



# The VOICE

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### Did you know...

- There were **15** single family home permits issued in the City of Redding in January 2020, for a total of **15** so far in 2020, and **3** Carr Fire single family rebuild permits issued in January 2020, for a total of **3** so far in 2020. There was **1** multi-family unit permitted in January 2020. There were **4** permits issued for new commercial buildings in January 2020, for a total of **4** so far in 2020.
- The Redding Police Department (RPD) has applied for a COPS grant in the amount of \$1.3 million from the US Department of Justice. If awarded, RPD plans to hire 4 additional officers to create a Problem-oriented Policing (POP) unit to focus on quality of life issues. The POP unit would operate foot and bicycle patrols to address issues in the community. The 3-year grant would provide entry-level funding for the new full time officers.

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## Local Disasters Boost City's Revenues

At the June 18, 2019 Redding City Council meeting, Council narrowly approved a proposal with a 3-2 vote (Adam McElvain and Michael Dacquisto dissenting) to **increase all building and planning permit fees**, looking to provide additional General Fund revenues annually to assist in maintaining and adding more public safety positions.

The building fee increases applied to all construction, repairs and remodels. Newly updated and increased valuation tables were implemented, increasing permit fees for a typical new home in Redding by up to 13.7%, for a 5,000 square foot commercial office building by 20.6%, and for a 10,000 square foot commercial warehouse building by 50.2%. The increased permit fees for small permits, i.e. water heaters was 186.8%, for service changes was 114.4%, for HVAC changes was 209.2%, for commercial demolition permits was 95.6%, and for a sign permit was 210.4% (among many other increases). Planning permits and projects were increased by a flat 40% across the board.

It was unknown at the time how this might affect the building and construction industry in Redding. Seven months later, with the Carr Fire rebuilding efforts and our "snow-magedden" disaster, followed by the major hail storm disaster, the timing for the collection of increased building fees has worked in the City's favor. As an example, a comparison of valuations for new homes permitted from 7-1-18 through 2-14-19, and from 7-1-19 through 2-14-20 (a fair year over year comparison according to City staff) looks like this:

7-1-18 to 2-14-19	Number of Permits	Valuation
Single Family Homes—Non-fire	67	\$ 17,889,818 (\$267,012 avg)
Single Family Homes—CARR Fire	31	\$ 7,205,448 (\$232,434 avg)
<b>7-1-19 to 2-14-20</b>		
Single Family Homes—Non-fire	86	\$ 22,183,435 (\$257,947 avg)
Single Family Homes— CARR Fire	49	\$ 16,691,497 (\$340,643 avg)

One might conclude from these numbers that new home builders, non-fire related, have chosen to build more homes with smaller square footage, and/or a smaller footprint since the adoption of higher valuation and other fees and a changing real estate market, thus actually **reducing** the average valuation fees per home after the increases took effect. One might also speculate that the Carr Fire homes being rebuilt are not as concerned with the increased fees and/or the changing real estate market due to insurance reimbursement. But overall, the increase in the total number of homes being constructed during the comparison periods certainly has benefitted the City's budget. We have not been able to obtain real numbers for the small permits issued during this same time frame, but with 8,000 new roofs alone needed after the hail storm disaster on May 24, 2019, those increased permit fees most certainly are and will continue to be an unexpected windfall for the City, among other disaster related revenues.

The mid-year budget review conducted by City Council on February 18, 2020 confirms the windfall: Actual revenues for the General Fund were \$3 million more than projected; the year-end reserve balance will be \$11.2 million (a 14% increase); **building related fees were \$523,721 above projections** (a 35.8% increase); TOT tax was \$312,460 above projections (a 9.8% increase); sales tax was \$753,264 above projections (5.7%); cannabis tax was also \$330,261 above projections (unrelated to local disasters, but significant nonetheless).

## ***Proposed Redding Utility Rate Increases Approved***

On February 4th, after a public hearing, the Redding City Council approved rate increases for water, wastewater and solid waste utility services for the next three years by a split vote of 3-2, with Mayor McElvain and Councilman Decquisto dissenting. McElvain and Dacquisto preferred to delay any increase for one year, saying that existing cash for these utility services should be more than enough to get through the next few years without increasing rates—they were outvoted.

There were a total of 26,850 water customers, 28,806 sewer customers, and 26,728 solid waste customers who received notifications in the mail about the increases, and who were all given an ***opportunity to submit a written protest form*** against any or all of the rate changes prior to the February 4th public hearing. Although there seemed to be plenty of rate-payers complaining about increased rates in public forums and through social media, a majority of them did not submit written protests.

A majority protest (50% plus 1) was needed in order to prevent the increases and/or a City Council vote. The City Clerk's office counted the protest votes, and only 14% of protest votes were received. Therefore, it was up to City Council to say yes or no to the increases.

