



AGENDA ITEM 7A

MEETING: March 18, 2020
TO: Humboldt LAFCo Commissioners
FROM: Colette Metz Santsche, Executive Officer
SUBJECT: **Proposed Annexation of Fire Service Areas Served by Scotia, Redcrest, and Shively Volunteer Fire Companies to the Rio Dell Fire Protection District and Divestiture of Power to Provide Fire Protection Services by Scotia Community Services District**

The Commission will consider a proposal submitted by resolution of application by the Rio Dell Fire Protection District (FPD) for a sphere of influence (SOI) amendment and corresponding annexation of approximately 11,498 acres (608 parcels) of land located outside the boundaries that is currently served by volunteer fire companies. This will also include a divestiture of power to provide fire protection services by Scotia Community Services District (CSD). Staff recommends approval of the proposal with conditions incorporated.

LAFCos are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving proposed changes of organization, such as district formations, consistent with adopted policies and procedures pursuant to California Government Code (G.C.) Section 56375. LAFCos are authorized with broad discretion in amending and conditioning changes of organization as long as they do not directly regulate land use, property development, or subdivision requirements.

A. BACKGROUND

Proceedings for this annexation were initiated by the Rio Dell Fire Protection District (FPD). The proposal includes annexation of approximately 11,498 acres of land (608 parcels) located outside the boundaries that is currently served by volunteer fire companies. The Rio Dell FPD proposes to consolidate fire protection service operations and administration with the Scotia, Redcrest and Shively Volunteer Fire Companies, and annex the service areas of those volunteer fire companies into the boundaries of the Rio Dell FPD. This action would also necessitate the divestiture of power to provide fire protection services by Scotia Community Services District (CSD).

Upon annexation, the Rio Dell FPD's existing special assessment on property would be extended to all property within the proposed annexation area. The District's benefit assessment was approved in 2014 and is applied at a rate of \$25 per "unit of benefit" on a use-of-property basis, with a typical single-family residence paying \$100 per year.

The Rio Dell FPD currently provides service to the City of Rio Dell and to the unincorporated areas of Monument Drive and Blue Slide Road. Services are provided on behalf of the District by the Rio Dell Volunteer Fire Department (VFD), which responds to an average of 350 calls per year according to the last Municipal Service Review adopted in 2016.

The proposed annexation does not involve proposed service expansions to accommodate new development. The proposed annexation is intended to redefine the Rio Dell FPD district boundary to secure funding and support improvements to the level of service to areas that are currently being served by volunteer fire companies that lack dedicated funding sources. The Rio Dell FPD proposes to amend its sphere of influence (SOI) beyond the proposed new district boundaries.

B. DISCUSSION

Reasons for Proposal

According to the application, the reasons for the proposed annexation are as follows:

1. The Rio Dell FPD has provided fire protection services to its out-of-district response area and the Scotia, Redcrest, and Shively Volunteer Fire Companies have provided service to their communities for many years.
2. The proposed annexation would extend the Rio Dell FPD's current property tax allocation and special assessment revenue sources to the expanded district boundary and consolidate fire protection service operations and administration with the Scotia, Redcrest, and Shively Volunteer Fire Companies, providing regular and ongoing revenue sources to these communities to sustain local fire protection services within each community and to also retain the important local identity of each community's fire department.
3. The proposed annexation would officially merge the operations of the four fire departments into one efficient, effective, and sustainable emergency services system and make possible a proactive, sustainable solution for future fire and emergency service needs for the area by creating a regional district with an improved economy of scale and associated benefits.
4. The proposed annexation would establish district boundaries that clearly define service responsibilities for the benefit of neighboring fire service providers, land use authorizes, the public, and other service providers.

Description of Annexation Areas

Annexation Area 1 (Rio Dell Response Area): The Rio Dell Response Area includes land to the west of the existing district boundary along Blue Slide Road, up to the end of Howe Creek Road and up Price Creek Road. This area is sparsely developed with rural residences and farm dwellings. There are approximately 41 parcels developed with rural residences and an extensive ranch area. The entire area is proposed to be

included in the annexation area because the fire department must pass through the ranch and timberlands to reach all of the rural residences.

Annexation Area 2 (Town of Scotia): The Town of Scotia is approximately 284 acres in area and contains the largest functioning lumber mill in the County; approximately 280 residences; a small shopping center with a grocery store and hardware store as well as other businesses; a hotel; a former mill that is now a multi-tenant industrial park; a school; and miscellaneous public and commercial buildings.

Annexation Area 3 (Scotia Response Area): The Scotia Response Area includes the Stafford community and extends approximately 6.5 miles along Shively Road east of U.S. 101 and south along U.S. 101 to the Jordan Creek exit. There is one home within the Shively Road portion of the response area and the remainder of this area is comprised of forest land. There are approximately 43 homes in the community of Stafford and the Eureka's Redwood Christian Center resort property in Stafford.

Annexation Area 4 (Redcrest Response Area): The Redcrest response zone has approximately 100 residential structures located within the three community areas: Pepperwood, Holmes Flat, and Redcrest. In addition, this area has the former Eel Rivers Sawmill property in Redcrest which is now a multi-tenant industrial park, the Redcrest Resort, U.S. Post Office, and other miscellaneous commercial operations. This area also includes a significant amount of Humboldt Redwoods State Park land.

Annexation Area 5 (Shively Response Area): The Shively Response Zone is comprised of the Shively community and the Larabee area. There are a total of approximately 67 rural residences in this area as well as extensive agricultural and timber land.

Funding and Property Tax Negotiation

The Rio Dell FPD is principally funded by property taxes (34% of total revenue), parcel-based assessments (64% of total revenue), and funding from a few other miscellaneous sources (2% of total revenue). The District's benefit assessment was approved in 2014 and is applied at a rate of \$25 per "unit of benefit" on a use-of-property basis, with a typical single-family residence paying \$100 per year. Annual revenue from the special assessment is approximately \$144,000. The District also generates approximately \$76,800 per year from its percentage (0.04%) of the 1 percent ad valorem property tax revenue.

Property Type	Unit of Benefit	2014 Assessment
Vacant/Unimproved Lot	1	\$25
Single Family Residence	4	\$100
Rural Residence	6	\$125
Multi-Family Residence 2-4 units	8	\$200
Multi-Family Residence 5-9 units	10	\$250
Multi-Family Residence 10+ units	12	\$300
Commercial	12	\$300
Industrial	20	\$500
Mobile Home (in a park)	3	\$75

Upon annexation, the District would receive approximately \$65,375 per year in special assessment revenue from properties within the annexation areas. In addition, it is estimated the District would generate approximately \$32,423 per year in property tax revenue corresponding with tax exchange agreement offer number 1 authorized by the Humboldt County Board of Supervisors on April 9, 2019.

Proposed Sphere of Influence

The proposed annexation area excludes lands that are undeveloped, exclusively contain timberlands and that can clearly be defined as commercial forest lands that are timbered and included within State Responsibility Area, pursuant to California Health and Safety Code Section 13811. As such, the Rio Dell FPD sphere would extend beyond the proposed District boundaries and include large areas of forested land within their out of district response area. The proposed SOI includes the current Rio Dell FDP SOI most recently adopted by Resolution 17-03 of Humboldt LAFCo. It also includes portions of land north of the Eel River around Stafford, Pepperwood, Shively, and Holmes, and a small section east of Larabee. These lands are primarily included for responses along Shively Road. These areas were mapped as part of the Eel River Valley-Lost Coast Regional Fire Services Municipal Services Review adopted by LAFCo in 2017.

Scotia CSD Divestiture of Power

Scotia CSD was originally formed with the intent to provide fire protection services to the town and surrounding areas by absorbing the Scotia Volunteer Fire Department. The CSD attempted to fund fire protection services by way of a special benefit assessment that did not receive sufficient landowner approval. The CSD has since then not been able to secure other means of necessary funding to support the transfer of assets from the Town of Scotia Company LLC.

The Scotia CSD Board of Directors recently adopted Resolution No. 2020-1 on February 20, 2020, which approves the divestiture of power to provide fire protection services pending approval of the Rio Dell annexation, transfers responsibility of providing fire services to Rio Dell FPD upon effective date of the annexation, and supports the continued operation of the Scotia VFP through consolidation with Rio Dell FPD. The Town of Scotia Company has also provided support for annexation to Rio Dell FPD (Attachment G) and has agreed to provide a one time lump sum of \$200,000 to help support the Scotia VFD during the initial transfer of services.

Consistency with City of Rio Dell Boundary and Sphere

In response to the Notice of Filing dated January 7, 2020, the City of Rio Dell provided comments on the proposed annexation (see Attachment D). The City requested that the annexation area include all fire service areas within the city limits which includes the Humboldt-Rio Dell Business Park (formerly the Sawmill Annexation Area) located on the northeast bank of the Eel River).

The Humboldt-Rio Dell Business Park is currently located within the Fortuna FPD boundary. Fortuna FPD receives a portion of the property tax from this area and has an aid agreement with Rio Dell FPD for service calls. The Rio Dell FPD receives service fees from Fortuna FPD for responses to the area. Annexation of the business park by Rio Dell

FPD would require detachment from the Fortuna FPD and subsequent tax exchange negotiations.

In response to the City's comments, Rio Dell and Fortuna Fire met to discuss potential inclusion of the Business Park in the current annexation proposal. As detailed in the Fortuna FPD's letter dated February 14, 2020 (Attachment D), the Fortuna FPD Board of Directors opposes inclusion of the Business Park because it would create a peninsula into Fortuna FPD's boundary and the process for detachment would be a significant financial burden on the District. The Rio Dell FPD, in a letter dated February 12, 2020 (Attachment D), stated that the current boundaries in the Business Park area are adequate and do not need to be adjusted. There is a current inter-district agreement with Fortuna FPD which will be updated in the near future.

C. ANALYSIS

The analysis of the proposal is organized into two sections. The first section considers the proposal relative to the factors mandated for review by the Legislature anytime LAFCos review boundary changes. The second section considers issues required by other applicable State statutes in processing boundary changes, such as environmental compliance with the California Environmental Quality Act.

