



The VOICE

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Did you know...

- There were **4** single family home permits issued in the City of Redding in November 2019, for a total of **101** so far in 2019, and **5** Carr Fire single family rebuild permits issued in November 2019, for a total of **109** so far in 2019. There were **3** permits issued for new commercial buildings in November 2019, for a total of **18** so far in 2019.
- The new Redding "ShastaConnect" Sunday on-demand bus service, which launched on October 13, 2019, has released ridership numbers. There were **129** passenger trips in October, and **330** passenger trips in November, for a total of **459** passenger trips. The average trip length is **3.71** miles. Overall, initial ridership exceeds performance goals so far.
- Adam McElvain, by a unanimous vote of Redding City Council on December 3rd, is the new Mayor of the City of Redding. Erin Resner is the new Vice-Mayor, and Michael Dacquisto is the new Mayor Pro Tempore, also by unanimous vote of Redding City Council.

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Divided Council Adopts Solar Committee Recommendation

At the Redding City Council's direction, the Redding Electric Utility (REU) sent a letter in the mail to every REU customer on November 22, 2019 to notify them of the Public Hearing held on **December 17, 2019** for the purpose of considering a new Net Energy Metering (NEM) successor tariff (rate), through which the utility purchases excess customer solar generation at retail rates (as opposed to wholesale). This generated a packed room full of solar and green energy supporters at the meeting, with **22** people speaking at the podium.

The retail rate paid to solar customers for excess generation through 2019 was **\$0.15** per kilowatt hour. REU staff had proposed a successor tariff (rate) on September 3, 2019 that would apply when existing solar generators are transitioned off of the annual subsidy: Service would be billed monthly at the applicable residential or commercial service, an additional \$10 for capital outlay and replacement would be applied, and a net credit would be applied for any surplus energy transmitted at **\$0.039** per kilowatt hour.

The Solar Committee formed to determine a fair successor tariff, after several weeks of public meetings, ultimately recommended implementing the **highest defensible/justifiable net energy metering rate possible** without violating Proposition 26 (**\$0.0608** per kilowatt hour currently), and effectively eliminating the proposed \$10 fixed fee. Additionally, they suggested that whatever rates are implemented by City Council should be **reviewed annually**, as the solar industry is changing quickly, and becoming less expensive.

The recommendation was based on the fact that any adopted rate must also be fair for non-solar customers and legally defensible, as California laws do not allow for one customer class to subsidize another. Council, however, **can** set new policies to utilize **other funds** that are **non-rate proceeds** to subsidize a class of customers. The committee had no authority to discuss "new policy" and had to leave that decision up to Council.

There are currently 15 solar industry businesses in the local area, employing about 300 people. Each of those businesses who spoke at the public hearing were concerned about the future of their business as the State phases out rebate programs, and ends the requirement for REU to pay solar customers the full retail value for electricity generated by their rooftop solar panels, causing the return on solar investment to be less attractive.

During the public hearing, there was not one person who disagreed that the provision of solar energy, and green energy in general, was a good thing. There also was not one person who disagreed that those wishing to invest in solar energy for their home were more likely to do so if financial incentives were provided. But not all agreed about how much that incentive should be. The local solar businesses asked Council for the NEM tariff to be **\$0.12** per kilowatt hour to make the length of time for return on solar investment shorter.

Councilors Dacquisto and McElvain believed that there were other non-rate revenues generated by REU that could be utilized to provide additional incentives to solar customers. Dacquisto made a motion to implement a successor tariff rate of **\$0.12 for one year**. That motion **failed** by a 3-2 vote, with Winters, Resner and Schreder dissenting.

Councilor Winters motioned to adopt the Solar Committee' recommendation, with a successor tariff rate of **\$0.0608**, to be reviewed annually. That motion **passed** by a 3-2 vote, with Dacquisto and McElvain dissenting.

Beginning January 1, 2020, all new residential construction is mandated by the State to include rooftop solar systems, which may provide a boost to local solar businesses.

