



## Memorandum

May 7, 2020

To: Jennifer Winfrey and Jason Forga, San Diego County

From: Dennis Klingelhofer and Pat Perinich, Harris & Associates, Inc.

**Re: Permanent Road Division No. 1000, Zone 13B (Stewart Canyon Road)**

### **INTRODUCTION**

Permanent Road Division No. 1000, Zone 13B – Stewart Canyon Road (“PRD” or “PRD 13B”) provides annual funding to pay for services associated with road improvement and maintenance associated with Stewart Canyon Road. The current funding which results from the levy of assessments on parcels within the PRD is not sufficient to pay for the capital rehabilitation and replacement of the improvements and the maintenance services provided. The purpose of this memorandum is to identify funding mechanisms and to propose levy methodologies for property owner consideration to pay for the annual costs associated with providing roadway improvements and services (the “Annual Funding Requirement”).

### **FUNDING MECHANISM OPTIONS**

Under Article 3 – By Permanent Road Divisions [Section 1160 – 1197] of the California Streets & Highways Code, two (2) funding mechanisms have been identified for consideration by the County and property owners to pay for the Annual Funding Requirement: 1) a Special Tax (“Special Tax”), and 2) an Assessment (“Assessment”). For the purposes of this memorandum, the approval process for both methods have been summarized below.

The process to establish a Special Tax requires 2/3 approval by the “voters” within PRD 13B. For the purposes of establishing a Special Tax, voters are defined as registered voters within the boundaries of PRD 13B. Special Tax elections are handled through the County Registrar of Voters and votes are cast in favor of, or in opposition to the special tax weighted based on the vote of 1 registered voter equaling 1 vote.

The process to establish, change, or increase assessments in a PRD require that there be no majority protest. The assessment that would be levied on each parcel must be based upon the special benefit each property receives from the improvements and services to be funded by the assessment. The assessment can only be imposed if there is not a majority protest. The majority protest proceedings are governed by the Article XIII D of the State Constitution. Assessment ballots are mailed to the owners of each assessable property and ballots returned are cast in favor or opposition to the proposed assessment. The ballots returned prior to the close of the public hearing are weighted based on their financial responsibility; meaning \$1 equals 1 vote. In order to establish, increase, or change an assessment, the ballots cast in support of the assessment weighted by financial responsibility must outweigh the ballots cast in opposition.

### **PROPOSED LEVY METHODOLOGIES FOR CONSIDERATION**

Methodologies as to how the cost to property owners within PRD 13B could be allocated have been modeled and are proposed as options to generate the revenue needed to meet the Annual Funding Requirement for the rehabilitation and servicing of the roadways:

- **Special Tax (Per Parcel).** This option provides for a flat per parcel special tax to be levied. The initial per parcel special tax to be levied would be determined by taking the Annual Funding Requirement and dividing it by the number of taxable parcels (“TP”) subject to the special tax. In this case, each parcel would pay the same amount each year in order to pay the annual funding requirement. Since this is a special tax rather than an assessment, the tax on a parcel does not have to be proportional to the benefit it would receive.
- **Special Tax (Per Acre).** This option provides for a per acre special tax to be levied. The initial special tax rate per acre to be charged to each parcel would be determined by taking the annual funding requirement and dividing it by the number of taxable acres subject to the special tax. In this case, each parcel would pay a percentage of the annual funding requirement based on its proportionate share of the total taxable acreage within PRD 13B. Because of the variation in the tax per parcel this option is not recommended.
- **Assessment (Assessment for special benefit based on EBU).** The State Constitution states that an assessment can only be levied for the special benefit received by the properties within the PRD boundaries. The proposed PRD assessment methodology utilizes the equivalent benefit unit (EBU) method, similar to the current maintenance assessment, to apportion the costs associated with the annual funding requirements based on the special benefit conferred on each property within the PRD. The EBU methodology proposed assigns

benefit units to parcels based on their level of benefit (access and use) conferred on properties within the PRD.

The special benefit associated with the improvements are specifically:

- Enhanced desirability of property due to the improvements and the services provided by the PRD which relieves property owners of the responsibility for the maintenance of the roadways which serve their property.
- Providing all weather access for improved ingress and egress to property along the maintained roadways.

Two (2) assessment methodologies to apportion the costs of the Assessment have been developed for consideration.

