



**WEEKLY UPDATE
JUNE 12 -18, 2022**

THIS WEEK

FY 2022-23 COUNTY BUDGET REVIEW AND ADOPTION

CENTRAL COAST COMMUNITY ENERGY BOARD

LOCAL AGENCY FORMATION COMMISSION

AIR POLLUTION CONTROL DISTRICT HEARING BOARD

WHAT'S UP? - DUNES DUST REGULATIONS - NO WRITE-UP

LAST WEEK

BOARD OF SUPERVISORS

HOUSING IN LIEU TAX REPEALED

PHONY RESTRICTIONS ON HOME PERMITS RE-ADOPTED

HEARING ON PASO BASIN WATER MORATORIUM SET FOR JULY 12TH

YET ANOTHER HOUSING STUDY - PROBABLY DOOMED

BUDGET ADOPTION SCHEDULE FOR JUNE 13TH & REVISED NUMBERS

COUNTY PLOWING AHEAD WITH DIABLO DECOMMISSIONING

ANOTHER BIG \$1.6 MILLION WATER STUDY APPROVED

INTEGRATED WASTE MANAGEMENT AUTHORITY

PACKET NOT POSTED AS OF SUNDAY AM - MAY VIOLATE 72 HOUR RULE

COASTAL COMMISSION

HUGE OFFSHORE WIND PROJECT GIVEN PRELIMINARY APPROVAL

PLANNING COMMISSION

**REGULAR CITIZENS MUST GET SIDE YARD VARIANCE UNLIKE GIBSON
AVILA RESORT - 6 NEW HOTEL ROOMS APPROVED**

EMERGENT ISSUES

COVID SIMMERING

**ELECTION RESULTS DRAGGED OUT
PROGRESSIVE LEFT COULD TAKE OVER IN JANUARY**

SB 1020 - NEW STATE CARBON AUTHORITY

**VAST NEW POWERS TO REGULATE ELECTRIC GENERATORS, FUND GREEN
PATRONAGE PROJECTS, IMPOSE PROJECT LABOR AGREEMENTS, AND
INTERFERE WITH THE STATE WATER PROJECT**

COLAB IN DEPTH

SEE PAGE 28

THE ABUNDANCE CHOICE, PART 13: THE LORDS OF SCARCITY

*Often the motive for the land buyers isn't even to grow food, but merely to
acquire the water rights*

BY EDWARD RING

THE SOVIETIZATION OF AMERICAN LIFE

*Behind All Our Disasters There Looms An Ideology, A Creed That Ignores Cause And
Effect In The Real World—Without A Shred Of Concern For The Damage Done To
Those Outside The Nomenklatura.*

BY VICTOR DAVIS HANSON

THIS WEEK'S HIGHLIGHTS

ALL MEETINGS ARE AT 9:00 AM UNLESS OTHERWISE NOTED

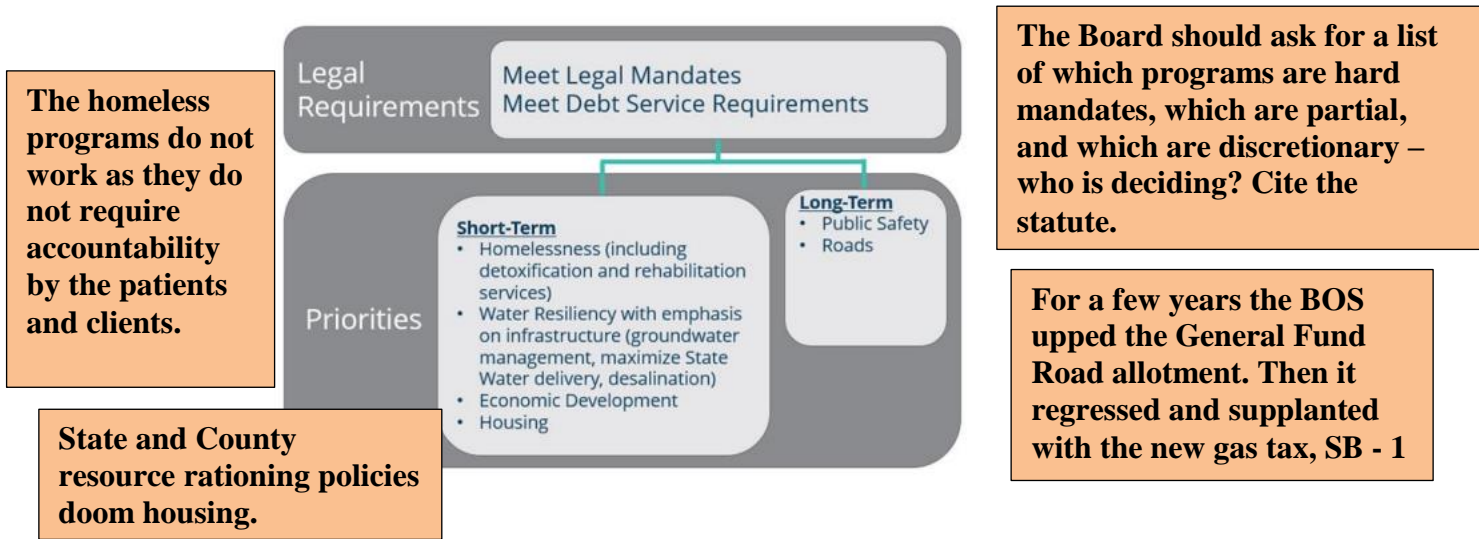
Board of Supervisors Meeting of Monday, June 13, 2022 (Scheduled)

Item 1 - General Public Comment for matters not on the Agenda.

Item 2 - Budget Hearing for the Fiscal Year 2022-23 Recommended Budget. The County's Recommended and Supplemental Budget documents can be viewed at the following link:
<https://www.slocounty.ca.gov/budget>

In General: The Annual Budget is the most important recurring policy document for a county, as it translates the elected board's priorities into action by allocating funds to the various functions. The standard practice in SLO County is to set general priorities and then allow staff to fill in the details. The budget is a prior year's expenditure plus incremental document, which allocates virtually all the revenue available to preserve the existing level of programming with modest staffing expansions each year. The exceptions are that the County maintains general reserves that would cover about a month of operations in the key safety, justice, and legal records departments, and keeping the lights on. It also maintains a contingency fund, which would cover about a month of operations.

The overall policy priorities of the Board are summarized in the graphic below:



Successive Boards of Supervisors have been satisfied with this policy for more than a decade, while emphasizing service expansion on the margin for the in-vogue issues such as homelessness, restorative and therapeutic justice, and mental health. COVID operations have also been a major issue and were largely funded by Federal grants. The County is now enjoying adopting new programming using American Rescue Plan Act (ARPA) to expand some social programs, provide grants to small businesses, and reimburse itself for “COVID-related expenditures and revenue losses.”

Prudently, the CAO budgeted as much of this as possible (given Board direction to add some services) for one-time capital expenditures. It is not clear if the \$10 million allocation for restoration of government services in the table below is one-time, is recurring, or will induce more recurring costs. Also, it is not clear if the \$14 million for the COVID public health emergency is one time or recurring. The County may simply be paying itself back for funds it advanced for COVID-related expenditures.

Overall, the Budget policy is to maintain the current level of service without raising taxes and minimizing fee increases.

ARPA Nexus Buckets

Eligible Use Category	Sub area	BOS direction 6/15/2021
Public Health and Negative Economic Impacts Response		
	Public Health Emergency	\$14M
	Business, Non-Profit, Childcare Grants	\$9M
	Housing / Homelessness	\$6M
	ARPA administrative costs	\$1M
	Total Category	\$30M
Restoration of Government Services		\$10M
Water, Sewer, Broadband		\$15M
		\$55M

Staffing Vacancies: A critical problem is the inability to recruit new employees to fill positions which become vacant due to retirements, promotions, moves out of the area, and housing costs. The County Human Resources recruitment pages list 40 position classes with multiple vacancies (many with 3 to 5 ranks or sub-positions), most of which are under continuous recruitment as they cannot be filled in a timely manner. The 3rd Quarter Financial Report indicated that the vacancy rate for funded but unfilled positions is now in excess of 11%. The metric is composed of around 320 vacancies on any given day, since many of the class vacancies represent multiple positions, such as administrative support specialists, deputy sheriffs, doctors, nurses, other types of health clinicians, planners, accountants, and others required to run the system.

The problem is not unique to the County, as most other jurisdictions report the same experience.

A deficiency of the presentation is that the key summary table, below on page 6, does not include a column for the estimated actual expenses and revenues for the current 2021-22 fiscal year. It leaps from the FY 2021-22 final adopted budget to the proposed FY 2022-23 Budget. This places the Board and the public in the dark, as the estimated actual budget for the current year provides a very important perspective on the new year. However, for some reason, this is omitted. How much did we actually take in and how much did we actually spend? The current presentation here omits this vital perspective. It is strange that it is not included, as it is presented in each of the departmental budgets. It should be an easy roll up for the computer.

1. Recommendation: Include Current Year Estimated Actual Data. Include the estimated actual current year in the table below on page 6 and all detailed and summary table in the budget presentations. The presentation includes 2 past years of the audited actuals. Why? Skip the oldest column and substitute the estimated actual current data in the space freed up next to the proposed budget.

2. Recommendation: The Board may be aware of some work that is backlogged, such as in land use permitting. The Board should carefully examine the performance measures in each department to ascertain if there is a broader problem. To undertake such a careful review the Board would have to allocate more than Monday morning to its review of the Budget. Why not use the entire week and do a close and detailed review?

Salaries and benefits total \$372.3 million of the total \$781.4 million of the official Budget as presented. This means that with an 11% vacancy rate, \$41.0 million is likely to accumulate as payroll savings over the fiscal year. Some of this will be used to fund labor contract cost increases that have not been included in the budget. Some consists of categorical funding sources that can only be used in the departments and programs for which the funding is legally restricted.

3. Recommendation: The Board should ask staff how much is likely to be available for the Board's priorities as it adopts the Budget. For example, if 50% is categorical and 50% is true discretionary general fund, the Board could certainly extract \$3 million of the general fund portion to apply to the Housing Match Fund, which has been sporadically funded by an unfair special tax in past years.

The Budget

The proposed Budget is listed as \$781.4 million in the Summary Section in the front of the Book. Another table in the back of the book lists it as \$899.6 million. The off-Budget, County-dependent districts add another \$62.1 million for a grand total of \$961.7 million. It is likely that the County can join the billion-dollar club in FY 2023- 24. Are these included in the overall presentation or not?

State Controller Schedules		San Luis Obispo County				Schedule 1	
County Budget Act November 2014		All Funds Summary Fiscal Year 2022-23					
Fund Name	Total Financing Sources				Total Financing Uses		
	Fund Balance Available as of June 30, 2022	Decreases to Obligated Fund Balances	Additional Financing Sources	Total Financing Sources	Financing Uses	Increases to Obligated Fund Balances	Total Financing Uses
1	2	3	4	5	6	7	8
Governmental Funds							
General Fund	\$37,500,000	\$8,415,737	\$613,268,251	\$659,183,988	\$656,572,180	\$2,611,808	\$659,183,988
Special Revenue Fund	832,000	10,376,028	83,509,447	94,717,475	88,481,850	6,235,625	94,717,475
Debt Service Fund	255,000	0	20,310,490	20,565,490	16,937,690	3,627,800	20,565,490
Capital Projects	0	0	6,891,191	6,891,191	6,891,191	0	6,891,191
Total Governmental Funds	\$38,587,000	\$18,791,765	\$723,979,379	\$781,358,144	\$768,882,911	\$12,475,233	\$781,358,144
Other Funds							
Special Revenue Fund	\$5,002,490	\$471,557	\$8,374,536	\$13,848,583	\$13,569,165	\$279,418	\$13,848,583
Enterprise Fund	0	1,556,214	29,004,927	30,561,141	28,117,913	2,443,228	30,561,141
Internal Service Fund	0	7,522,322	66,339,290	73,861,612	72,503,868	1,357,744	73,861,612
Total Other Funds	\$5,002,490	\$9,550,093	\$103,718,753	\$118,271,336	\$114,190,946	\$4,080,390	\$118,271,336
Total All Funds	\$43,589,490	\$28,341,858	\$827,698,132	\$899,629,480	\$883,073,857	\$16,555,623	\$899,629,480

It is not clear why the County fails to provide a compressive presentation of the entire revenue/expenditure picture in one table.

