



WEEKLY UPDATE JULY 28 - AUG. 3, 2019

THIS WEEK

**NO BOS MEETING FOR NEXT 2 WEEKS
THE NEXT BOARD MEETING WILL BE ON AUGUST 13, 2019**

GOVERNMENT TAKEOVER OF BANKING

LAST WEEK

NO BOS MEETING

**WHY IS EVERYONE SO HAPPY ABOUT THE
DIABLO MITIGATION MONEY?**

**TWO CANNABIS OPS APPROVED
3RD SENT BACK FOR RE-NOTICING**

**PLANNING AND BUILDING'S NEW \$2 MILLION
PERMIT PROCESSING SOFTWARE CITED AS
"CLUNKY"**

IT WAS SUPPOSED TO SPEED THINGS UP

**SLO COLAB IN DEPTH
SEE PAGE 6**

STRANDED ON CALIFORNIA'S ENERGY ISLAND

BY ANDY CALDWELL

**CENTRAL COAST COMMUNITY BANKING
AUTHORITY COMING SOON?**

*IMAGINE SUPERVISOR HILL, MAYOR HARMON, AND COUNCILMAN PAULDING AS THE
LOAN COMMITTEE WITH HUNDREDS OF MILLIONS OF DOLLARS TO DOLE OUT*

BY MIKE BROWN

THIS WEEK'S HIGHLIGHTS

There will be no Board of Supervisors meeting on Tuesday, July 30, 2019 and the other regional agencies are off as well.

LAST WEEK'S HIGHLIGHTS

No Board of Supervisors Meeting on Tuesday July 30, or August 6 (Not Scheduled)

The Board will meet next time on Tuesday, August 13, 2019.

County Receives First Installment of Diablo Mitigation Money – Why Is Everyone So Happy?

The County received a check for \$28.4 million from PG&E as first installment on the \$85 million Diablo Closure Mitigation Agreement. Of this amount \$9.6 million is to be used for economic

development activities designed to replace the \$1 billion direct, indirect, and imputed contribution to the regional economy by the plant. Much of it will be parceled out to 71 taxing agencies in the County. It is not clear if diluting it in this way actually contributes to the long range economic displacement problem.

The balance will be paid in annual installments over the next 6 years until the plant closes.

Media and officials seemed almost celebratory over this payment. They must have the memory of a Golden Retriever. The County and other jurisdictions were receiving \$22 million per year of property taxes from the plant. Counting this year and the 6 installment years, this would have been \$132 million. Of course there will be no payment after 2025.

It's difficult to get a subdivision of single family homes through the County process in 5 years. What sort of replacement economic facilities are imagined to make up for the tax and negative multipliers?

Planning Commission Meeting of Thursday, July 25, 2019 (Completed)

The results are outlined per the County write-ups below. These applications are beginning to flow more regularly.

Item 4 – Hearing to consider a request by Reroc for a Development Plan/Coastal Development Permit (DRC2019-00016) to establish two commercial cannabis businesses: (1) a 3,000-square-foot cannabis distribution facility and (2) a 2,500-square-foot cannabis nursery facility. The businesses would operate within an individual suite of an existing 12,000-square-foot building on a 1.73-acre parcel. No changes to the building footprint or architecture are proposed. The project site is located within the Industrial land use category located at 2115 Willow Road (State Route 1) approximately two miles west of the community of Nipomo. The application was approved unanimously on a 4/0 vote (Multari absent). There were no public speakers and no opposition.

Project components and associated floor area are summarized in Table 1.

Table 1. Project Components

Phase 1 – First Floor -- Distribution	Approx. Floor Area
Intake/Inventory/Packaging Area	375 sq. ft.
Loading/Unloading	440 sq. ft.
Storage	1125 sq. ft.
Transfer Room	110 sq. ft.
Office/Security Room	350 sq. ft.
Cold Storage	80 sq. ft.
Lockers/Lounge Area	210 sq. ft.
Misc. (restrooms, hallways, stairway, etc)	310 sq. ft.
Total:	3,000 sq. ft.