**1. EBU Allocation Based on Existing Assessment Methodology**

The existing assessment methodology for PRD 13B was established by County Ordinance No. 9172 which was adopted by the County Board of Supervisors on June 21, 2000:

*“Section 3. Number of Units Determined. Units shall be assigned to each parcel in proportion to estimated benefit received by that parcel and shall be calculated as follows:*

- a. Parcels not benefiting from service shall not be assigned units of benefit.*
- b. Each parcel of land containing less than 20 acres of land shall be assigned two (2) units of benefit.*
- c. Each parcel of land containing at least 20 acres of land but less than 40 acres of land shall be assigned four (4) units of benefit.*
- d. Each parcel containing at least 40 acres of land but less than 60 acres of land shall be assigned six (6) units of benefit.*
- e. Each parcel containing 60 acres of land, or more, shall be assigned eight (8) units of benefit.*
- f. Each improved parcel according to assessor's records shall be assigned one (1) additional unit of benefit.*

**2. EBU Allocation Based on Trip Generation by Land Use and Roadway Access**

For this alternative assessment methodology for PRD 13B, the initial rate per EBU may be determined by assigning EBU's to each parcel within the PRD and then dividing the total

number of EBU's for the PRD by the Annual Funding Requirement. EBU's are assigned to parcels as follows based upon the information shown on the County Assessor's records:

- **Trip Generation Factor.** Each parcel is assigned a Trip Generation Factor to provide a relative measure of intensity on the road system by land use. The Trip Generation Factor is assigned to parcels as follows:

Class	Land Use	Trip Generation Factor *
0	Non-Taxable	0.00 per parcel
1	Agricultural/Vacant/Miscellaneous	2.00 per acre (first 10 acres) + 0.50 per acre (next 10 acres) + 0.25 per acre ( > 20 acres) + 12.00 first dwelling unit + 3.00 each additional dwelling unit
2	Residential Single Family	2.00 per acre (first 10 acres) + 0.50 per acre (next 10 acres) + 0.25 per acre ( > 20 acres) + 12.00 first dwelling unit + 3.00 each additional dwelling unit
3	Residential Mobile/Manufactured Homes	2.00 per acre (first 10 acres) + 0.50 per acre (next 10 acres) + 0.25 per acre ( > 20 acres) + 5.00 first dwelling unit + 1.67 each additional dwelling unit
4	Residential Multi-Family/Hotel/Motel/Resorts	2.00 per acre (first 10 acres) + 0.50 per acre (next 10 acres) + 0.25 per acre ( > 20 acres) + 8.00 first dwelling unit + 2.00 each additional dwelling unit
5	Utility	2.00 per parcel

\* Trip Generation Factor based on the *San Diego Traffic Generators Manual (SANDAG, April 2002)*.

- **Roadway Access Factor.** Each parcel is assigned a Roadway Access Factor based on whether a parcel has direct or indirect access to Stewart Canyon Road. The Roadway Access Factor is assigned to parcels as follows:

<b>Benefit</b>	<b>Roadway Access Factor</b>	<b>Applicability</b>
Direct Access	1.00	Parcel has direct access to Stewart Canyon Road
Indirect Access	0.75	Parcel has indirect access to Stewart Canyon Road
No Access	0.75	Parcel does not have access to Stewart Canyon Road

- **Parcel EBUs.** Each parcel is assigned EBUs by multiplying the Trip Generation Factor times the Roadway Access Factor.

#### **TABLES SHOWING PROPOSED METHODOLOGIES**

Tables modeling how each parcel within PRD 13B would have the Annual Funding Requirement apportioned to their property for each of the proposed methodologies follow on pages 6-12.

#### **MAPS SHOWING PROPOSED METHODOLOGIES**

Maps how each parcel within PRD 13B would have the Annual Funding Requirement apportioned to their property for each of the proposed methodologies follow on pages 13-17.

### Special Tax per Parcel

APN	Taxable Parcels	APN	Taxable Parcels	APN	Taxable Parcels
108-100-30	0.00	108-320-67	1.00	108-390-25	1.00
108-100-32	1.00	108-320-68	1.00	108-390-26	1.00
108-100-69	1.00	108-320-69	1.00	108-390-29	1.00
108-100-70	1.00	108-340-05	1.00	108-391-01	1.00
108-100-71	1.00	108-350-07	1.00	108-391-02	1.00
108-100-72	1.00	108-350-15	1.00	108-391-03	1.00
108-191-02	1.00	108-350-16	1.00	108-391-04	1.00
108-191-03	1.00	108-350-17	1.00	108-391-05	1.00
108-191-04	1.00	108-350-18	1.00	108-391-06	1.00
108-191-05	1.00	108-350-23	1.00	108-391-07	1.00
108-191-10	1.00	108-350-24	1.00	108-391-08	1.00
108-191-17	1.00	108-350-25	1.00	108-391-09	1.00
108-191-18	1.00	108-350-26	1.00	108-391-10	1.00
108-191-19	1.00	108-350-27	1.00	108-391-11	1.00
108-191-20	1.00	108-380-27	1.00	108-391-12	1.00
108-300-10	0.00	108-380-28	1.00	108-391-13	1.00
108-300-11	0.00	108-380-30	1.00	108-391-14	1.00
108-300-12	0.00	108-380-48	1.00	108-440-01	1.00
108-300-21	1.00	108-380-49	1.00	108-440-02	1.00
108-300-22	0.00	108-380-68	1.00	108-440-03	1.00
108-300-23	1.00	108-380-69	1.00	108-440-04	1.00
108-300-24	0.00	108-380-70	1.00	108-440-05	0.00
108-320-34	1.00	108-380-71	1.00	108-440-06	0.00
108-320-36	0.00	108-381-02	1.00	108-440-07	1.00
108-320-41	0.00	108-381-03	1.00	108-440-08	1.00
108-320-52	1.00	108-381-04	1.00	108-440-09	1.00
108-320-53	1.00	108-381-05	1.00	108-440-10	1.00
108-320-59	0.00	108-382-04	1.00	108-441-01	1.00
108-320-60	0.00	108-382-05	1.00	108-441-03	0.00
108-320-61	0.00	108-382-06	1.00	108-441-04	0.00
108-320-62	0.00	108-382-08	1.00	108-441-05	0.00
108-320-64	1.00	108-382-13	1.00	108-441-06	1.00
108-320-65	1.00	108-382-14	1.00	108-441-07	1.00
108-320-66	1.00				
				<b>Total Parcels</b>	<b>83.00</b>

