subject property July 2002 for \$42,000 that established the base year value and every year thereon is an inflation, governed by the State, of no more than 2%.

In response to inquiry by the Board, Appraisal Manager Jason Schurig confirmed the Vallacres property was originally placed on Proposition 8 review in 2011 and subsequently reduced the assessed value to \$35,000. The subject property held an assessment of \$35,000 until 2015 wherein it was increased to \$40,000. In 2017 the subject property's assessed value was increased to \$42,000 and due to the overall market in 2018 the subject property was removed from Proposition 8 review and placed the assessed value at \$53,000.

In response to inquiry of the Board, Appraisal Manager Jason Schurig confirmed his office had not reviewed the new comparable properties presented to the Board and agreed to review and consider them.

Ms. Vallacres depicted previous year tax bill amounts of the subject property and inquired why listing a property for sale would cause the removal of the Proposition 8 review even when it did not sell.

Deputy Assessor Eric Fitz explained incremental changes in the subject property tax bills may be due to school bonds, Bella Vista Water, or other factors.

In response to inquiry from the Board, Appraisal Manager Jason Schurig presented a chart depicting increases of the assessed value on the subject property. While the subject property was on Proposition 8, the original base year value at the time of purchase continued to

be tracked. A new base year value is only established when there's a Change in Ownership or new construction.

In response to inquiry from the Board, Real Property Appraiser Shawna Labella confirmed the review of the Applicant's comparable properties presented to the Board and determined the comparable properties provided are out dated and not a reflection of the current market value.

Ms. Vallacres refuted the Assessor's Office presenting different comparable properties at hearing from what she was advised previously. Ms. Vallacres explained the subject property could not be sold for the assessed value.

By motion made, seconded (Stewart/Watega), opposed by Murray, the Assessment Appeals Board took the matter under submission to discuss in closed session.

APPLICATION NO. 2018-017  
JERRY GERALD KOPEC  
ASSESSOR'S PARCEL NO. 116-560-009

Appraisal Manager Jason Schurig explained that Application No. 2019-017, Jerry Gerald Kopec, Assessor's Parcel No. 116-560-009, involved Proposition 60, base year transfer of an owner occupied single-family residence.

The State of California allows a person who is at least 55 years of age or blind or permanently disabled and who resides in an eligible property to transfer the base year value from an original property to a replacement property of equal or lesser value within the same county. If the replacement property is purchased first, the market value must be equal to or less than the market value of the original property.

Appraisal Manager Schurig described the subject property located in the Vineyards, an age 55 and over subdivision. The subject property was acquired on March 31, 2015 for \$258,800. The applicant sold his previous home located in the Arroyo Manor subdivision on September 25, 2015 for \$249,900. After review, both purchase prices were accepted as current market values and entered on the tax roll.

October 18, 2018 Applicant filed an Assessment Appeal Application with the Clerk of the Board requesting a base year value transfer. The Assessor's Office requested the Applicant submit a Claim of a Person at Least 55 Years of Age for Transfer of Base Year Value to Replacement Dwelling (BOE-60 form); however, the BOE-60 form was denied as the replacement property in the subject matter was purchased prior to the sale of the original property and the replacement property sold for more than the original property, both being listed and sold at fair market value.



Real Property Appraiser Alycia Brom, principal appraiser for the subject property presented comparable sales of the subject property and the previous property and explained that the sale prices of the properties were accepted as base year values.

In response to inquiry from the Board, Legal Counsel James Underwood explained Revenue and Taxation Code Section 69.5 and informed the Board that they must apply the facts and act within the statute.

Jerry Kopec was sworn in. Mr. Kopec explained the purchase and move to the Vineyards property were medically necessary. Mr. Kopec stated he lived in at the Arroyo Manor property for over twenty-four years. Mr. Kopec explained that in December 2012 he received a spinal cord injury and suffered from severe sound sensitively. Despite modification to the Arroyo Manor home to accommodate his injuries and medical conditions, Mr. Kopec determined it was necessary to move and downsize. He listed his original home with an inexperience relator for \$275,000. The Vineyards property was not listed on the MLS, rather he contacted the owner of the Vineyards property after he observed tenants move out and private party purchased the Vineyards property. After months of the Arroyo Manor property not selling, Mr. Kopec learned the property had been overpriced by \$20,000. After he obtained a new relator and properly priced the Arroyo Manor property, it sold in the first week. Mr. Kopec requested the base year value of the original property be transferred to the subject property tax roll.

