



The VOICE

Your independent news source

Greater Shasta County, CA

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Did you know...

- A 2 day “**March on Poverty Food Drive**” will be held in Redding on Friday and Saturday, March 14th and 15th, from 11:00 a.m-6:00 p.m. at the Grocery Outlet, 2235 Churn Creek Road. Food, personal care products, clean sleeping bags, and monetary donations are gladly accepted!
- The unemployment rate in Shasta County reached 10.0% in January, up from 8.5% in December. It was the highest since January 1998 when unemployment hit 11.8%. In Tehama County, unemployment was 9.3% in January.
- The City of Vallejo has implemented a “Fiscal Emergency Plan” to avoid filing for bankruptcy due to poor economic conditions. It includes expenditure reductions, the elimination of 38 general fund budgeted positions, and a salary reduction of 6.5% for police and fire employees., along with reductions in retiree payouts.

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Original “Lithia Deal” Fails Alternative Offered

At the March 4th Redding City Council meeting, the council members, acting as the Redevelopment Agency Board, voted 3-2 to offer an **alternative proposal** to the purchase agreement brought forward by Lithia Real Estate, Inc. for their existing car dealership properties at East Cypress Avenue and Hemsted Drive to help facilitate their expansion and move to Airport Road and Highway 44.

Council/Agency members Rick Bosetti, Patrick Jones, and Ken Murray all expressed their opposition to buying this property. Ken Murray proposed a motion to enter into an “option” agreement with Lithia instead. He suggested that the Agency would pay Lithia \$1 million for the option to hold the existing Lithia Motors properties for 18 months, contingent on Lithia developing their expanded new facilities at Highway 44 and Airport Road. The Agency would **not** buy the existing properties after the 18 month option period if no private developer comes forward with an offer to buy the land at the \$7.934 million asking price. The Agency, however, would forfeit the \$1 million dollars under that scenario, if the property is not sold to a private party.

Council/Agency members Dick Dickerson and Mary Stegall, who said she “saw the writing on the wall,” strongly supported purchasing the Lithia properties with Redevelopment dollars, but voted yes on Murray’s motion, as it was the only option left, rather than see the deal die altogether. Both Patrick Jones and Rick Bosetti voted no.

City officials are presenting this alternative proposal to Lithia to see if these conditions are acceptable to them. It is not clear just what Lithia’s plans would be if they do not agree to this alternative proposal.

What is clear is that the citizens and taxpayers in Redding do not want to see their tax dollars put at such a high level of risk. Many appeared at the last three hearings on this issue and spoke eloquently about their concerns. The Council members are to be commended for listening and ultimately acting in the best interests of the community. We especially want to thank Ken Murray for presenting an alternative that addressed many of the concerns that had been voiced.

The Council members did vote 4-1 (with Bosetti dissenting) on a separate motion to approve the proposed cooperative agreement with Lithia Real Estate, Inc. regarding the widening of Airport Road, and appropriating \$2.2 million in Traffic Impact Fee funds for those improvements, should Lithia accept the “option” proposal. We applaud the efforts of the City to assist in financing the needed infrastructure improvements. We appreciate the spirit of cooperation between the City and this private business, and hope to see it repeated with all businesses that choose to invest in our community.

Stay tuned for the final outcome of the proposed alternative agreement. It is now up to Lithia to make the final decision.

SHASTA COUNTY IMPACT FEES HEARING DATE IS SET

The proposed Shasta County/City of Redding cross-agency impact fees hearing date is scheduled for April 1, 2008 at 9:00 a.m. at the Board of Supervisors Chambers. Plan to be there! As documentation becomes available, we will let you know.

Delta Airlines Wants Guarantees to Bring Service to Redding

At the Redding City Council meeting on March 4th, council members were asked to approve an incentive package for Delta Airlines to bring twice-a-day nonstop air service from Redding to Salt Lake City, featuring 50-passenger regional jets.

Delta wants \$500,000 in revenue guarantees and \$120,000 in marketing and start-up costs from the City of Redding. These funds could come from the proceeds of a pending land sale at the Airport Business Park, and start-up costs could come from the Airport budget. Delta is also looking for local businesses to contribute \$600,000 to a travel bank, a mechanism designed to show Delta strong community support by pre-purchasing future flights on Delta. The minimum contribution for those who choose to participate is \$2,000, and must be used on future Delta tickets in and out of Redding within one year of initiation of the Redding service.

