



The VOICE

Your independent news source

Greater Shasta County, CA

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Did you know...

- There were 15 permits for new single family dwellings in the City of Redding in April, 2013, bringing the number to 29 year to date. This is 9 lower than the same period last year. There have been a total of 3 new commercial building permits through April, 2013, which is 5 lower than the same period last year.
- The unemployment rate in Shasta County was 11.1% in April 2013, down from 12.5% the prior month, and 13.8% for the same month last year. This is the first month since November of 2008 that Shasta County's unemployment rate was below 12%.
- The local newspaper, Redding Record Searchlight, no longer offers free online access to its daily newspaper. As of March 14, 2013, only paid subscribers (both for the printed home delivered copies and online version) have full access to the newspaper.

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Shasta VOICES Celebrates 6 Years

For the past six years, Shasta VOICES, a private non-profit organization with over 1,040 supporters, has been successful in our mission to have an impact on decisions being made locally that affect our economic opportunity in the Shasta County area. This includes:

TASK	RESULT
Defeating Fix 5/SCRIP Traffic Impact Fees	\$25 million (so far) coming from State and Federal government instead of local fees—first 6 miles completed in 2012 with local contractors and suppliers .
Defeating Joint Shasta County/City of Redding Facilities Impact Fees	Saved \$4,681 per single family dwelling—up to \$93,620 for a commercial dwelling.
Supported/assisted in obtaining Federal Stimulus Funds in lieu of local fees for local projects	Saved \$25 million of local \$\$ (and hundreds of local jobs created).
Succeeded in obtaining suspension of annual inflationary increases in City of Redding impact fees through June, 2013	Saved \$2,500+ per single family dwelling, and up to \$51,440 for commercial office or retail building and/or remodel.
Generating Commercial Construction Incentive Program	Closes financing gap, reduces interest costs, allows businesses to open and create new jobs.
Supporting 5% Local Preference Policy in the City of Redding	Better opportunity for local businesses.
Radical 10 in '10 participation	Brought forward a series of job creating ideas that are works in progress now.
Suggested/supported/succeeded in obtaining a development impact fee waiver program in the City of Redding from October 2011 through June 2013.	Eliminates \$12,518 in fees per single family dwelling/duplex/triplex/4-plex. Reduces price of newly built homes to compete with existing home market, while creating local jobs on many levels.
Published "Privatization of Public Services," "Salary and Benefits Survey." Held "Public Pension Reform" Forum.	Posted on our website to provide education, information, and transparency on subject matter of public interest and concern.
Assisting new and expanding local businesses in reducing/eliminating excessive impact fees to bring their projects forward and create jobs.	Creation of new jobs and filling up some vacant commercial spaces throughout the region.

This organization really works. We continue to speak up when most choose not to do so. We help eliminate potential repercussions to others by taking the heat on their behalf. We research, study, monitor, and ask questions about issues that are affecting our livelihood and quality of life, and get involved proactively in negotiating solutions for many local issues affecting our economic opportunity.

Thank you to all of those who have been supportive for the past six years. We are looking forward to continuing our pattern of success throughout 2013 and beyond. We appreciate your continued interest and support!

Higher Utility Rates Proposed in Redding

Water, wastewater, and solid waste utility rates may be going up for all Redding Utility customers. City Council agreed with a recommendation from Public Works Director Brian Crane at the May 21, 2013 Council meeting to set a public hearing for rate increases, based on a comprehensive review rates that began in the fall of 2012 with a local advisory group consisting of Gary Blanc, Pat Corey, Monique Gaido, Michele Goedert, Chris Haedrich, Mary Machado, and Frank Sawyer.

Although nobody welcomes rate increases, Redding has very old systems, with some pipes that date back 100 years. Deteriorating pipes have been responsible for sanitary sewer overflows and multiple water leaking/flooding issues. Upgrades and maintenance needs have been postponed as long as possible, and must now be addressed. Here are the proposed new rate increases, which will be up for discussion at the public hearing scheduled for **August 20, 2013**:

	2013	2014	2015
Solid Waste	3% (\$0.60)	4% (\$0.82)	4% (\$0.85)
Wastewater	6% (\$2.46)	6% (\$2.60)	6% (\$2.76)
Water	7% (\$1.99)	7% (\$2.13)	7% (\$2.28)

Note: *proposed structural changes (tiered rates) continued on page 4 of this issue.*

Shasta County Gives Notice Of Impact Fee Increase

A public notice was published by Shasta County saying that on **July 1, 2013**, the Shasta County Development Impact Fees will be adjusted to include an **increase of 1.9%** based on the Building Cost Index provided by the Engineering News-Record in accordance with County Ordinance 665. Here are the proposed new fees:

Until June 30, 2014	Single Family	Multi Family per unit	Commercial p/1,000 S.F.	Office p/1,000 S.F.	Industrial p/1,000 S.F.
Main Fee	\$ 5,388.42	\$ 5,160.32	\$ 840.19	\$ 605.20	\$ 378.25
Main Fee + Fire	\$ 7,060.77	\$ 6,761.61	\$ 1,819.07	\$ 1,350.26	\$ 820.07
Main Fee + Traffic	\$ 6,590.81	\$ 5,900.78	\$ 2,491.90	\$ 2,557.23	\$ 1,719.34
Main Fee + Fire + Traffic	\$ 8,263.16	\$ 7,502.06	\$ 3,470.79	\$ 3,302.28	\$ 2,161.79

In addition to the above fees, the Department of Public Works also applies more traffic impact fees (TIF) based on which impact fee area your house or project is located in. The County has a map identifying impact areas. Here are the fees:

County Wide TIF	Deschutes Road Interchange TIF	South County TIF*	South County TIF*
\$ 800.00	\$ 1,452.80	\$ 5,362.24 <i>*See Map</i>	\$ 2,872.37 <i>*See Map</i>

Contrary to the City of Redding, Shasta County has **not** been willing to assist in promoting new construction and creating direct and indirect jobs that go along with it to help our community get through the Great Recession over the past 5 years or so. Not only has the City of Redding implemented an impact fee waiver program, saving \$12,518 per new single family dwelling permit, they have also frozen any annual inflationary increase that would have occurred beyond 2009. According to City staff analysis, over 750 persons have already been put to work with increased construction activity, generating an additional 400,000 hours of labor, translating into \$8 million of salary paid. Estimated increase in expenditures of labor, materials, commissions, overhead and profit will be \$16 million or more. And, Redding is in the process of updating their development impact fee program to bring the fees in line with current growth projections.

So, the question becomes, why is the County so unwilling to participate in this local economic recovery? Shasta VOICES has asked and will continue to ask the Shasta County Supervisors to reconsider their program of ever-increasing impact fees. Clearly, the growth that they projected with their existing fee program did **not** occur, and it's time to revisit and update their current development impact fee program.

Turtle Bay Hotel Land Negotiations Reveal Mixed Messages

At the May 7th Redding City Council meeting, attorney Mike Ashby, representing the McConnell Foundation, made a presentation regarding its request to purchase all or a portion of property that lies within about 60 acres now leased by Turtle Bay Exploration Park from the City of Redding.

Since 2010, Turtle Bay has been actively working to construct a hotel and restaurant on its campus with the goal of achieving a steady source of income to support the museum. The City Council gave its approval to Turtle Bay to proceed with the development process. During this process, Turtle Bay was challenged by labor union representatives who contend that the construction of the hotel is subject to prevailing wages. Turtle Bay has said that paying prevailing wage on this project would increase the costs by over \$3.2 million, making it unfeasible.

As a result, Turtle Bay and one of its private funding partners, The McConnell Foundation, requested to purchase from the City all or a portion of the property under the Turtle Bay leasehold. They believe that purchasing the property on which its hotel and future enterprises may be developed will effectively eliminate the prevailing wage requirements. They provided two options for consideration: "Option A" for approximately 57.61 acres, or "Option B" for approximately 20.6 acres.

A long discussion took place at the meeting, lasting over 2 hours. The majority of public speakers at the podium asked the Council to support Turtle Bay and negotiate with The McConnell Foundation. None spoke in favor of one "Option" over another—they just didn't want to see the demise of Turtle Bay Exploration Park, and encouraged the City to do their part to help make this attraction successful financially.

All five Council members agreed that the City should negotiate with The McConnell Foundation, but not for the acreages requested. None were comfortable that almost 60 acres or even 20 acres was needed in order for the Turtle Bay Hotel to move forward. All were in agreement that the City should consider the least amount of acreage necessary for the Hotel only, which should total just under 5 acres (give or take incremental amounts). It seemed that Council had little interest in negotiating for any un-named "future enterprises" that could be developed. At least, that was what they indicated at the Council meeting.

But, as it turns out, this isn't what The McConnell Foundation or Turtle Bay really wants. Although they suggested that the Turtle Bay Hotel was the reason behind their request to purchase the City's property, the Turtle Bay CEO, Mike Warren has stated otherwise. In a follow-up memo to the Turtle Bay employees, he said "...what occurred at Tuesday's council meeting was NOT what was asked and does not solve the problem we face in becoming financial independent. The McConnell Foundation offered to buy 57 acres or 20 acres for fair market value, not 5 acres. The reason this much acreage is needed is to prevent the prevailing wage issue from coming up in the future if we want to add to the hotel or even add to the forest camp or the adjacent land. Further the hotel by itself does not make TB financially independent. It helps quite a bit with our serious maintenance needs as well as some serious salary and staffing issues but by no means does it get us to our goal." So, the question becomes, just what is their goal?

