COLAB
San Luis Obispo County
The Coalition of Labor Agriculture and Business

WEEKLY UPDATE
January 15 - 21, 2023

14TH ANNUAL DINNER & FUNDRAISER

WHAT WILL IT BE, IN 2023?

DETAILS COMING SOON....

SAVE
THURSDAY MARCH 30TH
5:30 PM

MADONNA INN EXPO CENTER

THIS WEEK

LAFCO CANCELLED

LAST WEEK

SPECIAL BOS MEETING FRIDAY JAN 13

PROCESSED CONSENT CALENDAR FROM CANCELED MEETING

WEATHER CANCELLED SOME MEETINGS

SALES TAX INCREASE FOR TRANSPORTATION TEED UP
REPEAL OF SUPERVISORIAL REDISTRICTING PLAN
PASO BASIN WATER BANKING
VEHICLE MILEAGE TAX

BOARD OF SUPERVISORS MEETING CANCELLED

APPOINTMENT OF MARIAM SHAH TO PLANNING COMMISSION
FY 2023-24 BUDGET GAP AND PRIORITIES
REDISTRICTING LAWSUIT IN CLOSED SESSION

SLOCOG

TAXPAYER FUNDED POLLSTER/CAMPAIGN CONSULTANT AUTHORIZED TO SUPPORT SALES TAX INCREASE
VEHICLE MILES TRAVELED (VMT) DISCUSSION POSTPONED
METERING YOUR DRIVE

CENTRAL COAST COMMUNITY ENERGY AUTHORITY (3CE) - IRRITATED BOARD

THEY WERE EXHAUSTED FROM STORM OPERATIONS & NEEDED TO BE IN THEIR EMERGENCY OPS CENTERS

MAJOR OUTSIDE COUNSEL CONTRACT: REGULATORY ISSUES THREATEN THE RATE STRUCTURE
FY 2021-22 FINANCIAL RESULTS

SLO IWMA

LITE AGENDA/HOUSEKEEPING MATTERS

PLANNING COMMISSION

MONARCH DUNES SPECIFIC PLAN REVISION HEADWINDS

EMERGENT ISSUES

VEHICLE MILES TRAVELED TAX GETS A KILLER BOOST

STATE WATER PROJECT RESERVOIRS FILLING FAST

COLAB IN DEPTH

SEE PAGE 21

NEW OVERTIME LAW FOR AGRICULTURE WORKERS WAS NEVER ABOUT THE WORKERS

Ag workers now report that weekly take-home pay has significantly dropped

BY KATY GRIMES

THE OBVIOUS ANSWER TO HOMELESSNESS

And why everyone's ignoring it

BY JERUSALEM DEMSAS

THIS WEEK'S HIGHLIGHTS

ALL MEETINGS ARE AT 9:00 AM UNLESS OTHERWISE NOTED

No Board of Supervisors Meeting on Tuesday, January 17, 2023 (Not Scheduled)

Local Agency Formation Commission of Thursday, January 19, 2023 (Cancelled)

No reason is provided on the website.

LAST WEEK'S HIGHLIGHTS

Special Board of Supervisors Meeting of Friday, January 13, 2023 (Completed)

Consent Calendar Approved: The Board conducted a special meeting, which took about an hour. All of the consent items were approved unanimously. Business items, hearings, and executive session items were carried over to unspecified future meetings, most likely Tuesday, January 24, 2023.

Board of Supervisors Meeting of Tuesday, January 10, 2023 (Postponed to January 13, 2023 Special Meeting due to storm operations)

Item 11 - Appointment of Mariam Shah to the Planning Commission. The Board approved the appointment unanimously on consent during the Special meeting.

Background: Newly elected 4th District Supervisor Jimmie Paulding is appointing former Grover Beach City Councilor and self- described "Community Activist" Mariam Shah to the Planning Commission. Shah was educated at the University of Michigan and holds a law degree from Georgetown. She is admitted to the Bar in both New York and California. During her early career she served in a law firm representing corporate and business clients in New York City. Given this education and professional background, she may offer a more cosmopolitan perspective than some California local officials. Her bio states, in part, that she supports justice and equity. In any case, she may become one of the more forceful Planning Commissioners in recent history, perhaps since the reign of Sarah Christie[1] over a decade ago. Shah was apparently employed by Planned Parenthood as a community organizer last summer. Her LinkedIn page is displayed below:

[1] Christie, who was the architect of the County's "smart growth" lockdown, is currently the Coastal Commission's Director of Legislative Affairs. Christie's brother is the Executive Director of the Santa Lucia Chapter of the Sierra Club. As the Joe Ely song says, "the party goes on forever."

Mariam (Alikhan) Shah (She/Her) · 3rd
Community Activist / Attorney - San Luis Obispo County
Arroyo Grande, California, United States · Contact info
297 connections

Connect | Message | More

Diablo Canyon Nuclear Power
Georgetown University Law Center

About

I enjoy helping people solve problems and make community connections to seek justice and equity locally and beyond. I spent seven years working as an attorney focused on corporate litigation matters for large and mid-sized corporations in New York and Ohio. I've taken clients from the initial Complaint through a successful jury trial, always making efforts at amenable settlement along the way. I have passed the bar exam and am licensed to practice law in New York, OH (currently on hold) and most recently California.

Since moving to California over a decade ago, I served my community as a Grover Beach City Council Member. During this time I served as the Mayor Pro Tem, the Chair of the County's Homeless Services Oversight Council, and the Chair of the SLO County Air Pollution Control District Board. This experience was a wonderful opportunity to problem solve on a different level, applying legal skills but also focusing on relationships within the community to foster understanding and accomplish goals.

Today, I utilize these combined skills to make positive change within my community. I sit on several local nonprofit boards including the Five Cities Homeless Coalition, the Grover Beach Library and the Oceano Elementary PTA. I also believe that encouraging and supporting good candidates to run in local elections is key. To that end, I am a member of the SLO County Democratic Central Committee where I co-chair a subcommitee called "Run for Office." In 2021, I also co-founded the only Democratic polticial action committee in SLO County called Shatter PAC (www.shatterpac.com). We support and fund female candidates that shatter glass ceilings and open doors.

I am currently focusing my legal work in municipal law and am looking to grow in that area. I am also doing community outreach for a local healthcare nonprofit.

I attended college at the University of Michigan where I double majored in Spanish and American Culture, Society & Politics. I received my JD from the Georgetown University Law Center.

Shah has been a staunch supporter of Jimmie Paulding in recent years. Her local campaign contributions are listed below as presented on County Clerk recorders website.