The confusion is further exacerbated by the submittal of a separate book that covers the County dependent special districts operations in a separate format. It is very obtuse and delivers little information.

District/Agency Name	Fund Balance Available June 30, 2022	Decreases to Obligated Fund Balances	Additional Financing Sources	Total Financing Sources	Financing Uses	Increase to Obligated Fund Balances	Total Financing Uses
1	2	3	4	5	6	7	8
Total Special Districts and Other Agencies	\$5,670,650	\$2,101,005	\$54,334,181	\$62,105,836	\$60,832,549	\$1,273,285	\$62,105,834

In any case, the main Budget is summarized in the table below. County staff actually operates these.

Financing Sources and Uses Summary

Description	2019-20 Actual	2020-21 Actual	2021-22 Final	2022-23 Recommended
<u>Financing Sources</u>				
Taxes	220,423,832	234,665,121	233,442,082	249,713,956
Licenses and Permits	11,426,188	12,269,991	12,749,136	14,739,738
Fines, Forfeitures and Penalties	3,843,176	3,567,089	4,568,467	4,553,762
Revenue from Use of Money & Property	7,743,115	4,291,177	2,423,841	3,047,859
Intergovernmental Revenues	297,285,285	312,954,589	300,424,628	341,836,806
Charges for Services	29,802,426	33,186,764	33,882,347	33,896,014
Other Revenues	43,993,139	41,191,424	36,237,007	34,404,299
Fund Balance	0*	0*	72,484,917	38,587,000
Use of Reserves & Designations	0*	0*	17,329,222	18,791,765
Other Financing Sources	36,796,014	48,152,967	40,832,746	41,786,946
Decreases to Fund Balance	0	0	0	0

*cancellation of reserves and designations and use of fund balance included in Other Financial Sources

Total Financing Sources	651,313,175	690,579,121	754,374,393	781,358,144
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Uses of Financing by Function

Land Based	69,646,020	52,626,626	68,630,333	75,390,649
Public Protection	172,461,145	171,779,085	186,393,347	197,470,604
Health and Human Services	243,627,450	255,530,626	278,341,675	301,503,745
Community Services	23,897,423	22,930,504	24,007,487	24,967,511
Fiscal and Administrative	29,174,207	28,030,997	29,586,425	30,947,958
Support to County Departments	32,471,236	33,674,627	36,828,352	44,438,603
Financing	32,665,435	29,995,999	38,723,821	53,121,858
Capital and Maintenance	14,105,305	2,925,622	12,064,622	8,947,040
Contingencies	0	0	30,723,379	32,094,942
Reserves & Designations	0	0	49,074,952	12,475,233
Increases (Decreases) to Fund Balance	33,264,954	93,085,035	0	0

Total Financing by Function	651,313,175	690,579,121	754,374,393	781,358,144
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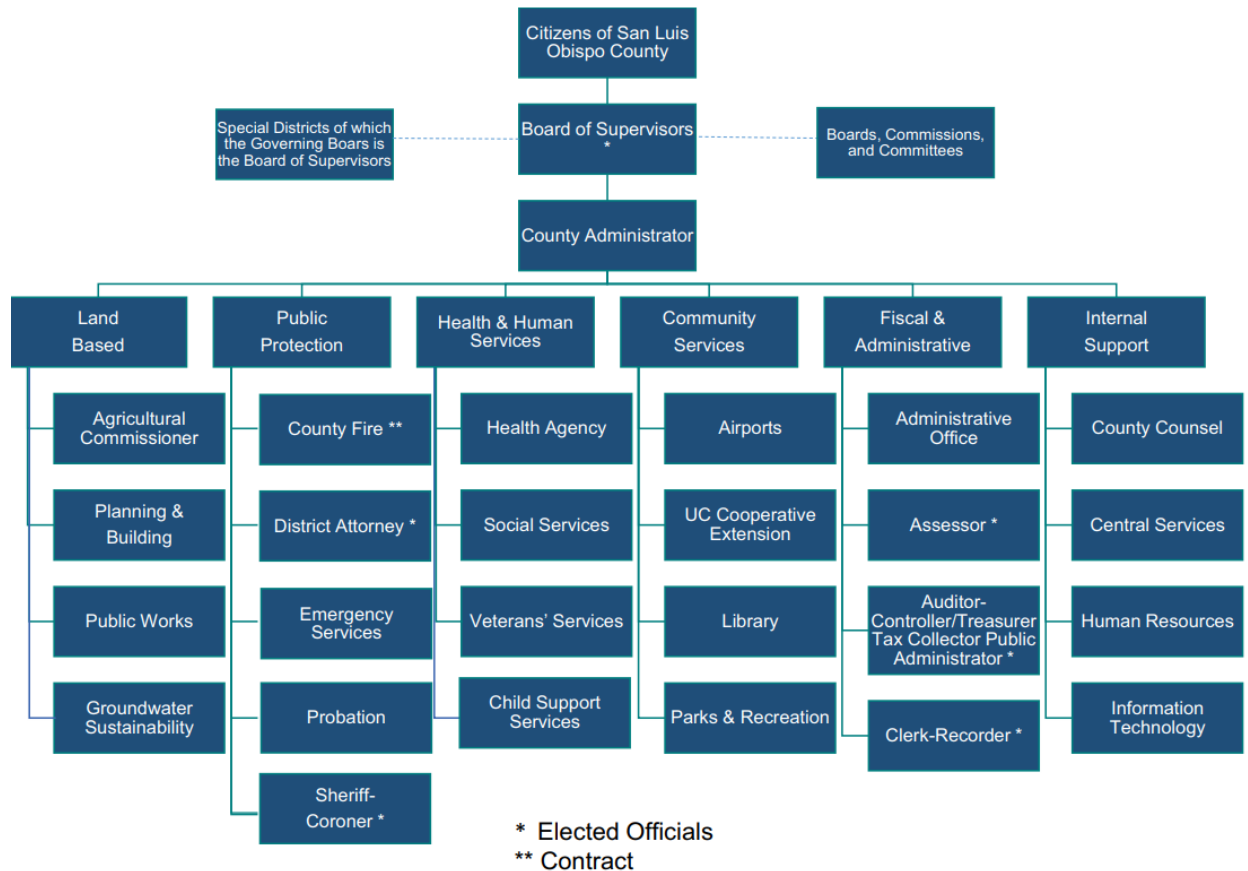
Uses of Financing by Type

Salary & Benefits	307,285,080	315,637,608	344,173,488	372,272,222
Services & Supplies	201,164,873	207,364,627	223,843,811	238,332,577
Other Charges	109,704,017	108,679,876	119,368,067	126,497,031
Fixed Assets	31,680,223	32,949,799	24,461,918	40,514,308
Transfers	(31,785,971)	(67,137,824)	(37,262,222)	(40,828,168)
Increases to Reserves/Designations	0*	0*	49,074,952	12,475,233
Increases/(decreases) to Fund Balance	33,264,954	93,085,035	0	0
Contingencies	0*	0*	30,723,379	32,094,942

*use of reserves and designations and contingencies are included in individual financing types

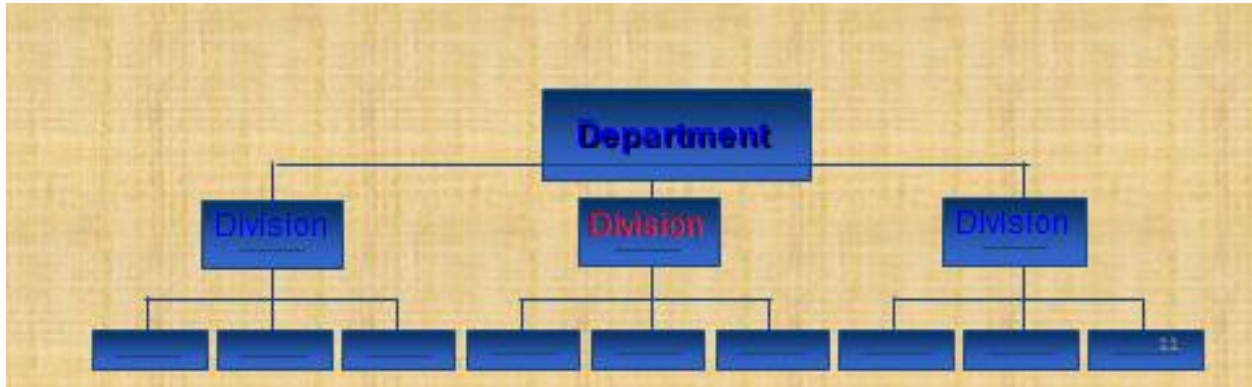
Total Financing by Type	651,313,175	690,579,121	754,374,393	781,358,144
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4. Recommendation: The County should present a compressive, all funds enterprise-wide budget in one document and with a standard format driven by the legal organization structure.



5. Recommendation: The County should present a budget that includes data at the program level below the division level and which is keyed to the legal administrative structure of the county, not the confusing use of “fund centers,” which are an obsolete mode left over from the days when accountants dominated the budging process. Instead, it should go to a true program budget.

Revise the Budget document and process to budget, and measure performance at the program level. Under the current budget format, the financial, explanatory, and personnel data are presented at the division level. The performance measures are listed randomly in a table and are not tied to their respective divisions. Of course, they cannot be tied to their corresponding programs because there is no program presentation to which to tie them. As shown in the chart below, the program (cost center level) is not displayed or analyzed. All this keeps the Board in the dark and allows the staff to run things.



An example of how the Law Enforcement Division of the Sheriff's Department could be displayed at the Program level



It is the equivalent of Target not knowing how the individual stores are performing.

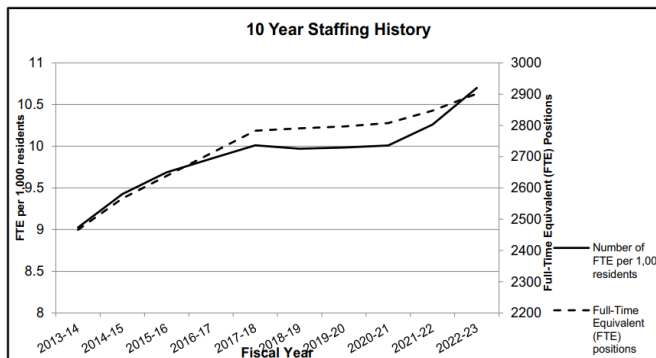
The table to the left illustrates how the Sheriff's Law Enforcement Division could be displayed as an example. This should be applied to the entire budget.

6. Recommendation: Services and Supplies are up \$14.5 million. The Board should request a list of the major increases. Is it motor fuels, electricity, consultant contracts, or what?

