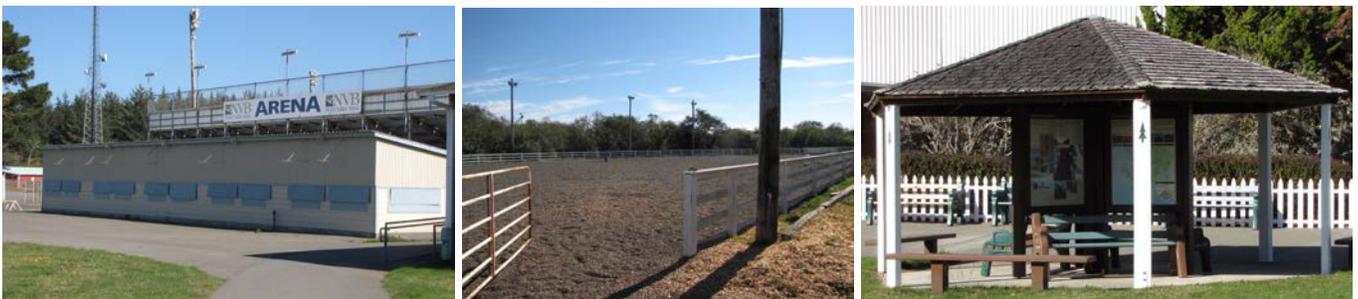


Municipal Service Review  
For a Services District  
Within Del Norte County

# Del Norte County Fairgrounds Recreation and Park District Formation



Del Norte  
Local Agency Formation Commission

April 2014

## **DEL NORTE LOCAL AGENCY FORMATION COMMISSION**

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# 1.0 INTRODUCTION

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The Del Norte Local Agency Formation Commission (LAFCo) conducts municipal service reviews (hereafter referred to as “service reviews”) to assess existing and future public service conditions for cities and special districts within Del Norte County. This service review allows LAFCo, local agencies, and the public to better understand how public services will be provided by the Del Norte County Fairgrounds Recreation and Park District. This chapter provides a background of the service review requirements and an overview of the process and methodology of the review.

## 1.1 Service Review and Determinations

LAFCo operates under the provisions of the Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000, commencing with California Government Code Section 56000. The CKH Act authorizes LAFCo to conduct comprehensive studies of the delivery of municipal services provided in the county or other area deemed appropriate by the Commission. The term “municipal services” refers to the full range of services that a public agency provides or is authorized to provide.

The service review process provides LAFCo with a tool for studying existing and future public service conditions, evaluating organizational options for accommodating growth, and examining whether critical services are provided in an efficient and cost-effective manner. This includes making determinations on the adequacy, efficiency, and effectiveness of these services in relationship to local conditions and circumstances.

The service review process does not require LAFCo to initiate changes of organization based on service review findings; it only requires that LAFCo make determinations regarding the provision of public services in accordance with Government Code Section 56430. However, the service review helps to inform the sphere of influence development process with regard to identifying an appropriate and probable service area for the District.

The CKH Act requires that LAFCo review municipal services before or in conjunction with updating spheres of influence and prepare a written statement of determinations with respect to seven factors:

## Service Review Determinations

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities<sup>1</sup> within or contiguous to the sphere
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies
4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

## 1.2 Sphere of Influence

LAFCo establishes, amends, and updates spheres for all cities and special districts to designate the territory it believes represents the appropriate and probable future service area and jurisdictional boundary of the affected agency. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions.

The authority for LAFCo to adopt, review, and amend spheres of influence is contained in various sections of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Specifically, Government Code Section 54625(a) states that:

“In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local government agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency with the county and enact policies designed to promote the logical and orderly development of areas within the sphere.”

Government Code section 56425(g) specifies that, beginning in 2008, LAFCo shall, as necessary, review and update each sphere of influence every five years. In making sphere determinations, LAFCo is required to prepare written statements addressing five specific planning factors listed under Government Code Section 56425(e). The mandatory factors range from evaluating current and future land uses to the existence of pertinent communities of interest.

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<sup>1</sup> "Disadvantaged unincorporated community" means an inhabited community (12 or more registered voters) with an annual median household income that is less than 80 percent of the statewide annual median household income.