Date	Filer Name	$	Type	Schedule	Name	Address	Spending Code	Employer	Occupation
9/4/2017	Jimmy Paulding for County Supervisor 2018	$100.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	City Council Member
11/27/2017	Jimmy Paulding for County Supervisor 2018	$50.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	City Council Member
12/27/2017	Jimmy Paulding for County Supervisor 2018	$50.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	City Council Member
4/11/2018	Jimmy Paulding for County Supervisor 2018	$200.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	City Council Member
1/14/2019	Friends of Adam Hill, County Supervisor 2016	$100.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	City Council Member
4/7/2019	Ellen Beraud for Supervisor 2020	$100.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	Mayor
9/15/2019	Ellen Beraud for Supervisor 2020	$100.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	Mayor
11/17/2019	Friends of Adam Hill, County Supervisor 2016	$50.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	City Council Member
1/8/2020	Ellen Beraud for Supervisor 2020	$50.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	Mayor
1/12/2020	Ellen Beraud for Supervisor 2020	$50.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	Mayor
2/15/2020	Ellen Beraud for Supervisor 2020	$25.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	Mayor
4/8/2021	Jimmy Paulding for County Supervisor 2022	$99.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		None	Homemaker
6/28/2021	Jimmy Paulding for County Supervisor 2022	$1,726.10	RCPT	C	Mariam Shah	Grover Beach, CA 93433	FND	None	Homemaker
7/1/2021	Lucia Mar Foward-Committee to Oppose the Recall of Trustees Santos, Martin, and Stewart	$100.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		n/a	n/a
8/21/2021	Ortiz-Legg for Supervisor 2022	$250.00	RCPT	A	Mariam Shah	Arroyo Grande, CA 93420		Unemployed	Unemployed
3/11/2022	Elaina Cano for Clerk-Recorder 2022	$100.00	RCPT	A	Mariam Shah	Arroyo Grande, CA 93420		Retired	Retired
7/21/2022	Jim Cogan for School Board 2022	$100.00	RCPT	A	Mariam Shah	Arroyo Grande, CA 93420		Self-employed	Attorney
7/28/2022	Bruce Gibson for Supervisor 2022	$140.00	RCPT	C	Mariam Shah	Arroyo Grande, CA 93420	Refreshments, Fund Raiser	Planned Parenthood	Community Organizer
8/20/2022	Adrienne Garcia-Specht for Cuesta College Board 2022	$100.00	RCPT	A	Mariam Shah	Grover Beach, CA 93433		City of Grover Beach	Mayor
8/21/2022	Bruce Gibson for Supervisor 2022	$100.00	RCPT	A	Mariam Shah	Arroyo Grande, CA 93420		Planned Parenthood	Community Organizer
10/3/2022	VARNI for OCSD Director 2022	$100.00	RCPT	A	Mariam Shah	arroyo grande, CA 93420		Self	Attorney

Item 31 - Postponed due to storm operations - Review of the FY 2023-24 Budget Goals and Policies, Budget Balancing Strategies and Approaches, and Board Priorities, and provide direction to staff as necessary. The staff is forecasting an $8 to $16 million estimated General Fund revenue-expenditure gap as it begins to formulate the proposed FY 2023-24 Budget. With a current FY 2022-23 General Fund Budget of $671.0 million out of a total government funds Budget of $807.0 million, the gap should be manageable. The high range $12 million gap is only 2% of the General Fund.

State Controller Schedules County Budget Act	County of San Luis Obispo All Funds Summary Fiscal Year 2022-23						Schedule 1
	Total Financing Sources				Total Financing Uses		
Fund Name	Fund Balance Available 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	$ 52,664,754	$ 337,555	$ 618,746,914	$ 671,749,223	$ 665,599,461	$ 6,149,762	$ 671,749,223
Special Revenue Fund	10,380,783	9,963,128	87,096,547	107,440,458	87,787,683	19,652,775	107,440,458
Debt Service Fund	471,873	---	20,310,490	20,782,363	16,937,692	3,844,671	20,782,363
Capital Projects	122,558	---	6,891,191	7,013,749	7,013,749	---	7,013,749
Total Governmental Funds	**$ 63,639,968**	**$ 10,300,683**	**$ 733,045,142**	**$ 806,985,793**	**$ 777,338,586**	**$ 29,647,208**	**$ 806,985,794**
Other Funds							
Enterprise Fund	$ ---	$ 3,570,144	$ 25,711,295	$ 29,281,439	$ 28,271,529	$ 1,009,910	$ 29,281,439
Internal Service Fund	---	7,225,304	66,631,536	73,856,840	72,378,097	1,478,743	73,856,840
Special Districts and Other Agencies	5,680,164	2,944	11,857,754	17,540,862	15,308,936	2,231,926	17,540,862
Total Other Funds	**$ 5,680,164**	**$ 10,798,392**	**$ 104,200,585**	**$ 120,679,141**	**$ 115,958,562**	**$ 4,720,579**	**$ 120,679,141**
Total All Funds	**$ 69,320,132**	**$ 21,099,075**	**$ 837,245,727**	**$ 927,664,934**	**$ 893,297,148**	**$ 34,367,787**	**$ 927,664,935**

Note that the total County Budget, when enterprise and County dependent special districts are included, is $927.7 million. The County had an unrestricted General Fund balance of $52.6 million on June 30, 2022.

The CAO is prudent in warning the Board to be restrained, as the national and State economic/social situation is volatile and moving toward disruption.

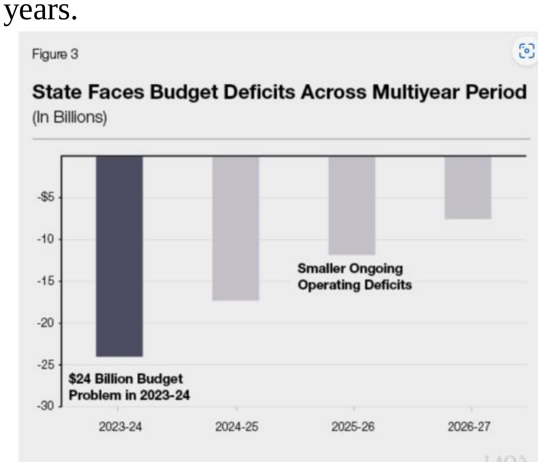
The Budget Goals and Policies, Budget Balancing Strategies and Approaches, and Board Priorities together provide the framework in which the budget is prepared. As highlighted in the financial forecast presented to the Board on November 1, 2022, the County's General Fund faces a budget gap of $8-$16 million in FY 2023-24. Given the projected gap, continued *compliance with the Board-adopted Budget Goals and Policies will be important to assuring the ongoing fiscal health of the County.*

Substantive Board budget priorities have evolved over the years. The current version is summarized in the image below:

Preventing and remediating homelessness has been an expanding priority in recent years. All levels of government are spending more and more each year. The nexus of the problem is that thus far, no one has figured out a way to make a large segment of the homeless population accountable. It is not illegal to be a vagrant. A significant portion (perhaps 70%) is suffering from a combination of mental illness, alcoholism, and drug abuse. These problems do not subside simply because people are provided with housing, medicine, and counseling. Most will never get better.

