

# 2005-2006 Annual Report

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**Santa Clara County Assessor's Office**  
Assessment Roll Information Inquiry

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1886, \$ 105,686.75  
\$ 23,402.25  
1886, \$ 82,284.50  
day of September 1886  
*J.M. Pitman*  
County Auditor.

Search by Assessor Parcel Number By \_\_\_\_\_ Deputy \_\_\_\_\_

\_\_\_\_\_ Chairman Board of Supervisors,  
\_\_\_\_\_ District Attorney of said County,  
\_\_\_\_\_ Auditor of said County, hereby

Assessor Parcel Number (APN): \_\_\_\_\_ day of September 1886, we counted the \_\_\_\_\_  
y, pursuant to law, and found therein, to wit:

Gold, - - -	\$ <u>80,080.00</u>
Silver, - - -	\$ <u>771.30</u>
Currency, - - -	\$ <u>975.</u>
State Warrants, -	\$ <u>558.</u>
Total, - - -	\$ <u>82,284.50</u>

Witness our hands and the date above written.

• Search

*J.W. Ayres*  
Chairman Board of Supervisors.  
*Howell G. Moore*  
District Attorney.  
*J.M. Pitman*  
County Auditor.

**NOW**

**THEN**



Office of the County Assessor  
Lawrence E. Stone, Assessor

Bien Abordo Shalini Agrawal Linda Aguilar Gene Almerido Annabelle Alquiza Oscar Amaya Medel Angel Lisa Ariente Rhonda Armstrong Deborah Atencio Sang Au Tuan Au Anita Badger George Balster Fred Baltazar Mai Bang Patty Barber Vanessa Barkin Jeff Barlow Denise Barry Cynthia Bartolino Michael Bautista Rudy Baya Bart Beckner David Bethel Neeraj Bhardwaj Laura Bird Laynette Blackfield Ray Bramlette Jon Bredeson Yvette Briddell Bev Brown Gloria Brown Linda Brown Charmaine Cabuag Carol Callahan Carlos Cansino Celerina Celeste Jocelyn Champlin Debbie Chavez Conrad Chen Roland Child Bordon Chin Jae Choe Michelle Chou Terry Cisneros Gary Clarke Dick Cloyd Laura Colunga Craig Cooper Sean Cooper Lisa Cortez Maureen Delacruz Elizabeth Diaz Huong Dinh Jim DiTomaso Rosita Dones Ebenezer Sandy Emerson Barry Eng Judy Epstein Rocky Erfe Fe



Fasching Richelle Feldon-Cayol Richard Fisher Geemin Fong Gemma Foster Marie Fuentes Lorna Gabon Nora Galvez Madan Ganti Joseph Garcia David Ginsborg Frank Giordano Bruce Glenday Florlinda Gonzales Manuela Gonzalez Teresa Gonzalez Ken Green Ashok Gupta Sal Gutierrez Gina Hale Ginny Hamley Murray Hartmann Jamie Hill Julius Ho Hollis Holladay Pam Hopkins Angela Huang Chris Hughes Jenny Huynh Nora Huynh Tri Huynh Herb Jubin Judy Junaidy Michael Kang Leslie Kennedy Bob Kinderlehrer David King Joan Kirkpatrick Melissa Kong Sue-ee Lai Fred Lam Sue Lambrecht Peter Lan Tuan Le Gilbert Lee Jack Lee Kristen Leglu Kathy LeGrande Richard Leong Thida (Jen) Lim-Santos Michelle Lockhart Debbie Fraser Louie Melody Luong Joe Machado Bob Madalena Mandapant Bessie Matsuda McCloskey Lyn McLain Karen Mark Medina Rich George Miller



Montenegro Greg Monteverde san Murphy Mary Dam Nguyen Norman Clint Nottingham Josie Ontiveros Richard Osborn Paquiz Eleanor Parker Diane Pedraza Sylvia Pedraza Jyoti Xuanhuong Pham Phu Phan Tony Rao John Recchio Jackie non Rice Carol Rivas Delia Roberts Lisa Rodriguez Rosalez Rebecca Ross Mohit Elizabeth Samaro Suzanne Sandberg Patti Santillanez



Laura Scott Semene Naren Shah Marian Shank Sheridan John Sleeman Mary Solseng Starrett Charlie Stewart Larry Stone Steven Michelle Swanson Donald Iwona Szatkowska Kevin Tan-Thomas Raphael Thomas Tara Jeanette Tonini Cristina Torio Khanh Tran Nicole Tran Alicia Trevino Theresa Trinidad Joy Tsai Pam Umeda Peter van der Pas Susan Vasconcellos Jackie Ventimiglia Ben Victorino Susie Vigilante Gilbert Villareal Susie Wang Kathy Wardell Chris Watts Bob Wellner Jim White David Wierzba Barbara Wilcox Clyde Wong Lisa Wong Andy Wu Lilia Yalong Darleen Yamaki Roger Yamat Laura Yau Will Young Michelle Zaffa Eric Zamudio Gumer Zavala

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Leong Matt Leslie Annie Eileen Lin Sherry Lin David Liu Loennquist Brian Lombard Trinh Luu-Nguyen John Maag Manuel Tracy Martinez Mascardo Eric Cheryl Bob McKibbin Tom McMullen McPherson McPherson Rita Mendoza



Chuck Mirrasoul Theresa Matt Moore Dale Murphy Su-Wayne Nguyen Robert Olivarez Brian O'Neill Vincent Lesley Pak Ed Palacio Lydia Paskert Imelda Pea Rudy Pendse Stephanie Perez Janene Pratt Grace Quilty Regala Marty Reinders Shan-Rivas Carolyn Roberts Sylvain Romeo Rodriguez Manuela Sabherwal Gabriel Sainz Sanchez Tony Sanchez Ford Maria Sarabia Selu Sataraka

Alfredo Walter Senter David Shank Cathy Helen Silva Bertha Soliz Kimberly Steed Marian



Suehiro Marianne Suriaga Sweet Christine Swensen Arika Thomas Christina Thomas Grace Tolentino Chuong Tran Heather Tran

Above are all the permanent employees that contributed to the closing of the 2005-2006 Assessment Roll. The pictured employees are, clockwise, Gloria Brown, Herb Jubin, Gilbert Lee, Jackie Regala, Gumersindo Zavala, and Laura Yau.

# Message from the Assessor

Lawrence E. Stone

Following three years of meager growth, the assessed value of property in Silicon Valley appears to have turned the corner. The majority of the increase in the County's assessment roll is attributed to an increase in both new construction and the number of residential properties that have changed ownership. In contrast, the value of commercial and industrial properties, while stabilizing, has been relatively flat.

The Assessor's Annual Report provides a snapshot of one component of the region's economy through a detailed overview of the 2005-06 assessment roll for Santa Clara County as of January 1, 2005, the lien date.

The annual assessment roll, delivered to the Tax Collector on July 1, 2005, is a valuable resource for budgeting and financial planning by local governmental agencies.

Information in this report reflects all, locally assessed property, both secured and unsecured. The statistical data also distinguishes between business personal property and real property. It summarizes current assessments of the various cities and unincorporated areas, compared to prior years, and illustrates the trend in assessment appeals. Assessments of public utilities are the responsibility of the California State Board of Equalization, and therefore are not included in this report.



## Assessment Growth

The assessed value of property in Santa Clara County increased by \$17.76 billion. The total assessed value, net of institutional exemptions (e.g. church and welfare), was \$240.14 billion, an increase of 7.99% over the previous year. While far short of the record increase of \$26.91 billion just four years ago, it is still a significant improvement. For example, the 2005-06 assessment roll growth is nearly four times as large as last year and exceeds the combined roll growth for the last two years (2.23% in 2004, 3.16% in 2003).

## Current Year Roll Growth\*

(Exclusive of Public Utility Valuations. Values in Billions.)

### 2005-2006 Valuation Changes

Assessment Roll Value Change:	2005-2006	2004-2005	Dollar Change	% Change*
Local Roll before exemptions	\$250.65	\$231.60	\$19.05	8.22%
Less: Nonreimbursable exemptions	(10.51)	(9.22)		
<b>NET LOCAL ROLL VALUE</b>	<b>\$240.14</b>	<b>\$222.38</b>	<b>\$17.76</b>	<b>7.99%</b>

\*Minor discrepancies may occur due to rounding calculations +Percentages based on non-rounded values

Driven by low interest rates, liberal mortgage lending practices and a recovering local economy, assessment increases were recorded in all classes of residential properties including single family homes, condominiums, and multi-family apartments. At the same time, commercial properties, including shopping centers, industrial properties, and research and development campuses have stabilized for the first time in three years. The office building market however continues to languish.

Consistent with the overall market improvement, many of the County's high-technology businesses are once again cautiously investing in their physical plants and equipment. During the previous three years, companies have either retired or extended the useful life of machinery, equipment, computers and fixtures. This year, the net assessed value of all business personal property increased a marginal one-percent, following a 30 percent decline over the previous three years.

Geographically, the growth in the assessment roll was consistent throughout the county with two notable exceptions. Eleven municipal jurisdictions experienced growth greater than the county average. Assessed roll growth in six cities exceeded 10 percent, with Gilroy once again leading at 13.53 percent. This is a direct outcome of significant new construction and the availability of developable land in South Santa Clara County. Two fully developed cities recorded assessment roll growth below the county average. They were Mountain View (5.42%) and Santa Clara (4.05%).

Continuing a four year trend, assessment roll growth in redevelopment agency areas (RDA) has been stagnant. In the County's ten RDA's, the rate of growth was just under three-percent. The two RDA's which recorded the greatest decline were Santa Clara (-10.32%) and Campbell (-4.06%). San Jose's RDA, recorded assessment roll growth of one-percent, a substantial improvement over last year's double digit "negative" rate. There were three notable exceptions. The Milpitas RDA (14.55%), Morgan Hill RDA (8.79%) and the Los Gatos RDA (11.65%), all outperformed the County average.

Assessment roll growth is also important to "basic aid" school districts. A basic aid school district is a district in which the property tax

revenue generated locally exceeds the State's formula for school funding. Consequently, basic aid school districts have more funds at their disposal because of direct access to local property tax revenue. However, the revenue these school districts receive can fluctuate according to changes in the assessed value of property located within each districts' tax rate areas. The basic aid school districts in Santa Clara County include: Campbell Union High School District; Fremont Union High School District; Lakeside Joint Elementary School District; Los Altos Elementary School District; Los Gatos Union Elementary School District; Los Gatos-Saratoga Joint Union High School District; Mountain View-Los Altos Union High School District; Palo Alto Unified School District; Santa Clara Unified School District; Saratoga Union Elementary School District; Sunnyvale Elementary School District. Eleven of California's 67 basic aid school districts are located in Santa Clara County.

### **Role of the County Assessor's Office**

The Assessor's Office is responsible for annually determining the assessed value of all real property and business personal property and equipment within Santa Clara County. Each year, the Assessor's professional staff renders accurate assessments of all secured and unsecured property. The assessment roll, which includes more than 500,000 roll units of real property and business property, is the basis upon which property taxes are levied.

Property taxes, in turn, provide an essential source of revenue to support basic public services provided by schools and local governments. These public institutions form the foundation of our region's quality of life.

### **Factors in Assessment Growth**

Assessment roll growth is a result of several major components.

"Real property" is assessed at fair market value when there is a change in ownership or new construction. The change in assessed value of individual properties reflects the net difference between the prior assessed value and the new market value resulting from the change in ownership or new construction. Reappraisal as a result of new construction includes only the market value added by the new construction.

# Factors Causing Change to the 2005-2006 Assessment Roll

(in Billions)

	Dollar Change	% of Change		Dollar Change	% of Change
Exemptions	\$-1.28	55.2%	Change in ownership*	\$12.48	62.1%
Other Net changes**	-1.04	44.8%	CPI Inflation Factor (2%)	3.90	19.4%
<b>Subtotal, declines in values</b>	<b>-\$2.32</b>	<b>100.0%</b>	New Construction*	2.10	10.4%
			Business Personal Property	0.60	3.0%
			Proposition 8 net change+	1.02	5.1%
			<b>Subtotal, increases in value</b>	<b>\$20.10</b>	<b>100.0%</b>

## Grand Total of Changes to Assessment Roll    \$17.78

+ Reflects those properties that did not establish a new base year value.

\* Net of 2% annual increase

\*\* Changes due to Assessment Appeal Board actions, real property requiring annual reassessment, roll corrections, etc.

Note: A limited portion of new construction is reflected in the change in ownership figures.

Unless a property changes ownership or is subject to new construction, Proposition 13 limits any increase in assessed value to no more than two-percent annually or the California CPI, whichever is lower. Consequently, the assessment roll total significantly less than the fair market value of property in Santa Clara County.

When economic conditions cause a decline in market values, the Assessor is required to reduce the assessment to reflect that decline. If the market value of a property as of the lien date, January 1, 2005, was less than the assessed value, the impacted property owner is entitled to a temporary adjustment in the property assessment. This year, the assessed values for 4,442 properties represent a total reduction of \$9.48 billion from the factored base year assessment roll. By comparison in 1995, the “bottom” of the last major decline in property values, the assessed values of 98,000 properties were temporarily reduced, reflecting a \$5 billion reduction in the assessment roll.

While nearly 3,000 of the 4,442 impacted properties are single-family homes and condominiums, these residential properties account for only 10 percent of the reductions in assessed value. In contrast, commercial and value industrial properties account for 90% of the reductions, equaling \$9 billion.

At the same time, in response to an improving residential real estate market, the assessed values of nearly 20,000 properties were fully restored. The assessed value of these properties was previously reduced consistent with unfavorable market conditions which existed in prior years. In response to an improved residential market, the values of these properties have been restored to their original Proposition 13 factored base year value.

Business personal property, which includes computers, machinery, equipment and fixtures, experienced a slight increase of one-percent, the first increase in several years. Assessed value of business personal property is calculated from property statements filed annually by 55,000 businesses in Santa Clara County.

### Accomplishments

While the local economy has shown signs of modest improvement, State and County governments remain in financial crisis. The improving economy has created an increase in the Assessor’s workload, at the same time budget pressures continue to grow. Last year the Board of Supervisors offered a “golden parachute” to senior employees resulting in the retirement of more than 10 percent of the Assessor’s staff. Despite the increase in workload and corresponding decrease in staff, we did not compromise productivity or performance.