The intent in preparing the written statements is to focus LAFCo in addressing the core principles underlying the sensible development of each local agency consistent with the anticipated needs of the affected community. There are five planning factors for SOI update and review:

#### Sphere of Influence Determinations

1. Present and planned land uses in the area, including agricultural and open space
2. Present and probable need for public facilities and services in the area
3. Present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide
4. Existence of any social or economic communities of interest in the area if the commission determines they are relevant to the agency
5. If the city or district provides water, sewer, or fire, the present and probable need for those services of any disadvantaged unincorporated communities within the existing sphere

A CEQA determination is made by LAFCo on a case-by-case basis for each sphere of influence action and each change of organization, once the proposed project characteristics are sufficiently identified to assess environmental impacts.

### 1.3 Review Methods

The following information was considered in the service review:

- Agency-specific data: Plan for Services, Initial Study/ Draft Negative Declaration for District Formation, responses to LAFCo Requests for Information, and Del Norte County Fair Strategic Plan 2014-2016.
- Demographic data: U.S. Census Bureau; Department of Finance.
- Population projections: Department of Finance.

Information gathered was analyzed and applied to make the required determinations for each agency. All information gathered for this report is filed by LAFCo for future reference.

## 2.0 AGENCY PROFILE

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The Del Norte County Fairgrounds Recreation and Park District (District) would be a county-wide, independent special district. The District boundary would be coterminous with the County boundary (Figure 1). The purpose of the District is to provide revenue to maintain and operate the Del Norte County Fairgrounds. The Fairgrounds are located at 421 Highway 101 in Crescent City, CA. The Fairgrounds site includes numerous structures, a large parking lot, rodeo arena, horse barns/arena, open space areas, and natural resource areas. In addition to the annual fair, the site facilities are used year-round by various organizations.

The Del Norte County Fairgrounds Recreation and Park District would not directly provide services, and would enter into an agreement with the Del Norte County Fair 41<sup>st</sup> District Agricultural Association to continue operating the Fairgrounds facilities and services.

The new recreation and park district would be a conduit for funding specifically for the continued maintenance, operations, and improvements of the Fairground facilities. The State of California owns the Fairgrounds site and facilities, which are governed by the 41<sup>st</sup> District Agricultural Association Board of Directors who are appointees of the Governor of the State of California. The Fairgrounds ownership and current Fair Board would not change as a result of district formation.

### **District Formation**

A new recreation and park district may be formed pursuant to Public Resources Code (PRC) Section 5780 et seq. The purpose of the district is to provide funding to maintain and operate the Del Norte County Fairgrounds. District formation would be contingent on voter approval of a special sales tax that would go before District residents on the November 2014 ballot.

