



Application for the
Pit River/ McCloud River Water Shed,
Fall River Planning Unit # 3

Fall River Valley Community Center and Park

INTRODUCTION TO THE CSD

The predecessor to the Fall River Valley Community Service District (CSD) was created in 1904. In 1962, the water company became a CSD. It services the whole Fall River Valley with Park & Recreation services, water service to Fall River Mills and McArthur, and sewer services in Fall River Mills. The district is also involved in Power Generation, Weed & Rubbish Removal, Habitat Mitigation and Community Facilities.

The district employs a full time General Manager, a full time Operations Manager, a full time and a part time Utility Worker and two part time Account Clerks. A board of five directors governs the District; one of them serves as president of the board.

AREA OF INTEREST AND PARTNERSHIPS

The CSD has formed a partnership with other Resource Conservation Districts, the Lions Club and The Friends of the Mayfly to provide multiple benefits for the local community and the general public by managing and enhancing the recreational, environmental, and educational uses of the land surrounding the Fall River Falls.

This application is in addition to the application for the lands around the Fall River Lake.

The land lies at about 3,300 feet sea level elevation and includes the confluence of the Fall and the Pitt River as well as the famous Fall River Falls—the name sake of the area.

The area has been deeply disturbed, as it was once used for a hydro electric plant, a saw mill, a feed mill, oil storage tanks, and rail depot.

The property is adjacent to the downtown area of Fall River Mills. The design of the Community Center will be integrated with the town.

The PG&E lands surround a private parcel, which the CSD is purchasing and escrow has been opened. This would bring the whole peninsula under the control of the CSD.

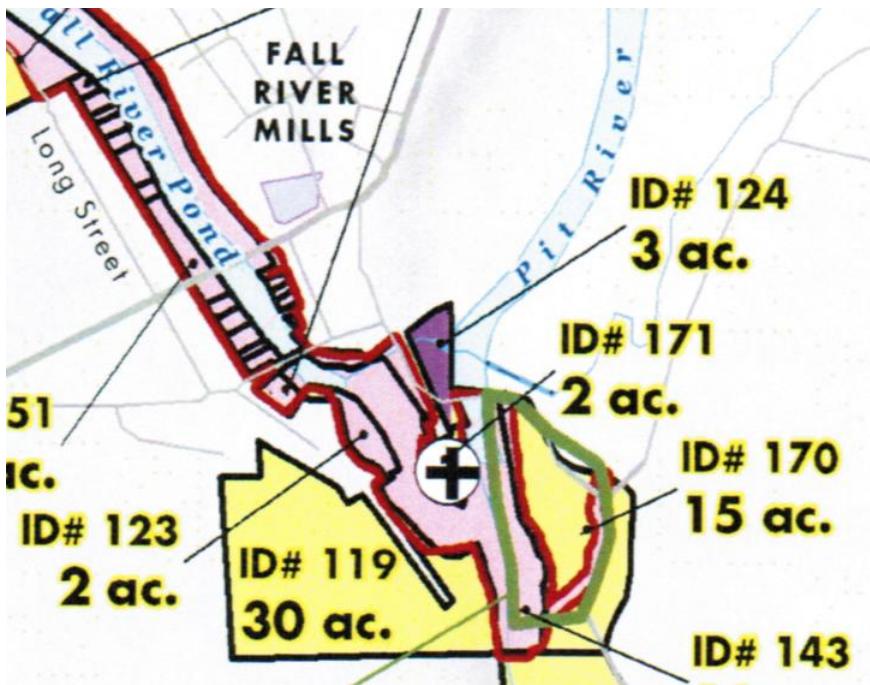
The CSD proposes to build a Community Center on the private portion of the peninsula, surrounded by a park on the PG&E lands. The site will also include a small hydro-electric plant.

The park will provide the only access to the Fall River Falls. A path and viewing area will be provided, from both the East and the West side of the Falls.

The Community Center will house the CSD offices, a health clinic, room for art display and green design, rental office space, and space for other non-profit organizations of the valley.