	FY 2021-22 Adopted	FY 2021-22 Estimated	FY 2022-23 Requested	FY 2022-23 Recommended	Change from FY 2021-22
Taxes	\$219,885,382	\$0	\$235,742,578	\$235,742,578	\$15,857,196
Licenses, Permits, and Franchises	\$3,662,093	\$0	\$3,845,198	\$3,845,198	\$183,105
Revenue from Use of Money & Property	\$1,611,544	\$0	\$2,271,178	\$2,271,178	\$659,634
Intergovernmental Revenue	\$2,182,052	\$0	\$10,350,380	\$12,350,380	\$10,168,328
Charges for Current Services	\$2,508,063	\$0	\$2,617,317	\$2,617,317	\$109,254
Other Revenues	\$2,379,601	\$0	\$1,205	\$1,205	\$(2,378,396)
Interfund	\$285,000	\$0	\$293,550	\$293,550	\$8,550
Total Revenue	\$232,513,735	\$0	\$255,121,406	\$257,121,406	\$24,607,671
Services and Supplies	\$5	\$0	\$5	\$5	\$0
Gross Expenditures	\$5	\$0	\$5	\$5	\$0
General Fund Support	\$(232,513,730)	\$0	\$(255,121,401)	\$(257,121,401)	\$(24,607,671)
Source of Funds				Use of Funds	

Fund Name	Total Fund Balance as of June 30, 2022	Less: Obligated Fund Balances			Fund Balance Available as of June 30, 2022
		Encumbrances	Nonspendable, Restricted and Committed	Assigned	
1	2	3	4	5	6
General Fund					
General Fund	\$107,174,889	\$0	\$69,674,889	\$0	\$37,500,000
Total General Fund	\$107,174,889	\$0	\$69,674,889	\$0	\$37,500,000
Special Revenue Fund					
Road Fund	\$1,536,415	\$0	\$1,536,415	\$0	\$0
Public Fac Fees Svcs	3,052,293	0	3,052,293	0	0
Parks Fund	1,867,553	0	1,667,553	0	200,000
Co-Wd Automtn Repl	12,137,725	0	12,137,725	0	0
Gen Govt Bldg Repl	47,850,029	0	47,850,029	0	0
Tax Reduction Rsv	20,653,869	0	20,653,869	0	0
Roads - Impact Fees	4,024,359	0	4,024,359	0	0
Wildlife and Grazing	39,327	0	39,327	0	0
Drivng Undr Influenc	468,082	0	468,082	0	0
Library	3,269,165	0	2,637,165	0	632,000
Fish and Game	192,728	0	192,728	0	0
Total Special Revenue Fund	\$95,091,545	\$0	\$94,259,545	\$0	\$832,000
Debt Service Fund					
Psn Oblig Bond DSF	\$22,645,732	\$0	\$22,390,732	\$0	\$255,000
Total Debt Service Fund	\$22,645,732	\$0	\$22,390,732	\$0	\$255,000
Capital Projects					
Capital Projects	\$16,222,806	\$0	\$16,222,806	\$0	\$0
Total Capital Projects	\$16,222,806	\$0	\$16,222,806	\$0	\$0
Total Governmental Funds	\$241,134,972	\$0	\$202,547,972	\$0	\$38,587,000

Debt Service Fund							
COP Loan DSF	\$0	\$0	\$6,680,490	\$6,680,490	\$6,680,490	\$0	\$6,680,490
Psn Oblig Bond DSF	255,000	0	13,630,000	13,885,000	10,257,200	3,627,800	13,885,000
Total Debt Service Fund	\$255,000	\$0	\$20,310,490	\$20,565,490	\$16,937,690	\$3,627,800	\$20,565,490



Central Coast Community Energy (CCCE/3CE) Policy Board Meeting of Wednesday, June 15, 2022 (Scheduled)

Item 6 - Annual Financial Report for the Fiscal Year 2020-21. The 3CE’s margins are getting tighter as its costs for energy increase. Should this trend, which emerged over its first 3 year’s operation, continue, it suggests that it will go negative next year or the year after. During the first 7 months of its operation for FY 2021-22 it achieved a \$16 million positive balance. At this rate it would end the fiscal year with a net change in position of \$27.4 million. Its costs for energy are expected to increase significantly in the future. The table below demonstrates the tightening margins over the first 3 years.

Summary of Revenues, Expenses, and Changes in Net Position

The following table is a summary of CCCE’s results of operations and a discussion of significant changes for the years ended September 30:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating revenues	\$ 287,931,441	\$ 233,915,415	\$ 238,322,420
Nonoperating revenues	702,036	2,417,363	1,320,685
Total income	<u>288,633,477</u>	<u>236,332,778</u>	<u>239,643,105</u>
Operating expenses	<u>257,383,668</u>	<u>197,290,842</u>	<u>160,425,423</u>
Change in net position	<u>\$ 31,249,809</u>	<u>\$ 39,041,936</u>	<u>\$ 79,217,682</u>

Change in Net Position CCCE’s change in net position was \$31,250,000 in 2021, a decrease from \$39,042,000 in 2020. The decrease was driven by a combination of lower average customer rates and higher costs for energy products.

The Financial Report discloses that 3CE has entered into contracts to purchase \$3.2 billion in energy between now and 2055. This is an average of \$95.6 million year. This is interesting in that its current budget for energy (for FY 2021-22) is \$326.3million, of which \$178 million has been expended so far this fiscal year. Is there a significant portion of the energy that is not coming from the long-term portfolio of suppliers? Is it being purchased on the spot market at premium prices?

Entities such as SLO County, which might consider joining 3CE in the future, will need to understand how its membership will add to the \$3.2 billion and what it’s percentage of the new overall number will represent. If the County were to join and then seek to withdraw later, what would its percentage of the long-term obligation cost?

Please see the table and CCCE explanation on the next page:

7. PURCHASE COMMITMENTS

POWER AND ELECTRIC CAPACITY

In the ordinary course of business, CCCE enters into power purchase agreements to acquire energy and electric capacity. The price and volume of purchased power is largely fixed. Variable priced power, which is a small part of our portfolio, is generally linked to the market price of either natural gas or power at the date of delivery. Variable volume is generally associated with contracts to purchase energy from resources with varying availability and production, such as solar, wind and hydroelectric facilities.

CCCE enters into long-term power purchase agreements ensure stable competitive rates for its customers and to comply with state law and voluntary targets for renewable and greenhouse gas (GHG) free products.

The following table represents the expected, undiscounted, contractual obligations outstanding as of September 30, 2021:

Year ending September 30,	
2022	\$ 277,000,000
2023	184,000,000
2024	139,000,000
2025	117,000,000
2026	133,000,000
2027-2055	2,305,000,000
Total	<u>\$ 3,155,000,000</u>

Local Agency Formation Commission (LAFCO) Meeting of Thursday, June 16, 2022 (Cancelled)

The next LAFCO meeting is tentatively scheduled for Thursday, July 21, 2022.

SLO County Air Pollution Control District (APCD) Hearing Board Meeting of Friday, June 17, 2022

The Hearing Board is not the Policy Board.

The APCD Hearing Board is a five-member quasi-judicial body whose purpose is to decide on matters of conflict between the Air District and industry and to act at the time of an air pollution emergency resulting from an upset or breakdown. The Hearing Board is an independent body, appointed at-large by the APCD Board and consists of an attorney practicing law in California, a registered professional engineer, a member of the medical profession, and two public members.

The Hearing Board issues variances from Air District rules and regulations from Health and Safety Code Section 41701; issues abatement orders requiring a source to cease and desist from a particular act unless specified conditions are met and; resolves permit disputes. A petition for hearing is required to be filed with the APCD Clerk in order to obtain a hearing.

The meeting will be conducted remotely (not in person) by Zoom at <https://us02web.zoom.us/j/81331654308> and may be viewed at <https://youtu.be/rmWEMPG3Rgo>

Item 1 - A status report on activities called out in Stipulated Order of Abatement (Case No.17-01): In the Matter of California Department of Parks and Recreation - Off-Highway Motor Vehicle Recreation Division – Oceano Dunes State Recreation Area.

Item 2 - Consider modification of the Stipulated Order of Abatement (Case No. 17-01) issued on April 30, 2018 and amended on November 18, 2019, pertaining to continued violations of California Health and Safety Code section 41700 and SLOAPCD Rule 402 – Public Nuisance and continued violation of SLOAPCD Rule 1001 – Coastal Dunes Dust Control Requirements with respect to particulate matter and dust resulting from riding activities at the Oceano Dunes State Vehicular Recreation Area, operated by the California Department of Parks and Recreation Off-Highway Motor Vehicle Division.

There are no reports or write-ups describing the facts, actions to be considered, or possible outcomes. Thus, the entities directly impacted by the Stipulated Order and the general public have no idea what might take place.

Would they shut down dunes riding, expand exclusion areas, repeal the November 18, 2019 modification of the Order, which the Court has determined to have been adopted illegally, or what?

You can't even go and question them in person.

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, June 7, 2022 (Completed)

Item 2 - Request by the County of San Luis Obispo: 1) to submit an annual review of the County growth rate for new dwelling units for FY 2021-22; 2) to submit a resolution establishing the County maximum growth rate and allocation for new dwelling units for FY 2022-23, in accordance with the Growth Management Ordinance, Title 26 of the County Code; and 3) to amend the Growth Management Ordinance, Title 26 of the County Code, (LRP2022-00006) to extend the 1.8% growth rate for the Nipomo Mesa area for FY 2022-23. The item was approved unanimously on the consent calendar without discussion or questions. It is an annual ritualistic Board re-adoption of a limitation on the number of homes that can be approved in the county unincorporated area each year. The table below illustrates the proposal for FY 2022-23.

Table 4: Maximum allocation of new dwelling units, FY 2022-23

Type of Dwelling Unit	Maximum number of new dwelling units allowed for FY 2022-23
Countywide, Single-Family	731
Countywide, Multi-Family	394
Nipomo Mesa, Single-Family	86
Nipomo Mesa, Multi-Family	46
Cambria, Grandfathered in New Units	8

The futility of this symbolic exercise is illustrated in the table below, which indicates that only 125 dwelling units have been applied for in the entire unincorporated county as of April 2022. Of these, only 33 have been approved and 12 constructed. Were it not for the continuing build out of Monarch Dunes, a phased development approved years ago, there would be zero.

Table 2: Status of Construction Permits with FY 2021-22 Allocations, as of April 8, 2022

Construction Permit Status	Number of new dwelling units subject to the GMO associated with construction permit applications submitted FY 2021-22, as of April 8, 2022		
	Countywide	Nipomo Mesa (excluding Monarch Dunes)	Monarch Dunes
Finalized	12	0	12
Issued	33	0	28
In Review	71	5	4
Intake	8	1	0
On Hold	1	1	0
Total	125	7	44

Historically, the County has experienced very low rates of housing production over the decades.

New Dwelling Units Subject to the GMO by Planning Area/Sub Area, 1992-2022¹

Planning Area/ Sub Area	1992 through June 30, 2021	July 1, 2021 - April 8, 2022	1992 through April 8, 2022
Adelaida	427	4	431
El Pomar-Estrella	1,969	20	1,989
Estero	985	3	988
Las Pilitas	15	0	15
Los Padres (North)	139	0	139
Nacimiento	1,093	11	1,104
North Coast	1,351	0	1,351
Salinas River	2,404	10	2,414
San Luis Bay	3,353	0	3,353
San Luis Obispo	449	11	460
Shandon-Carrizo (North) ²	1,443	2	1,445
South County ³	798	64	862
Total	14,426	125	14,551

1. As of April 8, 2022.

2. Includes Carrizo Planning Area.

3. Includes South County and South County Coastal Planning Areas.

Given the lack of activity, why does the County need such a large permit processing division within its overall Planning Department Budget?

Development and Permit Review The department provides development and permit review services to enable the public to participate in implementing and monitoring the County's vision by: • Guiding applicants and the public through the permit review process by explaining relevant policies, ordinances

*and regulations and applying these in a consistent and fair manner. • Reviewing development, land division and building applications to ensure they meet all Federal, State and local requirements. • Inspecting construction projects for compliance with codes, regulations and permit approvals. Total Expenditures: \$13,912,555 Total Staffing (FTE): *84.50*

New Dwelling Units Subject to the GMO by Planning Area/Sub Area, 2005-2022¹

Planning Area/Sub Area	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22 ¹
Adelaida	24	12	21	11	3	5	3	2	5	5	4	8	5	8	6	2	4
El Pomar-Estrella	90	53	33	14	9	11	10	20	38	16	28	19	22	26	15	19	20
Estero	19	15	13	6	10	8	3	6	13	8	7	18	6	10	7	11	3
Las Pilitas	0	6	5	2	5	1	3	1	2	1	0	1	1	1	0	1	0
Los Padres (North)	2	0	0	0	1	2	1	0	0	0	0	0	0	0	0	0	0
Nacimiento	43	32	18	11	7	9	10	33	50	21	20	25	27	18	14	11	11
North Coast	14	7	9	1	5	0	3	7	2	3	2	0	0	2	1	0	0
Salinas River	99	41	33	36	25	16	15	21	45	60	65	207	74	86	65	32	10
San Luis Bay Coastal	52	22	70	7	15	13	17	34	41	25	30	39	41	9	11	4	0
San Luis Obispo	11	9	11	2	4	4	5	6	9	2	4	10	5	8	12	8	11
Shandon-Carrizo (North) ²	28	28	11	5	2	4	6	2	4	0	4	4	3	6	5	3	2
South County ³	79	36	83	25	29	50	38	117	168	125	115	169	135	124	102	106	64
Total	461	261	307	120	115	123	114	249	377	266	279	500	319	298	238	197	125

1. As of April 8, 2022.

The proposed FY 2022-23 Budget at page 117 reveals that there is a large staff to manage what appears to be a small workload. The Budget states in part:

Development and Permit Review the department provides development and permit review services to enable the public to participate in implementing and monitoring the County's vision¹ by:

- *Guiding applicants and the public through the permit review process by explaining relevant policies, ordinances and regulations and applying these in a consistent and fair manner.*
- *Reviewing development, land division and building applications to ensure they meet all Federal, State and local requirements.*
- *Inspecting construction projects for compliance with codes, regulations and permit approvals. Total Expenditures: \$13,912,555 Total Staffing (FTE): *84.50*

The related performance measure on page 124 does not seem to comport with the workload. If they only have 71 permit applications in process, why would it take 45 days to examine 75% of them and get them approved or rejected? After all, they have 85 people in the unit.