Phase 2 – Second Floor -- Nursery	Approx. Floor Area
Vegetative Areas for product to be sold off-site	1,770 sq. ft.
Media Prep Room	400 sq. ft.
Storage Areas	70 sq. ft.
Research and Development Areas	260 sq. ft.
Total:	2,500 sq. ft.

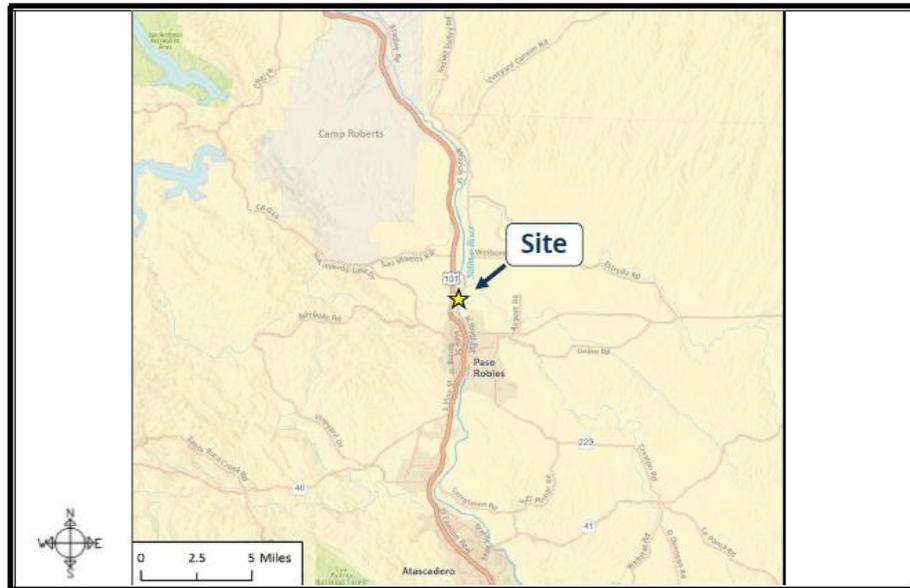


Item 5 – Hearing to consider a request by Aaron Culbertson / PROGREENS Inc. for a Conditional Use Permit (DRC2017-00110) to establish 9,600 square feet of indoor cannabis cultivation and non-volatile cannabis manufacturing on an approximately 19.12-acre site. The project would also include ancillary processing activities, such as drying, packaging, and storage. Project development includes the construction of four 1,920-square-foot greenhouses and expansion of an existing greenhouse from 720 square feet to 1,920 square feet. The proposed manufacturing and ancillary processing activities would occur within an existing 3,000-square-foot metal building. The proposed project includes a modification from the parking standards set forth in Section 22.18.050.C.1 of the County Land Use Ordinance is requested to reduce the number of parking spaces from 26 to 9. The project site is located at 4415 North River Road. This application was also approved unanimously. There were no public speakers and no opposition.

Table 1 – Project Components

Project Component	Structure Size	Count	Footprint (sf)	Canopy (sf)
(N) Greenhouses (20' x 96')	1,920	5	9,600	Up to 9,600
(E) Metal Building (75' x 40')				
<ul style="list-style-type: none"> • Manufacturing = 80 sf • Storage = 108 sf • Office = 212 sf • Processing = 2,000 sf 	3,000	1	3,000	n/a
(N) Storage Container (5' x 80')	400	1	400	n/a
Total Structural Footprint			13,000	