The PG&E lands will be used for a hydro plant at the same location as the 1922 hydro plant. The hydro project will provide educational opportunities by providing tours and lectures on green energy.

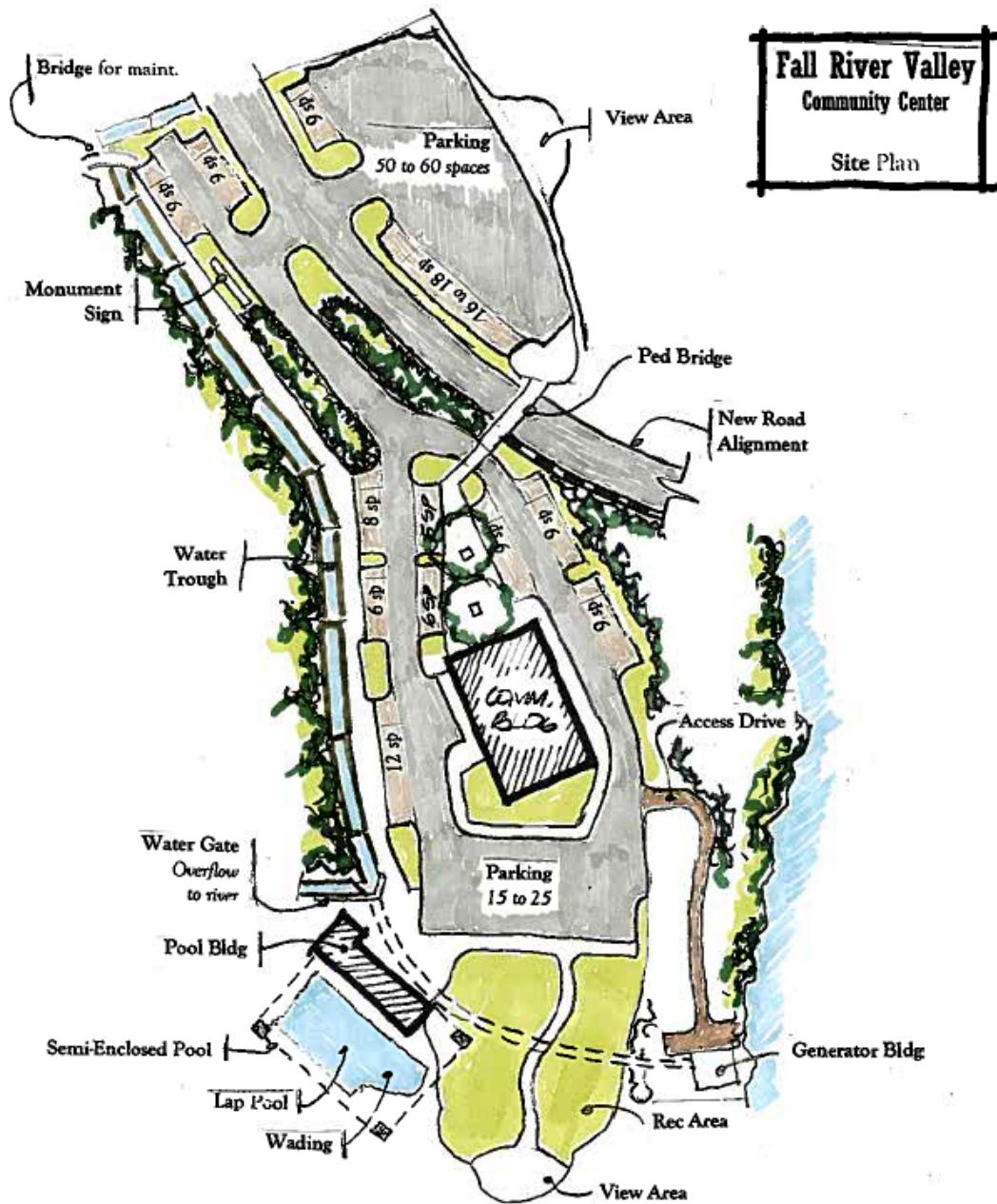
In the future, a community swimming pool will be added on the PG&E lands.



