



COUNTY OF SAN DIEGO

LAND USE AGENDA ITEM

BOARD OF SUPERVISORS

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Third District

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Fifth District

DATE: June 24, 2026, and December 9, 2026

06

TO: Board of Supervisors

SUBJECT

CALL A SPECIAL ELECTION TO LEVY SPECIAL TAX IN PERMANENT ROAD DIVISION NO. 1000, ZONE NO. 9B HARRIS ANNEX IN RANCHO SANTA FE AND RELATED CEQA EXEMPTION (DISTRICT: 3)

OVERVIEW

A Permanent Road Division Zone (PRD Zone) is a district which provides property owners with a mechanism to pay for private road maintenance in a geographically defined area. There are 67 PRD Zones within the unincorporated county that provide maintenance of about 94 miles of roads. Permanent Road Division Zone No. 9B – Harris Annex is located within the Rancho Santa Fe community of the North County Metro Sub Region. The 1.24 miles of roads within Harris Annex require maintenance and potential repairs to ensure safe access, and the existing assessment methodology for this PRD that was established in the 1970s is insufficient to fully fund these needs now and in the future. The PRD Chair circulated and submitted an informal petition signed by PRD property owners in support of calling for an election for an increased special tax in this community. On July 2, 2025, the Department of Public Works (DPW) conducted a Community Outreach event with the residents of PRD 9B. Notice of the meeting was provided to property owners. Multiple cost proposals were presented, and the attendees were generally supportive of the idea of a special tax for this community.

Today's request is to replace the existing assessment with a special tax determined by an Assessment Engineer to adequately fund needed work and ensure the long-term viability of the PRD. Alternatively, if the existing assessment structure is maintained, limited maintenance can continue for a number of years; however, new or modified funding mechanisms would need to be evaluated to support long-term sustainability.

On March 4, 2026 (6), the Board previously approved actions to initiate a special tax election for PRD Zone No. 9B – Harris Annex, including setting June 2, 2026, as the election date. Since that time, staff have determined that it is more fiscally prudent to align this election with the November 3, 2026, General Election to reduce costs for the community and improve administrative efficiency. Accordingly, today's proposed actions supersede the prior Board action and establish a revised election timeline.

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Per Board Policy J-16, all costs associated with formation, administration, maintenance, improvement, and rate increases of a PRD Zone, including incidental expenses, engineering and special tax reports, shall be funded by PRD Zone revenues collected from residents through a special tax levied on County property tax bills.

Per California Proposition 218, all new special taxes imposed by a County must be approved by the impacted voters. Therefore, staff are requesting the Board call for a special tax election in Harris Annex to increase the revenue for the PRD and allow for long term maintenance of safe roads. The proposed election date is November 3, 2026. The Registrar of Voters will certify the election and present the results to the Board through the Clerk of the Board on December 3, 2026. Based on the certified results, the Board will consider subsequent action. Staff's assessment indicates that the existing rate will provide sufficient funding to maintain the road at a Pavement Condition Index (PCI) of 50 or better for approximately five years. However, without the approval of the new special tax, available revenues will eventually become insufficient to support sustainable road maintenance, and PRD 9B will face insolvency within a few years' time. In that event, staff would reduce service levels to align with available funds and return to the Board with recommendations as needed, including a possible recommendation to dissolve the PRD and return road maintenance responsibility to the property owners.

The special tax will not be implemented unless two-thirds of the votes cast by the registered voters within the boundary of Harris Annex vote "yes" on the special tax. A "yes" vote would result in the replacement of the current assessment with a special tax determined by an Assessment Engineer to provide long-term road maintenance. The current assessment is \$73 a benefit unit, which means a single-family home pays up to \$204 per year. Under the proposed special tax, the maximum rate would be \$1,000 per year for each developed property and \$375 per year for each undeveloped property. The maximum rate will be subject to adjustment by up to 5% each year using the Los Angeles Construction Cost Index (LACCI) or a similar index should the LACCI become unavailable to account for inflation.