Required Factors for Review

G.C. Section 56668 requires the Commission to consider 17 specific factors anytime it reviews proposals for a change of organization or reorganization involving special districts. The majority of the prescribed factors focus on the impacts of the proposed boundary changes on the service and financial capacities of the affected agencies. No single factor is determinative. The purpose in considering these factors is to help inform the Commission in its decision-making process.

A summary of key statements and conclusions generated in the review of the mandated factors for the proposal follows, with a complete analysis provided in Attachment B.

- The annexation area consists of approximately 1,306 residents and 531 total housing units. Total assessed value of properties (land and improvements) is \$112,561,099.
- Land uses within the annexation area are very similar to land uses within the existing district, and include developed and undeveloped rural residential land, timber land, and grazing land.
- There is little development potential within the annexation area. Future demands for services are expected to be similar to the current service demands.
- The approval of this annexation would enable the district to extend its fire-related funding source within the annexation area, beyond donations, from which the fire department can rely upon into the future and improve service delivery.

Other Considerations

o Municipal Service Review and Sphere of Influence

The Commission approved an Eel River Valley-Lost Coast Regional Fire Services Municipal Services Review in 2017, which evaluated the availability and performance of governmental services provided by fire-related districts within the designated study area pursuant to California Government Code Section 56430. As part of the MSR process, sphere boundaries were updated to generally match the non-district goodwill response areas for each fire-related district. The Rio Dell FPD proposes to amend its sphere of influence beyond the proposed new district boundaries, consistent with the mapped sphere boundaries and out of district response areas in the Regional MSR.

o Environmental Review

The proposed annexation is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)3 because it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment - where the activity is the establishment of a local district boundary to include areas that are already served by the district and the Scotia, Redcrest and Shively Volunteer Fire Companies, and that does not involve development or a change in the manner in which an existing service is provided.

o Property Tax Exchange Agreement

On April 9, 2019, the Board of Supervisors approved staff recommendations for a funding allocation strategy to help address service gaps that involves the exchange of property tax revenue, including base property tax revenue, in exchange for fire protection districts improving other sources of revenue, improving administrative capacity, and pursuing consolidation. Based on offers specified in the April 9, 2019 staff report, the estimated proportion of property tax revenue that would be transferred from the county general fund to the Rio Dell FPD is \$43,543.54, which is based on current year estimated property tax revenue generated within the annexation area. Pending approval of the annexation proposal by the Commission, a final property tax exchange agreement is expected to be approved by the Board of Supervisors in accordance with Section 99.01 of the California Revenue and Taxation Code. The completion of the property tax exchange process has been included as a condition of approval.

o Conducting Authority Proceedings

All proposed boundary changes approved by the Commission are subject to conducting authority proceedings (i.e., protest hearing) unless waived in accordance with criteria outlined under G.C. Section 56663. Unless written opposition is received from landowners or registered voters within the affected territory prior to the conclusion of the Commission's proceedings on the proposal, the proposal is not subject to conducting authority proceedings under G.C. Section 56663. However, several letters of written opposition have been received which triggers the need to conduct a protest hearing.

D. RECOMMENDATION

The proposed SOI amendment and annexation to the Rio Dell FPD appears appropriate relative to the factors required by statute for consideration. It is recommended the following conditions of approval be applied with delegation to the Executive Officer to determine when the requested actions have been sufficiently satisfied before proceeding with a recordation.

- a) Completion of the 30-day reconsideration period provided under G.C. Section 56895.
- b) Completion of conduction authority proceedings by Executive Officer.
- c) Completion of an agreement regarding the exchange of ad valorem property tax between affected agencies pursuant to tax exchange agreement offer number 1 authorized by the Humboldt County Board of Supervisors on April 9, 2019.
- d) Submittal of a final map and geographic description of the affected territory conforming to the requirements of the State Board of Equalization.
- e) Payment of any outstanding fees as identified in the Commission's adopted fee schedule.
- f) The Town of Scotia Company LLC. (Scotia Volunteer Fire Company), Redcrest Volunteer Fire Company, and Shively Volunteer Fire Company shall prepare the appropriate documentation for any transfer of fire assets and resources to the RDFPD and provide this documentation to LAFCo staff for review.
- g) Upon effective date of the proposal, the affected territory will be subject to all previously authorized charges and fees that were lawfully enacted by the District for the provision of fire protection services. The affected territory will also be subject to all of the rates, rules, regulations, and ordinances of the District.

Alternatives for Commission Action

Staff has identified three options for Commission consideration with respect to the proposal. These options are summarized below.

- o Alternative Action One (Recommended):
Adopt the draft resolution identified as Attachment E, approving the proposal with the recommended conditions along with any desired changes as requested by the Commission.
- o Alternative Action Two:

Continue consideration of the item to the next regular meeting and provide direction to staff for additional information as needed.

- o Alternative Action Three:
Disapprove the proposal. Disapproval would statutorily prohibit the initiation of a similar proposal for one year unless a request for reconsideration is filed and approved within 30 days of Commission action.

Procedures for Consideration

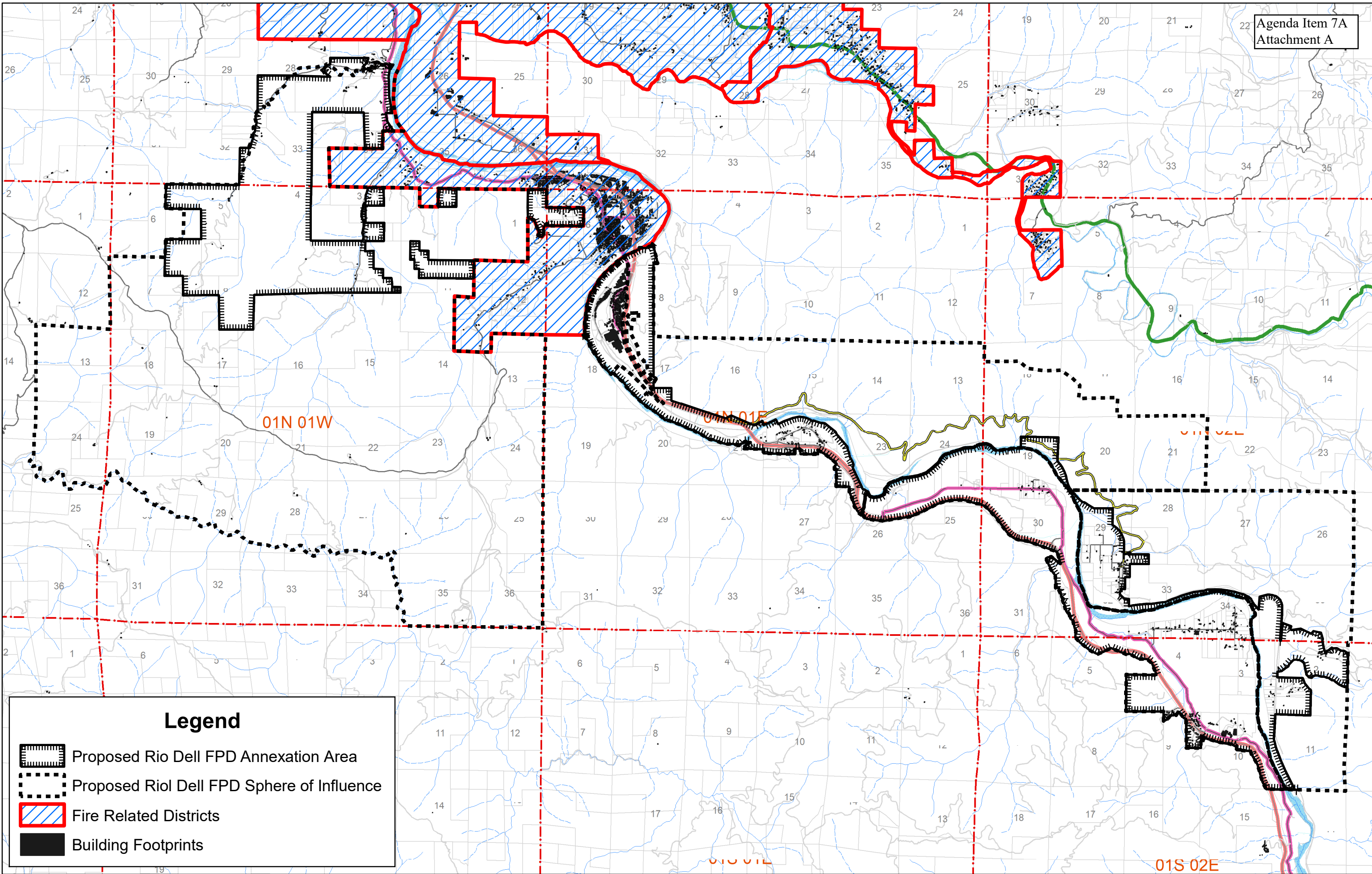
This item has been agenized for consideration as part of a noticed public hearing. The following procedures are recommended with respect to the Commission's consideration of this item:

- A. Receive verbal report from staff
- B. Open the public hearing and invite testimony.
- C. Discuss item and – if appropriate – close the hearing and consider action on recommendation:

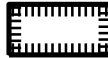

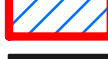

"I move to adopt Resolution No. 20-02, approving the Sphere of Influence Amendment and Annexation of Out of District Fire Service Response to the Rio Dell Fire Protection District and divestiture of power to provide fire services by Scotia Community Services District, as described in the staff report, subject to the recommended conditions".

Attachments

Attachment A: Map of Proposed Annexation and Sphere Boundaries
Attachment B: Required Factors for Review
Attachment C: Notice of Filing (Referral) to Agencies
Attachment D: City of Rio Dell Comment Letter and Rio Dell/Fortuna Fire Response
Attachment E: Mailed Hearing Notice to Landowners and Registered Voters
Attachment F: Landowner Comment Letters Received
Attachment G: Town of Scotia Comment Letter
Attachment H: Scotia Resolution for Divestiture of Powers
Attachment I: Draft Resolution of Approval (No. 20-02)



Legend

-  Proposed Rio Dell FPD Annexation Area
-  Proposed Rio Dell FPD Sphere of Influence
-  Fire Related Districts
-  Building Footprints

ATTACHMENT B ANALYSIS OF REQUIRED FACTORS

Government Code Section 56668 requires the Commission to consider 17 specific factors anytime it reviews proposals for a change of organization or reorganization involving special districts. The purpose in considering these factors is to help inform the Commission in its decision-making process.

