

# PRD 30 – Royal Oaks Dr. & Carrol Lane

December 9, 2021

## Contacts:

### County

Jen Winfrey, Unit Manager

858-495-5470 or [Jen.Winfrey@SDCounty.ca.gov](mailto:Jen.Winfrey@SDCounty.ca.gov)

Neil Searing, Program Coordinator

858-694-2691 or [Neil.Searing@SDCounty.ca.gov](mailto:Neil.Searing@SDCounty.ca.gov)

Mike Anderson, Preventative Maintenance Coordinator

619-451-6189 or [Mike.Anderson@SDCounty.ca.gov](mailto:Mike.Anderson@SDCounty.ca.gov)

### Road Committee

- Charlie Hammel – chairperson
  - 619-990-6696 or [chammel@truevine.net](mailto:chammel@truevine.net)
- Herb Sarnoff
  - [herbsarnoff@gmail.com](mailto:herbsarnoff@gmail.com)

[www.sandiegocounty.gov/content/sdc/dpw/specialdistricts/permroad.html](http://www.sandiegocounty.gov/content/sdc/dpw/specialdistricts/permroad.html)

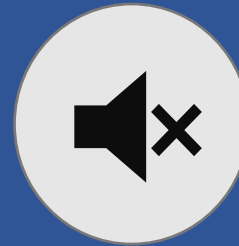
# Housekeeping



Civil  
Discourse



Participation  
Via  
WebEx



Participants  
Are  
Muted



Chat  
Available



Q&A  
Periodically  
Throughout  
Meeting

# Agenda

- What is a Permanent Road Division Zone (PRD)?
- PRD 30 Overview
- Current Situation
  - Road Condition
  - Road Work Estimates
  - Finances
- Q & A
- Assessment Engineer Report
- Options for Funding Road Work
- Next Steps
- Q & A

