

March 27, 2009

Honorable Ron Briggs and Members in Session
Board of Supervisors
El Dorado County Government Center
330 Fair Lane
Placerville, CA. 95667

Re: Proposition 90 Ordinance

Dear Supervisor Briggs and Board Members:

On behalf of the El Dorado County Chamber of Commerce (EDCCC) and the El Dorado County Association of REALTORS® (EDCAR), we request that staff be directed to investigate the implementation of a Proposition 90 Ordinance for El Dorado County. This Ordinance is a "local-option" law, in that each County has the option of participating.

The Boards of Directors for both EDCCC and EDCAR have, on the behalf of their members, endorsed the adoption of a Proposition 90 Ordinance for El Dorado County.

Adoption of the Proposition 90 Ordinance would allow individuals, age 55 and older, who are thinking of purchasing a home (and are selling a home in another County) to transfer the property tax base assessment of their current primary residence to a new primary residence in El Dorado County (as long as the current market value of the home purchased is the same or less than the current market value of the home being sold). This type of transfer is already allowed (under Proposition 60) if it is *within* El Dorado County.

As of this writing, it is our understanding that there are at least seven counties that have a Proposition 90 Ordinance in effect (three of which are located in the Bay Area). EDCCC and EDCAR believe that this exemption would provide a strong incentive for individuals to relocate their primary residence to El Dorado County, and that the County is currently missing out on these sales. As you know, in this economy every home sale is significant, along with the resulting economic input for our County. Each new sale represents another family (and maybe other relatives to follow) who will purchase our goods and services and contribute to our communities. By adoption of this Ordinance, El Dorado County would be sending a very clear signal that it is open for business, and taking significant steps to stimulate the local economy.

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EDCCC and EDCAR recommend that research into the adoption of Proposition 90 be given high priority, and that it be reviewed annually thereafter. In the future, if it is determined that the Ordinance is no longer advantageous to the County, it may be repealed; and it is our understanding that the Ordinance would, in any event, automatically sunset in 5 to 7 years. (Reference: http://www.boe.ca.gov/proptaxes/faqs/propositions60_90.htm.)

Thank you for your consideration of this request.

Best Regards,



Kirk Bone, President
El Dorado County Chamber of
Commerce



Cary Lane, President
El Dorado County
Association of REALTORS®

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