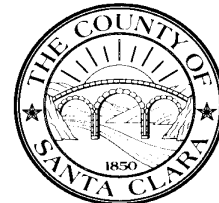


MEDIA RELEASE

County of Santa Clara
Office of the County Assessor
County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110-1770
1-408-299-5500 FAX 1-408-297-9526
E-Mail: david.ginsborg@asr.sccgov.org
Web Site: <http://www.sccassessor.org/>



Lawrence E. Stone, Assessor

For Immediate Release:
May 20, 2008

Contact: David Ginsborg
(408) 299-5572

Second Update on Notice Error

Assessor's Office responds quickly, sends 80,000 corrected notification letters

County Assessor Larry Stone is mailing letters to just over 15 percent of all County property owners in Santa Clara County, apologizing for the incorrect information contained in their assessment notification post card mailed on May 9. Stone's letter also provides the correct information. The vendor responsible for this printing error, has accepted full responsibility for the problem, and will pay the entire cost of printing and mailing the corrected notices.

While the mistake was the result of a printing error by the East Bay vendor retained to print, process and mail the notification card, Assessor Stone took full responsibility and is apologizing to the 80,000 affected property owners. "I am very sorry for any confusion created by the incorrect notification card," Stone said. "Taxpayers can be assured that the information and data in the Assessor's computer system is accurate and has not been compromised."

Discovered on Monday morning (May 12, 2008), the Assessor's Office moved quickly to identify which property owners received the incorrect notice. "Initially, we did not know whether or not incorrect notices had been delivered to all 471,000 property owners in the county. We did not want to send corrections to those who had received correct information in the first place as that would just add to the confusion. My staff's quick response enabled us to narrow the problem to 12 zip codes," said Stone. However, the Assessor's Office and the vendor were unable to further narrow the universe of impacted taxpayers within those zip codes. To be cautious and ensure every impacted property owner is noticed, the vendor is mailing to every property owner in the zip codes listed below, which means some property owners will receive a second notice with identical information. The zip codes impacted are:

95112	95115	95117	95119	95121	95123
95113	95116	95118	95120	95122	95124

In an effort to avoid long waits on the phone or at the customer service counter compounding taxpayers frustrations, the Assessor's entire Real Property Division, over 90 appraisers and support staff, were temporarily redeployed to answer calls from property owners. By the end of the day, staff had spoken directly to over 1,700 taxpayers, and hits to the Assessor's website had tripled, a new record for the department. "My staff truly pulled together, it was incredible. I also want to thank the news media which helped get the word out immediately, substantially reducing the number of calls

during the remainder of the week,” said Stone.

According to the vendor, the problem was caused by the use of two heads of the high-speed printing machine. One print head printed part of the card, while the other print head simultaneously printed the other part. Unfortunately, one of the print heads became out of synch by one record during the printing of a batch of 80,000 cards and went undetected by the vendors quality control measures. “Accidents happen,” said Stone, “what matters is how the vendor responded to help us rapidly fix the problem.

“The assessment notification cards are part of our proactive effort to advise property owners of the anticipated assessed value of their home before we close the assessment roll on July 1, and long before property tax bills are issued in September. In 48 counties, the first notice taxpayers receive of their assessed value is when they receive their tax bill in the fall,” said Stone.

For more than 30 years, Santa Clara County has mailed the annual notification card and the County is one of only 10 counties in California that mails them. By encouraging taxpayers to contact the Assessor's Office early in the process, these notifications reduce the eventual number of formal assessment appeals, which are time consuming and expensive for both parties.

If a property owner disagrees with the value on the notification card—or the corrected notification letter—they are encouraged to go the Assessor's Website at www.scc-assessor.org and complete a simple, one-page “Prop 8 Decline in Value request form,” before June 15. The form can be completed by the owner, entirely on-line, and submitted via e-mail. In addition to the form, there is a detailed PowerPoint presentation to help taxpayers better understand Proposition 8 and determine their eligibility. Property owners can also contact the Assessor's Office at (408) 299-5300; fax a completed form to (408) 299-3015 or email a form to rp@asr.sccgov.org. Formal appeals can be filed by property owners between July 2 and September 15 with the Clerk of the Board of Supervisors.

Proposition 8, passed by California voters in November 1978, provides that property owners are entitled to the “lower” of the fair market value of their property as of January 1, 2008, or the factored base year assessed value as determined at the time of purchase or construction, and increased by no more than 2 percent annually.

Consistent with Proposition 8, over 41,000 property owners will receive reductions to their assessed value. A small number of properties, primarily commercial and industrial properties may have a partial to full restoration of their assessed value to their Proposition 13 protected base year value. When the market value of properties declines below the previously established assessed value measured as of January 1 (lien date) each year, the Assessor proactively reduces the assessed value to reflect the lower market value. However, as the real estate market rebounds, the Assessor is required to “restore” the assessed value for properties previously reduced.

The exact number of property owners receiving a temporary reduction or increase will not be available until after the assessment roll closes on July 1. As part of the Assessor's proactive effort, the assessed value of over 41,000 properties have already been reduced and a substantial number of non-residential property values are still being reviewed. Once those reviews are complete, the Assessor will send those property owners receiving an increase, or reduction, a second notification.

Attached is a sample copy of the corrected notice letter.

