



County of Del Norte
County Administrative Office
981 "H" Street, Ste. 210
Crescent City, California 95531

Phone
(707) 464-7214

Fax
(707) 464-1165

DATE: April 19, 2022 **AGENDA DATE:** April 26, 2022
TO: Del Norte County Board of Supervisors
FROM: Randy Hooper, Assistant County Administrative Officer
SUBJECT: Requests for Transfer of County Owned Property in Hunter Creek Area

RECOMMENDATION FOR BOARD ACTION:

Receive requests from both the Yurok Tribe and the Hunter Valley Community Services District and direct staff, as appropriate, for the donation of a County owned parcel located within the Hunter Creek area for the development of a community park and playground.

SUMMARY:

Competing requests have been received from both the Yurok Tribe (Tribe) and Hunter Valley Community Services District (HVCSD), requesting that the County donate a County owned parcel located within the Hunter Creek area (APN 127-220-50) to them for the purpose of developing a community park and playground. The Board had previously received requests from both parties however no action was taken and subsequently both parties have now submitted renewed requests to the County for donation of the property in question. As the legal requirements for the transfer of public property differ, dependent upon which party were to receive the property, staff is requesting direction from the Board on which party the Board desires to donate the property to, if either, in order to return with the proper materials to effectuate the donation of land.

DISCUSSION/JUSTIFICATION:

As previously stated, both the Tribe and the HVCSD have each previously submitted their own requests to the County for the donation of APN 127-220-50 and have each now submitted renewals of those requests. The stated purpose of each request is to develop and maintain a community park and playground upon the property to be transferred.

As stated in their letter dated March 30, 2022 from Chairman Joseph James, the Tribe asserts that it had originally requested the donation of the County land in early 2020¹ and, that later HVCSD came forward with a request of their own for the donation of this same land for the same purpose. The Tribe's letter requests that the property be transferred to the Kee-Cha-E-Nar nonprofit organization and ultimately to the Tribe. The letter goes on to state that the Tribe opposes the HVCSD's request. In their proposal, the Tribe states that the Hunter Creek area of Klamath is within the boundaries of the Tribe's ancestral territory and is "critical to the Tribe's goals for land reclamation and for developing community and cultural spaces to be used by its Tribal members and non-members alike." Should they receive the property, the letter states that a park and playground would be developed and operated under the guidance of the Tribal Council through tribal departments including the Recreation, Environmental, Wildlife, Culture, Watershed,

¹ The Tribe's request includes a copy of a letter transmitted to former CAO Sarina, dated Feb. 19, 2020.

Facilities Management, and Planning Departments. According to the Tribe's letter these departments "receive annual funding and will be involved in the permitting, design, development, and maintenance of a Yurok owned and maintained neighborhood park on The Land."

Last year the HVCSD initiated proceedings with the Del Norte Local Agency Formation Commission (LAFCo) in order for the activation of latent parks and recreation powers through a "change of organization" procedure under the Cortese-Knox-Hertzberg Local Government Reorganization Act (California Government Code Section 56000, et seq.). Those proceedings have now concluded and HVCSD has been empowered with Recreation and Parks District authority. As part of that process the Board of Supervisors approved a resolution relating to the property tax allocation which affirmed no change in property tax allocation resulting from the change of organization. Prior to HVCSD obtaining Recreation and Parks District powers, several HVCSD staff registered as Del Norte County volunteers and have since been regularly maintaining the County property in coordination with the County's Parks Division. According to Allen Winogradov, Director the County's Parks Division, the HVCSD volunteers have saved the County approximately \$2,500 per year in maintenance costs and have done an excellent job in maintaining the property on behalf of the County. As part of their request for the property to be donated to them, in a letter from HVCSD General Manager Paul Crandall dated February 24, 2022, the HVCSD has provided supplemental materials including draft Rules and Regulations for the park, draft Cash Donation Acceptance Policies & Procedures, a plot plan showing the proposed configuration of the park, an example of the commercial playground equipment to be placed, and an example of other improvements made by HVCSD within the project area including a school bus stop shelter, etc. Staff has also appended the LAFCo staff report to this Board Report from the meeting at which LAFCo approved parks and recreation powers as that report contains valuable information including information relating to whether HVCSD has sufficient revenue to provide Recreation and Parks District functions as required under California Government Code Section 56824.14(a).

Materials related to both requests are included for the Board's consideration in order to direct staff to initiate a transfer process to either party. Once a party is selected and direction is provided, staff will prepare the appropriate materials to effectuate the transfer and will return to the Board with those materials for final approval. In either case, County staff believes the donation of this land is in the public's interest as it would relieve the County of the cost of maintenance and liability of the property while enhancing public recreational opportunities for County residents.

ALTERNATIVE:

Reject both requests (i.e. retain the property), or provide alternate direction to staff.

FINANCING:

N/A

OTHER AGENCY INVOLVEMENT:

Yurok Tribe and Hunter Valley Community Services District.

CHILDREN'S IMPACT STATEMENT:

This section meets 1 of the following outcome measures for children in Del Norte County:

- ☐ Children ready for and succeeding in school.
- ☐ Children and youth are healthy and preparing for adulthood.
- ☐ Families are economically self-sufficient.
- ☐ Families are safe, stable and nurturing.
- ☒ Communities are safe and provide a high quality of life.
- ☐ No impact to Children as a result of this action.

ADMINISTRATIVE SIGN-OFF:

- ☐ AUDITOR:
- ☐ COUNTY ADMINISTRATIVE OFFICER:
- ☐ ASSISTANT COUNTY ADMINISTRATIVE OFFICER:
- ☐ COUNTY COUNSEL:
- ☐ PERSONNEL:
- ☒ OTHER DEPARTMENT: Building and Parks Maintenance, Allen Winogradov:



YUROK TRIBE

190 Klamath Boulevard • Post Office Box 1027 • Klamath, CA 95548

Phone: (707) 482-1350 • Fax: (707) 482-1377

March 30, 2022

Gerry Hemmingson, Chairman
Del Norte Board of Supervisors
981 H Street
Crescent City, CA 95531

Via electronic mail to kylie.goughnour@co.del-norte.ca.us

Dear Chairman and Supervisors,

The Yurok Tribe formally requests that the Del Norte County Board of Supervisors takes all actions necessary to transfer ownership of a County owned parcel in the Hunter Creek Neighborhood of Klamath, CA ("The Land", further described in the included legal description, Attachment A) to the Kee-Cha-E-Nar non-profit organization and ultimately the Yurok Tribe. It is the Yurok Tribe's intention to develop a neighborhood park on The Land, to be operated and maintained by the Tribe, following its transfer to The Tribe.

The Klamath area, including Hunter Creek, is within the boundaries of the Yurok Tribe's Ancestral Territory, is home to the Tribe's administrative hub at its Klamath offices, and is critical to the Tribe's goals for land reclamation and for developing community and cultural spaces to be used by its Tribal Members and non-members alike. Given its location, plans for any construction project on The Land, including a neighborhood park, should be developed with the Yurok Tribe's unique needs, aspirations, and culture in mind. Under the guidance of the Yurok Tribal Council, numerous Yurok Government Departments will be responsible for ensuring such considerations are made during and prior to construction, should the Tribe reclaim ownership of The Land. The Yurok Tribal Government includes, among others, Recreation, Environmental, Wildlife, Culture, Watershed, Facilities Management, and Planning Departments, all of which receive annual funding and will be involved in the permitting, design, development, and maintenance of a Yurok owned and maintained neighborhood park on the The Land. For these reasons and others, ownership of The Land should be transferred to the Yurok Tribe for the purpose of developing a park and gathering space for the Klamath community.

I understand that the Hunter Valley Community Service District (HVCSD) has requested ownership of The Land be transferred to HVCSD and that HVCSD has proposed to develop The Land for the same purpose, as a neighborhood park. To be clear, the Yurok Tribe is opposed to HVCSD receiving ownership of The Land and HVCSD's proposal to develop The Land, which we expressed in a formal letter in September 2021. In addition, please note that the Tribe contacted Del Norte County in early 2020, via County Administrative Officer, Jay Sarina, requesting donation of The Land to the Tribe. This request was made prior to HVCSD's matching request.

Wok-hlew',

A handwritten signature in black ink, appearing to read "Joseph L. James".

Joseph L. James,
Chairman

ATTACHMENT A

161
DEED

We, HAROLD DEL PONTE and GRACE DEL PONTE, his wife,
GRANT to COUNTY OF DEL NORTE, a political subdivision of the State of California,

that real property in the.....County of Del Norte, State of California, described as follows:

LOT 3A in Block 4; and
LOT 3A in Block 2;
ALL in Hunter Valley Subdivision according to the map thereof filed
in the office of the County Recorder of Del Norte County, California, on
June 14, 1965 in Book 4 of Maps, page 227.

