

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Assessor

BOARD AGENDA: 5.B.5
AGENDA DATE: August 28, 2018

SUBJECT:

Approval for the Assessor to Apply for Funding from the California Department of Finance State Supplementation for County Assessors' Program

BOARD ACTION AS FOLLOWS:

RESOLUTION NO. 2018-0433

On motion of Supervisor Withrow, Seconded by Supervisor Chiesa
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST: 
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Assessor

BOARD AGENDA:5.B.5
AGENDA DATE: August 28, 2018

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: No

SUBJECT:

Approval for the Assessor to Apply for Funding from the California Department of Finance State Supplementation for County Assessors' Program

STAFF RECOMMENDATION:

1. Authorize the Assessor to apply for funding from the California Department of Finance State Supplementation for County Assessors' Program.
2. Approve a resolution authorizing the Assessor to submit a grant application for the State Supplementation for County Assessors' Program.

DISCUSSION:

The State of California 2018 Budget Act appropriated \$5.0 million to create the State Supplementation for County Assessors' Program (SSCAP). This three-year pilot program was created to provide funding to assist county assessors in performing property assessments. SSCAP funds are available for both new assessment staff and technological improvements and require a local match at the rate of one local dollar for every two dollars the County receives in SSCAP funds.

Currently, the Assessor's Office utilizes several commercial/industrial valuation Access databases maintained by the Strategic Business Technology Department. These databases have reached the end of their useful lives. There are approximately 9,335 commercial and industrial parcels in the County. Because of market declines below Prop 13 Factored Base Values (FBV), approximately 1,722 parcels must have their values reviewed annually. With existing technology and current staffing levels, the Department is only able to review between 250 to 500 properties per year, or 15% to 29% of the total parcels in the County.

The Department has reviewed the SSCAP funding opportunity and proposes to replace existing commercial/industrial valuation tools with new industry standard technology that could greatly increase the efficiencies of the commercial appraisals. In 2018, the Department reviewed 270 parcels, using current technology, leading to an increase in assessed value of approximately 5%. These properties represent around 10% of the assessed value of properties that are currently assessed below their FBV.

POLICY ISSUE:

The application process for the SSCAP requires the Department transmit a resolution of the County Board of Supervisors that states that the County agrees to provide the Department with matching funds.

FISCAL IMPACT:

The Department requests approval to apply for approximately \$370,000 in SSCAP funding for Fiscal Year 2018-2019, \$100,000 in Fiscal Year 2019-2020 and \$100,000 in Fiscal Year 2020-2021 for total award of \$570,000. The Department would use the SSCAP funds to purchase a complete valuation system that will enable the Department to review 100% of commercial and industrial properties each year, producing a value that more accurately reflects increasing market values. It is anticipated that accurately assessing the commercial and industrial properties annually would likely increase their roll value by 5% or more. This translates into a \$100,000,000 increase in assessed value and the potential for an increase of \$1,000,000 in property tax revenue.

County matching funds are required at 2:1 and are estimated at approximately \$185,000 for Fiscal Year 2018-2019, \$50,000 in Fiscal Year 2019-2020 and \$50,000 in Fiscal Year 2020-2022 for a cumulative General Fund Contribution of \$285,000 over three years. Investment of this local match could generate a significant return on investment; for every \$1.00 spent, revenue could increase by more than \$3.50. If awarded the grant, the Department will return to the Board of Supervisors to make the necessary budget adjustments including the increase in County match.

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Boards' priority of *Delivering Efficient Public Services and Community Infrastructure* by providing an opportunity for the Department to secure funding to acquire a valuation program that will improve processes, increase efficiencies and leverage local funding for increased revenue while performing mandated duties.

STAFFING IMPACT:

The grant will be managed by existing Department staff.

CONTACT PERSON:

Don Gaekle, Assessor

Telephone: (209) 525-6461

ATTACHMENT(S):

1. Resolution for SCCAP

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

2018-0433

Date: August 28, 2018

On motion of Supervisor Withrow Seconded by Supervisor Chiesa
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

Item # 5.B.5

THE FOLLOWING RESOLUTION WAS ADOPTED:

**AUTHORIZATION FOR THE ASSESSOR TO APPLY FOR THE STATE SUPPLEMENTATION FOR
COUNTY ASSESSORS' PROGRAM**

WHEREAS, a Resolution from the Stanislaus County Board of Supervisors is required along with the application to be considered for additional funds; and,

WHEREAS, the State Legislature has determined that State and local governments benefit when County Assessors are able to fairly, accurately and expeditiously assess property for property tax purposes; and,

WHEREAS, the California Department of Finance is accepting applications from California Assessors' Offices under the State Supplementation for County Assessors' Program; and,

WHEREAS, participation in the State Supplementation for County Assessors' Program will provide much needed additional resources to the Office of the Assessor and will be used to supplement, and not supplant, existing funding and staffing levels; and,

WHEREAS, the Stanislaus County Assessor is interested in participating in the State Supplementation for County Assessors' Program in Fiscal Years 2018-2019 through 2020-2021 to fund the acquisition of a commercial and industrial valuation program; and,

WHEREAS, the County is required to provide matching funds at the rate of one dollar for every two dollars in grant funds the County receives from the State; and,

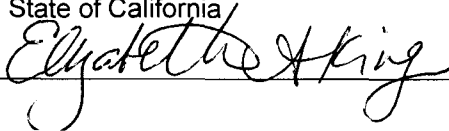
WHEREAS, the County matching funds will be approximately \$185,000 in Fiscal Year 2018-2019, approximately \$50,000 in Fiscal Year 2019-2020 and approximately \$50,000 in Fiscal Year 2020-2021, for a cumulative contribution of \$285,000 over a three-year period; and,

WHEREAS, the application for the State Supplementation for County Assessors' Program is due on September 1, 2018; and,

WHEREAS, a Resolution from the Stanislaus County Board of Supervisors is required, along with the application, for the Stanislaus County Assessor to apply for funds from the State Supplementation for County Assessors' Program;

NOW, THEREFORE, BE IT RESOLVED that the Stanislaus County Board of Supervisors does hereby authorize the Stanislaus County Assessor to submit a grant application for the State Supplementation for County Assessors' Program.

ATTEST: ELIZABETH A. KING, Clerk
Stanislaus County Board of Supervisors,
State of California



File No.