The following are a few of our major accomplishments:

- Completed the annual assessment roll by the deadline mandated by law.
- Returned \$1.15 million of the Assessor's budget to the County general fund.
- Completed 99.1% of real property assessments.
- Completed 99.3% of business personal property assessments and audits.
- Completed 100% of eligible exemptions.
- Continued to enhance the on-line property "look-up" feature on the Assessor's web site ([scc-assessor.org](http://scc-assessor.org)), allowing property owners to access property records any time of the day or night from a convenient location. The site remains among the County's top five most-visited web sites.
- Audited 100% of the 1,109 business accounts required by the California Revenue and Taxation Code,
- Processed 99.98% of recorded deeds
- 128,638 title documents were processed, an increase of 15.6% over the prior year..
- Prepared 47,495 title documents for value determinations, an increase of 30.6% over the prior year.
- Reduced the assessed values of 4,442 properties and restored the factored base year value on 20,301 properties as mandated by law.
- Eliminated the use of an independent contractor to assist with mapping responsibilities by absorbing this responsibility with current County staff.
- Expanded the application of customer satisfaction surveys for all divisions.
- Progressed on the design of a new computer information system, to meet the challenges of the next generation.
- Successfully defended assessed values at the Assessment Appeals Board, retaining approximately 90% of the value at risk.
- Successfully resisted an effort by Chair of the Board of Supervisor's Finance Committee to divert funds previously allocated for property tax administration to other unrelated county functions.
- Commenced a new system allowing large businesses to electronically file Business Property Statements (BPS).

- Increased the number of small businesses that e-file their business property statements to nearly 5,000. Virtually all property statements are now managed electronically.
- Launched a major document-imaging project to electronically image 25 million pages of existing documents.
- Upgraded more than three quarters of all desktop computer units.
- Installed dual computer monitors allowing the improved functional use of scanned images.
- Improved procedures for filing exemption claims.

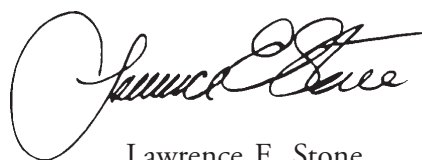
## Trends and Future Goals

The Assessor's Office continues to focus on developing and implementing creative and innovative solutions to improve efficiency and productivity while reducing costs.

Some of the major challenges/opportunities ahead include:

- Replace the 25 year-old legacy computer system with a modern, "state of the art" system that will efficiently meet both immediate and long-term needs.
- Reorganize and consolidate public service responsibilities to improve customer service and office security.
- Beta test a Geographic Information System (GIS) to increase efficiencies for public agencies.

As County Assessor, I will focus attention and resources on continuous improvement initiatives based on quality, service, innovation and accountability. The Assessor's Office contains a group of employees that I believe are among the most talented and dedicated public servants anywhere in government. It is our primary objective to treat all property owners and taxpayers with the highest degree of courtesy and professionalism.



Lawrence E. Stone  
Assessor

## Largest Taxpayers 2003-2004\*

Taxpayer	Taxes Paid*	Taxpayer	Taxes Paid*
1 Intel Corporation	\$14,995,096	6 Hewlett Packard	\$10,879,819
2 Sobrato Development	\$14,881,858	7 Berg & Berg Developers	\$10,396,445
3 Spieker Properties	\$14,730,765	8 Cisco Technology Systems	\$10,319,424
4 Pacific Gas & Electric	\$14,272,867	9 Arrillaga, Perry et al	\$8,851,054
5 SBC California	\$11,569,374	10 Applied Materials	\$8,757,699

\* Ten largest taxpayers on the 2003-2004 secured tax roll  
Source: Santa Clara County Tax Collector, November 2004

## How Tax Bills Are Calculated

After the County Assessor determines the assessed value of all assessable property in Santa Clara County, the County Finance Agency calculates and issues tax bills for each property. Under Proposition 13, the maximum property tax rate is 1% of the property's net taxable value. In addition, the bill will include an amount necessary to make the annual payment on general obligation bonds or other bonded indebtedness imposed by public agencies and approved by the voters.

The property tax revenue collected by the County Tax Collector supports schools (including local elementary, high school and community college districts) and local government agencies including cities, redevelopment agencies, the County, and special districts. The basic

one-percent tax rate is divided among the public taxing agencies in Santa Clara County. During the past year, due to changes in State law, some local governments are receiving a greater, or smaller, share of revenue from property taxes. At the same time, most increases were off-set by reductions in other revenue sources.

The accurate, consistent and fair valuation of property by the Assessor's Office every year creates the foundation that supports the delivery of essential public services provided by local governments. The County Assessor's Office does not calculate taxes, collect taxes or allocate tax revenues. For information regarding the collection and allocation of property taxes, please contact the Tax Collector at (408) 808-7900 or the Controller at (408) 299-5200.

## Santa Clara County Property Tax Revenue Allocation 2004-2005



*The County Assessor's Office does not calculate taxes, collect taxes or allocate tax revenues.*

# The Assessment Roll

The assessment roll is divided into the secured roll (property subject to a lien) and the unsecured roll (property on which the property taxes are not a lien against the real estate where the property is situated, including improvements located on leased land).

Exemption values include homeowner exemptions (reimbursed by the State), and other exemptions for non-profit organizations, including churches, charitable institutions, colleges, hospitals and private and parochial schools (not reimbursed by the State).

Improvements (the value of buildings or structures situated on land) reflect values assessed by both the Real Property Division and the Business Division.

Over the past sixteen years, Santa Clara County's annual roll growth has ranged from more than 15% to less than 1%. The local economy has a significant impact on property transfer transactions and building permit activity. This year changes in property ownership accounted for 62% of the total increase in assessed value over last year's assessment roll. Under Proposition 13, once a base value is established as a result of a change in ownership or new construction, the assessed value of a property can increase by no more than 2% annually based on an inflation factor, tied to the California Consumer Price Index (CPI). Since the implementation of Proposition 13 in 1978, the CPI has been less than 2% five times: in 1983, 1995, 1996, 1999 and 2004.

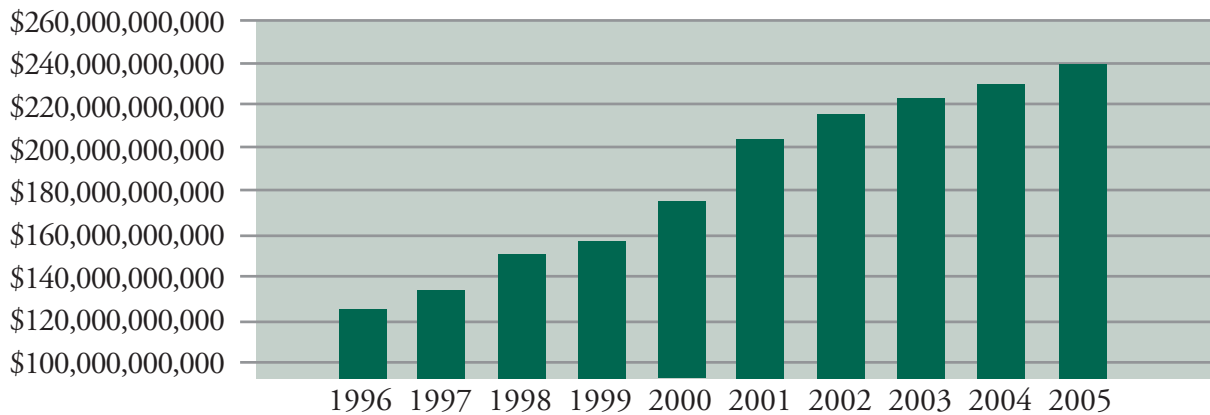
## Assessment Roll Summary

2005-2006 Assessment Roll Compared to 2004-2005 (Exclusive of Public Utility Valuations)

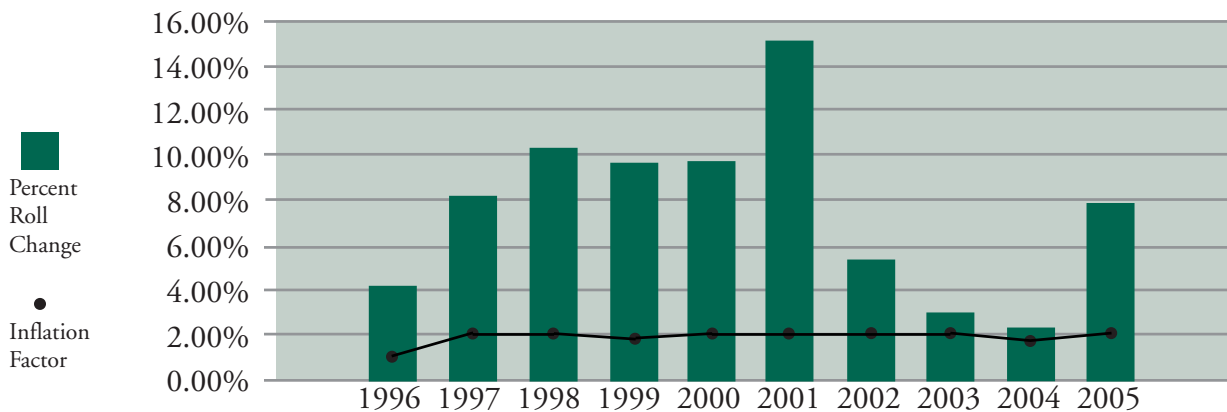
	2005-2006	2004-2005	Difference	Change
Land	\$105,309,540,862	\$94,522,243,576	\$10,787,297,286	11.41%
Improvements (Real Property)	119,045,760,468	111,389,342,875	7,656,417,593	6.87%
Improvements (Business Div)	<u>1,022,205,378</u>	<u>1,197,461,788</u>	<u>-175,256,410</u>	<u>-14.64%</u>
<b>Subtotal</b>	\$225,377,506,708	\$207,109,048,239	\$18,268,458,469	8.82%
Personal Property	\$3,443,395,510	\$3,857,738,609	-\$414,343,099	-10.74%
Mobilehomes	<u>528,675,572</u>	<u>523,520,877</u>	<u>5,154,695</u>	<u>0.98%</u>
<b>Subtotal</b>	\$3,972,071,082	\$4,381,259,486	-\$409,188,404	-9.34%
<b>TOTAL Gross Secured</b>	<b>\$229,349,577,790</b>	<b>\$211,490,307,725</b>	<b>\$17,859,270,065</b>	<b>8.44%</b>
Less: Other Exemptions (sec)	-8,481,982,719	-7,586,378,776	-895,603,943	11.81%
<b>NET SECURED</b>	<b>\$220,867,595,071</b>	<b>\$203,903,928,949</b>	<b>\$16,963,666,122</b>	<b>8.32%</b>
<b>TOTAL Gross Unsecured</b>	<b>\$21,298,015,703</b>	<b>\$20,109,087,003</b>	<b>\$1,188,928,700</b>	<b>5.91%</b>
Less: Other Exemptions (unsec)	-2,023,632,631	-1,636,971,125	-386,661,506	23.62%
<b>NET UNSECURED</b>	<b><u>\$19,274,383,072</u></b>	<b><u>\$18,472,115,878</u></b>	<b><u>\$802,267,194</u></b>	<b><u>4.34%</u></b>
<b>TOTAL Local Roll</b>	<b>\$240,141,978,143</b>	<b>\$222,376,044,827</b>	<b>\$17,765,933,316</b>	<b>7.99%</b>
Homeowners' Exemption	\$1,956,380,186	\$1,945,668,392	\$10,711,794	0.55%



## Ten-Year Assessment Roll Summary



## Percent Change with Inflation Factor



## Ten-Year Assessment Roll Summary

### Santa Clara County History Summary

(Exclusive of public utility valuation, and nonreimbursable exemptions)

Year	Net Local Roll	Change in Value	Percent Change	Inflation Factor*
2005-06	\$240,141,978,143	\$17,765,933,316	7.99%	2.00%
2004-05	\$222,376,044,827	\$4,856,902,557	2.23%	1.87%
2003-04	\$217,519,142,270	\$6,670,743,127	3.16%	2.00%
2002-03	\$210,848,399,143	\$11,022,579,515	5.52%	2.00%
2001-02	\$199,825,819,628	\$26,908,458,506	15.56%	2.00%
2000-01	\$172,917,361,122	\$15,305,178,987	9.74%	2.00%
1999-2000	\$157,569,966,561	\$13,049,052,236	9.03%	1.85%
1998-99	\$144,520,914,325	\$13,703,074,492	10.47%	2.00%
1997-98	\$130,817,839,833	\$10,204,162,100	8.46%	2.00%
1996-97	\$120,613,677,733	\$5,308,809,929	4.60%	1.11%

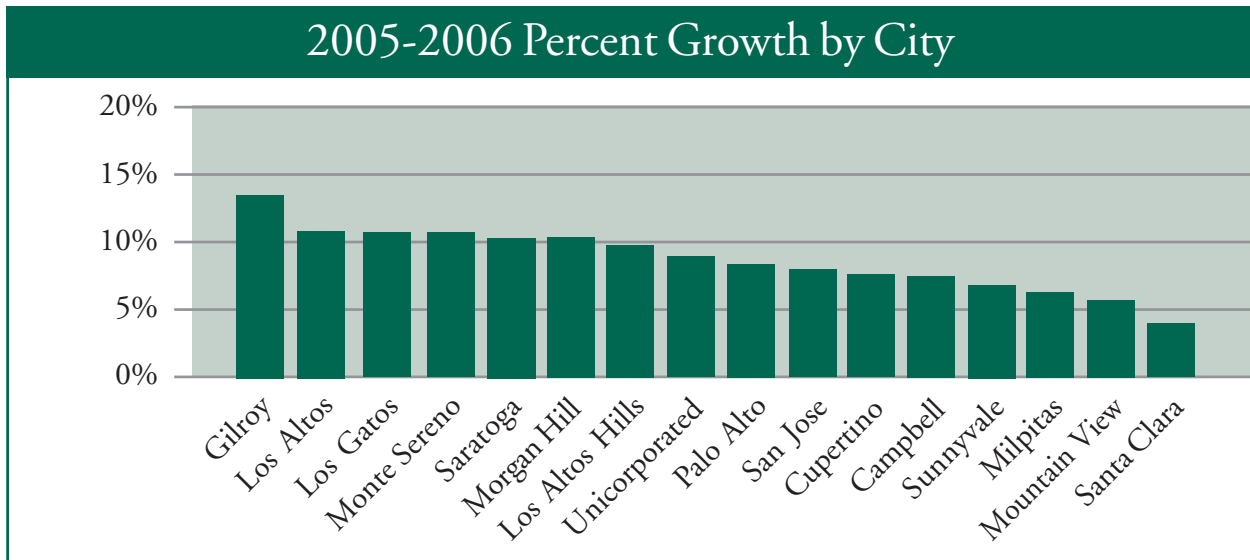
\* Proposition 13 limits the inflation factor for property values to 2% per year or the California Consumer Price Index, whichever is lower.

