



**WEEKLY UPDATE  
NOVEMBER 8 - 14, 2020**

**THIS WEEK**

**COUNTY OFFICE CAMPAIGN CONTRIBUTION LIMITS  
BACK FOR DECISION**

**CURRENT AND NEXT YEAR'S BUDGETS MANAGEABLE  
UNLESS LOCKDOWNS RETURN  
MORE \$LUSH FOR BLUE STATES?**

**CONCERTS AT SANTA MARIA RACEWAY  
COULD TRANSFORM INTO A REAL VENUE – NIPOMO ECON MULTIPLIER  
*REMEMBER: ROCK AND ROLL WILL NEVER DIE***



**LAST WEEK**

**STAFF PROPOSED FEE INCREASES EVEN DURING  
COVED LOCKDOWN**

**LOS OSOS HOMELESS CAMP CLEANUP APPROVED  
BUT YOU STILL CAN'T CAMP AT THE OCEAN DUNES**

**APCD DUNES ORDERS MAY BE VOID  
HEARING BOARD MEMBER DID NOT MEET LEGAL QUALIFICATIONS**

**COLA IN DEPTH  
SEE PAGE 16**

**THE WALL STREET JOURNAL.**

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**WOKE UNIVERSITIES LEAD AMERICA TO A  
PRIMITIVE STATE  
BY JOHN EILLIS**

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**CALIFORNIA AND ITS CONTRADICTIONS  
BY JOEL KOTKIN**

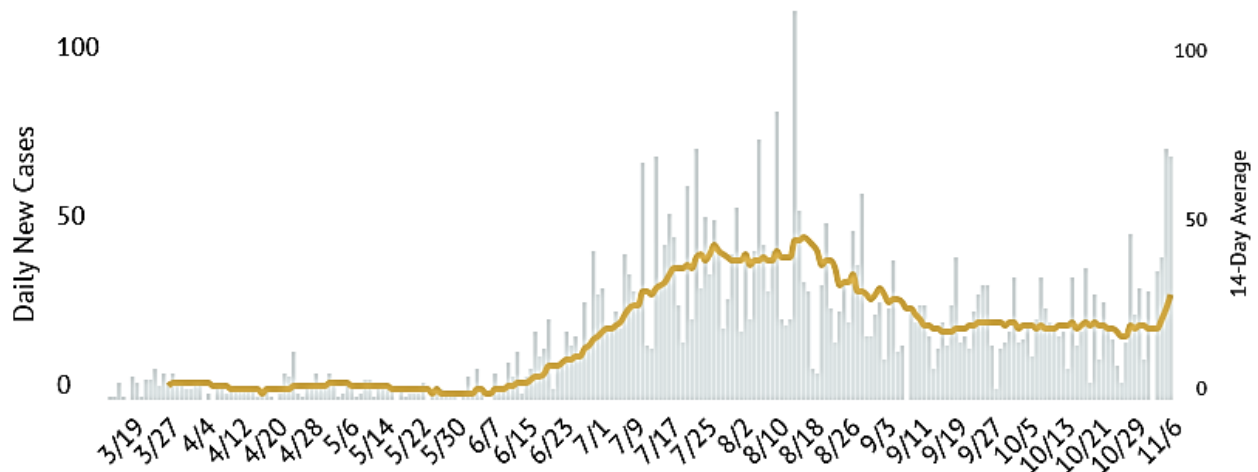
*Rumblings of realignment beneath a solid-blue surface*

**THIS WEEKS HIGHLIGHTS**

**Board of Supervisors Meeting of Tuesday, November 10, 2020 (Scheduled)**

## Item 1 - Item 1 - COVID Status

### Daily New Cases (and 14-Day Average)



CURRENTLY HOSPITALIZED  
8 (of whom 3 are in ICU)

**Item 2 - Introduction of an ordinance establishing local campaign finance contribution limits. Hearing date set for November 17, 2020.** This item will be controversial. Left progressives will be arguing for a lower cap. Do not be deceived. The trick lies in the definition of “person” in the enabling legislation, which does not cover so-called independent expenditure committees (ICE’s).

The write-up summarizes the key provisions of the proposed County ordinance as follows:

*On October 20, 2020, the County of San Luis Obispo Board of Supervisors instructed staff to return to the Board with an ordinance establishing local campaign finance contribution limits with the following directions:*

- To set the campaign contribution limit to \$25,000 per person;*
- To make clear that the definition of “person” includes all union groups, political action committees and other committees;*
- To set the limit that a candidate can loan their campaign at \$200,000 and disallow interest;  To include a provision regarding recalls and recall committees and to subject those committees to the contribution limits; and,*
- To vest enforcement authority with the District Attorney’s office.*

*The basis for establishing local campaign finance limits is AB 571 which establishes State “default” provisions which apply beginning January 1, 2021 if a local agency had not yet enacted their own ordinance.*

The State enabling legislation sets the default limit at \$4700. A major problem is that **independent expenditure committees** are not covered by the statute. These are large PACs not affiliated with any candidate or proposition, which fund their own campaign ads including mailings, radio, TV, web media and print ads. These are not subject to the County ordinance. Thus if the County were to set a

low limit, independent expenditure committees could overwhelm the local candidates and proposition issues. The Tom Styers, Pelosi/Newsome SF Mafia, Sierra Club aficionados, and all the rest could still use supposedly blind IECs in order to pour hundreds of thousands into “independent” ads in crucial SLO County elections contest.

The definition of “person” is all-important in this case and does not include IECs.