sf = Square Feet
E = Existing
N = New/Proposed



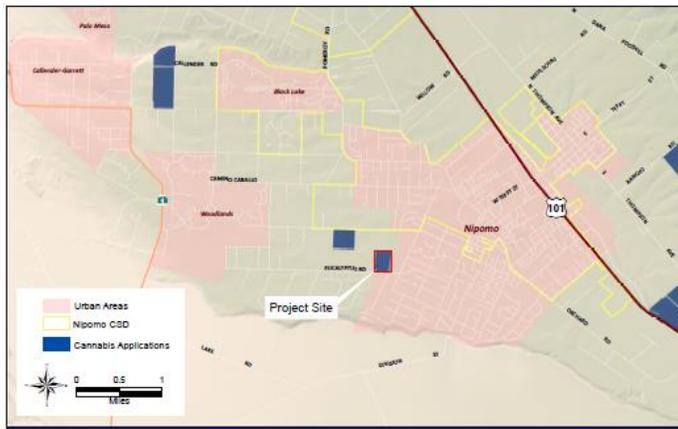
Item 6 – Hearing to consider a request by Nipomo AG LLC for a Conditional Use Permit (DRC2019-00087) to establish 22,000 square feet of indoor mixed-light cannabis cultivation, 78,122 square feet of commercial and ancillary nursery, as well as 35,328 square feet of other ancillary processing activities to include drying, trimming and curing. Cannabis cultivation, nursery and processing activities will be conducted within two existing 70,000-square-foot greenhouse buildings; the packing and storage of cannabis products will occur inside an existing 11,040-square-foot metal building. The project includes a modification from the parking standards set forth in Land Use Ordinance Section (LUO) 22.18.050 to reduce the required number of spaces from 256 to 30. The proposed project site is in the Agricultural land use category and is located at 662 Eucalyptus Road, west of, and adjacent to, the Nipomo Urban Reserve Line. The issue was continued to September on a unanimous vote. Citizens who oppose the project asserted that the public postings on the County website were not up to date and presented an earlier version of the project that is now being proposed. When staff checked, it turned out to be true. Speakers also complained that the latest version of the project had never been presented to the Nipomo Area Advisory Committee. There is also a dispute about whether odors are escaping from the current medicinal marijuana operation on the site. Everyone will be back in September for another go round.

Is the County’s new \$2 million Permit Tracking Software Clunky? When a permit application is received, a unique project number is assigned for the life of the processing project. When the project was revised some months ago, the system automatically assigned it a new number as if it were a new permit application. According to one speaker, the software does not allow staff to override that feature. Perhaps the software was designed by the same guys who developed the automated piloting software for the Boeing 737 Max 8, which forced the planes into steep descents which could not be overridden.

Reportedly the software is “clunky” and has been difficult to install and use. The Board should have the CEO and Auditor Controller investigate. Are there other features that really don’t work? The system was supposed to speed everything up and make Planning and Building more customer friendly.

Table 1. Project Components

Building	Project Component	Building Floor Area	Cannabis Canopy
B4 -- Greenhouse	Mixed-Light Indoor Cultivation	27,938 sq. ft.	22,000 sq.ft.
	Cannabis Nursery	42,794 sq. ft.	42,794 sq.ft.
B-1 -- Greenhouse	Drying	35,328 sq. ft.	n/a
	Cannabis Nursery	35,328 sq. ft.	35,328 sq.ft.
P -- Packing House	Packing/Storage	11,040 sq. ft.	n/a



COLAB IN DEPTH

IN FIGHTING THE TROUBLESOME, LOCAL DAY-TO-DAY ASSAULTS ON OUR FREEDOM AND PROPERTY, IT IS ALSO IMPORTANT TO KEEP IN MIND THE LARGER UNDERLYING IDEOLOGICAL, POLITICAL, AND ECONOMIC CAUSES AND FORCES

STRANDED ON CALIFORNIA’S ENERGY ISLAND

BY ANDY CALDWELL

Part of the progressive-socialist agenda here in California includes a complete takeover of our energy supplies regardless of the cost or impracticality of the same. Two components of this would include a de facto takeover of the electricity grid, along with the elimination of oil and gas production, uses and supplies in our state.

With respect to the grid, a program called Community Choice Energy enables local jurisdictions to dictate to our electric utilities to deliver an energy portfolio of their choosing. What that means in practical terms is that PG&E and So. Cal Edison are rapidly losing their customer base, their franchise model, and the ability to be vertically integrated.