A quick check on the recently added Delta air service in Eureka (for comparison purposes) shows airfare for Delta out of Eureka traveling to Salt Lake City, with a final destination of Denver, to be a reasonable \$298 round trip (plus taxes and fees). If your final destination out of Eureka is Atlanta, the fare is shown to be \$398 round trip (plus taxes and fees). This type of service out of Redding could certainly provide an attractive alternative to the current level of air service for those Redding citizens traveling East, for both business and pleasure trips.

If the business community shows \$600,000 worth of support for such service out of Redding, Delta will initiate service as early as July, 2008. The council voted to move forward with negotiations, but will come back in one month for a final vote on the deal. If you are interested in contributing to the Travel Bank, contact Greg O'Sullivan at the Shasta Economic Development Corporation, (530) 224-4920.

“Fix 5” Impact Fee Proposal Postponed by Partnership

The “Fix 5” Partnership, headed by the Shasta Regional Transportation Planning Agency, has decided to make changes to their original proposal on how to pay for more lanes in the future on Interstate 5, which is federally owned and typically improved and maintained with gasoline tax dollars collected to pay for it.

This *unprecedented* proposal covers 61 miles of Interstate 5 passing through Shasta and Tehama Counties from Corning to Mountain Gate. It suggests implementing *local* development impact fees to pay for a third lane in both directions on this stretch of the federal highway. No other City or County in California is doing this. Other self-help communities have implemented sales taxes at the voters discretion, because they understand the legality issues associated with trying to create local impact fees to pay for a federal highway improvement, and their needs are immediate.

The first proposal included a “Phase I” and a “Phase II” implementation plan. Apparently, the delay and lack of projected future development and growth in the North state has eliminated the sense of urgency once felt by the Partnership. “Phase I” was purported to be an “interim” fee that

would start before the full study of a second, more refined fee was calculated.

Now, having received negative feedback, not only from the general public but also from City Managers and other government officials in the Region, the Partnership has chosen to go before the Regional Transportation Planning Agency (RTPA) Board with a new recommendation.

At the regularly scheduled RTPA Board meeting on April 22, 2008, the “Fix 5” Partnership organization will ask for approval on two issues:

1. Move the project from a two-phase project to a one-phase project, refining the existing data, but keeping the structure in place.
2. Form a Joint Powers Authority (JPA) and replace the Memorandum of Understanding (MOU) that had been previously proposed in order to manage the programs, if they are implemented.

Much discussion has taken place since this whole proposal was made public last May. Many questions and

concerns about this *unprecedented* proposal have not been properly addressed, including the legal mechanics of managing such a program. An individual local agency cannot collect this money and just hand it over to another agency to spend (or not).

There has been a lack of full and forthright information brought forward by the “Fix 5” Partnership. For instance, the study methodology is flawed and conclusions of the study are unclear, by their own admission. It has not been clearly explained that in order for such a regional fee program to be implemented, *local government officials will need to give up their fee-setting authority* to another agency. Such fees would require a regional entity to collect, manage and spend the money. That is why the new proposal to form a Joint Powers Authority (JPA) is now being presented to the RTPA Board.

It is unclear whether or not this new proposal will do anything to change the minds of any RTPA Board members regarding the implementation of local impact fees to pay for mainline improvements to a federal interstate highway. What is clear is that there are still far too many unanswered questions and concerns about the program.

Retiree Health Care Benefit to be Eliminated for Future Retirees

On February 5, 2008, the Redding City Council adopted a resolution relating to the Government Accounting Standards Board Statement 45 (GASB45) Implementation Plan.

This new resolution modifies the current “premium share policy for health insurance benefits after retirement” to stipulate that employees hired after a designated date, subject to each labor organization’s bargaining agreement, will be responsible for the **full cost** of the health insurance benefits if they choose to continue coverage upon retirement from the City. Currently, the City pays one-half of this premium for the medical/prescription, dental and vision insurance program.

The City’s current labor agreements have contracts expiring somewhere between December 31, 2007 and March 31, 2012. The City has submitted a proposal to the SEUI group who cover clerical, technical, and professional employees, and whose contract was the first to expire on December 31, 2007, stipulating that employees hired after January 1, 2008 who retire from the City will be responsible for the full cost of the insurance premium.

City Manager Kurt Starman, and Personnel Director Linda Johnson, are to be commended for acting so quickly at the direction of City Council to develop a proposed policy for eliminating the City’s contribution to post retirement health insurance premiums for future employees. We congratulate them and the City Council for demonstrating a good start towards fiscal responsibility in government.