*“Person” means an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert. The definition of “person” includes any labor union group, political action committee, political party committee, general-purpose committee, primarily formed committee, and sponsored committee. “*

### **What is an Independent Expenditure Committee?**

*An individual or entity (e.g., corporation, firm, business, or proprietorship) that makes one or more independent expenditures to pay for a communication (e.g., mailing, lawn signs, newspaper ads) totaling \$1,000 or more in a calendar year that is not coordinated with the affected candidate or committee qualifies as a committee and must file reports under the Act.*

*An “independent expenditure” is a payment for a communication that expressly advocates the election or defeat of a clearly identified California state or local candidate or the qualification, passage, or defeat of a clearly identified state or local ballot measure, and the communication is not coordinated with or “made at the behest” of the affected candidate or committee.*

Nothing is what it seems.

**Background:** Per 2019 bill AB 571, the County can adopt an ordinance limiting the amount that any individual, association, political action committee, or other entirety can contribute to a particular candidate. Reciprocally, the amount received by a candidate can also be limited. In SLO County this would cover the Board of Supervisors, Sheriff, DA, Auditor Controller, Clerk Recorder, and Assessor.

**Item 16 - Budget Updates.** The item is divided into part I, status of the current FY 2020-21 budget, and part II, forecast for next year’s FY 2021-22 budget. Overall, and notwithstanding some revenue losses, there does not seem to have been much of an impact. So far it has been business as usual with no major cutbacks into the operating base. There have been no layoffs, furloughs, pay raise deferments, facility shutdowns, rotating closures/reductions of services, delayed vendor payments, postponement of capital projects, early retirement program, delays in executing major service contracts, or elimination of programs. It is not known from the write-up if there is still a “hiring chill” (a soft freeze on new hires and promotions).

The County has received large grants related to COVID, homelessness, and mental health, which appear to be categorical in nature. That is, the funds cannot be used to reduce deficits but must be expended for the uses established by the Feds or State.

County staff has warned the Board that the State has a \$54 billion impending deficit, which could adversely impact various revenues that are sent down to counties, particularly for probation, mental health, social services, and others. The State is hoping for a Blue State bailout as part of the third

round of a Federal CARE's trillion-dollar program once Biden is ultimately confirmed as President. The Senate could still be a barrier if it maintains the Republican majority after January, when the Georgia Senatorial special election occurs. One of the main Republican objections has been the use of billions or trillions to bail out New York, California, Illinois, Pennsylvania, New Jersey, Oregon, and Washington.

The longer-term problem is that virtually all of the Federal COVID money is new debt. At some point when interest rates rise, the annual rotating payments on that Federal debt will become exponentially larger and will undermine the entire Federal Budget. Add in trillions more for green energy, cultural equity, more low-income rental assistance, guaranteed income, and college tuition forgiveness or free college, Medi-Care for all, and a huge public works program. All of this will be of funded by debt and large tax increases and will sap funding for private investment, bolster consumption in the short run followed by recession or worse, and of course add thousands of government jobs at all levels, which add to the vested interest pressure for even more taxes and regulation.

### **I - Current FY 2020-21 Budget Status:**

During adoption of the Budget in June, the Board reduced the submitted budget by \$6.5 million and used \$12.8 million in restricted trust fund reserves (built up for specific departments), as well as general reserves, to help offset the loss of revenues engendered by the COVID lockdown.

At that point it was not certain how much more of a reduction would be necessitated during the rest of the fiscal year, because the State budget impact was not known and it is difficult to predict how the COVID lockdown situation will ultimately play out, which in turn impacts both state and local revenues.

The County report indicates that general sales tax, state earmarked sales taxes that support specific departments and programs, and the TOT are all coming in higher than budgeted estimates

The staff report is not clear about how much greater reduction is needed and how much of this is offset by the better than projected revenues. The State also allocated special backfill grants to make up for some of the lost formulaic revenues to counties. It is not known from this report how this will also reduce the needs for other cuts.

Over all and at **this point in time** there does not seem to be a severe problem. Of course this could change if COVID comes back and more severe lockdowns are imposed, which turn reduce revenues.

### **II FY 2021-22 Budget Forecast:**

The write-up is fairly extensive, but because of its structure, it is little hard follow the path to the bottom line, especially given the better revenues projected for the current year. In the end, and for the General Fund budget the write-up reaches the conclusion:

Per the assumptions noted above, the forecasted structurally balanced budget for the General Fund for FY 2021-22 is:

\$575,459,010	Total financing sources (revenues)
<u>\$596,407,342</u>	<u>Total financing uses (expenditures)</u>
(\$20,948,332)	Total forecast surplus/(gap)

Given the numerous variables at play, this forecast anticipates a General Fund gap of \$12-\$22 million for FY 2021-22.

As portrayed in the table below, salary and benefit cost increases constitute the largest driver.

	FY 2020-21 Budget	FY 2021-22 Forecast	\$ Diff Budget to Forecast	% Diff Budget to Forecast
Salaries and Benefits	\$310,304,138	\$327,367,659	\$17,063,521	5.50%
Non-Salaries	\$231,347,916	\$240,639,333	\$9,291,417	4.02%
5.0% Contingency	\$27,026,851	\$28,400,350	\$1,373,499	5.08%
<i>Subtotal</i>	\$568,678,905	\$596,407,342	\$27,728,437	4.88%
New Reserves	\$10,988,596	-	-\$10,988,596	-100.00%
<b>Total Expenditures</b>	<b>\$579,667,501</b>	<b>\$596,407,342</b>	<b>\$16,739,841</b>	<b>2.89%</b>

It should be noted that the County’s practice is to not estimate future salary and benefit costs for union contracts, which are pending in an out year. Once these are negotiated, the County then applies funds from department under-runs and Contingency. Accordingly, a portion of the Contingency line in this table could end up being transferred to the Salaries and Benefits line. Thus the impact on the forecast Budget for salaries and benefits are probably substantially understated.

Overall and if trends hold, there should not be a huge problem.

**Item 17 - Executive Session.** The Board will be considering a number of cases. There are 3 items which appear to be of broad public interest. It would be great if County Counsel could include a short paragraph on the subject of each case.