Dated: July 7 1965

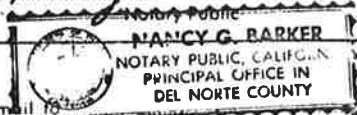
Harold Del Ponte
Grace Del Ponte

State of California, } ss.
County of Del Norte }

On this date: July 12, 1965
before me, the undersigned, a Notary Public in and for said
County, personally appeared HAROLD DEL PONTE and
GRACE DEL PONTE,

known to me to be the person... whose name... s are sub-
scribed to the within instrument and acknowledged to me that
they executed the same. Witness my hand and official seal.

Nancy G. Barker



When recorded mail 18

My commission expires Dec. 18, 1968

This Space for Recorder

RECORDED AT REQUEST OF
County of Del Norte
OFFICE OF RECORDS
BOOK 110 PAGE 545
JUL 12 9 19 AM 1965
DEL NORTE COUNTY, CALIF.
JACQUELINE CHILES, RECORDER
BY *Jacqueline Chiles* DEPUTY

County Clerk

BOOK 110 PAGE 545

SURVEY MARKERS

- △ INDICATES PERMANENT MONUMENTS TO BE INSTALLED AS PER COUNTY STANDARDS
- INDICATES 2" IRON PIPE TAGGED LS 2246
- 3/4" IRON PIPE TO BE SET AT ALL LOT CORNERS TAGGED LS 2246

SCALE 1"=50'

SEE SHEET 4

FINAL MAP
OF
HUNTER VALLEY SUBDIVISION
IN
E 1/2 OF SEC. 27, T14N, R1E HM
FOR
HAROLD & GRACE DEL PONTE
OF
PO BOX 486 KLAMATH CALIF.
BY
MCLENDON SURVEYING CO.
CRESCENT CITY, CALIF. LS 2246
MAY 1965 SCALE 1"=50'

SEE SHEET 4

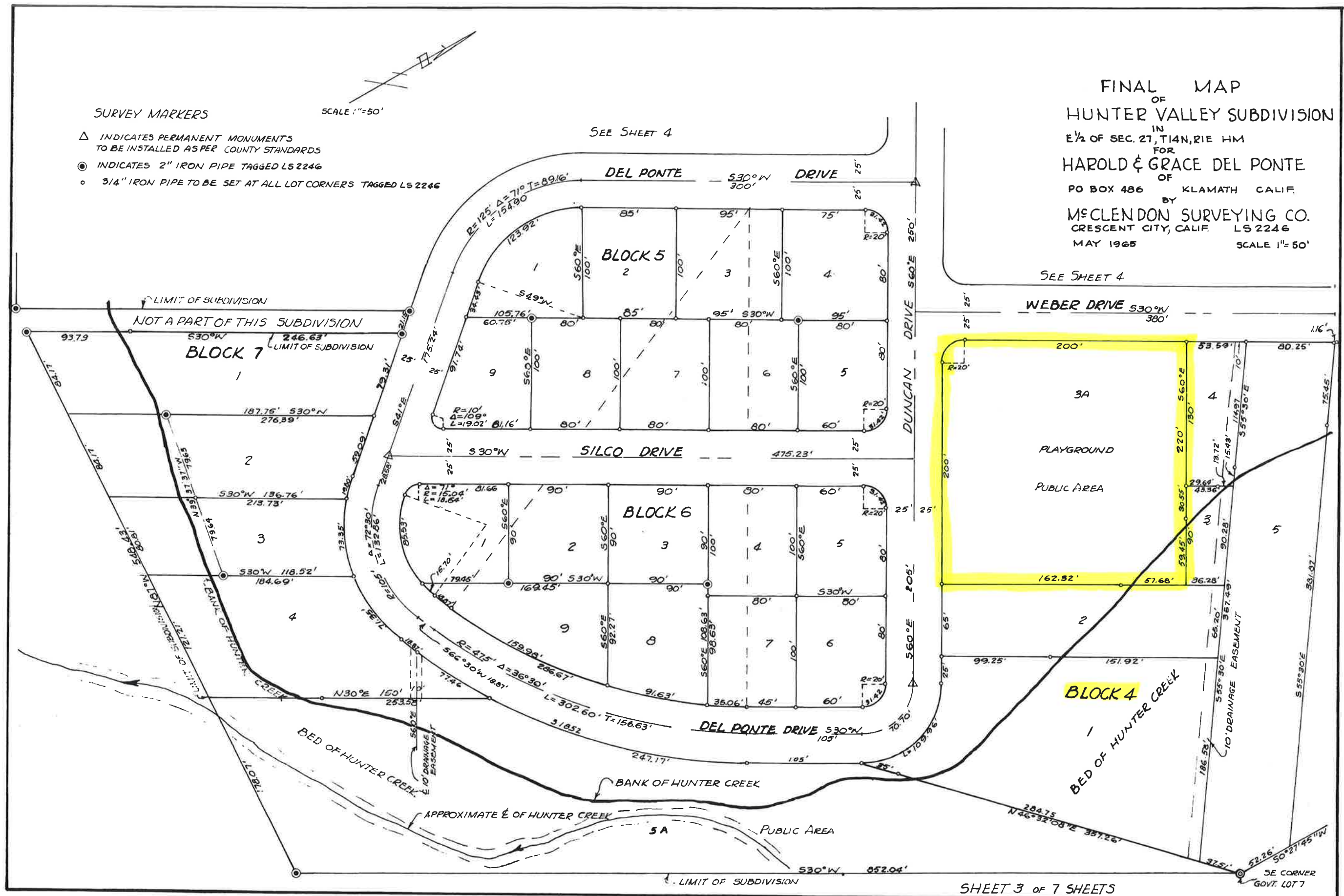
WEBER DRIVE 530°W 380'

PLAYGROUND
PUBLIC AREA

BLOCK 4
BED OF HUNTER CREEK

SHEET 3 OF 7 SHEETS

Book 4 of Maps, Page 229

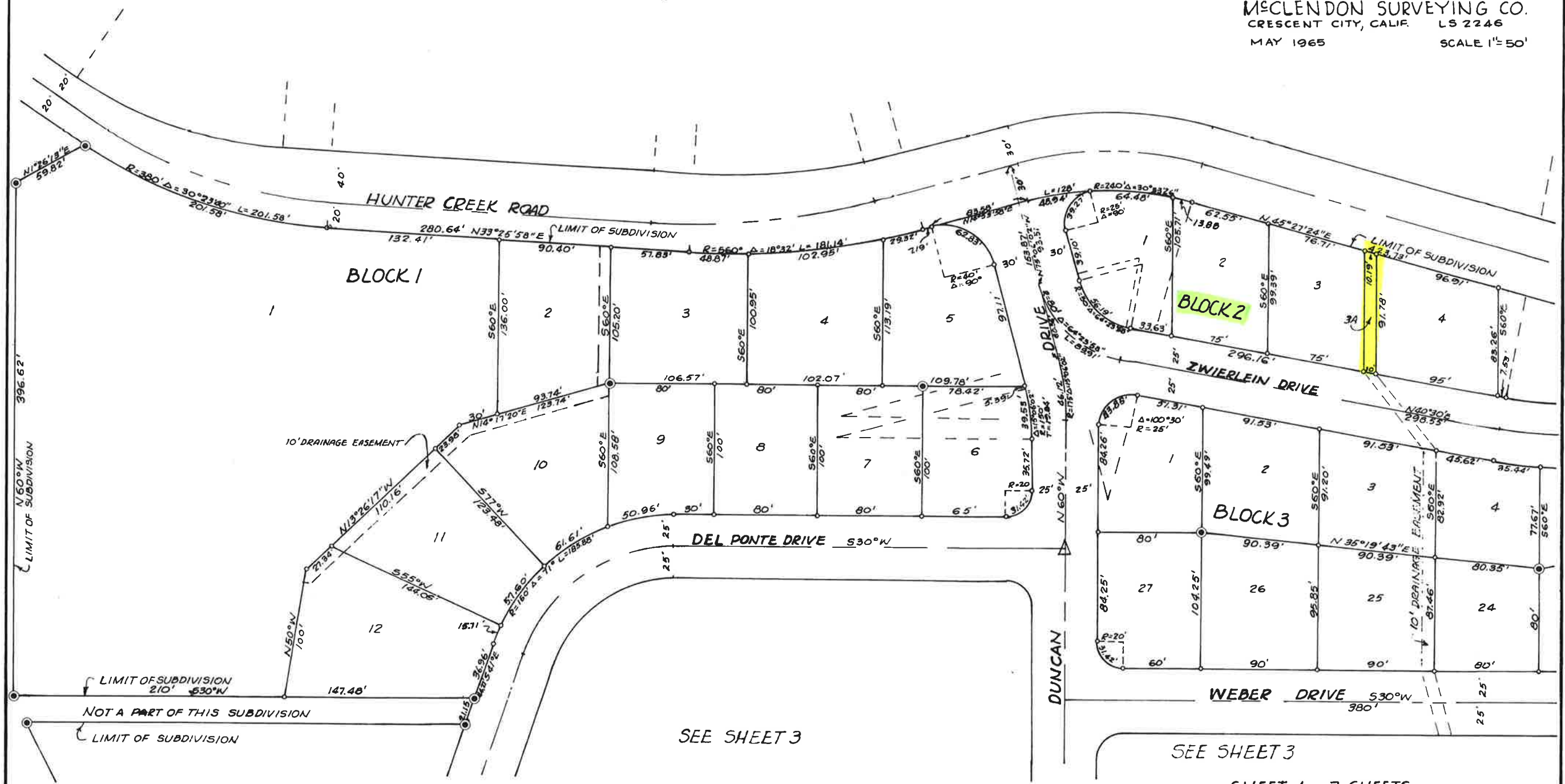


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SEE SHEET 3

SHEET 4 of 7 SHEETS



HUNTER VALLEY COMMUNITY SERVICES DISTRICT

25 Del Ponte Drive, Klamath, California 95548
(707) 482-0369

February 24, 2022

Greetings Mr. Hemmingsen – Chairman,
County of Del Norte Board of Supervisors
981 H Street, Suite 200
Crescent City, CA 95531

At the January 24, 2022, DNC LAFCo Commission meeting, Hunter Valley Community Services District (HVCSD) was granted Parks & Recreation powers to operate and maintain properties such as Hunter Creek Park located in Klamath. California within Hunter Creek Subdivision.