Today's proposed action requires two hearings. At today's hearing, the Board will be asked to make a CEQA finding, call an election, and introduce an ordinance to replace the existing assessment used to fund the PRD with a special tax. At the subsequent hearing, after the election is completed, the Registrar of Voters will certify the election and present the results to the Board through the Clerk of the Board; and, if two-thirds voter approval was received for the special tax, adopt the ordinance introduced at the prior hearing, or, if the requisite vote was not received, take no additional action.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER
On June 24, 2026:

The actions recommended below supersede the prior Board action taken on March 4, 2026.

1. Find that the proposed project is exempt from the California Environmental Quality Act (CEQA) as specified under Section 15061(b)(3) of the State CEQA Guidelines because the activity involves establishment of a funding mechanism with no commitment to any

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specific project so that it can be seen with certainty there is no possibility the action may have an impact on the environment.

2. Accept the Special Tax Report for San Diego County Countywide Permanent Road Division No. 1000, Zone No. 9B – Harris Annex on file with the Clerk of the Board and in the Department of Public Works and available online at <https://www.sandiegocounty.gov/content/sdc/dpw/specialdistricts/prd/prd-9b-special-tax.html>.
3. Adopt the resolution entitled: RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO CALLING FOR A SPECIAL ELECTION WITHIN PERMANENT ROAD DIVISION NO. 1000, ZONE NO. 9B – HARRIS ANNEX, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA FOR THE PURPOSE OF IMPOSITION OF A SPECIAL TAX FOR ROAD MAINTENANCE SERVICES AND ORDERING SAID SPECIAL ELECTION TO BE CONSOLIDATED WITH THE NOVEMBER 3, 2026 GENERAL ELECTION.
4. Approve the introduction of the Ordinance (first reading), and waive further reading of an Ordinance entitled: AN ORDINANCE OF THE SAN DIEGO COUNTY BOARD OF SUPERVISORS APPROVING SPECIAL TAX REPORT AND LEVYING OF SPECIAL TAXES WITHIN PERMANENT ROAD DIVISION NO. 1000, ZONE NO. 9B – HARRIS ANNEX AND REPEALING ORDINANCE NO. 9165 ESTABLISHING ASSESSMENTS IN THE PRD.

If on June 24, 2026, the Board takes the actions recommended in Items 1-54, then on December 9, 2026, the following recommendations will be considered:

1. Receive the election certification from the Registrar of Voters for the Special Tax Election within the boundaries of Permanent Road Division No. 1000, Zone No. 9B – Harris Annex.
2. Adopt a resolution entitled: RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO DECLARING RESULTS OF SPECIAL ELECTION WITHIN PERMANENT ROAD DIVISION NO. 1000, ZONE NO. 9B – HARRIS ANNEX, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA FOR THE PURPOSE OF IMPOSITION OF A SPECIAL TAX FOR ROAD MAINTENANCE SERVICES AND ORDERING SAID SPECIAL ELECTION TO BE CONSOLIDATED WITH THE NOVEMBER 3, 2026 GENERAL ELECTION.
3. Approve Special Tax Report for San Diego County Countywide Permanent Road Division No. 1000, Zone No. 9B – Harris Annex, on file with the Clerk of the Board and in the Special Districts office of the Department of Public Works and available online at <https://www.sandiegocounty.gov/content/sdc/dpw/specialdistricts/prd/prd-9b-special-tax.html>.

If the special tax vote passes:

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4. Adopt the Ordinance entitled: AN ORDINANCE OF THE SAN DIEGO COUNTY BOARD OF SUPERVISORS APPROVING SPECIAL TAX REPORT AND LEVYING OF SPECIAL TAXES WITHIN PERMANENT ROAD DIVISION NO. 1000, ZONE NO. 9B – HARRIS ANNEX AND REPEALING ORDINANCE NO. 9165 ESTABLISHING ASSESSMENTS IN THE PRD.

If the special tax vote fails:

5. Take no additional action. This will leave in place the existing authority allowing for the imposition of an assessment to pay for road repair and maintenance.

