



# The VOICE

Your independent news source

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### Did you know...

- There were **29** single family home permits issued in the City of Redding in February 2020, for a total of **44** so far in 2020, and **7** Carr Fire single family rebuild permits issued in February 2020, for a total of **10** so far in 2020. There were no permits issued for new commercial buildings in February 2020, for a total of **4** so far in 2020.
- There were **53** new single family home permits issued in unincorporated Shasta County in 2019, 2 more than in 2018. There were **130** Carr Fire replacement home permits issued in 2019 in unincorporated Shasta County, 118 more than in 2018.
- On March 24th, Shasta County Supervisors **postponed** the scheduled Public Hearing for the zoning amendment **regulating short-term rentals to July 21, 2020.**

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## Development Continues to Boom in Redding Despite Coronavirus

Building activity in the City of Redding is continuing to boom, at least through February, as statistics are indicating. It seems to be something positive happening in our community in the midst of all the chaos due to the Coronavirus pandemic.

On March 19, 2020, Governor Newsom issued Executive Order N-33-20 in response to the coronavirus pandemic, directing all residents to stay home except as needed, and provided a list of "Essential Critical Infrastructure Workers" in various sectors who are **exempted**. These include healthcare, public health, emergency services, public works, food & agriculture, and a host of workers in many retail and food service industries. Also included are **construction workers** who support the construction, operation, inspection, and maintenance of construction sites and construction projects (including housing construction), and workers such as plumbers, electricians, exterminators, and other service providers who provide services that are necessary to maintaining the safety, sanitation, construction material sources, and essential operation of construction sites and construction projects.

In the month of February, there were 36 new single family home permits drawn in Redding. That brings the year-to-date total to 54 new single family homes, a 59% increase over last year, which was a 71% increase over 2018. This year-to-date total includes 10 Carr Fire new single family home rebuilds. The other 44 new home permits through February include subdivisions by Palomar Builders, Heritage LLC, MD Development, and Churn Creek Heights. We haven't seen this much new home activity in Redding for many years.

After the major hailstorm on May 24, 2019, there were more than 8,000 damaged roofs in Redding that have been and continue to be replaced. In February of 2020 alone, there were 304 permits issued for re-roofs.

There are also some multi-family low-income projects permitted and in some phase of construction: Kennett Court Apartments on Lake Boulevard and PC Redding Apartments on Polk Street. Additionally, there are multiple large commercial projects permitted and in some phase of construction in Redding:

- The Center of Hope New Care Clinic on Industrial Street
- The Center of Hope At Risk Youth Housing Apartment Project on Industrial Street
- The McConnell Foundation Bike Depot project at 1318 California Street
- Save Mart in the Churn Creek MarketPlace
- Ross Dress for Less in the Churn Creek MarketPlace
- Veterans Outpatient Clinic on Knighton Road
- Homes 2 Suites By Hilton on Caterpillar Road
- Mt. Shasta Mall outer building to house Chick-fil-A and Tea Bar and Fusion Café
- Placer Heights mixed-use project at 1701 Placer Street
- The Market Center mixed-use project (former Dicker's Department Store site) at 1551 Market Street
- The Block 7 project on California Street (where the downtown parking garages are now demolished)
- and last but certainly not least, the new Shasta County Courthouse.

All this local activity looks like it will continue with the Governor's worker and supplier exemptions, offering some positivity in our community. Stay tuned!

## ***REU Will Provide Customer Refunds***

On March 3rd, Redding City Council voted 3-2 (Winter and Schreder dissenting) to have Redding Electric Utility (REU) give back a **total of \$2 million to all of its 44,000 customers** in the form of a “volumetric refund” on electric utility bills. That translates to an average of about \$45 per customer. The majority of Council members wanted the ratepayers to experience at least some benefit from the recent good performance of REU.

The refunds will be paid from REU’s cash reserves. A reserve analysis presented by staff from REU shows net unrestricted cash at \$51.9 million as of December 21, 2019, which is 156 days of cash on hand.

City Manager Barry Tippin and REU staff members had outlined multiple reasons why they did not recommend **any** rate reductions at this time. They referred to “Policy No. 1414”, which says that a rate increase should be considered if debt service coverage will be less than 1.80x (it is actually 2.15x), if end of year reserves are less than 75 days cash (they are actually 156 days cash), and major expenditures are expected (they aren’t). The most recent five-year forecast prepared by staff indicates that **four consecutive rate increases of two percent are forecast**. REU staff reminded Council that if revenues exceed expectations or expenses are below expectations, the appropriate action would be to **not** impose a planned increase. REU has not asked for planned increase since 2014, and ratepayers are paying the same amount today as they did in 2014. The majority of Councilors voted for the refunds after considering all the information presented by staff.

There has been no indication yet of exactly **when** the refunds would appear on REU customers electric utility bills, and Council has called a special meeting for March 26th to further discuss the refunds. Stay tuned!