# Assessment Information by City

Assessment Roll Growth by City				
(Values in Billions, Per Capita in Thousands)				
	Total* Roll 2005	Total* Roll 2004	Percent Growth**	Value Per Capita+
Campbell	\$4.92	\$4.57	7.59%	\$127.97
Cupertino	10.29	9.53	8.04	192.56
Gilroy	5.16	4.55	13.53	108.28
Los Altos	7.05	6.37	10.55	255.15
Los Altos Hills	3.78	3.44	9.89	447.75
Los Gatos	6.44	5.83	10.50	222.31
Milpitas	9.95	9.33	6.67	153.06
Monte Sereno	1.18	1.07	10.48	337.82
Morgan Hill	5.30	4.81	10.14	145.42
Mountain View	11.90	11.29	5.42	165.19
Palo Alto	16.29	15.02	8.47	264.10
San Jose	99.69	92.16	8.17	105.51
Santa Clara	18.81	18.08	4.05	172.41
Saratoga	8.14	7.39	10.15	264.00
Sunnyvale	19.23	17.92	7.29	144.47
Unincorporated	12.01	11.02	8.97	121.95
TOTALS	\$240.14	\$222.38	7.99%	\$136.48

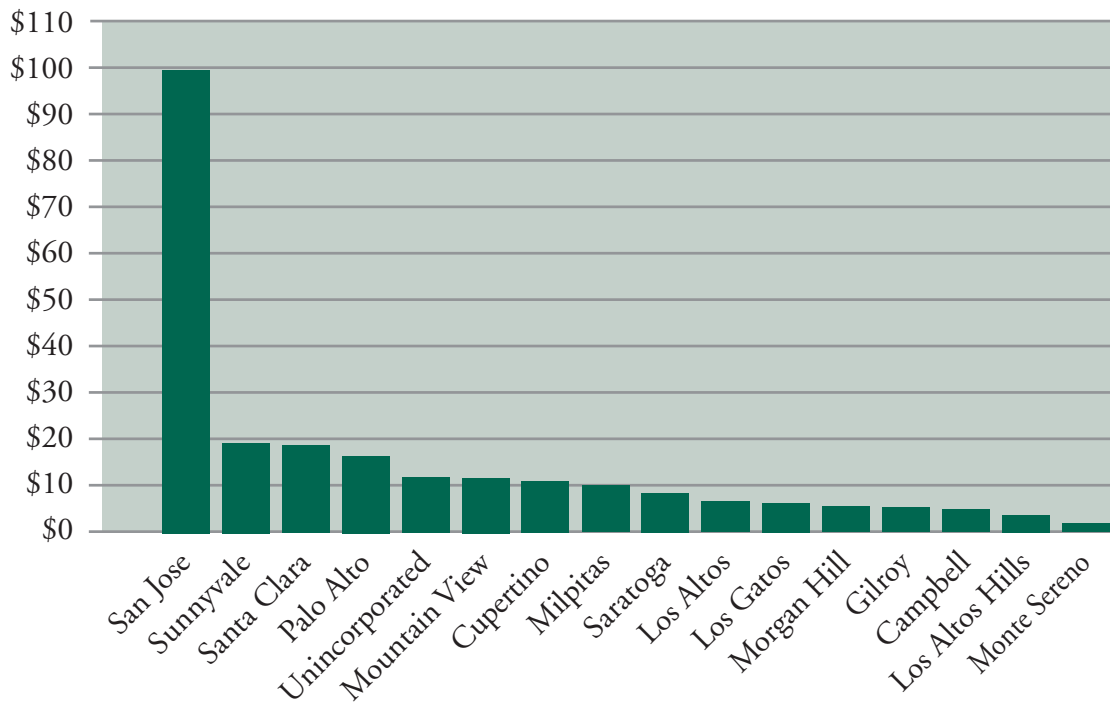
\* Net of nonreimbursable exemptions  
 \*\* Percentages based on non-rounded values  
 + California Department of Finance, County Population Est., May 2005

*Following three years of meager growth, the assessed value of property in Silicon Valley appears to have turned the corner. Compared to last year, this year's roll growth data contained fewer geographic disparities. Gilroy experienced the largest percentage increase in assessed value, 13.53%, while the City of Santa Clara had the lowest increase in assessed value of 4.05%.*



## 2005-2006 Net Assessment Roll Distribution by City

(Values in Billions)



## 2005-2006 Net Assessment Roll by City

(Values in Billions)

	Secured CITY	Secured RDA*	Unsecured CITY	Unsecured RDA*	Total Roll**	Percent of Roll+
Campbell	\$4.16	\$0.50	\$0.18	\$0.08	\$4.92	2.05%
Cupertino	9.83	0.11	0.34	0.01	\$10.29	4.29
Gilroy	4.91	-	0.25	-	\$5.16	2.15
Los Altos	6.97	-	0.08	-	\$7.05	2.93
Los Altos Hills	3.78	-	-	-	\$3.78	1.58
Los Gatos	5.40	0.85	0.14	0.05	\$6.44	2.68
Milpitas	5.24	3.06	0.72	0.93	\$9.95	4.14
Monte Sereno	1.18	-	-	-	\$1.18	0.49
Morgan Hill	2.90	2.16	0.01	0.23	\$5.30	2.21
Mt. View	9.11	1.31	0.71	0.77	\$11.90	4.95
Palo Alto	14.89	-	1.40	-	\$16.29	6.78
San Jose	81.14	11.21	3.52	3.82	\$99.69	41.52
Santa Clara	14.54	1.23	2.31	0.73	\$18.81	7.83
Saratoga	8.10	-	0.04	-	\$8.14	3.39
Sunnyvale	16.16	0.34	2.70	0.03	\$19.23	8.01
Unincorporated	11.78	-	0.23	-	\$12.01	5.00
<b>TOTAL</b>	<b>\$200.09</b>	<b>\$20.77</b>	<b>\$12.63</b>	<b>\$6.65</b>	<b>\$240.14</b>	<b>100.00%</b>

Secured Roll: Property for which taxes become a lien on real property to secure payment of taxes.

Unsecured Roll: Property for which taxes are not a lien on Real Property to secure payment of taxes.

\*RDA: Redevelopment Agency \*\*Net of Nonreimbursable Exemptions +Percentages based on non-rounded values

- Indicates a value of 0 or less than \$10 million

## 2005-2006 Real Property Distribution by City

(Values in Billions)

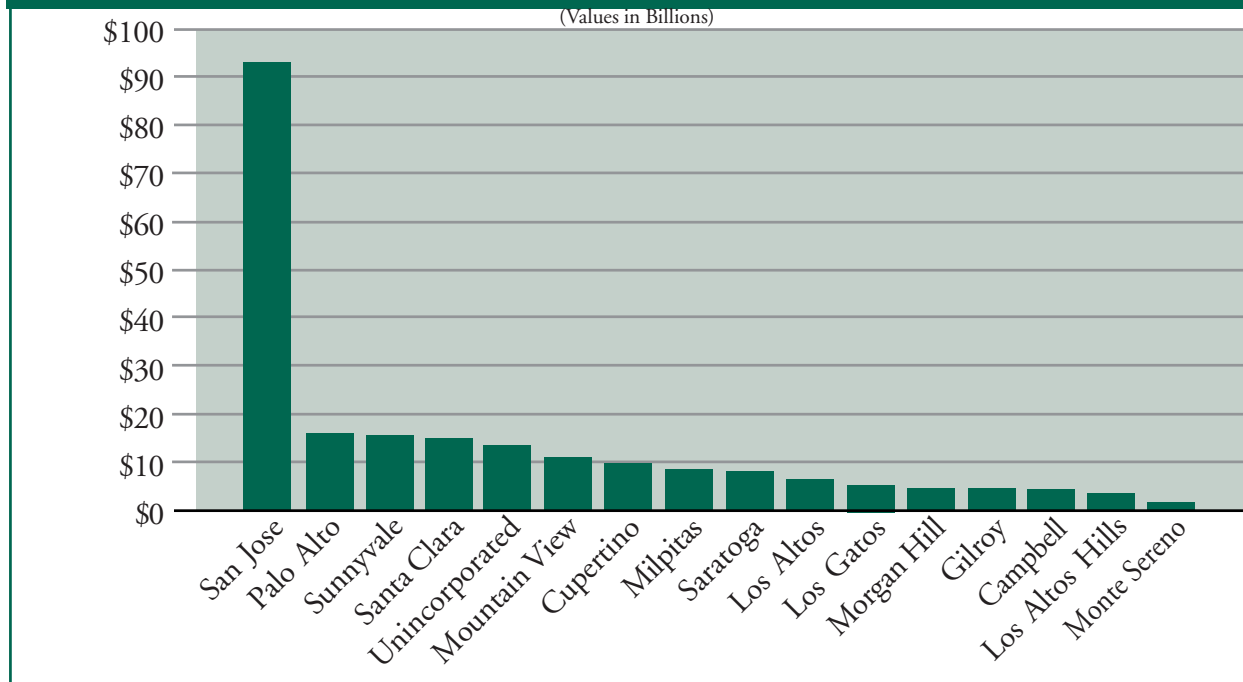
	Land Value	Improvement Value	Total Value	Exemptions*	Net Total	Parcel Count
Campbell	\$2.29	\$2.43	\$4.72	\$0.07	\$4.65	10,846
Cupertino	5.13	4.67	9.80	0.08	9.72	15,945
Gilroy	2.08	2.91	4.99	0.14	4.85	12,051
Los Altos	4.27	2.76	7.03	0.07	6.96	10,641
Los Altos Hills	2.15	1.64	3.79	0.02	3.77	3,044
Los Gatos	3.28	3.09	6.37	0.13	6.24	10,403
Milpitas	3.45	4.88	8.33	0.12	8.21	15,608
Monte Sereno	0.66	0.52	1.18	-	1.18	1,252
Morgan Hill	2.02	3.12	5.14	0.12	5.02	10,313
Mountain View	5.07	5.36	10.43	0.19	10.24	17,864
Palo Alto	7.95	8.30	16.25	1.59	14.66	19,592
San Jose	41.06	52.08	93.14	2.64	90.50	221,167
Santa Clara	6.96	8.39	15.35	0.85	14.50	27,008
Saratoga	4.69	3.54	8.23	0.13	8.10	10,960
Sunnyvale	7.98	8.10	16.08	0.16	15.92	29,589
Unincorporated	6.27	7.25	13.52	1.90	11.62	31,460
<b>TOTAL</b>	<b>\$105.31</b>	<b>\$119.04</b>	<b>\$224.35</b>	<b>\$8.21</b>	<b>\$216.14</b>	<b>447,743</b>

Note: Does not include Mobilehomes; does not include Possessory Interest assessments which are billed as unsecured assessments.

- Indicates a value of 0 or less than \$10 million \*Nonreimbursable Exemptions

## 2005-2006 Real Property Distribution by City

(Values in Billions)



## 2005-2006 Business Personal Property Distribution by City

(Values in Billions)

	Secured * Roll	Unsecured ** Roll	Net Total	Percent of Value	Value % Growth
Campbell	\$0.01	\$0.26	\$0.27	1.12%	8.46%
Cupertino	0.23	0.35	0.58	2.42	0.10
Gilroy	0.06	0.25	0.31	1.29	7.55
Los Altos	-	0.08	0.08	0.35	5.12
Los Altos Hills	-	-	-	0.02	-28.82
Los Gatos	0.03	0.18	0.21	0.87	11.77
Milpitas	0.10	1.65	1.75	7.29	10.81
Monte Sereno	-	-	-	0.01	4.03
Morgan Hill	0.03	0.25	0.28	1.16	2.62
Mountain View	0.17	1.49	1.66	6.90	3.65
Palo Alto	0.23	1.40	1.63	6.79	-0.92
San Jose	1.85	7.34	9.19	38.28	-0.71
Santa Clara	1.27	3.03	4.30	17.93	-1.71
Saratoga	-	0.04	0.04	0.18	7.83
Sunnyvale	.58	2.73	3.31	13.77	4.06
Unincorporated	0.16	0.23	0.39	1.62	-9.40
<b>TOTAL</b>	<b>\$4.72</b>	<b>\$19.28</b>	<b>\$24.00</b>	<b>100.00%</b>	<b>1.01%</b>

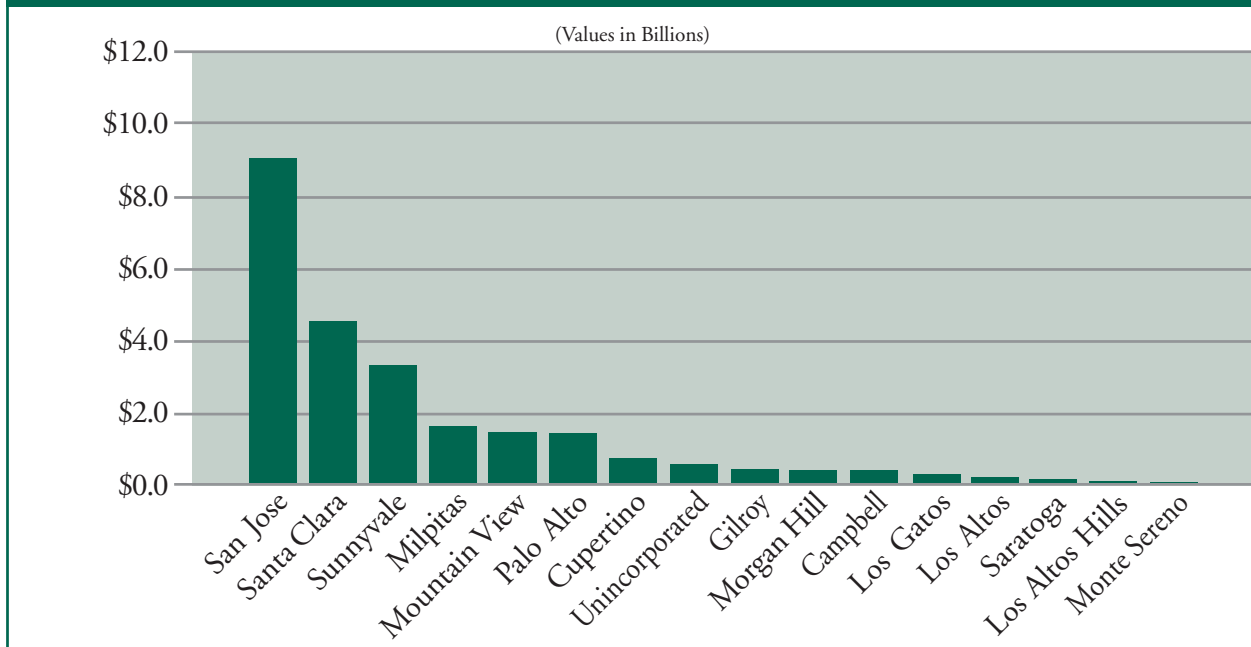
- Indicates a value of 0 or less than \$10 million. As a result, totals of displayed numbers may be off by up to \$10 million.

\* Secured Roll: Property for which taxes become a lien on real property to secure payment of taxes.

\*\* Unsecured Roll: Property for which taxes are not a lien on Real Property to secure payment of taxes.