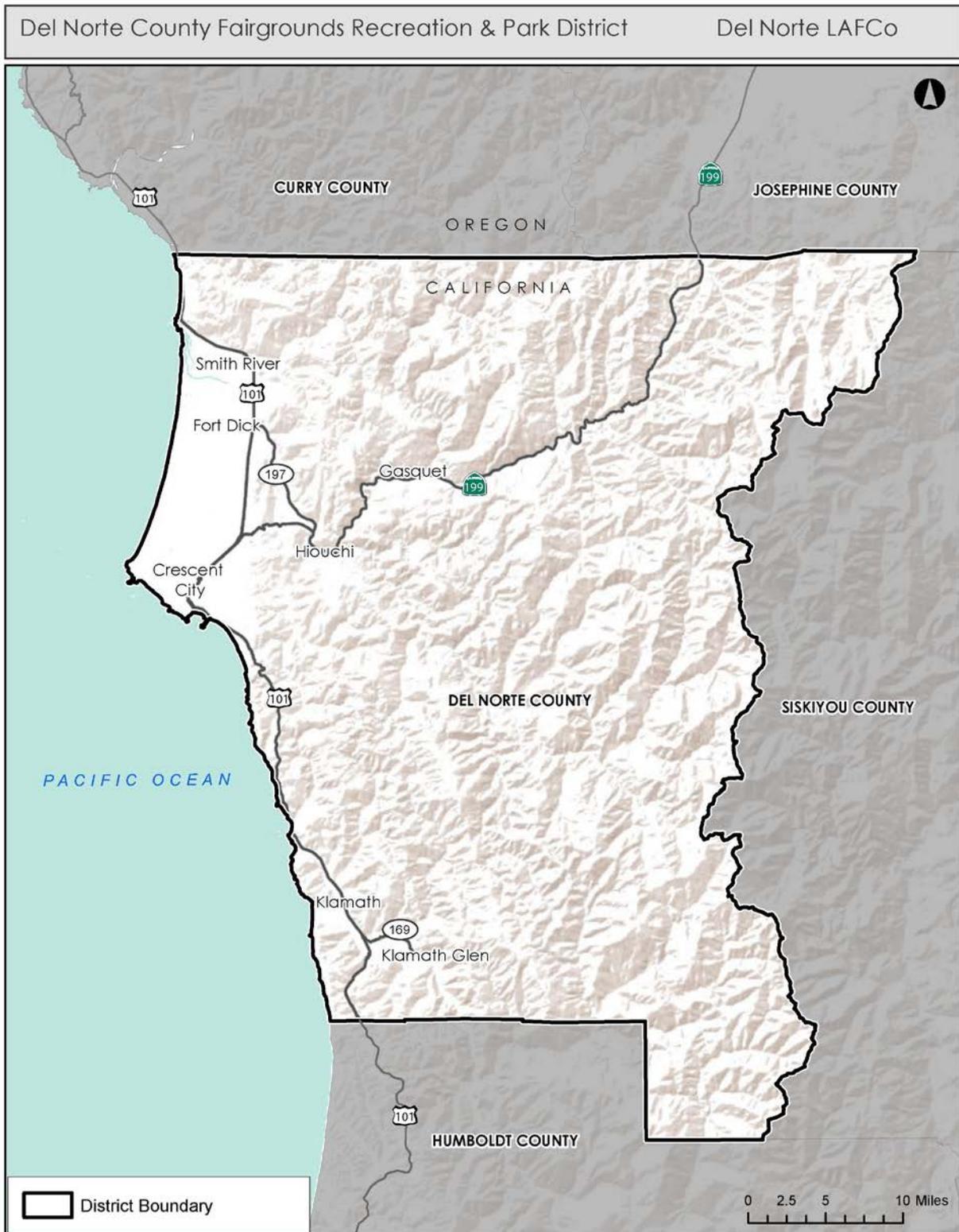
### **Governance Structure and Administration**

The District would be governed by a five-member Board of Directors elected by District residents in the same election as the special sales tax. Terms of office of the initially elected board members are determined pursuant to the Uniform District Election Law; essentially the directors are classified into a group of three and a group of two; the group of three would serve a four-year term and the group of two would serve for two years.

Once established, the District Board must meet regularly in compliance with Brown Act requirements. Meetings would be noticed, a method and place for keeping records would be established, and Board procedures would be developed.

The District Board would essentially provide oversight of how the District revenue is used for the operation, maintenance, and improvement of Fairgrounds facilities. The existing Fair Board would submit annual budgets and work programs consistent with the Plan for Services and MSR determinations to the District Board. Each work program would include information requested by the District, including but not limited to, proposed improvements, marketing, allocation of reserves, and matching funds.

Figure 1 District Boundary



Map compiled by Planwest Partners for Del Norte LAFCo, January 17, 2014.  
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PLANWEST PARTNERS, INC.

## 2.1 Growth and Population

Del Norte County is the northernmost county on the California Coast. The County, which covers approximately 1,070 square miles, is bounded on the north by Curry County Oregon, on the east by Siskiyou County on the south by Humboldt County and on the west by the Pacific Ocean. The District will cover the entire unincorporated area of Del Norte County and the city of Crescent City. This includes the unincorporated communities of Bertsch-Oceanview, Fort Dick, Gaquet, Hiouchi, Klamath, Klamath Glen, Patrick Creek, and Smith River.

The total population of Del Norte County in 2010, as reported by the U.S. Census, was 28,610; up from 27,507 at the 2000 census. Indicating that from 2000 to 2010 the overall population in Del Norte County grew at an average rate of approximately 0.4 percent per year.

**Table 1: Historic and Projected Population Growth in Del Norte County**

Year	Total County Population	Average Annual Increase
2000	27,507	-
2010	28,610	0.4%
2020	29,635	0.4%
2030	30,861	0.4%
2040	31,877	0.3%

Sources: U.S. Census 2000 and 2010; Total Population Projections for California and Counties, Department of Finance, January 2013.