It will be interesting to see how the new Board majority adjusts the priorities and/or refines them. The Budget is the most significant tool for the Board of Supervisors to set priorities and overall strategic direction of the County.

Bigger Picture: The State Budget can have a major impact on counties, as they are the retailers of most State programs. The graph below displays the State Legislative Analyst's Office projections for the next 4 years.



Additionally, macro national and international trends and events are likely to impact the finances of the states and localities with increasing velocity. Inflation, the cost of debt service on the national debt, the impending recession, the burn down of Social Security and Medicare, the open border, the financial and other consequences of fanatic green energy policies, current US troop and air components fighting Russians in Syria, potential US escalation in Ukraine, and China's rising economic and military expansion will all combine with our own societal decadence in family formation/preservation, work ethic, academic achievement, government dependence, and cultural dissolution to severely disrupt current patterns of local government finance and service needs.

Item 32 - Postponed due to storm operations: Executive Session – Pending litigation - (3) SLO County Citizens for Good Government, Inc., Gomez, Maruska, Villa v. County of Luis Obispo Board of Supervisors, San Luis Obispo County Superior Court, Case No. 22CVP-0007. After the Board majority voted to reform the Supervisorial District boundaries, the Citizens for Good Government (the "Citizens") was formed to sue the County to compel adoption of a different version. In February 2022, the Court refused to issue an injunction to prevent the use of the new districts but did find that the plaintiff Citizens would be likely to prevail at trial on the grounds that the Board (majority at the time) did not consider evidence that the districts had been designed to favor Republicans. Presumably, the new Board majority could move to settle the case by adopting a version more acceptable to the "Citizens." The "Citizens" are Democratic Party activists.

Although the new 2nd District was claimed to be especially favorable to the Republicans, Democrat Bruce Gibson still won with a 13-vote margin. In the prior 2nd district configuration, he usually won by a margin of 76%.

It is possible that the public will not know what is happening until a settlement is reached. Perhaps it already has, in ex-parte political discussions or illegal serial meetings, but we don't know.

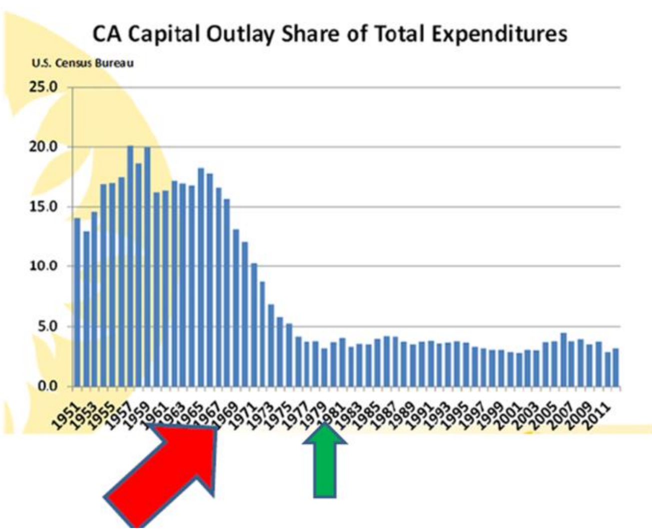
San Luis Obispo County Council of Governments (SLOCOG) Meeting of Wednesday, January 11, 2023   9:10 AM (Completed)

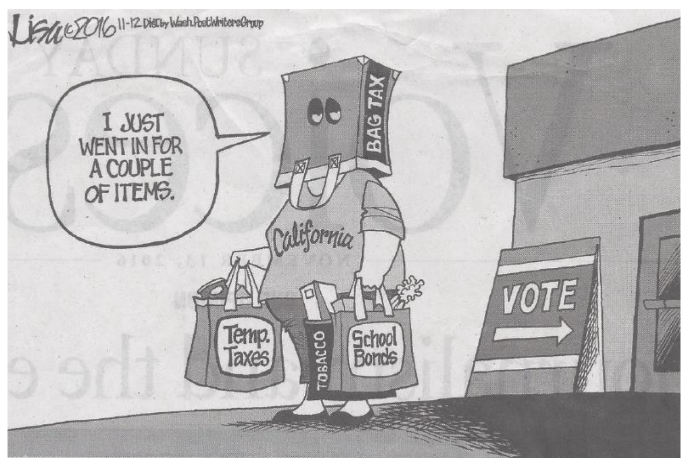
Item B-2: SLOCOG staff, guided by its 22/23 Overall Work Program, seeks to release a Request for Proposals (RFP) and secure a contract (in February) for polling services for a Supplemental Funding Assessment. This poll would update poll questions last asked in 2016. Polling would be conducted in April and results, recommendations, and draft materials would be developed fort the June Board meeting. The RFP and Scope of Work are attached. A budget of $80,000 exists for this effort in FY 22/23. The Board voted 8/3 to approve the RFP with Moreno, Peschong, and Wixom dissenting. Moreno, and even some of the members who voted yes including Pease and Paulding, are worried that some of the cities they represent already adopted their own approved sales tax overrides and some of these will be up for renewal at the same time that a Countywide measure could be on the ballot. Peschong simply pointed out that his former supervisorial district voted against Measure J in 2016.

Supervisor Paulding stated that he thought the measure’s provisions could be crafted to fit around some of the cities’ existing measures and/or eliminate the need for them in the first place.

Proponents and their sympathizers are forgetting that these measures don’t exist in a vacuum. By passing tax overrides, the voters let the elected officials off the hook for having already flowed most revenue into staffing, pensions, employee health benefits, lost time (attendance problems), and the jurisdictions budgeting without using serious program efficiency and outcome performance measures. They are completely dependent on invested staff experts to define level, velocity, efficiency, and relevance of services. Moreover they are spending millions at the local level and billions at the state level on climate change, the homeless industrial complex, trails, empty mass transit schemes, allowing bureaucrats to work from home, and boondoggles such as the Swami sound pods, unaccountable vote harvesting systems, and fake green energy schemes such as 3CE’s pretend green energy renewable energy certificates (RECS).

Investment in capital improvements are needed, but why are they relegated to being the extra cost icing on the public tax cake?





Prop 13 is often blamed for the lack of capital investment (the green arrow shows when it was fully implemented); however the real decline began as the State legalized collective bargaining for public employees. The red arrow shows the impact of collective bargaining began to bite in.

Real reform is needed before the voters approve additional taxes and serve as fiscal co-dependent aids to elected officials.