Since March 10, 2020, HVCSD and the Hunter Creek Subdivision property owners has been working with County of Del Norte Divisions and Agencies to assist this project come to fruition. We have been informed by all regulatory entities that all requested documentation, plans, reviews, and public hearings have been accomplished by HVCSD. .

On behalf of HVCSD Board of Directors, and the vast majority of property owners of Hunter Creek Subdivision, it is formally requested that the County of Del Norte Board of Supervisors (BOS) approve the following:

1. To proceed with the Del Norte County approved plans to surplus Hunter Creek Park (APN# 127-220-050), . The park is located at 22 Duncan Drive, Klamath CA 95548 within the jurisdiction and Sphere of Influence of Hunter Valley CSD.
2. Place this request, to transfer the park property and Deed to Hunter Valley CSD, on a future BOS agenda in order for the BOS to direct staff to work on the details of this request with HVCSD before bringing it back to the BOS for final approval.

Very Best Regards,


Paul Crandall, HVCSD General Manager

cc: Bob Rodgers, HVCSD Board of Directors
Sally Rodgers, HVCSD Board of Directors
Kylie Goughnour, Clerk of the DNC BOS

March 23, 2022

Del Norte County Board of Supervisors

The Hunter Valley Community Service District (HVCSD) is requesting the Del Norte County Board of Supervisors honor the request of the 65 homeowners in Hunter Creek and transfer ownership of the Hunter Creek Park to HVCSD.

The Hunter Creek Park is located at 22 Duncan Drive in Klamath.

On March 7, 2020, a homeowner discovered on Facebook the Board of Supervisors was signing the deed of ownership over to the Yurok Tribe. Hunter Creek subdivision is not within the borders of the Yurok Tribe nor under its jurisdiction. The homeowners in Hunter Creek were not informed of this decision nor asked their opinions. Since that date, the HVCSD along with volunteers have worked diligently to meet the demands of LAFCO to obtain our Parks and Recreation powers as well as taking on complete upkeep and maintenance of the park.

HVCSD has been honest, diligent in providing the homeowners and residents with quick service when problems arise, and transparent in all financial dealings since its inception in the mid 1960's. HVCSD's audit continuously show no discrepancies. The HVCSD has proven that it can not only handle ownership of the park but improve it for all residents.

We are providing you with a timeline of what has happened over the past 2 years as well as the plans HVCSD and the homeowners have for the park if you accept our request.

If you have any questions, feel free to call Sally Rodgers with any questions at (707) 372-1188.

HVCSD Timeline

- 3/7/2020: A door to door and phone survey was done of homeowners in the Hunter Creek Subdivision asking if the owners would like HVCSD to petition the Board of Supervisors to deed the park to HVCSD instead of the Yurok Tribe. 97% of homeowners said yes!
- 3/10/2020: 15 homeowners in Hunter Creek attended the Board of Supervisors meeting asking for them to wait on deeding park to Yurok Tribe and giving the HVCSD a chance to acquire property
- 3/12/2020: A meeting between 35 Hunter Creek Subdivision homeowners and DNCBO's members Bob Berkowitz and Roger Gitlin. After residents voted by hand they would support HVCSD taking over the park with property owners commitment to an annual assessment per property as a separate line item on their annual water bill amounting to \$2,100.. Additionally, several property owners pledged additional funds to rehabilitate the existing facilities and to take over the mowing of the park land. Pledged amounts as of 3/20/2022 are in excess of \$7,250
- 4/15/2020: HVCSD Board adopted missions statement, and policies and procedures for Park
- 5/1/2020: Playground equipment is donated to HVCSD for the park and is waiting for installation once deed is transferred
- 8/20/2020: HVCSD opened a checking and savings account at Coast Central Credit union, specifically to pay any fees to obtain park as well as the ongoing upkeep and maintenance of Park

LAFCO and HVCSD Timeline with Documents Attached

6/12/2020: First public hearing with LAFCO to approve resolution for HVCSD to obtain Park and Recreation Powers

7/14/2020: LAFCo Accepts HVCSD Documentation and Application for HVCSD Park and Recreation Powers within the HVCSD Sphere of Influence

7/7/2020: HVCSD paid the \$1000.00 Application Deposit and submitted all documentation, financial and management plans and conditions of transfer

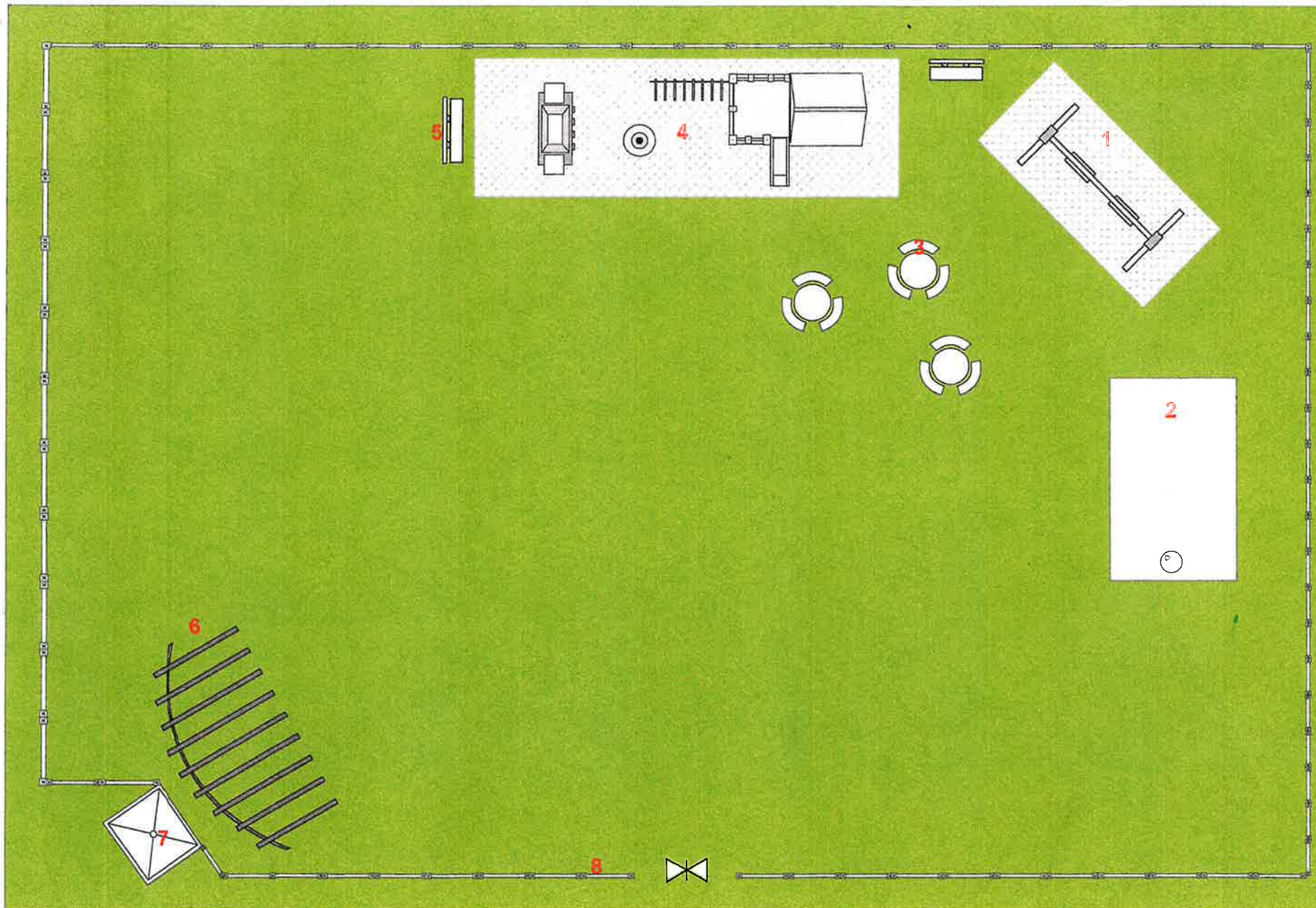
8/24/2020: At this teleconference, LAFCO Voted to Certify HVCSD Parks & Rec Activation. LAFCO had conducted the required three reviews and public hearings and have stated that HVCSD has completed all filing and meeting requirements for Parks and Recreation Powers. We are now waiting for LAFCO's final report to be submitted for DNCBoS.