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

The proposed annexation includes approximately 11,498 acres of land (608 parcels) located outside the boundaries that is currently served by volunteer fire companies in the area. The annexation area consists of approximately 1,306 residents and 531 total housing units. Total assessed value of properties (land and improvements) is \$112,561,099. Land uses within the annexation area are very similar to land uses within the existing district, and include developed and undeveloped rural residential land, timber land, and grazing land with some higher density residential areas in Scotia. There are no plans for land use or zoning changes or future development that are part of the proposed Rio Dell FPD annexation.

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; and 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.

Pursuant to Government Code Section 56653, the District prepared a Plan for Services to evaluate the needs of the proposed annexation. The need for expanded community services within the affected territory includes fire protection services. An analysis of the availability and adequacy of this core municipal service relative to projected needs of the proposal follows.

- o Fire Protection

The Rio Dell FPD has provided fire protection services to its out-of-district response area and the Scotia, Redcrest and Shively Volunteer Fire Companies have provided service to their communities for many years. The Eel River Valley Regional Fire Protection District Municipal Service Review (MSR) conducted in 2016 showed a steady increase of service calls in the area from 356 in 2010 to 476 in 2015. Since then calls have continued to increase to approximately 510 calls in 2019. This indicates a probable future need for continued fire services in the area.

Scotia Community Services District (CSD) is currently served by the Scotia Volunteer Fire Department (VFD) which is privately funded by the Town of Scotia LLC company. This

VFD responds to calls in Scotia and nearby areas including Rio Dell, Shively, and Redcrest. Services are currently provided free of charge due to opposition by major property owners in the area on a proposed benefit assessment for the Scotia CSD which would have allowed the CSD to take on the VFD.

The Redcrest and Shively Volunteer Fire Companies are also not supported by a sustainable or reliable source of ongoing revenue to support the provision of fire protection services. As such, the VFDs are unable to provide funding for updated equipment or support recruitment of additional volunteer fire fighters.

The proposed annexation would extend the Rio Dell FPD's current property tax allocation and special assessment revenue sources to the expanded district boundary and consolidate fire protection service operations and administration with the Scotia, Redcrest and Shively Volunteer Fire Companies, providing regular and ongoing revenue sources to these communities to sustain local fire protection services within each community and to also retain the important local identity of each community's fire department.

Alternative actions considered include formation of a new County Service Area (CSA) for fire service, annexation to another FPD, formation of a new FPD, or continue with current boundaries and VFDs. Humboldt County has not shown interest in creating new CSAs for fire protection due to the need to contract with multiple service providers. There are no other FPDs abutting the proposed annexation areas to the south and the Ferndale FPD has expressed support for annexation of proposed areas to Rio Dell FPD.

The Redcrest VFC has considered forming as fire protection district and the Redcrest and Shively VFCs have participated in organizational and feasibility planning for a merged fire district including all fire departments along the Avenue of the Giants. The Avenue of the Giants working group has not met in several years and Redcrest and Shively VFCs have begun to work closely with the Rio Dell FPD and other Eel River Valley fire departments on things such as improved training. It may be possible for the Redcrest and Shively VFCs to form as separate or combined fire protection districts; however, the population of these areas is small, which results in a limited number of potential volunteers and a limited pool of registered voters for an elected board of directors. The merger of the Rio Dell, Scotia, Redcrest, and Shively fire departments would provide automatic backup for calls for service within the annexation area when volunteer turnout is low or when volunteers are at work. The merger would also eliminate the organizational, administrative, and operational redundancy that would be caused by the formation of up to three new fire protection districts.

Based on the items discussed above, the proposed annexation to Rio Dell FPD would provide the highest level of service to area residents and be the most cost efficient based on economies of scale and the already established funding mechanisms to support the consolidated districts.

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

The proposed action would support the mutual social and economic interests of the proposed annexation area by sustaining community-based fire protection services and providing local governance for such services. In addition, the proposed annexation would increase the level of service for the proposed annexation areas by providing a larger base of registered voters that could potentially serve on the Board of Directors and there would also be more dedicated fire personnel available to respond to calls.

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

Within the proposed annexation area, approximately 24 percent is designated Timberland, 18 percent is Agricultural Grazing, 17 percent is Public, 16 percent is Agriculture Exclusive, 11 percent is Conservation Floodway, and 5 percent is zoned Residential. The proposed annexation area includes approximately 847 acres of the Hackett Timber and Livestock Agricultural Preserve (06-07).

Similar to a portion of the existing Rio Dell FPD boundaries, the proposed annexation area contains urbanized and rural areas. The Rio Dell FPD provides a level of service consistent with the characteristics of the area that it protects: urban level of service in and around the City of Rio Dell and rural levels of service in the remote areas of the District due to water availability, extended response times, and terrain. The proposed annexation does not include any proposed development and would provide the same level of service or higher for existing residents.

With respect to G.C. Section 56377, portions of the affected territory are substantially unimproved and devoted to an open-space use (Timber Production and Agricultural Grazing) under the Humboldt County General Plan. However, the annexation does not involve changes to the type or level of services provided, would not convert agricultural land or open space uses, and does not propose to change land uses or land use patterns. Therefore, the proposal does not conflict with G.C. Section 56377.

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 annexation does not involve changes to the type or level of fire protection services provided, nor would it convert agricultural land or involve the construction of or alteration to structures, grading, or other site disturbing activities on land planned for agriculture, and does not propose to change land uses or land use patterns. In addition, agricultural resources within the proposed district boundaries will not be affected by the proposed annexation for the following reasons:

- It is common throughout Humboldt County that rural populations are dispersed within and around agriculture and timber land and logical boundaries for fire protection district would include such resource lands.

- 28 percent of the land within existing fire protection district boundaries within Humboldt County is zoned TPZ or TC (coastal zone), 27 percent is zoned AE, and seven percent is zoned AG, which totals to over 60 percent of all land within fire related districts (including cities). Fire related districts within the county routinely respond to calls for service at houses on resource land, barns, warehouses, roads, logging sites, and within farm fields.
- The two fire districts that have the most career/professional firefighters and that ostensibly provide the highest level of fire protection service in the County, Arcata FPD and the Humboldt Bay Fire (Humboldt No. 1 FPD), have approximately 62 percent and 59 percent agriculture and resource zoned lands, respectively, within their district boundaries.
- The provision of fire protection services to land planned for agriculture was not noted as a cause of agricultural land conversion in the Agricultural Resources Report (<https://humboldt.gov.org/DocumentCenter/View/1428/Agricultural-Resources-and-Policies-Full-Report-PDF>) prepared in August 2003 for the Humboldt County General Plan Update.
- The Cortese-Knox-Hertzberg Local Agency Reorganization Act requires that special districts first receive written approval from LAFCo prior to providing service outside their district boundaries. Therefore, service must be provided within district boundaries and if calls for fire protection services would occur within resource lands, developed or otherwise, such lands must be located within the boundaries of a fire related district.
- Land within the proposed district boundaries is within the State Responsibility Area and CAL FIRE is expected to continue to provide wildland protection at current levels of protection.
- The Rio Dell FPD and the Scotia, Redcrest and Shively Volunteer Fire Companies currently respond to calls for service throughout the proposed annexation area and have done so for many years. The weight of response and levels of service after the proposed Rio Dell FPD annexation would be substantially similar to current levels and would therefore not significantly influence owners of resource land in their decisions to convert such land to other uses.

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 annexation area boundaries are drawn to follow Public Land Survey boundaries and natural barriers such as major creeks and ridgelines. The proposed boundary does not follow the City of Rio Dell boundary completely as the Humboldt Rio Dell Business Park on the northeast bank of the Eel River is within the Fortuna FPD service boundary. Inclusion of this area would require a detachment from Fortuna FPD and additional tax exchange negotiation with all parties involved.

7) A regional transportation plan adopted pursuant to G.C. Section 65080.

The Humboldt Regional Transportation Plan (RTP) was last updated in 2017 and is a long-range transportation planning document for Humboldt County. The Avenue of the Giants (SR 254) is listed as a potential project under the California Department of Transportation – District 1. Several projects are also listed for the City of Rio Dell which had a reported backlog of roadway and maintenance projects totaling \$3.6 million.

The proposed annexation does not include any proposed development or other activities that would potentially increase traffic on roadways. The same level of traffic is expected on roadways in all annexation areas.

8) The proposal's consistency with city or county general and specific plans.

Land uses within the existing district and proposed annexation area are subject to the Humboldt County Framework General Plan (Framework Plan), Volume I, and the Zoning Regulations (Humboldt County Code Title III, Division 1). Land use designations within the boundaries of the Rio Dell FPD are governed by the City of Rio Dell General Plan. There are no plans for land use or zoning changes or future development that are part of the proposed Rio Dell FPD annexation.

9) The sphere of influence of any local agency that may be applicable to the proposal being reviewed.

The proposed SOI Amendment and Annexation does not involve proposed service expansions to accommodate new development. The proposed annexation is intended to consolidate fire services to provide benefits based on economies of scale and sources of secure funding for current VFDs. The proposed Rio Dell SOI is larger than the proposed boundary and includes land northwest of the City of Rio Dell.

The proposed boundary and SOI do not conform with the City of Rio Dell boundary and SOI. As discussed under Factor 6, a portion of the City boundary lies within the Fortuna FPD service area. For this reason, a portion of the City of Rio Dell was not included in the currently proposed annexation area.

10) The comments of any affected local agency or other public agency.