Net of Nonreimbursable Exemptions; Includes Mobilehomes and Possessory Interest Assessments

## 2005-2006 Business Personal Property Distribution by City



# Proposition 8

The assessed values of 4,442 properties were reduced by the Assessor's Office, as of the lien date January 1, 2005, to reflect changes in market conditions for a total reduction of \$9.48 billion. This represents a 35.98% decline from what would have been the assessed value of these properties had the market value not declined below the Proposition 13 protected assessed value.

The "temporary" reductions in assessed value are mandated by Proposition 8, passed by California voters in November 1978. Proposition 8 provides that property owners are entitled to the "lower" of the fair market value of their property as of January 1, 2005, or the assessed value as determined at the time of purchase or construction, and increased by no more than 2% annually.

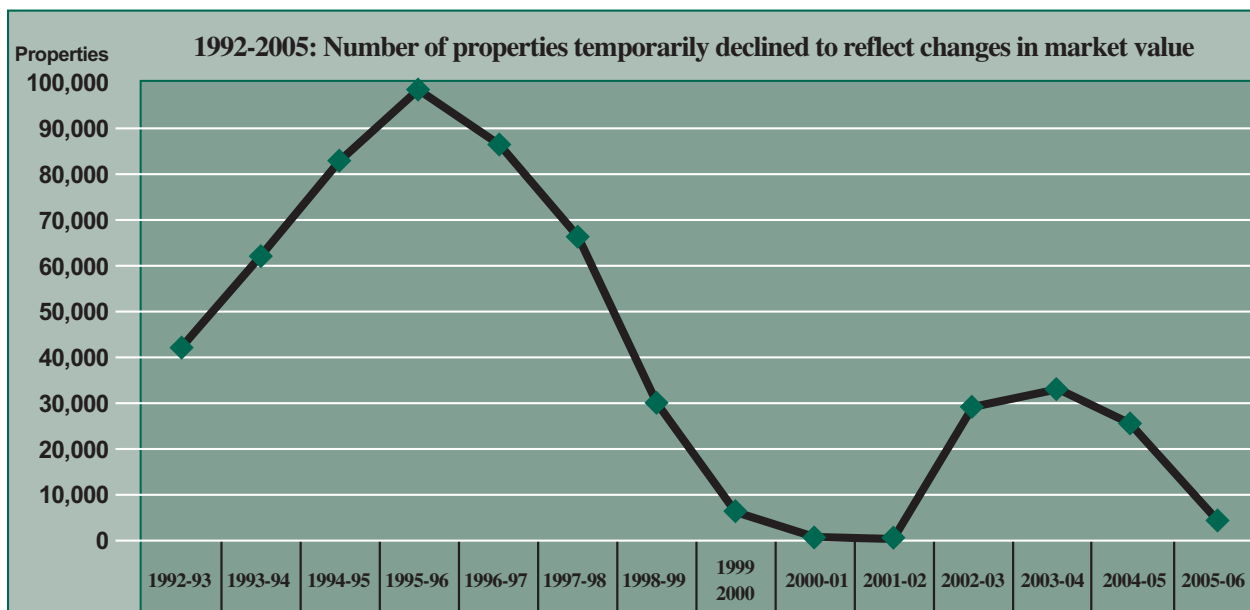
The overwhelming majority of reductions are for properties that were purchased or newly constructed at the 'top of the market.' Properties where the market value exceeds the assessed value as of January 1, 2005 are not eligible for an adjustment.

## 2005-2006 Properties with Temporary Declines by City

(Values in Billions)

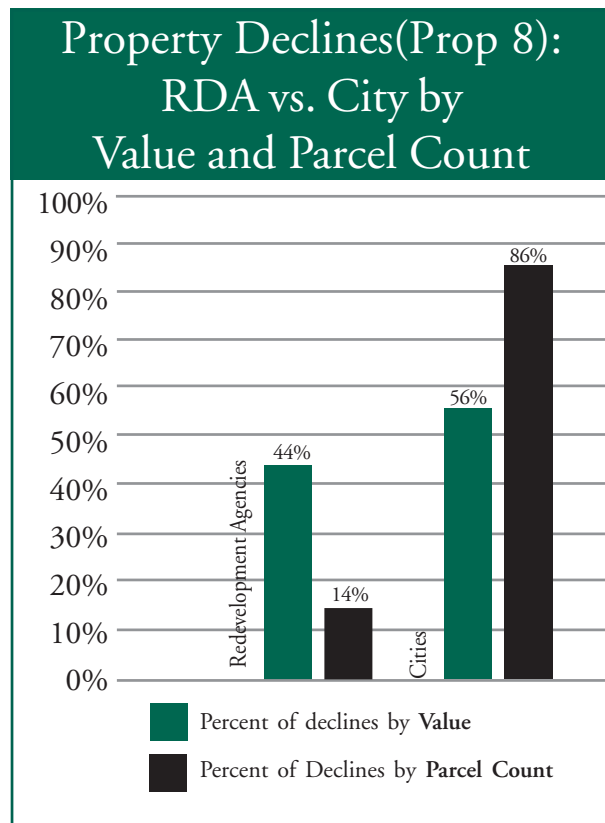
City	Number of Properties	Values Declined*	Percent of Decline**
Campbell	47	\$0.11	29.87%
Cupertino	266	0.27	22.85
Gilroy	59	0.02	25.74
Los Altos	197	0.09	17.99
Los Altos Hills	94	0.11	24.98
Los Gatos	355	0.10	16.98
Milpitas	214	0.84	47.34
Monte Sereno	48	0.02	19.46
Morgan Hill	87	0.08	27.58
Mt View	288	0.93	41.55
Palo Alto	357	0.47	27.20
San Jose	1,115	3.73	39.99
Santa Clara	245	1.22	41.32
Saratoga	423	0.20	18.74
Sunnyvale	364	1.21	38.06
Unincorporated	283	0.08	14.99
<b>Total</b>	<b>4,442</b>	<b>\$9.48</b>	<b>35.98%</b>

\* Represents decline in assessed value had the market value exceeded the proposition 13 protected factored base year value  
 \*\* Percentages based on non-rounded values



# Redevelopment Agencies--40% of all Proposition 8 Reductions in Value

In Santa Clara County there are 8 RDA's. These RDA's accounted for 14% of all Proposition 8 reductions for a total of 625. Yet, those properties accounted for a total reduction of \$4.1 billion, just over 40% of the total decline. Over 90%, occurred in just 3 RDAs: San Jose (\$2.7 billion), Milpitas (\$645 million), and Santa Clara (\$345 million). The other RDA's with reductions were Campbell (\$53.7 million), Los Gatos (\$5.4 million), Morgan Hill (\$72.8 million), Mountain View (\$274.5 million), and Sunnyvale (\$16.5 million).



*...the overall number of residential parcels with Prop 8 reductions declined dramatically from 23,253 in 2004 to 2,962 in 2005. In contrast, non residential parcels, which account for 93% of all Proposition 8 values reductions, remained flat as most of these commercial properties once again received reductions...*

### 2005-2006 Properties with Temporary Declines, Property Type

(Values in Billions)

Property Type	Number of Properties	Values Declined*	Percent of Decline**
Residential	2,962	\$0.68	14.80%
Apartment	150	0.15	16.23
Commercial & Industrial	875	5.95	43.69
Office	271	2.25	40.64
Retail and Hotels	174	0.45	27.14
Agricultural	10	-	51.01
<b>Total</b>	<b>4,442</b>	<b>\$9.48</b>	<b>35.98%</b>

\* Represents decline in assessed value had the market value exceeded the proposition 13 protected factored base year value  
 \*\* Percentages based on non-rounded values

# Exemptions

Homeowners' Exemption is the exemption with which most taxpayers are familiar. Over the last year the number of properties receiving this exemption has increased by nearly 1%.

Qualifying Exemptions				
(Values in Billions)				
Exemption	Roll Units	Total Value	% Value Increase	% of Exempt Value+
Non-Profit Colleges	322	\$4.61	11.36%	37.00%
Homeowners' Exemption**	279,478	1.95	0.55	15.70
Qualifying Low Income Housing	289	2.06	15.02	16.55
Charitable Non-Profit Org.	1,254	1.92	32.40	15.36
Religious Org.	847	0.63	-27.43	5.05
Hospitals	20	0.71	19.45	5.66
Cemeteries	34	0.13	8.31	1.04
Private Schools	100	0.31	138.51	2.47
Misc.	42	0.09	3.93	.73
Veterans	604	0.05	11.10	0.42
Historical Aircrafts	48	-	-3.55	0.02
<b>Total</b>	<b>283,038</b>	<b>\$12.46</b>	<b>11.58%</b>	<b>100.00%</b>
Exemptions not reimbursed by the State	3,560	\$10.51		

These categories include only those non profit organizations that have applied and qualified in accordance with the Revenue and Taxation Code.

\*\* The State reimburses the County for the Homeowners' Exemption.

+ Percentages based on non-rounded values

- Indicates a value of 0 or less than \$10 million

In addition to the homeowners' exemption, there are many other exemptions available to taxpayers. They include charitable non profit organizations, religious institutions and private non-profit colleges. During the last 3 years, the value of exempt properties (non homeowner exempt) have actually increased 45%, more than double the total roll growth during the same period. For example the number of qualifying Private Schools has increased by over 60% and their exempted value has nearly tripled since 2002. Another group of properties in which the exempt value has increased significantly are non-profit Organizations. Last year the value exempted increased 32%, to almost \$2 billion. This accounted for one-third of all increases in values exempted from the assessment roll (excluding homeowner exemptions).

*...Kaiser Foundation Hospitals Inc. qualified for a \$562 million exemption from property taxes and Stanford received an exemption of \$4 billion in assessed value...the second largest exemption in California...*



Passed by the voters in June, 1978, Proposition 13 is an amendment to the California Constitution that limits the assessment and taxation of property in California. It restricts both the tax rate and the rate of increase allowed in assessing real property as follows:

- The property tax cannot exceed 1% of a property's taxable value, plus bonds approved by the voters, service fees, improvement bonds, and special assessments.
- A property's original base value is its 1975-76 market value. A new base year value is established by reappraisal, whenever there is a change in ownership or new construction. Except for change in ownership or new construction, the increase in the assessed value of real property is limited to no more than 2% per year.
- Business Personal property, boats, airplanes and certain restricted properties are subject to annual reappraisal and assessment.
- In the case of real property, the adjusted (factored) base year value is the upper limit of value for property tax purposes.

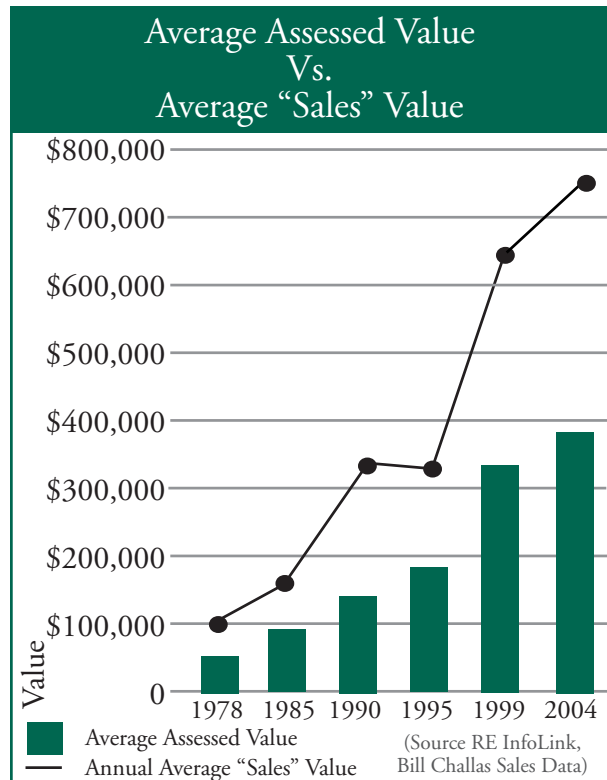
Historically, the market value of real property has increased at a significantly greater rate than the assessed value, which is limited to no more than 2% per year, unless there is a change in ownership or new construction.

The result has been a widening disparity between the market value and assessed value of property in Santa Clara County. Long time property owners benefit from lower assessments while new, and frequently younger property

# Proposition 13

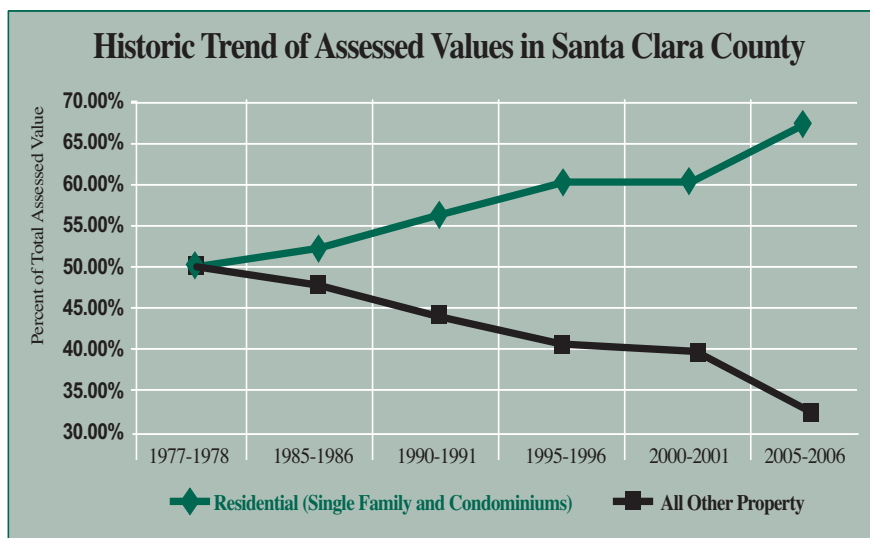
owners, are adversely impacted by assessments that can be as much as ten times greater than that of a comparable property held by the long time owner.

Since the passage of Proposition 13 the average assessed value, compared to average sale prices, of single family residences in Santa Clara County has ranged from 40% in 1978, to 57% in 1995; In 2004, it is 51%.



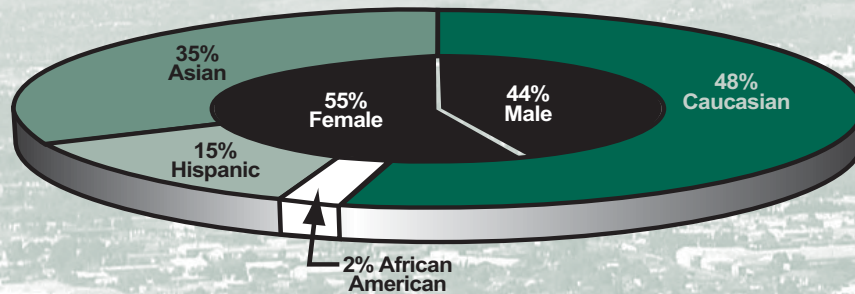
## Historical trend of assessed values in Santa Clara County

The chart compares the contribution by homeowners versus all other real property, such as commercial and industrial properties, to the County's total net assessed value. Since Proposition 13's passage in 1978, assessed values of commercial and industrial secured properties have declined an astounding 17% in proportion to residential properties, a trend consistent with data from other California counties.



