



## COLAB SAN LUIS OBISPO COUNTY



WEEK OF MAY 10-16, 2015

### ANNUAL BUDGET LOVEFEST SCHEDULE SET

### PLANNING COMMISSION TAKES UP DISASTROUS WATER OBFUSCATION PROGRAM (MAKING THE PASO MORATORIUM PERMANENT)

**TUES. MAY 12, 2015 LAS PILITAS RESOURCES  
APPEAL HEARING  
(9:00 AM COUNTY BUILDING)  
-SEE PAGE 4 FOR DETAILS-**

#### Board of Supervisors Meeting of Tuesday, May 5, 2015 (Completed)

**Item 33 - Hearing to consider the 2012-2014 Biennial Summary Report of the Resource Management System (RMS) that summarizes the condition of the following resources throughout the County: water supply and systems, wastewater treatment, roads and U.S. Highway 101 interchanges, air quality, parks, and schools.** The Board adopted the planning “tool” on a vote of 4/1 with Arnold dissenting. Arnold, Mecham, and Compton all had questions and criticisms. Compton was particularly pointed about the fact that the “tool” only impacts decisions in the unincorporated area even though most of the county population (and therefore the draw on resources) live in the incorporated cities. Mecham questioned the cost and whether the large effort was worth it. Of course Gibson jumped in with his usual “let me try framing this and moving it along.” COLAB questioned why, if this is simply a tool, are the conditions expressed on a subjective, pejorative scale in terms of levels of severity?

**Background:** This item contains a 183-page Resource Summary Report (RSR) which is used to inform the Resource Management System (RMS) about those geographic areas or communities within the County that have insufficient resources to allow current or future development. The subject resources include water, sanitary sewer capacity, and air quality, availability of school classroom space, highway capacity, and parks. The system is segmented into levels of severity. There are somewhat subjective ratings of the capacity or availability of the particular service or

commodity, ranging from 0 (no problem) to Level III, which means that there should be no further development until the deficiency is fixed. The report contains a detailed analysis area-by-area and community-by-community of the entire unincorporated County.

**City of San Luis Obispo Council Meeting of May 5, 2015, 6 PM at City Hall, 990 Palm St. (Completed)**

**Public Hearing Item 1 - RENTAL HOUSING INSPECTION PROGRAM.** The City Council voted 3/2 to approve this relic (Concentrated Code Enforcement) from the Great Society programs of the late 60's and mid 70's (Nixon retained and even expanded most of the housing related initiatives). It helped accelerate the destruction of thousands of homes and whole neighborhoods in scores of cities, such as Baltimore, Newark, Oakland, Hartford, and even Berkeley. Reportedly, most of 25 speakers opposed the ordinance, but it was nevertheless approved. Realtors, landlords, homeowners, home builders, and just about everyone else will rue the day.

**Background:** There will be a number of properties which will be forced to fix “code violations” or be subject to the penalties. In turn, these costs will force rent increases or sale of the property or both – and may cause the owner to gentrify the property (renovate and place in a higher income rental market). In some cases it may simply lead to closure or even abandonment of the property. An immediate concern would be the impact of both Federal and State Uniform Relocation Acts. If a property is upgraded substantially to deal with the City threat of legal action, the existing tenants will have to leave because they cannot afford the new rents. Because the eviction or forced move is a result of government actions (the City), the city must pay for the moving expenses, costs of setting up the new household, and obtaining a new lease (deposits, first and last, etc.) in a new place.



Stage 1-Deterioration

This in turn will raise the cry for a program to subsidize repairs on all those properties whose owners cannot afford all the improvements. Imagine the retired fixed income lady with a unit or two in the back and no real means. Once the City gets into the code enforcement repair cost subsidy business, there is no end of trouble. For example, once government money is used to pay for the repairs and upgrades (with CDBG, Home, Section 8, or even general fund), there will be an obligation to keep the unit “affordable.” This in turn will require a whole new set of ordinances, inspections, and processes, which are in effect rent control.