The increases will add about \$20 per month over the next 3 years to the average utility customer's bill. And, of course, there are plans to continue to raise the monthly rates each year for the foreseeable future.

## ***Shasta County Supervisors Do Not Approve Short-term Rental Ordinance***

Currently, short-term rentals are not permitted in the unincorporated areas of Shasta County, however, they do exist and the County has been collecting transient occupancy taxes of about \$250,000 annually from about two-thirds of the 300 short-term rental operators for years, leading to confusion as to the status of short-term rentals as a legitimate land use.

While tourism plays a large part in the local economy of Shasta County, valid concerns exist regarding the impacts of short-term rentals of neighborhoods and the quality of life of nearby residents. Based on directions from the Board of Supervisors on April 18, 2017, the Planning Division drafted an ordinance to regulate short-term rentals. The goal of creating this ordinance was to quickly and efficiently bring short-term rentals into compliance, using a single permitting process with low fees.

Public input was a key component of the ordinance development throughout the process. There were well-attended public workshops in Lakehead (October 3, 2017), and Shingletown (October 4, 2017), an online survey made available Countywide, and a Planning Commission workshop on November 9, 2017. The first draft ordinance was considered on June 14, 2018, which resulted in a continuance to allow County staff to consult with County Counsel to revise the draft over concerns it conflicted with standing case law. The revised final draft ordinance was considered by the Planning Commission on December 12, 2019. That draft was also revised, and on January 9, 2020, the Commission recommended the final revised draft for consideration by the Board of Supervisors.

Concerns regarding short-term rentals include: noise, parking not being contained on the rental property, responsible garbage collection/disposal, overcrowding of rentals, commercialization of residential neighborhoods, and general lack of consideration to the neighboring residents by renters.

Benefits of the short-term rentals include: greater occupancy of vacation homes which can deter and increase patronage of local businesses, increased accommodation options for tourists, increased transient occupancy tax revenues, and providing an additional source of income for vacation home owners.

At the Board of Supervisors meeting on February 25, 2020, by a vote of 4-1 (Morgan dissenting), ***the Board voted "no" on the proposed ordinance.*** They took exception to the parts of the ordinance addressing density that would allow only two adults per bedroom plus any children under three years old, and limit the number of bedrooms to be rented to five per home. Short-term rental owners who spoke at the public hearing say their average bookings exceeded these specifications.

The Board directed staff to change this part of the ordinance and increase the density for use from two adults per bedroom to ***three adults per bedroom, and raise the age for any children to fifteen and under, with no limit to the numbers of bedrooms in the house.*** With these revisions, the proposed ordinance will be back on the Board of Supervisors meeting agenda on **March 24, 2020** for another public hearing and consideration of approval.

## *More Fix 5 Funding Sought For Two North Redding Projects*

The Shasta Regional Transportation Agency (SRTA) has so far been able to secure state, federal, and regional funding grants to add to additional lanes to Interstate 5 (I-5) from Cottonwood to Redding (all the way to just before the Bonnyview overpass). Shasta VOICES has supported all of SRTA's grant applications for I-5 expansion and improvement, and is pleased to support their current efforts to continue adding lanes and safety improvements:

- ***North Redding Six-Lane Project (NR6L)*** - Under the Better Utilizing Investments to Leverage Development (BUILD) program, SRTA submitted an application for funding to widen I-5 between Star Route 299 and 44, including two bridge structures. The benefits of this project include long-term preservation of traffic operations and level of service needed to support regional economic growth, including enhanced access to designated Opportunity Zones, industrial parks, and three institutions of higher learning. Other benefits include reducing lane weave-related collisions by providing southbound freight trucks additional time to merge from inside lanes (as a result of vehicles entering I-5 at three locations near the Route 44 junction) to the Route 299 offramp.
- ***Fix 5 Cascade Gateway Project***—Under the 2020 Infrastructure for Rebuilding America (INFRA) program, SRTA submitted an application for funding that will improve freight and regional mobility along I-5 for ten miles north of State Route 44 and the city of Redding. Instead of adding more lanes (there are already 3 lanes in both directions) the project will help address all too frequent snow, collision and wildfire closures in this strategic freight corridor by adding auxiliary lanes and extending merging lanes, updating a fixed median barrier with a moveable one to create flex lanes, and incorporating Intelligent Transportation System (ITS) and hydrogen fueling infrastructure. This project would utilize existing, extra-wide median pavement north of highway 273 in order to provide more vehicle storage during closures and lane restrictions so that I-5 doesn't back up through Redding. These proposed improvements are focused on corridor management for which a north-south safe and feasible detour alternative does not exist. Key project benefits include less severe I-5 closure impacts to national freight movement and regional traffic, preservation of traffic operations to support economic growth, and reduced weave-related collisions.