# Organizational Overview of

## Staff Composition



Asse

Assistant

## Assessment Standards & Services

### Division Description

Responsible for locating and identifying ownership and reappraisability on all taxable real property. In addition, professional staff members monitor assessment appeal information; process legal appeals; maintain and update assessment maps; manage the public service center and oversee quality control.

### Staff Composition

A majority of the 51 staff members of the Assessment, Standards and Services Division possess expert knowledge in cartography and/or the legal complexities of property transfers. In addition, two staff members are certified by the State Board of Equalization, one as an appraiser and another as an advanced appraiser.

Major Accomplishments	2005/2006	2004/2005
Ownership Title Documents processed	128,638	112,292
Change in Ownership Reviewed (reassessable events)	43,139	34,869
Parcel Number Changes (split & combinations)	5,171	3,289

## Real Property

### Division Description

Responsible for valuing and enrolling all taxable real property (land and improvements). The Division provides assessment-related information to the public, and cooperates with other agencies regarding assessment and property tax-related matters.

### Staff Composition

Sixty-two of the ninety-four staff positions are professional appraisers certified by the State Board of Equalization. Forty-six of those appraisers hold advanced certificates issued by the SBE.

Major Accomplishments	2005/2006	2004/2005
Real Property Parcels (secured; taxable)	447,743	443,706
Permits Processed	26,090	24,413
New Construction Appraised	13,059	11,442
Proposition 8 Parcels (temporary reductions)	4,442	24,743
Change in Ownership Assessed (reassessable events)	42,996	34,586

# the County Assessor's Office

Assessor

Assessor

**Office Mission.** The mission of the Santa Clara County Assessor's Office is to produce an annual assessment roll including all assessable property in accordance with legal mandates in a timely, accurate, and efficient manner; and provide current assessment-related information to the public and to governmental agencies in a timely and responsive way.

## Administration Division

### Division Description

Responsible for providing administrative and fiscal support services to the Assessor's Office; including budget, personnel, payroll, purchasing, facilities management and internal/external communications.

### Staff Composition

A staff of 10, includes the Assessor, Assistant Assessor and the Deputy to the Assessor. Two are certified appraisers and one is an advanced appraiser certified by the SBE.

Assessor's Budget	<b>2005/2006</b>	<b>2004/2005</b>
	\$21,450,569	\$21,389,927
Employees In the Assessor's Office	242	242
Staff Funded by State Performance Grant (PTAP)	58	40

## Information Systems Division

### Division Description

Responsible for supplying systems support to all other divisions in the pursuit of preparing and delivering the secured, unsecured, and supplemental assessment rolls.

### Staff Composition

The 9 member staff has a broad knowledge of advanced computer systems and includes an SBE certified advanced appraiser.

## Exemption Division

### Division Description

Responsible for approving and enrolling all legal property tax exemptions. Homeowner exemptions and other constitutional exemptions are compiled and applied to the supplemental and the secured and unsecured assessment rolls.

### Staff Composition

The 11 staff members are skilled in property tax exemptions law.

### Division Description

Responsible for locating, valuing and enrolling all taxable business personal property including property (owned and leased) such as computers, supplies, machinery and equipment as well as mobilehomes, airplanes and boats. Last year the Division completed 1,109 business audits. The Division is responsible for administration of assessment appeals involving business personal property. Businesses with personal property valued in excess of \$400,000 are audited once every four years, which accounts for over 88% of all personal property in the County.

### Staff Composition

Thirty-nine of the sixty-seven staff members are certified as auditor-appraisers including thirty staff members who have advanced certification awarded by the State Board of Equalization. The staff is comprised of accountants and experts skilled in assessing and auditing high-tech businesses.

Major Accomplishments	2005/2006	2004/2005
Mobilehome Parcels Assessed	9,406	9,264
Business Personal Property (BPP) Assessments Processed	106,020	105,265
Total Business Personal Property Appraisals Enrolled	78,673	78,664
BPP Enrolled on the Secured Roll	11,529	11,707

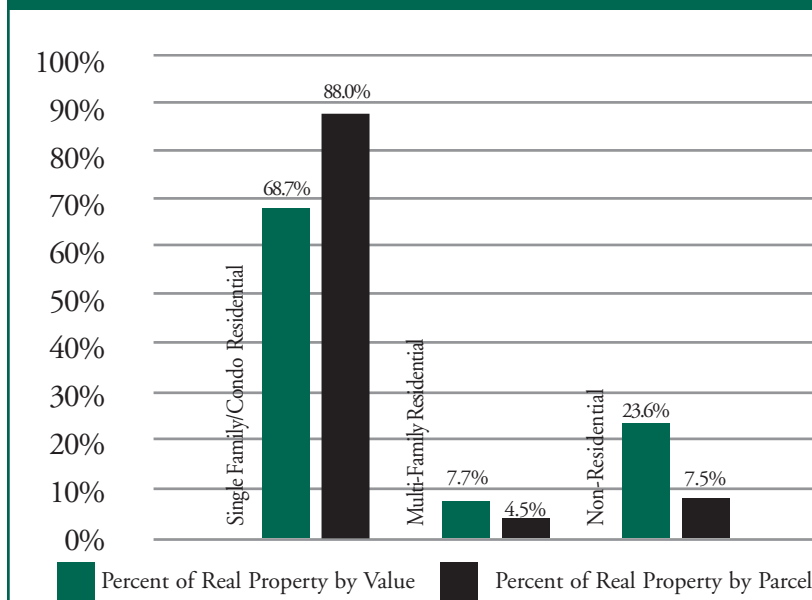
## 2005-2006 Real Property Distribution of Value by Property Type

Property Type	Value* (In Billions)	Value Growth	Value % Percentage	Parcel Count	Parcel Percentage+
Single Family Detached	\$128.33	10.83%	59.37%	325,776	72.76%
Condominiums	20.11	15.39	9.30	68,228	15.24
Office	11.03	-1.82	5.10	4,457	1.00
Apartments 5+ units	11.50	6.19	5.32	4,799	1.07
R&D Industrial	6.89	-0.37	3.19	688	0.15
Other Industrial					
Non-Manufacturing	8.06	0.35	3.73	3,885	0.87
Specialty Retail & Hotels	7.30	4.56	3.38	6,087	1.36
Other Urban	4.27	11.04	1.97	7,760	1.73
Electronic & Machinery Mfg.	3.93	0.23	1.82	461	0.10
Single Family 2-4 units	5.12	12.79	2.37	15,266	3.41
Major Shopping Centers	4.32	7.53	2.00	827	0.18
Other Industrial					
Manufacturing	2.88	0.34	1.33	1,729	0.39
Agricultural	1.55	9.97	0.72	6,310	1.41
Public & Quasi-Public	0.79	5.93	0.37	1,261	0.28
Residential Misc.	0.06	5.16	0.03	209	0.05
<b>Totals</b>	<b>\$216.14</b>	<b>8.82%</b>	<b>100.00%</b>	<b>447,743</b>	<b>100.00%</b>

+ Percentages based on non-rounded values

\* Net of Nonreimbursable Exemptions; Does not include Mobilehomes; Does not include Possessory Interest assessments which are billed as unsecured assessments.

## 2005-2006 Real Property Types by Value and Parcel Count



Although nearly nine out of ten parcels of real property in Santa Clara County are single family residences, those parcels represent just over two-thirds of the total assessed value of all real property. Non-residential real property, including commercial, industrial and agricultural properties, account for nearly one-third of the assessed values while constituting less than 12% of all parcels.

*...the largest home in Santa Clara County is 18,133 square feet and the net assessed value is \$12 million. In contrast, the home with the highest net assessed value is \$28 million and is 14,855 square feet...*

## Major New Construction\* 2005-2006

(Assessed Values in Millions)

Company (Assessee)	Property Type	City	Net Value+
Stanford University	Residential Care Facility	Palo Alto	\$100.27
Irvine Community Devel. Co	Apartments	San Jose	\$70.17
Odd Fellows Home of Calif.	Apartments	Saratoga	\$43.90
Avignon Apartments LLC	Apartments	San Jose	\$32.57
Evans Lane Apts LP	Apartments	San Jose	\$32.33
Branham Lane Apt Assocs LP	Apartments	San Jose	\$28.68
Mansion Grove South	Apartments	Santa Clara	\$26.09
Lenzen Associates LLC	Apartments	San Jose	\$21.77
Flora Vista Residential	Apartments	Santa Clara	\$19.18
Sobrato Interests II	Apartments	Sunnyvale	\$17.58

\* Income Generating Properties only, includes partial or completed construction  
 + Assessed Value of New Construction only (Net Change in Assessed Value)

## Major Changes in Ownership\* 2005-2006

(Assessed Values in Millions)

Company (Assessee)	Property Type	City	Total Value
Fr Westgate Mall LLC	Regional Shopping Center	San Jose	\$95.95
Vallco Intl. Shopping Center LLC	Regional Shopping Center	Cupertino	\$70.30
Carramerica Realty	High Rise Office	Santa Clara	\$60.06
Global Lafayette St LLC	R & D	Santa Clara	\$60.00
Newport Beach N LLC	Apartments	San Jose	\$60.00
Prudential Insurance Co	R & D	Milpitas	\$59.34
Westcore Vasona LLC	R & D	Campbell	\$52.83
160 West Santa Clara Office Inc	High Rise Office	San Jose	\$52.80
CDC Sunnyvale LP	R & D / Office	Sunnyvale	\$51.00

\* Income Generating Properties only.  
 Includes only properties with 100% change in ownership.

# Appraising and Assessing: Is There a Difference?

Yes. An appraisal is the process of estimating value. Most taxpayers assume the market place exclusively determines a property's assessment. However, the market value may be only one component in the process of determining the property's assessed value. While at least one of the three approaches to value, (1) market, (2) income, and (3) cost, is always considered in the appraisal of a

property, the Assessor is required to incorporate additional factors when determining when and how to assess property under State law. Frequently, court decisions, laws, and rules promulgated by the State Legislature and State Board of Equalization amend the assessment process, and redefine what, when and/or how the Assessor must determine the assessed value of a property.

# Business Personal Property

Assessed values of business personal property are determined from the business property statements filed with the Assessor annually by almost 55,000 businesses in Silicon Valley. Consistent with the overall improvement in the marketplace, many of the County's high-technology businesses are once again cautiously investing in their physical plants. For the first time in 3 years the assessed value of business property actually increased, albeit by only 1%. In Santa Clara County, the assessed value of business property represents 10% of the entire assessment roll. Statewide, unsecured business property accounts for approximately 6% of the total assessment roll. While Santa Clara County ranks sixth in population, and has historically ranked fourth in total assessed value, it is second only to Los Angeles in the assessed value of business personal property.

## 2005-2006 Business Personal Property Distribution of Value by Type

(Values in Billions)

Property Type	Secured*	Unsecured**	Total***	% of Value+	Value % Growth
Professional Services	\$0.46	\$5.03	\$5.49	22.88%	3.36%
Electronic Manufacturing	1.07	4.16	5.23	21.76	-2.10
Other Manufacturing	0.60	2.09	2.69	11.21	1.99
Computer Manufacturing	0.76	1.83	2.59	10.78	-1.94
Semiconductor Manufacturing	1.21	0.98	2.19	9.13	2.39
Retail	0.05	1.52	1.57	6.54	9.02
Other	0.02	1.30	1.32	5.50	2.80
Audit Escapes	-	0.95	0.95	3.97	15.35
Leased Equipment	-	0.81	0.81	3.37	-15.42
Mobilehomes	0.53	-	0.53	2.20	0.98
Aircraft	-	0.42	0.42	1.76	-6.92
Financial Institutions	-	0.09	0.09	0.39	0.15
Boats	-	0.06	0.06	0.26	-2.21
Apartments	0.02	0.04	0.06	0.25	5.25
<b>TOTAL</b>	<b>\$4.72</b>	<b>\$19.28</b>	<b>\$24.00</b>	<b>100.00%</b>	<b>1.01%</b>

\* Secured Roll: Property for which taxes become a lien on real property to secure payment of taxes.  
 \*\* Unsecured Roll: Property for which taxes are not a lien on Real Property to secure payment of taxes.  
 \*\*\* Net of Nonreimbursable Exemptions, includes Possessory Interest Assessments valued by Real Property Division.  
 + Percentages based on non-rounded values.  
 - Indicates a value of 0 or less than \$10 million. As a result, totals of displayed numbers may be off by up to \$10 million.

Below are the top 25 companies in Santa Clara County as of the lien date, January 1, 2005, ranked by the gross assessed taxable value of their "business property" which includes personal property, machinery, equipment and fixtures. Ranging in size from over \$100 million to just over \$1.5 billion dollars, the "business property" of the top 25 companies is assessed annually. [Note: The ranking does not include the assessed value of real property.]

