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

Section 1. Findings.

(a) The Assessor may in her discretion recommend that the Board authorize a reward for information that leads to the detection of property taxes that were underpaid due to a change of ownership that was not reported as required by law.

(b) On November 20, 2012, the Assessor was notified by Mr. Charles Scoble that the property located at 1445 10th Avenue, Assessor's Parcel No. 14-1843-007, had been improperly excluded from reassessment because the transferor and the transferee did not qualify for a parent-child exclusion under California Revenue and Taxation Code Section 63.1, which excludes certain property transfers between parents and children from property tax change in ownership.

(c) The information Mr. Scoble gave the Assessor enabled her staff to investigate and discover that the documents filed with the Office of the Assessor-Recorder in November 2001 erroneously stated that the transfer occurring on November 7, 2001 was to “terminate a
co-signor" and was a transfer from parent to child. Upon further review, the transferor and transferee were not eligible for any exclusion from reassessment.

(d) Following Mr. Scoble’s notification to the Assessor and the staff investigation of the transfer, the Assessor reassessed the property as of November 7, 2001, and established a new base year value of $695,000. The Assessor issued a Supplemental Assessment for 2001, and Escape Assessments for the years 2002 - 2013. The transferee filed assessment appeal applications (#2013-3131 through 2013-3143) to contest the reassessment and the base year value. The Assessment Appeals Board ruled that a change in ownership occurred on November 7, 2001 that did not qualify for the parent-child exclusion, and upheld the escape assessments for years 2010, 2011, 2012, and 2013. The Assessment Appeals Board also reduced the base year value from $695,000 to $625,000.

(e) The Assessor has concluded that Mr. Scoble did not participate in the erroneous reporting of the transfers, and that he provided information regarding the transfer that the Assessor did not know. The Assessor hereby certifies that the escaped tax assessments for 2010, 2011, 2012 and 2013 have been paid in full, and that Mr. Scoble’s information led to the collection of these additional taxes.

(f) The Assessor recommends that the Board award Mr. Scoble $1,848.17, which is 10% of the amount of collected taxes eligible for an award.

(g) The City has had a “real estate watchdog” program, previously codified at Administrative Code Sections 10.177-2 and 10.177-3, by which the Assessor could recommend to the Board of Supervisors that it provide a monetary reward to a person for providing information leading to the detection of an underpayment of property tax. Pursuant to subsection (e) of Section 10.177-2, that program sunsetted in April 2016 and thereby expired by operation of law. Nevertheless, the Assessor retains the inherent power to recommend to the Board that a person receive such a reward, and the Board has the inherent

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power to accept the recommendation. In this case, the Assessor's recommendation, as stated in subsection (e) of this ordinance, is consistent with all the criteria for and all the limitations on such rewards as set forth in the sunsetting Code provisions. Further, as stated in subsections (b) and (c) of this ordinance, Mr. Scoble provided the information to the Assessor that is the basis for the Assessor's determination that an unreported change in ownership had occurred, when Administrative Code Sections 10.177-2 and 10.177-3 were still in effect.

(h) It serves a public purpose, and is in the public interest, to adopt the Assessor's recommendation and award Mr. Scoble $1,848.17.

Section 2. The Board hereby approves the Assessor's recommendation that the City and County of San Francisco pay Mr. Charles Scoble a reward of $1,848.17 for information that led to the collection of property taxes from an unreported change of ownership. The Controller shall pay Mr. Scoble a $1,848.17 reward from the City's general fund.

Section 3. Source of Funds:
Fund 1G AGF AAA, Index Code 025006 - $1,848.17.

Section 4. Effective Date. This ordinance shall become effective upon enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.
Ordinance approving Assessor's recommended reward of $1,848.17 to Charles Scoble for information that led to detection of underpayment of property tax from an unreported change in ownership.

July 21, 2016 Government Audit and Oversight Committee - RECOMMENDED

August 02, 2016 Board of Supervisors - PASSED, ON FIRST READING
   Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

September 06, 2016 Board of Supervisors - FINALLY PASSED
   Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 160551

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/6/2016 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

9/14/2016

Date Approved