These projects are the culmination of a larger legacy of enhancing freight and regional movement along I-5 in this critical corridor, funded primarily with state and regional funds. The project has a long history of coordinated local, regional, state, and federal investment to maximize corridor mobility, going all the way back to 2007. At that time, a "Fix Five Partnership" had been proposed as an inter-regional joint venture of public agencies with stakeholder participation including Tehama and Shasta County.

The long-time members of Shasta VOICES will remember that the purpose of the original "Fix Five" proposal was to have local agencies, including the cities of Redding, Anderson, Shasta Lake, and the counties of Shasta and Tehama fund a ***local comprehensive impact fee program*** to add "capacity" (one additional lane in each direction on I-5) from Corning through Shasta Lake. Shasta VOICES strongly objected to this proposal, and challenged the fee program which would have charged our local community hundreds of millions of dollars in the form of additional impact fees on all building and construction in our local communities to make capacity improvements to the state's highway. That proposal was soundly defeated in 2008. As it turned out, the recession hit us hard around this time, and the program would have failed for lack of construction activity.

We couldn't be more pleased with the efforts of SRTA in finding the funds from other sources since that time, and continuing to find the necessary funding to make I-5 improvements without local impact fees.

SRTA staff members have explained that they will need more than one funding source to fully fund the above described desired improvements. They plan to be opportunistic based on whatever the current funding opportunity priorities are, and then "fit the puzzle pieces together" to make a whole project. With their highly successful track record of obtaining funding, as evidenced by all of the current road construction projects happening on I-5, and all of the I-5 projects completed over the past few years, it is likely that they will, indeed, find a way to put those puzzle pieces together!

## *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.

**River Crossing Marketplace (Costco Project) DEIR Comment Period Ends**—The City of Redding gave notice on December 20, 2019 that portions of the Draft Environmental Impact Report (DEIR) for the River Crossing Marketplace Specific Plan, which includes the planned new Costco facility, located at the northeast corner of South Bonnyview Road and Bechelli Lane, is being recirculated. The City had previously circulated a DEIR for public review from April 13, 2018 through June 12, 2018, and after receiving comments, recirculated portions of the DEIR for public review from April 1, 2019 through May 30, 2019. Comments received on the recirculated portions of the DEIR at the City Council meeting of August 6, 2019, identified a double-counting of pass-by trips in the air quality analysis that has now been corrected, as well as a revision of the traffic impact analysis report that now includes the proposed Redding Rancheria Casino Project. The comment period from this recirculated DEIR **closed** on February 6, 2020. The comments received are now being addressed, and a revised final EIR is now being prepared by the consultants. The best estimate is that it will come back to the Planning Commission for consideration by April 2020.

**Placer Heights Project Update**—Work started on the Placer Heights Project, located on the corner of Placer and Pine Street in Downtown Redding, in early December 2018. Former Redding Mayor Brent Weaver has partnered with Vicky Keller (who owns Kobe Seafood & Steakhouse) on this 18,000 square foot mixed use building. The property will house a 6,000 square foot restaurant on the ground floor and 16 one-bedroom apartments on the second and third floors, 2 of which will be designated as affordable housing units. Keller purchased the vacant lot—which for years was planned for Riverfront Playhouse’s new downtown home before the theater group walked away from it in 2015—in March 2017. Long time residents will remember that the property housed Carl’s Tire and Automotive center for many years before it was demolished in anticipation of redevelopment. The Placer Heights Project is slated for completion in August of this year.



**New Anchor at Mt. Shasta Mall Set to Open**—Home Goods, the major new anchor located in the former Sears location at the Mt. Shasta Mall, has announced that it will open on **March 15th**. The store fronts Dana Drive. The other anchor in the former Sears space, Sprouts Farmers Market opened on February 26th. Chick-fil-A and Tea Bar & Fusion Café, who will share the new building being constructed at Dana and Hilltop Drive (former Sears corner parking lot area) have not announced opening dates yet, but construction is well under way.



**Former Anderson Mayor Dies**—Norma Comnick, who served on the Anderson City Council for more than two decades, including as Mayor (a total of 5 times), died Tuesday, February 4th, after a long illness. She was 85 years old. Norma was a long-time resident of the area, having moved to Anderson with her family as a child. She was first elected to the City Council in 1996. She also served on the Redding Area Bus Authority (RABA) and Shasta Regional Transportation Agency (SRTA) Boards for many years. Norma was known for working hard to grow Anderson, and tirelessly advocating for seniors and veterans. She was truly a leader in her community, and will be missed by all who knew her.

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