¹Separately from the substantive issues here, the statement is ludicrous. This is about compulsory regulation, not participation.

3. Performance Measure: Percentage of single-family dwelling permits processed within 45 days to complete plan check.					
This measure provides information in order to gauge the department's performance in implementing the California Building Standards Code.					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Target	0.00%	0.00%	0.00%	80.00%	75.00%
Actual	0.00%	0.00%	0.00%	50.00%	
Notes: This performance measure goal is being modified to 45 days for FY 22-23 to reflect changes in the department's business model and how processing times are measured. This was a new measure for FY 21-22 which the department has since re-evaluated. The performance measure was 30 days. With the current and projected workload demands, the staff allocated to provide review need 45 days for initial review for residential projects and 60 days for initial review of commercial projects. The following changes contribute to the need for increased processing timeframes. Staff training to accommodate updated permit processing system and processes. Updated intake is required to be completed prior to plan check commencement (versus occurring simultaneously) Updated Permit applications are now appointment based and individualized. Updated plan review requires mark up and corrections to be communicated and resolved electronically with applicants and agents					

Item 4 - Request to: 1) introduce the attached ordinance amending the Agricultural Offset Requirements for the Paso Basin (County Land Use Ordinance, Title 22, Section 22.30.204) to extend the requirements termination date from August 31, 2022 to the effective date of the Paso Robles Land Use Management Area Planting Ordinance, or January 31, 2023, whichever occurs sooner; and 2) authorize the use of Alternative Publication Procedures for amendments to the Agricultural Offset Requirements. An addendum to the Supplemental Environmental Impact Report prepared for the Countywide Water Conservation Program in 2015 (SCH Number 2014081056) has been prepared for this request (ED22-042-PL). Hearing date set for July 12, 2022. Districts 1 and 5. The Board set the hearing for July 12th.

Early Warning: This item introduced the proposed extension of the Paso Water Basin moratorium for a public hearing on July 12, 2022.

On November 17, 2020, the County Board of Supervisors adopted an ordinance amendment and approved a SEIR Addendum to extend the termination date to January 1, 2022 to avoid a gap between GSP adoption and implementation.

On January 26, 2021 and April 6, 2021, the County Board of Supervisors authorized developing a new land use ordinance framework to regulate new and expanded irrigated crop production within the Paso Basin land use management area (“Planting Ordinance”).

On August 24, 2021, the County Board of Supervisors adopted an ordinance amendment and approved a SEIR Addendum to extend the termination date for the Agricultural Offset Requirements to August 31, 2022 to allow time for the development and adoption of the Planting Ordinance, to be effective until 2045, including preparation of a new Environmental Impact Report.

As of April 2022, the GSP management actions are still in progress and the project schedule for the Planting Ordinance anticipates releasing the Draft Environmental Impact Report for public review in June 2022, presenting to the Planning Commission in November 2022, and presenting to the Board of Supervisors for final action in December 2022. The Planting Ordinance will take effect in January 2023 (30 days after adoption). The proposed ordinance amendment would extend the termination date for the Agricultural Offset Requirements from August 31, 2022 to the effective date of the Planting Ordinance, or January 31, 2023, whichever occurs sooner.

Item 6 - Request to: 1) authorize the County Administrative Officer or his designee to sign a Memorandum of Understanding with the San Luis Obispo Council of Governments (SLOCOG) to contract with SLOCOG for up to \$310,000 to deliver a Regional Housing and Infrastructure Plan using funds awarded to the County from the State of California’s SB 2 Planning Grants

Program; and 2) Approve the corresponding budget adjustment in the amount of \$310,000 for Fund Center – 104. The Board approved the contract with SLOCOG to conduct the housing study.

We reported on this last week, when the item was before SLOCOG for its approval. This week the Board of Supervisors approved the \$310,000 study on methods to develop more housing. More than 2 years ago the Board of Supervisors gave this assignment to the County CAO. It fell by the wayside as COVID operations took priority. In the meantime, the County received a \$310,000 grant to perform the work. It has chosen to contract with SLOCOG to conduct yet another study of how to remove the key barriers to housing development. These include water availability, traffic congestion, and lack of high-speed internet. We are not sure why lack of high-speed internet is a barrier to housing development.

SUMMARY The Regional Housing & Infrastructure Plan (HIP) will build collaboration between the seven cities and County by identifying and prioritizing critical regional infrastructure needs (water, wastewater, transportation, high-speed internet). The HIP creates a focused strategy to address the housing and infrastructure shortage county wide and guides regional dollars to support housing and economic development opportunities.

- Accelerate housing production*
- Streamline the approval of housing development affordable to owner and renter households at all income levels*
- Facilitate housing affordability, particularly for lower-and moderate-income households*
- Promote development consistent with the State Planning Priorities (Government Code Section 65041.1)*
- Ensure geographic equity in the distribution and expenditure of the funding.*

As we reported last week in connection with the SLOCOG approval, the study seems doomed from the outset in that it fails to address the fundamental supply problem. That is, there is insufficient land zoned for housing in the unincorporated County. Only about 4% of the land in the entire county, including the incorporated areas, is zoned for any urban use. Much of the 3,500 square mile county is composed of public lands and agriculturally zoned lands.

The real question that should be examined is how to expand the percentage to something like 8%, which would open up 140 square miles that could be rezoned for planned village communities offering a variety of housing and lifestyles. These could be built out over decades.

The merchants of despair and stack-and-pack housing oppose suburban housing on the grounds that it is sprawl. Sprawl is one of the most successful forms of human existence in history and is part of the American dream.

It is curious that the study includes “streamlining the regulatory process,” when everyone has already known for decades that it is a major barrier to creation of new housing. In fact, back in 1972 after the establishment of CEQA, the Urban Institute did a study which forecast that the law would result in California homes becoming prohibitively expensive, which is exactly what happened.

The actual problem is that elected city councils and boards of supervisors need to make it clear to their staffs that they want all the stops pulled out and everyone working to approve housing, remove legal barriers, and end the housing lockdown. This means that the incentives and disincentives need to be changed. City and County staffs need to be told that there will be approval quotas, and if they are not met, they will be replaced until someone gets it right.

Item 7 - Submittal of the FY 2022-23 Supplemental Budget to publish the budget hearing schedule and recommend adjustments to the FY 2022-23 Recommended Budget. The item contained last minute updates to the Proposed Budget document, including a number of requests for additional staff and more funding by the departments.

Notably, it eliminated the funds that the County had planned to use on development of the design of the roundabouts on highway 227.

Item 51 - Submittal of the quarterly update on the PG&E Diablo Canyon Power Plant Decommissioning Project permitting and Environmental Impact Report preparation. The Board observed the presentation and seemed satisfied.

The report was pretty general and indicated that some sections of the Draft Environmental Impact Report (DEIR) will take more time than expected. The draft report will be completed “this winter.” No schedule graphic was presented in the materials showing progress against schedule.

There was no discussion of what takes place if it is determined to keep the plant open.

Item 52 - Request to approve a professional consultant services contract with Carollo Engineers, Inc., in an amount not to exceed \$1,576,367, to develop a water data and information management system and update the Countywide Master Water Report; authorize the Director of Public Works, or designee, to pursue grants to offset project costs and return to the Board for grant award approval; and approve a corresponding budget adjustment in the amount of \$626,603 in Flood Control District Zone General through the cancellation of reserves, by 4/5 vote.

The Board unanimously approved funding for the \$1.6 million study to be conducted by Carollo Engineers. None of the critical questions listed below were explored, other than the staff’s acknowledgement that it was bid. No data was presented on the number of bids or the amounts. They said that some sort of committee assessed the situation and recommended the award.

“Cancellation of reserves” is a soft way of saying “burning down the savings account.”

The write-up was not too clear about why a Countywide Master Water Report is required at this point. The text states that it hasn’t been updated since 2011, which really doesn’t explain why it is important or how it is used. There have been so many multi-million-dollar studies of various aspects of the water situation in San Luis Obispo County that it seems that staff would already be overwhelmed with data. Just what would this project add?

It appears from the PowerPoint that the project has something to do with digitizing data. It is not clear how this would improve the current management effort.



Water Resource Apps

Water Resource Data and Information Management System (DIMS)

Tools for tracking and analyzing water resources

GIS-based tools for tracking water supply, demands, projections, management strategies and water infrastructure projects



Supply Manager
Collect, evaluate and quantify water supplies from multiple sources for current and future scenarios



Demand Manager
Identify and quantify current and projected water demands for multiple users



Forecast Analyzer
Compare supply and demand projections to quantify future needs across local planning and regional areas



Water Strategies
Find and track water management strategies aligned with supply and demand forecasts



Water Reports
Track improvement project status, location and schedule via map / GIS-based interface

The scope of work is Attachment A to the Contract, and summarized in the following table:

Task (Scope of Work)	Cost
Project Management	\$81,808
Stakeholder Engagement	\$222,083
Water-Related Data and Information Audit	\$143,900
Data and Information Management System Alternatives Analysis and Selection	\$67,358
Data and Information Management System Development	\$364,236
Reporting Tools Development	\$205,714
Master Water Report Update	\$336,089
Operations Model	\$153,180
Total Contract Amount	\$1,576,368
Department Overhead (4.4%)	\$69,361
Total Cost	\$1,645,729

The actual work plan tasks appear to be a boilerplate full color promotional presentation. The pages seem to be encrypted and our various copy tools cannot capture them. Wonder why?

Some Questions:

1. What problem(s) are we attempting to solve with this project?
 - a. How serious are those problems?
 - b. When do they occur?
 - c. Where do they occur?
2. If this project is so important, why is it a mid-year add-on instead of part of an annual plan of work?
3. Was this contract bid out through an RFP?
4. If so, how many firms bid?
5. If not, why not?

Is this software development or is it some standard data base system to be used or what? What is the actual work to be done?

6. If so, what were their bid amounts?

7. Did County Information technology have a role in developing an RFP and then reviewing the responses, project design, and deliverables, which don't seem to be specifically listed?

8. Since this is a data system, why is there no clause in the contract requiring that it be run successfully in its final configuration for at least 2 cycles before the County makes final payments?

9. What is the annual operating cost of the system once installed? Will Carollo and/or the sub-contractors have to come back to do maintenance or updates?

10. Will the County need more staff to enter the data from all the water managing entities in the County to keep the system up to date?

Item 53 - Hearing to consider adoption of the attached ordinances: 1) repealing the County's Inclusionary Housing Ordinance (Sections 22.12.040 and 23.04.096 of the County Code); and 2) amending the County's Affordable Housing Fund (Title 29 of the County Code) to eliminate the collection of Inclusionary Housing In Lieu and Housing Impact fees. The Board voted 3/1/1 to terminate the so-called Inclusionary Housing Ordinance, which imposes a tax misrepresented as a fee on the construction of new market rate homes and all commercial and industrial development.