10/19/2020: Protest Public Hearing held with LAFCO. Nobody called or wrote in protest.

8/23/2021: LAFCO Executive Officer George Williamson advised that due to a procedural error on LAFCO's part, the granting of Hunter Valley Community Services District Park and Recreation Powers that LAFCO verbal Certificate of Completion was premature and that a Property Tax Sharing Agreement from the County of Del Norte was not completed.

1/24/2022: LAFCO certifies HVCSD for second time with Park and Recreation Powers

Proposed Plan of Hunter Creek Park



1. Existing swingset

2. Existing basketball court
Resurfaced

3. Picnic tables

4. New Playground Equipment

5. Benches

6. Existing Baseball back stop
Fixed

7. Existing Refurbished Bus
Stop

8. Chain link fence surrounds
park

HVCSD and volunteer property owners volunteer their energy and time to mow park lawns. The park lawn has been mowed two to three time a month for the past year and a half.



A volunteer group of four ladies from Hunter Creek Subdivision have formed a "Lady Bug" mowers cadre and have been mowing the park since July 17, 2020.



May 1, 2020 Commercial playground equipment is donated to HVCSD for the park



September 1, 2020: The old School bus stop was falling apart and no longer safe or effective keeping school child out of the elements or safe to occupy. It was torn down to be replaced with a new structure.



September 4, 2020: The men in the community volunteered and donated all new construction materials and their labor to build a new weather proof School Bus Stop.



September 2020: The artistic and willingness of homeowner subdivision decorated the exterior with beautiful graphics & scenes depicting local flora and fauna. A Solar motion security light was installed greatly improves child security and safety.





HUNTER CREEK COMMUNITY PARK

25 Del Ponte Drive, Klamath, California 95548
(707) 482-0369

Draft

Hunter Creek Community Park Rules and Regulations

July 8, 2020

DRAFT

MISSION STATEMENT

“The Hunter Creek Community Park is dedicated to promoting the joy of community play, relaxation, healthy interaction, and safety surrounded by a Redwood forest in an environment ideal for children and families to visit and enjoy a special fun place in Klamath, California.”

The Hunter Creek Community Park (HCCP) Rules and Regulations are established with the goals and objectives of our Mission Statement. The Rules and Regulations established herein will be presented to all Hunter Creek Subdivision (HCS) property owners for their comment and discussion before implementation.

Park Property

HCCP is 220' x 220' and will encompass areas including the park property outer apron, park field, baseball diamond, asphalt covered basketball court, playground area, and school bus stop. The park is located at the corner of Duncan Drive and Weber Drive within the sphere of influence of HVCSD, managed by the HVCSD Board of Directors and is legally considered private property owned by the HCS property owners. HVCSD retains the right to bar individuals use of the HCCP for violations of these Rules and Regulations. **Users of HCCP park property do so at their own risk and liability.**

NOTE: **Park Property Outer Apron** consists of the 20' zone from Duncan Drive and from Weber Drive on to the grassy perimeter margin to allow for motor vehicle parking.

Rules and Regulations:

1. Park use hours are from an hour after sunrise to an hour before sunset. There are no park land lights available and use after hours presents a safety hazard, liability risk and a security concern for children and to the community.
2. Motorized vehicles, of any kind, are not allowed anywhere on the Park lawn beyond the 20' Park Property Outer Apron zone discussed above. This is a family park and

children are present. Exceptions are police/emergency vehicle, authorized Park Lawn Mowers "LADYBUGS" personnel and HVCSD Board of Directors personnel.

3. Dogs are not allowed inside the fenced area of the park.
4. Open fires are not allowed in the park.
5. Use of Fireworks of any kind are prohibited and will be strictly enforced. HCCP is bordered by forest and residential homes. Fire prevention is truly a priority with such materials and structures in close proximity to the park.
6. Firearms or any kind of projectile weapon are not allowed within the park property.
7. HCCP is an illegal drug free zone
8. Fighting, loud vulgar arguments, and acts of intoxication and disturbing the peace will result in local law enforcement being summoned immediately.
9. Trash, plastic wrappers, food packages and personal property, toys or clothing must be collected and removed by the owner before leaving the park.
10. Over-night camping in the park is not permitted as there are no bathrooms available.
11. No smoking in the park.

Playground Decorum

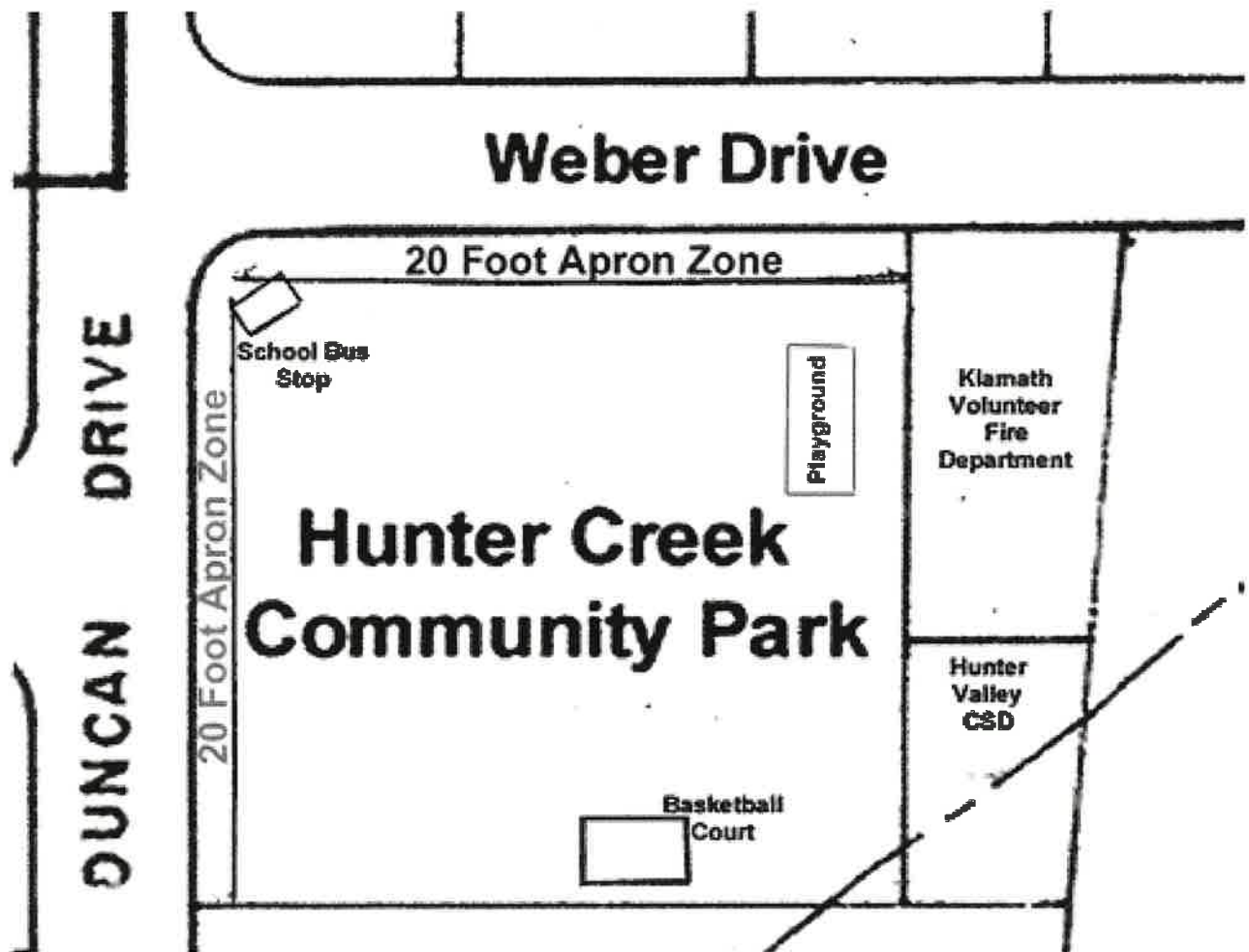
While HVCSD wishes playground users enjoy themselves and have fun, certain safety measures have been established to ensure that fun and safety go hand in hand.

