

Printer-friendly story
Read more at redding.com

Charter school boosts Redding's permit values

By David Benda

Friday, September 4, 2009

Redding School of the Arts' new campus on Shasta View Drive boosted building in August.

The charter school, a 47,000-square-foot facility on Shasta View Drive, helped permit valuation in Redding jump from \$3.7 million in July to \$4.99 million last month.

Redding School of the Arts, with a building permit valued at \$2.6 million, accounted for a little more than half of August's valuation.

The philanthropic McConnell Foundation is building the charter school on property it owns across from its walking trail. The new campus is scheduled to open next fall.

Last month's uptick, however, failed to turn the tide of what's been a slow year for construction.

In the first eight months of 2009, the city of Redding issued 869 permits for buildings worth \$34.1 million, a 40 percent drop in valuation and 25 percent decline in permits compared with 2008.

Redding is on pace to record about \$51 million in dollar valuation this year, the lowest total since 1982's \$41.2 million. Adjusted for inflation, that 1982 figure is about \$90.7 million in 2009 dollars.

Construction valuation also is down year over year in Anderson (48 percent), Shasta Lake (33 percent) and unincorporated Shasta County (29 percent).

The lag in building in Redding continues despite efforts by city officials in April to jump-start activity.

Council members approved a construction incentive program that includes the deferral of sewer and water impact fees for commercial projects in redevelopment areas. The incentives can be used for new construction and retrofit projects.

Redding Development Services Director Jim Hamilton has said the program's goal is not to boost building but to give contractors some financing flexibility in these tough times.

But any short-term savings a builder might receive from a delay in impact fee payments doesn't add up in this market, said Joe Cerami of Cerami & Browning Construction Inc. in Redding.

1 of 2 9/8/2009 2:38 PM

"We have far more supply of office and retail space than we have a demand for," Cerami said. "It doesn't pencil out to build a new structure when there is so much square footage available to lease or purchase."

Experts have said there is about 1 million square feet of empty retail, office and commercial space in the greater Redding area.

Interest in public works projects, however, has perked up.

Cerami has bid to build the new gymnasium at Boulder Creek Elementary School, a \$2 million to \$2.5 million project. Boulder Creek is in the Enterprise Elementary School District.

"There are 16 or 17 bidders that I know of. Out of those, probably half of them are from out of the area," Cerami said.

Enterprise district officials said they wouldn't know the number of bids for the Boulder Creek gym until bid results are announced, which is expected to be made today.

Michael Mayor, California Department of Transportation District 2 spokesman, said the state agency also has seen an increase in bidders for highway and facility rehab projects. The district covers Tehama County north to the Oregon border, an area about the size of West Virginia.

"There is a much more competitive market these days. We are seeing costs coming down on these bids to where they were three years ago," Mayor said. "That has to do with the competition and lack of work in other areas."

Reporter David Benda can be reached at 225-8219 or at dbenda@redding.com.



© 2009 Scripps Newspaper Group — Online

2 of 2 9/8/2009 2:38 PM