In the end, these utility companies will end up being power delivery service companies rather than power generators. A model that worked so well for so long is being destroyed by zealots who think that providing 40 million customers with a secure and stable energy supply is so easy that government bureaucrats and politicians can do it with no risk whatsoever!

Community choice programs, because they are run by government entities, claim they can provide cheaper energy! However, they can only do so by virtue of the fact that they don't have to pay property taxes and income taxes, as do our utilities. They are also taking advantage of the fact that industrial-sized solar does not pay property taxes either, regardless of who owns the facility. These government entities are thereby embracing a business model that involves cutting off their own tax revenue via this lecherous Ponzi scheme!

Another reason these community choice programs can sell some electricity cheaper than the utilities has to do with the fact that CA required the utilities to purchase renewable energy for their portfolios when the renewable power industry was in its nascent stage, meaning the power generated by the same was still inefficient and extremely expensive. This is one of the reasons we already have some of the highest electricity prices in the country, 50% higher than the national average, and of course, things are about to get a whole lot worse.

Although the community choice programs pretend they can deliver power cheaper than the utilities, our Santa Barbara county supervisors aren't planning on passing on the savings to their constituents. No, they want to create a green energy slush fund from the "profits" in order to pay for other green energy projects that can't otherwise get financing any other way!

The community choice proponents believe they won't get charged for the liability of the recent fire catastrophes or the billions it will take to upgrade the grid. In a way, they are right! The customers will end up paying. Either that or the utilities go bankrupt. Then what happens? The state will end up having to take over the grid in its entirety.

Meanwhile, the state legislature wants to eliminate gas and diesel vehicles and the PUC wants to eliminate the supply of natural gas to your home. This will put even more strain on our electricity supplies and the need to invest tens of billions of dollars in new infrastructure. Can you imagine the cost of changing over every gas station in California to an electric charging station? Otherwise, how else will

millions of people be able to leave their homes for extended trips, business and pleasure, within the state, and what about trips out of state, since other states are not on this same all-electric jihad?

Eventually, these politicians and their constituents are going to learn once again, the hard way, that government never does anything better or cheaper than does the private sector.

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THE CENTRAL COAST COMMUNITY BANKING AUTHORITY IS COMING SOON

***IMAGINE SUPERVISOR HILL, MAYOR HARMON, AND COUNCILMAN PAULDING AS
THE LOAN COMMITTEE WITH HUNDREDS OF MILLIONS OF DOLLARS TO DOLE OUT***

BY MIKE BROWN

As noted in Andy Caldwell's article above, the State's progressive-socialists have set in motion the process to create new government authorities which will destroy the investor owned utilities and will take over the production and distribution of electrical energy.

Now a parallel process to socialize banking is about to be unleashed by the Legislature. Assembly Bill 857, which has passed all the requisite committees and has been approved by the Assembly, is about to also be passed by the Senate. It is not known exactly what Governor Newsom's position will be when it reaches his desk, but during the campaign he was quoted, "We must break Wall Street's chokehold on state finance and develop our own state bank."

AB 857 does not create a State Bank. Instead, and very similarly to community choice electric aggregation, it allows a city, county, other local agency, or group of local agencies (by forming an authority) to create a public bank. The latest State Senate Analysis summarizes the proposed law.

Assembly Bill 857 creates a process for local agencies to create public banks, defined as a corporation organized for the purpose of engaging in the commercial banking business or industrial banking business, that is wholly owned by a local agency, local agencies, or a joint powers authority. Local agencies with populations of less than 250,000, using the most recent estimate from the Department of Finance, may only form a public bank by creating a joint powers authority. The local agency or joint powers authority must set forth a social purpose or specific public benefit as part of its articles of incorporation.

Section 57604 authorizes the basic activities:

(a) Wherever possible, any retail activities of a public bank shall be conducted in partnership with local financial institutions.

(b) Notwithstanding subdivision (a), a public bank may do both of the following:

(1) Engage in banking activities, including, but not limited to, infrastructure lending, wholesale lending, and participation lending.

(2) Engage in retail activities that are not provided by local financial institutions in the jurisdiction of the local agency or agencies that own the public bank.