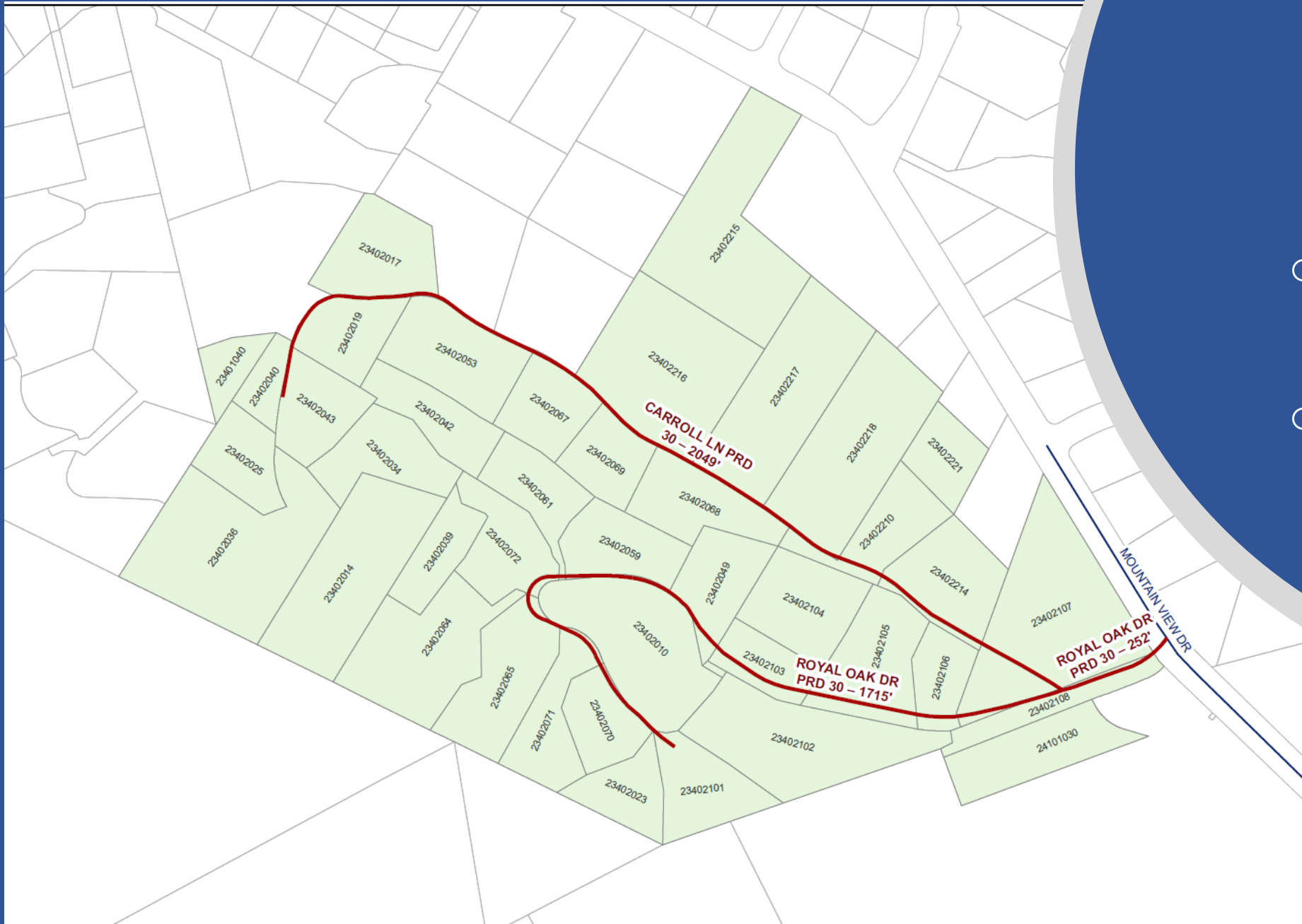


# What is a PRD?

- Permanent Road Division Zones (PRDs) are special districts formed at the request of property owners or as a condition of development
- Provide expanded services for private road maintenance
- Funded by property owner paid assessments/taxes
- Some PRDs formed before 1978 receive a portion of the countywide property tax revenue
- PRD revenues are kept in individual funds at the County
- All PRD costs are paid by PRD funds, including formation, administration, and maintenance services.

# PRD 30

- Formed:
  - May 4, 1971
- Parcels:
  - 42 total





# PRD Maintenance

- 0.75 Miles of Road
  - Road & berm repairs
    - Surface seals
    - Crack filling and sealing
  - Striping/Legends
  - Road sign replacements
- 2 Drainage Culverts
- Optional additional services:
  - Street sweeping
  - Roadside vegetation trimming







# Current Roadway Conditions

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# Pavement Condition Index (PCI)