(6) *Protecting our Water and Environmental Resources v. Stanislaus County (Case No. S251709);*

(7) *California Water Integrity Network v. County of San Luis Obispo (Case No. S251056);*

(8) *Coalition for Agricultural Rights v. County of San Luis Obispo (Case No. 20CV-0282)*

For example Santa Barbara County gives a little more on cases of public interest:

*Paragraph (2) of subdivision (d) of Government Code section 54956.9)*

*Significant exposure to civil litigation: 1 case.*

*The City of Goleta’s letter of October 15, 2020 to the County of Santa Barbara: 1) requested that the City and the County meet within 30 days to negotiate a mutual amendment of a 2002 “Revenue Neutrality Agreement,” which was part of the statutory process through which the City of Goleta incorporated; and 2) asserted that the terms of that 2002 Revenue Neutrality Agreement are inconsistent with current public policy. In a telephone call on October 26, 2020 about that letter, Goleta’s City Attorney Michael Jenkins separately told County Counsel Michael Ghizzoni that the City of Goleta is not presently threatening litigation, but that litigation is one possible path that the City of Goleta has considered.*

If the issue above had simply been listed under its title – (Paragraph (2) of subdivision (d) of Government Code section 54956.9) Significant exposure to civil litigation: 1 case.), no one would have any idea.

This is not to say that all the nitpicky housekeeping about property negotiations, workers comp, and someone’s leak need to be explicated, but the typical \$10 million dollar lawsuit, big water and ag stuff, and cases over what the heck did Adam Hill do to get the County sued, should be listed. You’d have be a sweat collar courthouse gang lawyer to figure out the stuff on the Court website.

## MATTERS AFTER 1:30 PM

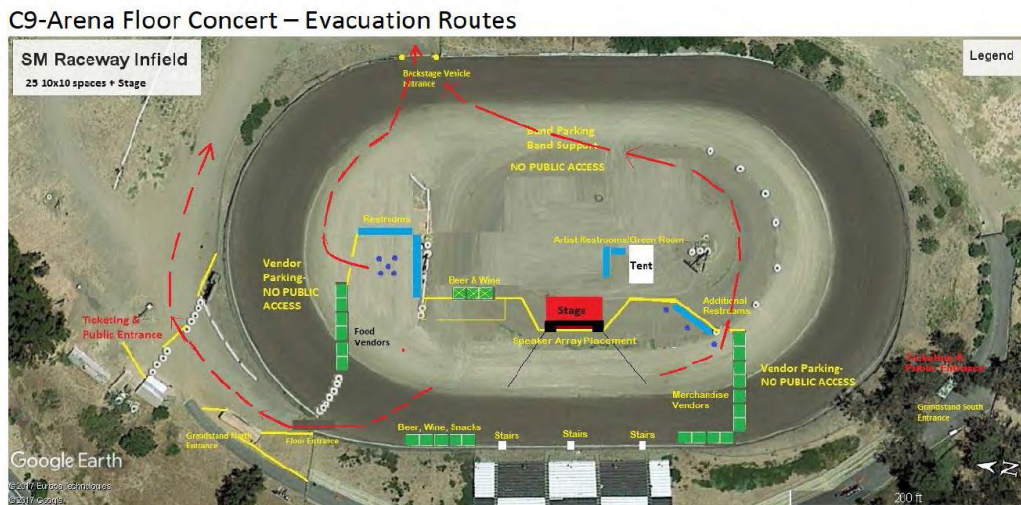
**Item 18 - Hearing to consider a Temporary Commercial Outdoor Entertainment License application from Nicholas M. Duggan for up to six concert events to be held at Santa Maria Raceway/Stadium 805 on dates uncertain in the 2021 calendar year.** The applicant proposes 6 outdoor music concerts at the venue, which has hosted stock car racing, motor cycle racing, and destruction derby events since 1964. The various County departments analyzed the proposal and recommend approval of the permit.

Neighbors have written in opposition due to their concerns about traffic and noise. Staff indicated that the sound level should be lower than that emitted by the race cars. They have also expressed traffic concerns. Staff seems to believe that the traffic will not be any worse than the traffic experienced for the races.

Various tourism organizations in the county support the application .

The Board should approve it and test the results. Over time it might grow into a real attraction, like the Santa Barbara Bowl. It could be renovated into a first class venue if the business starts to grow.

Map of Proposed Concert Grounds



## Map of Proposed Parking Area

### C6-Parking and Vehicle Access



## Rock and Roll Will Never Die!!!



**YOU'RE NOTHING BUT A ONE NIGHT STAND**

[https://youtu.be/Nc9saY\\_XcXY?t=3](https://youtu.be/Nc9saY_XcXY?t=3)

Control Click Here.

**Planning Commission Meeting of Thursday, November 12, 2020 (Scheduled)**

**In General:** This is a busy meeting with applications for permits for project approval extensions, a winery, an office building, and several cannabis grows.




**Item 10 - Hearing to consider a request from Sidifoax, Inc. for a Conditional Use Permit (DRC2019-00086) to authorize the multi-phased development of: up to one acre of outdoor cannabis cultivation canopy, up to 22,000 square feet of indoor mixed-light cannabis cultivation in greenhouses, up to 600 square feet of indoor commercial nursery, and up to 600 square feet of non-volatile manufacturing. Ancillary processing activities would include curing, drying, trimming and packaging. Project development would result in 8.4 acres of site disturbance on an 110 acre parcel and would include the: construction of a 7,150 square foot microbusiness building to house the processing, storage, nursery, manufacturing and transport activities, construction of three (3) 10,080 square foot greenhouses, installation of four (4) 10,000 gallon water storage tanks for irrigation use fire suppression and installation of a 100 square foot water pump house. The project would employ up to six (6) people and would operate seven days per week, between the hours of 8:00 AM and 5:00 PM, and no later than dusk/dark during harvest operations. A modification from the parking standards set forth in Section 22.18.050.C.1 of the County’s LUO is requested to reduce the required number of parking spaces from 69 to 14 spaces. The project site is within the Agriculture land use category and is located at 7575 Carrissa Highway, approximately 8 miles northwest of the village of California Valley in the Shandon-Carrizo Sub Area North of the North County Planning Area.**