1. Users of park facilities will not vandalize, paint, draw or deface any surface in the park or playground. This conduct impacts the community and future users. Such actions may result in individual lost privileges to park services in the future.
2. Playground users will not remove or throw pieces of the playground safety rubber ground cover. This ground cover material is designed to prevent user injuries from falls but is large and heavy enough to cause serious injury if thrown at others.
3. Leave bicycles and other large items outside of the playground as these become tripping hazards and cause injury to others
4. Littering in the playground has been an issue at other parks. Let's work together to keep our playground safe, clean and litter free and be the envy of other parks.

Large Gathering, Festivals & Parties

1. If a large gathering is planned for the use of HCCP then HVCSD needs to be notified prior to the event as several aspects need to be discussed. A user applicant is required to read and sign a copy of HCCP Rules and Regulations.
 - a. Type of event needs to be defined
 - b. Anticipated size of the event
 - c. Type of activities need to be defined
 - d. Park use fee needs to be negotiated.
 - e. The responsible Point of Contact for the event must be identified and available for the pre and post walk-through for the event.

- f. A joint walk-through of the user applicant and a member of HVCSD Board of Directors is required the day before the event.
- g. Security Deposit paid in Cash will be required **before the event is approved**. However, the security deposit may be returned in full if the event is cancelled or after the event is over.
- h. A joint walk-through of the user applicant and a member of HVCSD Board of Directors is required the day after the event to ensure all trash, debris, and any damage is identified, and the park is returned to its original condition before the event. All user applicant discrepancies must be assessed and resolved.
- i. If all is as it should be, the security deposit will be returned to the user applicant unless the user applicant fails to resolve any discrepancies.



DRAFT



HCCP CASH-GIFT ACCEPTANCE POLICY & PROCEDURES DRAFT

FORWARD

Hunter Creek Community Park (hereafter referred as HCCP or Organization) is operated under the umbrella of the Hunter Valley Community Services District (HVCSD). The creation of thoughtful policies is a fundamental risk management strategy and a hallmark of good stewardship by HVCSD Board of Directors (hereafter referred as the Board). To distinguish between policy vs. procedure, one must think of the former as intent and the latter as the mechanics of carrying out the intent. Policies should be clearly written to make the accountability intent apparent.

POLICY

This Policy represents the HCCP governing authority for the solicitation and acceptance of Cash gifts by the Organization. The Board of the organization solicit current and deferred gifts from individuals, corporations, foundations and others for purposes that will further and fulfill the Organization's mission.

1. Purposes of this Policy include:
 - A. guidance for the Governing Body, officers, and other constituencies with respect to their responsibilities concerning gifts to the Organization; and
 - B. guidance to prospective donors and their professional advisors when making gifts to the Organization. The provisions of this Policy shall apply to all gifts received by the Organization. Notwithstanding the foregoing, the Organization reserves the right to revise or revoke this Policy at any time, and to make exceptions to the Policy.

HCCP must ensure the organization understands legal obligations for gift recognition.

1. All gifts must receive a receipt.
2. The organization is responsible for defining the deductible amount i.e. indicating whether the donor receives something in return and indicating its monetary value.

3. For gifts of \$50,000 or more the IRS can substantiate the fair market value to facilitate deductibility.
4. A receipt must include:
 - A. The name of the donor
 - B. The date when the donation was received
 - C. The amount or description of the item donated
 - D. A statement indicating whether any goods or services were provided in return for the gift
 - E. A good faith estimates of the value of goods or services provided to the donor The receipt should not indicate the estimated value of the donation; that is the responsibility of the donor.

General Policy - The Organization shall not accept gifts that:

1. Violate the terms of the Organization's organizational documents.
2. Would jeopardize the Organization's status as an exempt organization under federal or state law.
3. Are too difficult or expensive to administer.
4. Are for purposes that do not further the Organization's objectives; or
5. Could damage the reputation of the Organization.

ARTICLE I

Cash Donation Policy

The nature and mission of Hunter Creek Community Park may justify establishing limitations on the receipt of Unrestricted and Restricted gifts of cash. A strong determination to ensure a controversial enterprise promoting activities inconsistent with the organization's mission shall be disqualified. Under no circumstances shall cash or any such donation be accepted to enrich any one individual. The HVCSD Board shall carefully employ a process to help avoid ill-feelings by donors and unexpected burdens on the organization.

ARTICLE II

HVCSD Banking Accounts

The HVCSD Board shall open and maintain financial accounts with Coast Central Credit Union (CCCU) in Crescent City, Ca. for the purpose of securely holding HCCP cash and assets in separate HCCP checking, savings and other investment type accounts from HVCSD accounts to eliminate comingling HCCP and HVCSD funds.

At the discretion of the HVCSD Board, application for a CCCU debit card linked to the CCCU checking account may be secured for preauthorized purchases by the Board with the authorization vote recorded in the monthly HVCSD Board Meeting minutes.

ARTICLE III
Electronic Accounting Records

HVCSD employs the QuickBooks Accounting Software to record all financial transactions in approved double-entry GAAP accounting standards of bookkeeping.

ARTICLE IV
Cash Donation Acceptance Procedures

HCCP's Cash Donation Procedures shall ensure and provide for:

- A. The determination of why and how a cash donation is being donated
 - 1. Unrestricted - ongoing operational support and maintenance expenses
 - 2. Restrictive - to a specific purpose, project or construction project. The organization is legally obligated to comply with the terms established by the donor.
- B. A donation is subject to HVCSD Board review and by signature will accept the donation, and:
 - a. Determine the appropriateness of the donation.
 - b. Determine how the donation is to be recorded.
 - c. The account the donation is deposited.
- C. A donor receipt is prepared stating:
 - 3. the name of the donor
 - 4. the date when the donation was received
 - 5. the amount or description of the item donated
 - 6. whether the donation is Unrestricted or Restricted and what such conditions exist,
 - 7. a statement indicating whether any goods or services were provided in return for the gift
 - 8. a good faith estimate of the value of goods or services provided to the donor. The receipt should not indicate the estimated value of the donation; that is the responsibility of the donor.
- D. It is the responsibility of the HVCSD Board of Directors to ensure the policy is enforced.

NOW, THEREFORE, it is resolved by the HVCSD Board of Directors as follows:

Hunter Creek Community Park Cash Acceptance Policy and Procedures

Adoption of the HCCP Cash Donation Policy and Procedures. The HVCSD Board hereby adopts this policy that supersedes any existing policy concerning the procurement of supplies and equipment.

PASSED, APPROVED AND ADOPTED this __th day of _____ 2022, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Concur:

This Policy was reviewed and approved by all members of the HVCSD Board of Directors:

Paul Crandall, _____ Dated _____

HVCSD General Manager

Bob Rodgers, _____ Dated _____

HVCSD Board Member

Sally Rodgers, _____ Dated _____

HVCSD Board Member & HCCP Manager

HCCP PLEDGE/CASH DONATION RECEIPT

Date: _____

Donor Name: _____

Donor Address: _____

Donor Phone# _____

Donation Amount Pledged: _____

Donation Paid by: Check # _____ Cash: _____ Donation Amount: \$ _____

Please Circle

1. Restricted Donation: Project – (i.e., Maintenance – Playground – Insurance - Materials)

Specify Other or Conditions Association with Donation: _____

2. Unrestricted Donation: General Fund – For all Initial Expenses.

NOTE: HCCP Board of Directors pledges to fulfill the overall planned responsibilities associated with Hunter Creek Community Park for the management, maintenance, replacement, repair and improvements of the park's current and future structures and facilities.

Where there any goods or services promised or provided personally to the Donor in exchange for this donation ?

(Circle Your Response) YES or NO

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If YES – Specify:

HCCP Board Members approving and accepting this Donation.

NAME: _____ Date: _____

NAME: _____ Date: _____

**DEL NORTE
LOCAL AGENCY FORMATION COMMISSION**
1125 16th Street, Suite 202
Arcata, California 95521
TEL (707) 825-9301 FAX (707)825-9181
eo@delnortelaftco.org

MEETING DATE: January 24, 2022
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: Hunter Valley CSD Park & Recreation Services Activation

RECOMMENDATION

The following procedures are recommended for the Commission's consideration of this item:

- Receive verbal report from staff;
- Open the public hearing and invite testimony; and
- Discuss item and - if appropriate - close the hearing and consider recommendation:
 1. Approve the proposal as presented by adopting attached Resolution 22-01.

DISCUSSION

Project Summary

Del Norte LAFCo received a proposal, submitted by Hunter Valley Community Services District (HVCSD) Resolution of Application, to activate Parks and Recreation powers within District boundaries. HVCSD currently provides water service to District residents. The District will continue to provide water service and proposes to add parks and recreation services within its boundary. Should this services activation proposal be approved by Del Norte LAFCo, the District intends to request that the County of Del Norte transfer the Hunter Creek Park Parcel (APN 127-220-050) to the District for park and recreation purposes.

This activation was originally considered and approved by the Commission in August 2020, but rescinded due to not having a property tax revenue sharing agreement with Del Norte County. The County-HVCSD property tax revenue sharing agreement has now been approved, by County Board of Supervisors Resolution 2021-048, which is attached to this staff report.