Stage 2- Abandonment

Mayor Jan Marx led the support. Apparently Cal Poly University as an institution supported the policy in public comment. The displaced people can move to Templeton, Oceano, and Santa Maria. Then they can commute on the 101.



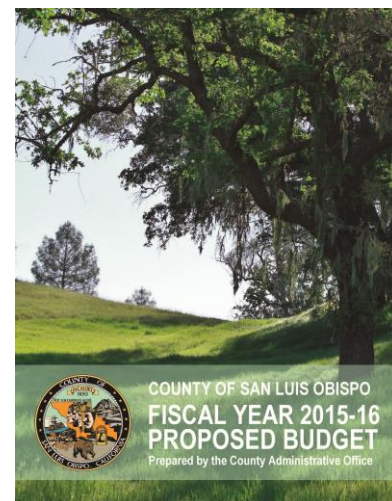
Stage 3 - Stack and Pack Gentrification

**Board of Supervisors Meeting of Tuesday, May 12, 2015 (Scheduled)**

**Item 1 - Public Comment for Matters Not on the Agenda.** This will occur right at 9:00 AM.

**Item 2 - Introduction of the Proposed 2015-16 Annual County Budget.** The County Administrative Officer will be submitting the proposed Budget. The actual hearings and adoption will take place during the week of June 8, 2015. The submission is a formality and there will be no action at this time. The interval from now until June 8<sup>th</sup> is set to provide time for the Board members and public to consider the document and policy impacts prior to the actual hearings. Between now and then we will examine the 400-plus page book and provide analysis and recommendations. In so far as we know, COLAB is the only business and or civic organization in the County that reads the budget from cover to cover and provides structured commentary. Our cursory review at this point suggests no major policy initiatives or changes in direction from past the 5 years. The budget is generally incremental in nature and is largely driven by staffing costs and categorical revenue from the State, which requires that it be expended for specific purposes. Some of the largest components are welfare and Medi-Cal.

The annual budget is the most important annual policy document prepared by any government because it translates policies into actions by directing the amount expended on various functions and projects. It also allocates staff resources.



The Budget book cover above shows a rural scene with green grass, but County policy is to force future development into cities and unincorporated towns with density, concrete, and “drought tolerant” plants. If you don’t like the policies, ask your district Supervisor to reject the Budget

Authorized Funding Levels by Fund			
Fund	FY 2014-15 Adopted	FY 2015-16 Proposed	% Inc/Dec
General Fund	\$439,810,183	\$464,625,664	6%
Automation Replacement	\$3,996,738	\$4,884,099	22%
Building Replacement	\$5,850,498	\$6,169,222	5%
Capital Projects	\$5,285,576	\$7,245,000	37%
Community Development	\$3,957,209	\$3,895,341	-2%
Medically Indigent Services Program	\$2,531,938	\$1,493,222	-41%
Debt Service	\$2,080,057	\$2,090,151	0%
Driving Under the Influence	\$1,634,352	\$1,371,002	-16%
Emergency Medical Services	\$801,000	\$846,000	6%
Fish and Game	\$35,768	\$46,222	29%
Library	\$9,256,100	\$9,416,425	2%
Organizational Development	\$1,116,151	\$911,317	-18%
Parks & Recreation	\$9,582,259	\$9,121,898	-5%
Pension Obligation Bonds	\$10,096,445	\$10,037,420	-1%
Public Facilities Fees	\$1,670,500	\$1,984,049	19%
Road Fund	\$42,220,081	\$39,099,112	-7%
Tax Reduction Reserves	\$4,550,000	\$0	-100%
Traffic Impact Fees	\$1,141,503	\$1,079,283	-5%
Wildlife and Grazing	\$5,807	\$3,548	-39%
<b>TOTAL</b>	<b>\$545,622,165</b>	<b>\$564,318,975</b>	<b>4%</b>

and end the programs AND eliminate the planners, engineers, lawyers, and executives who are promulgating and executing them. For the past 5 years the Board of Supervisors has rubber stamped the Budget with no debate and no real sustained and penetrating questioning.