### Special Tax per Acre

APN	Taxable Acreage	APN	Taxable Acreage	APN	Taxable Acreage
108-100-30	0.00	108-320-67	10.01	108-390-25	11.57
108-100-32	27.71	108-320-68	18.89	108-390-26	26.25
108-100-69	60.24	108-320-69	5.04	108-390-29	52.01
108-100-70	23.39	108-340-05	50.21	108-391-01	7.68
108-100-71	26.17	108-350-07	10.45	108-391-02	5.73
108-100-72	15.15	108-350-15	6.00	108-391-03	10.79
108-191-02	13.15	108-350-16	4.55	108-391-04	11.97
108-191-03	3.45	108-350-17	4.00	108-391-05	10.25
108-191-04	3.38	108-350-18	6.44	108-391-06	8.12
108-191-05	6.04	108-350-23	9.38	108-391-07	0.88
108-191-10	2.87	108-350-24	16.35	108-391-08	4.25
108-191-17	4.00	108-350-25	19.24	108-391-09	0.77
108-191-18	2.00	108-350-26	5.42	108-391-10	0.88
108-191-19	2.00	108-350-27	5.00	108-391-11	0.88
108-191-20	1.61	108-380-27	3.40	108-391-12	0.28
108-300-10	0.00	108-380-28	13.10	108-391-13	8.88
108-300-11	0.00	108-380-30	12.11	108-391-14	11.71
108-300-12	0.00	108-380-48	4.71	108-440-01	1.65
108-300-21	2.79	108-380-49	21.80	108-440-02	38.04
108-300-22	0.00	108-380-68	11.85	108-440-03	4.60
108-300-23	8.05	108-380-69	3.01	108-440-04	12.45
108-300-24	0.00	108-380-70	2.51	108-440-05	0.00
108-320-34	8.75	108-380-71	6.58	108-440-06	0.00
108-320-36	0.00	108-381-02	8.01	108-440-07	5.37
108-320-41	0.00	108-381-03	15.91	108-440-08	3.46
108-320-52	22.21	108-381-04	13.11	108-440-09	2.33
108-320-53	18.90	108-381-05	20.37	108-440-10	2.32
108-320-59	0.00	108-382-04	9.76	108-441-01	9.02
108-320-60	0.00	108-382-05	8.62	108-441-03	0.00
108-320-61	0.00	108-382-06	4.91	108-441-04	0.00
108-320-62	0.00	108-382-08	27.10	108-441-05	0.00
108-320-64	10.74	108-382-13	7.15	108-441-06	18.25
108-320-65	12.89	108-382-14	8.77	108-441-07	4.06
108-320-66	13.34				
Total Taxable Acreage				937.04	