Committees to Explore Funding Options For Redding Police Station and Shasta County Jail

Not many disagree on the need for a new Redding Police Station, or an additional new Shasta County Jail building. And, most will agree that finding the funds to pay for these two facilities will not be an easy task.

The Redding City Council, at its February 19th meeting, created a citizens committee to explore funding options for the Police Station. Each of the five Council members will choose three people to serve on this committee, making it a 15 person committee. Several options have been presented in the last few months, including lump-sum resources from redevelopment contributions, proceeds from the sale of the existing facility, a public benefits contribution from REU, and a commercial block grant contribution, which would reduce the approximate \$35 million price tag to \$28 million, for which a 30 year bond would be purchased.

Options to pay the leftover annual debt

service of about \$1.85 million include a transfer of the REU Unit 6 in-lieu fee, a reduction in the general fund street maintenance, a general fund reduction of some percentage, selling the “Stratte” property and retiring its general fund obligation, delay the hiring of future city personnel, reduction of the Turtle Bay contribution, and the possibility of leasing instead of owning the new facility. Mayor Mary Stegall has repeatedly said that she supports a sales tax increase to fund the Police Station.

The Shasta County Supervisors also created a committee to explore funding options for a new Shasta County Jail at their February 19th meeting. They voted 4-1, with David Kehoe dissenting, to apply for a jail grant, even though the County doesn’t have the annual \$6

million a year that would be needed to run a new jail building, even if the state awards a multi-million dollar grant to pay for the new building construction. The majority of Supervisors felt that the County has four or five years before the jail would be built, and hoped that residents might support a countywide sales tax increase in the meantime.

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So, it appears that our government officials believe their citizens will support an increase in sales tax to pay for these new facilities. We hope that the committees formed

to study funding options will find more certain ways to pay for these facilities. In our less than ideal economy, raising taxes and fees seems to be counterproductive, at best, and voters are likely to say no.

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.

If you are reading from a printed copy, you can obtain more information by going to our website, or calling:

www.shastavoices.com

(530) 222-5251

“BRIDGE BUCKS” Campaign Under Way

Help for Businesses Affected by Cypress Bridge Construction

Impending lane closures along Cypress Avenue due to the construction project on the Cypress Avenue Bridge may cause some detours for consumers who support affected businesses, but a campaign is under way to ensure that their patronage is acknowledged and rewarded.



A promotional campaign, called “*Bridge Bucks*”, sponsored by the Redding Chamber of Commerce and the City of Redding through their “Shop Redding” program, is now under way to assist in this effort.

Beginning on March 6, 2008, local media including the Record Searchlight, KRCR Channel 7 T.V., and all 12 local radio stations will promote any of the 276 businesses in and around the Cypress Avenue detour-affected area who have chosen to participate. Also, to participate in the “*Bridge Bucks*” program, each business would offer a “Bridge Buck” discount to customers from mid-March, 2008 through the end of the turn lane closures on the Cypress Bridge, approximately September, 2008. These discounts are completely flexible, and can consist of whatever each participating business feels is most appropriate for their particular business. The “bucks”, pictured below, will be located at all participating businesses to hand out, and can be obtained by clicking on “Bridge Bucks” at the Chamber’s website, www.reddingchamber.com. The Record Searchlight and the City of Redding will have a link on their websites to the Chamber’s website as well. Additionally, the City utility bill sent to Redding customers will include a “Bridge Buck” printed in the “Connects” newsletter with a description of what it is and how to use it.

Alternate routes to these businesses will be publicized so that people know how to get there. The City of Redding will run maps with the detour routes for each phase of the work, beginning four weeks before the closures occur. McHale Signs is preparing directional signage to be installed on Cypress Avenue for street detours. Signage is being prepared by Sign-A-Rama to promote the “*Bridge Bucks*” program at each business.

This program demonstrates community support at it’s finest! Thank you all for showing that you care about local businesses, and will do your part to help out during this challenging experience.

SUPPORT YOUR LOCAL BUSINESSES

REDDING BRIDGE BUCKS

Businesses in the area of the *Cypress Avenue Bridge* appreciate your patronage during construction of the new Cypress Bridge. To show our appreciation, we would like to offer customers a **DISCOUNT** for doing business with us during this time

Visit reddingchamber.com and click on **BRIDGE BUCKS** for the list of business discounts. Bring your **BRIDGE BUCK** to receive your discount.

Not valid with other promotions or discounts.
Offer expires September 30, 2008

Record Searchlight
www.recordsearchlight.com

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