The Rio Dell FPD provided sufficient notice to interested and subject agencies of its intent to adopt a resolution of application, pursuant to GC Section 56654(c). LAFCo staff also provided a Notice of Filing to interested and subject agencies. The City of Rio Dell provided a comment letter asking that the annexation area “include all Fire Service Areas within the city limits of the City of Rio Dell” which includes the Humboldt Rio Dell Business Park on the northeast bank of the Eel River. The stated reasons for the request are:

- The area includes the City's wastewater treatment disposal field and also [the] emergency water backup supply site. The wastewater disposal field was recently included in the amended [SOI] for the City.
- It's consistent with LAFCo's policy and state law regarding logical boundaries for service providers (CGC §56001).
- Rio Dell [FPD] has responded to this site for many years, and the response time is quicker from the [Rio Dell FPD] due to proximity.
- Annexation of this area would create one efficient, effective and sustainable emergency service system and make possible a more proactive and responsive emergency services system for the area.
- Annexation of this area would establish district boundaries that clearly define service responsibilities of the benefit of neighboring fire service providers, land use authorities, the public, and other service providers.

As discussed under Factors 6 and 9, this portion of the City is located within the Fortuna FPD service boundary. In order to include this area in the proposed annexation there would need to be a simultaneous detachment from the Fortuna FPD and subsequent tax exchange negotiations with the two FPDs and the County. At this time, the Fortuna FPD does not wish to pursue detachment of the area. There is a current service agreement in place between the two FPDs that allows for the fastest response available to the business park and as part of the agreement, the Rio Dell FPD receives a fee for service from the Fortuna FPD when they respond to calls in that area.

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

The Rio Dell FPD is principally funded by property taxes (34% of total revenue), parcel-based assessments (64% of total revenue), and funding from a few other miscellaneous sources (2% of total revenue). The District's benefit assessment was approved in 2014 and is applied at a rate of \$25 per "unit of benefit" on a use-of-property basis, with a typical single-family residence paying \$100 per year. Annual revenue from the special assessment is approximately \$144,000. The District also generates approximately \$76,800 per year from its percentage (0.04%) of the 1 percent ad valorem property tax revenue. The district will also be receiving a one-time sum of \$200,000 from the Town of Scotia LLC to support the Scotia VFD.

The District is in the process of negotiating for the transfer of property tax with Humboldt County pursuant to tax exchange agreement offer number 1 authorized by the Humboldt County Board of Supervisors on April 9, 2019. The outcome of these negotiations is unknown at this time.

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

The proposed annexation does not include any proposed development or increased demands on water supply in the area. Currently, the City of Rio Dell provides water service within the City and the Scotia CSD provides water service to the Town of Scotia.

13) 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 proposal would not impact any local agencies in accommodating their regional housing needs. There are no plans for land use or zoning changes or future development that are part of the proposed Rio Dell FPD annexation.

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

A 21-day public hearing notice was mailed to all landowners and registered voters within 300 feet of the affected territory. The notice summarized the proposal and included a map of the subject territory, as well as information regarding the public hearing. LAFCo staff received several comment letters from landowners voicing objection to inclusion in the annexation area.

LAFCo staff also received a letter of support from the Town of Scotia LLC. The letter provided background on previous attempts to fund the Scotia VFD and stated support for the proposed consolidation including the company's agreement to provide a one-time sum of \$200,000 to facilitate the transition and consolidation.

15) Any information relating to existing land use designations.

The following tables describe the land within the Rio Dell FPD district boundary and proposed annexation area and displays information according to land use type (indicating the land use activity that is occurring within the parcel based on Assessor's Use Code data), General Plan Land Use Designation, and Zoning Classification.

Response Area & Assessor's Use Description	APNs	Acres
Redcrest Response Area	228	3,010.23
100% TPZ, Rdwd, Improved	2	47
100% TPZ, Rdwd, Vacant	3	80.56
Commercial Office	1	1.28
Commercial Retail, 2000 and above	1	33.17
Commercial, Miscellaneous	2	12.44
Gas Station, w/o mini-mart	1	0.6
Improved Single Family Residential	2	0.48
Improved, Rural Residential, 10 to 20 ac	5	62.58
Improved, Rural Residential, 1 to 5 ac	17	47.17
Improved, Rural Residential, 20+ to 40 ac	1	31.2
Improved, Rural Residential, 5+ to 10 ac	7	51.56
Improved, Rural Residential, up to .99 ac	24	23.77
Licensed MH on fee parcel	9	22.5
Manufactured Home Park	1	6.18

Response Area & Assessor's Use Description	APNs	Acres
Misc Light Industrial	1	23.53
Portion TPZ, Rdwd, Improved	7	170.82
Public Land, Schools, Non Taxable Entities	64	2,176.55
Rural - Improved	24	63.17
Rural - Vacant	28	96.08
Taxable MH on fee parcel	5	8.32
Vacant Rural Residential, 1-5 ac	2	4.91
Vacant Single Family Residential	5	1.03
Vacant, Rural Residential, 20+ to 40 ac	1	32.65
Vacant, Rural Residential, 5+ to 10 ac	1	5.81
Vacant, Rural Residential, to .99ac	14	6.87
Rio Dell Response Area	41	4,164.56
100% TPZ, Rdwd, Improved	2	62.64
100% TPZ, Rdwd, Vacant	2	63.27
Ag Preserve, Vacant	1	3.12
Improved, Rural Residential, 10 to 20 ac	3	40.44
Improved, Rural Residential, 1 to 5 ac	4	11.42
Improved, Rural Residential, 40+ac	1	49.6
Improved, Rural Residential, 5+ to 10 ac	3	25.55
Licensed MH on fee parcel	1	1.3
Portion TPZ, Mix Rdwd&Wwd, Improved	1	2,068.87
Portion TPZ, Mix Rdwd, Wwd, Vacant	1	164.67
Portion TPZ, Rdwd, Improved	4	499.17
Portion TPZ, Rdwd, Vacant	5	316.53
Portion TPZ, Wwd, Improved	2	519.01
Portion TPZ, Wwd, Vacant	2	203.87
Rural - Improved	3	37.58
Rural - Vacant	1	7.02
Rural w/ Timber Infl - Improve	2	22.98
Rural w/ Timber Infl - Vacant	1	23.33
Taxable MH on fee parcel	1	2.92
Vacant, Rural, Agricultural, Unrestricted	1	41.27
Scotia Response Area	60	479.5
100% TPZ, Rdwd, Improved	1	20.91
100% TPZ, Rdwd, Vacant	2	36.2
Comm - Motel, Rest, Serv Stn	1	16.79
Commercial, Recreational/Resort	1	1.22
Improved Single Family Residential	10	7.31
Improved, Rural Residential, 10 to 20 ac	2	21.79
Improved, Rural Residential, 1 to 5 ac	9	23.03
Improved, Rural Residential, 20+ to 40 ac	2	73.81
Improved, Rural Residential, 5+ to 10 ac	2	22.58

Response Area & Assessor's Use Description	APNs	Acres
Improved, Rural Residential, up to .99 ac	3	1.44
Licensed MH on fee parcel	2	0.81
Portion TPZ, Rdwd, Improved	2	165.29
Public Land, Schools, Non Taxable Entities	2	27.32
Public Utilities	2	5.66
Rural - Improved	10	41.85
Taxable MH on fee parcel	1	0.81
Vacant Single Family Residential	7	4.16
Vacant, Rural Residential, 5+ to 10 ac	1	8.52
Scotia Response Area (SCSD)	163	1,281.94
100% TPZ, Rdwd, Vacant	1	297.3
Commercial, Miscellaneous	51	75.46
Heavy Industrial, Electrical Co-Gen	1	31.25
Heavy Industrial, Wood Product	1	599.4
Improved Single Family Residential	90	13.95
Improved, 2-4 Units	1	0.16
Improved, Subject to Exemption	2	0.74
Motel, 20 to 40 units	1	2.02
Portion TPZ, Rdwd, Improved	1	0.25
Public Land, Schools, Non Taxable Entities	10	137.46
Public Utilities	3	21.83
Vacant Commercial	1	0.55
(blank)		101.57
Shively Area Area	116	1,170.28
Improved Single Family Residential	1	0.32
Improved, Rural Residential, 10 to 20 ac	3	46.76
Improved, Rural Residential, 1 to 5 ac	14	45.19
Improved, Rural Residential, 20+ to 40 ac	1	36.35
Improved, Rural Residential, 5+ to 10 ac	4	35.22
Improved, Rural Residential, up to .99 ac	10	4.92
Licensed MH on fee parcel	7	60.77
Portion TPZ, Rdwd, Improved	3	466.75
Portion TPZ, Rdwd, Vacant	1	74.5
Public Land, Schools, Non Taxable Entities	1	35.92
Public Utilities	10	52.29
Rural - Improved	21	64.83
Rural - Vacant	16	72.4
Rural, Agricultural, Misc Imps, Unrestrict	1	7.74
Rural, Agricultural, Residence, Unrestrict	1	10.19
Taxable MH on fee parcel	3	7.17
Vacant Rural Residential, 1-5 ac	5	15.78
Vacant, Rural Residential, 20+ to 40 ac	1	26.12

Response Area & Assessor's Use Description	APNs	Acres
Vacant, Rural Residential, 40+ ac	2	55.73
Vacant, Rural Residential, 5+ to 10 ac	3	24.09
Vacant, Rural Residential, to .99ac	6	2.42
Vacant, Rural, Agricultural, Unrestricted	2	24.82
Grand Total	608	10,106.51

Response Area & General Plan Land Use Designation	Acres
Redcrest Response Zone	4,025
Agricultural Exclusive	644
Conservation Floodway	655
Commercial Recreation	30
Industrial, General	45
Public	1,907
Public Facility	327
Residential Agriculture-40	140
Residential Agriculture-5-20	35
Residential Low Density	7
Timberland	235
Rio Dell Response Zone	4,169
Agricultural Exclusive	258
Agricultural Grazing	1,787
Residential Agriculture-5-20	61
Residential Estates-2.5	41
Timberland	1,897
Urban Reserve/Residential Agriculture-5-20	124
Scotia Response Zone	1,288
Agricultural Exclusive	158
Agricultural Grazing	245
Conservation Floodway	80
Commercial General	0
Commercial Recreation	18
Industrial, General	6
Public	41
Public Facility	258
Residential Agriculture-5-20	42
Residential Estates-1-5	14
Residential Low Density	1
Timberland	392
(River or Road)	33
Scotia Response Zone (SCSD)	524
Agricultural Grazing	4