### Project Description

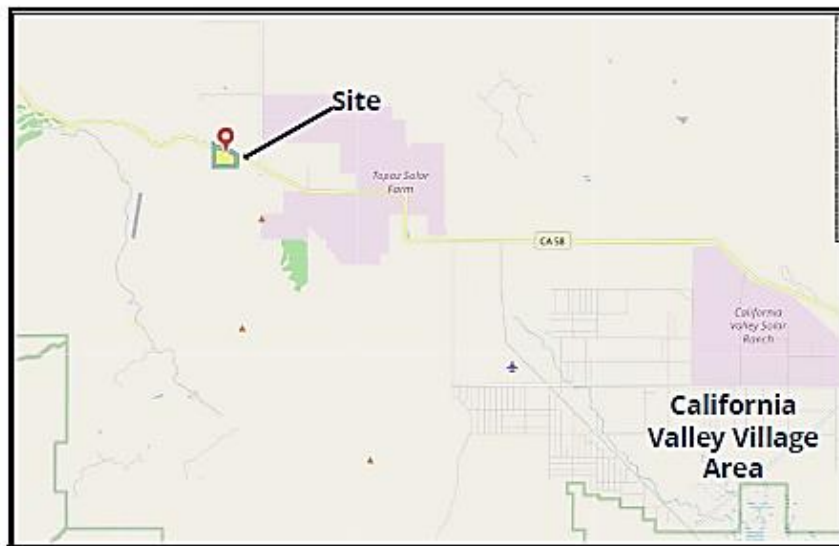
Area	Cannabis Activities Proposed
1 acre	Outdoor cannabis cultivation
30,240 sf gross/ 22,000 sf canopy	Indoor cannabis cultivation within 3 new greenhouses (10,080 sf each)
7,150 sf gross/ 600 sf canopy	Commercial building to support commercial nursery (600 sf canopy), cannabis manufacturing (600 sf), ancillary processing (1,750 sf), cannabis distribution transport-only, non-cannabis storage, office, and restrooms (4,200 sf).

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COUNTY OF SAN LUIS OBISPO

7575 Carrissa Highway  
DRC2019-00086



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**Item 11 - Hearing to consider a request by Pegaso, Inc. for a Conditional Use Permit (DRC2018-00177) to allow for a multi-phased development of cannabis activities. Phase I will include approximately three acres (130,680 square feet) of outdoor cannabis cultivation in hoop houses. Phase II will consist of the construction of 38,800 square feet of greenhouses for the establishment of 22,000 square feet of indoor cultivation and 16,000 square feet of ancillary nursery. Phase II will also include construction of a 9,500 square foot building for processing activities. The project will result in approximately 10 acres of disturbance on a 225-acre parcel, including 12,364 cubic yards of cut and fill. A parking modification is requested to reduce the required parking spaces from 80 to 26. The project is within the Agriculture land use category located at 12415 River Road, approximately 2.2 miles northwest of the village of Pozo and 5.3 miles east of the entrance to Santa Margarita Lake.**

### **Project Description**

#### Other Improvements

- 3 acres outdoor cultivation canopy
- Installation of a 6-foot-high chain-linked fence
- Temporary restrooms and wash trailers
- Improvements to parking area and onsite access road
- Septic tank and leach field
- 10,000-gallon water storage tank

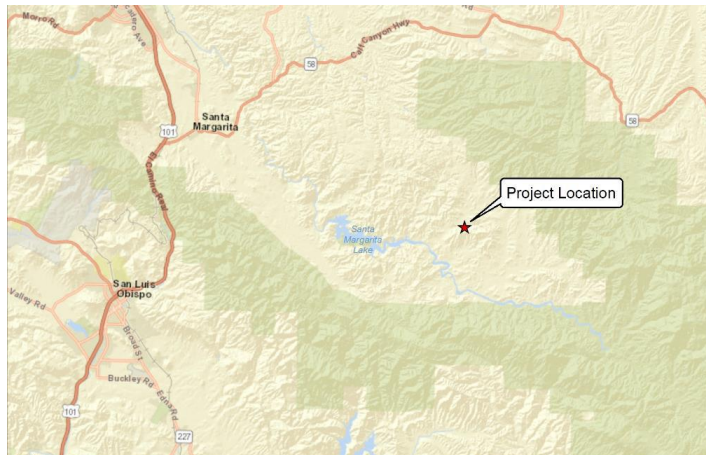
Modification to reduce parking from 80 spaces to 26

### **Project Description**

#### Other Improvements

- 3 acres outdoor cultivation canopy
- Installation of a 6-foot-high chain-linked fence
- Temporary restrooms and wash trailers
- Improvements to parking area and onsite access road
- Septic tank and leach field
- 10,000-gallon water storage tank

Modification to reduce parking from 80 spaces to 26





**Planning Fees For Cannabis Inspections (Non-Agenda Issue)**

The County staff has developed a document entitled the Cannabis Compliance Monitoring Agreement and an accompanying Monitoring Cost Accounting Agreement. Cannabis growers and stores must sign the forms agreeing to perfect compliance with all the conditions of their approvals and to pay a \$1000 or \$2000 inspection fee per quarter (depending on the scope of the land use permit which had been issued).

This is particularly onerous for the smaller mom and pop operations. Many of the inspection tasks appear to be redundant or duplicative of inspections which are already required by State agencies.

These sorts of inspections are usually required for major industrial operations such as oil refineries.

