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**Agenda #09-0992 (6/28/2016)**

1 message

**Bill Borzone** <billborzone@gmail.com>  
To: edc.cob@edcgov.us

Thu, Jun 23, 2016 at 11:09 AM

Attached comments for Agenda Item 09-0992.

Thank You,

William A. Borzone

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I am writing in regard to Agenda Item #09-0992 9A, set for 06/28/16.

My wife and I are currently in the process of building a home in El Dorado County, in El Dorado Hills. Our decision to move to El Dorado County encompassed many factors, but by far one of the main points in the decision was the portability of our property tax from Santa Clara County under Proposition 90, and El Dorado County Ordinance 4832 (Ordinance), currently in effect until Sept. 30, 2016. We urge you to consider extending Proposition 90.

We read, with interest, the staff report (Report), written by Jeff McLaughlin on the *Impact of Proposition 90 Property Tax Portability in El Dorado County*.

1. The Report indicated that seniors over age 60, use more of the County services than other populations with regard to EMS costs. The Report, however, does not address who, if any, of the buyers of El Dorado County real estate that have taken advantage of the Proposition 90 Ordinance, have actually impacted the EMS services. While we agree that seniors may use more services, we doubt that of the 124 applications approved last year, that these individuals placed a burden, or significantly impacted EMS costs, in the County. The Report does indicate that Medicare reimburses only 32%, but it does not indicate how required secondary insurance reimburses. No data was presented in the Report to indicate what other personal payments or insurance revenues are collected. We also doubt that the indicated \$2.2 Million/year Health and Human Service Agency budget is impacted in any significant measure, countywide, by Proposition 90, as indicated in the Report.

2. The Report indicated a "tax leakage" from El Dorado County. The tax rate in El Dorado County (excluding Placerville & S. Lake Tahoe city limits) is 7.5%. Most other adjoining areas outside the County, but near enough to shop, is 8%. A large, significant purchase would responsibly be made locally in El Dorado County, by a local resident or consumer, to save the .5% sales tax increase. This also does not impact vehicle sales, which account for large sales tax revenue, as the tax is charged based on the consumers address. This issue seems to be more of an economic development issue in

attracting retailers to the area and not a real estate sales issue within the County.

3. The Report also states that 66% of the applicants answered "Yes" to the question of availability to use Proposition 90 as a major benefit in relocating to El Dorado County. We think this is a significant amount of homes, and property tax collected, to positively impact and fund many El Dorado County services and schools.

4. The Report indicated an average income of residents in El Dorado Hills, where the majority of exemptions are granted is \$148,231. The Report also indicated that CA Assembly Bill 2668 would provide, commencing with the 2017-18 fiscal year, that the base year value of an original property may be transferred to a replacement dwelling. The bill would prohibit a person from transferring the base year value of the original property to a replacement dwelling pursuant to these provisions if his or her household income, as defined, exceeds the area median income of the county. According to Sperling's BestPlaces.net The median income in El Dorado County is \$84,225. We would argue that AB 2668 would have **no impact**, if passed, on El Dorado County as most of the applications, per Proposition 90, come from counties where the median income is much higher than El Dorado County.

5. We do however, encourage the Board, if the Ordinance is not extended, to prevent any negative impact to those us who have already made the decision to move to El Dorado County. Our intention is to enjoy the qualities of life that El Dorado County has to offer and to become involved, community oriented, contributing members of the County, so as to attract businesses and individuals to the local communities..

We think that attracting individuals to the County, mostly buying homes in El Dorado Hills, from the approved 9 (of 58 California counties), where income and education are higher than most other California communities, is a positive, forward-thinking accomplishment and can only improve, and not negatively impact, El Dorado County.

Best Regards,

William & Pamela Borzone