



The VOICE

Your independent news source

Greater Shasta County, CA

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Did you know...

- There were 19 single family dwelling permits drawn in the City of Redding in the month of June. It was the most housing starts since Redding's building department issued 20 in February and brought 2012's total to 65—nearly double the amount of single-family permits recorded all of last year. This is a direct result of the impact fee waiver program, giving a \$12,518 credit per unit.
- Redding residents interested in running for City Council or Treasurer can take out papers to do so starting July 16th. Prospective candidates for the November 6th election will need to contact the City Clerk's office, and are required to submit final paperwork, including candidacy nomination signatures, by August 10th. The Treasurer and Council members serve 4 year terms. Mayor Dick Dickerson and council member Missy McArthur are up for re-election this year. The filing deadline if they choose not to seek office is August 15th.

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And They All Come Together in Support of a Potential Oasis Tax Sharing Agreement

Shasta VOICES was joined at the podium by an interesting group of supporters at the Redding City Council meeting on July 17th.

For the first time, it appears that all the various advocacy groups in the Shasta County area, including Churn Creek Bottom Homeowners and Shasta Smart Growth, **agree** on something—everyone wins if the City of Redding, County of Shasta, City of Shasta Lake and City of Anderson are able to create a sales tax-sharing agreement for the Oasis Road Specific Plan area.

Councilman Patrick Jones, who brought this item to the table, is really trying to think outside the box, and bring forward a plan that would benefit every jurisdiction when it comes to the future commercial and housing growth in North Redding.

The Oasis Road Specific Plan provides a framework for development of about 655 acres. Improvements will ultimately be needed to serve 3.1 million square feet of potential commercial development, as well as 2,183 potential housing units within the Plan area boundaries. There are 159 parcels in this area, 84 of which are within the City of Redding limits, and 75 parcels outside the City limits and within the jurisdiction of Shasta County.

Jones envisions a plan where each participating jurisdiction would contribute to the cost of the major improvements that will be needed to move this development forward, including the construction of major water supply/storage improvements, sewer infrastructure, and circulation improvements. The percentage of the up-front contribution would be returned to each participant in the form of that same percentage of the sales-tax revenues generated from the eventual commercial development in the Oasis Road Specific Plan area. Such a plan could serve to finally move our economy forward.

With the power of three or four government jurisdictions working together, maybe an agreement can be reached that will enable the construction of the necessary infrastructure. Each jurisdiction could seek out grants or any other method of financing that they deem to be prudent, allowing each to choose how they would pay their share.

A diagram of the long-term costs associated with future maintenance would be needed in order to complete a proper agreement that would be acceptable to all jurisdictions. And, long-term liability would need to be established.

In order to make such an agreement work, each jurisdiction would have to benefit financially. Is it possible? We believe it is.

The next step is for Mayor Dickerson and Councilman Rick Bosetti, the two representatives appointed to current tax-sharing agreement discussions with Shasta County, to bring this idea to the table at the (soon to be scheduled) tax-sharing agreement meeting in August. This meeting may be open to the public, and Shasta VOICES will send out an email alert if that is the case when the date and time have been established.

Complete Streets Plan Approved

On June 26th, the Planning Commission for the City of Redding voted to recommend that the City Council adopt amendments to the General Plan Transportation Element, adopt a **“Complete Streets”** Resolution, and adopt a General Plan Final Environmental Impact Report (FEIR) addendum.

For the past few years, there has been a growing nationwide movement to find innovative ways to reduce vehicle miles traveled and shift from short trips in the automobile to biking, walking, and use of public transit. On September 30, 2008, California Assembly Bill 1358, “The Complete Streets Act,” was signed into law. The purpose of this Act is to reduce greenhouse gas emissions, make the most efficient use of urban land and transportation infrastructure, and improve public health by encouraging physical activity.

Here is a summary of the proposed goals and policies of the “Complete Streets” Resolution:

- Reflect the requirements of AB 1358.
- Compliment existing General Plan policies regarding the provision of pedestrian sidewalks, bike lanes, trail connections, bus turnouts, and other multi-modal facilities as new development occurs.
- Compliment existing requirements of the City’s Subdivision Ordinance that address connections to activity centers such as schools, services, parks, and arterial streets in the design of new development.
- Reflect current efforts the City is making to retrofit existing streets to accommodate multi-modal uses. By way of example, the City already looks for opportunities to accommodate bicycles as part of street resurfacing projects in instances where sufficient street width is available and the accommodation can be made by implementing a different striping scheme.
- Consistent with existing City efforts to meet with local bicycle and pedestrian advocates to keep them current of upcoming City projects and to solicit their comments to improve the outcome.