A very general summary of the proposed expenditures is listed in the chart to the left. The line “General Fund” supports most of the

normal County operations, such as Sheriff, jail, District Attorney, probation, health and welfare, regulatory activities, and internal support functions such as finance, personnel, fleet and building maintenance, and so forth. The full document can be accessed at the link:

[http://www.slocounty.ca.gov/admin/Budget/2015-16\\_Proposed\\_Budget.htm](http://www.slocounty.ca.gov/admin/Budget/2015-16_Proposed_Budget.htm)

**Item 3 - Hearing to consider an appeal by Las Pilitas Resources, LLC of the Planning Commission’s decision to deny its application for a Conditional Use Permit and Reclamation Plan for the Las Pilitas Quarry (DRC2009-00025) located at 6660 Calf Canyon Highway near the community of Santa Margarita.** This will be an all-day meeting item, as it is expected that the presentations, public comment, dueling experts, rebuttal, Supervisors’ questions, and deliberations will be extensive. Thus, the only preceding items are general public comment for matters not on the agenda and legal introduction of the proposed county 2015-16 Annual Budget, which will actually be considered in June. Public speakers should come prepared for a long day, bringing food, water, and calming medications.

**Background:** On February 5, 2015 the County Planning Commission on a 3/2 vote denied the application for the development of a new quarry to the northeast of Santa Margarita on Highway 58. A former Planning Director had warned Las Pilitas Resources in writing in 2011 that an approval of the site would be difficult to impossible. After analysis of the application and environmental impact report the staff recommended denial and, as noted, the Commission agreed. Las Pilitas is now appealing to the Board of Supervisors to overturn the Planning Commission. The Board would need a minimum of 3 votes to override the Commission. Should

the Board determine to sustain the appeal, it must also override what are termed 7 unavoidable Class I California Environmental Quality (CEQA) negative impacts which were ginned up by the staff and the Planning Commission. This barrier requires that the Board adopt what is called a finding of “overriding concern” for each one in order to approve the project. The key reasons for recommending denial to the Board are listed below:

- 1. The project was found to be inconsistent with several goals and policies of the County General Plan.*
- 2. The project was found to be inconsistent with Title 22, the Land Use Ordinance.*
- 3. The project would be detrimental to the health, safety and welfare of the public and the community of Santa Margarita.*
- 4. The project was found to be incompatible with the character of the immediate neighborhood and the community of Santa Margarita and its orderly development.*
- 5. The project would generate traffic that would result in land use incompatibilities with pedestrians, bicyclists, school children and the community as a whole.*
- 6. The project would result in seven (7) significant and unavoidable impacts related to aesthetics, noise and traffic and discussed in the Final EIR.*
- 7. There was a lack of specific overriding economic, legal, social, technological, or other benefits of the project that outweigh the significant effects on the environment, as would be required to approve the project pursuant to Public Resources Code section 21081.*

The list ends with a gratuitous statement (highlighted below) that is included to try to convince a future trial court that the County’s action in prospectively denying the appeal is not prejudicial against mining in the area in general. Since mineral resources randomly occur under specific properties and were created millions or even billions of years ago, this statement is ludicrous on its face. It basically says, at best, we (the County officials) are covering our collective behinds and you can come and spend millions of dollars on EIRs, engineering, plans, and fees. In effect, you can roll the dice again by filing another application. The Commission should grill the staff on how and where a new project in the EX1 area could be sited which would be approvable to test their sincerity.

- 8. Denial of the proposed project does not preclude or set precedence for future mining projects within the EX1 combining designation area. The project was evaluated independently based on the currently proposed project characteristics. Future mine projects in this area would be evaluated based on proposed project characteristics at that time.*
- Other Considerations*

The County is tender on this point because the proposed project lies within an area which has been zoned for mining for decades and which the State of California has actually designated as a valuable mineral resource reserve (the EX1 combined designation area). Revealingly, just a few years ago the County amended its plan of development and zoning to permit thousands of acres of huge, essentially tax-exempt government-subsidized industrial solar farms in what had historically been a visually grand vast agricultural area inhabited by a number of listed and endangered species, including antelope, rare foxes, and exotic rats. (Ironically, those power plants are also served by Highway 58, which is now cited as being insufficient for the truck

traffic associated with the surface mining operations). Environmental doctrine (“green energy”) trumped any concerns related to those projects.