EQUITY IMPACT STATEMENT

Today's action continues the County of San Diego's (County) commitment to provide programs and services that enhance communities. Special taxes and assessments fund services for Permanent Road Divisions (PRDs), which support the health, safety, and economic interests of local communities by maintaining safe and reliable road infrastructure. Calling a special election to levy a special tax in PRD No. 1000, Zone No. 9B (Harris Annex in Rancho Santa Fe) will have a direct impact on residents in these communities by providing a mechanism to fully fund continued access to safe and well-maintained roads. This action promotes equity by ensuring that residents within these zones, who are directly impacted by the condition of local roads, have a fair and transparent process to participate in funding decisions that affect their daily safety, mobility, and long-term community sustainability.

SUSTAINABILITY IMPACT STATEMENT

Today's action supports the County of San Diego's (County) Sustainability Goals to protect the health and wellbeing of residents, ensure equitable access to services, and strengthen community resilience by continuing to fund the operation, maintenance, and improvements of local roads. Well-maintained roads promote public safety, support economic sustainability by preventing more costly reconstruction in the future, and ensure reliable access for residents, emergency services, and local businesses. Maintaining roads in good condition also reduces vehicle wear, lowers greenhouse gas emissions from inefficient travel, and extends the lifespan of existing infrastructure.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2026-27 CAO Recommended Operational Plan in the Department of Public Works Fund Permanent Road Division, Zone No. 9B Harris Annex. If approved, this request will result in costs and revenue of approximately \$2,000 to \$4,000 in Fiscal Year 2026-27 for a special election. The funding source is property owner-paid special taxes within Permanent Road Division (PRD) No. 1000, Zone No. 9B (Harris Annex in Rancho Santa Fe). If approved, today's action will authorize a special election allowing registered voters within the affected PRD to determine by a vote to levy special taxes to fully fund the operation and maintenance of local roads. The proposed special taxes will recover all costs associated with maintaining these facilities and the staff and engineering costs associated with today's action as required by Board Policy B-29. Accordingly, there is no projected unrecovered cost and a waiver

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of Board Policy B-29 is not needed. There will be no change in net General Fund cost and no additional staff years required.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

Special districts are created and funded by residents of a community to provide new or enhanced local services and infrastructure. Special districts vary in size and serve diverse regions of the county. Each type of special district is governed by different State laws. The County of San Diego (County) uses Permanent Road Division (PRD) Zones to fund local road maintenance and improvements in unincorporated areas. Services are funded by property owners through special benefit assessments or special taxes that are collected through annual property tax bills, reducing administrative costs associated with separate billing and collection. PRD Zone boundaries were established either by voters or as a condition of development at the time of formation. Road maintenance services are managed by the Department of Public Works (DPW) and financed by assessments or special taxes that must be approved by property owners within the zones.

The use of PRD Zones was authorized by the Board of Supervisors on February 17, 1998 (20) as a mechanism for landowners to maintain their private roads. On March 20, 1979 (50), the Board approved formation of County Service Area 9B – Harris Annex for road maintenance services. On June 21, 2000 (18), the Board transferred County Service Area 9B – Harris Annex into Permanent Road Division No. 1000 as Zone No. 9B – Harris Annex. Harris Annex currently maintains roads within the Rancho Santa Fe community. Property owners in Harris Annex currently pay a benefit assessment of \$73 per benefit unit. On average, a single-family home pays \$204 per year. The maximum assessment of \$204 per year per taxable parcel, however, is not adequate to fully fund the required maintenance, and additional funding is needed. The maximum special tax proposed is \$1,000 per developed parcel and \$375 per undeveloped parcel to help ensure the long-term safety and sustainability of this road. The maximum rate will be subject to adjustment by up to 5% each year using the Los Angeles Construction Cost Index (LACCI) or a similar index should the LACCI become unavailable to account for inflation.

In 2008, California’s Streets & Highways Code was amended to add Streets & Highways Code section 1179.5, clarifying that Permanent Road Divisions (PRDs) may impose special taxes in addition to benefit assessments. Special taxes help ensure PRDs are fully funded because they can cover the full cost of needed work whereas special assessments must be reduced by any general benefit which often leaves assessment supported PRDs underfunded. On May 4, 2016 (7), the Board amended Policy J-16 to provide PRD Zones with the option of using a special tax to fund maintenance.