The Resolution provides a list of exemptions to the policy, and will establish a program to identify critical street corridors where facility retrofits may be feasible. There is a provision to address infrastructure that may be excluded because of documentation showing that: (1) use by non-motorized users is prohibited by law, (2) the existing right-of-way does not allow for the accommodation of all users, (3) the cost would be excessively disproportionate to the need, (4) there is a documented absence of current or future need, or (5) the safety of pedestrians, bicycles, transit users or vehicular traffic may be placed at an unacceptable risk.

Shasta VOICES took advantage of an opportunity to provide input to the draft documents, addressing concerns about funding sources for such a program, and asking for clarification to statements made in the original draft that there would be long-term savings realized with “complete streets.” Verbiage was graciously added by staff to address our concerns.

The final draft document now clarifies that any existing streets modified will only be done utilizing new grant program funds with existing capital projects for other purposes such as overlays, sidewalk repair and ADA curb ramps. Regarding growth related projects, long-term maintenance cost savings would occur by giving more right of way to pedestrians and bicycles (reducing the number and width of motor vehicle lanes), which would require less pavement and more concrete to be constructed with a longer useful life and less expensive maintenance costs.

City Council unanimously accepted the recommendation and adopted the Resolution at the Council meeting on July 17th.

Public Pension Woes Continue in California

In San Jose, where pensions made up more than 20% of the budget, almost 70 percent of voters approved a plan imposing on public workers the choice between boosting their own contributions to pensions up to 13 percent of their pay, or switching to a lower-cost plan with reduced benefits.

In San Diego, voters eliminated definitive pensions for all new city workers except police, substituting a 401(k) style program. They also froze pensionable pay levels for 5 years.

Stockton became the largest U.S. city ever to file for bankruptcy in June after failing to hammer out deals with creditors and public employee unions.

Local governments are hurting and strained under the current pension and compensation system. Governor Brown has been seeking to place a measure on the November ballot to at least begin the process of making pension changes for public employees in California. Will legislators listen?

Increases Continue in 2012/2013 CalPERS Retirement Costs

The California Public Retirement System (CalPERS), which provides the basic, standard retirement program for public employees in our area, establishes contribution rates each fiscal year using actuarial valuations from the previous years' data. For example, CalPERS used information as of June 30, 2010 to establish the fiscal year 2012/2013 employer contribution rates (premium costs) to the City of Redding. The standard retirement program for Public Safety employees is referred to as the "3% at (age) 50" plan, and for miscellaneous non-safety employees the plan is referred to as the "2% at (age) 55" plan.

Additionally, the Public Agency Retirement System (PARS), a private retirement program that contracts with the City of Redding to provide an **additional enhanced benefit** to all employees who are not categorized as Public Safety, similarly calculate the employer contribution rates (premium costs) each year. This means that instead of the standard 2% at (age) 55 CalPERS retirement formula plan, miscellaneous non-public safety employees receive an increase in their plan to **2.7%** at (age) 55. As an example, this means that instead of receiving **2%** x 30 years of service (assuming at least 55 years old), which would equal 60% of a retiring employee's highest one year of earnings, the retiring employee would receive **2.7%** x 30 years of service, which would equal 81% of their highest one year of earnings. The enhanced benefit increases their retirement benefit amount by roughly 21%. For public safety employees, **3%** x 30 years of service would provide the retiree with 90% of their highest one year of earnings.

Here are the current employer and employee contribution rates for fiscal year 2012/2013 for the City of Redding:

<u>Public Safety:</u>	CalPERS Employer Contribution Rate	36.328 % of base salary (3% at 50 plan)
	Cal PERS Employee Contribution Rate	9.0 % of base salary (3% at 50 plan)
	Total Contribution Rate	45.328% of base salary (3% at 50 plan)

Miscellaneous Employees:

CalPERS Employer Contribution Rate	16.459 % of base salary (2% at 55 plan)
CalPERS Employee Contribution Rate	7.0 % of base salary (2% at 55 plan)
Total Contribution Rate	23.459 % of base salary (2% at 55 plan)

IBEW Electric Enhanced Benefit PARS Rate +10.19% of base salary (2.7% at 55 plan)

IBEW Maintenance Enhanced Benefit PARS Rate +14.64% of base salary (2.7% at 55 plan)

RPOA Miscellaneous Enhanced PARS Rate +15.52% of base salary (2.7% at 55 plan)

SEIU Enhanced Benefit PARS Rate +12.29% of base salary (2.7% at 55 plan)

Unrepresented Employees Enhanced Benefit PARS Rate +16.30% of base salary (2.7% at 55 plan)

As you can see, the PARS rates vary greatly by bargaining unit, and this the explanation given for the disparity:

1. Demographics of the group—proportion of active employees to retirees (i.e. 105 active to 43 retirees).
2. Payroll for the group—the payroll has shrunk as people leave/retire and positions are not replaced.
3. Unfunded liability—a larger number of employees has retired than anticipated, and the liability is spread over a smaller number of active employees.