Cortese Knox Herzberg (CKH) Act Sections 56824.10 - 56824.14, directs that the Commission consider the following key information in reviewing a request to activate a new or additional function/class of service:

- 1) Whether the special district will have sufficient revenues or other resources to carry out the proposed new or different functions of class of services;
- 2) Whether another local agency already provides substantially similar services or facilities to the territory where the district proposes to exercise that latent power;
- 3) The Plan for Services to provide a new or different function or class of services.

DEL NORTE
LOCAL AGENCY FORMATION COMMISSION
1125 16th Street, Suite 202
Arcata, California 95521
TEL (707) 825-9301 FAX (707)825-9181
eo@delnortelafo.org

Analysis - Required Review Factors

G.C. Section 56668 requires the Commission to consider 15 specific factors anytime it reviews a proposed change of organization. No single factor is determinative. The purpose in considering these factors is to help inform the Commission in its decision-making process. An evaluation of these factors as it relates to the proposal follows.

- 1) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent areas, during the next 10 years.**

HVCSD currently serves 68 parcels within the Hunter Creek Subdivision. According to the State of California, Department of Finance, the average population per household in Del Norte County is 2.62. Therefore, the District's estimated population is 178. The HVCSD does not foresee significant growth within district boundaries, nor any increase in service demands as a result of population growth. The District will likely continue to develop at or less than current county-wide rates of 0.4 percent per year.

The HVCSD serves the Hunter Creek Subdivision. Lands within the district are primarily designated rural residential and rural neighborhood, with a small portion designated general agriculture, resource conservation, and timberland; the District is surrounded by resource lands. Land uses within the District are subject to the Del Norte County General Plan (2003) and Zoning Code.

- 2) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**

HVCSD currently provides water service only within the affected territory. The Commission's 2016 HVCSD municipal service review, currently being updated, determines the District has generally established adequate administrative controls and service capacities in providing water service consistent with the needs and preferences of constituents. The HVCSD's services activation to include maintaining and improving the park parcel as proposed is consistent with the overall mission of HVCSD to support the orderly development of the Hunter Valley community. The proposed activation of service is expected to lead to maintenance responsibilities, should the park parcel be dedicated to the HVCSD, as discussed further in item 10.

- 3) The effect of proposed action and alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure of the county.**

The proposed action is expected to enhance mutual social interests within the affected territory by establishing control and maintenance of a parcel which provides existing park services within HVCSD boundaries. The land is already used for recreation by the local community and this would establish District oversight.

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- 4) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development and the policies set forth in G.C. Section 56377.**

The proposed action does not conflict with any adopted Commission policies nor will it induce, facilitate, or lead to the conversion of any open-space land.

- 5) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.**

The proposed action involves a parcel surrounded by non-agricultural uses. The proposed activation of park and recreation powers is not expected to affect the physical and economic integrity of agricultural lands.

- 6) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.**

The proposed action will not make any changes to HVCSD's existing jurisdictional boundary, on file with the Commission.

- 7) Consistency with the city and county general plan and specific plans.**

The proposed action to improve and maintain parkland within the affected territory is consistent with Residential Neighborhood (RN) designation under the County General Plan. Small public facilities, such as the proposed park, are considered with a conditional use permit.

- 8) The sphere of influence (SOI) of any local agency applicable to the proposal.**

The affected territory is located within HVCSD's SOI. The Commission updated the sphere of influence with no changes as part of a comprehensive review in May 2016. The SOI Update is also being reviewed at the January 24 2022 Commission meeting

- 9) The comments of any affected local agency or other public agency.**

On June 23, 2020 staff circulated copies of the application materials for review to local governmental agencies including the Yurok Tribal Government. No substantive comments were received.

- 10) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.**

HVCSD receives a majority (about 95%) of its revenue from annual water sales and late fees. It projects about \$20,000 in revenue and \$4,000 in expenses for FY 2020-21, but due to COVID-19 disruptions this budget is subject to change. According to the District

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75% of residents have committed pledges towards for improvements and maintenance costs. These projected improvements include:

- a. Installing a donated commercial grade playground with an approximate perimeter boundary of 30' x 60' to replace old playground equipment,
- b. Refurbishing an existing basketball court with pressure washing, reseal/resurfaced court, paint new court lines, repair/replace backboard/hoop and install new basket net,
- c. Replacing existing school bus stop with a new structure at corner of Duncan and Weber Drive,
- d. Refurbishing the baseball diamond back stop

This commitment to the park parcel improvement and maintenance, reflects community and the HVCSD Board dedication. It is expected that volunteer efforts will be organized for much if not all of the maintenance. The HVCSD Board will be responsible for scheduling volunteer work days and maintenance tasks. They will also be responsible for training of volunteers on use of equipment and other maintenance practices. There should be appropriate measures for volunteers to sign liability waivers to address potential liability.

As such, the Commission finds the HVCSD will have sufficient revenue, in the form of community donations and grants, to provide the park and recreation services in accordance with Government Code Section 56824.14.

11) Timely availability of water supplies adequate for projected needs as specified in G.C. Section 65352.5.

The proposed action will not significantly impact the current or future demand for water supplies within the affected territory, although there will be some water usage for irrigating the baseball diamond. The District currently has adequate water supplies to accommodate this increase.

12) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.

The proposed action will not affect the County with respect to accommodating its assigned housing needs allocation as determined by the Crescent City Housing Authority (serving all of Del Norte County).

13) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

As provided under G.C. Section 56153, a notice on the proposed action was published in the local newspaper 21 days in advance of the hearing. No comments have been received as of the date of this report.

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14)Any information relating to existing land use designations.

Lands within the district are primarily designated rural residential and rural neighborhood, with a small portion designated general agriculture, resource conservation, and timberland; the District is surrounded by resource lands. The proposed park parcel is zoned Residential Neighborhood. Land uses within the District are subject to the Del Norte County General Plan (2003) and Zoning Code.

15)The extent to which the proposal will promote environmental justice. As used in this subdivision, “environmental justice” means the fair treatment of people of all races, cultures, and incomes with respect to the local of public facilities and the provision of public services.

There is no documentation or evidence suggesting the proposed action will have a measurable effect with respect to promoting environmental justice.

Conditions of Approval

- a) Payment of any and all outstanding fees owed the Commission and/or other agencies involved in the processing of this proposal.

Environmental Determination

The activation of park and recreation powers by HVCSD is covered by the general rule exemption (CEQA Guidelines 15061(b)(3)) indicating that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This is the case for HVCSD assuming maintenance and control over the parcel within their District that is already used as a public park. There are no land use changes or environmental impacts in activating park and recreation powers. A Notice of Exemption further explains this specific exemption.

Public Noticing

A noticed public hearing was held by the HVCSD Board of Directors on June 12, 2020. There were no objections to HVCSD proposing activating park and recreation powers to maintain the open space parcel within its jurisdictional boundaries. HVCSD Resolution 005-2020 was approved applying to Del Norte LAFCo for activation of HVCSD park and recreation powers.

Del Norte LAFCo issued a notice of application on June 23, 2020, and requested agency comments by July 12. No agency comments were received. Notices of public hearing for the August 24, 2020 and January 24, 2022 Commission hearings were published 21 days prior to the meetings in accordance with Government Code Section 56824.14(a)(2)(b).

Reconsideration

Pursuant to Government Code 56895, after LAFCo adoption of a resolution making determinations, any person or affected agency may file a written request with the LAFCo Executive Officer requesting amendments to, or reconsideration of the resolution with 30 days.

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Protest Proceedings

No conducting authority proceedings (i.e., protest hearing) is required for district latent powers activation unless specified in the district's principal act. In this case, Community Services District Law does not require a protest proceeding in accordance with Government Code Section 61106(b)¹. Furthermore, district latent powers activations are not subject to an election in accordance with Government Code Section 56824.14(a)(2).

ATTACHMENTS

Attachment 1: Resolution 21-01 Approving the Hunter Valley Community Services District Park and Recreation Latent Powers Activation

Attachment 2: Plan for Services

Attachment 3: Del Norte County Board of Supervisors Resolution 2021-048

¹ Government Code Section 61106 (b) states that "After receiving the approval of the local agency formation commission, the board of directors may, by ordinance, order the exercise of that power."

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**RESOLUTION 21-01
APPROVING THE HUNTER VALLEY COMMUNITY SERVICES DISTRICT LATENT POWERS
ACTIVATION FOR PARK AND RECREATION SERVICES**

WHEREAS, a resolution of application of the Hunter Valley Community Services District, hereinafter referred to as the “District” or “HVCSD”, proposing the activation of certain latent powers has been filed with the Executive Officer of the Del Norte Local Agency Formation Commission, hereinafter referred to as the “Commission”, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the HVCSD currently provides water service within District boundaries; and

WHEREAS, the HVCSD desires to activate its latent power to provide recreation and park services in accordance with Government Code Section 56824.10 et seq.

