An ordinance conforming state law, provisions of the Administrative Code, which permit any person who is liable for tax on property that has been damaged or destroyed by misfortune or calamity, to apply to the Assessor for reassessment.

Ordinance amending Section 10.2-5 of the San Francisco Administrative Code to conform to Section 170 of Chapter 2.5, Part 1, Division 1 of the California Revenue and Taxation Code providing that every assessee of any taxable property, or any person liable for the taxes thereon, whose property was damaged or destroyed, without his or her fault, by a misfortune or calamity, may apply for reassessment of that property; specifying the nature of the damage or destruction required to be eligible for reassessment; and also specifying that the Assessor-Recorder may initiate the reassessment where the Assessor-Recorder determines that within the preceding 12 months taxable property located in the County was damaged or destroyed, for the purpose of providing property tax relief to residents of the City and County of San Francisco.

Note: Additions are single-underline italics Times New Roman; deletions are strikethrough italics Times New Roman. Board amendment additions are double underlined. Board amendment deletions are strikethrough normal.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The San Francisco Administrative Code is hereby amended by Section 10.2-5, to read as follows:

Sec. 10.2-5 REASSESSMENT OF PROPERTY DUE TO MISFORTUNE OR CALAMITY.

(a) Any person who, at 12:01 a.m. on the March 1st immediately preceding the fiscal year commencing July 1, 1977, or who, at 12:01 a.m. on the March 1st
immediately preceding any subsequent fiscal year, was the owner of, or had in his or her
possession, or under his or her control, any taxable property, or who acquired such property
after such date and is liable for taxes thereon for the fiscal year commencing the immediately
following July 1st, which property was thereafter damaged or destroyed, without his or her
fault, by a misfortune or calamity, may, not later than the last day of the fiscal year in which within
12 months of the date that said property was so damaged or destroyed, apply for reassessment
of such property by delivering to the Assessor-Recorder a written application showing the
condition and value, if any, of the property immediately after the damage or destruction, which
damage must be shown therein to be in excess of $5,000 and the dollar amount of the damage. The
application shall be executed under penalty of perjury, or if executed outside the State of
California, verified by affidavit.

To be eligible for reassessment the damage or destruction to the property shall have been
caused by any of the following:

(1) A major misfortune or calamity, in an area or region subsequently proclaimed by the
Governor to be in a state of disaster, if that property was damaged or destroyed by the major
misfortune or calamity that caused the Governor to proclaim the area or region to be in a state of
disaster. As used in this paragraph, “damage” includes a diminution in the value of property as a result
of restricted access to the property where that restricted access was caused by the major misfortune or
calamity.

(2) A misfortune or calamity.

(3) A misfortune or calamity that, with respect to a possessory interest in land owned by the
state or federal government, has caused the permit or other right to enter upon the land to be
suspended or restricted. As used in this paragraph, “misfortune or calamity” includes a drought
condition such as existed in this state in 1976 and 1977.
(b) Upon receiving a proper application, the Assessor-Recorder shall appraise the property and determine separately the full cash value of land, improvements and personalty immediately before and after the damage or destruction. If the sum of the full cash values of the land, improvements and personalty before the damage or destruction exceeds the sum of the values after the damage by ten thousand dollars ($10,000) or more, the Assessor-Recorder shall also separately determine the percentage reductions in value of land, improvements and personalty due to the damage or destruction. The Assessor-Recorder shall reduce the values appearing on the assessment roll by the percentages of damage or destruction computed pursuant to this subdivision, and the taxes due on the property shall be adjusted as provided in subdivision (e). However, the amount of the reduction shall not exceed the actual loss. The Assessor-Recorder shall reassess the property according to its full cash value immediately after the damage or destruction.

(c) The Assessor-Recorder shall notify the applicant in writing of the amount of the proposed reassessment. The notice shall state that the applicant may appeal the proposed reassessment to the Assessment Appeals Board within 14 days 6 months of the date of mailing the notice. If an appeal is requested within the 14-day 6-month period, the board shall hear and decide the matter as if the proposed reassessment had been entered on the roll as an assessment made outside the regular assessment period. The decision of the board regarding the damaged value of the property shall be final; provided, that a decision of the Assessment Appeals Board regarding any reassessment made pursuant to this Section shall create no presumption as regards the value of the affected property subsequent to the date of the damage.

(e) If the damaged full cash value of the property as determined above is not at least $5,000 less than the full cash value shown on the assessment roll for the year in question, no adjustment shall be made to said roll and no taxes shall be canceled or refunded. Those reassessed values resulting...
from reductions in full cash value of at least $5,000, as determined above, shall be forwarded to
the Controller by the Assessor-Recorder or the Clerk of the Assessment Appeals Board, as
the case may be. The Controller shall enter the reassessed values on the roll. After being
entered on the roll, said reassessed values shall not be subject to review except by a court of
competent jurisdiction.

(d)(e) If no such application is made and the Assessor-Recorder determines that within
the preceding 12 months the full cash value of such property for the assessment year is reduced from
the full cash value of such property for the immediately preceding assessment year by more than $5,000
due to the property has suffered damage or destruction caused by the misfortune or calamity
that may qualify the property owner for relief under this ordinance, the Assessor-Recorder shall
notify the property owner that the property will be reassessed. The Assessor-Recorder shall
assess the property, or reassess it if it has already been assessed, according to the condition
and value immediately after the damage or destruction, and the Assessor-Recorder, if he or
she reassesses the property, shall transmit to the Assessment Appeals Board a description of
the property so reassessed, the name of the person making application in connection with the
property, if any, or the name of the property owner notified of the reassessment and the value
of the property as so reassessed. Upon such notice as it may find to be proper, the
Assessment Appeals Board shall equalize any such assessment or reassessment.