Calling a special election to levy a special tax in PRD No. 1000, Zone No. 9B (Harris Annex in Rancho Santa Fe) will provide voters in the PRD with the opportunity to determine by a two-thirds

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vote whether to approve necessary funding to ensure continued access to safe and reliable roads. Staff's assessment indicates that the existing rate will provide sufficient funding to maintain the road at a PCI of 50 or better for approximately five years. However, without the approval of the new special tax, available revenues will eventually become insufficient to support sustainable road maintenance, and PRD 9B will face insolvency within a few years' time. In that event, staff would reduce service levels to align with available funds and return to the Board with recommendations as needed, including a possible recommendation to dissolve the PRD and return road maintenance responsibility to the property owners.

Today's action includes a request to submit the Special Tax Report to the Board and adopt a resolution to call for a special tax election. In addition, an ordinance to enact the special tax and repeal the existing, inadequate assessments within Harris Annex will be introduced.

Special Tax Methodology

A special tax may be apportioned to the parcels in the PRD based on any reasonable apportionment methodology. The County retained an assessment engineering consultant who has reviewed the cost to adequately maintain roads in the community and apportioned that cost to benefited properties. This methodology is outlined in a Special Tax Report for San Diego County Countywide Permanent Road Division No. 1000, Zone No. 9B – Harris Annex on file in the Department of Public Works and available online at <https://www.sandiegocounty.gov/content/sdc/dpw/specialdistricts/prd/prd-9b-special-tax.html>.

The Special Tax Report describes the amount of the special tax and the apportionment method proposed to replace the existing assessment. The maximum special tax proposed is \$1,000 per developed parcel and \$375 per undeveloped parcel and will be used to pay for road repairs, establish a contingency reserve, and provide for administration and ongoing maintenance of roads within Harris Annex. Road and culvert maintenance will be completed as funds become available.

All annual special taxes, beginning in year 1, are subject to adjustment based on the annual cost-of-living increase established by the Engineers News Record (ENR) Construction Cost Index for the Los Angeles area (LACCI), as recommended in the Special Tax Report, with a minimum annual percentage change of zero percent (0%) and a maximum annual increase of five percent (5%) per fiscal year. The actual tax rate imposed in any given year must be determined by the Board before being placed on the tax roll; however, in no event can this rate exceed the maximum voter-approved amount. Staff have analyzed the impact of the special tax on the tax burden for parcels within Harris Annex.

In order to impose the proposed special tax, it must be approved by two-thirds of the registered voters in the PRD. The action the Board is being asked to take today will provide voters with an opportunity to express their position on fully funding the PRD by way of a special election on the proposed special tax.

Property Owner Support

While special taxes are approved by registered voters rather than property owners, Board Policy J-16 calls for obtaining property owner support for a special tax, particularly if the proposal comes from the community. This is important because some property owners may not be registered

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voters, and the policy helps ensure that those whose real estate would be subject to the tax are fully informed and have input on the process. The PRD Chair circulated and submitted an informal petition signed by PRD property owners in support of calling for an election for an increased special tax in this community.

On July 2, 2025, the Department of Public Works (DPW) conducted a Community Outreach event with the residents of PRD 9B. Notice of the meeting was provided to property owners. Multiple cost proposals were presented, and the attendees were generally supportive of the idea of a special tax for this community.

Without routine maintenance, the roads within Harris Annex have deteriorated and need resurfacing and rehabilitation. The Harris Annex PRD road committee has met with property owners to discuss the funding options. There are 56 taxable parcels in the boundaries of Harris Annex. Information on excluded parcels can be found in Attachment C – Special Tax Report for San Diego County Countywide Permanent Road Division No. 1000 Zone No. 9B – Harris Annex.