Office of the Assessor

County of Santa Clara

County Government Center, East Wing
70 West Hedding Street, 5th Floor
San Jose, CA 95110-1771
(408) 299-5300 www.sccassessor.org



Lawrence E. Stone, Assessor

IMPORTANT NOTICE FROM THE ASSESSOR

May 23, 2008

Dear Property Owner

As your County Assessor, please accept my sincere apologies for any errors that may have been contained in the assessment notification card we mailed to you on May 9. The printing error was limited to 12 zip codes out of 230 zip codes in Santa Clara County. While the problem was caused by a malfunctioning printing machine owned by the private vendor we retained to print, process and mail the notification cards, I take full responsibility for this problem. Please be assured the information and data in the Assessor's computer system is correct and has not been compromised.

While not all of the assessment notification cards within the 12 zip codes contained incorrect information, to be cautious we are sending correction letters to all property owners who may have been impacted. The vendor has taken full responsibility for their error, and the cost of this corrected mailing was paid entirely by the vendor at no additional public expense.

Please discard the assessment notification card we previously mailed to you which may have contained incorrect parcel numbers and/or situs information, and use this correspondence as the official notification of your assessed value. If the information below is the same as the notification card you received earlier, it verifies that the initial notice was correct. The assessed value of your property, as of January 1, 2008, is as shown on the reverse side of this letter.

If you disagree with the values shown, you are entitled to an informal review by the Assessor's Office. You also have the right to file an Application for Changed Assessment (i.e., assessment appeal) with the Clerk of the Board. The informal review and application procedures, as well as other important information, is on the reverse side of this letter.

Sincerely,

Lawrence E. Stone
Assessor



Lawrence E. Stone
Santa Clara County Assessor

County Government Center

70 West Hedding Street, East Wing, 5th Floor
San Jose, CA 95110-1771
Phone (408) 299-5300 • Fax (408) 299-3015
www.sccassessor.org

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RETURN SERVICE REQUESTED

NOTIFICATION OF ASSESSED VALUE

THIS IS NOT A TAX BILL

PLEASE READ FRONT AND BACK CAREFULLY

Assessor's Parcel Number 123-45-678

Date of Notice: TODAY'S DATE

Property Address:

123 MAIN ST
OURTOWN, CA

Assessed Value, January 1, 2008

LAND	\$420,254
IMPROVEMENTS*	\$178,894
TOTAL**	\$599,148
HOMEOWNERS EXEMPTION	\$ 7,000
NET VALUE	\$592,148

THE VALUE SHOWN IS THE FACTORED BASE YEAR VALUE.

* IMPROVEMENTS VALUE INCLUDES ANY BUILDINGS EXISTING ON THE LAND WHETHER NEW OR OLD.
** TOTAL BEFORE EXEMPTION & BUSINESS VALUES.

CORRECTED NOTICE

JOHN Q. PUBLIC

123 MAIN ST
OURTOWN CA 95000

This notice is to inform you of your property's 2008-2009 taxable value. If you believe that the market value as of January 1, 2008 was less than the amount shown, please contact this office prior to June 15, 2008 to request a Prop 8 (decline in value) review. Prop 8 requests can be made by phone, fax, mail, e-mail, or in person. Prop 8 request forms are also available on our website. Please refer to your property's parcel number and include a daytime phone number when contacting us at:

MOBILEHOMES:	(408) 299-5400	FAX (408) 298-9441	www.sccassessor.org	busdiv@asr.sccgov.org
ALL OTHER PROPERTY:	(408) 299-5300	FAX (408) 299-3015	www.sccassessor.org	rp@asr.sccgov.org

If a **value reduction** is appropriate, as determined by the Assessor prior to July 1, 2008, the value can be changed and a new notice mailed. After that date, or if the Assessor does not agree to a reduction, you must apply to the Assessment Appeals Board for relief.

Applications for reduced assessment must be filed between July 2 and September 15, 2008, with the Clerk of the Board, County Government Center, 70 West Hedding Street, East Wing, Tenth Floor, San Jose, CA 95110. Applications may be obtained by calling the Clerk at (408) 299-5001 or going to <http://www.sccgov.org/portal/site/cob>. The Clerk will send a notice of the scheduled hearing date. However, your appearance at the hearing may be waived by the Assessment Appeals Board if a written stipulation of value is presented, signed by you or your agent, the Assessor, and the County Legal Officer.

The base year value is established, pursuant to State law (Proposition 13), which requires that all real property be assessed at its 1975-76 market value, and thereafter, be reappraised upon change in ownership or new construction. Furthermore, an annual inflation factor will be added, not to exceed 2%. A new base year appraisal at market value for ownership change or for completed construction will cause a separate supplemental assessment and a separate supplemental tax bill(s) to be issued. Partially completed construction will be reappraised on the January 1 lien date.

A temporary reduction (Proposition 8) can be given when the current market value as of January 1, 2008, is less than the property's factored base year value. The reduced value will be reviewed annually until the property's factored base year value is fully restored. The value may be partially increased or fully restored in any given year, depending upon market conditions. Partial increases or full restoration may result in an increase greater than 2% for that year.

The value shown on this card... plus any taxable property placed on the roll as a result of a business property assessment... minus any exemption for which you qualify... will be the basis of your property tax bill. In addition, other direct assessments may be added to the bill by other public agencies.