Response Area & General Plan Land Use Designation	Acres
Conservation Floodway	106
Commercial General	14
Industrial, General	276
Public Facility	43
Residential Low Density	60
Timberland	20
Shively Area Zone	1,493
Agricultural Exclusive	794
Conservation Floodway	376
Public	0
Residential Agriculture-5-20	124
Residential Estates-1-5	38
Timberland	161
Grand Total	11,498

Response Area & Zone Classification	Acres
Redcrest Response Zone	4,025
AE - Agriculture Exclusive	52
AE - Agriculture Exclusive/Flood Hazard Area	549
AG - Agriculture General (10 acres)	6
AG - Agriculture General (10 acres)	140
AG - Agriculture General (40 acres)	22
AG - Agriculture General (5 acres)	7
AG - Agriculture General (5 acres)/Flood Hazard Area	1
C-2 - Community Commercial/Design Review/Qualified	22
CH - Highway Service Commercial/Design Review/Qualified	6
FP - Flood Plain	681
FP - Flood Plain/Qualified	6
MH - Heavy Industrial/Qualified	56
R-1 - Residential One-Family (20,000 sf lot)	14
STATE PARK	151
TPZ - Timberland Production	422
TPZ - Timberland Production/Flood Hazard Area	21
U - Unclassified	1,871
Rio Dell Response Zone	4,169
AE - Agriculture Exclusive	1,503
AE - Agriculture Exclusive (160 acres)	522
AG - Agriculture General (no further subdivision)	37
RS - Residential Suburban (10 acre)	44
TPZ - Timberland Production/Flood Hazard Area	2,015

U - Unclassified	48
Scotia Response Zone	1,288
AE - Agriculture Exclusive	80
AE - Agriculture Exclusive/Flood Hazard Area	170
AG - Agriculture General (5 acres)	45
AG - Agriculture General (5 acres)/Flood Hazard Area	18
C-2 - Community Commercial/Design Review/Qualified	0
FP - Flood Plain	110
MH - Heavy Industrial	2
MH - Heavy Industrial/Qualified	9
R-1 - Residential One-Family/Design Review	0
R-1 - Residential One-Family/Design Review/Qualified	0
RA - Rural Residential Agriculture (1 acre)	35
TPZ - Timberland Production/Flood Hazard Area	648
U - Unclassified	151
(blank)	19
Scotia Response Zone (SCSD)	524
AE - Agriculture Exclusive	4
C-2 - Community Commercial/Design Review	1
C-2 - Community Commercial/ Qualified	9
MH - Heavy Industrial	40
MH - Heavy Industrial/Qualified	204
PF - Public Facility	16
R-1 - Residential One-Family/Design Review	53
R-1 - Residential One-Family/Design Review/Qualified	4
TPZ - Timberland Production/Flood Hazard Area	42
U - Unclassified	146
(blank)	4
Shively Area Zone	1,493
AE - Agriculture Exclusive	434
AE - Agriculture Exclusive/Flood Hazard Area	382
AG - Agriculture General (5 acres)	146
AG - Agriculture General (2.5 acres)/Flood Hazard Area	37
FP - Flood Plain	343
STATE PARK	0
TPZ - Timberland Production/Flood Hazard Area	150
Grand Total	11,498

16) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such that the

effects of pollution are not disproportionately borne by any particular populations or communities.

The proposal would not result in inconsistencies with environmental justice safeguards. The proposed annexation is intended to consolidate fire services within the northern Eel River Valley region in order to provide secure and sustainable revenue to support included VFDs.

17) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to G.C. Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

The proposed annexation areas are within moderate to high fire hazard severity zones as designated in the Humboldt County Operation Area Hazard Mitigation Plan 2019. Portions of the annexation area and the proposed SOI are within State Responsibility Areas (SRA). Rio Dell FPD has a mutual aid agreement with the California Department of Forestry and Fire Protection (CAL FIRE) for response in these areas. Rio Dell FPD is responsible for structural fire protection and emergency medical responses while CAL FIRE retains responsibility for grass and forest fires.

The largest portion of the proposed SOI is within a SRA southwest of the City of Rio Dell. This area is already within the LAFCo approved SOI for the Rio Dell FPD. Additional SRAs included as part of the proposed SOI are located north of the Eel River around Shively and Redcrest. These areas are being included due to Rio Dell FPD's and other VFDs' faster response time.



NOTICE OF FILING

DATE: January 7, 2020

TO: CAL FIRE Humboldt-Del Norte Unit
CAL FIRE, Director
City of Rio Dell
Ferndale Fire Protection District
Fortuna Fire Protection District
Humboldt Bay Harbor, Recreation and Conservation District
Humboldt County Administrative Office
Humboldt County Assessor's Office
Humboldt County Auditor's Office
Humboldt County Environmental Health
Humboldt County Elections Office
Humboldt County Fire Chiefs Association
Humboldt County Office of Education
Humboldt County Office of Emergency Services
Humboldt County Planning and Building Department
Humboldt County Public Works Department
Humboldt County Resource Conservation District
Humboldt County Sheriff's Office
North Coast EMSA Ambulance Services (City Ambulance)
Redcrest Volunteer Fire Company
Scotia Volunteer Fire Company
Shively Volunteer Fire Company
Scotia Community Services District
Town of Scotia Company LLC

Cc: Shane Wilson, Rio Dell Fire Protection District

FROM: Colette Metz Santsche, LAFCo Executive Officer

SUBJECT: APPLICATION RECEIVED – RIO DELL FIRE PROTECTION DISTRICT ANNEXATION

APPLICATION INFORMATION

Project: Proposed Annexation of Fire Service Areas Served by Scotia, Redcrest, and Shively Volunteer Fire Companies to the Rio Dell Fire Protection District and Divestiture of Power to Provide Fire Protection Services by Scotia Community Services District

Location: Rio Dell, Scotia, Redcrest, and Shively Areas – see Exhibit A

APNs: 608 parcels – see Exhibit B

Notice: The above referenced proposal has been submitted to LAFCo and this notice of filing is being issued in accordance with Government Code Section 56658(b)(1). If you wish to receive a copy of the application and supporting documents, please contact LAFCo at 707-445-7508. We request agency comments, requested conditions, or recommendations by **January 31, 2020.**

Proposal Overview

LAFCo has received a proposal submitted by resolution of application from the Rio Dell Fire Protection District (FPD) for annexation of approximately 11,498 acres (608 parcels) of developed and undeveloped rural residential and resource lands located outside the boundaries that is currently served by volunteer fire companies. The Rio Dell FPD proposes to consolidate operations with the Scotia, Redcrest and Shively Volunteer Fire Companies, and annex the service areas of those volunteer fire companies into the boundaries of the Rio Dell FPD. This action would also necessitate the divestiture of power to provide fire protection services by Scotia Community Services District (CSD).

The proposed annexation does not involve proposed service expansions to accommodate new development. The proposed annexation is intended to redefine the Rio Dell FPD district boundary to secure funding and support improvements to the level of service to areas that are currently being served by volunteer fire companies that lack dedicated funding sources. The Rio Dell FPD proposes to amend its sphere of influence (SOI) beyond the proposed new district boundaries.

Reasons for Proposal

According to the application, the reasons for the proposed annexation are as follows:

1. The Rio Dell FPD has provided fire protection services to its out-of-district response area and the Scotia, Redcrest, and Shively Volunteer Fire Companies have provided service to their communities for many years.
2. The proposed annexation would extend the Rio Dell FPD's current property tax allocation and special assessment revenue sources to the expanded district boundary and consolidate fire protection service operations and administration with the Scotia, Redcrest, and Shively Volunteer Fire Companies, providing regular and ongoing revenue sources to these communities to sustain local fire protection services within each community and to also retain the important local identity of each community's fire department.
3. The proposed annexation would officially merge the operations of the four fire departments into one efficient, effective, and sustainable emergency services system and make possible a proactive, sustainable solution for future fire and emergency service needs for the area by creating a regional district with an improved economy of scale and associated benefits.
4. The proposed annexation would establish district boundaries that clearly define service responsibilities for the benefit of neighboring fire service providers, land use authorizes, the public, and other service providers.

Description of Annexation Areas

Annexation Area 1 (Rio Dell Response Area): The Rio Dell Response Area includes land to the west of the existing district boundary along Blue Slide Road, up to the end of Howe Creek Road and up Price Creek Road. This area is sparsely developed with rural residences and farm dwellings. There are approximately 41 parcels developed with rural

residences and an extensive ranch area. The entire area is proposed to be included in the annexation area because the fire department must pass through the ranch and timberlands to reach all of the rural residences.

Annexation Area 2 (Town of Scotia): The Town of Scotia is approximately 284 acres in area and contains the largest functioning lumber mill in the County; approximately 280 residences; a small shopping center with a grocery store and hardware store as well as other businesses; a hotel; a former mill that is now a multi-tenant industrial park; a school; and miscellaneous public and commercial buildings.

Annexation Area 3 (Scotia Response Area): The Scotia Response Area includes the Stafford community and extends approximately 6.5 miles along Shively Road east of U.S. 101 and south along U.S. 101 to the Jordan Creek exit. There is one home within the Shively Road portion of the response area and the remainder of this area is comprised of forest land. There are approximately 43 homes in the community of Stafford and the Eureka's Redwood Christian Center resort property in Stafford.

Annexation Area 4 (Redcrest Response Area): The Redcrest response zone has approximately 100 residential structures located within the three community areas: Pepperwood, Holmes Flat, and Redcrest. In addition, this area has the former Eel Rivers Sawmill property in Redcrest which is now a multi-tenant industrial park, the Redcrest Resort, U.S. Post Office, and other miscellaneous commercial operations. This area also includes a significant amount of Humboldt Redwoods State Park land.

Annexation Area 5 (Shively Response Area): The Shively Response Zone is comprised of the Shively community and the Larabee area. There are a total of approximately 67 rural residences in this area as well as extensive agricultural and timber land.