The area of interest is approximately 34 acres of land that surrounds the Fall River falls and adjacent areas. This land will provide multiple benefits for the local community and the general public for recreation, education and community services. We are interested in ID numbers 124 - 3 acres, 119 - 30 acres, 171 - 1 acre. That includes (we believe) APN 18-550-003, 18-540-013, 18-540-23 (all or the portion W of Pitt River), and 18-540-021.

The Community Center site plan is below.

(A larger site plan will be provided with the application. It will show the banks of the Pitt and Fall rivers.)



The Fall River is further to the left of this site plan. The Pitt River is on the right.

Note the viewing area overlooking the Pitt (top right) and the viewing are on top of the falls (bottom). The photos below show the current views from both proposed viewing areas.



View of the Pitt River, from the vista point.



View of the Fall River Falls from the proposed overlook.

About 5% of the PG&E lands and 100% of the private lands will be developed.

PARTNERS IN THE COMMUNITY CENTER

The Community Center will be owned and operate by the CSD. 70% of the funding will come from USDA Rural Development loans, to be repaid from rental revenue. 30% of the funding will come from private charities and donors.

The building will be occupied by the following:

- Intermountain Rural Clinics
- Fall River Valley Community Services District
- Fall River Valley Art Guild
- Fall River Valley Volunteer Fire Department (Communication Center only)
- Fall River Valley Chamber of Commerce

Additional possible entities interested in leasing:

- Shasta County Citizens Patrol
- Meals on Wheels
- Shasta College Extension
- Shasta County Citizens Patrol
- CHP

A small portion of the building may be occupied by commercial enterprises, however they must be related to public services, such as a chiropractor, dental clinic, legal services or physicians. Eventually, the CSD will occupy all the commercial space.

PARTNERS IN THE PARK

The CSD has applied for \$340,000 in state funds through Proposition 84. These funds will be used to develop the paths and viewing areas.

\$30,000 in grants have been applied for through the Upper-Pitt River Watershed Management Group to clean up the falls. Debris will be removed, and non-native species will be removed.

The Fall River Valley Resource Conservation District will assist us.

PARTNERS IN THE HYDRO PLANT

The Hydro Plant will be owned and operate by the CSD. Funding will come from revenue bonds issued through USDA Rural Development.

The CSD has obtained a “Preliminary Permit” (P-14216) from FERC identifying it as the sole developer of hydro-electric power at the site for the next three years, which authorized the CSD to develop full engineering drawings for the hydro plant. The “Preliminary Permit” was based on “Municipal Preference”.

PROPOSED PROJECT

The goals of the CSD will be to design this project and plans consistent with the stated Beneficial Public Values of Outdoor and Recreational Opportunities for the General Public, Agricultural Uses, Protection of Natural Habitats of Wildlife, Fish and Vegetation, Preservation of Open Space, Preservation of Cultural and Historical Values and Resources. In addition the goal of the CSD is to provide Educational and Outdoor Opportunities for children, adults and seniors and encourage their personal interests and to explore green energy and design.

OUTDOOR RECREATIONAL OPPORTUNITIES

The area of interest will have enhanced outdoor recreation available for the local population and the public at large. We have set as a priority for the construction and maintenance of a hiking trail to be able to view the fall river falls. There will be an educational kiosks depicting wildlife, green energy production and historic events. The trails will be environmentally designed using natural, non-polluting materials. In addition we will include in our trail construction access for those with disabilities per the Americans with Disabilities Act.

To enhance the educational opportunities for children we will construct and maintain a day use area within easy walking distance from town.

The walking trail will be connected to the downtown sidewalks, the CSD’s Riverside Park and the Fall River Lake Park.

Because of the importance of the Fall River Falls, there will be a parking lot and public restroom facilities.

No motorized vehicles or bicycles will be allowed on the path and viewing area.

A third viewing area and parking lot will be provided at the end of Grand Rapids Street and will provide viewing access from the West of the Falls.