70

**Very Good**

**Good**

50

**Poor**

25

**Very Poor**



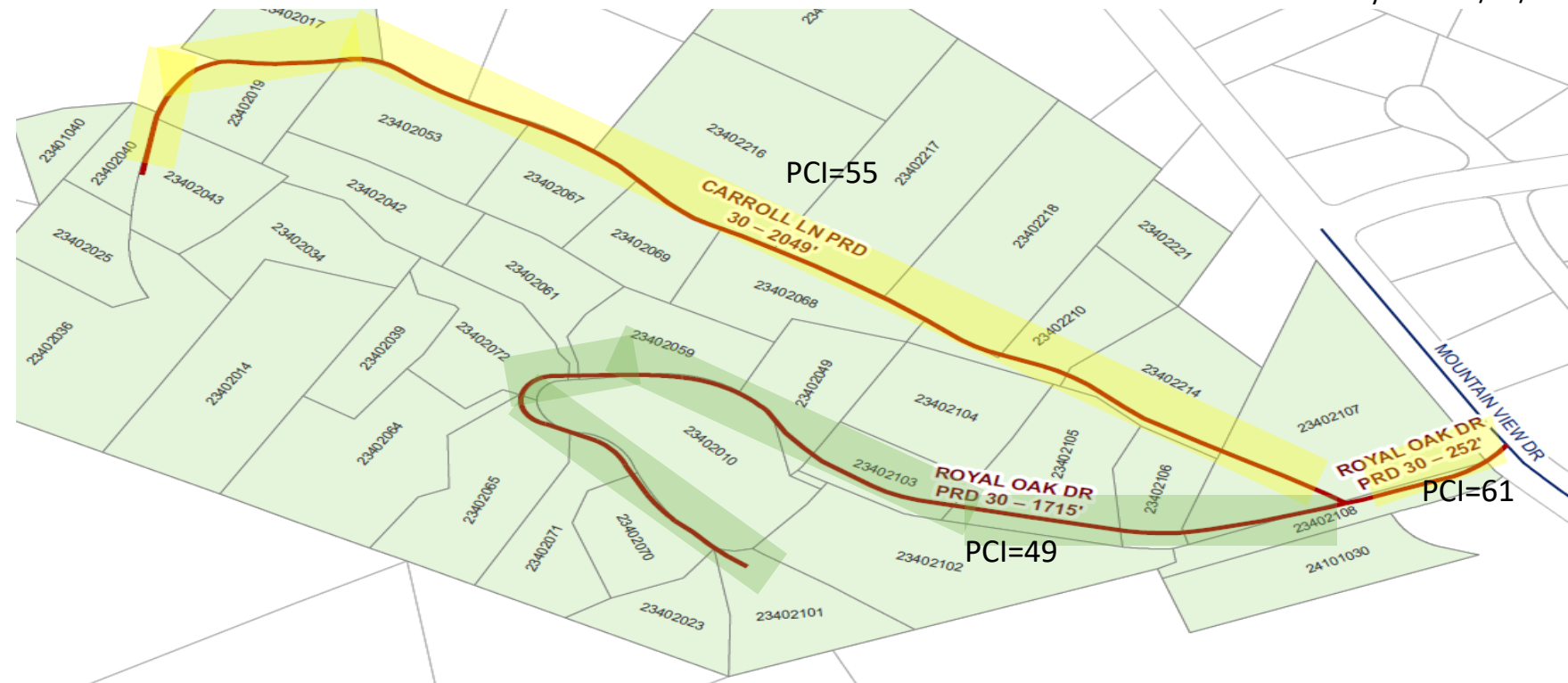


# PCI Data for PRD 30

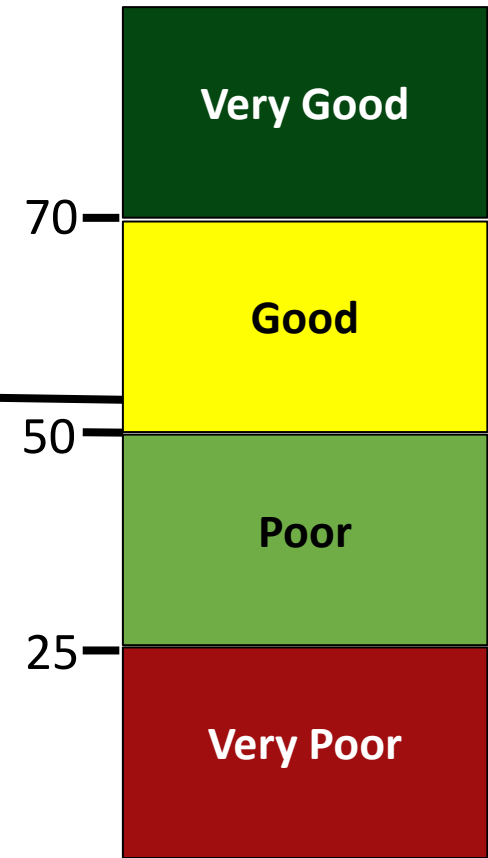
ROAD_NAME	FROM_STREET	TO_STREET	LENGTH	PCI*
CARROLL LN	ROYAL OAK DR	END	2,049	55
ROYAL OAK DR	MOUNTAIN VIEW DR	CARROLL LN	252	61
ROYAL OAK DR	CARROLL LN PRD	END	1,715	49

\* Analyzed on 9/23/2021

PRD 30 PCI = 52.8



PRD 30  
Avg.  
52.8



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# Road Repair Estimate

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# Recommended Road Repairs for PRD 30

- Recommended Road Work: \$262,167
    - Royal Oak Drive \$119,637
    - Carrol Lane \$77,351
  - Culverts: Replacement & Cleanout (\$29,050)
  - Spot Removal & Replacement (Digouts)
  - Berm Installation/Repair & Seal
  - Road Edge/Shoulder Repair
  - Crack Seal & Slurry Seal
  - Stop Bar/Legend – Painted
  - Tree Trimming
- 
- Routine Maintenance: \$35,000
    - County recommended every 5-7 yrs
    - Work includes: digouts, crack fill & seal, edge repair, seal