**Benefit Assessment**  
**EBU Allocation Based on Existing Assessment Methodology**

APN	EBU	APN	EBU	APN	EBU
108-100-30	0.00	108-320-67	3.00	108-390-25	2.00
108-100-32	4.00	108-320-68	3.00	108-390-26	4.00
108-100-69	9.00	108-320-69	2.00	108-390-29	7.00
108-100-70	5.00	108-340-05	7.00	108-391-01	3.00
108-100-71	4.00	108-350-07	3.00	108-391-02	3.00
108-100-72	3.00	108-350-15	3.00	108-391-03	3.00
108-191-02	3.00	108-350-16	2.00	108-391-04	3.00
108-191-03	3.00	108-350-17	3.00	108-391-05	3.00
108-191-04	3.00	108-350-18	2.00	108-391-06	2.00
108-191-05	2.00	108-350-23	2.00	108-391-07	3.00
108-191-10	3.00	108-350-24	3.00	108-391-08	3.00
108-191-17	3.00	108-350-25	3.00	108-391-09	3.00
108-191-18	2.00	108-350-26	3.00	108-391-10	2.00
108-191-19	2.00	108-350-27	2.00	108-391-11	3.00
108-191-20	3.00	108-380-27	3.00	108-391-12	2.00
108-300-10	0.00	108-380-28	3.00	108-391-13	2.00
108-300-11	0.00	108-380-30	3.00	108-391-14	2.00
108-300-12	0.00	108-380-48	3.00	108-440-01	2.00
108-300-21	2.00	108-380-49	4.00	108-440-02	4.00
108-300-22	0.00	108-380-68	3.00	108-440-03	3.00
108-300-23	2.00	108-380-69	3.00	108-440-04	2.00
108-300-24	0.00	108-380-70	3.00	108-440-05	0.00
108-320-34	2.00	108-380-71	2.00	108-440-06	0.00
108-320-36	0.00	108-381-02	3.00	108-440-07	3.00
108-320-41	0.00	108-381-03	3.00	108-440-08	3.00
108-320-52	4.00	108-381-04	3.00	108-440-09	3.00
108-320-53	3.00	108-381-05	5.00	108-440-10	3.00
108-320-59	0.00	108-382-04	3.00	108-441-01	3.00
108-320-60	0.00	108-382-05	3.00	108-441-03	0.00
108-320-61	0.00	108-382-06	2.00	108-441-04	0.00
108-320-62	0.00	108-382-08	5.00	108-441-05	0.00
108-320-64	2.00	108-382-13	3.00	108-441-06	2.00
108-320-65	3.00	108-382-14	3.00	108-441-07	2.00
108-320-66	3.00				
				<b>Total EBU</b>	<b>251.00</b>



### Benefit Assessment

#### EBU Allocation Based on Trip Generation by Land Use and Roadway Access Factors

Assessors Parcel Number	Trip Generation Factor (T)	Roadway Access Factor (R)	Equivalent Benefit Units (T) x (R)
108-100-30-00	0.00	0.00	0.00
108-100-32-00	26.93	0.75	20.20
108-100-69-00	35.06	0.75	26.30
108-100-70-00	37.85	0.75	28.39
108-100-71-00	26.54	0.75	19.91
108-100-72-00	29.58	0.75	22.18
108-191-02-00	26.58	1.00	26.58
108-191-03-00	18.90	1.00	18.90
108-191-04-00	18.76	1.00	18.76
108-191-05-00	12.08	1.00	12.08
108-191-10-00	17.74	1.00	17.74
108-191-17-00	13.00	0.75	9.75
108-191-18-00	4.00	0.75	3.00
108-191-19-00	4.00	0.75	3.00
108-191-20-00	15.22	1.00	15.22
108-300-10-00	0.00	0.00	0.00
108-300-11-00	0.00	0.00	0.00
108-300-12-00	0.00	0.00	0.00
108-300-21-00	5.58	0.75	4.19
108-300-22-00	0.00	0.00	0.00
108-300-23-00	16.10	0.75	12.08
108-300-24-00	0.00	0.75	0.00
108-320-34-00	17.50	0.75	13.13
108-320-36-00	0.00	0.00	0.00
108-320-41-00	0.00	0.00	0.00

**Benefit Assessment**  
**EBU Allocation Based on Trip Generation by Land Use and Roadway Access Factors**  
**(Continued)**

<b>Assessors Parcel Number</b>	<b>Trip Generation Factor (T)</b>	<b>Roadway Access Factor (R)</b>	<b>Equivalent Benefit Units (T) x (R)</b>
108-320-52-00	25.55	0.75	19.16
108-320-53-00	31.45	0.75	23.59
108-320-59-00	0.00	0.00	0.00
108-320-60-00	0.00	0.00	0.00
108-320-61-00	0.00	0.00	0.00
108-320-62-00	0.00	0.00	0.00
108-320-64-00	15.37	0.75	11.53
108-320-65-00	16.45	0.75	12.33
108-320-66-00	16.67	0.75	12.50
108-320-67-00	27.01	0.75	20.25
108-320-68-00	31.45	0.75	23.58
108-320-69-00	10.08	0.75	7.56
108-340-05-00	44.55	0.75	33.41
108-350-07-00	27.23	0.75	20.42
108-350-15-00	24.00	0.75	18.00
108-350-16-00	9.10	0.75	6.83
108-350-17-00	20.00	0.75	15.00
108-350-18-00	12.88	0.75	9.66
108-350-23-00	18.76	0.75	14.07
108-350-24-00	30.18	0.75	22.63
108-350-25-00	19.62	0.75	14.72
108-350-26-00	22.84	0.75	17.13
108-350-27-00	10.00	0.75	7.50
108-380-27-00	18.80	1.00	18.80
108-380-28-00	26.55	0.75	19.91