Land uses within the District boundaries are subject to the Del Norte County General Plan and Crescent City General Plan. More than eighty percent of this land is publicly owned; the district largely contains resource and rural residential land. The majority of Del Norte County is made up of public lands including Redwood State and National Parks and the Smith River National Recreation Area.

### Disadvantaged Unincorporated Communities

LAFCo is required to evaluate disadvantaged unincorporated communities as part of service reviews, including the location and characteristics of any such communities. A disadvantaged unincorporated community is defined as any area with 12 or more registered voters, or as determined by commission policy, where the median household income is less than 80 percent of the statewide annual median.<sup>2</sup>

The California Department of Water Resources (DWR) has developed a mapping tool to assist in determining which communities meet the disadvantaged communities' median household income definition. DWR is not bound by the same law as LAFCo to define communities with a minimum threshold of 12 or more registered voters. However, the DWR data can be used for the purposes of this report as an indicator of larger geographic areas that may meet the income definition of disadvantaged.<sup>3</sup>

<sup>2</sup> California Government Code §56033.5.

<sup>3</sup> DWR maps and GIS files are derived from the US Census Bureau's American Community Survey (ACS) using different census geographies (Place, Tract, and Block Group) and are compiled for the five-year period of 2006-2010.

Based on mapping information from the DWR, there are a number of areas that meet the disadvantaged community definition within the District (Del Norte County). These include Klamath and surrounding areas, Crescent City, the area adjacent to and east of Crescent City (Bertsch-Oceanview), Hiouchi, and Smith River.

## 3.0 SERVICES PROVIDED

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### 3.1 Recreation and Park Services Overview

The Del Norte County Fairgrounds Recreation and Park District would not directly provide services, and would enter into an agreement with the Del Norte County Fair 41<sup>st</sup> District Agricultural Association to continue operating the Fairgrounds facilities and services.

The powers and duties of recreation and park districts are defined in Public Resources Code Section 5786-5786.31. The proposed functions of the District - to contract for services - is defined in PRC Section 5786.13 below.

Section 5786.13.

A district may contract with other public agencies to provide recreation facilities and programs of community recreation within the district's boundaries.

Other powers a recreation and park district may take on (with subsequent LAFCo approval) include, but are not limited to:

Section 5786. A district may:

- (a) Organize, promote, conduct, and advertise programs of community recreation, including, but not limited to, parks and open space, parking, transportation, and other related services that improve the community's quality of life.
- (b) Establish systems of recreation and recreation facilities, including, but not limited to, parks and open space.
- (c) Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, both inside and beyond the district's boundaries.

Section 5786.11.

- (a) A district may cooperate with any city, county, special district, school district, state agency, or federal agency to carry out the purposes and intent of this chapter. To that end, a district may enter into agreements with those other public agencies to do any and all things necessary or convenient in carrying out the purposes and intent of this chapter.
- (b) A district may jointly acquire, construct, improve, maintain, and operate recreation facilities and programs of community recreation with any other public agency. Nothing in this chapter shall be construed to prohibit any joint or cooperative action with other public agencies.

## Del Norte County Fairgrounds Overview

The Del Norte County Fairgrounds encompass approximately 87.3 acres in the community of Crescent City, California, adjacent to U.S. Highway 101. The site includes a number of buildings, arenas and other structures principally intended to serve the production requirements of the annual county fair, typically held over 4 days on the first weekend in August. In addition, the fairgrounds accommodates a variety of non-Fair functions throughout the year, including special events in the buildings and arenas.<sup>4</sup> The existing fairground facilities and equipment are described in the table below.

