



# The VOICE

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### Did you know...

- Shasta County Supervisors approved acceptance of a grant from McConnell Foundation for \$50,000 for the project entitled "Shasta County Parks, Trails, and Open Space Plan" at their BOS meeting on June 24th. They also approved an agreement with a consultant for \$100,000 to prepare this plan at the same meeting.
- The 30th anniversary of the approval of Proposition 13 in California was on June 5th. The 1978 vote ignited a revolution that dramatically changed the way people look at government and taxes.
- The City of Redding issued 29 single family home permits in May, 2008, as many as January through April combined, and 24 single family home permits in June, 2008.
- City of Shasta Lake officials have initiated discussions to address concerns about the RABA Joint Powers Authority, suggesting a reduction in the number of board members to 5 so that all affected jurisdictions have a voice and influence in the decision making process.

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## City Council Defers Taking Action on Joint Shasta County/City Of Redding Facilities Impact Fees

At the Redding City Council Meeting on June 17, 2008, the Council members heard a presentation from Muni-Financial Consultants regarding joint "Facilities Impact Fees" for the purpose of having City of Redding residents help pay for county services. The proposal calls for the City of Redding to collect an additional \$4,171 in impact fees for each single family home built in the City, and much more for commercial developments, and turn this money over to Shasta County.

The purpose of impact fees is supposed to be to ensure that new development pays the **capital costs** associated with growth, not to support existing services. These proposed fees go far beyond "capital costs", by the City's own admission in staff reports dating back to March of 2006, agreeing that these fees are far from traditional. Under the Mitigation Fee Act, impact fees must be quantifiable, with planned facilities specifically identified. Legal opinions obtained from both our own attorney, Walt McNeill, and from the Pacific Legal Foundation concluded that impact fees for "generic services" such as library books, general government, public health, and public protection aren't legally justified.

It is clear that Shasta County and the City of Redding have not been able to come to a sales tax sharing agreement, and this fee program is designed to replace that. The program charges a disproportionate share not only to the new home buyer, but also to the City of Redding. If the purpose of this program is to have city residents help pay for county services, then all of the incorporated cities in Shasta County must contribute their fair share. The traditionally accepted method of obtaining revenues to pay for services to **all** people who live in the County is to have **all** those people pay their fair share. It's called taxes...property taxes and sales taxes. We already have both of these revenue sources in place for local governments agencies in our community.

City Attorney Rick Duvernay expressed concern that in order for such a "joint fee" program to work, a Joint Powers Authority (JPA) would have to be created. A JPA is another level of government set up to properly and legally manage the collection and expenditure of the fee payments. He advised that, if a joint fee program is to be approved, the City of Redding have Shasta County indemnify them from disputes that would arise under such a scenario. Councilman Ken Murray also expressed concern about expenditure agreements.

The Council questioned many other aspects of this program, including the fact that both the cities of Anderson and Shasta Lake must also agree to participate and contribute their fair share to the County under such a program. To date, the study prepared by Muni-Financial excludes these two cities, creating a funding gap. The study will have to be refined to include both of these cities, with fees calculated for each. The Council directed staff to **defer taking any action** on this proposal until both Anderson and Shasta Lake have had an opportunity to consider this issue.

Shasta VOICES and our legal experts will continue to monitor the progress of this proposed fee program, and keep you updated as information becomes available.

## *CalTrans Asks City of Redding for “Fix 5” Fee as a “Condition” on Development Projects*

Over the past several months, CalTrans has regularly requested that the City of Redding condition projects to participate in “Fix 5” or similar regional fee programs to fund I-5 mainline improvements, should a “Fix 5” program be established. Specifically, CalTrans has requested the following condition be applied to projects:

*“The applicant, owner or successor in interest shall enter into an agreement with the City, obligating the owner or any future owner to pay any applicable established regional traffic-improvement fee at the time of issuance of a building permit. The project shall only be subject to the regional fee in the event that the project is clearly located within the boundary of said fee district and the fee program is adopted prior to the issuance of a building permit.”*

Since the fee program is not in place, no such agreements have been entered into. But City Development Director Jim Hamilton made a report to the City Council at its July 1, 2008 meeting, asking for direction on the continual requests. The public was given an opportunity to speak to this issue, and speak they did!