Background: The staff euphemistically referenced the need for a “Supplemental Funding Assessment” but has never asked the SLOCOG Board if they supported another run at a sales tax increase. Wouldn’t it be more honest to have a straight up vote and then, if the majority of the members endorse it, hire the consultant to determine which version might work with the voters?

It seems kind of sneaky for the elected officials to hide behind a poll paid for at taxpayer expense to show their true colors. Is this leadership?

Item B-3: Draft 2023 SLOCOG State & Federal Legislative Platform & Central Coast Coalition (CCC) Legislative Platform and Vehicle Miles Traveled (VMT). The item was postponed as their lobbyist was trapped in Sacramento. The SLOCOG is nervous about the switch from measuring traffic impacts from level of service (LOS) to vehicle miles traveled (VMT). The Board members realize that SLO County is rural to suburban in character. This means that people must drive farther than those clustered in urban cities. From a legislative standpoint, the Board would therefore like to see alternative measures adopted that could be used to offset potential VMT restrictions and/or taxes.

Were the State to adopt severe VMT restrictions in terms of meeting Regional Transportation Plan requirements, the County and its cities could be penalized on the receipt of State and Federal transportation funds. Of course and in any case, imposition of a metered driving tax to fund roads has huge financial and social control impacts.

On September 23, 2020, Governor Newsom issued Executive Order N-76-20, which prohibits the sale of gasoline-powered passenger vehicles by 2035, promotes zero-emission vehicles for future mobility needs. Given that transportation is predominantly funded through the gas tax, a successor funding mechanism will be needed. In July of2021, the California State Transportation Agency adopted the Climate Action Plan for Transportation infrastructure (CAPTI), which prioritizes multi-modal investments to compel mode shift, and limits highway capacity projects to be delivered on an as needed basis

Given the unique geography of San Luis Obispo County and the travel patterns associated with the jobs-housing nexus, and infusion of tourism traffic, reducing vehicle miles traveled is challenging. The prospects for reducing greenhouse gas emissions however could be realized through investments made to improve the availability of charging station infrastructure and providing incentives for converting from gas-powered to electric passenger vehicles, where feasible, along the state highway system.

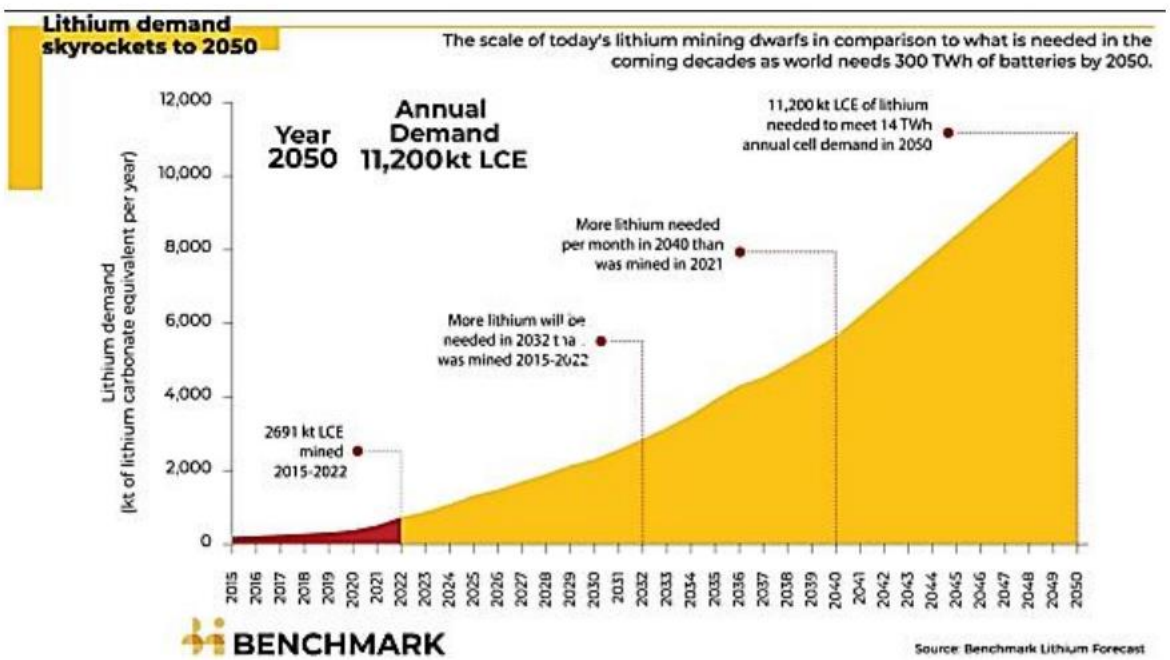
SLOCOG will work with state, regional, and local level to support the planning required by SB 375, while addressing impacts of the jobs-housing imbalance in rural communities. This includes working with the business community to incentivize regional job creation to reduce greenhouse gas emissions and vehicle miles traveled.

SLOCOG will also pursue funding to help comply with the statewide mandate to reduce greenhouse gas emissions and deliver projects that provide greater mobility options for all users. This includes supporting efforts to expand the infrastructure and incentives for electric vehicle conversion by minimizing concerns over range, cost, and infrastructure. An evaluation of the cost of increased usage of electricity and safety protocols should be considered. Operational improvements such as telecommuting, vanpools, shipping more freight via rail, and promoting opportunities for regions to sell mitigation credits to generate revenue for providing multi-modal options, should also be considered

All this buzz word jargon fails to disguise the fact that the overall climate policy is designed to forestall rural and suburban living and to force society into stack-and-pack housing, while at the same time forcing people out of individual cars and onto public transit. The SLOCOG Board members know that most of their constituents despise this policy. Yet at the same time they want to play along with the politically correct notion of anthropomorphic climate change and mandating CO_2 reduction. In the end they can't have it both ways.

They will not be able to work around VMT mandates, which are replacing the prior level of service (LOS - traffic congestion calculations) that formed the basis of selecting which road projects were to be approved. Separately, the County itself used the LOS calculations to ban development. For example, a proposed subdivision near a freeway interchange labeled F (on an A-F schedule) would be denied. In the future, areas with VMT levels that exceed State or local standards could be redlined.

The Lithium Problem: The element Lithium[2] is a key component in solar panels, batteries used in electric vehicles, and industrial scale battery farms. How does the SLOCOG policy realistically address the reality described in the graphics below on the next page?



China controls 60% of the world's Lithium supply.