**The Board Should Sustain the Appeal and Approve the Project:**

1. The County has maintained zoning which allows mining accessed by the state Highway 58 corridor for decades. For the County to now decide that the road characteristics, visual impacts, and safety conditions prohibit mining which relies on highway 58 access is capricious and arbitrary. It is an abuse of discretion.

2. Contrary to the theory espoused in the staff reports and environmental documents, which seriously mischaracterize the situation, the unincorporated town of Santa Margarita is not now and has never been solely a remote rural residential enclave built around a quiet retail core.

a. State Highway 58 runs right through the entire north western third of the town. As a State highway, it is an important link for commerce and the shipping of agricultural products and local trade. It also serves as the primary link from the urbanized portion of the County to the large solar farms to the east. Similarly, it is an important gateway to the Carrizo Plain National Monument. Moreover it is an important corridor between San Luis Obispo and the burgeoning residential area of south Atascadero and to central Atascadero and beyond. In fact, scheduled mass transit service is provided along this route.



Until the current segment of Highway 101 was constructed between 1958-62 to the west by passing Santa Margarita, the current highway 58/El Camino Real was highway 101.

b. Santa Margarita was once a railroad town. A main coastal trans-continental railroad line (Union Pacific) from Los Angeles to Seattle runs through the entire north western 3<sup>rd</sup> of the town, but it is now little used. Most freight trains are now routed through the central valley, and except for the Coast

Starlight passenger train 2 x per day, empty container platform cars, and the oil train, there is little use. Nevertheless, the strip of land between Highway 58 and the railroad is characterized by industrial and commercial uses, including:

A Chevron products distribution center.



Lumber yards.

A Pacific Beverage wholesale distribution center.

A trucking company maintenance yard.

Feed supply operation.

Prefab wooden outbuilding fabrication and sales.

c. There are other gravel/rock operations in the area which are intrinsically industrial in character and which already rely on Highway 58 and/or El Camino Real.

The opposite side of Highway 58 is characterized by retail businesses, including several taverns, coffee shops, antique stores, wine tasting, and an orchard with a retro windmill and water tank.



The panoramic photo above illustrates the commercial tone of the town center strip, including through traffic and automobile orientation. All this clearly contradicts staff and Planning Commissions findings: *The project was found to be incompatible with the **character** of the immediate neighborhood and the community of Santa Margarita and its orderly development.* Really?

It already contains most of the features to which the Commission objects. If the County had wanted to change the zoning and substantive character of the community, why didn't it conduct a process to do that? The reason is that it couldn't because such a major change would be a de facto confiscation of private property. Again at this point, singling out Las Pilitas Resources is discriminatory and arbitrary.

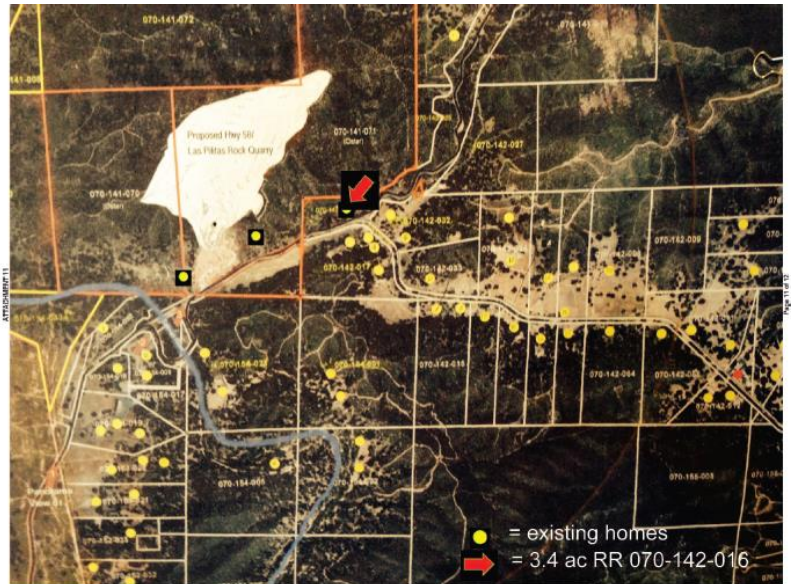


3. Most of the residential areas of the town are well buffered from Highway 58 by the railroad and open space on the south (see the map above) and the commercial buildings on the north.