## 2005-2006 Top 25 Companies\* (last year's ranking)

1 Cisco Systems (1)	10 IBM (8)	19 Comcast of California II (21)
2 Intel (2)	11 Legacy Partners Commercial (18)	20 Headway Technologies (20)
3 Applied Materials (3)	12 Agilent Technologies (13)	21 Google
4 Lockheed Martin (5)	13 American Airlines (10)	22 Seagate Technology (16)
5 Hewlett Packard (4)	14 Novellus Systems (11)	23 Microsoft (19)
6 Hitachi Global Storage (6)	15 Maxim Integrated Products (12)	24 Space Systems Loral (17)
7 Sun Microsystems (7)	16 Alza (15)	25 Apple Computer
8 Spansion	17 Southwest Airline Co.	
9 KLA Tencor (9)	18 EeBay (24)	

\* Ranked by the gross assessed taxable value of their "business personal property"

## Bay Area Counties 2005-2006 Secured, Unsecured and Total Assessment Roll

County	Unsecured roll	Secured roll	Total gross roll	Percent increase over prior year
Alameda	\$10,871,919,072	\$156,137,122,098	\$167,009,041,170	9.22%
Contra Costa	4,432,258,484	126,468,984,000	130,901,242,484	10.66
Marin	1,488,336,855	45,046,451,147	46,534,788,002	8.78
Monterey	1,859,927,888	41,255,110,545	43,115,038,433	10.96
Napa	805,664,982	20,769,444,001	21,575,108,983	11.04
San Benito	198,438,872	5,605,314,689	5,803,753,561	9.10
San Francisco	7,240,353,035	106,729,794,172	113,970,147,207	6.89
San Mateo	8,525,498,505	107,159,410,026	115,684,908,531	7.86
<b>Santa Clara</b>	<b>21,298,015,703</b>	<b>229,349,577,790</b>	<b>250,647,593,493</b>	<b>8.22</b>
Santa Cruz	792,922,366	27,574,308,871	28,367,231,237	9.76
Solano	1,560,714,346	36,326,234,480	37,886,948,826	12.32
Sonoma	\$2,350,816,447	\$55,278,042,041	\$57,628,858,488	9.66%

*Although Santa Clara County is the sixth most populous, and has the fourth highest assessment roll, it consistently ranks second in the State in the assessed value of business personal property.*

## Most Populous 15 California Counties (ranked by population) 2005-2006 Gross Secured, Unsecured and Total Assessment Roll

County	Unsecured roll	Secured roll	Total gross roll	Percent increase over 2004-2005
1 Los Angeles	\$43,964,996,986	\$811,839,995,302	\$855,804,992,288	9.58%
2 Orange	18,192,327,854	337,402,997,865	355,595,325,719	9.66
3 San Diego	12,841,438,371	306,582,036,524	319,423,474,895	13.34
4 San Bernardino	7,636,099,056	122,130,379,998	129,766,479,054	14.52
5 Riverside	6,316,569,081	161,287,718,795	167,604,287,876	19.59
<b>6 Santa Clara</b>	<b>21,298,015,703</b>	<b>229,349,577,790</b>	<b>250,647,593,493</b>	<b>8.22</b>
7 Alameda	10,871,919,072	156,137,122,098	167,009,041,170	9.22
8 Sacramento	4,479,275,816	104,848,949,177	109,328,224,993	14.72
9 Contra Costa	4,432,258,484	126,468,984,000	130,901,242,484	10.66
10 Fresno	2,415,695,898	44,166,488,175	46,582,184,073	10.16
11 Ventura	3,739,290,302	83,734,806,106	87,474,096,408	10.40
12 San Francisco	7,240,353,035	106,729,794,172	113,970,147,207	6.89
13 Kern	2,411,094,850	53,029,946,386	55,441,041,236	16.30
14 San Mateo	8,525,498,505	107,159,410,026	115,684,908,531	7.86
15 San Joaquin	\$2,728,567,545	\$47,986,436,693	\$50,715,004,238	15.08%

# 2005-2006 Gross Secured Assessed Value (AV) and Number of Parcels (APN) and Number of Parcels (APN) by City, Redevelopment Agency (RDA) and Major Property Type (Value in Millions)

	Single Family Housing	Mobilehome	Multifamily Housing	Industrial & Manufacturing	Retail	Office	Agricultural/ Misc.	Total Gross Secured*	Other Exemptions	Homeowner Exemption
<b>Campbell</b>										
City	AV	\$2,871.97	\$2.86	\$541.70	\$173.70	\$287.99	\$237.22	\$4,226.88	\$70.24	\$43.73
	APN	8,966	48	735	130	181	140	10,327	70	6,159
RDA	AV	\$84.93	\$0.08	\$69.30	\$136.58	\$61.10	\$138.39	\$506.84	\$7.50	\$0.93
	APN	215	1	19	172	68	67	568	22	133
Total	AV	\$2,956.90	\$2.94	\$611.00	\$310.28	\$349.09	\$375.61	\$4,733.72	\$77.74	\$44.66
	APN	9,181	49	754	302	249	207	10,895	92	6,292
<b>Cupertino</b>										
City	AV	\$7,046.53	\$0.00	\$690.97	\$780.19	\$300.89	\$872.30	\$9,924.21	\$88.61	\$76.39
	APN	14,677	0	585	76	143	207	15,929	67	10,940
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$93.29	\$0.00	\$106.72	\$0.00	\$0.00
	APN	0	0	0	0	14	0	16	0	0
Total	AV	\$7,046.53	\$0.00	\$690.97	\$780.19	\$394.18	\$872.30	\$10,030.93	\$88.61	\$76.39
	APN	14,677	0	585	76	157	207	15,945	67	10,940
<b>Gilroy</b>										
City	AV	\$3,432.80	\$6.55	\$232.75	\$290.91	\$468.30	\$77.01	\$5,058.46	\$142.04	\$44.28
	APN	10,021	114	530	193	310	102	12,165	86	6,341
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	APN	0	0	0	0	0	0	0	0	0
Total	AV	\$3,432.80	\$6.55	\$232.75	\$290.91	\$468.30	\$77.01	\$5,058.46	\$142.04	\$44.28
	APN	10,021	114	530	193	310	102	12,165	86	6,341
<b>Los Altos</b>										
City	AV	\$6,350.69	\$0.00	\$82.24	\$5.32	\$192.25	\$258.70	\$7,041.88	\$75.54	\$54.81
	APN	9,872	0	96	34	200	288	10,641	60	7,840
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	APN	0	0	0	0	0	0	0	0	0
Total	AV	\$6,350.69	\$0.00	\$82.24	\$5.32	\$192.25	\$258.70	\$7,041.88	\$75.54	\$54.81
	APN	9,872	0	96	34	200	288	10,641	60	7,840
<b>Los Altos Hills</b>										
City	AV	\$3,638.00	\$0.11	\$0.00	\$1.56	\$0.00	\$141.28	\$3,801.71	\$20.76	\$15.34
	APN	2,825	3	0	15	0	204	3,047	13	2,194
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	APN	0	0	0	0	0	0	0	0	0
Total	AV	\$3,638.00	\$0.11	\$0.00	\$1.56	\$0.00	\$141.28	\$3,801.71	\$20.76	\$15.34
	APN	2,825	3	0	15	0	204	3,047	13	2,194
<b>Los Gatos</b>										
City	AV	\$4,503.60	\$2.18	\$233.39	\$81.33	\$128.55	\$237.50	\$5,575.43	\$161.93	\$41.57
	APN	8,044	44	367	59	84	291	9,196	47	5,948
RDA	AV	\$517.86	\$0.00	\$69.81	\$4.89	\$171.81	\$67.37	\$853.74	\$7.41	\$3.87
	APN	878	0	107	8	149	60	1,251	14	554
Total	AV	\$5,021.46	\$2.18	\$303.20	\$86.22	\$300.36	\$304.87	\$6,429.17	\$169.34	\$45.44
	APN	8,922	44	474	67	233	351	10,447	61	6,502
<b>Milpitas</b>										
City	AV	\$3,501.19	\$18.87	\$290.19	\$992.36	\$239.05	\$107.73	\$5,300.19	\$56.21	\$55.45
	APN	11,468	312	342	200	64	170	12,617	59	7,940
RDA	AV	\$1,107.04	\$0.00	\$83.20	\$1,059.58	\$648.48	\$74.89	\$3,128.93	\$72.18	\$12.90
	APN	2,833	0	8	206	140	31	3,303	17	1,847
Total	AV	\$4,608.23	\$18.87	\$373.39	\$2,051.94	\$887.53	\$178.15	\$8,429.12	\$128.39	\$68.35
	APN	14,301	312	350	406	204	255	15,920	76	9,787
<b>Monte Sereno</b>										
City	AV	\$1,167.00	\$0.00	\$0.00	\$0.64	\$0.00	\$0.00	\$1,181.56	\$0.70	\$6.55
	APN	1,212	0	0	2	0	0	1,252	1	937
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	APN	0	0	0	0	0	0	0	0	0
Total	AV	\$1,167.00	\$0.00	\$0.00	\$0.64	\$0.00	\$0.00	\$1,181.56	\$0.70	\$6.55
	APN	1,212	0	0	2	0	0	1,252	1	937



<b>Morgan Hill</b>													
City	AV	\$2,651.31	\$10.27	\$25.96	\$5.34	\$53.95	\$14.93	\$131.48	\$2,913.40	\$20.16	\$32.25		
	APN	5,997	134	22	4	23	5	344	6,529	22	4,468		
RDA	AV	\$1,030.24	\$9.89	\$171.61	\$524.63	\$215.25	\$75.62	\$133.48	\$2,262.35	\$101.63	\$13.88		
	APN	2,863	242	287	224	168	71	305	4,160	39	1,986		
Total	AV	\$3,681.55	\$20.16	\$197.57	\$529.97	\$269.20	\$90.55	\$264.96	\$5,175.75	\$121.79	\$46.13		
	APN	8,860	376	309	228	191	76	649	10,689	61	6,454		
<b>Mountain View</b>													
City	AV	\$5,327.62	\$21.05	\$1,511.19	\$1,089.02	\$555.59	\$497.26	\$107.24	\$9,278.69	\$169.72	\$74.78		
	APN	14,690	380	1,538	373	387	259	236	17,863	79	10,696		
RDA	AV	\$71.85	\$10.08	\$24.07	\$703.54	\$71.41	\$393.11	\$34.92	\$1,338.42	\$29.44	\$1.42		
	APN	137	170	19	65	79	65	16	551	3	204		
Total	AV	\$5,399.47	\$31.13	\$1,535.26	\$1,792.56	\$627.00	\$890.37	\$142.16	\$10,617.11	\$199.16	\$76.20		
	APN	14,827	550	1,557	438	466	324	252	18,414	82	10,900		
<b>Palo Alto</b>													
City	AV	\$9,361.40	\$0.06	\$808.62	\$1,747.98	\$1,037.16	\$1,562.65	\$367.08	\$16,480.82	\$1,595.87	\$88.04		
	APN	17,214	7	891	228	469	447	343	19,599	221	12,593		
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
	APN	0	0	0	0	0	0	0	0	0	0		
Total	AV	\$9,361.40	\$0.06	\$808.62	\$1,747.98	\$1,037.16	\$1,562.65	\$367.08	\$16,480.82	\$1,595.87	\$88.04		
	APN	17,214	7	891	228	469	447	343	19,599	221	12,593		
<b>San Jose</b>													
City	AV	\$62,880.44	\$256.95	\$6,540.09	\$3,654.32	\$4,242.71	\$1,697.11	\$1,866.68	\$83,586.05	\$2,447.75	\$92.57		
	APN	197,677	5,014	9,978	1,748	2,810	1,379	3,202	221,808	1,141	136,060		
RDA	AV	\$825.44	\$39.19	\$1,024.85	\$5,651.72	\$845.22	\$2,310.48	\$514.31	\$11,504.42	\$293.21	\$13.70		
	APN	2,317	777	106	981	366	271	332	5,150	49	1,962		
Total	AV	\$63,705.88	\$296.14	\$7,564.94	\$9,306.04	\$5,087.93	\$4,007.59	\$2,380.99	\$95,090.47	\$2,740.96	\$96.27		
	APN	199,994	5,791	10,084	2,729	3,176	1,650	3,534	226,958	1,190	138,022		
<b>Santa Clara</b>													
City	AV	\$6,456.80	\$0.13	\$1,787.36	\$4,372.62	\$828.61	\$867.36	\$226.43	\$15,453.35	\$914.04	\$110.99		
	APN	22,935	1	2,002	927	477	233	302	26,877	175	15,885		
RDA	AV	\$0.00	\$0.00	\$17.29	\$151.07	\$207.13	\$830.63	\$28.69	\$1,246.79	\$11.98	\$0.00		
	APN	0	0	1	18	22	79	12	132	4	0		
Total	AV	\$6,456.80	\$0.13	\$1,804.65	\$4,523.69	\$1,035.74	\$1,697.99	\$255.12	\$16,700.14	\$926.02	\$110.99		
	APN	22,935	1	2,003	945	499	312	314	27,009	179	15,885		
<b>Saratoga</b>													
City	AV	\$7,789.48	\$0.05	\$7.60	\$19.72	\$89.66	\$86.02	\$108.33	\$8,231.37	\$130.51	\$56.98		
	APN	10,405	1	24	44	73	84	330	10,961	53	8,159		
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
	APN	0	0	0	0	0	0	0	0	0	0		
Total	AV	\$7,789.48	\$0.05	\$7.60	\$19.72	\$89.66	\$86.02	\$108.33	\$8,231.37	\$130.51	\$56.98		
	APN	10,405	1	24	44	73	84	330	10,961	53	8,159		
<b>Sunnyvale</b>													
City	AV	\$8,282.86	\$148.43	\$2,300.53	\$3,676.95	\$787.92	\$701.63	\$258.99	\$16,309.34	\$152.03	\$140.78		
	APN	25,640	2,112	2,072	695	362	187	230	31,298	105	20,147		
RDA	AV	\$76.65	\$0.00	\$34.67	\$0.00	\$102.58	\$131.71	\$2.42	\$360.39	\$12.36	\$0.95		
	APN	238	0	34	0	74	53	4	403	3	135		
Total	AV	\$8,359.51	\$148.43	\$2,335.20	\$3,676.95	\$890.50	\$833.34	\$261.41	\$16,669.73	\$164.39	\$141.73		
	APN	25,878	2,112	2,106	695	436	240	234	31,701	108	20,282		
<b>Unincorporated</b>													
City	AV	\$9,480.38	\$1.14	\$149.36	\$150.63	\$90.05	\$52.96	\$1,851.61	\$13,676.29	\$1,900.16	\$114.21		
	APN	22,880	46	511	361	251	77	7,376	31,502	219	16,349		
RDA	AV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.35	\$1.35	\$0.00	\$0.00		
	APN	0	0	0	0	0	0	4	4	0	0		
Total	AV	\$9,480.38	\$1.14	\$149.36	\$150.63	\$90.05	\$52.96	\$1,852.96	\$13,677.64	\$1,900.16	\$114.21		
	APN	22,880	46	511	361	251	77	7,380	31,506	219	16,349		
<b>Santa Clara County</b>													
City	AV	\$144,742.07	\$468.65	\$15,201.95	\$17,042.59	\$9,302.68	\$7,257.24	\$6,078.18	\$208,039.63	\$7,946.27	\$1,908.72		
	APN	384,523	8,216	19,693	5,089	5,834	3,760	14,496	441,611	2,418	272,656		
RDA	AV	\$3,714.01	\$59.24	\$1,494.80	\$8,232.01	\$2,416.27	\$4,030.87	\$827.04	\$21,309.95	\$47.65	\$47.65		
	APN	9,481	1,190	581	1,674	1,080	697	835	15,538	151	6,821		
Total	AV	\$148,456.08	\$527.89	\$16,696.75	\$25,274.60	\$11,718.95	\$11,288.11	\$6,905.22	\$229,349.58	\$8,481.98	\$1,956.37		

\* Includes Other Exemptions, Excludes Homeowner Exemption

# Assessment Appeals Process

In Santa Clara County, a Notification of Assessed Value indicating the taxable value of each property is mailed in May to all property owners. A taxpayer who disagrees with the Assessor's assessed value may request a review by presenting to the Assessor's Office before June 15, any pertinent factual information important to the determination of the property's market value. If the Assessor agrees that a reduction is appropriate, an adjustment will be made.