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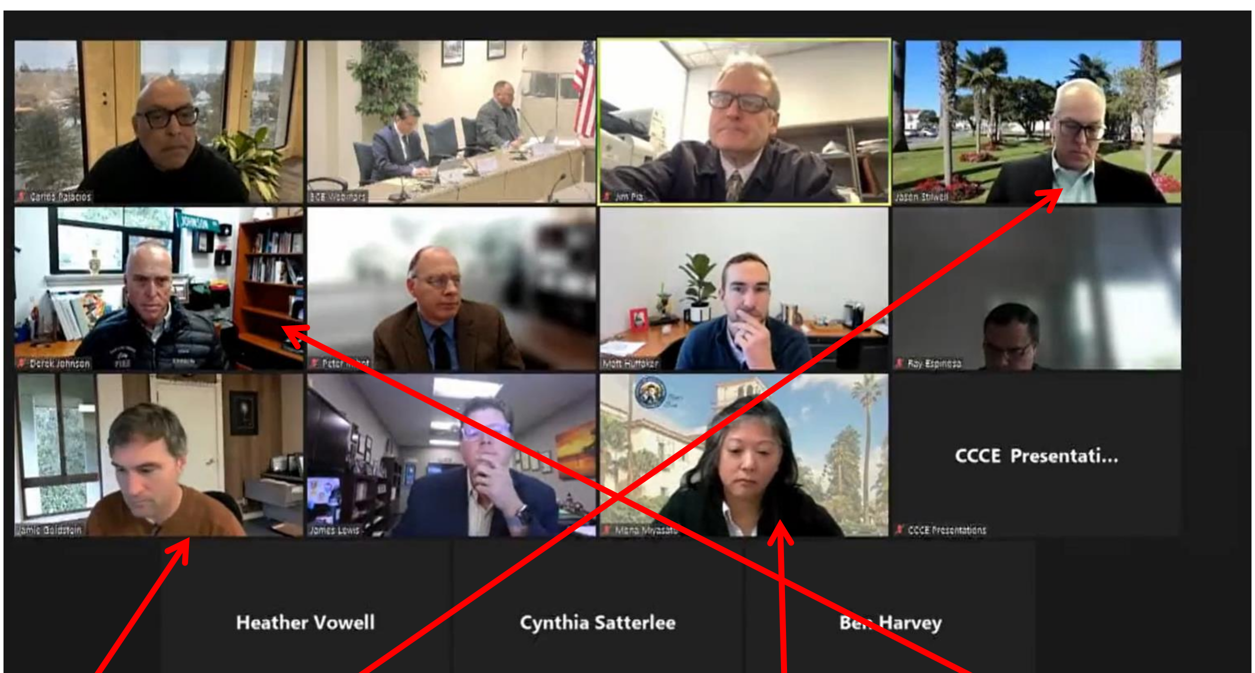
[2] Lithium is a chemical element with the symbol Li and atomic number 3. It is a soft, silvery-white alkali metal. Under standard conditions, it is the least dense metal and the least dense solid element.

"

Central Coast Community Energy Authority (3CE) Meeting of Wednesday, January 11, 2023 10:30 AM (Completed)

The meeting was held by zoom and in person. Most of the city managers and county CAOs, who comprise the Operations Board, were exhausted from running storm management from their emergency operations centers (EOCs). Look at the glum expressions on their faces in the zoom shot below. The last thing they needed was to study and deliberate the complex energy regulatory matters which were on their agenda. They barely spoke.



Capitola City Manager Jamie Goldstein was facing the scene in the picture below**.** San Luis Obispo City Manager Derek Johnson gave his impassive Navy Seal face. Santa Maria City Manager Jason Stilwell looked tired, while SB County Executive Officer Mona Miyasato looked dejected. You can imagine the huge pounding she took for ordering 12,000 overly privileged Montecito residents out of their homes for several days. What if Oprah, Prince Harry/Meghan, and Ellen didn't want to go? Some of the others looked pensive.

This goes to the larger issue that these very accomplished executives have their own jurisdictions to run and really don't have time to pay attention to the complexities of running a pseudo electric utility. The stress gives the 3CE staff huge power.

Waves crash along the beachfront of Capitola, Calif., a town that has been hit hard by recent storms.

Item 4 - Increase in Outside Counsel Contract. The matter was approved without comment or discussion.

Background: The 3CE and other community energy authorities are finding it increasingly difficult to navigate the energy regulatory environment, including the State Public Utilities Commission, the State Energy Commission, and the California Independent System Operator (CASIO), which manages the overall operation of the electric grid in California. The Authority is spending increasing amounts of staff time and legal time in an effort to make sure that its rates remain below those of PG&E and SCE. Requirements such as maintaining contracts for adequate energy reserves (for example on the hot days) can have major costs. The write-up states in part:

Approve and Authorize the CEO to Amend the Legal Services Agreement with Meyers Nave for Energy Product Litigation and/or Transaction Legal Services to Add $780,000 for a Not to Exceed Contract Amount of $1,380,000 (Action Item)

Meyers Nave, with their 3CE engagement led by Deborah Fox, has provided specialized legal services in support of matters of significant importance, including claims related to rate setting, disputes arising from agreements for resource adequacy and other energy products, and negotiation of contracts. CCCE anticipates the need for these services to continue through 2023 as matters progress through discovery and trial in the litigation matters, and toward final negotiations in the contract matters.

Item 5 - Treasurers Report. The report was received without comment or discussion.

Background: The September report represents the agency's fully completed 2021-22 fiscal year. The 3CE generated about $20 million in profit on revenues of $410.3 million, or a return of half of 1% (.05). Most of the balance, highlighted in yellow in the table below, is invested in reserve accounts as a hedge against future volatility in electric generation rates. If rates were to suddenly jump, even in their long-range contracts or if some of their contractors default and 3CE must incur high premium costs for alternative energy credits, they could use a portion of the reserve to temporarily stabilize their customer rates.

3CE would argue that they used $4.4 million of the $410.3 million for grants to member agencies for electric cars, EV charging stations, promotion of all electric homes, etc., and that this is a form of profit returned to members.

CENTRAL COAST COMMUNITY ENERGY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Twelve Months Ended September 30, 2022

OPERATING REVENUES	
Electricity sales, net	$ 399,159,960
Liquidated damages	11,153,500
Total operating revenues	410,313,460
OPERATING EXPENSES	
Cost of electricity	372,365,695
Contract services	9,288,170
Staff compensation	6,089,226
General and administration	6,210,745
Depreciation	88,680
Total operating expenses	394,042,516
Operating income (loss)	16,270,944
NONOPERATING REVENUES (EXPENSES)	
Interest and investment income	984,909
Grant revenue	2,759,460
Nonoperating revenues (expenses)	3,744,369
CHANGE IN NET POSITION	20,015,313
Net position at beginning of period	189,988,459
Net position at end of period	$ 210,003,772

CENTRAL COAST COMMUNITY ENERGY
BUDGETARY COMPARISON SCHEDULE
Twelve Months Ended September 30, 2022