Shasta County in Process of Updating Development Impact Fee Program

Shasta County established and implemented a development impact program for all new construction and development in 2008, which is referred to as the County's "Public Facilities Impact Fee Program."

All impact fee programs require the preparation of annual and 5-year reports through Government Code section 66006. The second 5-year report related to the County's impact fee program was presented to the Board of Supervisors on December 11, 2018, marking **10 years** since the program was established. At that time, County Resource Management Director Paul Hellman chose to hire a consulting firm with the proper expertise to evaluate the status of the program and to make recommendations for adjusting the fee structure. There had been **no review or update** to the program since its inception, other than regular inflationary increases each and every year since 2008.

Following the issuance of an RFP for the preparation of a development impact fee study and nexus study and interviews with the responsive firms, David Taussig and Associates (DTA) was selected. In general, the proposed scope of work consists of reviewing the County's current impact fee program, collecting and developing data required to evaluate current fees and to justify the continuation of the program, determine appropriate fee reductions/increases, and prepare a nexus study to provide the legal nexus between the fee recommendations and the facilities needed to serve new development.

On December 3rd, Shasta VOICES, along with representatives from our local Economic Development Corporation, the Shasta Builders Exchange and some local developers, participated in a meeting with the consultants to provide what we believe is invaluable input in crafting a **balanced approach** to impact fee programs that will provide enough incentive for development to actually occur while being mindful of infrastructure improvements that may need to be included in a fee program. Since the County has not revisited their fees since 2008, they have not adjusted the fees for the grossly over-projected population growth figures used in the existing fee program (which did not, in fact, occur), among many other issues. The cities of Redding, Anderson and Shasta Lake have all readjusted their impact fee programs **downward**, more than once, over the last several years—they had all used the same flawed projections in the past.

The time frame for completion of the study is a total of 16 weeks. That means a **draft study** should be completed and ready for first review by County staff sometime in February, 2020. A public review and comment period for the **final draft study** will occur prior to scheduling it for consideration by the Board of Supervisors.

There are sure to be questions and concerns raised (and addressed) once the draft study is completed. If you are reading this article and would like to provide input, please contact Mary Machado, (530) 222-5251 or mary@shastavoices.com, who will bring your input forward. Stay tuned for updates on this important process!

Bond Proceeds To Be Used For Block 7 Downtown Project

The City of Redding has partnered with The McConnell Foundation (TMF) and K2 Land & Investment (K2) to redevelop the north end of the California Street Parking Structure into a mixed-use development that includes 78 residential units, referred to as the Block 7 Net Zero project. TMF, K2 and the City were awarded approximately \$20 million of AHSC Program funding. In addition, TMF, K2 and the City were awarded \$4 million of Infill Infrastructure Grant funds to construct a multi-level parking facility. The north portion of the California Street Parking Structure was closed on November 11th, and is being demolished in preparation of construction of the Block 7 Net Zero project.

On December 3rd, Redding City Council approved the issuance of tax-exempt Municipal Bonds by the California Statewide Communities Development Authority (CSCDA), not to exceed \$50 million, for the purpose of making a loan to Block 7 Downtown Investors, LLP. The loan will enable the borrower to finance the acquisition, construction and equipping of a 78-unit affordable multifamily housing rental project located at the corner of California Street and Yuba Street in downtown Redding. The completed project will be owned by the borrower, and the affordability covenants will extend for 55 years from the closing of the financing.

In order for all or a portion of the bonds to qualify for tax-exempt status, the City of Redding conducted a public hearing on December 3rd, providing the members of the community an opportunity to speak in favor or against using the bonds for this project. There were no objections.

There is no fiscal impact to the City. The bonds will be issued as limited obligations of CSCDA, payable solely from revenues derived from the borrower with the bond proceeds. The City bears no liability with respect to the issuance of the bonds, and is not a party to any of the financing or disclosure documents.

Shasta County Proposes Short-Term Rental Ordinance

On December 12th, the Shasta County Planning Commission conducted a public hearing to consider an ordinance that allows and regulates short-term rentals in the unincorporated areas of Shasta County.