**Table 2. Del Norte County Fairgrounds Facilities**

Building/ Arena	Size (sq. ft.)	Construction Type	Year Built
<b>Main Exhibit Building</b>	13,600	Steel and wood frame	1953
<b>Arts &amp; Crafts Building</b>	5,000	Wood frame	1972
<b>Grandstands &amp; Concessions</b>	1,800 sq. ft. 2,000 seats	Steel	1941/ retrofit 1991
<b>Stables</b>	80 stalls	Wood frame	1961/ 1968/ 2001
<b>Floral Building</b>	5,500	Wood Frame	1984
<b>Indoor Tennis/ Commercial</b>	12,000	Steel and concrete block	1962
<b>ACE Arena</b>	20,000	Steel	2001
<b>Outdoor Horse Arena</b>	30,000	n/a	n/a
<b>Livestock Building</b>	17,500	Block and steel	1966
<b>Poultry Building</b>	4,800	Wood frame	1923
<b>Jr. Building</b>	2,000	Steel	1944
<b>Driving Range</b>	1,380	Steel and wood frame	1994
<b>Outdoor Rodeo Arena</b>	60,000	n/a	n/a
<b>Main Office</b>	1,500	Wood frame	1954
<b>Shop</b>	1,030	Wood frame	2001
<b>School House</b>	1,000	Wood frame	1991
<b>Other Improvements</b>			
<b>7 portable bleachers</b>	350 seats	n/a	n/a
<b>Bandstand shell</b>	240	n/a	n/a
<b>Mobile Home and Garage</b>	1,140/ 864	Wood frame	1989

Many of the fairground facilities are available for rent. The Fairgrounds also offers horse stabling, RV hookups, and boat & trailer storage. Additional equipment available for rent includes:

- Tables
- Brown Padded Chairs Green  
Curtains per foot (10' min.)
- Red/Gray Curtains per foot (10'  
min.)
- Paneled Walls per event
- Dishes per event
- Food Warmer per event
- Gini Lift (Hourly & Staff operated)
- Black Padded Chairs
- Green Stage (Per section - 22  
available)
- Large P.A. System per event
- Portable P.A. System per event

<sup>4</sup> Strategic Plan 2014-2016, 41<sup>st</sup> District Agricultural Association, The Del Norte County Fair and Fairgrounds.

## Demand for Services

The Fairgrounds site is used for the annual County Fair, typically held over four days on the first weekend of August. In addition, the Fairgrounds accommodates a variety of non-fair functions throughout the year. According to the Strategic Plan, the total annual attendance of the Fairgrounds site is approximately 135,000, including both fair and interim attendance.<sup>5</sup>

The Fairgrounds facilities and buildings are used year-round by numerous organizations for small meetings and large annual events. Types of organizations/events that use the site on a regular basis include: youth and adult sports leagues, political organizations, agricultural clubs, sales and auction events.

## 3.2 Needs and Deficiencies

### Proposed Improvement Projects

The Fair Board's Strategic Plan identifies the following minimum maintenance/improvement projects to existing facilities needed to ensure that ongoing operations are safe and enjoyable.

#### **Floral Building:**

- Replace roof, doors & heating system.

#### **Horse Barns:**

- Replace roofs & gutters. Pave asphalt around buildings; pave road to horse barn & Ace Building. Build new restroom.

#### **Ace Building:**

- Pave around building

#### **Grandstands & Food Concession**

- Refurbish and paint. Replace Concession Structure.

#### **Main Hall:**

- Remodel & update restrooms, kitchen, heating, electrical, lighting, and floors.

#### **Rabbit Barns:**

- Replace floor and add restrooms.

#### **Arts & Crafts Building:**

- New heating system, flooring, and lighting. Install audio & visual equipment for meetings.

#### **Commercial Building (Tennis Court):**

- Insulate building, heating, and new lighting.

#### **Administration Office:**

Update flooring, heating, windows, electrical & new roof.

#### **General Grounds Improvements:**

- Develop drainage system. Pave Parking lots and roadways. Update all restrooms. New Parking lot lighting & new Main Entrance. Install more fire hydrants by horse barns and create loop system. Install new lighting in rodeo parking and horse barns. Improve RV Parking, electrical, and sewer hookups. Finish Amphitheater staging, seating, paving.

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<sup>5</sup> Strategic Plan 2014-2016, 41<sup>st</sup> District Agricultural Association, The Del Norte County Fair and Fairgrounds.

### 3.3 Other Service Providers

Del Norte County includes parks, resource areas, beaches, and recreational facilities. Most of these areas are small, compared with Federal and State parks, but are strategically located to provide access and use of some of the county's most important recreational features. Del Norte County operates and maintains 24 parks and recreation facilities totaling approximately 160 acres.

The Crescent City area provides opportunities for hiking, bicycling, beach combing, fishing, camping, surfing, boating, and many other activities. There are approximately 192 acres of parkland within City limits. Major recreational features located within the Crescent City area include Peterson Park, Brother Jonathan Park and Vista Point, Tetrapod Area, Beach Front Park, Cultural Center, public swimming pool, Marine Mammal Center, beach access, Harbor-City bicycle path, Citizens Dock and boat launching facilities, and the B Street Pier. There are also several camping and RV areas within the City including four privately managed facilities and one public RV park.