**Benefit Assessment**  
**EBU Allocation Based on Trip Generation by Land Use and Roadway Access Factors**  
**(Continued)**

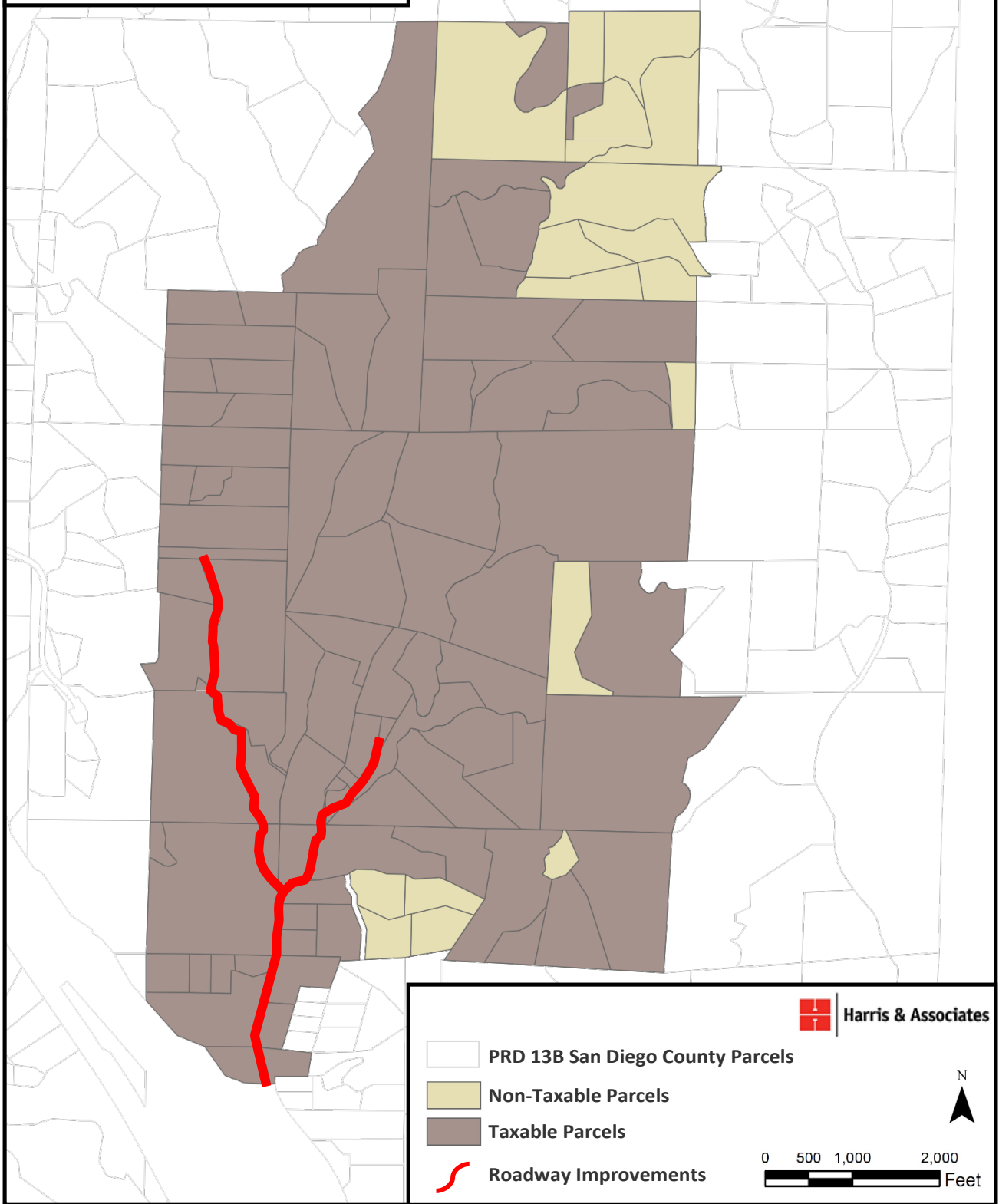
<b>Assessors Parcel Number</b>	<b>Trip Generation Factor (T)</b>	<b>Roadway Access Factor (R)</b>	<b>Equivalent Benefit Units (T) x (R)</b>
108-380-30-00	28.06	0.75	21.04
108-380-48-00	14.42	1.00	14.42
108-380-49-00	25.45	1.00	25.45
108-380-68-00	30.93	1.00	30.93
108-380-69-00	18.02	0.75	13.52
108-380-70-00	17.02	0.75	12.77
108-380-71-00	13.16	0.75	9.87
108-381-02-00	28.02	0.75	21.02
108-381-03-00	17.96	0.75	13.47
108-381-04-00	16.56	0.75	12.42
108-381-05-00	37.09	0.75	27.82
108-382-04-00	31.52	0.75	23.64
108-382-05-00	29.24	1.00	29.24
108-382-06-00	9.82	1.00	9.82
108-382-08-00	34.78	1.00	34.78
108-382-13-00	22.30	1.00	22.30
108-382-14-00	22.54	0.75	16.91
108-390-25-00	15.79	0.75	11.84
108-390-26-00	26.56	0.75	19.92
108-390-29-00	45.00	0.75	33.75
108-391-01-00	30.36	0.75	22.77
108-391-02-00	26.46	0.75	19.85
108-391-03-00	27.40	0.75	20.55
108-391-04-00	27.99	0.75	20.99
108-391-05-00	15.13	0.75	11.34