	2021/22 YTD Budget	2021/22 YTD Actual	2021/22 YTD Budget Variance (Under) Over	2021/22 YTD Actual / Budget %	2021/22 Annual Budget	2021/22 Budget Less Actual	2021/22 Budget Remaining / Budget %
REVENUES AND OTHER SOURCES							
Electricity sales	$ 359,103,000	$ 415,601,926	$ 56,498,926	116%	$ 359,103,000	$ (56,498,926)	-16%
Less bill credit	(3,085,000)	(7,550,100)	(4,465,100)	245%	(3,085,000)	4,465,100	-145%
Less uncollectible accounts	(4,489,000)	(6,191,849)	(1,702,849)	138%	(4,489,000)	1,702,849	-38%
Revenue for damages	-	11,153,500	11,153,500	n/a	-	(11,153,500)	n/a
Investment and miscellaneous income	516,000	1,044,352	528,352	202%	516,000	(528,352)	-102%
Total revenues and other sources	352,045,000	414,057,829	62,012,829	118%	352,045,000	(62,012,829)	-18%
EXPENDITURES AND OTHER USES							
Current Expenditures							
Cost of energy	326,335,000	372,661,211	46,326,211	114%	326,335,000	(46,326,211)	-14%
Energy programs (incentives and grants) *	12,270,000	4,374,729	(7,895,271)	36%	12,270,000	7,895,271	64%
Data manager	3,774,000	3,706,398	(67,602)	98%	3,774,000	67,602	2%
Utility service fees	1,893,000	1,838,834	(54,166)	97%	1,893,000	54,166	3%
Staffing	9,244,000	6,089,226	(3,154,774)	66%	9,244,000	3,154,774	34%
Professional services	1,393,000	1,548,033	155,033	111%	1,393,000	(155,033)	-11%
Legal services	1,037,000	1,180,576	143,576	114%	1,037,000	(143,576)	-14%
Marketing and customer enrollment	943,000	718,813	(224,187)	76%	943,000	224,187	24%
Other general & administration	1,625,000	1,836,016	211,016	113%	1,625,000	(211,016)	-13%
Total current expenditures	358,514,000	393,953,836	35,439,836	110%	358,514,000	(35,439,836)	-10%
Other Uses							
Capital outlay	114,000	1,113	(112,887)	1%	114,000	112,887	99%
Uninterruptible Power Supply expenditures	2,800,000	2,000,000	(800,000)	71%	2,800,000	800,000	29%
Total other uses	2,914,000	2,001,113	(912,887)	69%	2,914,000	912,887	
Total Expenditures and Other Uses	361,428,000	395,954,949	34,526,949	110%	361,428,000	(34,526,949)	-10%
Surplus (Deficit)	$ (9,383,000)	$ 18,102,880	$ 27,485,880		$ (9,383,000)	$ (27,485,880)	293%

Reserves at end of reporting period:	
Held for Working Capital	$ 38,500,000
Held for Reserves - Cash and Cash Equivalents	111,596,869
Held for Reserves - Investments	33,434,369
Total	$ 183,531,238

Note that uncollectable accounts are substantial and exceed budget. If they are going to write them off, public agencies are required to place them on the Board agenda and vote in public.

IWMA Meeting of Wednesday, January 11, 2023 (Completed) 1:30 PM

The meeting agenda was light and pertained to housekeeping items such as appointments to the agency's Executive Committee

Planning Commission Meeting of Thursday, January 12, 2023 (Postponed to Uncertain Date)

Item 6 - (Continued) Hearing to consider a request (LRP2021-00003) by Monarch Dunes LLC to amend the Monarch Dunes Specific Plan to modify the allowable land uses of four sites within the Monarch Dunes Specific Plan area: Site #1 (Village Center) is proposed to be redesignated from Commercial Retail land use to Recreation-Resort land use, to support up to 65 hotel rooms (a reduction and reallocation from the 400-room hotel allowable on Site #3); Site #2 (Village Center) is proposed to retain the Commercial Retail land use designation, but would be modified to support up to 40 condominium residential dwelling units on the second floor (above commercial retail spaces) and to decrease the maximum allowable floor area for commercial uses from 140,000 square feet to 38,500 square feet; Site #3 (Resort Area) is proposed to be redesignated from Recreation-Resort land use to Residential Single-Family land use, to support up to 76 residential dwelling units in the form of 38common wall developments; and Site #4 (Public Park Area) is proposed to be redesignated from Public Park land use to Residential Single-Family land use, to support 46 residential dwelling units in the form of 23 common wall developments. The Monarch Dunes Specific Plan area is located on the Nipomo Mesa, approximately two miles west of the community of Nipomo, east of State Route 1, and approximately half a mile south of Willow Road. The meeting was cancelled due to the storm emergency. It may return on Thursday, January 26, but nothing has been posted.

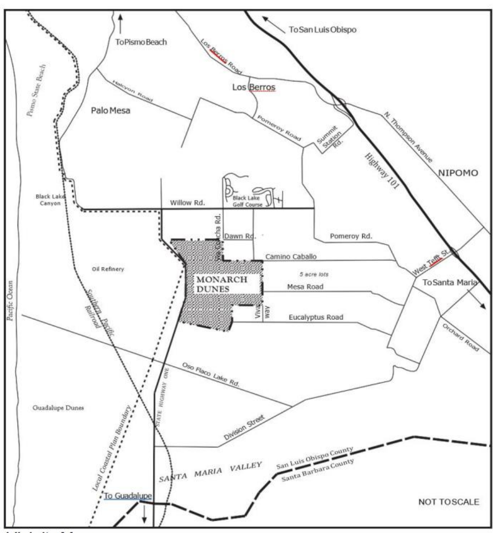
The applicant requests a number of modifications to the development's Specific Plan, which dates back to 1998. It has been before the Commission several times, most recently on October 13, 2022. At that meeting the Commission directed that the applicant and staff present further data and ideas about:

Item A – Affordable Housing
Item B – Greenhouse Gas (GHG) Reduction
Item C – Design of Site #4 (Public Park Area
Item D – Village Center Uses
Item E – Traffic Impacts (as it relates to the Village Center

As a result the staff has recommended more stringent affordable housing requirements, including more low and low moderate units, contractually price capped units, and barring the counting some of the ADU's as affordable. The applicant has responded that these provisions are not financially feasible in terms of the overall affordability design of the project.

Similarly, the staff recommends stricter greenhouse gas reduction requirements, even though the project includes all sorts of advance energy conservation and CO_2 reduction standards. Again, these would increase the price of the units by $11,000. It appears that the redesign actually reduces the number of vehicle trips, when compared with project as originally designed.
The staff does not provide a recommendation with respect to whether the Commission should recommend for or against the plan to the Board of Supervisors. The report simply requests them to determine what they will do.

A number of current residents oppose the plan; however, the HOA and Maintenance Board both endorsed it after running an extensive public process with their members. The application was first filed in 2021 and is still being massaged by the County 2 years later. The time and cost of processing it for the applicant are enormous.