Currently, short-term rentals are not permitted in unincorporated Shasta County, however, they do exist and the County has been collecting transient occupancy tax from many such rentals for years, leading to confusion as to the status of short-term rentals as a legitimate land use. Based on direction from the Board of Supervisors on April 17, 2017 (yes, over 2 years ago) the Planning Division drafted an ordinance to recognize and appropriately regulate short-term rentals.

Numerous issues and concerns were raised by the public in the last two years through the County's online survey, via email, verbally during three public workshops and a public hearing, inquiries in person at the permitting counter, and by phone. These include quality of life issues, noise, parking, overcrowding, limited access, lack of consideration of neighbors, limited emergency services, commercializing residential neighborhoods, recognition of short-term rental use in the zoning plan, utilization of vacant housing, and the provision of accommodation options for tourists and the resulting benefit to local businesses.

The ordinance allows short-term rentals to be established in any zone district which permits one-family residence by right, and in the mixed use district provided that all required permits have been secured. It allows two types of short-term rentals—hosted homestays and vacation rentals. Highlights of the ordinance include:

- Hosted homestays require an affidavit certifying the property owner understands and agrees to all requirements. A maximum of two approved bedrooms may be offered for rent at any time, and the property owner must occupy the residence at all times when one or more bedrooms is being rented.
- Vacation rentals shall require approval of a zoning permit. A maximum of five approved bedrooms may be offered for rent at any time and the property owner may or may not reside within the residence while it is being rented.
- Short-term rentals shall be allowed only in legally established one-family residences, or a portion thereof, except that no accessory dwelling unit shall be used as a short-term rental at any time.
- Short-term rentals shall not be permitted in any temporary, portable, or other type of structure not permitted by the County for permanent occupancy (e.g. guest house, tent, yurt, and RV).
- Between the hours of 12:00 am and 6:00 am, daily occupancy of the property shall be limited to a maximum of two persons per approved bedroom offered for rent.
- A minimum of one parking space shall be provided for each bedroom offered for rent, and must be located on the short-term rental property. All renters' vehicles and trailers must be accommodated on the rental property or off-site at a commercial facility that accommodates vehicle and trailer parking.
- Quiet hours shall be observed between 10:00 pm and 7:00 am, Monday through Friday, and between 10:00 pm and 9:00 am on Saturdays, Sundays and holidays.
- House policies consistent with the ordinance shall be included in each short-term rental agreement.
- The property owner or local contact person shall be available 24 hours per day, seven days per week to accept telephone calls from neighbors and respond physically to the property within 60 minutes of receiving a call to address complaints.
- If a short-term rental is determined to be unpermitted, an application for an affidavit or zoning permit shall not be approved for a minimum of 12 months after the determination. An affidavit or zoning permit application to reestablish a short-term rental after revocation shall not be approved for a minimum of 24 months following the revocation.
- Operation of a short-term rental without the required approval more than 60 days after the ordinance takes effect shall constitute a violation of the Shasta County Code and may be enforced in any manner permitted by law.

At the December 12th hearing, there were still concerns from a few County residents about how the ordinance is written, as well as concerns from some of the Commissioners.

The Planning Commissioners did recommend that the Board of Supervisors adopt the ordinance, but ***continued the item to their next meeting to be held on January 9, 2020***, and directed staff to ***revise*** the proposed ordinance to address those comments and concerns; their motion did not include specific revisions to be made.

County staff agreed to listen to the recording of the meeting and refer to their notes taken at the public hearing, and attempt to address as many of the issues and concerns raised by the commissioners as possible.

Paul Hellman, the Director of Resource Management Department, said that through the approval of the motion to recommend that the Board adopt the ordinance, the Commission will have the ability to recommend additional revisions to the revised ordinance that is to be presented to them next month.

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.