Resolution of the Board of Supervisors Calling Special Election

To initiate the election process and designate the Registrar of Voters as the election official, among other requirements, a Resolution to Call a Special Election is included with the proposed action. Upon approval of this resolution, a ballot will be mailed to all registered voters within the Harris Annex boundaries. Additionally, notice of the special tax election will be published and posted along roads within the PRD Zone in accordance with Streets and Highways Code Sections 1195 and 1196. Mailed notice of the special tax election will also be sent to property owners who do not reside in the community, as required by Government Code § 54930. The special election will be consolidated with the November 3, 2026 Gubernatorial General Election. The Registrar of Voters will certify the election and present the results to the Board through the Clerk of the Board on December 3, 2026. Depending on the results of the election, the Board will be asked to adopt a resolution.

Special Tax Passage

If two thirds of the ballots cast a “yes” vote on the special tax, Harris Annex will have the capability to fund future road maintenance. After the Registrar of Voters certifies the election results, the Board may adopt the Ordinance Approving the Special Tax Report and Levy of Special Taxes. The effective date of the Ordinance and the initial levy of the special tax will commence in Fiscal Year 2027–28, aligning the implementation with the next applicable property tax cycle. If the special tax is confirmed and approved, it may be continued in future years and may be increased in future years by an adjustment tied to the Engineers News Record (ENR) Los Angeles construction cost index (LACCI), which is the cost index recommended by the Assessment Engineer and a standard frequently used for construction projects in the San Diego region. The annual adjustment will have a minimum percentage change of zero percent (0%) and a maximum annual increase of five percent (5%) per fiscal year. Each year, in compliance with State law, DPW will return to the Board to request adoption of the special tax rate for the upcoming year, and the special tax will be included in the property owner’s property tax bill.

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Staff's assessment indicates that the existing rate will provide sufficient funding to maintain the road at a PCI of 50 or better for approximately five years. However, without the approval of the new special tax, available revenues will eventually become insufficient to support sustainable road maintenance, and PRD 9B will face insolvency within a few years' time. In that event, staff would reduce service levels to align with available funds and return to the Board with recommendations as needed, including a possible recommendation to dissolve the PRD and return road maintenance responsibility to the property owners.

ENVIRONMENTAL STATEMENT

Section 15061(b)(3) of the State CEQA Guidelines exempts from CEQA review activities that can be seen with certainty to have no impact on the environment. The project consists of the approval of action to provide a funding mechanism for the maintenance of existing roads within an established PRD. The roads have been maintained by the County as part of a CSA and then a PRD since the 1970s. No new roads or facilities are proposed as part of this action. Therefore, the proposed action is categorically exempt from CEQA review pursuant to Section 15061(b)(3) of the State CEQA Guidelines

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed action to conduct a special tax election supports the Operational Excellence Initiative in the County of San Diego's 2026-2031 Strategic Plan by providing funding to maintain fiscal stability for the maintenance of roads within Permanent Road Division No. 1000, Zone No. 9B Harris Annex.

Respectfully submitted,



DAHVIA LYNCH
Deputy Chief Administrative Officer

ATTACHMENT(S)

Attachment A - Vicinity Map

Attachment B - Parcel Map

Attachment C - Special Tax Report for San Diego County Countywide Permanent Road Division No. 1000 Zone No. 9B – Harris Annex

Attachment D - Resolution of the Board of Supervisors of the County of San Diego Calling for a Special Election Within Permanent Road Division No. 1000, Zone No. 9B – Harris Annex,

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County of San Diego, State of California for the Purpose of Imposition of a Special Tax for Road Maintenance Services and Ordering Said Special Election to be Consolidated with the November 3, 2026 General Election

Attachment E - Resolution of the Board of Supervisors of the County of San Diego Declaring Results of Special Election Within Permanent Road Division No. 1000, Zone No. 9B – Harris Annex, County of San Diego, State of California for the Purpose of Imposition of a Special Tax for Road Maintenance Services and Ordering Said Special Election to Be Consolidated with the November 3, 2026 General Election

Attachment F - An Ordinance of the San Diego County Board of Supervisors Approving Special Tax Report and Levying of Special Taxes Within Permanent Road Division No. 1000, Zone No. 9B – Harris Annex and Repealing Ordinance No. 9165 Establishing Assessments in the PRD