Supervisors Arnold, Compton, and Peschong voted to repeal the tax while Gibson voted to retain it and Dawn Ortiz-Legg abstained.

Repeal of the tax is a positive step in reducing irrational regulation and development costs.

Supervisor Gibson was adamant in his opposition and even presented a PowerPoint in defense of the tax. He said it was a fee, not a tax. Supervisor Peschong nailed him by pointing out that fees are imposed to offset the costs of services which benefit particular users. Taxes are levied to generate revenue which is the case for the Housing In Lieu tax.

The so-called fee is in actuality a tax that has been deceptively packaged as a "fee."

The Financial Replacement Options: The Planning Department and local not-for-profit housing developers have estimated that \$2 to \$4 million per year is needed to provide the necessary local matches. The tax has never produced anything like these amounts. Even this year, with a big payment from Monarch Dunes, the program has never been very robust because housing production in the County is very low.

As noted in **Item 2** above, permits for only 125 homes of any kind have been sought so far this year. Taxing the market price homes is not going to generate a lot of revenue. Some options included to replace the tax and generate funding for the matches include the following:

1. One proposal has been for the County to go into debt and issue \$25 million in housing bonds or certificates of participation to be doled out over the years.

2. Another proposal has been to submit a special sales tax or property tax to the voters. This would at least provide for everyone to have some skin in the game instead of only the homebuilders. It is unlikely that it would be approved at an election.

3. We see that the County has plenty of funding currently to cover such an annual commitment. A debt issuance or tax override are not needed. For example, the table below (from page 458 in the new Budget) indicates that general taxes over which the Board has complete discretionary authority are increasing by \$15.8 million dollars next year. Instead of plowing it all into new County jobs, why not use \$1 million for the housing fund? Since the County has an 11% employee vacancy rate, this should be a no-brainer.

FINANCIAL SUMMARY

	FY 2021-22 Adopted	FY 2021-22 Estimated	FY 2022-23 Requested	FY 2022-23 Recommended	Change from FY 2021-22
Taxes	\$219,885,382	\$0	\$235,742,578	\$235,742,578	\$15,857,196
Licenses, Permits, and Franchises	\$3,662,093	\$0	\$3,845,198	\$3,845,198	\$183,105
Revenue from Use of Money & Property	\$1,611,544	\$0	\$2,271,178	\$2,271,178	\$659,634
Intergovernmental Revenue	\$2,182,052	\$0	\$10,350,380	\$12,350,380	\$10,168,328
Charges for Current Services	\$2,508,063	\$0	\$2,617,317	\$2,617,317	\$109,254
Other Revenues	\$2,379,601	\$0	\$1,205	\$1,205	\$(2,378,396)
Interfund	\$285,000	\$0	\$293,550	\$293,550	\$8,550
Total Revenue	\$232,513,735	\$0	\$255,121,406	\$257,121,406	\$24,607,671
Services and Supplies	\$5	\$0	\$5	\$5	\$0
Gross Expenditures	\$5	\$0	\$5	\$5	\$0
General Fund Support	\$(232,513,730)	\$0	\$(255,121,401)	\$(257,121,401)	\$(24,607,671)

Source of Funds

Use of Funds

4. Similarly, the Budget proposes to up the general fund contribution to various departments by \$13 million, from \$245 million to \$258 million. Why are they providing Public Health, Behavioral Health, and Social Services with increases of general fund allotments when those departments are largely Federally- and State-funded? Accounting wise, those departments should not even be in the General Fund but should be in separate categorical revenue Funds. See Addendum II on page 35 for the details. In any case, the Board should be able to pull \$1 million with ease out of this section.

5. Finally, if any general fund balance is in excess of the current FY 2022 projection of \$37.5 million as of June 30th, it could be placed in the Housing fund.

State Controller Schedules		San Luis Obispo County			Schedule 3
County Budget Act		Fund Balance - Governmental Funds			
November 2014		Fiscal Year 2022-23			
Fund Name	Total Fund Balance as of June 30, 2022	Less: Obligated Fund Balances			Fund Balance Available as of June 30, 2022
		Encumbrances	Nonspendable, Restricted and Committed	Assigned	
1	2	3	4	5	6
General Fund					
General Fund	\$107,174,889	\$0	\$69,674,889	\$0	\$37,500,000
Total General Fund	\$107,174,889	\$0	\$69,674,889	\$0	\$37,500,000

The County will not need to issue more debt, and the fund will be established. Budget policy could require incremental increases over the years once the housing fund has become part of the base budget.

Since annual Budget review and adoption begins on Monday June 13, 2022, the Board has a great opportunity to implement one or more of the solutions listed above.

California Coastal Commission Meeting of Wednesday, June 8, 2022 (Completed)

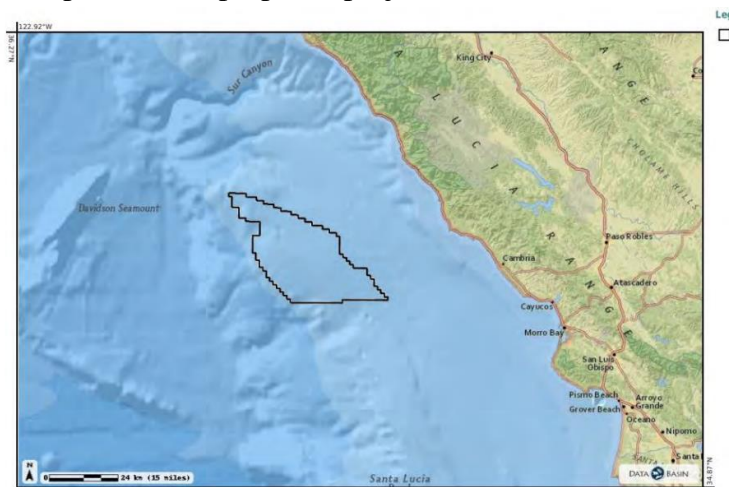
Item W7a - Application of the US Bureau of Ocean Energy Management (BOEM) to conduct a lease sale for up to 240,898 acres of federal waters for the future development of offshore wind energy facilities. It took only 2 hours. The Commission unanimously approved the 3-windmill test version of the project. The Commissioners gushed over the green energy that would be produced.

Notwithstanding the large coastal and environmental impacts, most of the Commission’s consideration pertained to political patronage issues. These included requiring project labor agreements for the construction projects, both onshore and in the ocean.² They will also insist on minority contractor set asides and hiring preferences to the extent that are allowed by law. BOEM representatives agreed to comply to the maximum legal extent possible.

The project is located in a 241,000-acre section of federal waters offshore of San Luis Obispo County, approximately 20 miles off Cambria. The Coastal Commission staff recommends conditional approval. The staff report is comprised of 149 pages of impacts of the proposed project.

The approval is preliminary and allows BOEM to test 3 windmills and connections to shore and to receive specific bid proposals for the actual projects. The specific selected projects will each have to go through their own Coastal Commission review.

The exhibit’s list for the process is descriptive of the issues, which the Commission staff reviewed prior to submitting its recommendation to the Commission.



Double Standard: Not surprisingly and notwithstanding all the issues, the staff recommends approval of this project, but would close the Oceano Dunes riding area over the presence of the Plover birds and blowing dust. The favoritism and ideological power of “green energy” is on full display here.

There is a huge list of environmental issues (see last week’s Update for details at [Weekly Update June-5 June-11 2022.pdf \(colabslo.org\)](#))

The County’s economic development contractor REACH is hopeful that the shore support facilities for the project, if fully approved, could be located within the County. It appears that the large-scale construction base will need to be in a major industrial port such as Los Angeles, San Francisco, or

² A Project Labor Agreement, also known as a Community Workforce Agreement, is a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific construction project.

Oakland. Once built, the operations base might be in a SLO County base such as Morro Bay. Accordingly, the job and economic benefits to County residents are not clear. The project is shaping up to be a major bent for large Los Angeles trade unions. The Coastal Commission write-up sees such facilities as a major issue:

As part of offshore wind development, onshore facilities would be needed for the cable landing, and the location and cable landing infrastructure would need to be resilient to sea level rise. With this industry beginning on the West Coast, onshore facilities would also be needed for offshore wind turbine manufacturing and maintenance in West Coast ports and harbors. The port locations that would serve the offshore wind industry on the Central Coast are currently unknown, as are the locations for cable landings. These coastal facilities are expected to have coastal impacts and will be analyzed under their own coastal development permit

Exhibit 1-2. Current Offshore Wind Platform, Mooring and Anchor Types

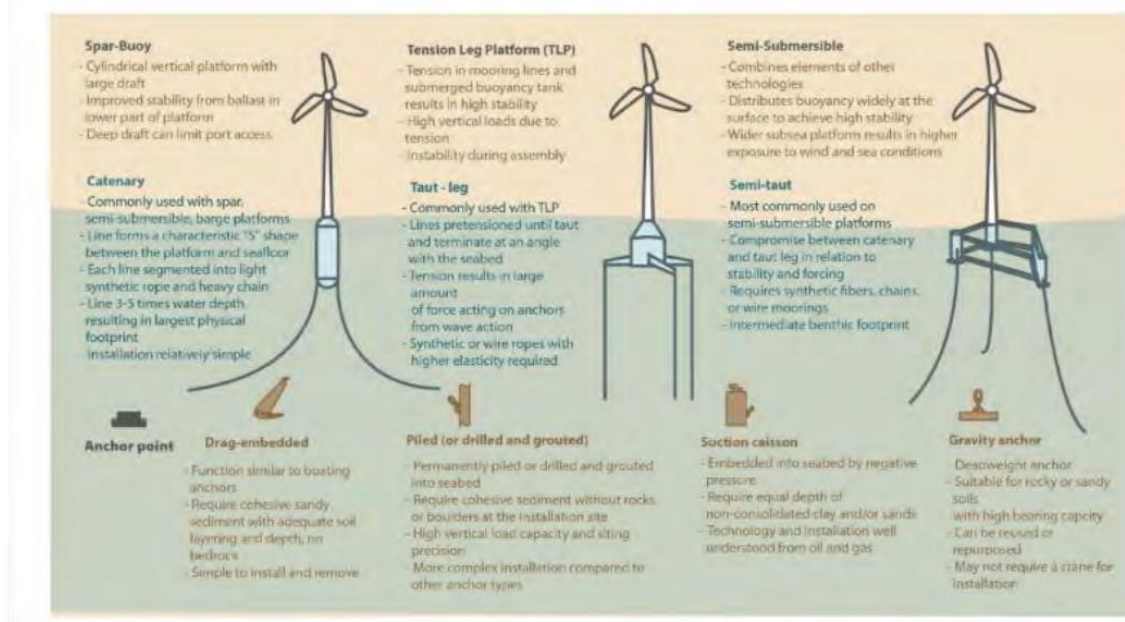


Diagram of current mooring, anchoring, and floating foundations from Maxwell et al., 2022.

Exhibit 1-3. Schematic of a Full-scale Floating Wind Energy Development

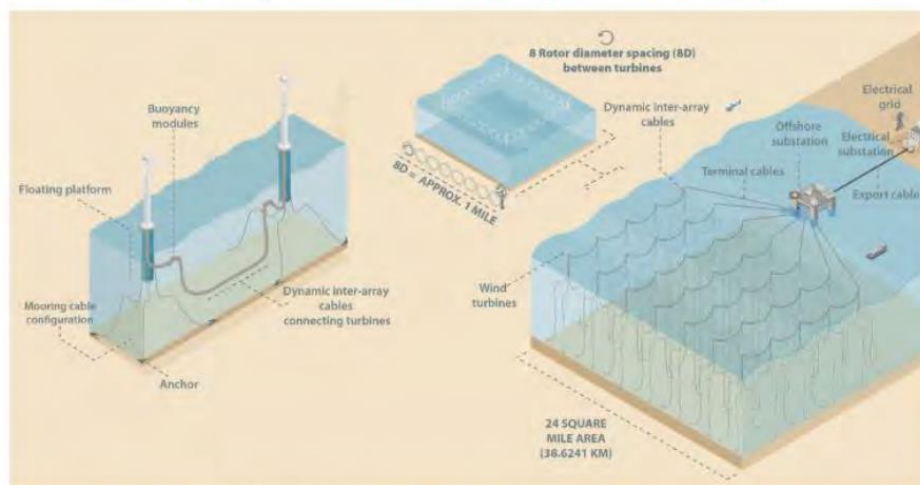


Fig. 2. Schematic of a full-scale floating wind energy development. Floating offshore wind turbines (FOWT) differ from fixed-foundation turbines primarily in the types of platform and anchoring system used to support the turbine. FOWT employs buoyant 'floating substructures' which are submerged or semi-submerged platforms anchored to the seabed by mooring lines and a variety of anchor types, and connected to one another by dynamic inter-array cables.