If a difference of opinion still exists after July 1, the taxpayer may file an application for reduction in the assessed value. The matter will then be set for hearing before the local Assessment Appeals Board. In Santa Clara County, appeal applications must be filed between July

2, and September 15, with the Clerk of the Assessment Appeals Board (Clerk of the County Board of Supervisors). To appeal a roll correction or supplemental assessment, typically triggered by a change in ownership or completed new construction, the application must be filed within 60 days of the date of the notice.

If the Assessment Appeals Board renders a decision for a proposition 8 temporary reduction in value resulting in a decline in value below the property's factored base year value (its upper limit), the reduction in value, and corresponding reduction in taxes, applies only to the property tax due for the year for which the application was filed.

If the Assessment Appeals Board orders a change in the base year value set by the Assessor for new construction or changes in ownership, the reduction in value applies to the tax bill(s) for the year the application was filed, and establishes a new base year value for the future. The appeal application for supplemental or corrected tax bills must be filed within 60 days of the notice of supplemental assessment or notice of roll correction.

When a taxpayer appeals the Assessor's determination of the re-assessability of a change in ownership, the matter is heard and adjudicated by an independently appointed legal hearing officer.

Assessment Appeals Filed				
(Values in Billions)				
Year	Appeals	Total Local Roll **	Value at Risk *	Percent of Roll at Risk+
2004	3,736	\$222.38	\$17.75	8.0%
2003	3,337	217.52	18.43	8.5
2002	2,382	210.85	20.50	9.7
2001	2,080	199.83	14.48	7.2
2000	1,751	172.92	8.84	5.1

\* Value at Risk: The difference of value between the assessed roll value and applicants' opinion of value compiled at the end of the filing year.  
 \*\* Local Roll Value: Net of nonreimbursable exemptions  
 + Percentages based on non-rounded values  
 Note: For roll year 2004, 11 appeal applications are pending and have not been validated. Value at risk may change as Applications are validated.

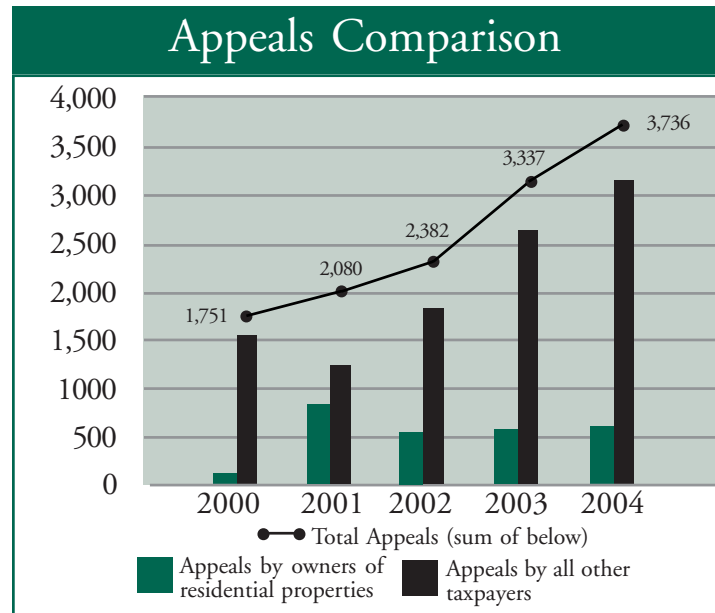
*...virtually half of all appeals are withdrawn by Applicants...*

# Homeowners contest fewer Assessments, Appeals by business property owners jump

Starting in 2001, the economy has continued to slow through 2004 and the Assessor's Office once again saw an increase in the number of appeals filed by property owners. While the number of appeals filed by homeowners declined 4%, appeals filed by business property owners jumped 18%

The more complex assessment appeals, filed by business and commercial/industrial property owners and major corporations, increased significantly from 2,658 to 3,131. The complexity of valuation issues and the amount of taxes in dispute (or at risk) is much greater in assessment appeals filed by commercial/industrial property owners or by companies with expensive business machinery, equipment and computers.

Overall, during the July 1, 2004 through June 30, 2005, the Appeals Board reviewed 924 appeals. Of those appeals, the Board provided an adjustment--an increase or decrease in assessed value--to 878 applicants and heard 86 appeals. Additionally, the Board retained 89% of the Assessor's originally enrolled assessed value disputed by applicants.



## Frequently Asked Questions

*Q. Can I transfer my current assessed value to my new home to avoid paying higher property taxes?*

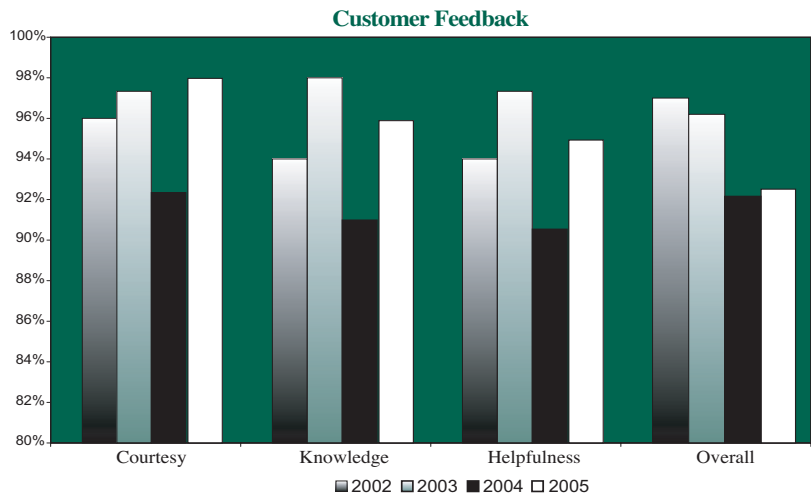
*A.* Yes, under Proposition 60, if you are age 55 or older and qualify. When a senior citizen sells an existing residence and purchases or constructs a replacement residence valued **the same or less** than the residence sold, the Assessor can transfer the assessment (factored base year value) of the original residence, to the replacement residence anywhere in Santa Clara County. Additionally, Santa Clara and 7 other counties currently participate in Prop 90, and will accept base year transfers from any other county throughout California. Propositions 60/90 require timely filing, are subject to approval by the Assessor, and can be granted only once. To receive more information or an application, contact the Assessor's Office at (408) 299-5500.

*Q. I plan to transfer my home to my child; can he/she retain my same assessment?*

*A.* Yes, upon qualification. The voters of California modified the California Constitution (Propositions 58 and 193) to allow parents and in some cases grandparents who want to keep their home "in the family" to transfer their assessed value to their children or even grandchildren in certain circumstances. Tax relief is provided when real property transfers occur between parents and their children (Proposition 58) or from grandparents to grandchildren (Proposition 193) if the parents are no longer living. Interested taxpayers should contact the Assessor to receive more information and an application. All claims must be filed timely and are subject to final approval by the Assessor. Visit Assessor's website for more information.

# Performance Counts

Led by County Assessor Larry Stone, the Assessor's Office has embarked on an ambitious performance based budgeting and management initiative. Based on the simple idea that what gets measured gets done, the new system establishes a clear mission statement, measurable performance indicators designed to quantify improvement over time, all tied to the budget.



The County Assessor's Office has a simple customer feedback card at the front counter and customers are encouraged to fill them out and rate our performance. Above is a summary of the Customer Feedback cards.

## New Technologies Create Improved Efficiencies

Improved performance can only occur when managers and staff approach their work with a positive attitude and accept continuous improvement as "job one". The culture of measurable accountability and customer service are pervasive in the Assessor's office. The innovative use of technology is essential to improving productivity and performance.

During the past two years, the office has embarked on an ambitious plan to move from a paper driven organization to a modern paperless environment. When completed, documents will no longer be passed manually from one in-box to another. Instead, documents will be accessed electronically and available simultaneously to multiple staff members.

The results have been phenomenal. In prior years, 65 working days on average were required

to process documents received from the County Recorder and ready for appraisal. Today, that average has dropped to eight working days.

Similarly, the 55,000 business property statements and homeowner exemption claims, which five years ago were processed in paper form requiring manual data entry, are now exclusively managed electronically saving staff time and increasing accuracy.

These technological enhancements are just the beginning. This year, we began to image all 25 million documents and records as we move to a real paperless work environment.

When completed the project will open-up valuable office space and create significant operating efficiencies and cost savings.

## What our Customers

Each year scores of customers respond to our customer surveys with

*"I am always treated with courtesy & professionalism. Provided excellent customer service, went*

*"The staff amazed me with their willingness to help."*

*"Got the job done much quicker than expected."*

The following are the Assessor's comprehensive performance measures. By reporting high level quantitative and qualitative data that tracks levels of customer satisfaction, timeliness of product delivery, accuracy of assessments and overall financial efficiency, these measures will allow the Assessor to identify and record service levels from year to year which are designed to achieve specific continuous improvement objectives. The data will be compiled from the results of similar, more detailed measures in each Division of the Assessor's office. The performance measures in each division were developed in collaboration with both line staff and managers.

## 2005 Performance Measures

1. **98.9% of assessments were completed by July 1, 2004.**

*Why is this important?:* The assessment roll is the basis by which property taxes are levied. The completeness of the assessment roll assures those public agencies dependent upon property tax revenue that the roll accurately reflects current market activity.

2. **161 is the average number of days to deliver supplemental assessments to the Tax Collector.**

*Why is this important?:* Supplemental assessments occur upon a 'change in ownership' or 'new construction' of real property. This performance measure insures timely notification to those property owners who acquire or complete new construction of their property.

3. **100% of assigned mandatory audits were completed by June 30, 2005.**

*Why is this important?:* State statute requires the Assessor to audit, every four years, all businesses with assets valued at \$400,000 or more located in Santa Clara County. This performance measure determines the timeliness of conducting these mandatory audits.

4. **329 is the average number of days to close an assessment appeal.**

*Why is this important?:* By statute, assessment appeals must be resolved within two years of filing, unless a waiver is executed by the taxpayer. This performance measure insures a timely

equalization of assessments for property owners.

5. **Department's customer satisfaction rating from surveys is 85%**

*Why is this important?:* This outcome measure rates the satisfaction level of both our internal and external customers who rely on the Assessor for timely service and accurate information.

6. **The Cost Efficiency Index.\***

*Why is this important?:* The Cost Efficiency Index determines the cost efficiency of producing a product and/or work item compared to the base year cost. This information is extremely valuable to policy and decision makers charged with meeting performance objectives and implementing streamlining programs.

7. **Total expenditures were 99% of the budget in FY 2004-05.**

*Why is this important?:* The Budget/Cost Ratio compares the department's actual bottom line expenditures at the end of the fiscal year to the budget to insure that costs do not exceed anticipated resources.

8. **The Department's aggregate performance indicator of all Divisions \***

*Why is this important?:* This measure takes each of the divisional performance indicators, assigns a weight, and produces an aggregate divisional performance index.

*\* Data to be collected in subsequent year*

comments about the office and the staff, below is just a small sample.

*above & beyond the call of duty. I've been in twice. Each visit was successful."*

*"Was a great help & answered many questions."*

*"Great staff."*

*"Wonderful customer service!"*

## Frequently Asked Questions

*Q. My house was destroyed by fire, is property tax relief available until it's rebuilt?*

*A.* Yes, assuming you qualify. Owners of real property who incur significant damages (at least ten-thousand dollars or more) as the result of a natural disaster, such as a fire, flood or earthquake, can file for temporary property tax relief (reassessment) with the Assessor's Office. Applicants must file a written application within 60 days of the disaster. Items such as home furnishings, personal effects and business inventories are not assessable.

*Q. What can I do if I think my assessment is too high? (i.e., higher than market value)*

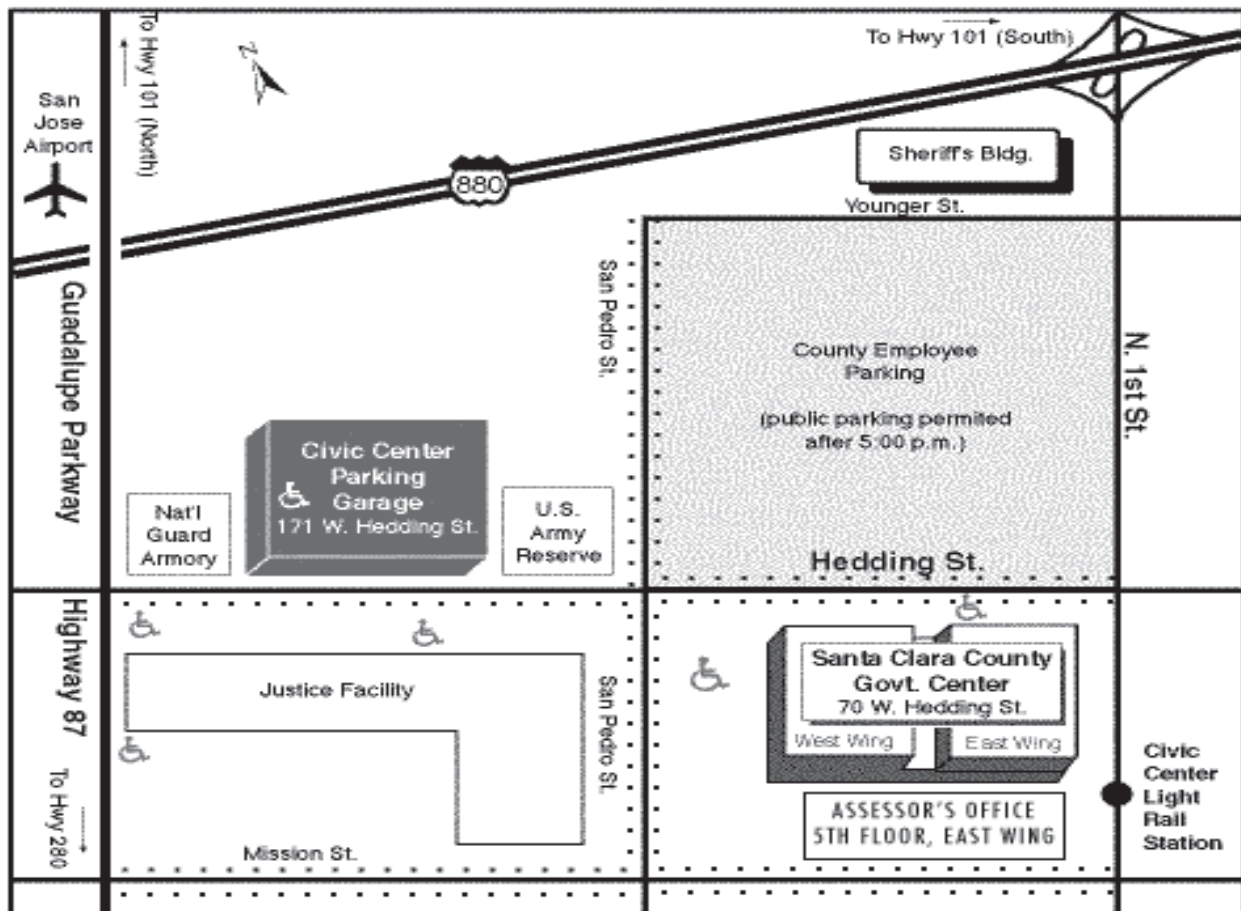
*A.* Request an informal *review* by submitting a one-page "assessment review" form which is available on-line for printing or downloading at [www.scc-assessor.org](http://www.scc-assessor.org). Any supporting data

(appraisals, comparables, multiple listings, etc.) will be helpful in expediting a reduction if an adjustment is warranted. To file a *formal* appeal with the Assessment Appeals Board, contact the Clerk of the Board at [www.sccgov.org](http://www.sccgov.org) or (408) 299-5001.

