

## **Board of Trustees Agenda Item**

**Board Meeting Date:** 6/6/11

**Title of Item:** Resolution to Repeal Proposition 90

### **Background and Analysis:**

Proposition 90 allows, at the Board of Supervisors' option, residents of other California counties who are 55 years or older to transfer their Prop 13 property tax base into Santa Clara County. Only 8 California counties, including Santa Clara County, allow such a transfer. Assessor Larry Stone recommends that the Santa Clara County Board of Supervisors repeal Prop 90. The assessor's office has drafted a resolution recommending this repeal.

Prop 90 transfers do not directly affect Foothill-De Anza since we are not a basic aid district. However, basic aid districts in our area such as Palo Alto Unified, Cupertino Unified, possibly Fremont Union High School District, are affected by the Prop 90 transfers.

**Recommendation:** Chancellor Linda Thor recommends adoption of Resolution 2011-20

Submitted by: Linda Thor, x6104 Additional contact names: Is backup provided?
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Foothill-De Anza Community College District

**Resolution #2011-20**  
**Repeal of Proposition 90**

*Whereas*, Santa Clara County has opted to participate in Proposition 90, which provides for the transfer of a lower base year assessed value from an original residence located outside the county, to a replacement residence within Santa Clara County;

*Whereas*, Santa Clara County is one of only eight counties in California still participating in this program;

*Whereas*, Proposition 90 provides a large financial benefit to a small group of non-county residents over the age of 55;

*Whereas*, Proposition 90 has no income or value test and more than 50% of the beneficiaries reside in homes above the median home value with 20% residing in homes valued over \$1 million;

*Whereas*, the county is cutting services to its neediest population, including senior citizens;

*Whereas*, Proposition 90 has reduced the assessment roll, disproportionately impacting basic aid school districts, cities and the county;

*Whereas*, Proposition 90 has no impact on revenue limit school districts;

*Whereas*, Proposition 90 provides no economic stimulus;

*Whereas*, Proposition 90 does not increase the number of real estate transactions and last year accounted for just one-tenth of one percent of all residential transactions in the County;

*Whereas*, County Assessor Larry Stone, in response to requests to identify opportunities to save money or identify new revenue, has proposed the program's elimination; and

*Whereas*, the County Executive has included the Assessor's suggestion as part of his recommended budget.

***Therefore Be It Resolved*** that the Foothill-De Anza Community College District urges the Board of Supervisors to eliminate Proposition 90 as quickly as possible as recommended by the County Executive.

PASSED AND ADOPTED this 6<sup>th</sup> day of June 2011.

AYES \_\_\_\_\_

NOES \_\_\_\_\_

ABSTENTIONS \_\_\_\_\_

ABSENT \_\_\_\_\_

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Linda M. Thor, Ed.D.  
Secretary to the Board of Trustees