**Benefit Assessment**  
**EBU Allocation Based on Trip Generation by Land Use and Roadway Access Factors**

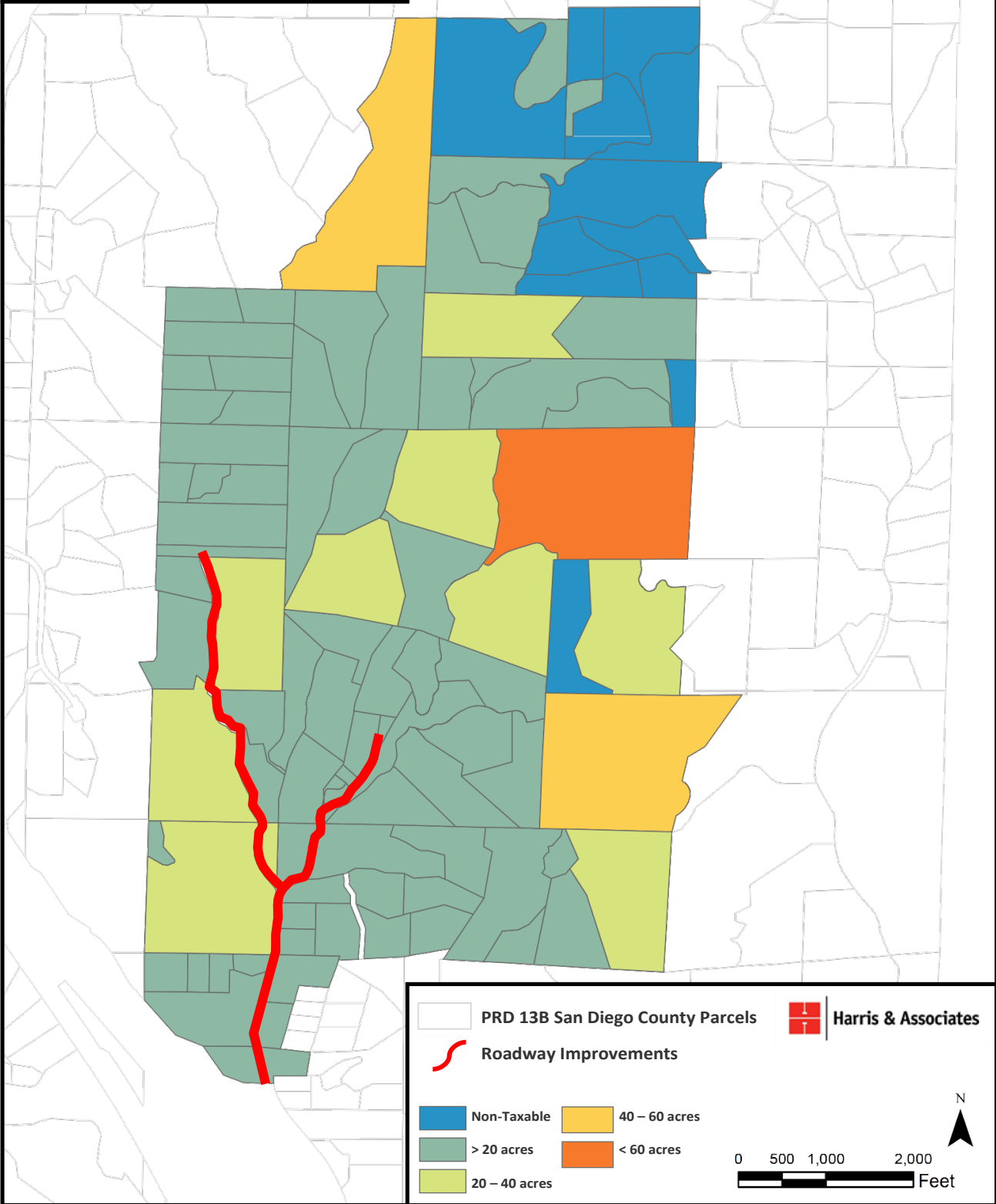
(Continued)