1. Did the Board of Supervisors actually approve these fees and inspections in open session?
2. Why does it cost the County \$1000, 4 times per year, to inspect the same 1-acre marijuana patch?
3. Why do operators have to sign this special agreement on inspections of matters which are already included in their permits?
4. Is there an equal protection legal issue here? These agreements are not required for other permits, such as wineries, homeless shelters, or stores that sell pesticides. All of these are regulated and inspected, but there are no special contractual agreements.
5. Were the fees developed on the basis of nexus and hour studies?





Cannabis Condition Compliance Monitoring Agreement

Property \ Project Information		
Project Number:	Approval Date:	
Site Address:	Parcel:	
Applicant \ Landowner Information		
Property Owner:	Owner Telephone:	
	Owner Email:	
Applicant:	Applicant Telephone:	
	Applicant Email:	
Monitoring Program - Primary Contact Information		
Name:	Telephone:	
Address:	Email:	
County Business License(s)		
Business Name:		
License #:	Type:	Expiration:

**Requirements**

Land Use Ordinance (LUO) sections 22.40.040 (O.) and Coastal Zone Land Use Ordinance (CZLUO) section 23.08.416 (q.) require all cannabis cultivation activities that receive a land use permit to participate in a County-run monitoring program (Program). The purpose of the Program is to verify that permitted activities are conducted in compliance with conditions of approval (including environmental mitigation measures) and relevant provisions of the LUO, CZLUO and State law.

The Department of Planning and Building has the primary responsibility for the conduct of local monitoring inspections. However, department staff may be assisted by other County departments as well as representatives of State agencies. Please be advised that your project may be subject to additional inspection fees from outside agencies that will be billed separately.

In accordance with LUO Section 22.40.110, any of the following shall be grounds for revocation of the land use permit, based on substantial evidence and following notice and public hearing pursuant to Section 22.40.120:

- A. Failure to comply with one or more of the conditions of the land use permit;
- B. The land use permit was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant;
- C. Any act or omission by an owner or permittee in contravention of the provisions of the LUO;
- D. Any act or omission by an owner or permittee that results in the denial or revocation of the owner's or permittee's State license;
- E. Any act or omission that results in the revocation of that owner's or permittee's commercial cannabis Business License Clearance under Title 6 of the San Luis Obispo County Code;
- F. Any act or omission by an owner or permittee in contravention of State law or the San Luis Obispo County Code on the site that received land use permit approval;
- G. An owner's or permittee's failure to take appropriate action to evict or otherwise remove persons conducting commercial cannabis activities who do not maintain the necessary permits or licenses in good standing with the County or State;
- H. Conviction for possession or delivery of any form of illegal drugs; or
- I. Conduct of the commercial cannabis activities in a manner that constitutes a nuisance, where the owner or permittee has failed to comply with reasonable conditions to abate the nuisance (e.g. odor).

**Department Fees**

Cannabis Monitoring Program inspection fees are due upon invoicing. Planning and Building staff will conduct quarterly inspections of the cannabis site to ensure compliance with all state and local requirements.

## Cannabis Condition Compliance Monitoring Agreement

Cannabis Monitoring Program inspection fees are as follows:

- Minor Use Permit (L14)**      **\$ 932.00 per quarter**
- Conditional Use Permit (L18)**      **\$1709.00 per quarter**

WOW! \$4k per year for inspecting a minor grow?

In addition, all cannabis permit holders are required to complete a Department of Planning and Building Cost Accounting Agreement. This agreement recognizes the department's authority to bill the property owner or operator pursuant to the department's fee schedule if additional department staff time is required for compliance monitoring and enforcement.

### Acknowledgements

\_\_\_\_\_  
INITIAL I am the property owner or am authorized to act on the property owner's behalf, and the information I have provided above is correct. I acknowledge that I have read and understand the information contained herein.

\_\_\_\_\_  
INITIAL I agree to comply with all applicable county ordinances and state laws relating to building construction and cannabis activities.

\_\_\_\_\_  
INITIAL I hereby grant consent to the County of San Luis Obispo, its officers, agents, employees, independent contractors, consultants, sub-consultants and their officers, agents, and employees to enter the property identified above to conduct any and all surveys and inspections that are considered appropriate by the inspector for local and state compliance monitoring and enforcement purposes. This consent also extends to governmental entities other than the county, their officers, agencies, employees, independent contractors, consultants, sub-consultants, and their officers agents or employees if the other governmental entities are providing review, inspections and surveys to assist the county with local and state compliance monitoring and enforcement.

I, \_\_\_\_\_, declare that all statements contained in this form are complete, true and correct and that I am signing as an owner or as his/her authorized agent. I understand that making false statements or omitting information on this form is grounds for permit revocation.

\_\_\_\_\_  
Signature of Owner \ Authorized Agent

\_\_\_\_\_  
Date

*Note: Please attach a copy of your driver's license with this form*

## LAST WEEK'S HIGHLIGHTS

### Board of Supervisors Meeting of Tuesday, November 3, 2020 (Completed)

**Item 2 - Introduction of an ordinance implementing the County Fee Schedule "A" for Calendar Year 2021 and Fee Schedule "B" for Fiscal Year 2021-22. Hearing date set for November 17, 2020. The County is going through its annual fee increase ritual.** The Board set the Hearing for November 17, 2020 without undertaking questions or comment. We will bring back the detail for that meeting.

**The write-up stated in part:**

*If fee increases are not approved, it is anticipated that the amount of General Fund support required to fund existing departmental operations would increase as a result of fee revenue not keeping up with the actual cost to provide the services and thus not fully recovering the cost of providing the service. As stated above, the total amount of budgeted revenue from General Fund departments that is anticipated to be generated from the proposed fees in FY 2021-22 constitutes an increase of \$708,629 or 3.8% over FY 2020-21 levels.*

Here the staff posits a zero sum game. Either raise the fees, or we'll suck it out of the general fund and reduce basic services. As the reader will see below, the justifications for increased and new fees are given as higher salary and benefit costs, inflation, or more intensive regulation. Since there is a COVID pandemic wherein the State and the County have locked down many businesses and tens of thousands became unemployed, why not forgo adding the new \$708,000 to the citizens' burden and direct the staff to defer some of the raises and benefit hikes, reduce the regulatory intensity, and/or eliminate some discretionary expenditures. Everyone could take a couple of furlough days. For example, one of the reasons given for adding fees in Planning and Building is to cover costs for new expensive data systems. Stop until the Pandemic is over and the economy has recovered. Why can't the County apply some of the \$29 million in Federal/State CARES money it received?