# Current Revenues



All parcels currently pay \$0/year

- **Annual Revenue \$4,984**
  - From a portion of the countywide property tax revenue.
- **Current Assessment Charge**
- **\$0/Benefit Unit**
  - Maximum rate allowed is \$100
  - Benefit Unit Methodology:
    - 1: benefiting parcel
    - 0: does not benefit or public agency

# Current Situation

- **Current Fund Balance (11/5/21)** **\$44,484**
- **Total Annual Revenue** **\$4,984**
- **Cost of Annual Administration & Insurance** **\$3,500**
- Amount added to fund balance (savings each year if no other expenses) **\$1,484**
- **Cost of Recommended Work** **\$262,167**

100+ Years to fund road work at current revenue

County recommends that road work is completed in 10 years or less.



Questions



# PRD 30 Preliminary Engineering Report

## Funding Options

1. Assessment (Specific Benefit)
2. Special Tax (Per Parcel)
3. Special Tax (Per Acre)

Report Prepared by:

Harris & Associates

Pat Pernich, Senior Project Analyst

949-943-9709 [Pat.Pernich@weareharris.com](mailto:Pat.Pernich@weareharris.com)

# Engineer Report



# **PRD 30 - Royal Oak Drive & Carroll Lane**

## **Presentation of Proposed Benefit Assessments**

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**Property Owner Meeting**

**December 9, 2021**



## Permanent Road Division Law

Permanent Road Divisions (PRDs) may include “... *zones within the division for specific permanent road projects, with differing special taxes or parcel charges. Parcel charges shall be deemed to be assessments within the meaning of [Article XIII D of the California Constitution](#)*”.

Streets and Highways Code Section 1162.6 (a).

# Benefit Assessments

- Must be allocated to parcels proportionally based on special benefit received
- Publicly-owned property must be assessed if special benefit is received
- Mailed-ballot vote of property owners requires majority approval to pass
- Ballots are weighted by assessment amount
- Maximum assessment rates may include provision for annual increases
- Lower cost to form and administer



# **Special Benefit Provided by Royal Oak Drive & Carroll Lane**

- **Roadway Access Benefit**
- **Development Benefit**



# Determining Parcel Benefit

*Roadway Access Benefit*

*+ Development Benefit*

*Parcel Benefit*

# Roadway Access Benefit

Description	Roadway Access Benefit
Access to parcel by Royal Oak Drive or Carrol Lane	1.00 per parcel
No Access from Royal Oak Drive or Carrol Lane	0.00 per parcel

# Development Benefit

Description	Development Benefit
Residential Dwelling Units	1.00 per dwelling unit