San Luis Obispo County Waste Management Authority (IWMA) meeting of Wednesday, June 8, 2022 - 1:30 PM (Completed)

No agenda package was posted online as of Saturday June 4, 2022. The notice stated:

6/8/2022 June 8, 2022, IWMA Board Meeting

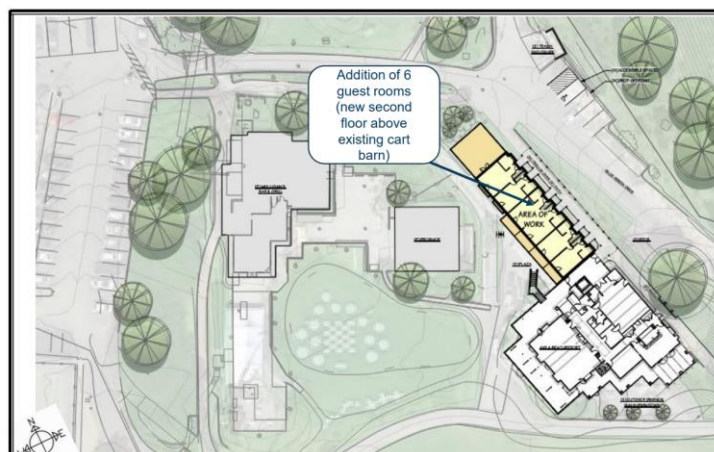
If required, the agenda packet information will be here once published.

The fact that the agency cannot publish packet materials by the end of the week prior to the meeting may suggest some internal operational problems or difficulty in agreeing on an agenda. They will be in violation of the 72-hour requirement if they have not published by 1:30, Sunday, June 5th and still conduct the meeting at 1:30 Wednesday. The agenda was posted some time on Saturday night. The materials packet was not posted as of Sunday morning.

Planning Commission Meeting of Thursday, June 9, 2022 (Completed)

Item 8 - (Continued from May 26, 2022 Planning Commission Meeting) A continued hearing to consider a request by ABR Property, L.P. for an Amendment (AMEND2022-00002) to the San Luis Bay Estates Master Development Plan to allow six overnight accommodations at the golf resort. The project also includes a phased Development Plan / Coastal Development Permit (DRC2021-00126) to allow for the establishment of six overnight accommodations totaling 2,400 square feet to the Avila Beach Golf Resort. The six guest rooms will be located in a new second floor addition above the existing cart barn. Dedicated on-site parking will be provided for the overnight accommodations at the Avila Beach Golf Resort. The project would occur within previously developed areas with minimal site disturbance on a 170-acre property. The proposed project is within the Recreation land use category and is located at 6450 Anna Bay Road / 3000 Avila Beach Drive, in the community of Avila Beach. The Commission unanimously approved the permit stating that the 6 new hotel rooms did not over burden the community

The project site is in the San Luis Bay Coastal Planning Area and the Coastal Zone. The application is opposed by various Avila Beach civic groups. The staff recommends approval. Given the time and money invested in this application for 6 lousy rooms, the owners are going to have to charge \$1000 per night for decades to recoup their costs if it is ever actually approved. The rooms are upstairs over the golf cart barn.



Item 10 - (Continued from May 26, 2022 Planning Commission Meeting) Hearing to consider a request by Tim Schmidt for a Variance (N-DRC2021-00020) to setback standards to allow for an existing 3,840-square-foot as-built greenhouse structure on an approximately 5-acre parcel. The project site is within the Residential Rural land use category of the South County Sub-Area of the South County Planning Area and is located at 1157 Arboles Way, Arroyo Grande. Also, to be considered is the determination that this project is categorically exempt from environmental review under CEQA. The Commission approved the request for the variance unanimously.

COLAB NOTE: Why didn't Supervisor Gibson have to apply for a variance and have a public hearing on his setback problem? This place is out in the country, and the people have to go through a full staff analysis and public hearing. The existing green house is too close to the side property line. No one even lives in the facilities.

Ordinance Compliance:

<u>Standard</u>	<u>Allowed/Required</u>	<u>Existing</u>	<u>In Compliance</u>
Minimum Site Area	5 acres	5 acres	Yes
Setbacks			
Front	80	277 ft	Yes
Side	50-100 ¹	3 ft and 25 ft	No, variance requested
Rear	50-100 ¹	950 ft	Yes

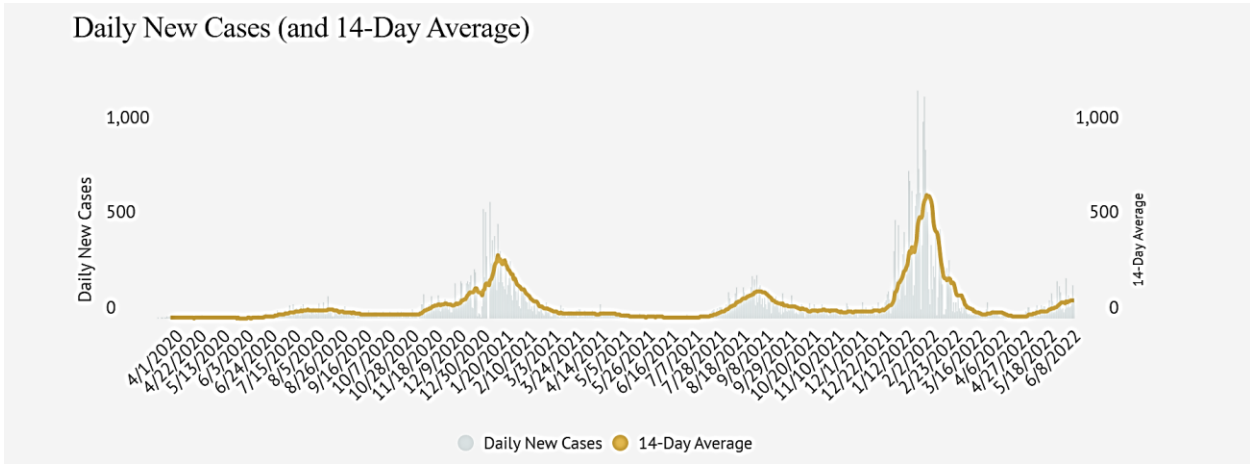
¹ Setbacks can be reduced to a minimum of 50 feet when existing or proposed landscaping acts as a natural visual and auditory buffer. Further reduction possible only through use permit approval.

The write-up states in part:

The applicant is requesting a variance to setback standards to allow for a 3-foot setback from the westerly property line and a 25-foot side setback from the easterly property line where a minimum of 50-foot side setback is required for an existing 3840-square-foot as-built greenhouse structure. Existing access and parking areas are not proposed to be improved and do not require grading or expansion to allow for the permitting of the existing structure. While the structure technically meets the setback standards defined in Section 22.10.140 identifying that a side yard may be used for an accessory building or structure no greater than 12 feet in height and no closer than three feet to any property line, the size and type of structure being reviewed in this permit require the application of the standards identified in Section 22.30.310 - Nursery Specialties

EMERGENT ISSUES

Item 1 - COVID. COVID is still smoldering. It is hoped that it won't break out in another wave. The economy is already in enough trouble with inflation, supply chain problems, interest rates increasing, people refusing to work, green energy schemes, fuel and energy shortages, and a national crime wave in the urban cities.



10 Hospitalized (2 in ICU)

Item 2 - Supervisorial Election. As of this writing, there are still tens of thousands of votes to be counted. The next vote tabulation is to be released at 9:00 AM on Tuesday, June 14, 2022. At this point it does not look good for the conservative candidates, who are more in line with COLAB’S key values of personal security, private property, capitalism, limited government, fiscal restraint, and maximum liberty.

The tables below exhibit the status as of the Friday June 10, 2022 count.

County Supervisor, 2nd District (Vote for 1)

Precincts Reported: 23 of 23 (100.00%)

	Polling	Vote by Mail	Total	
Times Cast	549	8,717	9,266 / 36,806	25.18%
Undervotes	29	473	502	
Overvotes	0	5	5	

Candidate	Polling	Vote by Mail	Total	
BRUCE GIBSON	141	4,518	4,659	53.19%
BRUCE JONES	121	1,359	1,480	16.90%
GEOFF AUSLEN	119	1,336	1,455	16.61%
JOHN WHITWORTH	139	1,026	1,165	13.30%
Total Votes	520	8,239	8,759	

	Polling	Vote by Mail	Total	
Unresolved Write-In	0	0	0	

See more below on the next page:

County Supervisor, 3rd District (Partial Term, 2010 Boundary) (Vote for 1)

Precincts Reported: 25 of 25 (100.00%)

	Polling	Vote by Mail	Total	
Times Cast	446	9,717	10,163 / 38,543	26.37%
Undervotes	29	511	540	
Overvotes	0	6	6	
Candidate	Polling	Vote by Mail	Total	
DAWN ORTIZ-LEGG	146	6,175	6,321	65.73%
STACY A. KORSGADEN	251	2,744	2,995	31.14%
ARNOLD RUIZ	20	281	301	3.13%
Total Votes	417	9,200	9,617	
	Polling	Vote by Mail	Total	
Unresolved Write-In	0	0	0	

County Supervisor, 4th District (Vote for 1)

Precincts Reported: 29 of 29 (100.00%)

	Polling	Vote by Mail	Total	
Times Cast	543	10,984	11,527 / 40,057	28.78%
Undervotes	16	305	321	
Overvotes	0	1	1	
Candidate	Polling	Vote by Mail	Total	
JIMMY PAULDING	178	6,311	6,489	57.91%
LYNN COMPTON	349	4,367	4,716	42.09%
Total Votes	527	10,678	11,205	
	Polling	Vote by Mail	Total	
Unresolved Write-In	0	0	0	

Item 3 - Senate Bill 1020 - Major Step in State Taking Over Electric Energy and Requiring Project Labor Agreements. The Bill is one of the most sweeping expansions of State control into the affairs of utilities, utility suppliers, and customers ever proposed.

The community choice authorities, such as Central Coast Community Energy, support the bill because they cannot keep their promises. They promised the cities, counties, and electric customers lower rates and free green energy subsidies for cars, charging stations, green energy studies, solar panels, etc. At this point the rates are about equal to PG&E . They now realize that they may not have adequate surpluses in the annual budgets to fund the patronage. **Accordingly, they need the State Legislature to bail them out.**

SB 1020 would create a new funding vehicle that could begin to shift the cost responsibility for climate change mitigation and adaptation in the energy space away from electricity rates. **Creation of this vehicle is the first step, and filling it with funding from the state budget or any of the other sources listed above would come next.** In the meantime, the programs authorized to receive funding from the Trust Fund would continue to be funded through delivery-side electricity rates. But the existence of the Fund raises the possibility of reducing or eliminating these fees in the future

Regarding the second part of the bill, **SB 1020** represents a major shift in thinking about where the cost responsibly should lie for electricity public benefit programs. As stated above, these programs have historically been and are currently funded through electricity rates on the delivery side, meaning they are paid for by all Californians regardless of generation provider.

The Community choice authorities support the bill because:

By opening the door to reducing those fees in the future by replacing them with other sources of funding, SB 1020 would set the stage for reducing overall electricity costs and total energy burden for all Californians.

Yes, but it would come from your taxes. Again, it starts to evolve into a wealth transfer mechanism as income taxes mainly impact the top 10 % of taxpayers. This will just be another scam to drive the middle class out of the State.