Eric Magrini is New Shasta County Sheriff—Shasta County’s elected Sheriff-Coroner, Tom Bosenko, announced his retirement from office effective December 29, 2019. He was elected for a fourth term which began January 1, 2019. His unexpired term is three years following his retirement, lasting until the first Monday after January 1, 2023. The next regularly scheduled election for the office of Sheriff-Coroner is in March, 2022. Therefore, it was the duty of the Shasta Board of Supervisors (BOS) to fill this vacancy by appointment, as State law does not allow for a special election.

On December 10, 2019, the BOS interviewed ***three applicants*** for the Sheriff’s job in open session. Those applicants were: **Chad Gibson**, a Court Security Sergeant and first-line Supervisor of correctional officers in Tehama County; **John S. Greene III**, a retired Shasta County Deputy Sheriff who worked at the Sheriff’s Department from 1990-2017, and who lost to Sheriff Tom Bosenko in a close election in 2018; and current Undersheriff (since 2015) **Eric Magrini**.

After interviewing each candidate, Supervisors unanimously selected Eric Magrini as the new County Sheriff, saying they preferred to hire somebody who could step in immediately, and hit the ground running. Magrini’s first day is December 30, 2019. He will hold the office for the unexpired term of Sheriff Bosenko (the first Monday after January 1, 2023).

New Plan Moves Forward for “Salmon Runner” Intercity Bus Service—In 2018, the Shasta Regional Transportation Agency (SRTA) was awarded \$8.6 million in transit grant funds from the State for a ***zero-emission*** bus service between Redding and Sacramento (the Salmon Runner) including a valley feeder that connects the cities of Corning, Orland, Willows, and Chico. Request for Proposals (RFP) were sent out in January 2019 for the buses, but “independent modeling” showed that ***the proposed vehicles could not reliably complete the 175 mile one-way trip*** on a single charge, or a single fueling in the case of hydrogen. Therefore, in June 2019, the Board of Directors cancelled that particular RFP.

Going forward, SRTA plans to purchase Salmon Runner buses with the \$8.6 million grant through a ***new procurement*** for zero-emission buses. They will modify the Salmon Runner services if the purchased buses do not meet the 175 mile one-way requirements. Alternatives include on-route charging or splitting the route into two segments. Now, SRTA recommended, and the Board approved, submitting another grant application to partner with a manufacturer for the design, engineering, and building of one or more ***prototype fuel cell motor-coaches***, and to partner with a vendor for the related hydrogen fueling infrastructure in Redding and Sacramento. They now seek letters of interest from bus manufacturers to partner with SRTA to strengthen the grant application. Stay tuned!

Two Shasta County Supervisor Seats Open for Re-election—There are several candidates running for the open Shasta County Supervisor seats in District 2 and District 4. In District 2, incumbent Leonard Moty will be running against Dale Ball (political activist) and Susan Wray Pearce (local business owner). In District 4, incumbent Steve Morgan will be running against Janice Powell (Mayor of Shasta Lake), Curtis Byron (local business owner), Bill Schappell (realtor and former Supervisor), and Patrick Jones (local business owner and former Redding Mayor). District 3 is also an open seat, and current District 3 Supervisor Mary Rickert is running unopposed. The primary election will be held on March 3, 2020. The top two vote getters for each open seat will move on to the general election in November, 2020.

Council Approves Downtown Street Circulation Project Funding— On December 17th, City Council approved funding appropriations in the amount of ***\$12,275,048*** for the reestablishment of the formerly abandoned streets and reconstruction of pedestrian and bicycle-friendly streets along portions of Market, Yuba, and Butte Streets. There will be extensive reconstruction of aging underground utilities including wastewater, water, and electric. Also included will be new sidewalks and streets with concrete, asphalt concrete, and concrete pavers. The Downtown Streets Circulation Project (Project) is being funded by several funding sources including an Affordable Housing and Sustainable Communities (AHSC) Grant (46 percent), Wastewater Utility (25 percent), Water Utility (14 percent), Redding Electric Utility (7 percent) and Community Development Block Grant Declared Disaster Recovery funds (8 percent).

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