(c) Notwithstanding Section 23010, a county may lend ~~its credit~~ any of its available funds to any public bank.

Total funds in the SLO County Treasury on May 29, 2019 were \$1,169,239,186. A portion of these funds is being held for other jurisdictions which might join the new governmental authority. Imagine if SLO County, not to mention Santa Barbara County and Monterey County, which are much larger, got together with some of the cities and determined to start a public bank. They could invest some of these funds in the new entity and make affordable housing loans, make loans for all sorts of public works, and “engage in retail activities that are not provided by local financial institutions.” How about consumer loans to unbankable illegal immigrants or whatever other progressive fetish comes to their attention?

The public banks created under the proposed statute are granted a huge advantage over the existing private sector banks:

A public bank as defined in Section 57600 of the Government Code. In addition, a public bank is exempt from all other taxes and licenses, state, county, and municipal, imposed upon a public bank, local utility user taxes, sales and use taxes, state energy resources surcharges, state emergency telephone users surcharges, motor vehicle and other vehicle registration license fees, and any other tax or license fee imposed by the state upon vehicles, motor vehicles, or the operation thereof.

Won't this put the private sector banks out of business?

Cannabis? For several years officials in Santa Rosa, Sonoma County, the City of Los Angeles, and a number of other jurisdictions have been fomenting the idea of public banks in relation to the exponentially expanding cannabis industry. Federally chartered banks are loath to take deposits from growers, processors, and distributors because cannabis is an illegal narcotic under federal law. They could lose their charters by aiding a criminal activity. The new public banks will not have a federal charter and thus will be able to serve the cannabis industry, which is now an all cash business.

Interestingly, there is no mention of this in any of the legislative committee analyses of AB 857. Deposits of hundreds of millions of dollars could flow into the public banks from this source, which in turn could leverage billions in loans.

Vote Required: The one saving feature in the bill at this point is a local majority vote will be required to implement the creation of the new authority. Whether this requirement will survive the final adoption of the bill is unknown.

As government authorities, the public banks would be overseen by city councilmen and county supervisors. The political patronage temptations will be vast.

Once the private banks are out of business, will your community public bank retail branch look like the DMV?



ANNOUNCEMENTS



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MIKE BROWN ADVOCATES BEFORE THE BOS



VICTOR DAVIS HANSON ADDRESSES A COLAB FORUM



DAN WALTERS EXPLAINS SACTO MACHINATIONS AT A COLAB FORUM

See the presentation at the link: <https://youtu.be/eEdP4cvf-zA>



AUTHOR & NATIONALLY SYNDICATED COMMENTATOR BEN SHAPIRO APPEARED AT A COLAB ANNUAL DINNER



NATIONAL RADIO AND TV COMMENTATOR HIGH HEWITT AT COLAB DINNER

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MEMBERSHIP APPLICATION

MEMBERSHIP OPTIONS:

General Member: \$100 - \$249 \$ _____ Voting Member: \$250 - \$5,000 \$ _____

Sustaining Member: \$5,000 + \$ _____

(Sustaining Membership includes a table of 10 at the Annual Fundraiser Dinner)

General members will receive all COLAB updates and newsletters. Voting privileges are limited to Voting Members and Sustainable Members with one vote per membership.

MEMBER INFORMATION:

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Company: _____

Address: _____

City: _____ State: _____ Zip: _____

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For those who choose not to join as a member but would like to support COLAB via a contribution/donation.
I would like to contribute \$ _____ to COLAB and my check or credit card information is enclosed/provided.

Donations/Contributions do not require membership though it is encouraged in order to provide updates and information.
Memberships and donation will be kept confidential if that is your preference.
Confidential Donation/Contribution/Membership

PAYMENT METHOD:

Check Visa MasterCard Discover Amex NOT accepted.

Cardholder Name: _____ Signature: _____

Card Number: _____ Exp Date: ___/___ Billing Zip Code: _____ CVV: _____

TODAY'S DATE: _____

(Revised 2/2017)