In addition to County and City owned and maintained park and recreation areas, there are vast amounts of Federal and State park areas that provide recreation opportunities to residents and visitors to Del Norte County. The Smith River National Recreation Area and the National Park portion of Redwood National and State Parks make up the majority of the Federal recreations in the county. The Smith River NRA covers approximately 43 percent of Del Norte County and offers a broad range of recreation uses.

## 4.0 FINANCING

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The District would be financed primarily through a special sales tax (0.25%) applied countywide. This special sales tax would be put before the voters of Del Norte County on the November 2014 ballot. The sales tax would be a short term (7 years) revenue source. Additional long-term revenue sources would be need to be pursued. The district would be eligible to apply for grants and to accept donations. Existing Fairgrounds facilities and equipment rentals and fair attendance revenues would continue to be managed by the current Fair Board.

Minimum district administrative expenses would include costs of liability insurance, part-time contract staff to coordinate and notice board meetings, prepare meeting agendas, and record minutes at District board meetings, and bookkeeping services. Other miscellaneous costs would include an annual (or biannual) audit. A preliminary District budget is shown in Table 3.

County sales and use tax revenues (including unincorporated Del Norte County and Crescent City) for the past three fiscal years were used to estimate District revenue from the proposed 0.25% sales tax increase. The average annual increase from FY 2009-10 to FY 2012-13 was approximately 3.8%. Based on the FY 2012-13 revenue and an increase of 3.8%, the estimated revenue from the 0.25% sales tax increase for FY 2015-16 would be \$449,391.

**Del Norte County City and County Sales and Use Tax Revenue**

<b>Fiscal Year</b>	<b>Sales and Use Tax Annual 1% Revenue</b>
FY 2009-10	\$1,502,373
FY 2010-11	\$1,622,402
FY 2012-13*	\$1,731,756

Source: CA Board of Equalization; \*note: revenue from FY2011-12 was not reported by the BOE.

Initial year start-up costs such as insurance, administration, and bookkeeping services, would be supported by a \$10,000 contribution from the Del Norte County Fair 41<sup>st</sup> District Agricultural Association. This is intended to cover costs prior to the first sales tax distribution. These costs, in addition to other District formation costs such as LAFCo processing and County election costs would be repaid by the District.

**Table 3: Preliminary District Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
<b>Revenues</b>				
0.25% sales tax	-	\$449,391	\$466,468	\$484,194
Other (startup contributions, misc.)	\$10,000			
<b>Total Revenue</b>	<b>\$10,000</b>	<b>\$449,391</b>	<b>\$466,468</b>	<b>\$484,194</b>
<b>Expenditures</b>				
District Expenses (insurance, etc.)	\$10,000	\$40,000	\$41,520	\$43,098
Formation Costs Repayment	-	\$35,000	-	-
Del Norte County Fair 41 <sup>st</sup> Dist. Ag. Assoc. - Operations Budget	-	\$200,000	\$207,600	\$215,489
- Capital Improvement Expenditures	-	\$39,574	\$77,408	\$80,349
Reserve Fund		\$134,817	\$274,758	\$420,016
<b>Total Expenditures</b>	<b>\$10,000</b>	<b>\$449,391</b>	<b>\$466,468</b>	<b>\$484,194</b>

Annual Expenditures include funding for fair operations approximately equivalent to the amount the State is no longer contributing, and capital expenditures for upgrades and retrofits outlined in Section 3.2. These expenses as well as district operations expenses, are projected to increase commensurate with the projected sales tax revenue increases. It will be the Districts responsibility to annually review the budget to efficiently allocate expenses and build a reserve fund.

The reserve fund would be established to make the District sustainable past the initial seven year period when sales tax revenues would be accruing. It is anticipated that the District and Fair Board would propose extending the sales tax, based on documented beneficial use of the funds for District members. The reserve fund is a contingency if the sales tax is not extended. Based on projected fund revenues of 30% of tax revenues, through 2021, which would be a formation condition the reserve fund could exceed \$1,000,000.