Assessors Parcel Number	Trip Generation Factor (T)	Roadway Access Factor (R)	Equivalent Benefit Units (T) x (R)
108-391-06-00	16.24	0.75	12.18
108-391-07-00	13.76	0.75	10.32
108-391-08-00	20.50	0.75	15.38
108-391-09-00	13.54	0.75	10.16
108-391-10-00	1.76	0.75	1.32
108-391-11-00	13.76	0.75	10.32
108-391-12-00	0.57	0.75	0.42
108-391-13-00	17.76	0.75	13.32
108-391-14-00	15.86	0.75	11.89
108-440-01-00	3.30	0.75	2.48
108-440-02-00	29.51	1.00	29.51
108-440-03-00	21.20	1.00	21.20
108-440-04-00	16.23	1.00	16.23
108-440-05-00	0.00	0.00	0.00
108-440-06-00	0.00	0.00	0.00
108-440-07-00	22.74	0.75	17.06
108-440-08-00	18.92	1.00	18.92
108-440-09-00	16.66	1.00	16.66
108-440-10-00	9.64	1.00	9.64
108-441-01-00	30.04	0.75	22.53
108-441-03-00	2.00	0.75	1.50
108-441-04-00	0.00	0.00	0.00
108-441-05-00	0.00	0.00	0.00
108-441-06-00	19.13	0.75	14.34
108-441-07-00	8.12	0.75	6.09
<b>Total EBU</b>			<b>1,381.81</b>

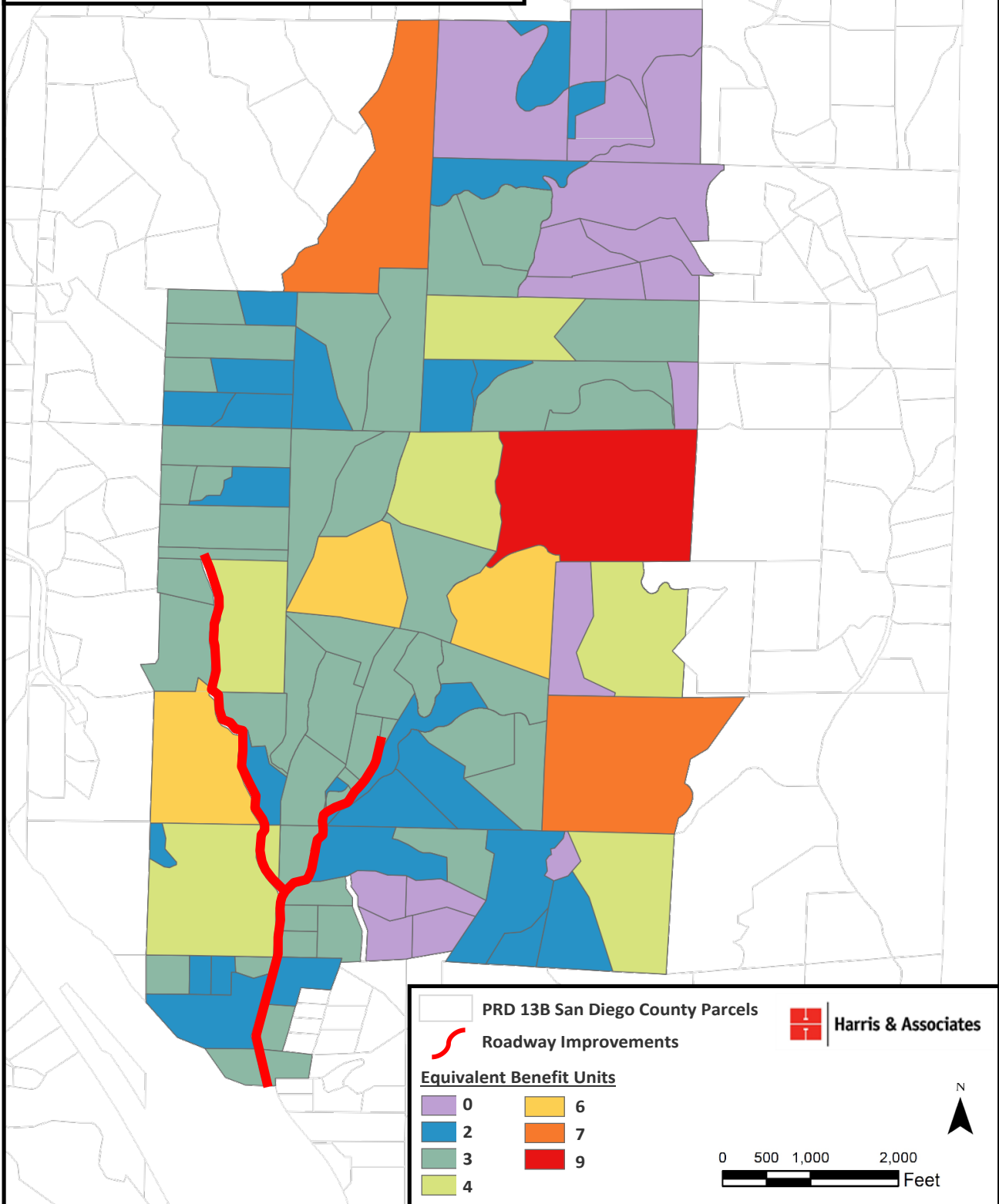
**PRD 13B Stewart Canyon Road  
Special Tax (Per Parcel)**