4. One of the purposes of State highways is to promote commerce. While the County has land use authority, it cannot arbitrarily use that authority to obstruct the larger public interest in the name of a narrowly and arbitrarily conceived application of its discretion. After all, gravel must be transported from where it is found. Gravel is already transported on Highway 58. Now the County is denying a permit largely on the basis of truck traffic even though both the County Public Works Department and Cal Trans have indicated that the additional trucks will not degrade the level of service.

5. Some of the strongest opposition to the application is coming from property owners who live near the proposed mine or along Highway 58 and the outskirts of Santa Margarita. These

properties contain some single family homes on lots, some ranchettes, and some larger ranches. The agenda package contains an aerial photo prepared by one of the project opponents which displays the relationship of these properties to the mine and Highway 58. The yellow dots indicate the approximate location of the homes on the relatively large properties. What is significant about this map is that it demonstrates that there are relatively few homes involved and that many are on acreage set back from Highway 58. A number of the homes are not even on Highway 58, but are located on Park Hill Road which



runs to the east. They are presumably included because they must use Highway 58 to reach town. We count only 22 yellow dots that are actually directly on or close to Highway 58. The Board is going to have to consider the equities involved in turning down the project based on the objections from 22 property owners (Reportedly some of these owners actually support the project).

6. Ask the State to reduce the speed limits on Highway 58 in Santa Margarita and its approaches to 35 MPH. This will reduce the noise and general annoyance of all the trucks as well as the automobile and light truck speeders. Although the Highway Patrol has enforcement responsibility, the County should arrange to supplement this enforcement with its own Sheriff's Department until everyone learns the rules.

**7. An industrial Civilization?** The Las Pilitas appeal does not exist as an isolated question. It is part of a larger ethical and philosophical position about whether the SLO County Board of Supervisors will allow (let alone support) any basic industrial activity, be it nuclear power generation, oil and gas extraction and production, surface mining, materials recycling, agricultural processing (including farm processing), biotechnical manufacturing, beer brewing, or even woodworking and finishing. One of the fundamental human advances of the last 200 years is the progress of industrialization. It has resulted in exponential improvements in human longevity, the reduction of pain and suffering, and the enjoyment of life in general. If the people of SLO County wish to enjoy its benefits, would they embrace its physical and operational realities? Or is it only people in Bakersfield, Amarillo, and Guangzhou (China) who must contribute?



**Item 4 - Water Conservation Program/General Plan and Land Use Ordinance Amendments:**

- 1. Make the Paso Water and Development Moratorium Permanent.**
- 2. Creation of a Water Offset Program (Pay to Use Your Own Water)**
- 3. Miscellaneous Restrictions on the Use of Water**

This item begins the public process which will culminate in the Board of Supervisors consideration of adoption of General Plan amendments and ordinances which will make the Paso Basin water moratorium permanent and impose a variety of other restrictions in that basin and the rest of the County. It is likely that the Planning Commission will have to take 2 or 3 meetings to plow through all the material and formulate its recommendation to the Board.

The actual formal title of the agenda item is cast in bureaucratic terms, which obfuscates its purpose as outlined above. The title reads:

*Hearing to consider a request by the COUNTY OF SAN LUIS OBISPO for amendments to the Agricultural Element and the Conservation and Open Space Element of the General Plan; and amendments to Title 8 (Health and Sanitation Code), Title 19 (Building and Construction Ordinance), and Title 22 (Land Use Ordinance) of the County Code in order to implement the Water Neutral New Development and the Water Waste Prevention components of the proposed Countywide Water Conservation Program. The proposed Countywide Water Conservation Program and associated amendments would affect water use in both new and existing development, including all urban and rural land uses within the unincorporated areas of the county as well as agricultural operations. The requested amendments would specifically modify: 1) the Agricultural Element of the County General Plan, Agricultural Goal – AG1 (Support County Agricultural Production), Agricultural Policies – AGP10 (Water Conservation) and AGP11 (Agricultural Water Supplies); 2) the Conservation and Open Space Element of the County General Plan, Water Resource Policy – WR 1.7 (Agricultural operations), Water Resource Implementation Strategy - WR 1.7.1 (Protect agricultural water supplies), and Water Resource Policy - WR 1.14 (Avoid net increase in water use); 3) Title 8 (Health and Sanitation Ordinance) of the County Code for the addition of a new Chapter 8.69 – Urban and Rural Development Water Conservation Requirements; 4) Title 19 (Building and Construction Ordinance) of the County Code, Chapter 7 – Plumbing Code, Section 19.07.42 – Water Conservation Provisions; and 5) Title 22 (Land Use Ordinance) of the County Code, Chapter 22.06 – Allowable Land Uses and Permit Requirements by Land Use Category, Section 22.06.030 - Table 2-2, Section 22.06.040 – Exemptions from Land Use Permit Requirements, Chapter 22.30 – Standards for Specific Land Uses for the addition of a new Section 22.30.204 –*

*New or Expanded Crop Production Overlying the Paso Robles Groundwater Basin, Section 22.30.310 – Nursery Specialties, Chapter 22.62 – Permit Approval or Disapproval, Section 22.62.030 – Zoning Clearance, and Chapter 22.80 – Definitions/Glossary, Section 22.80.030 – Definitions of Land Uses, and Specialized Terms and Phrases. This project affects all of the unincorporated portions of the County. Also for consideration is the Draft Supplemental Environmental Impact Report (DSEIR) that was prepared (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq. (“CEQA”)) for this project. The DSEIR was prepared as a Supplemental EIR to the previously certified Environmental Impact Report for the Conservation and Open Space Element (COSE) of the County General Plan, which analyzed the potential impacts associated with the adoption and subsequent implementation of the COSE Consolidation and Update. The DSEIR addresses potential impacts on: Agricultural Resources and Land Use. Mitigation measures are proposed to address these impacts and have been incorporated into the proposed Countywide Water Conservation Program. Prior to completion of the Planning Commission hearings, a Final Supplemental Environmental Impact Report (FSEIR) will be completed (pursuant to CEQA) for this project and will be provided to the Planning Commission for consideration and potential certification recommendation to the Board of Supervisors. County File Number: LRP2013-00012 APN(s): ALL Supervisorial District: ALL Date Accepted: N/A Project Manager: Xzandrea Fowler Recommendation: Review and provide comments*

**So what does this mean?** According to the staff report the purpose is:

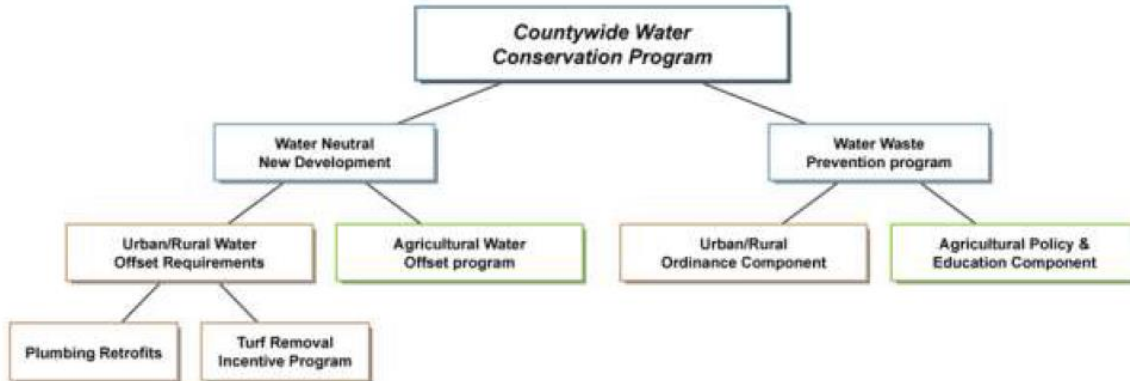
#### *PROJECT DESCRIPTION*

*The objectives of the development and implementation of the proposed Countywide Water Conservation Program (Program) are to substantially reduce increases in groundwater extraction in areas that have been certified LOS III; provide a mechanism to allow new development and new or altered irrigated agriculture to proceed in certified LOS III areas, subject to the requirements of the County General Plan and County Code, in a manner that fully offsets projected water use; and to reduce wasteful use of water in the county.*

