



The VOICE

Your independent news source

Greater Shasta County, CA

Volume XI, Issue XI

www.shastavoices.com

March 2018

Did you know...

- There were **9** single family home permits issued in the City of Redding in February 2018. That is **5 less** than were issued in February 2017, a 19% decrease. There was **one** permit issued for commercial buildings in February 2018, the same as the one that was issued in 2017.
- **Project Safe Neighborhoods** is a nationwide program that has come to Shasta County. The County's District Attorney and the US District Attorney for the Eastern District of California have partnered to improve public safety. Changes in California laws have made it increasingly difficult for local district attorney's offices to prosecute drug and weapons crimes. Part of the program's focus is to send certain gun crimes to federal court, where they carry longer sentences. The federal prosecution of eligible offenders could help free up bed space at the Redding jail because those eligible inmates would be transferred to Sacramento for prosecution. This program could also generate grant funds to local law enforcement agencies to give them faster access to technology that helps solve shootings and more quickly trace guns used in crimes.

Inside this issue:

No Fiscal Emergency—No Sales Tax Measure	1
Planning Commission Recommends Revised Downtown Specific Plan Update-Council Agrees	2
Cannabis Ordinance Approved in Redding	2
Salary and Benefit Costs Continue to Pressure Redding Budget	3
Parks and Recreation Impact Fee Consultative Group Being Established	3
Updated News and Notes	4

No Fiscal Emergency—No Sales Tax Measure

At a Special Redding City Council meeting on February 22nd, City Council voted 4-1 (McElvain dissenting) to put an agenda item on the **March 6th Council meeting to declare a fiscal emergency** in the City of Redding, with an immediate need for an increased **general sales tax measure** due to a \$19 million budget shortfall over the next ten years, to be placed on the June 5, 2018 Primary Election ballot, with a companion advisory measure suggesting uses for the additional revenues generated, on the Primary Election ballot.

Declaring a fiscal emergency required a unanimous vote by City Council, and without it, the proposed sales tax measure cannot be placed on the Primary Election ballot. On March 6th, Redding Councilman Adam McElvain voted “**no**” to declaring a fiscal emergency, stating concerns about the negative consequences of doing so, particularly if the tax measure fails. He believes then Redding would be in an even worse situation. The vote was 4-1, therefore, **no fiscal emergency was declared, and there will not be a sales tax increase measure on the June 5th Primary Election ballot.**

City Manager Barry Tippin had proposed **other options** to a sales tax measure that included moving towards a “self-help” citizen reporting system, maintaining the status quo, and seeking improvement through grants and technology. For the immediate future, those options will likely now be explored further, along with other options, such as continuing to work with labor union partners on rising salary and pension costs. Manager Tippin did express that he does not believe the City can use budget cuts to improve public services.

Judging from the testimony of those local citizens who chose to speak up at the podium at the March 6th meeting, it appears that the “trust issues” that existed during the failed attempt to pass virtually the same tax measure during the November 2016 General Election still exist. **Seventy-one percent** of those who spoke up were against declaring a fiscal emergency, and against another attempt at an increased sales tax measure.

Those with “trust issues” most often site 1) the lack of a detailed plan to use additional revenues specifically to address and reduce crime in the area, as well as the root causes; 2) the fact that AB109 and Props 47 and 57 don't allow local authorities to keep low-level offenders in jail anymore; 3) the belief that more police officers won't solve the revolving door problem at the jail; 4) the belief that any sales tax measures suggesting adding to the Shasta County jail space should be countywide measures; 5) the belief that the City's funding shortfalls are due in large part to the continually rising salaries and pension costs, and 6) the fact that any future Council members can change the way general fund sales tax revenues are spent, regardless of any “advisory measures” which are non-binding.

Perhaps at least one reason there is not a “detailed plan” for the specific uses of any new revenues from a general sales tax is that a general sales tax measure requires only a simple majority vote, while one dedicated to a specific purpose would require a two-thirds vote.