# Summary of Parcel Benefit Factors

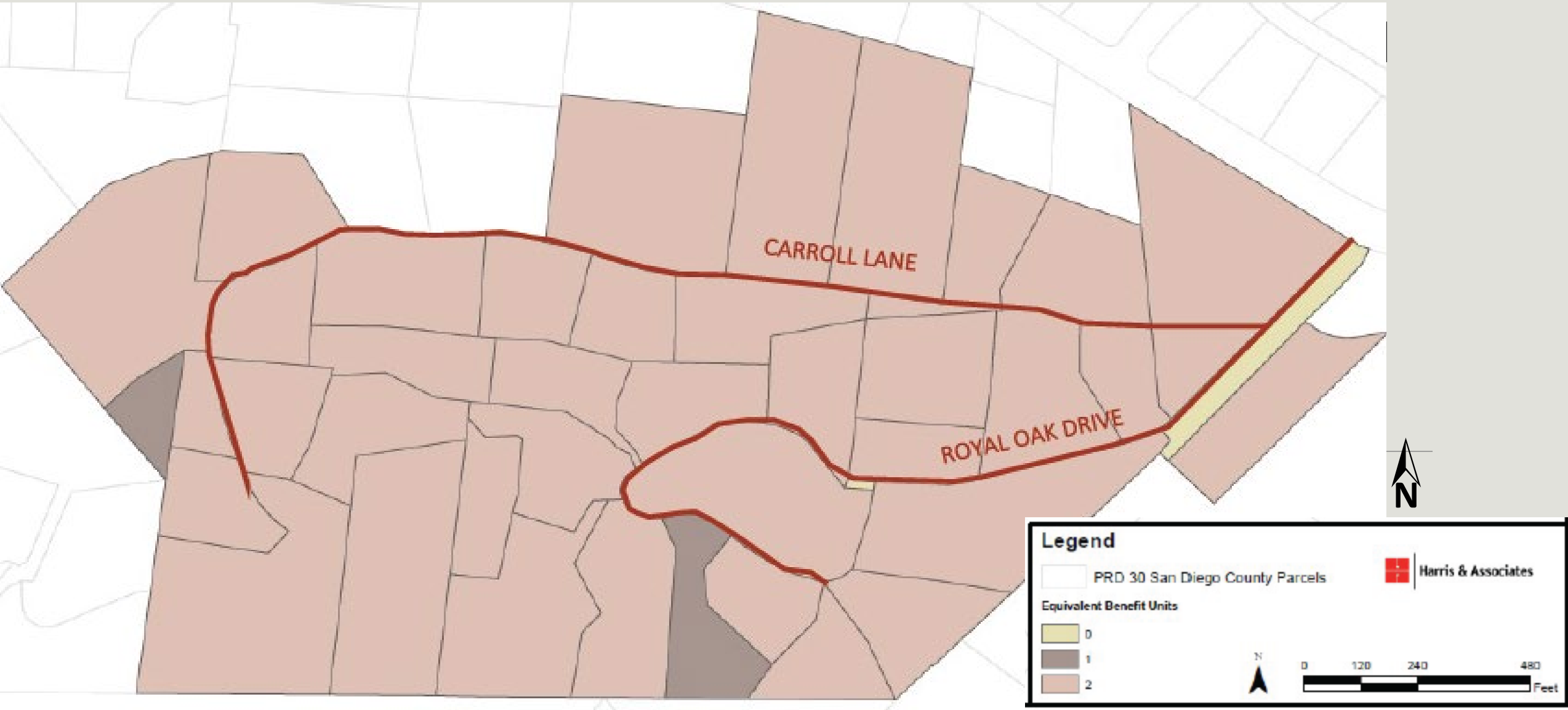
Description	Benefit Factor
<u>Roadway Access Benefit</u>	
Royal Oak Drive / Carroll Lane	1.00 per parcel
<u>Development Benefit</u>	
Residential Dwelling Units	1.00 per dwelling unit

# Parcel Benefit Calculation for Sample Parcels

Description	Roadway Access Factor	+ Roadway Use Benefit =	Parcel Benefit
Parcel with one dwelling unit	1.00	1.00	2.00
Parcel with two dwelling units	1.00	2.00	3.00
Vacant parcel	1.00	0.00	1.00



# Parcel Benefit Map



# Special Taxes

- May be allocated to parcels on any reasonable basis except for property value

- Special tax per parcel

- Special tax per acre

- Publicly-owned property is usually exempt
- Requires two-thirds (2/3) approval to pass a special tax ballot measure when there are more than twelve (12) registered voters
- Maximum special tax rates may include a provision for annual increases
- Higher cost to form and administer

# Common Types of Special Taxes

- **Special Tax Per Parcel**
- **Special Tax Per Acre**



# PRD 30 Royal Oak Drive & Carroll Lane

# THE END

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# Options



```
graph LR; Options((Options)) --- 1((1)); Options --- 2((2)); Options --- 3((3)); 1 --- DR[District Reassessment]; 2 --- D[Dissolution]; 3 --- LS[Limited Service];
```

**1**

**District  
Reassessment**

**2**

**Dissolution**

**3**

**Limited  
Service**



# Option 1: District Reassessment

- New PRD would be Formed
  - New rate would be established
  - Can add or remove services and/or road segments
- Annual Revenue would be sufficient to fund all recommended road work in 10 years
  - The 10-year timeline is a staff recommendation based on PRD road conditions. The Board of Supervisors may establish shorter or longer timeframes for road repairs during upcoming 2022 Board actions to amend the PRD Program.
- Process takes ~18 months
- Includes:
  - Engineering reports
  - Public Outreach
  - Public Hearings before the Board of Supervisors
  - Mail Ballot Proceedings