#### **The write up goes on:**

*The proposed Program is comprised of two components, Water Neutral New Development (WNND) and Water Waste Prevention (WWP). The figure below shows the individual components of the Countywide Water Conservation Program.*

The chart below illustrates the key strategy components of the program. No information is presented on how much water will be saved through the implementation of each category. How can the Commission recommend a public policy with major impacts on peoples’ property and lives without any detailed performance estimates backed by current data (of which there is a huge amount).



**1. Planning Commission Should Structure its Review Process Before Jumping in the Swamp:** The staff report and substantial accompanying attachments are designed by staff to lead the Commission to support the proposed so-called “Water Conservation Program.” Rather than simply watching the proverbial movie, the Commission should set a process structure for its multi-meeting deliberations.

- a. It should direct staff to prepare a more complete chart, which shows each of the program components that are included under the boxes in the chart below.
- b. This new chart should be accompanied by a table showing the purpose, the geographic areas impacted by each program component, the estimated amount of water to be saved from current use (if any), and the estimated amount of water to be saved by forestalling growth.

Right now the entire program is based on subjective opinion.

- c. The Commission should then set up a schedule and order for its consideration of each component.

2. The Commission should direct staff to present data in a complete and non-relative way.

- a. For example, for the Paso Basin offset program:

1) The Commission should receive a presentation on the new Paso Basin model from the consultants who prepared the model. One cannot approach policy-making without a clear understanding of the facts contained in this report.

2) The Commission should pay particular attention to the amount of pumping by agriculture, municipal, residential, commercial, and so forth.

3) It is absolutely essential for the Commission to understand how the proposed program would impact each of these categories.

4) It is especially important and necessary that the staff break down the amount of water used by the major agricultural subcategories, including irrigated agriculture (and then further estimates of grapes, alfalfa, nut trees, and other major subcategories). This should be relatively easy since the staff already has the Resource Conservation District Report on the program design, which shows how much water each crop type uses. The staff also has the acreage for each crop type and other land uses which was generated by the County's LAFCO consultant, NBS, from the County Assessor's parcel data.

Note: The Commission should receive a presentation from NBS (not about district financing, but its analysis of the land use categories.)

5) Other ag uses include grazing, 143,184 acres of the 453,729-acre Paso Basin (SLO County portion).

6) Similarly, single-family residential consists of approximately 85,000 acres. What percentage of the water do single-family residences use? How much would the moratorium extension save in this category?

The Commission cannot properly assess the proposed so-called "Water Conservation Project" without this data.

**3.** The Commission should receive a briefing from County Counsel on the impact of the current Quiet Title Adjudication proceeding and its ultimate impact on the proposed program. The Save Our Water Rights group indicates that nearly 500 separate owners, representing 17,000 acres, have signed up to become plaintiffs against the County and other municipal appropriators. The trial has been set for December 7, 2015. If the basin is placed in adjudication, can the County enforce the offset and other restrictions?

4. How much water is being used by the municipal appropriators (Paso Robles, Atascadero, Templeton CSD and the County itself) and others which will be exempt from the program? The County planning and zoning laws do not pertain to the cities, and Templeton CSD is tying itself to the Atascadero Water Company's assertion that the Atascadero sub-basin should not be subject to any of this.

5. The Commission should carefully examine the water credit program which is an intrinsic part of the larger program as it applies to the Paso Basin. The Commission should receive a report from the Las Tablas Resource Conservation District staff on this subject. County staff should provide the Commissioners with copies of the RCD's report which contains some strong warnings.