Vicinity Map
Exhibit 2

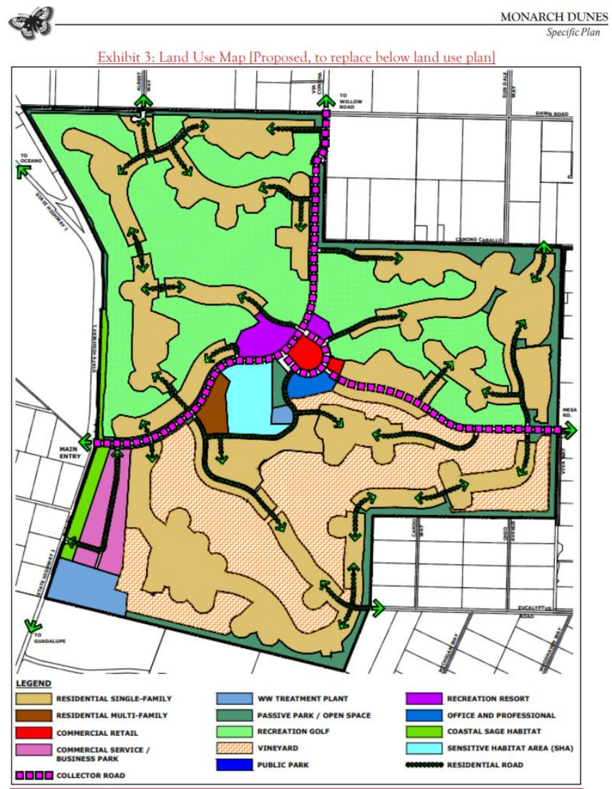
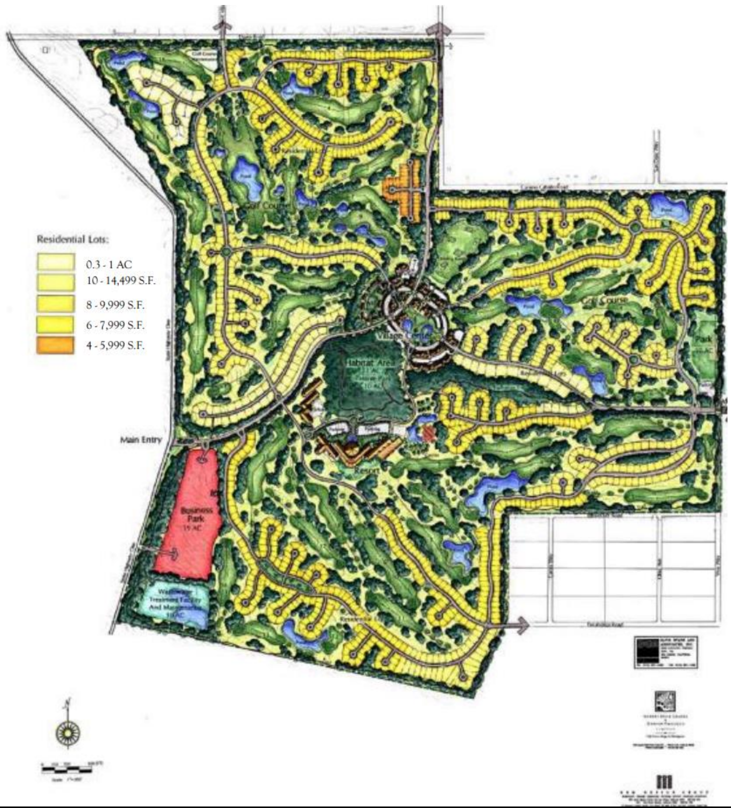


Exhibit 3: Land Use Map [Proposed, to replace below land use plan]



EMERGENT ISSUES

Item 2 - National Vehicle Miles Traveled (USVMT). SLOCOG **Agenda Item B-3** on page 11 above reveals the dilemma of the VMT faced by the SLOCOG Board. Their agenda seems to seek a way around it. They most likely know that it is inevitable in California's hysterical climate change ideological cult environment. Coincidently, the article below details many ramifications and explores the impending consideration of nation-wide imposition by the Federal Government.

VEHICLE MILES TRAVELED TAX GETS A KILLER BOOST

Federal New Car 'Kill Switch' Regulation Opens Backdoor

By Thomas Buckley, January 8, 2023

It seems as if anything can be done – truly anything – if it is in the name of safety.

From the pandemic to peanut butter, as long as a new rule, regulation, mandate, dictate is couched in the language of improving safety it is either completely cosseted from criticism or its possibilities for gross governmental misuse are downplayed as the ravings of a paranoid lunatic.

California and the rest of the nation may very well soon learn that when it comes to "good intentions," if the government is involved the true intentions are often hidden and they are very rarely good.

And it is on these intentions the imposition of a Vehicle Miles Traveled (VMT) on drivers could be introduced at a federal level.

In the Biden infrastructure bill signed last year, a relatively obscure bit calls for all new cars built after 2026 to have a "kill switch." Sold as a way to combat drunk driving, the system would involve various unclear-at-the-present technologies (yes your car will have to be able to literally watch you) to detect whether or not you could be impaired and if the car determines that to be that case then the car won't start.

Per usual, the proponents of the bill claim that no nefarious future actions are possible. From an AP story dispelling the myth of the "kill switch" (serious water carrying there) Robert Strass burger, president and CEO of the Automotive Coalition for Traffic Safety, said any information collected will "never leave the vehicle."

In other words, it's not really a "kill switch" and safe drivers really don't have to worry ever and we're doing this for your own good and anyone who thinks this device will ever be used in any other way by any government agency is nuts and bad and crazy and might be a domestic terrorist.

We've seen this movie before.

What proponents do not care to emphasize is the fact that the car must "passively" monitor the vehicle and driver and that the system will have at least one port of entry for someone (or something) outside the vehicle to access the system, a port of entry that will be perfect for the imposition of a VMT.

Briefly, a VMT is a direct tax on driving instead (theoretically, very theoretically) of the gas taxes currently paid at the pump. The imposition of a VMT has multiple potential permutations, from simply charging a flat rate per mile driven to modifying the rate depending upon when the car is driven (higher for rush hour, for example,) to charging more based on where the car is driven (known as cordon pricing) or even how much the driver earns in a year – for a detailed breakdown of the possibilities, see HERE.

To make the tax work – unless the government would rely on self-reporting which it won't because, well, duh – a vehicle needs to be tracked at all times. This aspect has led to fierce public opposition to the concept, but if the tracker is already in the car for "safety" purposes some of this opposition may be tamped down (the same rationale goes for the eventual introduction of the self-driving car – which clearly need to be tracked at all times – lessening criticism of the concept.)

