

PRD 13B – Stewart Canyon

4/1/2021

Contacts:

County

Jen Winfrey, Unit Manager

858-495-5470 or Jen.Winfrey@SDCounty.ca.gov

Dominic Anson, Preventative Maintenance Coordinator
@ 858-571-4255 or Dominic.Anson@SDCounty.ca.gov

Road Committee

Cathie Ransom

- 760-689-6080 or Cathie@LosWillows.com

Carolynn Hanson

Linda Scott

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 13B
 - Boundary
 - Maintenance Areas
- Q & A
- Current Situation
- Options
- Next Steps
 - Mail Ballot Election
- Q & A



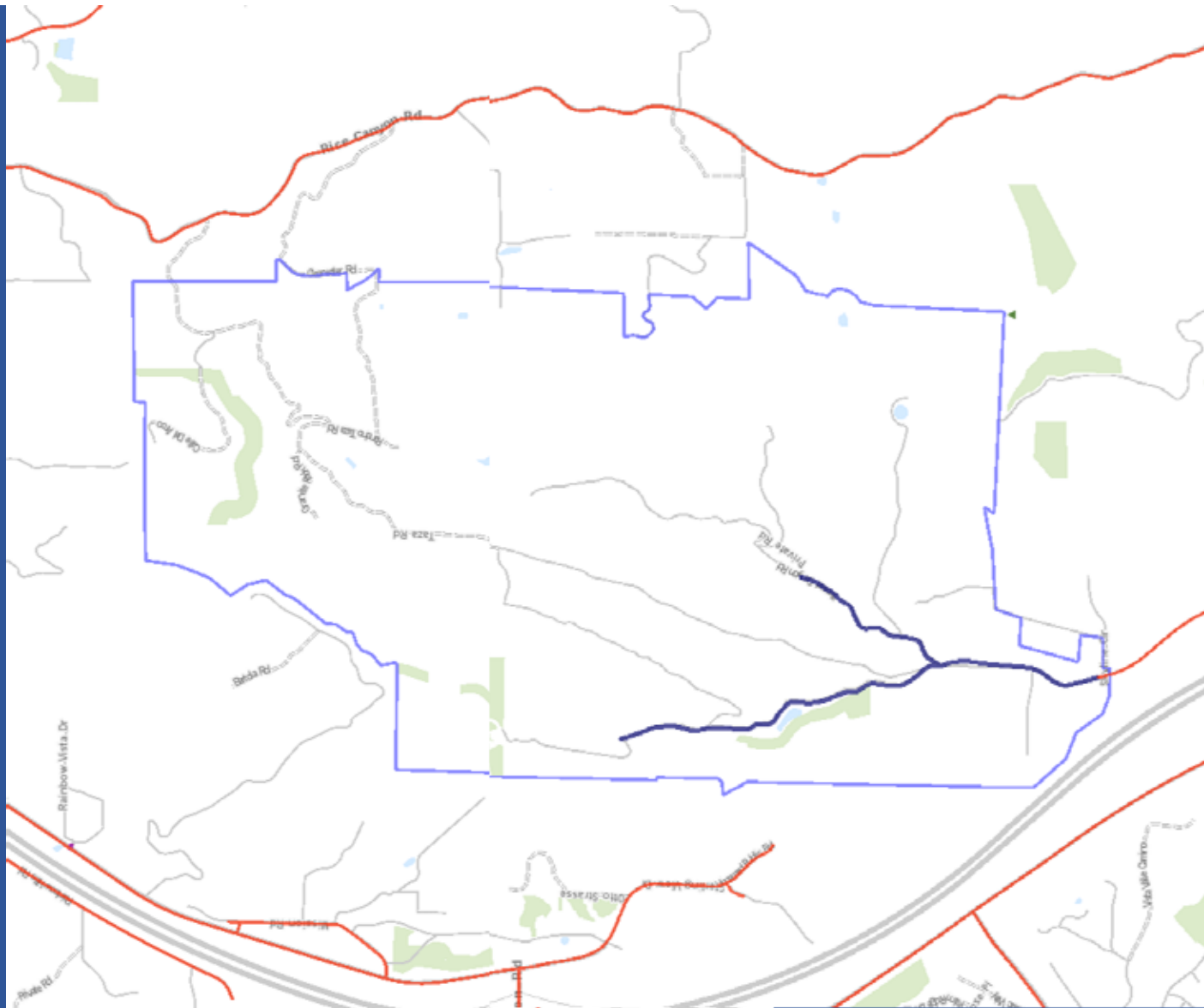
What is a PRD?