# Option 1: District Reassessment:

## Special Benefit Assessment



### **Special Benefit Assessment**

Number of Taxable Parcels: 39

Total Number of Benefit Units: 77

Rate per Benefit Unit: \$366.45

### **Options for Road Repair Funding (\$262,167)**

Annual Revenue: \$28,217 (for 10 years)

- 35 parcels pay \$733
- 2 parcels would pay \$366
- 1 parcel would pay \$1099

# Option 1: District Reassessment:

## Special Tax District (per Parcel)



### **Special Tax District – Per Parcel**

- Number of Taxable Parcels: 39
- Each benefitting parcel pays the same rate.

### **Options for Road Repair Funding (\$262,167)**

Annual Revenue: \$28,217 (for 10 years)

- Special Tax – Per Parcel
  - Per Parcel Flat Rate: \$724

# Option 1: District Reassessment:

## Special Tax District (per Acre)



### **Special Tax District – Per Acres**

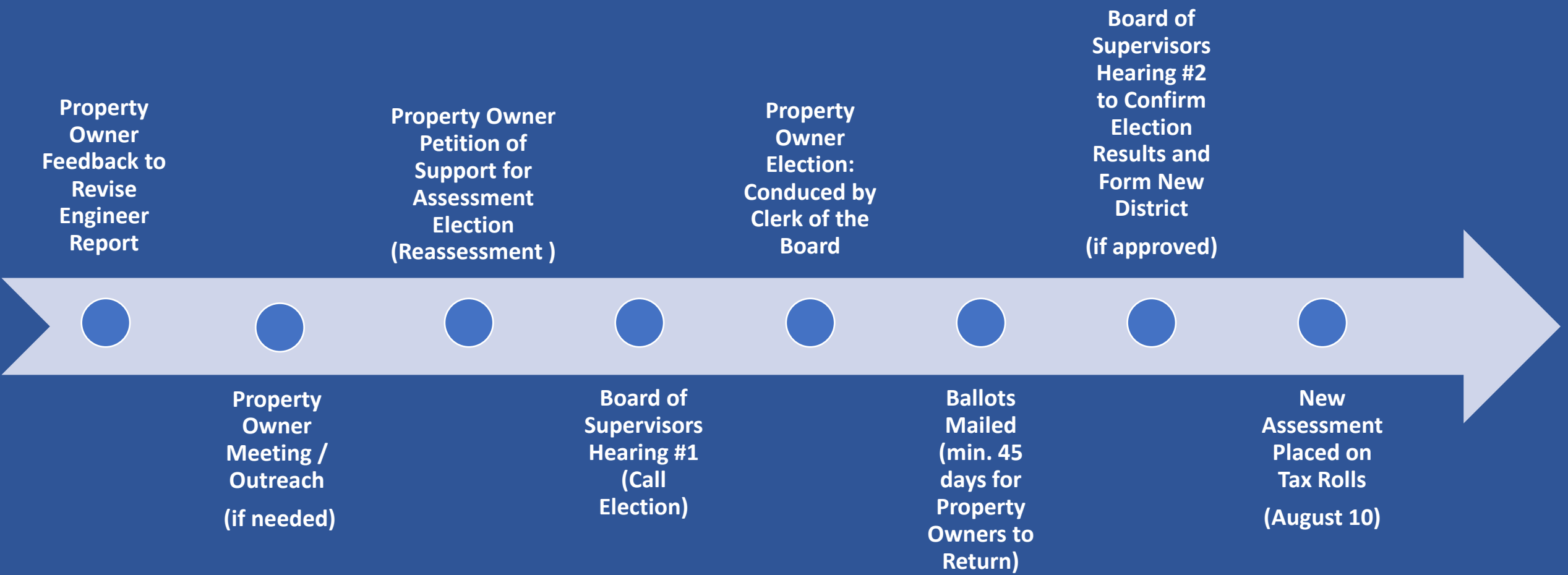
- Total Number of Taxable Acres: 39.37

### **Options for Road Repair Funding (\$262,167)**

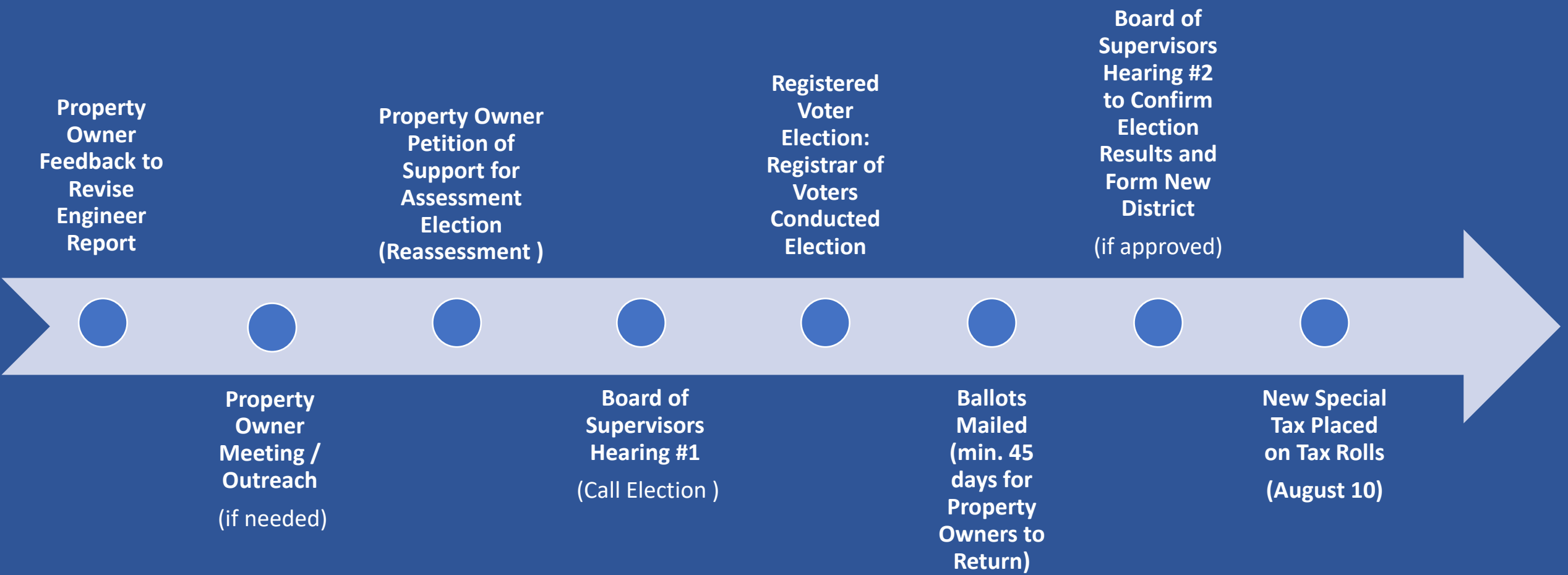
Annual Revenue: \$28,217 (for 10 years)

- Special Tax – Acreage
  - Per acre: \$717
  - Range: \$218 - \$1,641
  - Median Rate: \$573

# Next Steps – New Assessment District Formation Timeline



# Next Steps – New Special Tax District Formation Timeline





## Option 2: Dissolution

### PRD would no longer exist

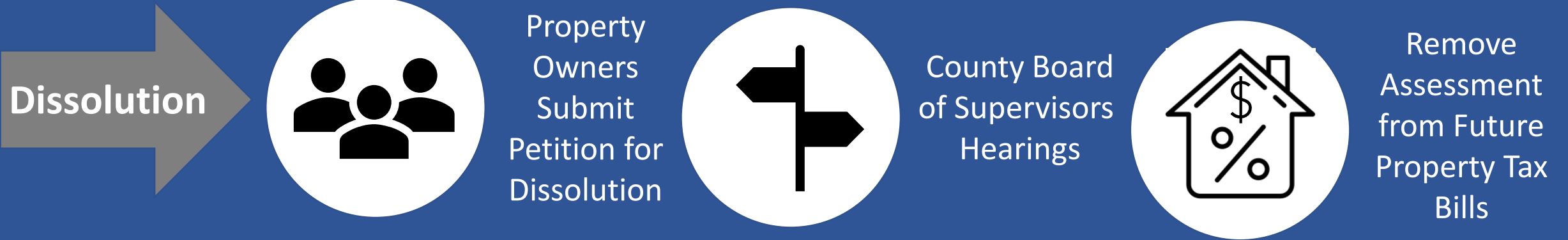
- Assessment no longer be charged on Property Tax Bill
- County would not collect funds for road work
- County not have maintenance responsibility for roads