## 5.0 MSR DETERMINATIONS

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56430(a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

### **1) Growth and population projections for the affected area.**

The Del Norte County population was approximately 28,610, based on 2010 Census data. If existing countywide growth rates continue, estimated to be 0.4 percent annual growth, the County population is projected to be 30,861 in 2030. Continued projected growth would yield increased sales tax revenue, unless affected by the economy, having a positive effect on District revenues.

### **2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere.**

Based on mapping information from the Department of Water Resources, there are a number of areas that meet the disadvantaged community definition within the District (Del Norte County). These include Klamath and surrounding areas, Crescent City, the area adjacent to and east of Crescent City (Bertsch-Oceanview), Hiouchi, and Smith River; these are all included in the proposed District.

### **3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere.**

The present and planned capacity of the Fairgrounds accommodates the annual County Fair and other regular and special events throughout the year. The proposed maintenance/improvement projects identified in the MSR will improve the adequacy and capacity of the Fairgrounds facilities and services. Sewer, water, and structural fire protection services within the District are provided by other agencies. Capital improvement funding available from sales tax revenues will increase onsite capacity and efficiency of facilities and services.

### **4) Financing ability of agencies to provide services.**

The District would be financed primarily through a special sales tax (0.25%) applied countywide. This special sales tax would be put before the voters of Del Norte County on the November 2014 ballot. The proposed sales tax would be a short term revenue source (7 years). Additional long-term revenue sources would need to be pursued by the District.

**5) Status of and, opportunities for, shared facilities.**

The District would not directly provide services and would enter into an agreement with the Del Norte County Fair 41<sup>st</sup> District Agricultural Association to continue operating the Fairgrounds facilities and services. The Fairgrounds facilities are unique, there are no other service providers that have these types of services or a similar type of property within District boundaries. The District would share space and staff with the Fair Board. District meetings would be held at the Fairgrounds offices.

**6) Accountability for community service needs, including governmental structure and operational efficiencies.**

The District would be governed by a five member Board of Directors, elected by District residents. The District Board would be subject to the Brown Act as well as other state and federal laws regulating the conduct of government business.

The District Board would essentially provide oversight of how the District revenue is used for the operation, maintenance, and improvement of Fairgrounds facilities. The existing Fair Board would submit annual budgets and work programs consistent with the Plan for Services and MSR determinations to the District Board. Each work program would include information requested by the District, including but not limited to, proposed improvements, marketing, allocation of reserves, and matching funds. The District and the Fair Board would have complimentary services without substantial overlap.

**7) Any other matter related to effective or efficient service delivery, as required by commission policy.**

The agreement to be developed between the District and the Fair Board (41<sup>st</sup> District Agricultural Association) will be structured for effective and efficient service delivery. The District, as an independent special district, will be authorized to receive sales tax revenues. The Fair Board is already staffed and equipped for service delivery; this capacity will be enhanced by additional revenues.

## 6.0 SPHERE OF INFLUENCE DETERMINATIONS

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The District's proposed sphere of influence would be coterminous with District Boundaries. 56425. (e) In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to each of the following:

**1) The present and planned land uses in the area, including agricultural and open-space lands.**

Land uses within the District boundaries are subject to the Del Norte County General Plan and Crescent City General Plan. The district largely contains resource and rural residential land. The majority of Del Norte County is made up of public lands including Redwood State and National Parks and the Smith River National Recreation Area. Little change in actual or designated land uses within the District is anticipated over the next 20 years. District formation would have no impacts on agricultural and open space lands.

**2) The present and probable need for public facilities and services in the area.**

The Del Norte County Fair 41<sup>st</sup> Agricultural Association currently provides recreation and park services within District Boundaries. However, due to funding cuts, the Fair Board estimates that without an additional revenue source(s) the Fair would become insolvent as early as 2016. The District formation would provide the needed revenue source to continue operation and maintenance of the Fairgrounds facilities.

**3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

The present capacity of the Fairgrounds is sufficient to accommodate the annual County Fair and other regular and special events throughout the year. The proposed maintenance/improvement projects will improve the Fairgrounds facilities and services.

**4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

The District would cover the entire unincorporated area of Del Norte County and the incorporated area of Crescent City; other communities include Bertsch-Oceanview, Fort Dick, Gaquet, Hiouchi, Klamath, Patrick Creek, and Smith River.

**5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

The District would not provide sewer, municipal and industrial water, or structural fire protection services.