Shasta VOICES, having followed the “Fix 5” issue for more than one year, presented this testimony with the help of our expert attorney on the subject, Walt McNeill:

1. A development condition that requires the property owner to enter into an agreement to pay a future Fix 5 fee is an attempt to cut off the legal rights of property owners to contest the fee, and the imposition of the development condition itself against any specific project will trigger *immediate litigation against the City which the City is almost certain to lose.*
2. It is unfair from any perspective to ask a landowner to agree to pay huge amounts of money in the future for something that isn’t even fully formed. Assuming that each council member can at least figuratively step into the shoes of a businessperson, can you imagine signing a contract to pay a future unknown amount of money for something that doesn’t legally exist yet, that may not be legally valid at all, and that may determine whether your business is economically viable or not? Putting aside legal arguments, is there any perspective form which that sort of agreement could be considered “fair”, especially when the “agreement” is forced upon you if you want to continue your livelihood?
3. The City should not knuckle-under to threats of bullying by CalTrans. Behind the scenes CalTrans has engaged in not-so-subtle bullying tactics and threats to attempt to force local agencies like the City of Redding to pay for mainline I-5 improvements that are purely the responsibility of the state and federal government. Alternately, CalTrans either makes improper and unethical insinuations that it will withhold state funding on unrelated projects if local agencies don’t contribute to mainline I-5, or it threatens to file suit on CEQA grounds to challenge the environmental review of development projects that allegedly impact traffic congestion on mainline I-5. The behavior of CalTrans doesn’t get the public exposure or condemnation that it should, but nonetheless CalTrans should be given the clear and public message that: (a) CalTrans officials must observe their public duties as state officials, and local agencies like the City will not yield to extortionate and improper insinuations that other important but unrelated projects will go unfunded if the City doesn’t pay tribute for an I-5 CalTrans program; and (b) CalTran’s posturing about bringing CEQA litigation against the City is an empty threat, because the City has no CEQA mitigation authority or responsibility for mainline I-5 improvements (City contributions for freeway ramps—for which the City does share CEQA responsibility—are the interface between the local road system and I-5, and should not be confused with responsibility for mainline I-5). The City should stand up to CalTrans, and it will not stand alone.

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The “Fix 5” fee will be the subject of much more review and debate in the months to come. Shasta VOICES is opposed to the “Fix 5” fee for a variety of reasons. But without getting into the merits of whether or not “Fix 5” is good or bad, or whether or not it should or should not be adopted in some form, it is inappropriate and highly premature to even refer to the fee in development conditions at this time. Even referring to it as some generic “regional fee” in development conditions serves no purpose, and invites confusion and potential disputes.

After hearing many others give testimony in opposition to such a request, the Council members voted 4-1 to only accept the report and take no further action. Rick Bosetti, who voted no, said he wanted to let CalTrans know that he has no interest in “Fix 5” fees and would prefer they never bring the fee program back to the table for discussion.

We believe the Council members made a very sound decision, and appreciate the courtesy given to each member of the public who spoke to them about their concerns.

To our knowledge, the proposed “Fix 5” Fee program will not come back for public discussion before the next Shasta County Regional Transportation Planning Agency Board meeting scheduled for October 28, 2008. Unless, of course, CalTrans tries another tactic to push their agenda forward without public exposure.

## ***Video-on-Demand Soon to Be Available for Redding City Council Meetings***

If all goes well, the Redding City Council meeting to be held on September 16, 2008 will be the first one available to view on line. It will not be live initially, but will be available shortly thereafter. A viewer will have the ability to jump right to the video segment that he or she is interested in, watch and listen to the discussion on a particular matter.

This service will be provided to the City by Granicus, Inc., paid for with funds from the City's Information Technology Internal Service Fund reserves. The City Council approved spending \$44,000 for this program at the June 3, 2008 City Council meeting.

The meetings will be indexed to the on-line agenda, making selection of the video segment very easy. In the second phase of the roll-out later this year, the video segments will also be linked to the published on-line minutes. Together with the availability of the staff reports already on line, our citizens will have the opportunity to really "tune in" to the City's decision making process.

The public will now be able to participate either by attending these meetings in person, watching the video-tapes on television, or viewing the meetings on-line.

## **Police Facility Review Committee Makes Recommendations**

A 14 member citizens committee appointed by Redding City Council in February, 2008, made their recommendations for funding the much needed new Police Facility at the Council meeting on July 1, 2008.

They recommended that the facility be located in the Civic Center campus, with the preferred site being the South City Park area, and supported the need for a 67,000 square foot primary police facility, along with a 10,200 square foot support building and an indoor firing range.

The estimated cost for these buildings is \$41.9 million. The committee recommended that funding be a combination of one-time sources of funds totaling \$13.3 million (through the sale of City assets, reallocation of internal funds, or other General Fund sources), expense reductions and revenue increases to support a \$13.4 million level of bond financing, and a 0.25% temporary general sales tax increase sufficient to raise approximately \$15.2 million.

The City Council *did not support a sales tax increase*, and it will not be put on the November election ballot. Instead, they preferred to learn more from the staff about a 1% reduction in the general budget and what effect cuts in services would have on the public, a \$650,000 annual street maintenance reduction, and whether or not an existing building is available which can be adapted appropriately at a lesser cost. Staff agreed to bring back that information to the 8-5-08 meeting.