This bill would require the PUC and Energy Commission to jointly authorize the establishment of the California Affordable Decarbonization Authority (CADA ?) as a nonprofit public benefit corporation and to take all necessary measures to create the authority.

COLAB NOTE: This will be the Coastal Commission on steroids, as it will impact everyone. Similar to the Coastal Commission, CADA would be accountable to no one, as some authority members would be appointed by the Governor, some by the Speaker of the Assembly, and some by the Pro Tem of the Senate.

Some of the provisions listed in the Bill Summary include:

The bill would require the authority to be governed by an independent board of directors appointed by the Governor, Speaker of the Assembly, and Senate Committee on Rules, as specified.

*The bill would establish the Climate and Equity Trust Fund as a trust fund, separate and apart from all public moneys or funds of the state, and **would, upon appropriation by the Legislature, require that the moneys in the trust fund ~~to~~ be expended by** the authority for the benefit of electricity customers and to promote affordable electricity rates specified.*

The bill would authorize disbursements from the trust fund to be made through direct credits on ratepayer bills, direct rebates or incentives to market participants, technology vendors, technology installers, and end-use customers, and reimbursement of eligible costs incurred by an electrical corporation, electric service provider, community choice aggregator, or local publicly owned electric utility in the form of matching funds. The bill would require the authority to submit annual and multiyear spending plans for review and approval to the PUC and the Energy Commission before disbursing trust fund moneys.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the PUC is a crime.

Because certain of the above provisions would be part of the act and a violation of a PUC action implementing this bill's requirements would be a crime, the bill would impose a state-mandated local program.

Hidden deep in the text is a requirement that all entities, including private, shall establish project labor agreements.

(4) The retail seller or local publicly owned electric utility shall require its contractors to use a multicraft project labor agreement, as defined in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code, for construction of the zero-carbon resource or eligible renewable energy resource. The project labor agreement shall conform to the industry standard agreements recently used for other similar private projects, including side letters for high-voltage transmission and related work.

The bill actually intrudes into the entire water system of the State and its customers, by requiring that the State Water Project (the Department in this case) require project labor agreements for all of its power suppliers.

*(h) The department shall enter into an agreement to procure energy from a new energy generation facility **only if the seller requires its contractors to use a multicraft project labor agreement, as defined in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code, for construction of the facility.** Those project labor agreements shall conform to the industry standard agreements recently used for other similar private projects, including side letters for high-voltage transmission and related work.*

This is a massive sleeper that is gliding to approval un-noticed.

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 ABUNDANCE CHOICE, PART 13: THE LORDS OF SCARCITY

Often the motive for the land buyers isn't even to grow food, but merely to acquire the water rights

BY EDWARD RING

One of the farmers who supported our attempt to qualify the Water Infrastructure Funding Act for the November 2022 ballot was John Duarte. It was a privilege to speak with Duarte, because his reputation had preceded him. Duarte is the man who had the temerity – and uncommon courage – to sue the U.S. Army Corps of Engineers when they ordered him to stop farming one of his properties. The Corps argued that the rain puddles that formed on Duarte's 450 acres in Tehama County were vernal pools.

The case was eventually settled in 2017, but only after the government counter-sued and a federal district court rejected Duarte's claims. Facing the infinite resources of the federal bureaucracy, Duarte decided against filing an appeal and paid the fines. During our first conversation, and subsequently, it

was Duarte who coined the phrase the Lords of Scarcity. It is a vividly accurate way to describe the many special interests, public and private, that benefit from regulations and rationing. This economic fact remains underappreciated: When regulations are imposed on businesses and public agencies that make it almost impossible for them to build something, whatever that something produces becomes more expensive. This fact rests on the law of supply and demand, and only requires a minor intuitive leap from that foundation: When demand exceeds supply, because supplies have been restricted, whoever owns existing supplies makes more profit. These owners are the Lords of Scarcity, and California is their citadel.

One of the profound ironies of our time is how, especially in recent years, financial and corporate interests that once were pariahs to the American Left have now become their champions. There's plenty to chew on in that statement, since social issues have been coopted now by corporate America almost to the point of parody, but let's stick to the issues of economics and the environment. Corporations and financial special interests have long since realized that environmentalism is a means to control markets and capital.

The consequences of that realization are predictable and have been in full effect for years. Environmentalist overregulation is no longer an economic burden to large corporations, if it ever was. Rather, it is a way to create barriers to entry to emerging competitors, and a way to wipe out existing competitors that lack the scale or the financial resilience to comply with new environmental edicts. And here again, irony abounds.

Our initiative campaign was vilified as a vehicle for “wealthy landowners” and “powerful multinational corporations” to “subvert environmental protections” and “create a bottomless slush fund for the super rich.”

But what is really happening? Could it be that the biggest, wealthiest landowners do *not* want the price of water to go down? Why would they want that? They also do not want the price of land to go down. The more these necessities cost, the wealthier they get. Here is the exact transcript of an email I received from a wealthy landowner, in response to my request to support our initiative:

“I am not for it. I think it will not be helpful.”

You don't have to try too hard to read what is unwritten in that statement. Affordable land and abundant water are unhelpful if your wealth is tied up in land with water rights.

As for powerful multinational corporations, here is the exact transcript of an email I received from a member of a partnership formed to financialize water markets:

“Thanks for the details, Edward. Unfortunately, I can't support this as I think it is fundamentally the wrong strategy. More supply? Really? The exact opposite of my beliefs....”

Precisely. There is no incentive for wealthy landowners or powerful multinational corporations to see the value of land or water go down. There is no incentive for companies that want to privatize water supply infrastructure to see the value of water go down. And yet the environmentalist community, which derives its support from millions of left-leaning voters and activists who digest left-leaning rhetoric that opposes the privatization of water, somehow became apoplectic over our initiative, which

would have socialized significant costs for water infrastructure, thus lowering the market price of water for everyone.

Years of successful environmentalist opposition to more water supply infrastructure is driving a consolidation of property ownership, as smaller farmers, lacking the financial resiliency to outlast the drought, are being forced to sell their holdings. The buyers are huge agribusiness corporations or hedge funds. Often the motive for the buyers isn't even to grow food, but merely to acquire the water rights. In a drought, water becomes more expensive — and the more water costs, the more valuable their investment.

This explains why Harvard's \$32 billion endowment is buying land for the water rights in Central California, and why Saudi investors are buying land for the water rights in the Imperial Valley. It explains why Trinitas Partners, LGS Holdings Group, Greenstone, and other out-of-state investment firms and hedge funds are buying out California's financially stressed farmers and ranchers. Their profit model relies on water scarcity.

The Lords of Scarcity have correctly identified energy and water as essential prerequisites for almost every other product or service. In a guest editorial published in *Eurasia Review* on April 20 by Michael Shellenberger, a writer who is currently running for governor against Gavin Newsom, he identifies nuclear power and desalination as two game changing options that have been suppressed. In his column, Shellenberger, who has long advocated for construction of more nuclear power plants, presents the original blueprints for Diablo Canyon nuclear plant, showing that PG&E originally planned to construct six reactors. As it is, Diablo Canyon's two operating reactors are scheduled to be shut down by 2025, which Shellenberger alleges is 40 years premature based on their design life. With its continuous output of 1.1 gigawatts, just one reactor at Diablo Canyon produces enough energy to desalinate *over two million acre feet* of water per year. But there's much more to this story. Shellenberger writes:

“Why is Newsom talking out of both sides of his mouth? Because he cares more about running for president than he does about the people of California. And he believes that running for president requires the support of **pro-scarcity environmentalists** like Sierra Club and Natural Resources Defense Council (NRDC), and their financial backers. The two groups oppose desalination and favor closing Diablo Canyon nuclear plant. They have a combined annual revenues of nearly \$300 million, a significant share of which *comes from the very same natural gas and renewable energy companies that stand to make billions replacing the energy from Diablo Canyon.* [italics added] Naturally, many of the same financial interests back Newsom. Some pro-nuclear people think they can change Newsom's mind by appealing to his donors, but a big part of the reason Newsom sought to kill Diablo Canyon was to deliver a scalp to his pro-scarcity donors.”

This is yet another economic agenda that favors the policies of scarcity. The more expensive energy becomes, the more investment goes into renewables. This is a good thing if you believe renewable energy is more sustainable and planet-friendly than conventional energy, but it certainly doesn't make the case for shutting down Diablo Canyon. The reason continuous energy from nuclear power is a threat is not only because it displaces renewables, but because it also displaces natural gas power plants which, unlike nuclear power, can be rapidly brought on and offline and thus are needed to fill in when intermittent renewable power falters.

Energy scarcity in California is the result of political choices, driven by economic special interests that profit from that scarcity. The evolution of Shellenberger, who was honored in 2008 by *Time* as a “Hero of the Environment,” is a defining example of how the conventional wisdom could change in California. One of Shellenberger’s earliest works was the *EcoModernist Manifesto*, which proclaimed that prosperity and environmentalism are not in inherent conflict, and that we can achieve both. Taking this inspiring message from concept to implementation, however, is undermined by the Lords of Scarcity. Shellenberger, who recently authored a book about environmentalist alarmism with the self-explanatory title “*Apocalypse Never*,” came to realize that excessive environmental laws and regulations are very profitable for the few, at the expense of prosperity for the many.

Another critical resource that must be abundant and affordable in order to nurture economic prosperity is land. Here again the Lords of Scarcity have managed to use environmentalism to create prohibitive barriers to land ownership and land use. It isn’t as if there is a shortage of land in California. But the process of clearing the land for any sort of development requires so much time and money and political connections that most people don’t bother. New housing is the obvious example. What few parcels of land are approved for subdividing aren’t nearly sufficient to make up for the demand.

The many cost variables that combine to make housing unaffordable are all attributable to environmentalist policies. Water infrastructure isn’t built, which means fewer homebuilders are able to identify a source of water to supply to the homes they intend to build, which means fewer building permits are issued. California’s timber industry has been decimated – one of the unheralded true reasons for super fires – which means more expensive imported lumber has to be purchased by homebuilders. And then there is the land itself, thousands upon thousands of square miles of open land, most of it only suitable for grazing, situated along the major freeway corridors.

California is only five percent urbanized. *Five percent*. The significance of this bears further explanation. The state of California sprawls across 163,000 square miles, there are 25,000 square miles of grazing land and 42,000 square miles of agricultural land. Of that, 14,000 square miles are prime agricultural land. You could put 10 million new residents into homes, four per household, on quarter acre lots, with an equal amount of land set aside for roads, parks and commercial districts, and you would only consume 1,953 square miles. If you built those new cities on the best prime agricultural land California’s got, you would only use up 14 percent of it. If you scattered those homes among all of California’s farmland and grazing land – which is far more likely – you would only use up 3 percent of it.

The reason this doesn’t happen is because in every case, on every potential building site, there is an irreplaceable ecosystem that must remain pristine, and well-funded environmentalist attorneys prepared to engage in endless litigation to preserve it. If California’s current land use policies were in force for the last hundred years, where would anyone live? Would anything have ever been built?

The Lords of Scarcity, using an extreme and self-serving interpretation of environmentalism as moral cover, have declared war on every essential resource necessary to deliver Californians an affordable and decent quality of life. Every building block of prosperity and every enabling economic foundation of the civilization we enjoy – water, energy, housing and food – is under attack.

The consequences of unaffordable housing only hurt ordinary families who want to own a home and build wealth. By contrast, unaffordable housing benefits the investment community which has

recognized that by limiting the supply of real estate, they can invest in real estate and realize spectacular profits. So now families that aspire to own their own homes must also bid against real estate trusts, hedge funds, and major “multinational corporations” that stand to earn billions thanks to the policies of scarcity.

At this point, and once again, we must step back and reaffirm that everyone cares about the environment. The problem isn’t the value of environmentalism, which any conscientious person acknowledges. The problem is the balance between the needs of the environment and the needs of ordinary working families has been lost. And the reason it has been lost is because environmentalism is a useful political weapon for any financial special interest that benefits from scarcity.

