



# 5 STEPS TO A SUCCESSFUL PROPERTY OWNER ASSESSMENT APPROVAL

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## Executive Summary

Since Proposition 218 passed in 1996, Harris has conducted more than 100 property owner assessment ballot proceedings across a variety of circumstances:

- Establishing new assessment districts
- Increasing assessments on parcels in citywide districts
- Increasing assessments in individual zones within an assessment district

We even review assessment proceedings conducted by cities for which we're not the consultant. Over the years, we gleaned some valuable lessons about increasing the likelihood of successful outcomes—and pitfalls to avoid.

Essentially, cities must ensure property owners see the cost of any assessment as “fair and equitable” in relation to other parcels. They must also believe the cost is appropriate considering the services or special benefit they will receive.

Sounds easy enough—but all of this requires time and effort to ensure property owners have a clear perception of what they're paying for. And it's important to get it right the first time: We've found it is generally more difficult to pass an assessment increase following an unsuccessful effort.

Here's some guidance to help pave the way to assessment approval:

### **1. Develop an effective outreach and education strategy.**

Talk to property owner groups about their current service level issues, then explain how the assessment will address these issues. What other services will the assessment cover? And how will property owners benefit from them? Facilitating conversations as early as possible allows you to identify concerns and alleviate them right away.



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To gauge support, conduct focus groups or polls. From there, you can develop key messages that will turn the tide of public approval in your favor. Hearing from property owners themselves is an important first step because it ensures transparency and fosters trust among those who want to know they're paying for something that's in their best interest.

Although communications and outreach strategies cost money, they are well worth the investment. You risk an unsuccessful assessment attempt without them.

## **2. Be realistic in determining general vs. special benefits.**

State law (Prop 218) requires a registered engineer to provide a detailed report to support all assessments. The engineer must determine special benefits as well as any general benefits that must be excluded from the assessment.

Generally speaking, most property owners don't understand the difference between general and special benefits. Although your education and outreach may clear up any confusion, the assessment engineer should make sure the special benefits stand out in the report.

It's crucial that the assessment engineer consider any reason for disapproval. For example, a park in a new development may qualify for an assessment increase to cover ongoing maintenance. However, if property owners in the development believe people from elsewhere in the city are frequent users of the park, it may prove difficult to win their approval for an increase. Determine special benefits after thoughtful deliberation, then clearly describe and document these benefits so property owners have no doubts.

## **3. Show property owners the value of what they're paying for.**

In addition to general vs. special benefits, the engineer's report should include detailed budgets and work plans so property owners know how exactly assessment revenues will be used. At Harris, we often include tables showing the frequency at which various tasks will be performed for Service Level A, B, and C. This lets property owners see the impact on the services they will receive based on different assessment levels. It also comes in handy when explaining why service levels are being reduced or why they may differ between benefit zones.

## **4. Work with elected officials.**

Elected officials play an important role in garnering support for assessment approval due to their reputation among property owners. By helping your local officials understand the assessment process, you can earn their support for assessments that pay for services with special benefits.

Especially in cases where assessment revenues increase, elected officials have the platform to communicate with property owners and explain why general funds aren't sufficient for covering service costs. Be prepared: Property owners may feel they are suddenly being asked to pay for something they have been getting at no cost and could be reluctant to support any assessment increases.

Meanwhile, some officials may be reluctant to support reducing service levels to match the assessment revenue collected.

## **5. Develop fair assessment rates.**

Will single family residential parcels receive the same benefits as a multi-family condominium? Will parcels located closer to parks or areas being maintained by the city pay a higher assessment because they receive a larger benefit? As a non-residential parcel size increases, do assessment costs increase proportionately?

These are just a few of the questions that should inform the way engineers develop assessment rates to ensure property owners view them as fair and equitable. Assessments require a careful review of benefits received by every parcel depending on their location in the community and the type of parcel, along with many other factors.

## Getting the Green Light

There are no guarantees for securing assessment approval. But following the steps we've outlined here—compiled by experience—will help increase your chances by creating transparency with property owners and forming alliances with elected officials.

If you'd like any guidance or more insight about the assessment process, get in touch with Harris.



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### **About the Author**

Building rapport with clients is one of Alison's specialties. She has worked at Harris for most of her 20 years in the industry, so it's no surprise that Alison has developed long-term relationships that have benefited communities across California.

As a Vice President in the municipal funding and special district finance practices, Alison is an expert in the intricacies of AB1600 requirements and has been an integral player in guiding new developments through the specific plan, EIR, and finance plan process. She's also skilled at acquisition audits—ensuring that public agencies understand the legal aspects of reimbursing developers for constructing public infrastructure. This understanding is essential when precious public funds are involved.

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