Those who support a general sales tax increase most often site a need for additional police officers, additional fire fighters, and additional jail space. Those who spoke up on March 6th mostly said that it doesn't matter why the City budget has shortfalls, there isn't anything that can be done about poor financial decisions made in the past, and that this is the only way to improve public safety.

It's still possible, perhaps likely, that City Council will try yet again to put a general sales tax increase measure on the November 2018 General Election ballot.

Planning Commission Recommends Revised Downtown Specific Plan Update: Council Agrees

The Redding Planning Commission conducted a public hearing on January 29th to determine whether to approve, modify or deny the rezoning application, General Plan amendment application, and Specific Plan amendment application associated with the adoption of the proposed ***Downtown Redding Specific Plan Update***. The Plan was ***not recommended*** for approval then, with too many unanswered questions and concerns that were not adequately addressed at this meeting.

At the February 27th Planning Commission meeting, staff proposed 3 options to address the particular concerns over new restrictions and prohibitions relating to office space and social services. The proposed new rules would have ***restricted street level office space to second floors*** in the Downtown Core. After a lengthy discussion, the Commissioners voted to select a Option 3 for “Reduced Restrictions for Office Use.” for existing buildings:

This modification will “Permit the following existing office uses within street-fronting ***ground floor*** spaces with ***no restrictions*** in the Downtown Mixed Use District and permit said uses to occupy up to 100 percent of street-fronting ground floor spaces in the Downtown Core District:

- Offices, Business and Professional
- Offices, Medical and Dental
- Government Offices

There were multiple other concerns brought up by the Commissioners and concerned citizens that were also addressed, revised, and ***approved*** by the Commissioners on February 27th, such as including the history of indigenous people in the Plan, adding text in the parking section to provide accessible parking throughout downtown, deleting sections relating to gateways and two-way parking (at the request of CalTrans), revising maps, land use regulations, some development standards, landscape designs, adding to the special funding districts section, and updating sections in the appendix.

At the Redding City Council meeting on March 20th, staff again presented the recommendation in the Final Draft Plan that clinics, community centers, religious facilities, and government, medical and business/professional office uses within the Downtown Core District only be permitted above the ground floor. The Planning Commission’s recommended modification (above) was included in the staff report, and once again was discussed at length.

In the end, City Council ***voted unanimously to revise Section 6.1*** in the Final Draft Plan to include the language recommended by the Planning Commission for certain types of existing buildings, but retaining the original language for newly constructed buildings...that is, ***restrict any new buildings*** with office spaces to above ground floor or within non-street fronting ground floor spaces in the Downtown Core District. Therefore, the Downtown Redding Specific Plan Update, a project 2 years in the making, has finally become a living document with a community driven plan to revitalize Downtown.

Cannabis Ordinance Approved in Redding

On February 13th, Redding Planning Commissioners voted to recommend the proposed draft Ordinance and zoning regulations that would allow recreational marijuana in the City limits. Those regulations include: a ban on all outdoor grows; indoor grows in industrial zones and in heavy commercial spaces outside of industrial zones; a maximum of 10 dispensaries in most of the city’s commercial districts (which could be as few as 1, and will ultimately be determined by the City Manager); a ban of dispensaries within 1,000 feet of a school, public park, library, and youth-oriented facilities, and a 600 foot buffer for all cannabis activities other than retail sales; only general and heavy industrial districts can host cannabis uses of distribution, processing, testing and storage.

As mentioned above, the Redding City Manager has broad discretion for approving the number and location of dispensaries to be licensed within the City limits. There will be a competitive process for those wanting to obtain a permit. Also, the Ordinance does not ban delivery, but only those who are permitted are allowed to deliver products in the City.

There is no change to existing zoning that allows indoor cultivation of up to 6 plants in residential areas.

Redding City Council ***approved*** the regulations at the ***March 6, 2018*** City Council meeting, voting 4-1 (Weaver dissenting) after 2 hours of heated testimony by local citizens on all sides of the issue. What has yet to be established is the amount of permit and other fees associated with obtaining the proper licenses to operate retail and other commercial uses in the cannabis industry. Those fees are intended to cover only the costs of providing the necessary code enforcement and additional public safety services that will be needed, and must be calculated accordingly.