- Permanent Road Division Zones (PRDs) are special districts
- Formed at the request of property owners
- Provide expanded services – private road maintenance
- Maintenance areas and maximum funding rate established in formation documents
- Funded by property owner paid assessments/taxes
- Districts formed <1978 receive a portion of the countywide property tax revenue
- PRD revenues are kept in an individual fund at the County

- Formed:
 - Oct. 6, 1970
- Parcels:
 - 100 total
 - 83 taxable

PRD 13B

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 - Oct. 6, 1970
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PRD Maintenance

- 1.43 Miles of road
 - Asphalt/Concrete
 - Surface Seals
 - Crack Fill/Seal
 - Berms
 - Striping/Legends
 - Road signs
- 3 Culverts
- Optional additional services:
 - Street sweeping
 - Roadside vegetation trimming





Current
Conditions: @
Stewart
Canyon Fork
Culvert



Current
Conditions: @
Stewart
Canyon Fork
Culvert

Current Conditions





Current
Conditions



Current Conditions

Current Conditions





Current Conditions

Road Repair Estimate

Recommended Road Repairs for PRD 13B

- Prioritized: \$517,422
 - County recommends completing work within 10 years
 - Work includes:
 - Asphalt/Concrete Digouts
 - Berm Repair/Replacement/Installation
 - 3 Culverts: Remove/Replace or Repair
 - Crack Fill & Seal
 - Chip Seal
 - Work does not include: Roadside Mowing
 - 3 days of work \$13,200
-
- Routine Maintenance: \$110,000
 - County recommended regular maintenance every 5-7 years
 - Work includes: digouts, crack fill & seal, edge repair, seal





Asphalt
Remove and
Replace:



Asphalt
Remove and
Replace:



Standard
Cracking
(crack Seal)



Asphalt Remove and Replace:



Culvert
Replacement:





Questions

Current Revenue

- Current Revenue \$12,264
 - Assessment: \$6,225
 - Current Rate \$25/Benefit Unit
 - Benefit Units based on benefit and improvements (dwelling)
 - Most parcels pay \$75 (3 Benefit Units)
 - Ad Valorem: \$6,039
 - Portion of the Countywide 1% Property Tax
 - Not “extra”
 - Fluctuates with CW property values

Current Benefit Units/ Assessment



Most parcels pay \$75/year

- Benefit Unit Methodology:
 - 1: developed parcel
 - +2: less than 20 acres
 - +4: 20 to 40 acres
 - +6: 40 to 60 acres
 - +8: more than 60 acres
 - 0: does not benefit or public agency

- Parcel Count: Benefit Unit/Annual Charge
 - 2 Benefit Units (\$50/yr): 28 parcels
 - 3 Benefit Units (\$75/yr): 44 parcels
 - 4 Benefit Units (\$100/yr): 5 parcels
 - 5 Benefit Units (\$125/yr): 4 parcels
 - 7 Benefit Units (\$175/yr): 2 parcels
 - 9 Benefit Units (\$225/yr): 1 parcel
 - 0 Benefit Units (\$0/yr): 16 parcels

Current Situation

○ Projected Year End Fund Balance	\$22,339
○ Total Annual Revenue	\$12,246
○ Cost of Annual Administration/ Inspection/Insurance	<u>\$5,000</u>
○ Amount added to fund balance (savings) each year	\$7,246
○ Cost of Recommended Work	\$517,442

20+ Years to fund road work at current revenue

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

Options

1

**2 Part
Rate
Increase**

2

**Limited
Service**

3

Dissolution

Part 1: Recommended Rate Increase



Most parcels would pay \$300/year

- Increase to \$100/Benefit Unit
 - Maximum rate allowed for PRD 13B
 - Benefit Unit Methodology:
 - 1: developed parcel
 - +1-8: based on acres
 - 0: does not benefit or public agency
- Annual Revenue \$30,939
- If rate increase is approved:
 - Rate will remain at \$100 in future years
 - Next 2 years: Engage property owners & road committee on reassessment options
 - Road Work done as funds are available to address highest priority items/areas
 - Will have accrued \$100k by Yr 3