While the public is unemployed, out of business, and banned from having weddings, church, Halloween, and everything else, raising fees is an insult.

**Item 5 - Request to approve an agreement with the County of San Luis Obispo Department of Public Works allocating a total of up to \$10,000 from District 2 Community Project Funds - Fund Center #106 to be used for the Midtown Los Osos Encampment Clean-Up Project.** The transfer was approved unanimously on the consent agenda without discussion. Several public speakers pointed out some of the flaws and the need to deal realistically with the problem.

**Background:** What will prevent the camp from coming back? When will the County adopt behavioral standards that forbid drug addicts, mentally ill people, and those who simply prefer the life style from getting way with wrecking communities?

Why doesn't the County have supervised homeless campgrounds? After all, it is in the camping business already.

**Item 19 - County Regional Parks Suffers Revenue Shortfalls.** The Board was advised of revenue shortfalls in the regional parks. The regional parks, which receive revenues from camping and group activities, have lost revenues due to the COVID lockdowns.

Regional Parks - Estimated Budget Gap

Projected Revenues through Q4 FY2020-21	\$4,870,541
Projected Expenditures through Q4 FY2020-21	\$6,125,441
Funding Gap through Q4 FY2020-21	(\$1,254,900)

**Golf Bounced Back – They project eliminating a \$330,000 deficit:**

Apparently people have figured out that they can play golf and not catch COVID. Ironically, the State wouldn't let the general public camp. But if you're homeless you can camp.

## 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

# THE WALL STREET JOURNAL.

DOW JONES | News Corp \*\*\*\*\*

TUESDAY, NOVEMBER 3, 2020 - VOL. CCLXXVI NO. 106

WSJ.com

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## WOKE UNIVERSITIES LEAD AMERICA TO A PRIMITIVE STATE BY JOHN EILLIS

**Woke Universities Lead America to a Primitive State** In this election season it's almost impossible to find pro- Trump bumper stickers or signs anywhere in my town. The reason is not lack of support but fear of vandalism, or worse: People nationwide have been physically assaulted and even threatened with loss of their livelihoods for no other reason than that they plan to vote as one half of the country does, and political goals are now commonly pursued by violent means. With this our civilization seems to be regressing to a more primitive stage of its development—a time when disputes were settled by force instead of rules, and before the First Amendment guaranteed the right to speak freely on the social and political issues of the day.

That's bad enough in itself, but worse yet is that this social regression began on college campuses, of all places, before spreading to the national culture. On one-party campuses, radical-left faculty have established a political orthodoxy that student mobs enforce, and the political culture of the nation is poisoned as those students take home with them their professors' habit of seeing opinions that differ from theirs as an evil not to be tolerated.

The left-wing political orthodoxy is also taking the place of traditional civics. Recent graduates know much less about U.S. government than older Americans do. In 2018 the Woodrow Wilson National Fellowship Foundation gave a sample of Americans a test based on the exam for U.S. citizenship. Only 19% of people under 45 passed, while 74% of those over 65 did, meaning even elderly people who learned the material more than 40 years ago can summon it from memory better than recent grads.



Similar studies have found a regression in knowledge of U.S. history. Today's universities are presiding over a nationwide reversion to civic illiteracy. That's a disaster for the country, but it suits campus radicals. A well-informed citizenry would hardly wish to be governed by people whose ideological kin have reduced so many countries to economic and political deserts.

America's universities were once the leading edge of an advanced culture, reinforcing and expanding the country's best features. They steered differences of opinion away from rancor and toward well-regulated, informed debate. They welcomed eccentric opinions, expanded the boundaries of thought and learning in every sphere, prepared students for citizenship by rooting them in their society's government and history, and trained students for nonpartisan service in the specialized professions an advanced society needs.

None of that persists today. Far from being the leading edge of an advanced culture, the universities drag America back toward a more primitive state. They have contempt for the restraints and rules that define society, such as political neutrality in nonpolitical institutions. For radicals, politics takes precedence over everything, and every field within social science and the humanities eventually degrades into a mere channel to spread progressive orthodoxies.