The new rules will become effective in late April. City officials are still working out the permit and licensing fees for cannabis businesses. Once those fees are approved and effective, applications for licenses could start, possibly at end of April.

The City is also in the process of ***creating a local tax measure on the cannabis industry to place on the November 2018 general election ballot***. No information on such a measure is available as this time. Stay tuned...

Salary and Benefit Costs Continue To Pressure Redding Budget

As promised in last month's issue of "The VOICE", here is some detailed City of Redding financial information (specifically relating to public safety costs, which are the biggest drivers of rising retirement costs) as provided through the Transparency Portal found on their website. We will do our best to break it down and speak in a language that is more user-friendly.

With all the talk of another increased general sales tax measure in Redding to be placed on the November 2018 General Election ballot, many local citizens want to know **how much** of any additional **general** sales tax revenues generated will, in fact, be used for something other than current budget shortfalls as well as new salaries, benefits, and shoring up the pension debt. Given the fact that public safety has been sited as the main purpose for new revenues received from proposed new sales tax measures, you will see figures from 10 years ago as well as current figures below, for **just** the police and fire departments:

Fiscal Year	Full Time Salaries	Retirement Costs	Salaries +Retirement	Other Benefits	Salaries +All Benefits
Police:					
2008-2009	\$ 11,138,193	\$ 4,428,289 (40%)*	\$ 15,566,482	\$ 3,365,593 (30%)*	\$ 18,931,075
2016-2017	11,796,797	5,464,525 (46%)*	17,261,322	3,256,068 (28%)*	20,517,390
2017-2018	12,762,220	6,099,690 (48%)*	18,861,910	3,742,120 (29%)*	22,604,030
Fire:					
2008-2009	\$ 6,873,045	\$ 2,650,092 (39%)*	\$ 9,523,137	\$ 1,572,285 (23%)*	\$ 11,095,422
2016-2017	8,022,385	3,868,005 (48%)*	11,890,390	1,940,130 (24%)*	13,830,520
2017-2018	7,388,110	4,009,310 (54%)*	11,397,420	2,092,880 (28%)*	13,490,300
Total Police and Fire:					
2008-2009	\$ 18,011,238	\$ 7,078,381	\$ 25,089,619	\$ 4,937,878	\$ 30,026,497
2016-2017	19,819,182	9,332,530	29,151,712	5,196,198	34,347,910
2017-2018	20,150,330	10,109,000	30,259,330	5,835,000	36,094,330

* Percentage of full time salary.

As you can see, for 2017-2018, Police retirement and other benefit costs were **77% on top** of salary. This means that, for instance, if the actual salary is \$80,000, you must add another \$61,600 on top of that to determine the actual total salary cost of \$141,600 per year. Fire retirement and other benefit costs were **82% on top** of salary for 2017-2018. This means that, for instance, if the actual salary is \$80,000, you must add another \$65,600 on top of that to determine the actual total salary cost of \$145,600 per year. Each new public safety employee would require a minimum cost of \$120,000 per year and as much as \$238,000 per year (which includes full salaries and benefits), depending on whether the employees are lateral transfers or not, and based on the current labor contract salary schedules. And yes, those costs **do include pension debt** payments.

On February 20th, the City's finance manager did a presentation showing that the City will experience a general fund **budget shortfall of \$19,682,000** over the next ten years. How did we get there? The presentation showed that policy decisions made in the past have left the City with a **\$138 million unfunded pension liability debt** that CalPERS is requiring be paid off over the next ten years, and payments for the 20 years after that. It's not difficult to see that such a large debt payment negatively affects the general fund budget, with an average of \$13 million in payments each year. The City says it has not fully recovered from the great recession in the last ten years either, with local tax revenues still not as high as they were ten years ago. Would a 1/2 cent local sales tax increase be used for something other than paying down pension debt? However you look at it, the City will be continually spending more toward pensions, and that means less money for the provision of public safety.