(e) As used in this Section, "damage" includes property which has diminished in value as a
result of restricted access to the property where such diminution in value was caused by the misfortune
or calamity.

(f) The tax rate fixed for property on the roll on which the property so reassessed appeared at
the time of the misfortune or calamity, shall be applied to the amount of the reassessment as determined
in accordance with this section and the assessee shall be liable for: (1) a prorated portion of the taxes

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that would have been due on the property for the current fiscal year had the misfortune or calamity not
occurred, to be determined on the basis of the number of months in the current fiscal year prior to the
misfortune or calamity: plus, (2) a proration of the tax due on the property as reassessed in its
damaged or destroyed condition, to be determined on the basis of the number of months in the fiscal
year after the damage or destruction, including the month in which the damage was incurred. For
purposes of applying the preceding calculation in prorating supplemental taxes, the term "fiscal year"
means that portion of the tax year used to determine the adjusted amount of taxes due pursuant to
subdivision (b) of Section 75.41. If the damage or destruction occurred after January 1 and before the
beginning of the next fiscal year, the reassessment shall be utilized to determine the tax liability for the
next fiscal year. However, if the property is fully restored during the next fiscal year, taxes due for that
year shall be prorated based on the number of months in the year before and after the completion of
restoration.

(f) The tax rate fixed for property on the roll on which the property so reassessed appeared at
the time of its original assessment shall be applied to the amount of the reassessment determined in
accordance with this Section. In the event that the resulting figure is less than the tax theretofore
computed, the tax shall be determined as follows:

1. With respect to property on the secured roll a prorated portion of the tax due on the property
as originally assessed at the rate established for property on the secured roll for the current fiscal year,
such proration to be determined on the basis of the number of months in the year during which the
property was in an undamaged condition plus a proration of the tax due on the property as reassessed
in its damaged or destroyed condition at the rate established for property on the secured roll for such
fiscal year, such proration to be determined on the basis of the number of months in the year in which
the property was in a damaged condition, including the month in which the damage was incurred.
2. With respect to property on the unsecured roll, he or she shall be liable for a prorated portion of the tax computed on the original assessment of the property and a prorated portion of the tax computed on the reassessment of the property as determined in the preceding paragraph.

(g) Any tax paid in excess of the total tax due shall be refunded to the taxpayer pursuant to Chapter 5 (commencing with Section 5096) of Part 9 of Division 1 of the Revenue and Taxation Code of the State of California, as an erroneously collected tax or by order of the Board of Supervisors without the necessity of a claim being filed pursuant to Chapter 5.

(h) The assessed value of the property in its damaged condition, as determined pursuant to subdivision (b) compounded annually by the inflation factor specified in subdivision (a) of Section 51, shall be the taxable value of the property until it is restored, repaired, reconstructed or other provisions of the law require the establishment of a new base year value.

If partial reconstruction, restoration, or repair has occurred on any subsequent lien date, the taxable value shall be increased by an amount determined by multiplying the difference between its factored base year value immediately before the calamity and its assessed value in its damaged condition by the percentage of the repair, reconstruction, or restoration completed on that lien date.

(i)(i) When the property is fully repaired, restored, or reconstructed, the Assessor-Recorder shall make an additional assessment or assessments in accordance with subparagraph (A) or (B) upon completion of the repair, restoration, or reconstruction:

(A) If the completion of the repair, restoration, or reconstruction occurs on or after January 1, but on or before May 31, then there shall be two additional assessments. The first additional assessment shall be the difference between the new taxable value as of the date of completion and the taxable value on the current roll. The second additional assessment shall be the difference between the new taxable value as of the date of completion and the taxable value to be enrolled on the roll being prepared.
(B) If the completion of the repair, restoration, or reconstruction occurs on or after June 1, but
before the succeeding January 1, then the additional assessment shall be the difference between the
new taxable value as of the date of completion and the taxable value on the current roll.

(2) On the lien date following completion of the repair, restoration, or reconstruction, the
Assessor-Recorder shall enroll the new taxable value of the property as of that lien date.

(3) For purposes of this subdivision, "new taxable value" shall mean the lesser of the property's
(A) full cash value, or (B) factored base year value or its factored base year value as adjusted pursuant
to subdivision (c) of Section 70.

(i) The Assessor-Recorder may apply Chapter 3.5 (commencing with Section 75) of Part 0.5 in
implementing this section, to the extent that chapter is consistent with this section.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: Jean H. Alexander
Deputy City Attorney
Ordinance amending Section 10.2-5 of the San Francisco Administrative Code to conform to Section 170 of Chapter 2.5, Part 1, Division 1 of the California Revenue and Taxation Code providing that every assesse of any taxable property, or any person liable for the taxes thereon, whose property was damaged or destroyed, without his or her fault, by a misfortune or calamity, may apply for reassessment of that property; specifying the nature of the damage or destruction required to be eligible for reassessment; and also specifying that the Assessor-Recorder may initiate the reassessment where the Assessor-Recorder determines that within the preceding 12 months taxable property located in the County was damaged or destroyed, for the purpose of providing property tax relief to residents of the City and County of San Francisco.

January 10, 2006  Board of Supervisors — PASSED ON FIRST READING
  Ayes: 10 - Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval  
  Excused: 1 - Alioto-Pier

January 17, 2006  Board of Supervisors — FINALLY PASSED
  Ayes: 10 - Alioto-Pier, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval  
  Excused: 1 - Ammiano
I hereby certify that the foregoing Ordinance was FINALLY PASSED on January 17, 2006 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Date Approved

Mayor Gavin Newsom