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City of Redding OKs agreement to sell first lot at Stillwater Business Park

The City of Redding has approved a signed Purchase and Sale Agreement (PSA) with Lassen Canyon Nursery, Inc., making the Redding-based strawberry plant grower the first firm to purchase and construct facilities at Stillwater Business Park.

The City Council on Tuesday unanimously approved the PSA, under which Lassen Canyon Nursery will purchase 16.75 acres (Lot 7) for \$840,000. The agreement provides for a 120-day due diligence period, after which escrow would close and the company could proceed to construct facilities on the parcel. The PSA provides for a down payment of \$420,000, with the remainder to be financed privately.

Lassen Canyon is a “locally grown” company, developing, cultivating and selling high-quality strawberry plants from its locations in California, Mexico and China. It was started in the 1950s and is headquartered just east of Redding. Company officials plan to relocate its corporate headquarters at Stillwater and consolidate much of its operations there.

The PSA is a milestone for Stillwater, a 678-acre fully entitled business park that is City-developed and owned, and is designed specifically for large-parcel manufacturing needs. The park’s first phase was completed in mid-2010 and offers “shovel ready” sites that have already met environmental and other clearance. Infrastructure, such as water, sewer and electric lines for the park, are in place, requiring prospective companies to obtain only a building permit to begin construction.

Stillwater was among the first locations in the state to be included in the California Certified Sites Program, which assures site selectors that a property has been reviewed and certified based on a stringent list of criteria related to readiness for development. Such criteria include zoning, infrastructure, environmental approval, workforce

availability and public services such as police and fire. Once certified by the state, developments such as Stillwater Business Park offer an attractive state-determined assurance to prospective companies that they are truly “shovel ready.”

“We are proud to have as our first tenant at Stillwater a local company that is successful and growing,” said Mayor Francie Sullivan. “That it is investing in our community – and Stillwater – is very exciting. We believe it is the first of many good things to come.”

Lassen Canyon plans to erect several facilities on its new property at Stillwater. Its corporate headquarters, labs, freezers, warehouses and grow houses would be included in the first phase of development. The first phase should see approximately 75,000 square feet of facilities

Under the City’s Economic Development Incentive Policy, Lassen Canyon could qualify for job credits of up to \$5,000 for each new job created. Any such credits would be negotiated separately from the PSA. Company officials have said they hope to create at least 20 new jobs at the Stillwater site upon completion of construction. The company also would be eligible for a reduced Economic Development Attraction Rate from Redding Electric Utility, as outlined in City policy.

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