## ***Planning Commissioners Make Changes to Zoning Amendments For ADU’s and Temporary Signs***

On March 10th, the Redding Planning Commission conducted a public hearing for the purpose of making a recommendation to Redding City Council regarding zoning amendments that would make modifications to existing requirements for two sections of the Municipal Code: Accessory Dwelling Units (ADU’s), and the use of banners and other temporary signs (which has been discussed for over a year with local businesses).

The Planning Commission **approved** recommending modification to the zoning exception requirements in Section 18.15.030, pertaining to **lot size reduction for ADU’s** to comply with recent changes to State law:

- CC&Rs cannot restrict ADUs;
- Allowed in any zoning district that allows for a single-family dwelling and multifamily uses. This would include Office and Commercial Districts which allow for residential uses;
- No minimum lot size is required;
- Lot Coverage – Is not applicable;
- Minimum Unit Size –250 square feet, although smaller ADUs meeting the building code for efficiency units are allowed;
- Maximum Units Size – 1,000 square feet;
- One off-street parking space for the ADU. Replacement of covered parking spaces is not required if an existing garage is converted to accommodate an ADU;
- Does not have to be owner occupied – not required/implemented until January 1, 2025;
- For a multi-family dwelling, at least one ADU will be allowed within the existing multi-family dwelling and the number of units shall not exceed more than 25 percent of the existing number of dwelling units. A maximum of two detached ADUs will be allowed with a maximum height of 16 feet and minimum side and rear yard setbacks of 4 feet;
- An ADU shall not be rented for a term less than 30 days and not shall not be operated as a short-term rental.

There was much discussion of the proposed staff changes for the use of **banners and other temporary signs**. Planning Commissioners made changes to what was proposed, expressing a need to be more flexible for local businesses to advertise their business. Here are the recommended changes to the zoning codes for signs: **1)** Addition of a temporary sign permit process; **2)** Addition of temporary promotional sign standards; **3)** Keep the requirement for the number of advertising balloons at 200, and allow ad copy and logos on balloons; **4)** Do not restrict window signage to a percentage of the window size in vehicle lots; **5)** Pennants and streamers will be permitted; **6)** Prohibited signs to include yard signs and feather flags; **7)** Non-conforming signs—allow for modifications to support and frame components with the approval of an administrative sign permit; **8)** Eliminate the requirement to reserve ten percent of the maximum allowable for temporary promotional advertising, and **9)** delete window painted sign standards.

The recommended changes will now be incorporated into the appropriate zoning sections as approved by the Planning Commission, and go to City Council as a public hearing for consideration, which will be noticed in advance.

## *Shasta County Planning Fees See Some Decreases*

On December 17, 2019, Shasta County Supervisors **approved** an ordinance setting and identifying fees to be charged by the County, which established and /or adjusted fees for permits and other services provided by the County.

With the exception of certain fees specified by State law, fees must be no more than necessary to cover the reasonable cost of the governmental activity. The basic concept of fees is to charge the actual user of the services for the cost. In cases where there is no fee or where the fee does not fully cover costs, other sources of revenue, including the General Fund, need to be identified to cover the cost to provide services.

Each year, the County reviews such fees, and conducts a public hearing to consider any changes to those fees. It is rare to see fees **decrease**, but this time, there were some significant **amendments to Planning Division fees** adopted by the Board that include some decreases as follows:

**Multiple Concurrent Applications:** Previously, all concurrent application fees were required to be paid in full. The amendment now requires that the highest application fee be paid in full and that **all other concurrent application fees be reduced by 50%**. This approach mimics the City of Redding's. One local developer shared with Shasta VOICES that he was able to reduce his project fees by about 22% with this new approach.

**Timber Production District Rezoning Applications:** The purpose of the Timber Production (TP) District is to preserve lands devoted to and used for the growing and harvesting of timber that meet the requirements of State law. Previously, all rezoning applications required a fee of approximately \$10,000. Based upon input from landowners that the cost of rezoning their property to TP was preventing them from pursuing the establishment of a Timberland Production Zone (TPZ) and receiving the associated property tax benefits, the Planning Department, under the direction of Resource Management Director Paul Hellman, compared the level of effort associated with this type of rezoning versus other types. They determined that the level of effort associated with TP re-zonings is comparable to Agricultural Preserve (Williamson Act) re-zonings, which has an application fee of approximately \$2,000. One of the primary reasons for the level of effort being significantly less than most other types of rezoning applications is that this type of application is statutorily exempt from CEQA. Therefore, it was recommended that the Agricultural Preserve rezoning category be amended to include TP rezoning applications, which was approved by the Board. Therefore, **TP rezoning applications are now approximately \$2,000 rather than \$10,000.**

**Written Land Use Verifications:** Oftentimes, real estate agents, lenders, insurance companies, and others who want to verify the legality of certain uses or the ability for a property to be redeveloped following fire damage are satisfied with receiving verification over the phone or via e-mail, which is a service that the County provides at no cost. However, others request this verification in the form of an official letter, which previously required a **fee of \$1,288**. Based upon the level of effort associated with this task, this fee has now been **reduced to \$395**.

There was one **increase**, however, as follows:

Based upon the Planning Division's hourly billing rate of \$131.90 (which is based on salary, benefits, and overhead costs), hourly building permit plan review fees were **increased from \$53 to \$131** (\$263 for commercial permits).