Funding Sources

The Rio Dell FPD is principally funded by property taxes (34% of total revenue), parcel-based assessments (64% of total revenue), and funding from a few other miscellaneous sources (2% of total revenue). The District's benefit assessment was approved in 2014 and is applied at a rate of \$25 per "unit of benefit" on a use-of-property basis, with a typical single-family residence paying \$100 per year. Annual revenue from the special assessment is approximately \$144,000. The District also generates approximately \$76,800 per year from its percentage (0.04%) of the 1 percent ad valorem property tax revenue.

Upon annexation, the District would receive approximately \$65,375 per year in special assessment revenue from properties within the annexation areas. In addition, it is estimated the District would generate approximately \$32,423 per year in property tax revenue corresponding with tax exchange agreement offer number 1 authorized by the Humboldt County Board of Supervisors on April 9, 2019.

Property Tax Exchange Agreement

Pursuant to Section 99.01 of the California Revenue and Taxation Code, prior to the effective date of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided

by any local agency, the special district and each local agency that receives an apportionment of property tax revenue from the area must negotiate an exchange of property tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies. If a special district involved in the negotiation (other than the district which will provide new services) does not adopt a resolution providing for the exchange of property tax revenue, the Board of Supervisors can determine the exchange of property tax revenue for that special district. The Humboldt County Administrative Office is currently reviewing the proposal and will be commencing negotiations with the Rio Dell FPD and affected agencies. The final exchange resolution(s) shall specify how the annual tax increment will be allocated in future years.

Environmental Review

All matters that involve discretionary action are subject to the applicable provisions of the California Environmental Quality Act (CEQA). Rio Dell FPD has determined that the proposed annexation is exempt from CEQA per CEQA Guidelines Section 15061(b)3 because it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment - where the activity is establishment of a local district boundary to include areas that are already served by the District and the Scotia, Redcrest and Shively Volunteer Fire Companies, and that does not involve development or a change in the manner in which an existing service is provided.

Terms and Conditions

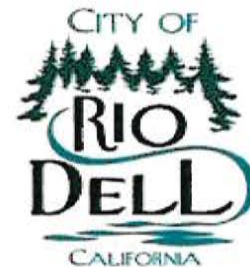
The Rio Dell FPD has requested that the proposed annexation be subject to the following terms and conditions:

1. An Agreement regarding the exchange of ad valorem property tax pursuant to tax exchange agreement offer number 1 authorized by the Humboldt County Board of Supervisors on April 9, 2019, is executed by and between the Rio Dell FPD and the County of Humboldt; and
2. Require that the existing Rio Dell FPD special assessment be extended to all applicable parcels within the proposed annexation area.

The application described above is pending LAFCo review. Please review and respond with any comments, requested conditions, or recommendations by January 31, 2020. If you have any questions or wish to request a copy of the application, please contact LAFCo at (707) 445-7508 or colettem@humboldtlafo.org.

Exhibit A: Annexation Area Figure

Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
cityofriodell.ca.gov



January 21, 2020

Colette Metz Santsche
LAFCo Executive Director
1125 16th Street, Suite 202
Arcata, CA 95521

RE: Notice of Filing – Rio Dell Fire Protection District Annexation

Dear Collette,

We are in receipt of your Notice of Filing for the proposed annexation of Fire Service Areas served by Scotia, Redcrest and Shively by the Rio Dell Fire Protection District (RDFFPD).

We are recommending that the annexation also include all Fire Service Areas within the city limits of the City of Rio Dell. This includes the Humboldt-Rio Dell Business Park (formerly the Sawmill Annexation Area) located on the northeast bank of the Eel River, north of the US101 Mudgett Bridge.

The reasons for this are as follows:

- 1.) The area includes the City's wastewater treatment disposal field and also our emergency water backup supply site. The wastewater disposal field was recently included in the amended Sphere of Influence for the City.
- 2.) It's consistent with LAFCo's policy and state law regarding logical boundaries for service providers (CGC §56001).
- 3.) Rio Dell Fire District has responded to this site for many years, and the response time is quicker from the RDFFPD due to proximity.
- 4.) Annexation of this area would create one efficient, effective and sustainable emergency service system and make possible a more proactive and responsive emergency services system for the area.
- 5.) Annexation of this area would establish district boundaries that clearly define service responsibilities for the benefit of neighboring fire service providers, land use authorities, the public, and other service providers.

Thank you for your consideration of this matter.

Sincerely,

Debra Garnes, Mayor

-----FORTUNA FIRE PROTECTION DISTRICT-----

320 SO. FORTUNA BLVD. FORTUNA, CA. 95540
(707)725-5021

"At your service"

"This institution is an equal opportunity provider and employer"

February 14, 2020

Collette Metz Santsche
LAFCo Executive Director
1125 16th Street, Suite 202
Arcata, CA 95521

**RE: OPPOSITION TO RIO DELL FIRE PROTECTION DISTRICT'S ANNEXATION
INCLUSION OF THE HUMBOLDT-RIO DELL BUSINESS PARK**

Dear Collette,

The Fortuna Fire Protection District Board is writing to express strong opposition to the recommendations put forth by the City of Rio Dell to include in the proposed Rio Dell Fire District Annexation the Fire Service Areas within the city limits of the City of Rio Dell that include the Humboldt-Rio Dell Business Park (formerly the Sawmill Annexation Area) located on the northeast bank of the Eel River, north of the US101 Mudgett Bridge.

Our Board met on Monday, February 10, 2020 and voted unanimously to oppose this annexation inclusion. Our Board feels that adequate fire protection is currently being provided to this area by the Fortuna Fire Protection District in conjunction with Rio Dell Fire District and is sufficient for future growth and development.

The proposed annexation does not create a logical boundary, in actuality it creates a peninsula into our district which would force us to cross over boundaries in order to provide service. In addition, our Board feels that the financial impact of the proposed annexation would be detrimental to our operating budget and future planning and development.

The two fire districts currently have a contract in place for response in the area and are in agreement to continue with said contract, addressing renewal as needed. The working relationship between our two Districts is very strong and consistent and we feel that it has grown exponentially and will continue to improve.

Sincerely,



David Nicholson, Chairman

CC: Rio Dell Fire Protection District Board
City of Rio Dell

RIO DELL FIRE PROTECTION DISTRICT
50 W CENTER ST.
RIO DELL, CA 95562

FEBRUARY 12, 2020

Colette Metz Santsche
LAFCo Executive Director
1125 16th Street, Suite 202
Arcata, CA 95521

RE: City of Rio Dell's request to annex the sawmill area that is in Fortuna Fire District

Dear Colette,

The Rio Dell fire district board met with Fortuna fire district and at this time we are happy with the district boundaries as they are now.

We have an inter-district agreement with Fortuna Fire district in effect now. We will be meeting with the Fortuna District Board to update it soon.

Sincerely,



Jim Barsanti
Chairman of the Board



NOTICE OF HEARING/PROCEEDINGS
NOTICE OF INTENT TO WAIVE PROTEST PROCEEDINGS

ANNEXATION OF FIRE SERVICE AREAS SERVED BY SCOTIA, REDCREST, AND SHIVELY VOLUNTEER FIRE COMPANIES TO THE RIO DELL FIRE PROTECTION DISTRICT

NOTICE IS HEREBY GIVEN that the Humboldt Local Agency Formation Commission ("LAFCo" or "Commission") will hold a public hearing on March 18, 2020, at 9:00 a.m., or as soon thereafter as the matter can be heard, to consider the proposed *Annexation of Fire Service Areas Served by Scotia, Redcrest, and Shively Volunteer Fire Companies to the Rio Dell Fire Protection District* ("Proposal"). The hearing will be held in the Board of Supervisors Chamber, Humboldt County Courthouse, 825 Fifth Street, Eureka, or to such date and time as it may be continued by LAFCo.

Proceedings for this annexation were initiated by the Rio Dell Fire Protection District (RDFPD). The proposal includes annexation of approximately 11,498 acres of land (608 parcels) located outside the boundaries that is currently served by volunteer fire companies. This action would also necessitate the divestiture of power to provide fire protection services by Scotia Community Services District (CSD). The proposed annexation includes the following actions to annex the following out of district service areas, as shown on Exhibit A:

1. Expand the RDFPD Sphere of Influence (SOI) and annex five areas, including: 1) Rio Dell Response Area, Town of Scotia Area, 3) Scotia Response Area, 4) Redcrest Response Area, and 5) Shively Response Area.
2. Execution of an agreement between RDFPD and the County of Humboldt for the exchange of ad valorem property taxes.
3. Extension of the current RDFPD special assessment to all applicable parcels within the proposed annexation area. The District's assessment is applied at a rate of \$25 per "unit of benefit" on a use-of-property basis, with a typical single-family residence paying \$100 per year (\$150 for rural residences without municipal water).

