COLAB SAN LUIS OBISPO COUNTY

WEEK OF DECEMBER 18-25, 2011

INSIDE THIS UPDATE:

LAND USE ECONOMICS STUDY APPROVED

MERRY XMAS ALERT: APCD PROPOSES CEQA GREENHOUSE GAS THRESHOLDS (See Page 4 Below)

Board of Supervisors

Board of Supervisors Meeting of December 13, 2011(Complete), Final Board Meeting of 2011.

More Labor Agreement Modifications. The Board approved labor contracts with three County unions follows:

San Luis Obispo County Employees Association (SLOCEA) Trades and Crafts Unit: This SLOCEA subunit has agreed to a 2 year contract which contains no salary increase in 2011-12 but does contain a reopener in 2012-13 under which a salary increase could be negotiated. Any increase in employee pension costs shall be subject to a reopener.

<u>District Attorney Investigators Association (DAIA)</u>: The Investigators agreed to a 3-year retroactive contract (2010-2013), which contains no base salary increases. They also agreed to a 2^{nd} tier pension plan for new employees hired after December 25, 2011. Unlike most of the other union contracts, but like the Deputy Sheriffs, the contract does not include a reduction in the basic pension benefit. Accordingly, new members will have their retirement calculated on 3% at 55. The formula will specify that the new employees' pensions will be calculated on their final three years' salaries instead of their final year.

<u>Probation Officers:</u> The San Luis Obispo County Probation Peace Officers Association (SLOPPA) has agreed to extend its existing contract until June 30, 2013. During this term it will receive no salary increase. Apparently, this union already waived wage increases, which were scheduled in 2010 and 2011 to help the County balance its budget.

The Board members all spoke to the issue and expressed their thanks to the labor groups for their understanding and sacrifices. They fairly gushed praise and appreciation.

<u>Policy Implications:</u> Of course, the ability of the Board to balance annual operating budgets and maintain services is increasingly dependent on the willingness of the County workforce

to continue to make wage and benefit concessions. In a sense, some of the Board's power is shifted to the unions as this dependency becomes more permanent. If the unions cannot meet their economic objectives, they are likely to assert claims in in other areas such as prohibiting contracting out work to the private sector and granting increased union input into the hiring, promotion, and evaluation of management, and ultimately the selection of policy priorities.

<u>Future Possibilities:</u> For now, the employees appear to understand that the State and local economies are in decline. At some point the employees may begin to understand that Federal, California, and San Luis Obispo County's regulatory, fee, and tax policies will erode their standard of living and could ultimately end their jobs. Will this realization be converted into a shift away from policies and candidates traditionally supported by labor? For example, when will labor demand that central coast mineral resources be developed to help energize the economy? Similarly, when will labor demand that job killing land use plans and permitting barriers which suppress revenues be reformed?

Land Use Economics Study. The Board unanimously approved the contract with the Portland Oregon firm, ECONorthwest, to conduct a "Land Use Economics Study." The scope of work, which is part of the contract, states in part, that "*the County has two main objectives:*

1. "Estimate how much additional future residential development is likely to occur in unincorporated regions of the county as a result of potential measures to limit growth and development in unincorporated rural areas. In other words if the County restricts growth in rural areas, how much of it will shift to urban areas?"

2. "Estimate potential effects on urban growth and real estate values and related economic effects on different regions of the county of proposed measures that are intended to redirect residential growth from rural towards urban unincorporated areas of the county by limiting growth in rural areas. In other words, if the county restricts growth in rural areas, what will the effects be on property values and the economy?"

COLAB spoke at the meeting and pointed out that the County had already adopted its "Smart Growth" Plan. This is the subject of the COLAB lawsuit. The County should have conducted an EIR to determine these important environmental impacts before it approved its "Smart Growth" Plan. The fact that the County is now willing to spend money on this is a clear admission that it failed to comply with CEQA in this regard. The Board of Supervisors recklessly and deliberately adopted the Smart Growth Plan knowing that it failed to conduct this important environmental analysis.

Several Board members felt compelled to respond. Supervisor Patterson pointed out that "the study is funded by a grant." Had we been able to respond in turn, we would have pointed out that government grants are funded by tax money. There was considerable rhetoric about workshops and hearings where public input could be received by the consultants. Get ready to be processed, post your colored dots, and of course be "educated."

Nipomo Community Services District (NCSD) Assessment District Formation. The Board of Supervisors passed a resolution authorizing the NCSD to form a special

assessment district for the purpose of funding capital improvements necessary to bring water from the City of Santa Maria to Nipomo. The only public comment came from a Director of the NCSD in support and one resident who was opposed.