WHEREAS, upon receiving the District’s application, the Executive Officer distributed a notice of application on June 23, 2020, to affected agencies advising the filing by the HVCSD, with no comments received.

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner prescribed by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on said proposal; and

WHEREAS, the HVCSD’s proposal seeks to activate latent powers to improve and maintain a parcel used for recreation within its jurisdictional boundary; and

WHEREAS, the Executive Officer reviewed the proposal and prepared a report with recommendations; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56668, and

WHEREAS, the Commission found the proposal consistent with the sphere of influence established for the District and with the Commission’s adopted policy determinations.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission has determined under the California Environmental Quality Act (CEQA), that the activation of park and recreation powers by HVCSD is covered by the general rule exemption (CEQA Guidelines 15061 (b)(3)) indicating that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The Commission further finds that future projects will be subject to environmental review as they materialize.

2. The Commission finds the HVCSD will have sufficient revenue, in the form of community donations and grants, to provide the park and recreation services in accordance with Government Code Section 56824.14.
3. The proposal is APPROVED subject to conditions.
4. The approved proposal affects territory located within Hunter Valley Community Services District's existing jurisdictional boundary as depicted in Exhibit "A".
5. The approved proposal is subject to the Del Norte County property tax revenue sharing agreement, specifying no property tax revenue allocation changes for all Districts and County in affected tax rate areas, as adopted by County Board of Supervisors on December 14, 2021 via Resolution 2021-048.
6. Recordation of a Certificate of Completion is contingent upon the following conditions:
 - (a) Payment of any and all outstanding fees owed the Commission and/or other agencies involved in the processing of this proposal.
 - (b) Successful completion of park parcel transfer by the County of Del Norte.
7. The effective date shall be the date of recordation of the Certificate of Completion.

PASSED AND ADOPTED at a meeting of the Del Norte Local Agency Formation Commission, State of California, on the 24th day of January 2022, by the following vote:

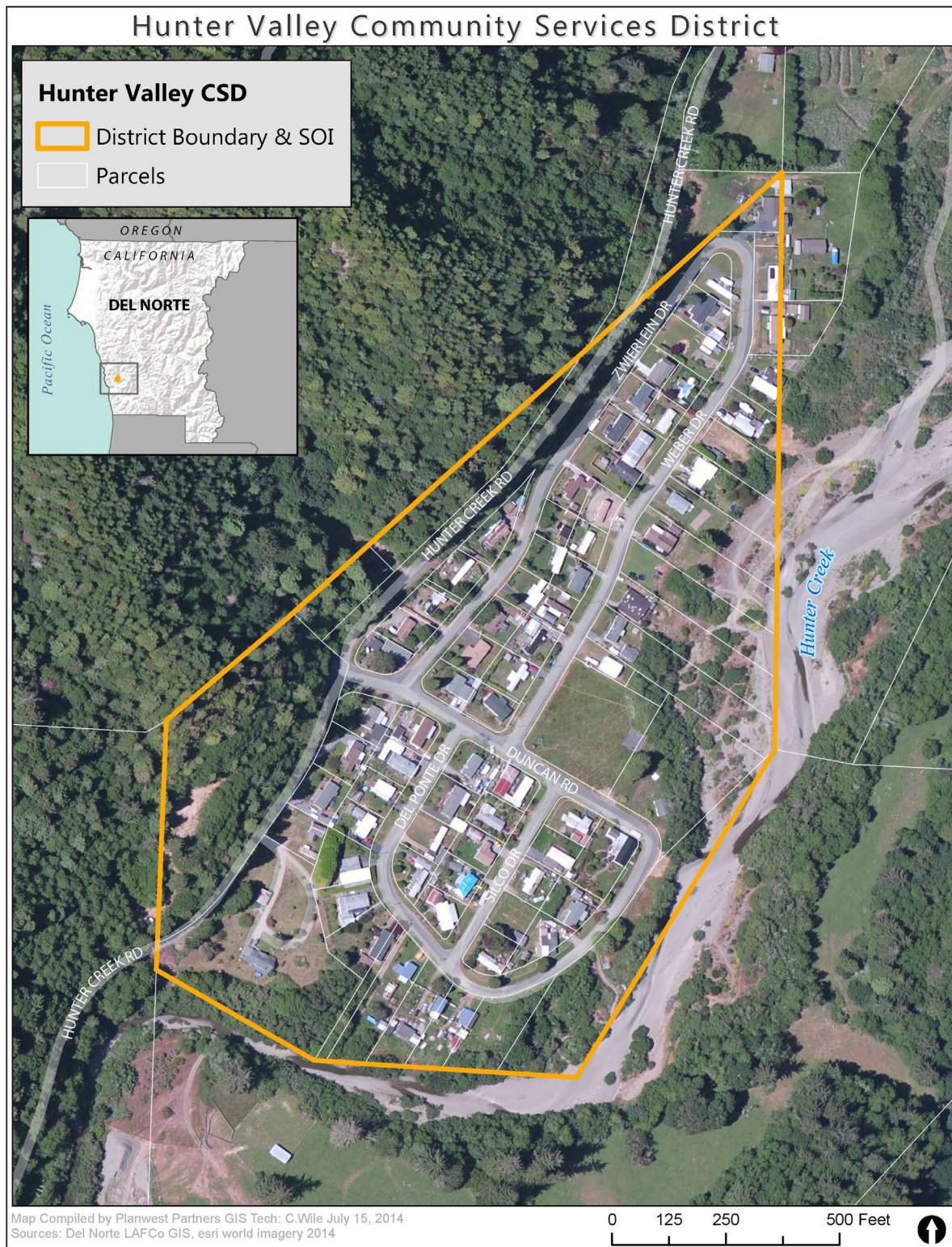
AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ABSTAIN:	Commissioners:

_____, Chair

Attest:

George Williamson, Executive Officer

Exhibit A





**Hunter Valley Community Services District
Proposed Park and Recreation Power Activation Application
Plan for Service
Updated January 24, 2022**

Introduction

The Plan for Service (Government Code § 56653) describes how the service provider, the Hunter Valley Community Services District (HVCSD or District) will expand its services. It documents the District's ability to provide park and recreation services, considering capacity, revenues and operations adequacy and how those services would be affected by the proposed LAFCo action. A Plan for Service, accepted by the Del Norte LAFCo Executive Officer, is required for the application to be deemed complete. This plan of service is presented to Del Norte LAFCo in support of the District's proposal.

District Profile

The HVCSD was formed on May 3, 1965 and is located in the southerly portion of Del Norte County in the Hunter Valley north of the town of Klamath. It primarily serves the Hunter Creek subdivision. The District boundary encompasses approximately 38 acres with a coterminous Sphere of Influence (SOI). In 1965 & 1966 HVCSD was Deeded five sections of land located throughout the Hunter Creek Subdivision including the small developed lot of land for the Well, Wellhouse, pumping and distribution infrastructure and a 10,000-gallon steel storage tank.

The District has a three-member Board of Directors that meets on the first Friday of each month. The District provides municipal water only. The District proposes to add Park & Recreation services to the community. The District maintains an office in a private residence located at 25 Del Ponte Drive, Klamath, CA 95548 and serves the Hunter Creek Subdivision.

The District population is approximately 178. According to the California Department of Water Resources, the District is considered to be a Disadvantaged Unincorporated Community (DUC). The Klamath Census Designated Place (CDP) has a median household income (MHI) that qualifies the district as a DUC.

The Need for Powers Activation

Community Services District Law, GC §61000 allows for independent special districts to provide a broad range of services, including parks and recreation services. There is a Del Norte County parcel of land (APN 127-220-050) within the Hunter Valley CSD boundaries with potential for park and recreation use. Hunter Valley CSD residents have expressed interest in park and recreation use for the County parcel, backing their dedication with subdivision resident's support is so overwhelming many have committed to

funding pledges and many more pledges in amounts as yet to be undetermined for startup operations. Furthermore, aside from the annual water fee, there is a community commitment to volunteer efforts for Hunter Creek Community Park future maintenance and improvements.

Plan for Services

This plan shall, at a minimum, respond to the following and be signed by the proponent.

1. Level and range of services to be provided to the territory.

The District will continue to provide water and proposed to add parks and recreation services within its boundary. Water service will continue for those parcels already receiving water service. Parks and recreation will be added, as the District intends to request that the County of Del Norte transfer APN 127-220-050 to the District for park purposes.

2. Indicate when service would be activated.

As of March 13, 2020, Hunter Creek Subdivision residents have assumed a volunteer role to mow and trim Hunter Creek Park. Weeks later the County of Del Norte granted these volunteers authority to officially perform the park landscaping maintenance recognizing them as volunteer employees. Upon approval from LAFCo and receipt of the County parcel, the District will implement park development and maintenance, collect confirmed pledges, collect the many unspecified pledge amount collectively and begin billing customers, (per parcel per year) an agreed upon annual Park and Recreation fee in conjunction to; but a separate accounting line item, on the Annual Water Fee billing statement.

3. Identify any improvements, structures, other infrastructure, or other conditions the district would need to provide the service.