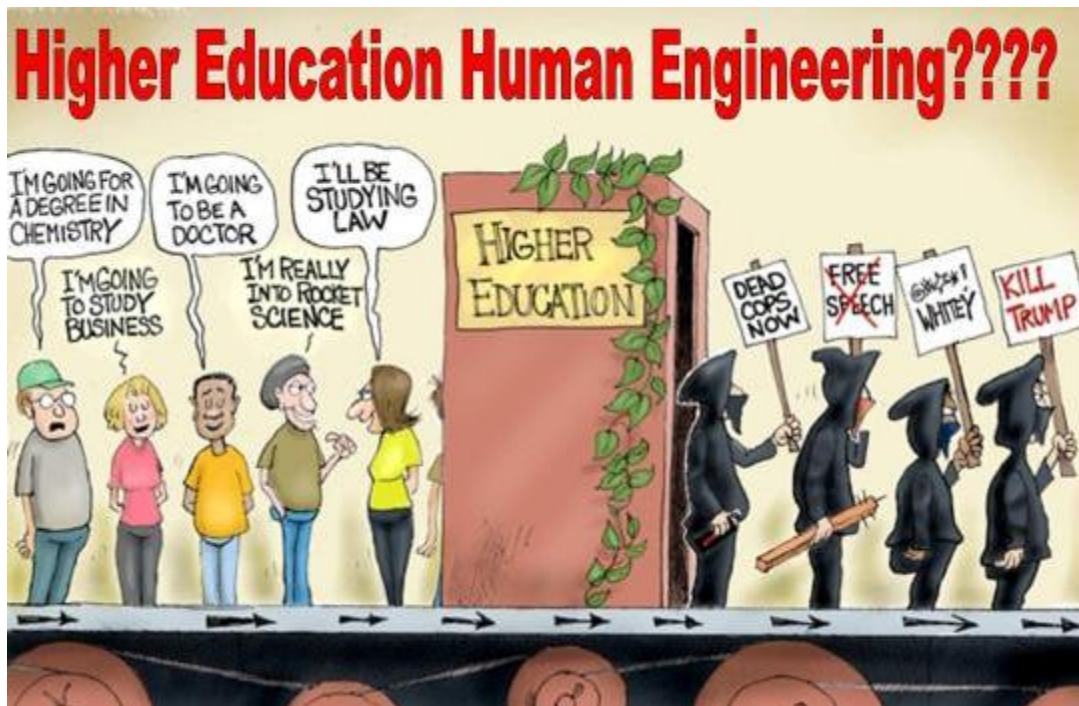
In an advanced society, journalists have the vital job of keeping the citizenry well-informed so that the government can be held to account. Only in less-developed cultures is the press commonly under firm political control. But since America's university journalism programs are now overwhelmingly left-activist, we now effectively have the politicized press of an undeveloped nation. The same holds for schoolteachers, at present also trained by campus radicals, which is making public school systems increasingly ideological. Socialist dictatorships and banana republics hold their universities under strict political control; it's astonishing that the U.S. seems to be joining that club.

Race relations in America are devolving under the same progressive leadership. Campuses are in a constant state of hysteria about "systemic" racism, with small armies of diversity administrators always eager to jump at the slightest infraction, real or imagined. Why does invisible campus racism need such zealous policing? If radical leftists can persuade enough people that America is rotten at its core with racial prejudice, they'll gain traction for their program of radical social transformation. Power-hungry radicals whip up racial tensions where none exist because their authority depends on social division.

In the past, universities were indispensable in maintaining American culture, but now they undermine and sicken it. The public should learn to see through the patina of prestige that still covers elite schools, and should assess realistically the damage these schools are doing today. That damage goes beyond a failure to develop graduates who think independently. Universities now attack the most basic principles of American society, and do so with lavish taxpayer support.

We should decide how best to cut them off.

*Mr. Ellis is a professor emeritus of German literature at the University of California, Santa Cruz and author of "The Breakdown of Higher Education: How It happened, the Damage It Does, and What Can Be Done. This article first appeared in the Wall Street Journal of November 15, 2020.*



## CALIFORNIA AND ITS CONTRADICTIONS BY JOEL KOTKIN

### *Rumblings of realignment beneath a solid-blue surface*

California remains deep blue, but the good news from this week's elections is that it has not yet achieved complete ballot-box unanimity. California voters appear to have turned [two or three house seats](#) red, and statewide voters rejected some of the most [extreme progressive](#) proposals governing contract workers, [affirmative action](#), expansion of rent control, and raising [property taxes](#) on commercial properties.

Overall, to be sure, California voters reaffirmed one-party rule, giving [Joe Biden](#) a two-to-one victory and maintaining the Democratic veto-proof majority in both legislative houses. The dominant urban centers, San Francisco and Los Angeles, went ever further into left field, approving radical measures such as increasing [wealth taxes](#) and [using public funds to fight racism](#). They also overwhelmingly backed measures to raise commercial property taxes, expand rent control, and reimpose affirmative action, though these efforts failed miserably elsewhere in the state. [San Francisco](#), where Biden won 85 percent of the vote, also voted for a new tax on companies where CEOs make too much compared with employees, and a measure to allow noncitizens to serve on public boards.

The good news for Californians is that the rest of the state is not quite ready for socialist rule by [the public unions](#) and their allies. "It's not so much light pouring through the window, as a small crack opening," suggests Joel Fox, editor of the widely read California political website Fox and Hounds Daily. The opportunity for centrists and conservatives lies in what a Marxist might describe as "heightening the contradictions" within the blue alliance. Consider the battle over Proposition 22,

funded by Uber and Lyft, to overturn the state's onerous AB5 law, which sought to force employers to treat contract drivers as full-time employees. This mandate, as the tech firms understood, would destroy their business model and their fortunes. Tech elites, who also [worked tirelessly](#) to defeat Donald Trump, spent an estimated [\\$200 million](#) to push the measure against labor opposition, and they seem to have won the day,

The conflict between the tech elites and labor, though, is not restricted to ride-sharing firms. Taxes remain a major battlefield. With the apparent defeat of Proposition 15, legislators seem likely to consider new statewide measures to [raise income-tax rates to as high as 16 percent](#). This cannot be good news to the tech industry; not only its fabulously rich owners but also many of their well-paid top employees would be affected.

The state's business regulations threaten even the most heralded, emblematic California companies. Disney executive chairman Robert Iger has fought with the state's progressives, who generally favor extreme lockdowns, to keep his businesses open. [Disneyland](#) remains closed, resulting in 28,000 layoffs, even as the company's parks in Florida and abroad are operating. The state's inflexibility led [Iger](#) to resign from Governor Newsom's coronavirus recovery taskforce.

Tesla's [Elon Musk](#) has also dissented, having battled with Alameda County officials about the opening of his plant. More importantly, he seems to be shifting his investment focus, and perhaps even his [headquarters](#), from California. He has already announced big expansion plans for both [Tesla](#) and [Space X](#) in Texas.