<u>Background:</u> The proposed project would connect a waterline to the City of Santa Maria distribution system, which would be drilled under the Santa Maria River. It would also provide for the construction of a storage tank and a booster station. The purpose is to supply 6000 acre-feet of water annually to the NCSD. Part of the water (2000 acre-feet) would be delivered to customers and used to offset ground water. Another 1000 acre-feet would be used for a combination of recharging the water basin and serving new customers. In the future, 3200 acre-feet would be used to serve future development within the adjacent sphere of influence areas of the NCSD.

The EIR states that the project may be growth inducing. Interestingly, there is no mention of the broader public policy issues of future development of Nipomo and its role as receiver area for "smart growth" projects such as building one house or utilizing a historic barn to host events often results in years of hearings, studies, cost, and delays. This major public policy decision is on the consent agenda.

United Domestic Workers Contract (UDW). The Board extended a labor contract with the UDW/AFL-CIO for two years. There are no salary changes. The contract supports the In Home Health Services program, which pays individual providers \$10/hour to care for elderly, homebound and disabled individuals. The providers are often relatives of the person for whom they are providing care.

It should be noted that the State Budget trigger cuts announced this week could reduce the program by 20%, forcing some patients into institutionalized care.

Tax Defaulted Properties. The Board authorized the Tax Collector to sell 273 tax defaulted properties. According to the agenda letter, these are mostly low value parcels in the California Valley that have been abandoned.

Los Osos Sewer Construction Management Contract. The Board approved a request from the Public Works Department for award of a \$7.7 million construction management contract for the Los Osos sewer system project to HDR Engineering of Irvine, CA. Supervisor Mecham had several questions and, although he reluctantly voted for the contract, he indicated that future support would depend on answers to a number of questions. The Los Osos regulars were out in force warning about the costs to the residents and predicting that many would be forced out of their homes.

Next Board Meeting: January 10, 2011

OTHER GOVERNMENT ENTITIES

Air Pollution Control District

Proposed Greenhouse Gas (GHG) Thresholds for CEQA: The District held a workshop on December 15, 2011, to present its proposed guide on quantifying new project <u>construction</u> and <u>operational</u> emission impacts and applying mitigation measures when needed.¹ The guide will be issued to the cities and the County, which in turn will be required to utilize the standards in the guide to determine if a particular development project is likely to exceed specified GHG generation limits (in metric tons) during either construction and/or during its operational life. If the project exceeds the guide limits, the permitting agency (city or County) must impose GHG reducing design alternatives and/or mitigations. There are three methods under which a project will be determined to be subject to this guideline: 1) The project will generate 1150 metric tons or more of carbon dioxide per year; 2) The project will result in generation of 4.9 metric tons or more of carbon dioxide per individual resident and/or individual employee per year in a completed residential or commercial project; or 3) The project exceeds standards adopted in a permitting agency's Qualified GHG Reduction Plan (such as the County's Climate Action Plan).

The question arose as to whether a project had to be below all 3 calculation methods calculation or just one. The APCD staff replied, "No," if, in fact, the project is approvable without mitigations under any one method, it does not have to qualify under the others. However, staff did recommend that a developer and/or a permitting agency, such as a city or the County, analyze a project under all 3 just to be safe. Staff opined that this could forestall appeals under CEQA. This creates a paradise for interveners.

All this is a result of AB 32, SB 97, and SB 375 (GHG reduction laws passed to forestall climate change).

Representatives of 4 of the cities, Cal Fire, and the County attended. The APCD staff presented the guide and the underlying theory. The APCD staffers were very professional and tried to answer everyone's questions. It appeared that they realized that they had not thought very much about the impacts on agriculture, rural subdivisions, and agriculture supporting development. Staff took notes and seemed willing to consider agricultural issues. COLAB suggested that they meet with the Cattlemen, Vintners, Farm Bureau, Grower Shippers, and COLAB before promulgating standards for agricultural development.

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The APCD could adopt this "guide" as early as January 26, 2012. Architects, engineers, project planners, surveyors, developers, realtors, land use attorneys and others with interest in future residential, commercial, and industrial projects should go to the APCD web site (<u>www.slocleanair.org</u>) and review the document. Representatives may wish to file comments prior to the January 6, 2011 deadline. Anyone with a project in design should

¹ CO2 levels above the allowed standards generated during the construction phase must be amortized over the life of the project.

take notice prior to progressing too far or they could be faced with substantial rework and cost.

Planning Commission

Next Planning Commission Meeting: January 12, 2012

Future Events:

APCD Project Development CEQA Greenhouse Gas Emission Thresholds: Comment Deadline January 6, 2012. Public Hearing, January 26, 2012.

Vacation Rental Ordinance to Board of Supervisors on January 10, 2012.

Excelaron, Huasna Valley, Oil Development to Planning Commission on February 23, 2012.