Picnicking: Along the trail and parking lot, family picnicking would be encouraged and facilitated with the enhancement of three suitable panoramic vista points. Picnic tables and garbage cans will also be incorporated/installed at these same locations for public convenience.

Education: Along new trails, educational sites will be developed in the form of information plaques or monuments. The related information may convey the history of the area, or the identification and habits of native wildlife population, and green energy production.

Photography: As with bird watching and the view of the falls, the novice and professional photographer's enjoyment and pursuit will be enhanced and facilitated with the combination of the site and new trails that will access the falls and vista points.

Pool: A portion of the park will be dedicated for the future location of a community pool. There is currently no public pool in the Fall River Valley. The pool will be heated with green energy. Pool parking will be shared with the park and the community center.

There will be no camping, hunting or boating in the proposed project.

HYDRO PLANT

As a revenue producing project, we will develop a ± 0.6 megawatt hydro-electric plant at the location as the 1922 hydro plant. It will use approximately the same location for the flue, penstock, powerhouse and outflow into the Pitt River.

The CSD will conduct educational tours of the plant.

HABITAT PROTECTION

Sensitive species will be identified and protected on the river slopes and the Western portion of the project area. A wildlife and habitat management plan is needed for the entire planning unit. The habitat and biological resource survey will be employed to ensure the habitat encourages and protects sensitive species such as the Northwestern Pond turtle, Bald eagles and the Shasta Crayfish. The survey will include inspection of the outer bank near the dam to ensure the area is preserved for protected Bank Swallows and Pygmy Owls. Banks may need to be shored up to prevent slumping and erosion.

A major focus will be to protect and enhance the abundance and diversity of native plant species in the entire Fall River Falls area. We will develop a noxious weed management program in conjunction with the Fall River Lake unit, with special emphasis on the star thistle and Russian sage.

A formalized trail will be constructed to the falls from the E and the W, which would be closed to vehicles.

Open Space Preservation

Preservation of open space in the Fall River Falls unit is a high priority for the CSD and for the community as a whole. The Community Center will have a relative small footprint and will be completely within the “private” portion of the property, which does not have any development restrictions.

Most of the W bank of the Fall River near the falls will be protected and remain in its natural state, except for a small parking lot, path and viewing area.

To preserve the open space and integrity of the land, there will be fencing and natural material barriers in strategic areas to preclude off road vehicle usage which is very harmful to the land, vegetation and wildlife.

The large majority of the property will be preserved as open space with the main usage being directly adjacent to the water, along the walking, and the community Center.

Cultural and Historical Resource Protection

The Fall River Valley has a rich Native American and Pioneer history. The area was occupied by the Achomawi (Pit River) Tribe and the area around the Falls is of significance in their culture and history.

Since the site was heavily disturbed in the past, no cultural resources were found during the Phase I Environmental Assessment.

The valley was first visited by pioneers in the 1830s and the area was a convenient pathway between more settled areas. It wasn’t until the mid-1800’s that any attempt at settlement was made. Ultimately the area, and particularly this site, became known for its mills that were powered by the flow of the Fall River.

In 1920 developers embarked on an effort to establish the largest Hydroelectric Power Plant system in California’s Northeast Wilderness. They renamed the town Fall River Mills to commemorate the many production mills in the town. One mill in particular would become the mainstay of the entire Fall River Valley. The Fall River Feed mill. The mill stood four stories tall on the private portion of this site

and was the tallest building in the valley. The mill was destroyed by a fire on Friday, June 13, 2003. ([Video of the fire](#)) The fire destroyed the name stake of the valley, and its pride and joy. Still today, the community mourns its loss. The Community Center will be built in the shape and the style of the old mill.



Old mill



New Community Center North and East elevations

With the help of the Fort Crook Museum and the Pit Tribe, we will identify, protect the Cultural and Historical resources of the area. A kiosk with educational materials will be construction at the site of the Fall River Feed Mill and be incorporated in the Community Center. This display will denote the early Fall River Valley history of the pioneers and the Native Americans.