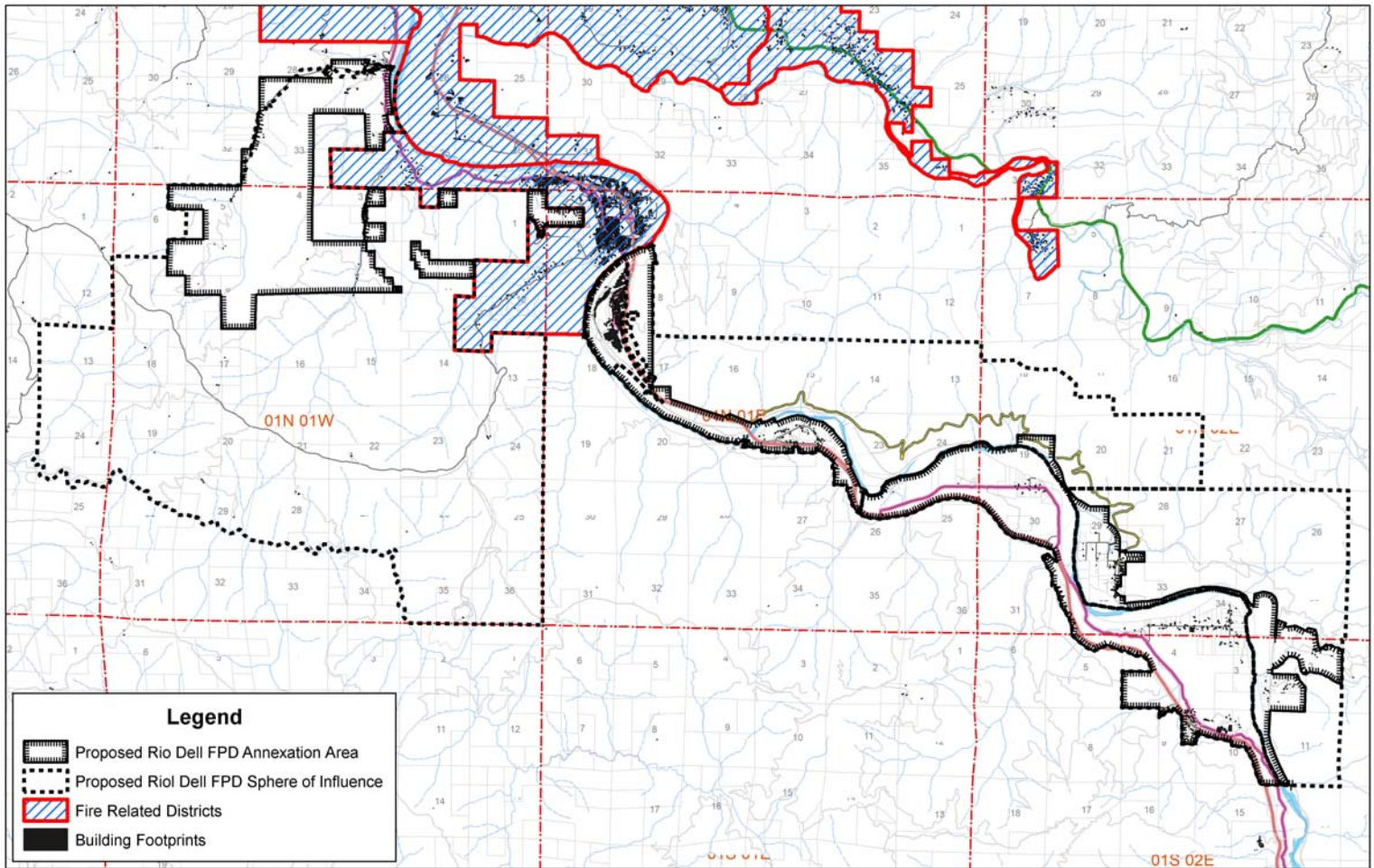
According to the application, the proposed annexation would "extend the Rio Dell FPD's current property tax allocation and special assessment revenue sources to the expanded district boundary and consolidate fire protection service operations and administration with the Scotia, Redcrest, and Shively Volunteer Fire Companies, providing regular and ongoing revenue sources to these communities to sustain local fire protection services within each community and to also retain the important local identity of each community's fire department."

The Commission hereby gives notice that, unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Commission's hearing on the proposal, the Commission intends to waive protest proceedings, as authorized by, and in compliance with, California Government Code Section 56663

At said public hearing, the Commission will consider all oral and written testimony of any interested persons or affected agencies. Pursuant to state law, only issues raised at the public hearing described in this notice or in written correspondence delivered to the Commission at or prior to the public hearing may be raised in any legal challenge to Commission actions.

Please direct comments, questions, and requests to review documents to Humboldt LAFCo, 1125 16th Street, Suite 202, Arcata, CA 95521. Phone: (707) 445-7508. E-mail: colettem@humboldtlafo.org.

Note: State Law requires that LAFCo notify various parties, such as landowners and registered voters, both within and adjacent to the affected territory. For this reason, you may receive multiple copies of this notice.



 **HUMBOLDT**
Local Agency Formation Commission
 1125 16th Street, Suite 202
 Arcata, CA 95521

NOTICE OF HEARING

Humboldt L~~A~~AFCo
1125 16th St. Suite 202
Arcata, CA 95521

2/26/2020

To whom it may concern,

We are completely opposed to this proposal in every way. We are very happy with our volunteer and state fire protection at this time and have no need for Rio Dells help or taxes.

Thank you.


Valerie J. Hauger

384 Holmes Flat Rd.
Redcrest Ca 95569


Frannie M. Pautz

2/26/2020

From: [Richard Harpham](#)
To: colettem@humboldtlafo.org
Subject: annexation
Date: Friday, February 28, 2020 12:18:53 PM

Hi, As a resident of 195 Tierney Rd, Holmes Flat, Redcrest,CA I do not wish to be included in Rio Dell Fire District. There is no advantage to this or any reason for it that I see. You have given no good reasons for this to happen or any explanation for it other than sucking money from us which will not give us any better service. We currently are covered by Cal Fire and Redcrest Volunteer Fire. Rio Dell Offers us nothing. Thank you



Richard Harpham
Territory Manager
Fernbridge, CA

Phone: 707-725-5174
Cell: 707-496-0540
Fax: 707-725-5797

From: [Rick Congdon](#)
To: colettem@humboldtlafo.org
Subject: Opposition to annexation
Date: Wednesday, March 04, 2020 11:17:50 AM

To whom it may concern:

I am the owner of 31080 state highway 254, Scotia Ca 95565. As such this is my strongest possible opposition to the annexation of my property by the Rio Dell Fire Protection District. You do not have my permission or desire to include my property in this plan.

Signed electronically, Richard S. Congdon



February 27, 2020

Humboldt LAFco
Attn: Colette
1126 16th Street, Ste 202
Arcata, CA 95521

RE: Town of Scotia Company, LLC Comments on Notice of Hearing

**Project: Annexation of Fire Service Areas Served by Scotia, Redcrest, and
Shivley Volunteer Fire Companies to the Rio Dell Fire Protection
District**

Dear Ms. Metz:

Introduction of Executive Summary

I write in favor and support of the Annexation and Merger proposed before LAFCo on behalf of the Town of Scotia Company, LLC (TOS) which I serve as its president and general counsel. Our company is the successor in interest to the Pacific Lumber Company. Today, TOS still owns the vast majority of the separate parcels in the unincorporated community of Scotia, including most of the properties which would be "annexed" into the Rio Dell Fire Protection District under the proposal before LAFCo.

Special Circumstances Favoring Annexation and Merger

TOS also owns and operates the Scotia Volunteer Fire Department (SVFD), including all its rolling stock and equipment, and we directly employ SVFD's full-time professional Chief, John Broadstock. The SVFD is a unique private fire company, entirely owned by a commercial enterprise (TOS), with a long and proud history of service to the community as a whole. SVFD also responds to fire and emergency calls in the nearby communities of Rio Dell, Shivley and Redcrest, and others in accord with mutual aid agreements. Currently, no one benefitting from any of these services pays any service fee or benefit assessment to SVFD or TOS whatsoever. These circumstances favor the formation of a more sustainable entity.

Background

TOS first undertook the administrative proceeding required to subdivide Scotia and form the local Scotia Community Services District (SCSD) in 2005. These processes included but were not limited to a General Plan Amendment, Rezone, Final Map Subdivision and Agency Formation). At that time, it was anticipated that the SCSD would organize to provide to the Scotia community a full panoply of public utility services, including Drinking Water (diversion, treatment and distribution), Sanitary Sewer (collection, treatment and disposal), Storm Drainage, streets and street-lighting, Parks and Recreation facilities, as well as Fire Protection.

In the Prop 218 process, however, a large single industrial landowner, Humboldt Redwood Company (HRC), opposed the CSD levy of Benefit Assessment for Fire Protection. Very Briefly, HRC's weighted/cumulative "protest" vote prevented the SCSD from assuming those powers, or exercising the concomitant rights to levy fees, obtain any increment of property taxes, or impose Benefit Assessments.

As a consequence, no bases were adopted to provide *any revenue* for Scotia's fire services. The SCSD reasonably determined that it could not provide fire protection without such revenue. Over the last several years, TOS has continued to provide fire services, free of charge, to the best of its ability, and to whomever is in need, including within the Scotia/Rio Dell response area and the larger community.

Looking Forward

Like most Subdivision planners and developers, TOS is now working to divide and market its remaining real properties in Scotia. For example, since 2010, we have divested of our interests in the Scotia School and Gymnasium, the local super market, the former True Value Hardware store, the local gas station, suites of offices, two churches, as well as some 80 single family homes. To the SCSD itself, TOS has conveyed, *at no cost*, the Waste Water Treatment Facility, the Drinking Water plant, the Winema Theater, the Scotia Museum, the Baseball and Soccer Fields as well as Fireman's Picnic Park.

TOS now plans to divest of the well-equipped Fire House and its underlying parcel, its fire engines, equipment and accessories, and we believe it will be efficient and in the public interest to convey those special assets to the Rio Dell FPD. As proposed, this conveyance will likewise be *at no cost* to the Rio Dell District so as to facilitate the immediate annexation and 'merger' of the four local-area-response fire departments. In fact, TOS has agreed to further contribute and bestow upon the Rio Dell District a one-time cash lump sum of \$200,000.00 to facilitate the transition and consolidation.

Conclusion

Town of Scotia Company enthusiastically supports the "Merger" of the four local response areas and their respective fire companies into a single, formal agency, organized under California Special District Law. Importantly, the enlarged District will have the power to receive an incremental allocation of property tax paid by annexed property owners, including Scotia, and to levy a benefit assessment on all annexed property in the new, enlarged District Sphere of Influence.

We believe this new Agency will be sustainably funded, well equipped and duly organized so as to provide important emergency response and fire prevention and suppression service to the enlarged Sphere of Influence. Please approve the pending application as well planned, appropriately funded and adequately supported.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Frank Shaw Bacik", written in a cursive style.