We applaud the Director of Resource Management, Paul Hellman, for his efforts in making these changes to Planning Division fees, in addition to all of his other efforts to make it easier and more attractive to do business in Shasta County.

## *Change In CEQA Coming July 1, 2020*

California Senate Bill (SB) 743 was signed into law back in 2013, with the intent to "better align California Environmental Quality Act (CEQA) practices with statewide sustainability goals related to efficient land use and greenhouse gas reductions." SB 743 fundamentally **changes the way land use and transportation projects are assessed** under CEQA towards eliminating vehicular congestion. Currently, this congestion is expressed and measured as "level of service" when identifying transportation impacts. With SB 743, that metric will be replaced by using another method called **Vehicle Miles Traveled (VMT)**, which could negatively affect traffic impact fees locally.

VMT measures the number and length of trips on a typical daily per capita basis. VMT is an indicator of overall land use and transportation efficiency, where the most efficient "system" will be one that minimizes VMT by encouraging shorter vehicle trip lengths, more walking and biking, or increasing the use of carpooling and transit. Reducing per capita VMT, and thus emissions, is in line with State air quality and climate change goals.

This will be challenging in the entire Shasta County area. Even though SB 743 was signed in 2013, it does not appear that we have done anything locally towards this shift to VMT metrics in July. Stay tuned!

## 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.

**Demolition of South End of Downtown Parking Structure In Progress**—In November 2019, the north end of the downtown parking structure was demolished to make room for the new California Street mixed-use development, referred to as the Block 7 Net Zero project. On March 4th, the demolition of the south end of the downtown Redding parking structure began to continue facilitating the project. The City has partnered with the McConnell Foundation and K2 Land and Investment company to redevelop the north end of the downtown parking garage into a multi-story building with 79 affordable residential apartment units, office and retail units on the ground floor, and a park with additional amenities. A new parking structure will eventually be built as part of this project, along with street parking lots, providing between 425 and 500 spaces. Parking will be “tight” downtown in the meantime. To help solve that dilemma, the City is launching a **free shuttle service called “DASH”** to help transport people from outlying parking lots into the center of downtown. This service, which utilizes electric mini-buses, was set to begin on March 23rd, running Monday-Friday from 6:45 am—8:45 am, 10:30 am—1:30 pm, and 3:30 pm—5:30 pm. However, amid the evolving circumstances with Coronavirus, the City of Redding will be **delaying** the launch of the DASH shuttle service until further notice, saying that they are taking this step to ensure the highest level of health and safety to the community.



**Police Sub-Station Opens in Foundry Square**—On March 3rd, Redding City Council approved a 3 year lease agreement with Sheila D. Hurst for space located at Foundry Square in downtown Redding for use by Redding Police Department (RPD) as a substation at **no monthly rental cost** to the City. The current rental value of the space, \$1,100 per month, is being offered as a donation to RPD. This space will offer a more visible presence for RPD in downtown Redding. The neighborhood policing unit and other police officers will be able to store electric bikes in the space so that the police officers can easily access them during their shift. The substation will also provide a location for police officers to take care of office work without having to leave the area, providing better service to the downtown area.

**Planning Commission Meeting for River Crossing Marketplace (Costco Project) Hearing Cancelled**—On March 13th, the Redding Planning Commission posted a notice of public hearing on March 24th to “consider the recommended environmental determinations on whether to approve, modify, certify, or deny the River Crossing Marketplace Specific Plan, General Plan amendment, and rezoning by Costco Wholesale, in association with Rich Development, to develop 25 acres of undeveloped land with a 152,000 square foot discount warehouse, including a fuel station with up to 30 fueling stations, and about 62,000 square feet of complimentary retail, service and restaurant uses.” Due to the coronavirus pandemic, that meeting was **cancelled**. Once a future meeting date has been established, a new public notice will be sent 10 days prior to the meeting in accordance with state and local requirements.

**City Enters Into Purchase and Sale Agreement For Parcel in Stillwater Business Park**—On March 16th, the City of Redding entered into a Purchase and Sale Agreement with Pace Engineering, Inc. (Pace) to sell them Parcel 3 in Stillwater Business Park, located at 5155 Venture Parkway. Pace is a consulting engineering firm currently located in Redding on South Street near downtown. They have outgrown their current facility, and seek to purchase Parcel 3 to build a new 22,000 square foot single story office building to become their new company headquarters. In January 2019, Pace was negotiating to purchase Parcel 2, but determined that parcel was too small, and thus, is purchasing Parcel 3 which is just over 5 acres. The move will help retain Pace’s 50 employees in the City and provide an opportunity to expand and add an additional 20 employees over the next couple of years. The basic terms of the agreement include a purchase price to be determined by an updated appraisal. As long as Pace pays fair market value for the property and doesn’t take any development incentives, they will not be subject to paying prevailing wage for the construction of their project, which could add as much as 30% to the cost. The 2018 appraisal gave a value of \$390,000 (\$1.70 per square foot). The property is expected to be in escrow before the end of March. The net proceeds of the sale will go to the City’s General Fund.

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