



KEITH KNOX
TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 437, Los Angeles, California 90012
Telephone: (213) 974-2101 Fax: (213) 626-1812
ttc.lacounty.gov and propertytax.lacounty.gov

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March 18, 2024

TO: Supervisor Lindsey P. Horvath, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: Keith Knox 
Treasurer and Tax Collector

Jeffrey Prang 
Assessor

SUBJECT: **BOARD MOTION MARCH 6, 2024, BOARD ORDER NO. 25-A –
REPORT BACK ON OPPORTUNITIES TO SUPPORT PROPERTY
OWNERS IMPACTED BY THE CHIQUITA CANYON LANDFILL
INCIDENT**

On March 6, 2024, your Board instructed the Treasurer and Tax Collector (TTC) and requested the Assessor to report back to your Board in writing in 13 days on the options available through the California Revenue and Taxation Code (R&TC) to cancel real property tax penalties for late property tax payments for homeowners impacted by the Chiquita Canyon Landfill (Landfill) incident, and opportunities for decline-in-value reviews for those homeowners who may be eligible for property tax relief.

At a summary level, the TTC will create a dedicated process for residents impacted by the landfill event to submit Penalty Cancellation Requests (PCR). In evaluating each request, the TTC will give all due consideration to “circumstances beyond the taxpayers’ control,” in alignment with State law and its prior experience with similar incidents of a regional nature.

In addition, the Assessor’s Office will publicize its Decline-in-Value (DIV) application process, which may or may not be applicable to the properties in the general vicinity of the Landfill. If property owners believe their property value warrants review due to a decline in market value, they may file an application for DIV review.

BACKGROUND

The Landfill operates within close vicinity of Val Verde, Live Oak, and Hasley Hills. According to the United States Environmental Protection Agency (EPA), since approximately May 2022, the Landfill has been experiencing a significant subsurface oxidation event that has grown in size and impact. Residents of the communities surrounding the Landfill reported almost 6,800 odor complaints in 2023. As such, on February 21, 2024, the EPA issued a Unilateral Administrative Order with a determination that the Chiquita Landfill, LLC has contributed or is contributing to the past or present handling, storage, treatment, transportation, or disposal of solid and hazardous waste that may present an imminent and substantial endangerment to health or the environment.

THE TAX COLLECTOR'S AUTHORITY TO CANCEL PENALTIES

The R&TC grants the TTC the authority to cancel real property tax penalties in limited circumstances, including those beyond a taxpayer's control. During the COVID-19 pandemic, through a State Governor Executive Order, the TTC was granted limited, expanded authority that allowed for the cancellation of over 60,000 property tax penalties for impacted property owners who could not pay their property taxes timely. The TTC's authority to cancel penalties has also been utilized to assist property owners impacted by regional events, including the Aliso Canyon Gas Leak, multiple wildfires, and other natural disasters. It is important to note that absent an Executive Order (e.g., COVID-19), there is no blanket authority to cancel penalties related to the matter at hand.

Based on the EPA's assessment of the "imminent and substantial endangerment to health or the environment" posed by the Landfill incident, the TTC will place a pop-up on its home page at <https://ttc.lacounty.gov>. As required by State law and without making the process overly burdensome, the property owners will need to describe the circumstances that impacted their ability to deliver timely payment. The TTC is committed to reviewing requests timely, giving all due consideration to the circumstances presented, and canceling qualifying penalties in accordance with State law.

The TTC has a dedicated website where impacted property owners may submit their PCRs online at <https://ttc.lacounty.gov/penalty-cancellation-request-2/>, and they may submit questions, view their property tax bill, or make an online payment at <https://ttc.lacounty.gov/public-inquiries/>.

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In addition, property owners may call our Property Tax Information Line at 1(888) 807-2111 to speak to an agent for assistance in filing a PCR, or they may visit our office at 225 North Hill Street, First Floor Lobby, Los Angeles, California 90012, between 8:00 a.m. and 5:00 p.m. Pacific Time, Monday through Friday, excluding Los Angeles County holidays.

DECLINE IN VALUE

The Assessor's Office offers a DIV program, which may or may not be applicable to the properties in the general vicinity of the Landfill. If property owners believe their property value warrants review due to a decline in market value, they may file an application for DIV review.

In 1978, California voters passed Proposition 8, a constitutional amendment that allows a temporary reduction in the assessed value when a property suffers a decline-in-value. A decline-in-value occurs when the current market value of the property is less than the current assessed value as of January 1. The 2024 DIV filing period is July 2, 2024, through November 30, 2024. Online applications will be available beginning on July 2, 2024.

Once the Assessor's Office has completed the review, those properties that qualified would be issued a corrected bill. Interested property owners can check the current assessed value of their property by visiting <https://assessor.lacounty.gov/homeowners/property-search>. Property owners can review the following website for more information about DIV, how property value is assessed, and filing a DIV review: <https://assessor.lacounty.gov/tax-relief/decline-in-value>.

CONCLUSION

We encourage all property owners who can pay their taxes on time to do so, as property taxes are a critical source of revenue that fund vital, local services, including those in the communities near the Landfill area. However, the TTC is understanding of the impact of this matter to the residents near the Landfill, and will create a streamlined process to evaluate and give due consideration to PCRs on a case-by-case basis.

The Assessor's Office also has limited authority to alter the requirements for a DIV but will examine thoroughly all requests from property owners impacted by the Landfill incident. As previously mentioned, property owners should check their current assessed value and if applicable, submit a DIV review online at the addresses provided.

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Should you have any questions, please contact me directly or your staff may contact Elizabeth Buenrostro Ginsberg, Chief Deputy Treasurer and Tax Collector, at (213) 974-0703 or eginsberg@ttc.lacounty.gov or George Renkei, Chief Deputy Assessor, at (213) 974-3101 or grenkei@assessor.lacounty.gov.

KK:EBG:DB:dw

c: Chief Executive Officer
Interim Executive Officer, Board of Supervisors
Auditor-Controller
County Counsel