Frank Shaw Bacik, President and Director of Legal Affairs

RESOLUTION NO. 2020-1

**AUTHORIZING THE LOCAL AGENCY FORMATION COMMISSION
TO TAKE PROCEEDINGS FOR DIVESTITURE OF POWER TO
PROVIDE FIRE PROTECTION SERVICES BY SCOTIA COMMUNITY
SERVICES DISTRICT**

WHEREAS, the Scotia Community Services District (CSD) was formed on March 17, 2014 with the power to provide a range of services to the community of Scotia including fire protection services (by absorbing the Scotia Volunteer Fire Department; and

WHEREAS, the Scotia CSD attempted to fund fire protection services by way of a special benefit assessment that did not receive sufficient landowner approval; and

WHEREAS, the Scotia CSD has not been successful in securing the necessary funding to support the transfer of assets and responsibility for providing fire protection services from the Town of Scotia Company LLC; and

WHEREAS, on January 7, 2020, the Rio Dell Fire Protection District (FPD) submitted an application for annexation of fire service areas served by Scotia, Redcrest, and Shively Volunteer Fire Companies for the purpose of consolidating operations and securing ongoing funding to support continued service to each community; and

WHEREAS, the proposed change of organization includes the following jurisdictional change:

Divestiture of the power to provide Fire Protection Services by the Scotia Community Services District (CSD); and

WHEREAS, the reasons for the proposed Rio Dell FPD Annexation are as follows:

1. The Rio Dell FPD has provided fire protection services to its out-of-district response area and the Scotia, Redcrest, and Shively Volunteer Fire Companies have provided service to their communities for many years.
2. The proposed annexation would extend the Rio Dell FPD's current property tax allocation and special assessment revenue sources to the expanded district boundary and consolidate fire protection service operations and administration with the Scotia, Redcrest, and Shively Volunteer Fire Companies, providing regular and ongoing revenue sources to these communities to sustain local fire protection services within each community and to also retain the important local identity of each community's fire department.
3. The proposed annexation would officially merge the operations of the four fire departments into one efficient, effective, and sustainable emergency services system and make possible a proactive, sustainable solution for future fire and emergency service needs for the area by creating a regional district with an improved economy of scale and associated benefits.
4. The proposed annexation would establish district boundaries that clearly define service responsibilities for the benefit of neighboring fire service providers, land use authorizes, the public, and other service providers.

WHEREAS, the proposed divestiture of power to provide fire protection services by the Scotia CSD would eliminate any real or perceived responsibility of the CSD to operate, administer, or fund fire protection services to the community of Scotia.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Scotia Community Services District as follows:

1. The Scotia CSD hereby approves the divestiture of power to provide fire protection services to the community of Scotia, pending the approval of the Rio Dell FPD annexation.
2. Upon the effective date of the annexation, Rio Dell FPD shall have the responsibility of providing fire protection services to the community of Scotia.
3. The Scotia CSD supports the continued operation of the Scotia Volunteer Department through the proposed annexation and consolidation of operations and administration by the Rio Dell FPD.

PASSED AND ADOPTED at a meeting of the Scotia Community Services District Board of Directors on the 20th of February, 2020, by the following roll call vote:

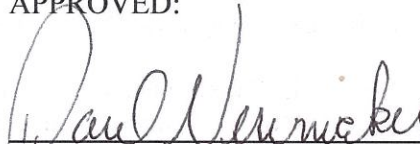
Section 1: The Recitals set forth above are incorporated herein and made an operative part of this Resolution.

Section 2: The Bylaws of the Scotia Community Services District dated July 18, 2019, attached hereto and by this reference made a part hereof, are hereby adopted as the official Bylaws of this District.

This resolution shall be effective upon its adoption.

Dated: February 20, 2020

APPROVED:


Paul Newmaker, Board President, Scotia CSD

ATTEST:


Board Clerk, Scotia CSD

CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2020-1, passed and adopted at a regular meeting of the Board of Directors of the Scotia Community Service District, County of Humboldt, State of California, held on the 20th day of February, 2020, by the following vote:

AYES: ~~Bristal~~, Black, Pitcairn, Newmaker, Pryor, Sellen

NOES: \emptyset

ABSENT: \emptyset

ABSTENTIONS: \emptyset


Board Clerk, Scotia CSD



RESOLUTION NO. 20-02

APPROVING A SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION OF FIRE SERVICE AREAS SERVED BY SCOTIA, REDCREST, AND SHIVELY VOLUNTEER FIRE COMPANIES TO THE RIO DELL FIRE PROTECTION DISTRICT, AND THE DIVESTITURE OF POWER TO PROVIDE FIRE SERVICES BY THE SCOTIA COMMUNITY SERVICES DISTRICT

WHEREAS, the Humboldt Local Agency Formation Commission, hereinafter referred to as the "Commission," is responsible for regulating boundary changes affecting cities and special districts pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Rio Dell Fire Protection District, hereinafter referred to as "RDFPD" or "District," filed an application with the Commission by resolution of application; and

WHEREAS, the proposal seeks Commission approval for a sphere of influence amendment and annexation of approximately 11,498 acres (608 parcels) of unincorporated territory outside the District boundary in the Rio Dell, Scotia, Shively, and Redcrest areas; and

WHEREAS, the Scotia Community Services District Board of Directors did adopt Resolution 2020-1 approving divestiture of power to provide fire protection services on February 20, 2020; and

WHEREAS, the subject territory is inhabited as defined in Government Code Section 56046; and

WHEREAS, the Executive Officer has given notice of the public hearing by the Commission on this matter at the times and in the form and manner provided by law; and

WHEREAS, the Executive Officer has reviewed available information and prepared a report and recommendations on the proposal, which has been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on March 18, 2020; and

WHEREAS, the Commission considered all the factors required by law under Government Code Section 56668 and adopted local policies and procedures; and

NOW, THEREFORE, BE IT RESOLVED by the Humboldt Local Agency Formation Commission as follows:

1. The Commission's determinations on the proposal incorporate the information and analysis provided in the Executive Officer's written report.
2. The Commission, as Responsible Agency, hereby determines that the proposal is categorically exempt from further review pursuant to CEQA Guidelines Section 15301 (Class 1), Existing Facilities and 15303(d) (Class 3), New Construction or Conversion of Small Structures, which exempts the construction and location of water mains and other utility extensions of reasonable length to serve such construction. This determination is consistent with the exemption approved by RDFPD as lead agency.
3. The Commission approves the annexation of fire service areas served by Scotia, Redcrest, and Shively Volunteer Fire Companies to the RDFPD and the divestiture of power to provide fire services by the Scotia Community Services District, contingent upon the satisfaction of following terms and conditions as determined by the Executive Officer:
 - a) Completion of the 30-day reconsideration period provided under G.C. Section 56895.
 - b) Completion of conducting authority proceedings by Executive Officer.
 - c) Completion of an agreement regarding the exchange of ad valorem property tax between affected agencies pursuant to tax exchange agreement offer number 1 authorized by the Humboldt County Board of Supervisors on April 9, 2019.
 - d) Submittal of a final map and geographic description of the affected territory conforming to the requirements of the State Board of Equalization.
 - e) Payment of any outstanding fees as identified in the Commission's adopted fee schedule.
 - f) The Town of Scotia Company LLC. (Scotia Volunteer Fire Company), Redcrest Volunteer Fire Company, and Shively Volunteer Fire Company shall prepare the appropriate documentation for any transfer of fire assets and resources to the RDFPD and provide this documentation to LAFCo staff for review.
 - g) Upon effective date of the proposal, the affected territory will be subject to all previously authorized charges and fees that were lawfully enacted by the District for the provision of fire protection services. The affected territory will also be subject to all of the rates, rules, regulations, and ordinances of the District.
4. The proposal is assigned the following distinctive short-term designation:

RDFPD Sphere Amendment, Annexation, and Scotia CSD Divestiture 20-01

5. The Sphere of Influence boundary is hereby amended as depicted on the final map. Future amendments and/or updates of the sphere shall be conducted in accordance with Government Code Sections 56425 and 56430.
6. Pursuant to Government Code Section 56425(e), the Commission makes the written statement of determinations, as described in Exhibit "B".
7. The effective date shall be the date of recordation of the Certificate of Completion. The Certificate of Completion must be filed within one calendar year from the date of approval unless a time extension is approved by the Commission.

PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 18th day of March, 2020, by the following roll call vote:

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

Estelle Fennell, Chair
Humboldt LAFCo

Attest:

Colette Metz Santsche, Executive Officer
Humboldt LAFCo

EXHIBIT A

**MAP AND BOUNDARY DESCRIPTION
RIO DELL FIRE PROTECTION DISTRICT ANNEXATION**

EXHIBIT B

STATEMENT OF DETERMINATIONS RIO DELL FIRE PROTECTION DISTRICT ANNEXATION SPHERE OF INFLUENCE AMENDMENT

The following statement of determinations is prepared pursuant to Government Code Section 56425 and fulfills LAFCo requirements to review and amend the sphere of influence, in conjunction with annexation, of the Rio Dell Fire Protection District (RDFFPD). The sphere is amended to be larger than the district boundary as approved by the Commission on March 18, 2020.

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

The Humboldt County Framework General Plan designates most of the lands included within the district boundaries and non-district response areas (recommended sphere areas) for agricultural, timber, and rural residential development. In addition, territory included within the Carlotta/Hydesville Community Plan, Fortuna Area Community Plan, and Eel River Valley Local Coastal Plan are subject to the land use policies contained in these community plans, in addition to the Framework Plan and Zoning Regulations.

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

There is a present and continued need for fire protection, first responder medical aid, and vehicle accident response services throughout the recommended sphere areas. The District currently provides year-round fire protection and emergency services to their non-district response area even though they are under no obligation to do so.

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

The regional municipal service review for the Eel River Valley, adopted in January 2017, indicates the district's current fire protection services are adequate to meet present community needs while identifying several areas where service needs should be addressed. The lack of essential training and equipment, the increasing demands and costs of providing services, and the difficulty in recruiting and retaining volunteers are issues for all fire service providers throughout the county. In addition, issues relating to sustainable funding levels and the ability to respond to development outside district boundaries needs to be addressed for local fire service providers in a comprehensive manner. Updating the RDFFPD sphere of influence helps address these needs in a comprehensive manner.

4. The existence of any social or economic communities of interest in the area.

The affected territory within the expanded sphere areas has established strong social and economic interdependencies with the districts because they receive services on a goodwill basis. These ties are affirmed and strengthened by this sphere update.

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 of influence.

While the affected territory within the expanded sphere areas surrounding the District may qualify as "disadvantaged unincorporated communities", the districts have effective mutual and automatic aid agreements with neighboring agencies and are currently providing goodwill services to these areas. Therefore, there exists no disadvantaged unincorporated communities that are not already receiving some level of fire protection services in the sphere areas.