In the furtherance of this historical and cultural preservation on the donated lands the CSD will work closely with the Fort Crook Historical Society and the Pit River Tribes to bring rotating exhibits to the Community Center.

FUNDING

Fall River Mills CSD is a state governmental agency. Among the 31 services authorized by state code, the CSD is allowed to perform all the services mentioned above: parks & recreation, community facilities, weed & rubbish abatement, habitat mitigation, hydro power and recreational facilities.

As a utility district we are precluded under Proposition 218 from using rate-payer revenues to fund activities and projects that are not directly related to the utility. This means that other sources of funding will need to be provided for this project. We have identified the following sources:

Property Taxes

While the CSD is not subject to property taxes as a governmental agency, in order to make the project revenue neutral we are asking the Stewardship Council for some financial help.

Park

A \$333,000 grant has been applied for under Proposition 84.

This grant will:

- Fund the purchase of the private portion of the site
- Clean up of the whole peninsula
- Restore habitat
- Build pathways and viewing areas
- Improve the access road
- Build a small parking lot
- Build restrooms
- Provide signage and benches

There will be no entrance fees associated with the park.

Community Center

70% of the funding will come from USDA Rural Development loans, to be repaid from rental revenue. 30% of the funding will come from yet-to-be-identified private charities and donors.

Funds for the Community Center will also be used to provide joint parking for the park.

Habitat Restoration and Weed & Rubbish Removal

The CSD has applied for a grant of \$30,000 from State though the Integrated Regional Water Management Plan to clean up and Fall River Falls. The goal is to remove debris from the falls and to cut some of the vegetation to make the falls more visible.

Future Swimming Pool

The CSD Is planning on expanding its district boundaries to include most of the Fall River Valley. Only the Parks & Recreation zone will be expanded to include most the actual users of the swimming pool. The pool can be built when the tax payers in this expanded Parks & Recreation Zone agree to tax themselves for the pool. Provisions must be made in the conservation easement to allow for a pool as a legitimate use of the land.

COMMUNITY SUPPORT

The FRMCSD has experienced considerable support from the local community in the furtherance of our goal to provide enhanced recreational opportunities, to preserve the beauty of the area, and especially to reconstruction of the Fall River Mill as a Community Center.

As such, we feel confident that fund can be done to complete the project.

The CSD has, and will continue to aggressively pursue grant opportunities and is uniquely qualified in many areas to receive those monies.

Charitable Donations

While the CSD is not eligible to receive charitable tax deductible eligible donations it will work closely with a local 501c-3 organization: Committee to Preserve and Restore Fall River Mills (CPR-FRM) in obtaining donations through that group that can be used for the construction of new projects and upkeep of existing projects. Endowments can be set up through CPR-FRM for the benefit of the CSD and the Parks and Recreation Project.

The CSD has received a small grant from CPR-FRM as seed money to get this project of the ground.

The CSD anticipates soliciting donations through this and other charitable organizations.

Volunteers

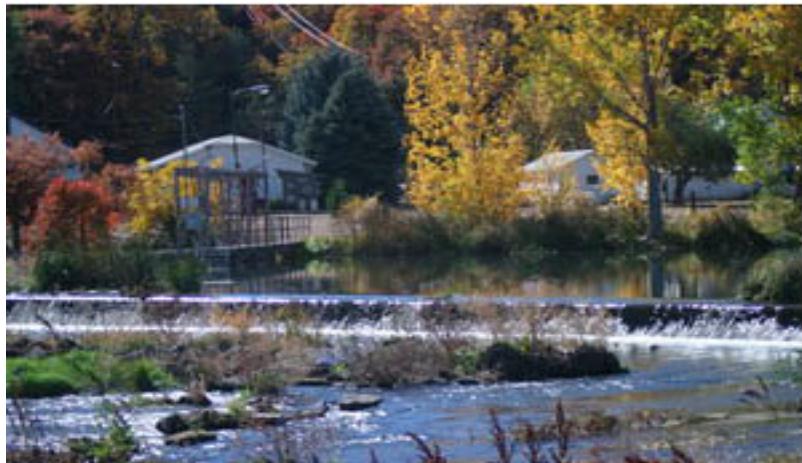
The CSD has considerable experience in harnessing the community spirit from volunteers. The CSD anticipates extensive use of community volunteers in the construction, operation and maintenance of the park. Our volunteers are organized through "The Friends of the Mayfly".