Part 1: Recommended Rate Increase



Most parcels would pay \$300/year

- \$100/Benefit Unit
 - Maximum rate allowed for PRD 13B
 - Benefit Unit Methodology:
 - 1: developed parcel
 - +2: less than 20 acres
 - +4: 20 to 40 acres
 - +6: 40 to 60 acres
 - +8: more than 60 acres
 - 0: does not benefit or public agency
- Parcel Count: Benefit Unit/Annual Charge
 - 2 Benefit Units (\$200/yr): 28 parcels
 - 3 Benefit Units (\$300/yr): 44 parcels
 - 4 Benefit Units (\$400/yr): 5 parcels
 - 5 Benefit Units (\$500/yr): 4 parcels
 - 7 Benefit Units (\$700/yr): 2 parcels
 - 9 Benefit Units (\$900/yr): 1 parcel
 - 0 Benefit Units (\$0/yr): 16 parcels

Part 2: District Reassessment

*If Property Owners
Approve Balloted
Rate Increase this Year*

*(not included
on this year's ballot)*

- New PRD would be Formed
 - Retain property tax revenue ~\$6k
 - New assessment rate would be established
 - PRD could be broken into zones
 - Benefit Unit Methodology would change
 - Property owners can add or remove services and/or road segments
- Annual Revenue would be sufficient to fund all recommended road work in 10 years
- Process takes ~18 months
- Includes:
 - Engineering reports
 - Public Outreach
 - Public Hearings before the Board of Supervisors
 - Mail Ballot Proceedings conducted by Clerk of the Board or Registrar of Voters

Limited Service

- If Rate Increase is Not Approved:
 - PRD 13B has enough revenue to fund periodic, limited road work
 - PRD will remain in place with property tax revenue
 - Road work will be done as funds are available
 - Prioritized by public safety, maintaining open egress
 - Could fund ~\$225k in road work in FY 25/26 with \$100k loan from County
 - 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:
 - Inspection results
 - Planned road work
 - Responsibility to maintain road segments within their parcel boundaries

Dissolution

- PRD would no longer exist
 - Assessment would no longer be charged on Property Tax Bill
 - County would not collect funds for road work
 - County would no longer have maintenance responsibility for roads
- Road maintenance responsibility would return to property owners
- Dissolution process
 - Dissolution initiated by property owners or ballot results
 - Ballot: if 50%+ of returned ballots support dissolution
 - Property Owner Petition: petition signed by 50% of ALL property owners
 - 2 Board hearings for dissolution
 - Property owners welcome to speak or submit comments at 1 or both hearings

Next Steps



Mail Ballot Election:
April/May



Feedback from Property
Owners and Road Committee
on Ballot Options



Letter to Property Owners
(Ballot Options and Timing)

Property Owner Ballot
(Ballot, Ballot Instructions,
Return Envelope)

Next Steps

Rate Increase
Approved



County Board
of Supervisors
Hearing:
June/July



Increase
on 21/22
Property
Tax Bill



Part 2 of
Rate
Increase
in 21-22+

Rate Increase
Not Approved



Mailed Notice to Property Owners
in May and Annually about
Limited Funds/Service &
Road Maintenance Responsibility

Dissolution



Remove
Assessment
on 21/22
Property Tax
Bill



County Board
of Supervisors
Hearing:
Oct./Dec. 2021



Questions

Part 1: Glideslope Rate Increase



Most parcels would pay \$195 in Yr 1

Most parcels would pay \$300 in Yr 2

- Rate increase to \$100 over 2 years
 - FY 21/22: \$65/Benefit Unit
 - FY 22/23: \$100/Benefit Unit
- Annual Revenue Yr 1: \$22,224
- Annual Revenue Yr 2: \$30,939
- If rate increase is approved:
 - Rate will remain at \$100 in future years
 - Next 2 years: Engage property owners & road committee on reassessment options
 - Road Work done as funds are available to address highest priority items/areas
 - Will have accrued \$69k by Yr 3

Part 2 Rate Increase: Reassessment Options

*Will be presented to Property Owners in FY 21/22+,
if Property Owners Approve Balloted Rate Increase this Year*

(not included on this year's ballot)

- Options for New Formation/Funding Calculation
- Annual Revenue: \$74,635

- CFD- Based on General Benefit
 - Per Parcel Flat Rate: \$899.21

- CFD- Based on Acreage
 - Per acre: \$79.65
 - Range: \$22.50-4,480

- Special Benefit Assessment
 - Based on Land Use/Road Trip Generation
 - 27 Parcels would pay <\$500
 - 37 Parcels would pay \$500-1000
 - 28 Parcels would pay \$1,000-1,500
 - 8 Parcels would pay \$1,500-1,880