*Q. How many properties are still protected by Proposition 13, passed by the voters in 1978?*

*A.* All properties in Santa Clara County, and throughout California, receive the full benefit of Proposition 13. Whether a property was purchased last year or in 1975, every property owner receives the same protections and benefits. The base year value is established at the time of purchase or new construction, and increases in the assessed value are limited to an inflation factor of no more than 2% annually.

## Directions to the Office



# *Explanation of Terms\**

<b>Ad Valorem Property Tax</b>	Taxes imposed on the basis of the property's value.
<b>Assessed Value</b>	The taxable value of a property against which the tax rate is applied.
<b>Assessee</b>	The person to whom the property is being assessed.
<b>Assessment Appeal</b>	The assessee may file an appeal for reduction of the assessed value on the current local roll during the regular filing period for that year, between July 2 and September 15 with the Clerk of the Board. For supplemental or escape assessments, appeals must be filed within 60 days of the mailing of the tax bill or receipt of the notice, whichever is earlier.
<b>Assessment Appeals Board</b>	A three member panel appointed by the Board of Supervisors, operating under State law, to review and adjust assessments upon request of a taxpayer or his or her agent. (See "assessment appeal")
<b>Assessment Roll</b>	The official list of all property within the County assessed by the Assessor.
<b>Assessment Roll Year</b>	The year following the annual lien date and the regular assessment of property, beginning on July 1.
<b>Audit Escape</b>	The discovery of escape property resulting from an audit of the books and records of a profession, trade or business, for which an assessment is levied outside of the normal assessment period for the lien date in question.
<b>Base Year (Value)</b>	The 1975-76 regular roll value serves as the original base value. Thereafter, changes to the assessment on real property value, or a portion thereof, caused by new construction or changes in ownership create the base year value used in establishing the full cash value of such real property.
<b>Basic Aid</b>	"Basic aid" school districts rely principally on locally derived property tax revenues to fund school operations, rather than on Statewide reallocation formulas based on average daily attendance and other factors. School districts become "basic aid" when the projected level of revenues provided by local property taxes exceeds the state formula.
<b>Business Personal Property</b>	Business personal property is assessable, and includes computers, supplies, office furniture and equipment, tooling, machinery and equipment. Most business inventory is exempt. (See personal property)
<b>Change in Ownership</b>	When a transfer of ownership in Real Property occurs, the Assessor determines if a reappraisal is required under State law. If required, the reappraised value becomes the new base value of the property transferred, and a supplemental assessment is enrolled.
<b>CPI</b>	Consumer Price Index as determined annually by the California Bureau of Labor Statistics.
<b>Exclusions from Reappraisal</b>	Some changes in ownership may be excluded from reappraisal if a timely claim is filed with the Assessor's Office that meets the qualifications. Examples include the transfer of real property between parents and children or senior citizens over age 55 who replace their principal residence.
<b>Exemption</b>	Allowance of a deduction from the taxable assessed value of the property as prescribed by law.

- Exemptions: Homeowners** People who own and occupy a dwelling on the lien date as their principal place of residence are eligible to receive an exemption of up to \$7,000 of the dwelling's taxable value. The tax dollars reduced by the (HOX) homeowner's exemption are reimbursed to the County by the State of California.
- Exemptions: Other** Charitable, hospital, religious or scientific organizations, colleges, cemeteries, museums, and disabled Veterans (for 100%, service-connected disabled Veterans) are eligible for exemption.
- Factored Base Year Value** A property's base value is adjusted each year by the change in the California Consumer Price Index (CPI), not to exceed 2%. The factored base value is the upper limit of taxable value each year.
- Fiscal Year** The period beginning July 1 and ending June 30.
- Fixture** An improvement to real property whose purpose directly applies to or augments the process or function of a trade, industry or profession.
- Full Cash Value (FCV)** The amount of cash or its equivalent value which property would bring if exposed for sale in the open market and as further defined in Revenue and Taxation Code 110.1.
- Improvements** Buildings or structures generally attached to the land. Improvements may also include certain business fixtures.
- Lien** The amount owed and created by the assessment of the property, or the amount levied against property by a taxing agency or revenue district.
- Lien Date** The time when taxes for any fiscal year become a lien on property; and the time as of which property is valued for tax purposes. The lien date for California property is 12:01 a.m. on January 1 (effective January 1, 1997) preceding the fiscal year for which the taxes are collected. The lien date for prior years was March 1.
- Mobilehomes** On July 1, 1980, the Department of Motor Vehicles transferred all mobilehome licensing and registration to the California Department of Housing and Community Development (HCD). The law requires that mobilehomes be classified as personal property and enrolled on the secured roll.
- New Base Year (Value)** The full cash value of property on the date it changes ownership or when new construction is completed.
- New Construction** The construction of new buildings, additions to existing buildings, or alterations which convert the property to another use or extends the economic life of the improvement, is reassessed, establishing a new base year value for only that portion of the property.
- Parcel** Real property assessment unit. Land that is segregated into units by boundary lines for assessment purposes.
- Personal Property** Any property except real estate, including airplanes, boats, and business property such as computers, supplies, furniture, machinery and equipment. (Most business inventory, household furnishings, personal effects, and pets are exempt from taxation.)
- Possessory Interest (PI)** The possession or the right to possession of real estate whose fee title is held by a tax exempt public agency. Examples of a PI include the exclusive right to use public property at an airport such as a car rental company's service counter or a concession stand at the County Fair. In both cases, the vendors are subject to property taxes. Regardless of the type of document evidencing the right to possession, a taxable PI exists whenever a private party has the exclusive right to a beneficial use of tax exempt publicly owned real property.



- Proposition 13** Passed by California voters in June, 1978, Proposition 13 is a Constitutional amendment that limits the taxation of property and creates a procedure for establishing the current taxable value of locally assessed real property, referencing a base year full cash value.
- Proposition 8** Passed by California voters in November 1978, Proposition 8 requires for the temporary reduction in the assessed value when there is a decline in market value below the property's factored base year value.
- Real Property** Land and improvements to the land, which permits the possession of, claim to, ownership of, or right to possess.
- Roll** A listing of all assessed property within the county. It identifies property, the owner, and the assessed value of the property.
- Roll Unit** A parcel of property or a business personal property account that is assessed for annual valuation.
- Roll Year** See "Assessment Roll Year."
- SBE** See "State Board of Equalization."
- Secured Roll** Property on which the property taxes are a lien against the real estate.
- Special Assessments** Direct charges, or flat fees against property which are included in the total tax bill but are not based upon the Assessor's valuation of the property. Examples are a sewer charge or a school parcel tax.
- State Board of Equalization** The State Board consists of four members elected by California voters by district, and the State Controller whose duties in the field of taxation are imposed by the State Constitution and the Legislature. The State Board regulates county assessment practices and administers a variety of State and local business tax programs.
- Supplemental Assessment** When property is assessed due to a change in ownership or completed new construction, a supplemental assessment is issued. This is separate and in addition to the annual regular assessment roll. It is based on the net difference between the previous assessed values and the new value for the remainder of the assessment year(s).
- Supplemental Roll** The roll, prepared or amended, contains properties in which a change in ownership or completed new construction occurred.
- Tax Rates** The maximum ad valorem (on the value) basic property tax rate is 1% of the net taxable value of the property. The total tax rate may be higher for various properties because of voter-approved general obligation bonds that are secured by property taxes for the annual payment of principle and interest.
- Tax Roll** The official list of property subject to property tax, together with the amount of assessed value and the amount of taxes due, as applied and extended by the Auditor/Controller.
- TRA** The tax rate area (TRA) is a specific geographic area all of which is within the jurisdiction of the same combination of local agencies for the current fiscal year. For the 2004-05 FY there are 821 TRAs in Santa Clara County, each one identified by a unique number.
- Transfer** Change in the ownership of, or change in the manner which, property is held. Depending on the specific situation, a transfer may trigger a reassessment of the property.
- Unsecured Roll** Property on which the property taxes are not a lien against the real estate (real property) where they are situated, including personal property or improvements located on leased land.

## Property Assessment Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
January 1	Lien Date for next assessment roll year. This is the time when taxes for the next fiscal year become a lien on the property.					
February 15	Deadline to file all exemption claims.					
April 1	Due date for filing statements for business personal property, aircraft and boats. Business property owners must file a property statement each year detailing the cost of all supplies, machinery, equipment, leasehold improvements, fixtures and land owned at each location within Santa Clara County.					
April 10	Last day to pay second installment of secured property taxes without penalty. This tax payment is based on property values determined for the January lien date 15 months earlier.					
Mid-May	Annual mailing of assessment notices to all Santa Clara County real property owners stating the taxable value of the property. Owners who disagree with the Assessor's valuation are encouraged to contact us prior to June 15 to request a review. Please provide any pertinent factual information concerning the market value of the property with the request. If the Assessor agrees that a reduction is appropriate, a new assessed value will be enrolled.					
May 7	Last day to file a business personal property statement without incurring a 10% penalty.					
July 1	Close of assessment roll and the start of the new assessment roll year. The assessment roll is the official list of all assessable property within the County.					
July 2	First day to file assessment appeal application with the Clerk of the Board of Supervisors.					
August 31	Regular roll unsecured taxes due.					
September 15	Last day to file an assessment appeal application for reduced assessment with the Clerk of the Board of Supervisors.					
December 10	Last day to pay first installment of secured property taxes without penalty.					
January 1	Lien Date for next assessment roll year.					

If date falls on Saturday, Sunday or Legal Holiday, mail postmarked on the next business day shall be deemed on time

## Responsibility of the Assessor's Office

The Assessor has the responsibility to locate all taxable property in the County, identify ownership, establish a value for all property subject to local property taxation, list the value of all property on the assessment roll, and apply all legal exemptions. The Santa Clara County Assessor does not compute property tax bills, collect property taxes, establish property tax laws, establish rules by which property is assessed, or set property tax rates.

Santa Clara County contains more than 447,000 separate real property parcels. There were over 5,000 changes in parcel numbers, and there were over 128,000 changes in property ownership as reflected by deeds and maps filed in the County Recorder's Office. The Assessor's professional staff maintains a comprehensive set of 212 Assessor's parcel map books. The office appraised more than 12,000 new construction activities, and processed more than 106,000 business personal property assessments.

The assessments allow the County of Santa Clara and 204 local government taxing authorities to set tax rates (as limited by Proposition 13 and other laws), collect and allocate property tax revenue which supports essential public services provided by the County, local schools, cities, and special districts.

## Acknowledgments

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### 您需要任何語言方面的協助嗎?

我們財稅估價(估稅)部門的工作人員能流利地說你的語言來協助您的需要  
請撥 299-5500 與我們聯絡. 謝謝

Cần giúp? The Assessor's Office có nhân viên thông thạo ngôn ngữ của quý vị. Xin gọi cho chúng tôi tại 299-5500

¿No habla ingles? La Oficina del Tasador tiene empleados que hablan español. Llámenos al (408) 299-5500

Disclaimer: This document presents a distribution of the 2005-2006 Santa Clara County property tax local assessment roll by City/Redevelopment Agency and major property types. It does not include State-assessed property (unitary roll). It is not the source document for deriving the property tax revenues to be received by any public entity. For example, the Controller's AB8 calculations do not include aircraft assessed valuation, which is incorporated into this report. Additionally, supplemental assessments are not depicted in the report. Numbers reported in tables and charts reflect up to 0.01 units. Items less than 0.01 units have been reported as a dash. Minor discrepancies may occur due to rounding calculations and/or clarification in definition of terms.

Published August, 2005.

For information regarding general County financial information including taxes by tax rate areas and methods of property tax revenue allocation contact:

Santa Clara County Finance Agency (408) 299-5200

For information about Santa Clara County Assessments:

Public Information and Ownership (408) 299-5500

Real Property (land and improvements) (408) 299-5300

Personal Property, including Business,

Mobilehomes, Boats and Airplanes (408) 299-5400

Property Tax Exemptions (408) 299-6460

Change in Ownership Issues (408) 299-5540

Mapping (408) 299-5550

Administration (408) 299-5570

Administration Fax (408) 297-9526

Assessor Web Site [www.scc-assessor.org](http://www.scc-assessor.org)

County Web Site [www.sccgov.org](http://www.sccgov.org)

For information about a tax bill, payments, delinquency, or the phone number of the appropriate agency to contact about a special assessment, contact:

Santa Clara County Tax Collector (408) 808-7900

For information about filing assessment appeals, call:

Santa Clara County Assessment Appeals Board Clerk  
(Clerk of the Board of Supervisors) (408) 299-5001

For information about Recording documents, call:

Santa Clara County Clerk/Recorder (408) 299-2481

California State Board of Equalization

The State Board of Equalization is responsible for assuring that county property tax assessment practices are equal and uniform throughout the State. For more information, contact the State Board at:

450 N Street

PO Box 942879

Sacramento, CA 94279-0001

For general tax information call (800) 400-7115 or  
[www.boe.ca.gov](http://www.boe.ca.gov)

## *Office of the County Assessor*

Lawrence E. Stone, Assessor  
County of Santa Clara Government Center  
70 West Hedding Street, 5th Floor, East Wing  
San Jose, California 95110-1771  
Website: [www.scc-assessor.org](http://www.scc-assessor.org)

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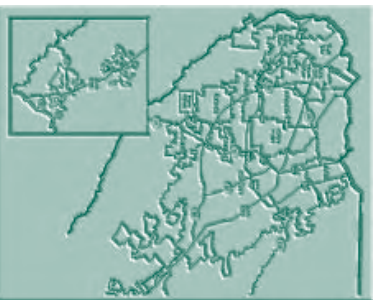
## *Santa Clara County*

### *Board of Supervisors*

Don Gage, District I  
Blanca Alvarado, District II  
Pete McHugh, District III  
Jim Beall, District IV  
Liz Kniss, District V

### *County Executive*

Pete Kuitras



### *Mission Statement*

The mission of the Santa Clara County Assessor's Office is to produce an annual assessment roll including all assessable property in accordance with legal mandates in a timely, accurate, and efficient manner; and provide current assessment-related information to the public and to governmental agencies in a timely and responsive way.

*Please notify us if your address has changed*