For prior fiscal year 2011/2012, the total contribution rate for public safety employees was 44.316%, and the basic plan without PARS for miscellaneous employees was 22.795%, but as high as 39.759% with the added cost of PARS. Therefore, the increase for the 2012/2013 fiscal year amounts to 1.03%.

The **projected** annual rate of return on CalPERS investment funds for the current rate cycle was 7.75%. The **actual** rate of return, at least for 2011, was a paltry 1%. Therefore, the amount of the unfunded liability for these promised retirements can only increase, and the taxpayers are on the hook to make up the difference. It is difficult to say how much the rates will go up in the next couple of years—but they will definitely keep going up.

Because the City has reached agreements with most of their bargaining units, any new hires will not enjoy the same retirement benefit structure as existing employees. New hires will see pensions based on the highest three years of salary instead of the highest one year, and many will see a 2% at 55, or a 2% at 60 program. And, because of the passage of Measure A in 2010, (along with bargaining unit agreements), the City no longer pays the employee contributions for existing employees or future hires, saving 9% for public safety costs, and 7% for miscellaneous employee costs.

Updated News and Notes

Shasta VOICES is continuing to monitor and follow many issues of interest to our supporters and the community. As part of our efforts to keep you updated and informed, here is a brief update of some of these issues.

- ***City of Redding Development Impact Fee Study***— Consulting firm NBS of Temecula is busy collecting data from City staff that will enable them to simultaneously examine both development impact fees and the rate structures of the water, wastewater, and solid waste utilities for the City of Redding. They will begin meeting with community stakeholders once the data collection process has been completed, perhaps in early September, 2012. The target date for completion of the final “studies” is April, 2013. The firm will be paid \$136,620 over the next twelve months to complete the project.
- ***I-5/Deschutes Road Roundabout Project***—The City of Anderson’s I-5/Deschutes Road roundabout project, which is funded by the State and Federal government, was awarded to ***local contractor Eddie Axner Construction*** of Redding on July 17, 2012, in the amount of **\$4,769,633.80**. An additional 15% has been approved for project change orders as needed. On April 26, 2012 the California Transportation Commission allocated \$6 million to the City of Anderson for construction capital and support for this project. The overall objective of the project is to improve access to Factory Outlets Drive and Deschutes Road. In addition, the project will improve traffic operations along this corridor and improve accesses to the area surrounding the interchange. The project will construct a new off-ramp from northbound I-5/Deschutes Road, a roundabout intersection at northbound I-5 ramps (Exit 667B)/Deschutes Road/Locust Road, and numerous other related improvements. Construction should begin around September 1, 2012.
- ***Sierra Pacific Industries Cogeneration Plant***—On July 17th, the Shasta County Supervisors unanimously approved a use permit for Sierra Pacific Industries to expand their current cogeneration plant at the end of Riverside Avenue in Anderson from a 4 megawatt operation to about 31 megawatts. The plant will burn leftover wood for energy. Construction on the expanded plant will begin “as soon as we can” according to Mark Pawlicki, Director of Corporate Affairs for Sierra Pacific. The plant is expected to generate 25 to 40 construction jobs and six to eight permanent jobs once it opens.
- ***Shasta County Development Impact Fees***—A revised fee schedule took effect for unincorporated Shasta County on July 1, 2012. These fees increased by **2.9%**, based on the Engineering News-Record Building Cost Index. Shasta VOICES requested that the County suspend this increase as a good faith effort to try and generate new construction and promote a positive economic effect on the construction industry and the community. Though we were not successful prior to the July 1st effective date, we will continue to try and have this increase suspended. Here are the new single family dwelling fees:

Main Fee + Fire + Base Traffic:	\$8,109.09
Additional Countywide Traffic Fee:	\$ 800.00
Additional South County Traffic Impact Fee:	<u>\$5,362.24</u>
TOTAL	\$14,271.33 *

**Note: This does not include water, sewer, wastewater costs as the County does not provide these services, or school fees which are \$3.20 per square foot. For a 2,000 square foot dwelling, that would total \$6,400.00.*

Join Shasta VOICES today.

We depend on membership and other contributions.

If you are viewing this issue of “***THE VOICE***” on our website, click on the ***membership tab*** for information and to download a membership application or contributor form. Or, you can obtain more information by going to our website, **www.shastavoices.com**, or calling **(530) 222-5251**.

Mary B. Machado, Executive Director