## ***Façade Preservation Program Expanded to Include Hilltop Drive Properties***

The Redding Redevelopment Agency has funded a Storefront Improvement Program since September 1999, within designated portions of the Market Street and Canby-Hilltop-Cypress Redevelopment Project Areas. The Program provides assistance to property owners and/or tenants for exterior façade improvements to commercial structures located in the Downtown Specific Plan Area as well as the North and South Market Street corridors leading into Downtown, the Railroad Avenue corridor, and the Parkview Avenue corridor. So far, the Program has approved 62 applications and spent \$370,000 to assist owners and tenants with their private investments.

Effective July 2, 2008, the Program has been revised and expanded to include eligible project areas in the Hilltop Drive corridor, in the area of the current streetscape project. The new program is called the "Façade Preservation Program." Key features of the program include:

- Participants will convey a Façade Preservation Covenant to the Agency which will place certain terms and conditions on the development and maintenance of the building façade over a three-year term.
- A Façade Preservation Covenant at a value of up to 50% of eligible improvement costs up to a maximum value of \$7,500; minimum value of \$1,000. This includes materials and labor. *This is not a loan*, but rather "extra" money for those who choose to participate and maintain the improvements for the stipulated period of three years.
- Eligible improvements include exterior awnings and canopies, doors and windows, painting, landscaping, and signage.
- Applications must be submitted prior to starting construction of the improvements. Tenants are considered eligible applicants upon written approval of the property owner. There is a non-refundable application fee of \$100. ***The purchase of a Covenant is available on a first-come, first-served basis!*** The current amount of available funding is \$100,000.

The application itself is amazingly simple, with only 12 "fill-in-the-blanks" and a signature, and the Covenant agreement is only 1 1/2 pages long. The program is designed to provide business owners an opportunity to make the area more attractive and add value to both buildings and businesses. To take advantage of this opportunity, contact **Teresa Rudolph**, Assistant Redevelopment Project Coordinator for the City of Redding, **(530) 225-4044**.

## *Shasta Forward Program Hits Snag*

The “Shasta Forward” regional blueprint project, brought forward by the Shasta County Regional Transportation Planning Agency (SCRTPA) after obtaining grant monies totaling \$756,000 altogether, appears to have hit a snag. The goal of this project is supposed to be to encourage collaboration and integrated planning process within a region, so that the region may effectively accommodate population growth. On more than one occasion, the SCRTPA staff presenting this program have referred to state actions giving preference in state funding for projects consistent with blueprints, and that is the real driving force behind this project.

At the SCRTPA Board Meeting held on June 24th, a draft letter composed by the California Association of Councils of Governments, which includes Shasta County’s Regional Transportation Planning Agency, was presented. Interestingly, the letter is written in **opposition** to SB 375, the proposed “blueprint” legislation. Apparently, they don’t like the way the bill is written. One paragraph says, “...there are a number of provisions in the bill that are susceptible to multiple interpretations...it is likely that this legislation could undermine the very foundations upon which the regional blueprint process is built.”

Even more interesting is this paragraph: “...our position requires that the legislation does not interfere with the autonomy of local land use decisions. These regional blueprints began as local voluntary efforts. It was the voluntary nature of them in the complete absence of any state control that allowed local government to participate actively and support these efforts.” We could use the same argument about our own Regional Planning Agency in Shasta County.

It sounds like these agencies are beginning to experience the very concerns that the *real*/general public has been voicing for the better part of a year, at least in Shasta County. We, too, do not support any type of state or regional control or approval requirements or limitations on local land use decision-making. As much as the SCRTPA has tried to convince our local community that this is a voluntary effort, and the results of the Shasta Forward Project will not replace in any way the planning processes already in place, it is becoming evident that this is not the case.

Director of Shasta County’s Resource Management, Russ Mull, attended this meeting and gave testimony on behalf of Shasta County. He pointed out that the County has **not participated** in the blueprint process, and does not plan to participate. Doing so would automatically consider them as collaborators. He feels that this is an agency driven process and it is not inclusive. He asked the Board if they wanted to lose their land use authority, which is what would happen if this program is implemented.

Perhaps this paragraph of the letter provides the most insight on just why Shasta Forward is pushing their agenda so hard: “Both the League (of California Cities) and California State Association of Counties (CSAC) support state actions to give a preference in state funding projects consistent with blueprints—which essentially is what the sustainable communities’ strategies will wind up being the next generation of—and support that type of carrot coming from state agencies...”

The “sustainable communities strategies” referred to is a subject for another day, but it basically promotes infill development and discourages anything outside of service areas. It would apply to Shasta County as a designated Metropolitan Planning Organization (MPO), making them eligible for state and federal transportation funds. It would not apply Tehama County because they are not a designated MPO. To become a designated MPO, the County must have at least 50,000 people in the area. The implications of such a program deserve much public debate before going forward, and we hope to be provided with such an opportunity. In the meantime, we will continue to track the progress of Shasta Forward, and all the other programs it seems to be connected with, and bring that information to you in a timely manner.

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