The contradictions between tech and entertainment oligarchs and the hard Left are likely to intensify in the years ahead. The state has neglected the basics of business competitiveness, particularly in creating the mid-skilled jobs crucial to a healthy economy. University of California at Irvine's Ken Murphy estimates that, outside the Bay Area, 85 percent of all new jobs have paid below the area median income of \$66,000; 40 percent pay under \$40,000 a year. Once a beacon of opportunity, [the Golden State](#) suffers the nation's highest cost-adjusted poverty rate.

Governor Newsom's high-profile preening about lockdowns has made things worse, particularly for tourism and hospitality. In September, California's [unemployment rate](#) stood at 11 percent, well above the national average of 7.9 percent and better than only four other states in the nation. Since the March lockdown, California, with 12 percent of the nation's population, accounts for [16.4 percent](#) of its unemployment.

Of the 55 largest [metropolitan areas](#) in the U.S., some of the worst job losses from February to August have occurred in the Bay Area and Los Angeles-Long Beach. Things are particularly grim for the L.A. area, with its huge exposure to losses in hospitality and other low-end service fields. Overall, Los Angeles has lost 11 percent of its jobs, Murphy notes, significantly higher than the 8 percent drop nationally.

At the same time, one sees clear signs that tech growth will be limited, as more companies expand outside the state and some, like [Palantir](#), the data-mining software company, relocate, in its case to Denver. Some [40 percent](#) of Bay Area tech workers say that they would like to move to a less expensive region, which suggests locations outside of California. In a recent survey, [three-quarters](#) of high-tech venture funders and founders predicted the same for their workforces.

For many Democrats, the loss of jobs demands not a change in state policies that chase away jobs but further expansion of government, including the creation of a [basic income](#) for its vast numbers of underemployed and underemployed. This is particularly critical for the Latino working class that—in sharp contrast with Latinos in Texas—has remained attached to Democrats, giving Trump barely [half the percentage](#) he won in the Lone Star State. Rather than push for economic growth, young Latinos, such as millennials elected this week to the city council in predominantly Hispanic [Santa Ana](#), follow a progressive script about racial justice, public spending, and rent control.

Given the lack of upward mobility in California, such positions are not surprising. A population with little hope of starting a business, owning a home, or making a decent income naturally looks to government as its provider. Add to this the state's [extreme climate policies](#), which disproportionately affect industries that employ blue-collar workers, and it's a perfect storm for continued progressive agitation.

If California remains intellectually dominated by a leftist media and academic elite promoting class warfare, it will be hard to create a more diverse, less dependent political culture. Instead, we will see the [continued flight](#) of middle- and working-class families out of state. They leave behind both an expanding underclass—a recent UCLA report found that there were enough [homeless students](#) of grade-school age to fill five Dodger Stadiums—and older, wealthier residents who came to California when the going was good.

Some conservatives rightly hail the rejection of the affirmative action referendum and of AB5 as landmark victories that show a potential pushback to the state's relentless progressivism. "Californians are conservatives who think they're Democrats," [suggests](#) the right-of-center California Policy Center. This hopeful sentiment has some basis, but for now, it's not likely that the state will abandon the high-tax and heavy-regulation policies that impoverish its population. For example, radical new proposals for slavery [reparations](#)—though California was admitted to the Union as a free state—are likely to emerge soon. Worse yet, California's political reach seems to be expanding, despite its manifest failures, creating its own system of ideological satellites. [Arizona](#), for example, has raised its state income taxes to among the nation's highest, and states like [Colorado](#) and Nevada have shifted steadily leftward.

Ultimately, the battle to change policy direction—for the West generally, and maybe in the country as a whole—has to be won in California. This can only be accomplished by convincing young people and minorities that their future aspirations make them allies to the shrinking white middle-class population. Until ethnic minorities, including Asians—the state's most rapidly growing and economically vigorous minority, which widely opposed the [affirmative action proposition](#)—absorb the pro-business and pro-growth ethic that built Californian prosperity, the state will at best continue its sideways drift into malaise.

Similarly, the attempt to drive Uber and Lyft out of business seems likely to alienate at least some of tech honchos and their employees. In an era where tech jobs are more mobile, and other regions are making appeals both to younger workers and high-paid executives, the state faces a severe economic reckoning. But given the progressive proclivities of the tech sector, any shift to a pragmatic center might be gradual, at best.

More critical to change may be an incipient rebellion against progressive policies by working-class voters. [Some pushback](#) is evident even from the unions and union-friendly politicians, as well as [leading civil rights groups](#), representing working-class districts. Early opposition to Newsom's

proclamation banning gas-powered cars has come from the likes of Democrat [Jim Cooper](#), who represents a largely working-class district south of Sacramento. Copper recently noted that the greens, “from their leaders to their funders, are nearly all white,” and their policies tend to seek “environmental justice” in forms that create a “burden to lower-income, working-class Californians.”

Even some of the Democrat-aligned private-sector labor unions have become [more hostile](#) to Newsom’s “visionary” actions. The oil and gas industry employs 152,000 people in California, and these workers, two-thirds without college degrees, make \$80,500 a year on average—far more than the average for “green” jobs. “Can we immediately start talking about jobs? We can hate on oil, but the truth is our refinery jobs are really good middle-class jobs,” [tweeted](#) labor heroine Assemblywoman Lorena Gonzalez, author of AB 5. “Jobs can’t be an afterthought to any climate change legislation.”

These divisions and contradictions suggest the path exists for a true restoration of California as a beacon of entrepreneurship and opportunity. Election Day brought some promising results, but a state that retains a veto-proof legislature, a lockstep progressive governor preparing for a future trip to the White House, powerful public unions, and a debilitated political opposition still faces a long road back to sanity—and prosperity.

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*[Joel Kotkin](#), a City Journal contributing editor, is the Presidential Fellow in Urban Futures at Chapman University and executive director of the Urban Reform Institute. His latest book is [The Coming of Neo-Feudalism: A Warning to the Global Middle Class](#). Follow him on Twitter [@joelkotkin](#).*



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