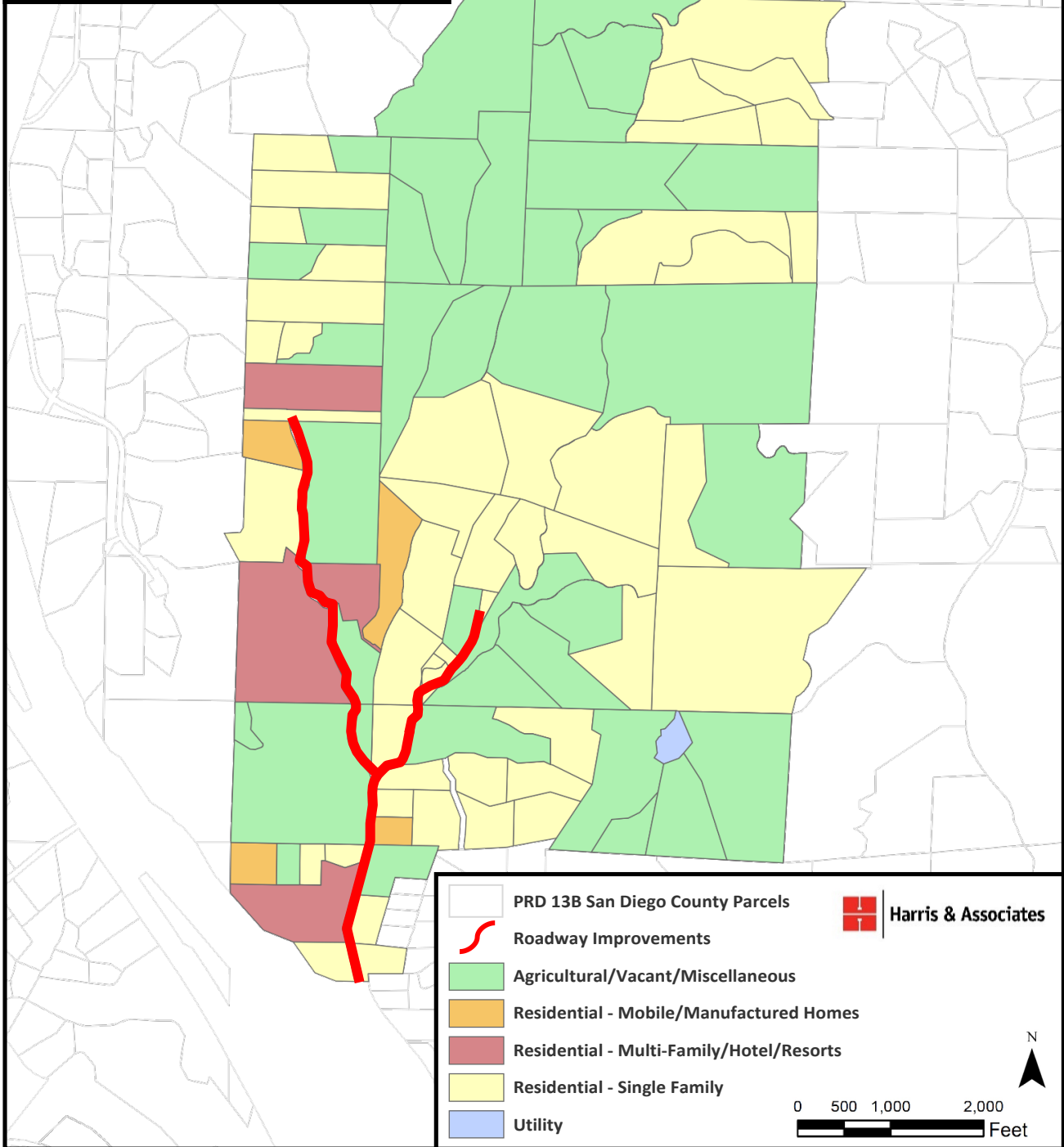
**PRD 13B Stewart Canyon Road  
Special Tax (Per Acre)**



**PRD 13B Stewart Canyon Road  
Benefit Assessment- Existing Methodology**



**PRD 13B Stewart Canyon Road**  
**Benefit Assessment with**  
**Trip Generation by Land Use**  
**and Roadway Access Factors**  
**Land Use Classification Map**





**PRD 13B Stewart Canyon Road  
Benefit Assessment with  
Trip Generation by Land Use  
and Roadway Access Factors  
Roadway Access Map**