PARK MAINTENANCE

Hydro Power as a source of revenue

While the District is precluded from utilizing revenues directly from rate payers for projects not related to water and sewer, the hydro electric plant will generate revenue in excess to the operating costs and debt servicing.

These funds will be used to maintain the park.



Fall River

The small existing dam shown above will be used to divert the water into the hydro plant.

Community Center as a source of revenue

Revenue generated by the community center will be used to maintain the lands immediately adjacent to the building, even when those lands are part of the park.

Development Resources

The CSD has the staff with the expertise to develop this project. This expertise is in finance, planning, grant writing, design, construction and operation of such projects.

Additional staff exclusive to the Parks and Recreation portion of the CSD can be hired when the hydro plant comes online in 2014.

Costs of liability insurance will be added to the existing insurance policy that the CSD holds through JPIA.

TIME TABLE

Time is of the essence. The needs of the clinic as a renter of a portion of the Community Center is forcing the CSD to work under a strict time table.

The many grants the CSD has applied for this project, require that this project proceed as expeditiously as possible.

The state park grant requires that the title of the property be in the name of the CSD by the end of 2012.

To keep the schedule of the hydro plant on track and to deliver the community center within the required timeframe, ground must be broken in the spring of 2013.

SUMMARY

This is a unique project because most of the funds needed to develop the site have been applied for, or are available now.

The CSD is both ready and eager to take the next step; transfer ownership of the property to the CSD, so ground can be broken and the grants and other funding can be called upon to construct the project.

The CSD is relying on the Stewardship Council to do its share to bring the "Fall River Mills" site back under public control and to allow the CSD to turn the location into a place where the Fall River Valley community can remember the past, enjoy the present, and dream of its future.

Pacific Forest and Watershed Lands Stewardship Council

Land Stewardship Proposal Budget and Funding Plan

Fall River Valley Community Center and Park

PROJECT BUDGET - TRANSACTION COSTS

A. Document Preparation Costs

Task	Unit of Measure	Number of Units	Cost/Unit	Total Cost	Funding Request	Comments
Preparation of legal agreement	each	1	5,000	5,000	5,000	Assuming there is a general draft available. Review by CSD attorney.
Title report	each	5	800	4,000	4,000	
Split of APN 18-540-023	each	1	6,000	6,000	6,000	This splits this parcel at the Pitt River
Legal description	each	1	1,000	1,000	1,000	Legal description of split parcel 18-540-023
Land Survey	each	1	8,000	8,000	8,000	Including survey of FERC boundary
Environmental Survey	each	1	7,000	7,000	7,000	To reduce the environmental liabilities of the land

To add a row: right click on the row above -> select copy -> right click again ->select insert copied cells

A. Total Document Preparation Costs	31,000	31,000
--	---------------	---------------

B. Closing Costs

Task	Unit of Measure	Number of Units	Cost/Unit	Total Cost	Funding Request	Comments
Escrow	each	1	4,000	4,000	4,000	
Miscellaneous fees	each	1	2,000	2,000	2,000	Transfer tax, recording fees, delivery, etc

To add a row: right click on the row above -> select copy -> right click again ->select insert copied cells

B. Total Closing Costs	6,000	6,000
-------------------------------	--------------	--------------

C. Other

Task	Unit of Measure	Number of Units	Cost/Unit	Total Cost	Funding Request	Comments
Reserve	each	1	4,500	4,500	4,500	15%

To add a row: right click on the row above -> select copy -> right click again ->select insert copied cells

C. Total Other	4,500	4,500
-----------------------	--------------	--------------

TOTAL TRANSACTION COSTS	41,500	41,500
--------------------------------	---------------	---------------

Additional Notes:

The legal agreement with PG&E and Ducks

Pacific Forest and Watershed Lands Stewardship Council
Land Stewardship Proposal Budget and Funding Plan
Fall River Valley Community Center and Park

PROJECT BUDGET - BASELINE LAND OWNERSHIP AND MANAGEMENT ACTIVITIES (SEE NOTE 1)

PROJECT REVENUES

Source	Description	Non- SC Sources of Funding		Comments
		One-Time Grants	Ongoing Funding	
Committed Funds (cash received or award made)		-	-	All costs of project paid with revenue from improvements
Total Committed Funds		-	-	
Pending Funds (no award made to date)		-	-	All costs of project paid with revenue from improvements
Total Pending or Potential Funds		-	-	

To add a row, right click on the row above > select copy > right click again > select insert copied cells

TOTAL PROJECT REVENUES

PROJECT EXPENSES

A. Baseline Management Activities

Task	Description	Unit of Measure	Number of Units	Cost/Unit	One-Time Costs	Ongoing Annual Costs	SC Funding Request		Comments
							One-Time Costs	Ongoing Annual Costs	
							All costs of project paid with revenue from improvements		

To add a row, right click on the row above > select copy > right click again > select insert copied cells

A. Total Baseline Management Activities

B. Baseline Land Ownership Costs

Task	Description	Unit of Measure	Number of Units	Cost/Unit	One-Time Costs	Ongoing Annual Costs	SC Funding Request		Comments
							One-Time Costs	Ongoing Annual Costs	
Property Taxes							All costs of project paid with revenue from improvements		The CSD does not pay property taxes of CSD owned real estate

To add a row, right click on the row above > select copy > right click again > select insert copied cells

B. Total Baseline Land Ownership Costs

C. Other

Task	Description	Unit of Measure	Number of Units	Cost/Unit	One-Time Costs	Ongoing Annual Costs	SC Funding Request		Comments
							One-Time Costs	Ongoing Annual Costs	
							All costs of project paid with revenue from improvements		

To add a row, right click on the row above > select copy > right click again > select insert copied cells

C. Total Other

TOTAL PROJECT EXPENSES

NET REVENUE/(EXPENSE) - BASELINE LAND OWNERSHIP AND MANAGEMENT ACTIVITIES

Additional Notes:

All costs of project paid with revenue from improvements. Should property taxes be required to be paid, SC should provide for their funding. If the Community Center is not built, the hydro project generates enough fund to maintain the park. If neither

Note 1: According to the Stewardship Council's Land Conservation Program Funding Policy, the Stewardship Council

Pacific Forest and Watershed Lands Stewardship Council
Land Stewardship Proposal Budget and Funding Plan
Fall River Valley Community Center and Park

PROJECT BUDGET - ENHANCEMENTS TO BENEFICIAL PUBLIC VALUES

PROJECT REVENUES

Source	Description	Non- SC Sources of Funding			Comments
		One-Time Grants	Ongoing Funding		
Committed Funds (cash received or award made)					
Grant Awards	CPR Fall River	7,350			Seed money to start site investigations.
Fundraising	Funded by CSD	1,800			Applied for grants
Cash Paid by CSD	Down payment on private land	3,000			In escrow
Total Committed Funds		12,150		-	
Pending Funds (no award made to date)					
Grant Applied for	Statewide Park Development	304,426			State grant for the purchase of the private land, and construction of park
Grant Awards	CPR Fall River	4,000			Topo Map
Loan	USDA Redevelopment Funds	6,051,000			Loan based on revenue projection of Community Center
Grant	USDA Redevelopment Funds	30,000			Grant component of the above
Loan	USDA Hydro Finance	1,000,000			
Rental Revenue		306,888			Based on 95% occupancy of community center
Electricity Sales		91,000			13c/KWH at 0.7 MW production
General Fund/Reserves		12,000			Board willing to \$1000/month commit for Community Center & Park
Grant Applied for	Upper Pit River Project (State)	30,000			Restoration of Fall River Falls
Total Pending or Potential Funds		7,419,426		409,888	
<i>To add a row: right click on the row above -> select copy -> right click again ->select insert copied cells</i>					
TOTAL PROJECT REVENUES		7,431,576		409,888	