Parks and Recreation Facilities Impact Fee "Consultative Group" Has Been Established

In December 2017, the Redding City Council amended the City's Development Impact Fees and **reduced** the fees by over \$5,000 per single family dwelling unit, after 7 months of study and a recommendation by a community Advisory Group working together with City staff members. The Park and Recreation impact fees (Park impact fees) could have and should have been included in this study, but the Community Services Director felt that the Community Services Advisory Commission should perform this task as they were updating the Parks, Trails and Open Space Master Plan on a parallel path. But that did not turn out as planned, **the update was not approved**, and now the impact fees will be studied again.

A new Consultative Group (CG) has been selected by the City Manager and other relevant department heads to provide assistance with proposed amendments to the Park impact fee program. Public Works Director and interim Assistant City Manager Brian Crane was selected to lead this CG project, which will begin March 21st. The other members of the CG are: Allie Figura, Lori Goynes, Matt Moseley, Mike Dahl, Denise Yergenson, Josh Devine, Gary Blanc, Michele Goedert and Bert Meyer. The CG plans to have meetings through May, have a public meeting through the Community Services Advisory Commission on June 13th, and hope to bring a report and recommendation to Redding City Council on July 17th.

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.

Seven Bridges Project Moves Forward—Seven Bridges subdivision is a 40-acre single-family home project that was approved by the City of Redding in 2010. With the current improved economic conditions, project owner MD Development has decided to move forward with phase one, consisting of 34 single family homes. The floor plans are between 2200 and 3300 square feet. They are all two-story plans that are both energy efficient and include high-end finishes. The project is located between Gold Hills golf course and Tierra Oaks golf course. This subdivision was designed around 7 bridges that will be on the property that help delineate separate living spaces with lush landscaped backyards. Underground improvements will begin in May of this year, with home construction beginning in July of this year. The entire project will likely be completed within 4 years.

Dignity Health Wellness Center EIR Contract Awarded—The City of Redding selected SHN Consulting for the preparation of an environmental impact report (EIR) on the 129,600 square-foot, \$50 million Dignity Health North State Pavilion Wellness Center project, to be located on 12.5 acres at the southwest corner of Cypress and Hartnell Avenues. SHN was chosen from proposals solicited by the City through the a Request for Proposal (RFP) process. The City will be the lead agency for the project review and approval, and SHN Consulting will be under contract to the City for an amount not to exceed \$232,305.

The project was scheduled for a public hearing and approval of the use permit before the Planning Commission on August 22, 2017, however, comments were received at the very last minute of the review period of the Initial Study/Mitigated Negative Declaration in the form of a 14-page letter from a law firm representing “Redding Residents for Responsible Development,” including IBEW Local 340, Plumbers & Pipefitters Local 228, and Sheet Metal Workers Local 104. Based on those comments, the project was continued indefinitely to allow staff and the applicant time to review the comments. To address the comments received, Dignity Health has decided to begin the EIR process.

Fall River Brewing Company to Relocate to Redding—Redding City Council approved an Industrial Job Creation Incentive Agreement between Fall River Brewing Company and the City of Redding on March 6th. This agreement provides \$40,000 in job credits, which will offset \$12,750 in sewer impact fee and up to \$27,250 in potential traffic impact fees and building permit fees. The company has outgrown their current facility near Burney, and they plan to relocate to a vacant 41,000 square foot building they purchased at 4001 Eastside Road (former Redding Distributing building). When complete, the Redding facility will be capable of producing four times the quantity of beer of their current facility (over 60,000 barrels per year over the next 5 years), and bring 25 jobs to Redding. They will be investing about \$4 million in the new facility.

Mixed-Use Redevelopment Project Moves Forward at Pine and Placer Downtown—Vicky Keller, the owner of Kobe Seafood & Steakhouse in the Gateway building located on California Street in downtown Redding, purchased the vacant lot on the southeast corner of Placer and Pine Streets in March, 2017 from Redding’s Successor Agency (formerly Redding Redevelopment Agency) for \$300,000. She is now partnering with Redding City Councilman Brent Weaver to build a 3-story mixed-use building on that site, with a ground-floor restaurant and market-rate apartments on the second and third floors. The project was approved by the Planning Commission for a use permit on March 13th.

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