Most people critical of environmentalist overreach will correctly point out that these policies cause disproportionate harm to low income and underserved communities. That observation has been repeated so often it has become a cliché. But it’s true and it’s tragic. The Lords of Scarcity are California’s privileged elites, unwilling to accept the lower profits that come with a more competitive marketplace, or a vision of environmentalism that embraces resource development and rejects self-serving anti-growth extremism.

The Lords of Scarcity have taken over California. They hide behind environmentalism to further their financial interests. If broad based economic prosperity is to return to California, the narrative they’ve successfully sold to voters must be challenged, and the power they wield must be broken.

Edward Ring is a contributing editor and senior fellow with the California Policy Center, which he co-founded in 2013 and served as its first president. The California Policy Center is an educational non-profit focused on public policies that aim to improve California’s democracy and economy. He is also a senior fellow of the Center for American Greatness. This article first appeared in the California Globe of June 9, 2022.

THE SOVIETIZATION OF AMERICAN LIFE

Behind All Our Disasters There Looms An Ideology, A Creed That Ignores Cause And Effect In The Real World—Without A Shred Of Concern For The Damage Done To Those Outside The Nomenklatura.

BY VICTOR DAVIS HANSON

One day historians will look back at the period beginning with the COVID lockdowns of spring 2020 through the midterm elections of 2022 to understand how America for over two years lost its collective mind and turned into something unrecognizable and antithetical to its founding principles.

“Sovietization” is perhaps the best diagnosis of the pathology. It refers to the subordination of policy, expression, popular culture, and even thought to ideological mandates. Ultimately such regimentation destroys a state since dogma wars with and defeats meritocracy, creativity, and freedom.

The American Commissariat

Experts become sycophantic. They mortgage their experience and talent to ideology—to the point where society itself regresses.

The law is no longer blind and disinterested, but adjudicates indictment, prosecution, verdict, and punishment on the ideology of the accused. Eric Holder is held in contempt of Congress and smiles; Peter Navarro is held in contempt of Congress and is hauled off in cuffs and leg-irons. James Clapper and John Brennan lied under oath to Congress—and were rewarded with television contracts; Roger Stone did the same and a SWAT team showed up at his home. Andrew McCabe made false statements to federal investigators and was exempt. A set-up George Papadopoulos went to prison for a similar charge. So goes the new American commissariat.

Examine California and ask a series of simple questions.

Why does the state that formerly served as a model to the nation regarding transportation now suffer inferior freeways while its multibillion-dollar high-speed rail project remains an utter boondoggle and failure?

Why was its safe and critically needed last-remaining nuclear power plant scheduled for shutdown (and only recently reversed) as the state faced summer brownouts?

Why did its forests go up in smoke predictably each summer, as its timber industry and the century-old science of forest management all but disappeared from the state?

Why do the state's criminals so often evade indictment, and if convicted are often not incarcerated—or are quickly paroled?

Why are its schools' test scores dismal, its gasoline the nation's highest-priced, and the streets of its major cities fetid and dangerous—in a fashion not true 50 years ago or elsewhere today?

In a word, the one-party state is Sovietized. Public policy is no longer empirical but subservient to green, diversity, equity, and inclusion dogmas—and detached from the reality of daily middle-class existence. Decline is ensured once ideology governs problem-solving rather than time-tested and successful policymaking.

In a similar fashion, the common denominator in Joe Biden's two years of colossal failures is Soviet-like edicts of equity, climate change, and neo-socialist redistribution that have ensured (for the non-elite, in any event) soaring inflation, unaffordable energy, rampant crime, and catastrophic illegal immigration. Playing the role of *Pravda*, Biden and his team simply denied things were bad, relabeled failure as success, and attacked his predecessor and critics as various sorts of counterrevolutionaries.

Biden rejected commonsense, bipartisan policies that in the past kept inflation low, energy affordable, crime controlled, and the border manageable. Instead, he superimposed leftist dogma on every decision, whose ideological purity, not real-life consequences for millions, was considered the measure of success.

The Caving of Expertise

Entire professions have now nearly been lost to radical progressive ideology.

Do we remember those stellar economists who swore at a time of Biden's vast government borrowing, increases in the monetary supply, incentivizing labor non-participation, and supply chain interruptions that there was no threat of inflation? Were they adherents of ideological "modern monetary theory"? Did they ignore their own training and experience in fealty to progressive creeds?

What about the Stanford doctors who signed a groupthink letter attacking their former colleague, Dr. Scott Atlas, because he questioned the orthodoxies of Dr. Anthony Fauci and the state bureaucracies—who we now know hid their own involvement with channeling funding to deadly gain-of-function research in Wuhan? Did they reject his views on empirical grounds and welcome a give-and-take shared inquiry—or simply wish to silence an ideological outlier and advisor to a despised counterrevolutionary?

Or how about the 50 retired intelligence "experts" who swore that Hunter Biden's laptop was not genuine but likely Russian disinformation? Did they really rely on hundreds of years of collective expertise to adjudicate the laptop or did they simply wish to be rewarded with something comparable to a "Hero of Woke America" award?

Or what about the 1,000 medical "professionals" who claimed violating quarantine and protective protocols for Black Lives Matter demonstrations was vital for the mental health of the protestors? Or the Princeton creators of a video identifying Jonathan Katz as a sort of public enemy for the crime of stating that racial discrimination of any sort was toxic?

Career Advancement, Cowardice, and Membership in the Club

There can be no expertise under Sovietization; everything and everyone serves ideology. Our military—especially its four-star generals, current and retired—parroted perceived ideologically correct thought. Repeating party lines about diversity, white supremacy, and climate change are far more relevant for career advancement than proof of prior effective military leadership in battle.

The ultimate trajectory of a woke military was the fatal disgrace in Afghanistan. Ideologues in uniform kept claiming that the humiliating skedaddle was a logistical success and that misguided bombs that killed innocents were called a "righteous strike." Afghanistan all summer of 2021 was to be Joe Biden's successful model of a graduated withdrawal in time for a 20th-anniversary commemoration of 9/11—until it suddenly wasn't.

Pentagon decision-making increasingly privileges race, gender, sexuality, and green goals over traditional military lethality—a fact known to all who are up for promotion, retention, or disciplinary action.

How predictable it was that the United States fled Kabul, abandoning not just billions of dollars' worth of sophisticated weapons to terrorists, but also with Pride flags flying, George Floyd murals on public walls, and gender studies initiatives being carried out in the military ranks. Ask yourself: if a general

during the Afghanistan debacle had brilliantly organized a sustainable and defensible corridor around Bagram Airfield but was known to be skeptical of Pentagon efforts to address climate change and diversity would he be praised or reviled?

The elite universities in their single-minded pursuit of wokeness are ironically doing America a great favor. For a long time, their success was due to an American fetishization of brand names. But now, most privately accept that a BA from Princeton or Harvard is no longer an indication of acquired knowledge, mastery of empiricism, or predictive of inductive thinking over deductive dogmatism.

Instead, we now understand, various lettered certificates serve as stamps for career advancement—proof either of earlier high-school achievement that merely won the bearer admission to the select, or confirmation that the graduate possesses the proper wealth, contacts, athletic ability, race, gender, or sexuality to be invited to the club.

Universities' abandonment of test scores and diminution of grades—replaced by “community service” and race, gender, and sexuality criteria—has simply clarified the bankruptcy of the entire higher education industry.

Our “diversity statements” required for hiring at many universities are becoming comparable to Soviet certifications of proper Marxist-Leninist fidelity. Like the children of Soviet Party apparatchiks, privileged university students now openly attack faculty whose reading requirements or lectures supposedly exude scents of “colonialism” or “imperialism” or “white supremacy.”

Faculty increasingly fear offering merit evaluation, in terror that diversity commissars might detect in their grading an absence of reparatory race or gender appraisals. The result is still more public cynicism about higher education because it is apparent that the goal is to graduate with a stamp from Yale or Stanford that ensures prestige, success, and ideological correctness—on the supposition that few will ever worry exactly what or how one did while enrolled.

We have our own Emmanuel Goldsteins who, we are told, deserve our three minutes of hate for counterrevolutionary thought and practice. Donald Trump earned the enmity of the CIA, the FBI, the Justice Department, and the IRS. Now Elon Musk and his companies are suddenly the targets of the progressive state, including repartees from the president himself. To vent, the popular Soviet directs its collective enmity at a Dave Chappelle or Bill Maher, progressives who exhibit the occasional counterrevolutionary heresy.

Cabinet secretaries ignore their duties—somewhat understandable given their resumes never explained their appointments. What binds a Pete Buttigieg, Alejandro Mayorkas, and Jennifer Granholm is not expertise in transportation, border security, or energy independence but allegiance to an entire menu of woke policies that are often antithetical to their own job descriptions.

“Diversity,” “equity,” and “inclusion” started out as mandated proportional representation as defined by the state allotting spoils of coveted admissions, hiring, honors, and career advancement by race and gender percentages in the general population. The subtext was that federal and state governments imported and incorporated largely academic theories that alleged any disequilibrium was due to bias.

More specifically, racial and sexual prejudices were to be exposed and punished by morally superior castes—in politics, the bureaucracy, and the courts. There was never any interest in detailing how

particular individuals were personally harmed by the system or by the “other,” which explains the Left’s abhorrence of racially blind, class-based criteria to establish justified need.

Reparations

In the last five years, American Sovietization has descended into reparatory representation. Due to prior collective culpability of whites, heterosexuals, and males, marginalized self-defined groups of victims must now be “overrepresented” in admissions, hiring, and visibility in popular culture

As the Soviets and Maoists discovered—and as was true of the Jacobins, National Socialists, and cultural Marxists—once radical ideology defines success, then life in general becomes anti-meritocratic. The public privately equates awards and recognition with political fealty, not actual achievement.

Were recent Netflix productions reflections of merit or ideological criteria governing race and gender? Do the Emmys, Tonys, or Oscars convey recognition of talent, or of adherence to progressive agendas of diversity, equity, and inclusion? Does a Pulitzer Prize, a Ford Foundation grant, or a MacArthur award denote talent and achievement or more often promote diversity, equity, and inclusion narratives?

Consequences of Failing Up

Where does woke Sovietization end once accountability vanishes and ideology masks incompetence and malfeasance?

We are starting to see the final denouement with missing baby formula, epidemics of shootings and hate crimes, train-robbings reminiscent of the Wild West in Los Angeles, Tombstonesque shoot-up Saturday nights in Chicago, spiking electricity rates and brownouts, \$7 a gallon diesel fuel, unaffordable and scarce meat, and entire industries from air travel to home construction that simply no longer work.

Everyone knows that the status of our homeless population in Los Angeles or San Francisco is medieval, dangerous, and unhealthy. And everyone knows that any serious attempt to remedy the situation would cause one to be labeled an apostate, counterrevolutionary, and enemy of the people. So, like good Eastern Europeans of the Warsaw Pact in the 1960s, we mutter one thing under our breath, and nod another publicly.

Behind all our disasters there looms an ideology, a creed that ignores cause and effect in the real world—without a shred of concern for the damage done to those outside the nomenklatura.

Victor Davis Hanson is a distinguished fellow of the Center for American Greatness and the Martin and Illie Anderson Senior Fellow at Stanford University’s Hoover Institution. He is an American military historian, columnist, a former classics professor, and scholar of ancient warfare. He has been a visiting professor at Hillsdale College since 2004. Hanson was awarded the National Humanities Medal in 2007 by President George W. Bush. Hanson is also a farmer (growing raisin grapes on a family farm in Selma, California) and a critic of social trends related to farming and agrarianism. He is the author most recently of The Second World Wars: How the First Global Conflict Was Fought and

Won, The Case for Trump and the newly released The Dying Citizen This article first appeared in the Hoover Institution of Stanford University Daily Update of June 6, 2022.



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MIKE BROWN RALLIES THE FORCES OUTDOORS DURING COVID LOCKDOWN

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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:

Name: _____

Company: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ Email: _____

How Did You Hear About COLAB?

Radio Internet Public Hearing Friend

COLAB Member(s) / Sponsor(s): _____

NON MEMBER DONATION/CONTRIBUTION OPTION:

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: _____