Appraisal Manager Jason Schurig explained the difference between the base year transfer due to disability and Proposition 60.

By motion made, seconded (Murray/Watega), and unanimously carried, the Assessment Appeals Board denied Application 2018-017, Gerald Jerry Kopec, Assessor's Parcel No. 116-560-009 as a matter of law under Revenue and Taxation Code Section 69.5(g)(5)(a).

APPLICATION NO. 2018-055  
HARTLEY TRUST  
ASSESSOR'S PARCEL NO. 077-410-014

Appraisal Manager Jason Schurig explained that Application No. 2018-055, Hartley Trust, Assessor's Parcel No. 077-410-014, involved an owner-occupied single-family residence; therefore, the burden of proof is upon the Assessor's Office.

Appraisal Manager Jason Schurig explained that the subject property factor base year value is \$200,213, the fair market value of the subject property is above the factor base year value and the Applicant's opinion of the property's full cash value as stated on the Assessment Appeal Application is \$190,000.

Real Property Appraiser Alycia Brom, principal appraiser for the subject property described the property as a single-family residence with an attached garage on a city lot in the Hacienda Heights subdivision. The property included a 1692 square foot residence with a 506 square foot attached garage.

Ms. Brom explained the property was last re-assessed September 15, 2012 due to a Change in Ownership. The value enrolled at that time was \$185,000. Mr. Gilbert took ownership of the property on August 10, 2015, the property was excluded from re-assessment due to the parent to child exclusion that was applied. Ms. Brom provided comparable sales to the subject property.

Mr. Schurig stated that the Assessor's Office determined the fair market value of the subject property to be in the range of the \$270,000 which exceeded the factored base year value and therefore, no reduction was warranted.

William Gilbert is sworn in. Mr. Gilbert requested a continuance to allow him to produce pictures of the subject property to present.

Legal Counsel Jim Underwood defined timely requests for continuance.

Deputy Assessor Recorder Eric Fitz opposed the continuance and explained that the Assessor's Office attempted communication and an exchange of information from the Applicant since the date of filing of the Assessment Appeal Application and the Applicant failed to provide information warranting a reduction.

William Gilbert withdrew his request for continuance and explained he inherited his father's property after it had been vacant for a year. Due to his father's elderly age and lack of substantial finances in the Hartly Trust, no improvements had been made to the property and struggled to maintain the property. Mr. Gilbert described elevation differences and flooding issues during heavy rains. He described sagging gutters, rotten fascia boards, damaged stucco and disastrous landscaping that encroaches the water main. He stated the property suffered from plumbing issues and still had the original HVAC unit.

In response to inquiry from the Board, Mr. Gilbert estimated the property value to be less than the \$185,000 purchase price.

Appraisal Manager Jason Schurig explained that the current fair market value to be \$270,000, even with reductions Applicant explained, would still fail to reduce the property to below the factor year base of \$200,213.

By motion made, seconded (Murray/Watega), and unanimously carried, the Assessment Appeals Board denied Application 2018-055, Hartly Trust, Assessor's Parcel No. 077-410-014.

Appeals Board discussed recessing to closed session or deliberation in open session.

By motion made, seconded (Stewart/Watega) and unanimously carried, the Assessment Appeals Board amended the motion to deliberate in closed session to discuss and deliberate in open session.

APPLICATION NO. 2018-040  
VALLACRES FAMILY TRUST  
ASSESSOR'S PARCEL NO. 306-600-004

Board Member Murray found the Assessor's Office argument to be persuasive and the comparable properties support the assessed value.

By motion made, seconded (Murray/Stewart), and unanimously carried, the Assessment Appeals Board denied Application 2018-040, Vallacres Family Trust, Assessor's Parcel No. 306-600-004.

**2019 ASSESSMENT APPEALS BOARD HEARING DATES**

By motion made, seconded (Stewart/Murray), and unanimously carried, the Assessment Appeals Board set the 2019 Assessment Appeals hearings for May 6, 7 and 8, 2020.

3:26 p.m.: The Assessment Appeals Board adjourned.



\_\_\_\_\_  
KASEY STEWART, Chairman

ATTEST:

LAWRENCE G. LEES  
Clerk of the Assessment Appeals Board

By  \_\_\_\_\_  
Deputy