PROJECT EXPENSES

A. Enhanced Land Management Activities

Task	Description	Unit of Measure	Number of Units	Cost/Unit	One-Time Costs	Ongoing Annual Costs	SC Funding Request		Comments
							One-Time Costs	Ongoing Annual Costs	
Management		Month	12	1,000		12,000			
<i>To add a row: right click on the row above -> select copy -> right click again ->select insert copied cells</i>									
A. Total Enhanced Land Management Activities				6,000	12,000		-	-	

Pacific Forest and Watershed Lands Stewardship Council
Land Stewardship Proposal Budget and Funding Plan
Fall River Valley Community Center and Park

B. Capital Improvements

Task	Description	Unit of Measure	Number of Units	Cost/Unit	One-Time Costs	Ongoing Annual Costs	SC Funding Request		Comments
							One-Time Costs	Ongoing Annual Costs	
Acquisition	Private portion of land	each	1	75,000	75,000	-	-	-	In escrow State grant applied for. Partnership with "Friends of the
Community Center Park	Demolition & grading of park	each	1	40,000	40,000	-	-	-	Mayfly" State grant applied for. Partnership with "Friends of the
Community Center Park	Habitat restoration	each	1	36,000	36,000	500	-	-	Mayfly"
Community Center Park	Pathways & Trails	each	1	20,000	20,000	1,000	-	-	State grant applied for
Community Center Park	Landscaping	each	1	12,000	12,000	1,000	-	-	State grant applied for
Community Center Park	Park parking & Access Road	each	1	60,000	60,000	1,000	-	-	State grant applied for
Community Center Park	Electricity, signage, benches	each	1	7,960	7,960	750	-	-	State grant applied for
Community Center Park	Design & Management	each	1	59,700	59,700	-	-	-	State grant applied for
Community Center Buildi	Civil Engineering	each	1	80,000	80,000	-	-	-	Funded by USDA Redevelopment Loan & Grant
Community Center Buildi	Architectural fee	each	1	565,151	565,151	-	-	-	Funded by USDA Redevelopment Loan & Grant
Community Center Buildi	Site development	each	1	1,000,000	1,000,000	-	-	-	Funded by USDA Redevelopment Loan & Grant
Community Center Buildi	Building cost	Sq. Ft	37,950	219	8,311,050	9,000	-	-	Funded by USDA Redevelopment Loan & Grant
Hydro-Electric Plant	Engineering	each	1	45,000	45,000	-	-	-	Funded by USDA Hydro Finance Funds
Hydro-Electric Plant	Administration (fees, applicati	each	1	15,000	15,000	-	-	-	Funded by USDA Hydro Finance Funds
Hydro-Electric Plant	Construction	each	1	940,000	940,000	12,000	-	-	Funded by USDA Hydro Finance Funds

To add a row: right click on the row above -> select copy -> right click again ->select insert copied cells

B. Total Capital Improvements	11,115,861	24,750	-	-
--------------------------------------	-------------------	---------------	---	---

C. Other

Task	Description	Unit of Measure	Number of Units	Cost/Unit	One-Time Costs	Ongoing Annual Costs	SC Funding Request		Comments
							One-Time Costs	Ongoing Annual Costs	
Building Loan	Interest	each	1			309,132		4.125% 40 years	
Hydro plant loan	Interest	each	1			51,084		4.125% 40 years	

To add a row: right click on the row above -> select copy -> right click again ->select insert copied cells

C. Total Other	-	360,216	-	-
-----------------------	----------	----------------	---	---

TOTAL PROJECT EXPENSES	11,121,861	396,966	-	-
-------------------------------	-------------------	----------------	---	---

NET REVENUE(EXPENSE) - ENHANCEMENT OF BENEFICIAL PUBLIC VALUES	(3,690,285)	12,922	-	-
---	--------------------	---------------	---	---

Additional Notes:

Community Center short fall is \$3,700,000.

Funding of this short fall will come from grants.