In fairness to Mike Ashby, he did mention during his presentation that Turtle Bay did not want to be confronted with the prevailing wage issue every time they needed to make upgrades, improvements or add something new to the Exploration Park. Understandable. Any private developer would feel the same.

Currently, this is City-owned land. All private developers would be subject to following the rules where publicly owned land is concerned, including any prevailing wage requirements. And, any changes made in ownership or otherwise, including improvements, are subject to public review. Intended or not, the McConnell Foundation and Turtle Bay are sending conflicting messages about their proposal to purchase this property, and their real "goal."

The City has many issues to address in the negotiation process, not the least of which is whether or not it is in their best interest to sell 5 acres (or more) of the Turtle Bay property. If Turtle Bay should fail financially, hotel or no hotel, the City would get it all back if they own the property it all sits on. The City is not financially able to keep the Exploration Park open at this point in time, much less a hotel. Perhaps some other outside private organization would step in if that occurred, although the McConnell Foundation has demonstrated their passion for making the Park successful, to the point that they would be the ideal organization to do just that. Clearly, there are many issues to be considered and scrutinized in the negotiation process before any potential agreement is brought forward.

A recommendation is set to come back to Council at the June 4, 2013 regularly scheduled City Council meeting for Council consideration as well as public review.

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***—The advisory group assisting City staff through the process of studying utility rates and updating its development impact fee program are currently studying all things “traffic.” By the end of May 2013, the participants, together with the hired Consultants, will be calculating the numbers and begin to formulate a recommendation for all of the impact fees. The target date for the first “impact fee study” report to City Council will be the **June 18, 2013** Council meeting. The fees (and the entire fee program), consisting of fire, parks, water, sewer, and traffic are being updated using more accurate (greatly reduced) growth projections and future infrastructure needs based on those more accurate projections. The fees are also being **restructured** and applied differently in an effort to better accommodate businesses who want to locate or expand in the City of Redding.
- ***Shasta Regional Transportation Agency (SRTA)***—The Board members for SRTA for 2013 are almost all new, with only Leonard Moty and Greg Watkins returning from last year. Here are the Board members for 2013: Greg Watkins (Chairperson) from the City of Shasta Lake; Leonard Moty, Shasta County; David Kehoe, Shasta County; Pam Giacomini, Shasta County; Patrick Jones, City of Redding; Missy McArthur, RABA; Susie Baugh, City of Anderson. A good deal of explanation and education has been taking up most of the Board meetings thus far this year to bring the new Board members up to speed on the complexities of regional transportation issues. In addition to providing this background information, we hear from Dan Little (Executive Director of SRTA) that there are also new ways to generate transportation funds being considered at the State and Federal level, which filter down to California regions by population. Some of those include tracking and taxing actual vehicle miles driven—not exactly a popular way to raise revenues among drivers. State and Federal gas taxes and excise taxes are the current source of most funds, along with multiple types of grant funding. The main projects in our North State pipeline currently include: the Redding to Anderson Six Lane project (RASL) to widen I-5 to six lanes; the Antlers Bridge replacement project (which is now 50% complete); the Buckhorn project to realign the roadway (scheduled for completion in the fall of 2014); and the Hwy. 273 planning document project to identify needed improvements over the next 20 years.

Higher Utility Rates Proposed (continued from page 2)

There are also some new structural changes being proposed for residential water rates. These are “**tiered**” **water rates**, a departure from past practices. Under this system, each single-family residential property would pay a fixed charge intended to cover the majority of the cost of delivering water to the residence, as well as a variable (commodity) charge, based on the actual amount of water consumed. This encourages water users to use water in a cost-effective manner (i.e. conserve) and rewards them for doing so. Here are those proposed tiers:

Fixed Charge for all users:	\$ 15.84 (currently \$10.00)
Tier 1: 0-11 per 100 cubic feet (ccf):	\$ 0.48 (currently \$1.01—an actual <i>decrease</i> for low water users)
Tier 2: 11-36 per ccf:	\$ 1.28 (currently \$1.01)
Tier 3: 36+ per ccf:	\$ 1.58 (currently \$1.01)

As indicated in the April 2013 issue of “*The VOICE*” newsletter, every Redding utility customer has the ability to protest the rate increases. Such notices will be sent at least 45 days before the public hearing on August 20, 2013. Should the increased rates be approved, they would take effect in October, 2013.

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**.

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