The District proposes to add the capacity to operate a park and maintain recreational equipment. Proposed improvements to the park parcel include the acceptance and installation of a commercial grade playground and swing set, replace an existing covered school bus stop, repairing the existing basketball court by resurfacing the court, painting new court lines, refurbish the backboard, installing a net, create a park perimeter walking path and refurbishing the existing baseball field as funds become available.

4. Estimated cost of services and description of how services or required improvements will be financed. A revenues sufficiency discussion is required.

The parcel is already used for recreation by community residents and this will essentially be a property transfer from Del Norte County to the HVCSD to allow the District to properly maintain the parcel and implement improvements. The HVCSD will initially receive funding primarily from community sources. The District has a small population (roughly 178) but upon two informal surveys of residents by HVCSD Board of Directors and Staff, there was 97.9 approval for transferring the proposed park parcel to the District. Residents are committed to covering the upfront costs through committed pledges totaling \$11,000.00. Another 70% of other property owners pledging amounts "To Be Determined" once known expenses are identified, HVCSD's Park and Recreation powers are activated and the park is deeded to HVCSD. Volunteer efforts toward future maintenance and improvements expenses are expected, as coordinated by the HVCSD Board.

5. Indicate whether the territory is or will be proposed for inclusion within a proposed improvement zone/district, assessment district, or community facilities district.

This territory is not proposed for inclusion in an improvement zone, assessment, or community facilities district at this time.

6. Outline of the proposed governing body structure and projected revenues and expenditures. The budget presented will need to indicate the source and amount of revenues and expenditures based upon services to be provided.

Governing Body

The Hunter Valley CSD maintains a Board of Directors of up to five-members, although two spots are often vacant in this very small community. Meetings are conducted on the first Friday of each month at the District Office, 25 Del Ponte Drive Klamath, CA 95548. Vacancy announcements are published in the local newspaper, the Klamath Community and Senior Center Public Library, and local public places for a minimum of three weeks. Candidates are interviewed and voted by District Board and the selected name goes to the Del Norte County Board of Supervisors for approval. The current Board, listed below, will continue to meet without interruption.

1. Paul Crandall, Chair & General Manager
2. Eddie Roane, Board Member
3. Bob Rodgers, Board Member

Revenues and Expenditures

The Hunter Valley CSD receives the majority of its revenue from annual water sales and late fees. This accounts for approximately 95% of its annual revenue. A summary of budgeted revenues and expenditures is provided below. The budget has been updated according to the MSR.

	FYE 2020	FYE 2021	FYE 2022
SERVICES & SUPPLIES			
20150 Insurance	\$0.00	\$0.00	\$0.00
20170 Maintenance of Equipment	\$3,000.00	\$1,000.00	\$1,500.00
20220 Office Expense	\$500.00	\$900.00	\$700.00
20230 Professional Services	\$4,200.00	\$5,200.00	\$5,300.00
20300 Utilities	\$4,500.00	\$5,600.00	\$5,400.00
OTHER CHARGES			
30500 Department Allotment	\$0.00	\$0.00	\$0.00
TOTAL EXPENDITURES	\$12,200.00	\$12,700.00	\$12,900.00
REVENUES			
90300 Interest	\$0.00	\$0.00	\$0.00
91000 Water	\$12,200.00	\$12,700.00	\$12,900.00
TOTAL REVENUES	\$12,200.00	\$12,700.00	\$12,900.00
NET	\$0.00	\$0.00	\$0.00

According to the most recent Audit Report for FY 2018-19 prepared by Smith and Newell CPAs in Yuba City, CA, HVCSD had approximately \$13,233 in revenues (including all sources such as charges for service, grant funds, etc.) and \$11,307 in expenses (including, operating expenses, professional fees, utilities, etc.) for a net position of \$18,215. The fiscal year prior also reported a net increase in position. As such, it is anticipated that charges for services and other sources of revenue will continue to provide adequate funding for services in the areas proposed for annexation. HVCSD Fiscal Year runs from July 1st of one year and ends on June 30th the following year. Due to coronavirus disruptions that have delayed a decision transferring the park to HVCSD by the County of Del Norte Board of Supervisors will have short term impact on HVCSD not being able to start its collection of community pledged startup funds or the proposed Annual Park and Recreation fee proposal.

The current fiscal year ends on June 30, 2020, therefore HVCSD may not be able to realize projected Water Charges or Donations and the projected Operating Expenditures is far less than projections in FY 2019/20 above. However, the Water Charges for FY 2020/21 are attainable in that the Donations from FY 2019/20 would slide over to FY 2020-21 Donations (totaling \$15,000.00) as the community startup pledges are received, the "To Be Determined" pledges are identified/collected and the Park & Recreation fee & existing Water Charges are calculated together but accounted for separately.

The FY 2021/2022 budget column will show an additional line item for Park and Recreation, along with Water Charges and Donations income/expenditures. This will differentiate between the line items of the various revenue streams and applicable expenditure projections for each of the three; Water Charges, Donations and Park and Recreation categories.

Respectfully Submitted,

Paul Crandall
HVCSD General Manager and Treasurer

Board Members:
Eddie Roane
Bob Rodgers

RESOLUTION NO. 2021-048

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF DEL NORTE REGARDING THE ALLOCATION OF PROPERTY
TAXES AS A RESULT OF THE ACTIVATION OF PARK AND
RECREATION POWERS BY THE HUNTER VALLEY COMMUNITY
SERVICES DISTRICT**

WHEREAS, the Hunter Valley Community Services District (HVCSD) has initiated the process with the Del Norte Local Agency Formation Commission (LAFCO) for activation of latent Park and Recreation Powers.

WHEREAS, the Revenue and Taxation Code Section (RTC) requires that a determination be made, as well as a consultation with affected local agencies and special districts, regarding the allocation of property tax revenues to be exchanged resulting from a proposed jurisdictional change.

WHEREAS, notwithstanding any other provision of law, the LAFCO Executive Officer shall not issue a certificate of filing pursuant to Section 56658 of the Government Code until the local agencies included in the property tax revenue exchange negotiation present resolutions adopted by each such county and city whereby each county and city agrees to accept the exchange of property tax revenues, per RTC §99.b.6.

WHEREAS, on August 30, 2021, the LAFCO Executive Officer transmitted a request to the Clerk of the Board of Supervisors for the Board of Supervisors' consideration of a property tax revenue sharing agreement relating to HVCSD providing services to an area where those services have not been previously provided by any local agency resulting from the activation of latent Parks and Recreation Powers.

WHEREAS, within 45-days of the filing of an application or resolution, the County Auditor shall notify the governing body of each local agency whose service area or service responsibility will be altered by the jurisdictional change of the amount of, and allocation factors with respect to, property tax revenue that is subject to a negotiated exchange, per RTC §99.b.3.

WHEREAS, on September 14, 2021 the County Auditor transmitted a notification to all local agencies and special districts that receives an apportionment of property tax revenue from the area in question indicating that no change in the allocation of property tax revenue is proposed, per RTC §99.01.a.1.

WHEREAS, upon receipt of the estimated allocation, the local agencies shall commence negotiations to determine the amount of property tax revenues to be exchanged between and among the local agencies. Except as otherwise provided, this negotiation period shall not exceed 60 days. If a local agency involved in these negotiations notifies the other local agencies, the County Auditor, and the LAFCO in writing of its desire to extend the negotiating period, the negotiating period shall be 90 days, per RTC §99.b.4.

WHEREAS, more than 60 days have now been provided and, to date, no special district or local agency has provided notification of their desire to extend the negotiation period.

WHEREAS, if a special district involved in the negotiation (other than the district which will provide one or more services to the area where those services have not been previously provided) fails to adopt a resolution providing for the exchange of property tax revenue, the Board of Supervisors shall determine the exchange of property tax revenue for that special district, per RTC §99.01.a.4.

NOW, THEREFORE, BE IT RESOLVED by the County of Del Norte Board of Supervisors, in accordance with Revenue and Taxation Code, hereby adopts the terms of the Property Tax Revenue Sharing Agreement as stated below, to be effective upon the recordation of the Executive Officer's Certificate of Completion for the subject activation of power.

BE IT FURTHER RESOLVED that the County hereby agrees to accept the exchange of property taxes as provided in the Property Tax Revenue Sharing Agreement as follows:

No property tax revenue allocation changes for all Districts and County in affected tax rate areas.

BE IT FURTHER RESOLVED that the Clerk of the Board is hereby directed to immediately forward a copy of this Resolution to the Auditor-Controller for the County of Del Norte, the Board of Directors of the HVCSD, and the Executive Officer of the LAFCO.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the County of Del Norte Board of Supervisors, at a regular meeting of the Board held on the 14th day of December, 2021, by the following vote:

AYES: Supervisor Short, Starkey, Howard, Hemmingsen, Berkowitz

NOES: None

ABSENT: None



Chris Howard
Chair of the Board of Supervisors

ATTEST:


Kylie Goughnour
Clerk of the Board of Supervisors