### Property Owners Would Have Road Maintenance Responsibility

### Dissolution Process

- Property Owners Initiate Dissolution
- Petition signed by 50% of ALL Prop. Owners
- 2 Board hearings for dissolution
- Petitions should be submitted by July 15 to Remove an Assessment/Special Tax from the Upcoming Property Tax Bill

# Next Steps – Dissolution



## Option 3: Limited Service (Increase to Max)



Most parcels would pay \$100/year

- \$100/Benefit Unit
  - Maximum rate allowed is \$100
  - Most parcels would pay \$100/year
- Annual Revenue \$8,749
  - This option would not fund the recommended road work, but would provide additional funding to do repairs needed to keep the road open for daily trips and disaster egress
  - Responsibility for work not completed by the County will be the responsibility of property owners.
- This option may not be available after upcoming 2022 Board of Supervisor actions to amend the PRD Program.

## Option 3: Limited Service (Current rate)



Parcels currently pay \$0/year

- \$0/Benefit Unit
  - All parcels currently pay \$0/year
  - Maximum rate allowed is \$100
- Annual Revenue \$4,984
  - This option would not fund the recommended road work or provide any additional funding to do repairs needed to keep the road open for daily trips and disaster egress
  - Responsibility for work not completed by the County will be the responsibility of property owners.

## Option 3: Limited Service

If District Reassessment is Not Approved and PRD remains active:

- PRD 30 will only have enough revenue to fund periodic, limited road work
- PRD will remain in place with current property tax revenue
- Road work will only be done as funds are available
  - Priority: public safety, maintaining safe egress
- Road Maintenance Responsibility will belong to Property Owners for all road work not completed with PRD funds

County staff will:

- Conduct prioritized road work as funds are available
- Conduct annual inspections
- Notify property owners annually of their responsibility to maintain road segments within their parcel boundaries

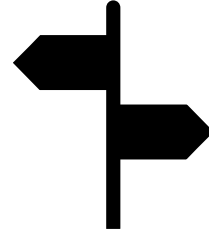
# Next Steps – Limited Service\* (Increase to Max Rate)



Petition Received  
with > 50%  
Property Owners in  
Support of Increase

Rate Increase  
Approved

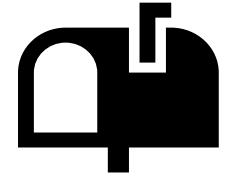
County Board of  
Supervisors  
Hearing:  
June/July



Rate Increase  
on Property  
Tax Bill:  
August



Annual Notice to  
Property Owners  
about Limited Service  
& Road Maintenance  
Responsibility



**\*To initiate a rate increase to the maximum amount in current Ordinance, a petition signed by over 50% of property owners within PRD 30 will be required. Please note this rate increase will not fund the recommended road work within the specified time frame. Also, based on the options selected by the County Board of Supervisors during the PRD Return to Board Hearing in 2022, this option may not be feasible for PRD 30 to fund the required road work to remain active.**



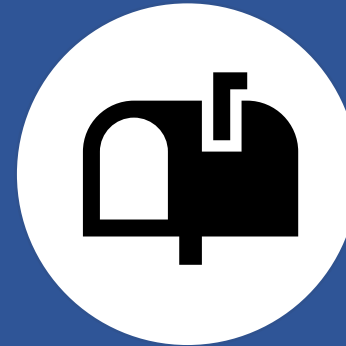
# Next Steps – Limited Service\*

## (Current Rate)



Rate Increase  
Not Approved

Annual Mailed Notice to Property  
Owners about Limited  
Funds/Service &  
Road Maintenance Responsibility



Assessment  
Remains \$0



**\*Please note that the current assessment rate of \$0 will not fund the recommended road work within the specified time frame. Also, based on the options selected by the County Board of Supervisors during the PRD Return to Board Hearing in 2022, this option may not be feasible for PRD 30 to fund the required road work to remain active.**



Questions