The VMT has been simmering in Sacramento for years, has been pilot programmed in multiple states, and is already in place in multiple jurisdictions.
A VMT for large trucks took effect on January 1 in Connecticut, a driver is charged about $20 when they cross an imaginary line heading into central London, and, starting next year, most everyone driving below 60th Street in Manhattan will have to pay between $9 and $23 for the privilege to do so.

Last year, the San Diego Association of Governments tried to put a VMT into its county transportation plan, but the board balked at the last minute due to the political ramifications (local elected officials have been booted out of office for supporting a VMT). However, the introduction in California of at-this-point voluntary "digital license plates" which could be used to track vehicles raises serious privacy issues, and could be used to take the VMT matter out of local hands.

Again, the rationale for the overwhelming opposition has been the invasion of privacy inherent in placing tracking devices in individual personal automobiles. With this new system, that issue is obviated by the fact that if you want to buy a new car you will have to have a "safety" system in the car, a system that can/will be used to impose the VMT.

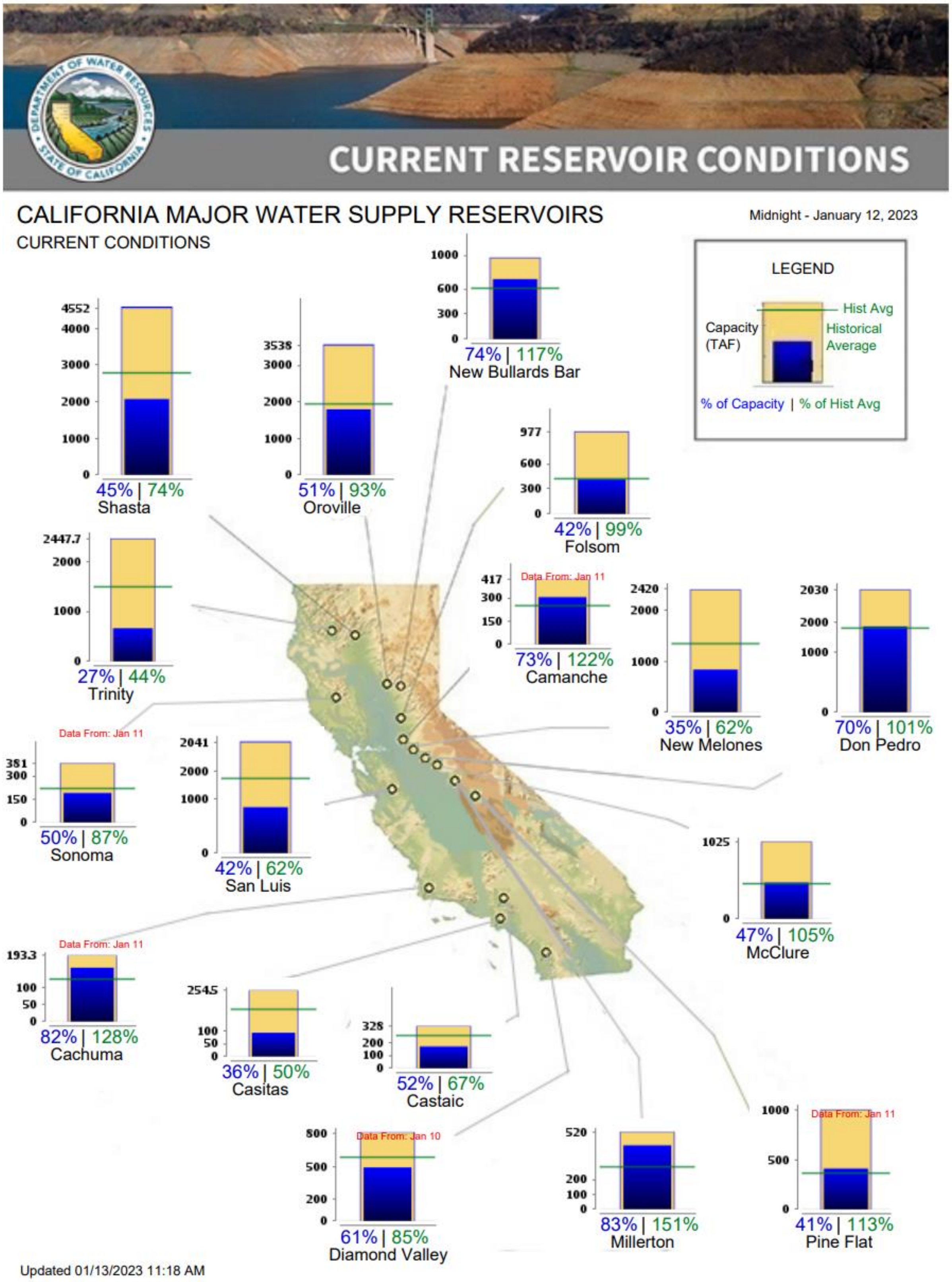
Another key advantage for VMT proponents to this federal approach is that it essentially solves the other big problem involved in a VMT – borders. For example, if San Diego had a VMT, how would all the out-of-town tourists visiting LEGOLAND pay if the tax at the pump is gone? What would happen if California had a VMT but not Nevada – if you had to buy gas in Primm on the way to/from Las Vegas, would you end up being double taxed? The list goes on…
But a federal program that covers every driver in the nation eliminates this thorny issue as it makes borders meaningless.

And, frighteningly, that is one thing we know the Biden Administration is very good at.

Thomas Buckley is the former Mayor of Lake Elsinore and a former newspaper reporter. He operates a small communications and planning consultancy and can be reached directly at planbuckley@gmail.com. Read more of his work at his Substack 'The Point.' Cal globe

Item 2 – Reservoir Levels

See the charts on the next page below:



CURRENT RESERVOIR CONDITIONS
CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS
CURRENT CONDITIONS
Midnight - January 12, 2023
LEGEND
Capacity (TAF)
Hist Avg
Historical Average
% of Capacity | % of Hist Avg
45% | 74%
Shasta
51% | 93%
Oroville
74% | 117%
New Bullards Bar
42% | 99%
Folsom
27% | 44%
Trinity
Data From: Jan 11
73% | 122%
Camanche
35% | 62%
New Melones
70% | 101%
Don Pedro
Data From: Jan 11
50% | 87%
Sonoma
42% | 62%
San Luis
47% | 105%
McClure
Data From: Jan 11
82% | 128%
Cachuma
36% | 50%
Casitas
52% | 67%
Castaic
Data From: Jan 10
61% | 85%
Diamond Valley
83% | 151%
Millerton
Data From: Jan 11
41% | 113%
Pine Flat
Updated 01/13/2023 11:18 AM

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

NEW OVERTIME LAW FOR AGRICULTURE WORKERS WAS NEVER ABOUT THE WORKERS

Ag workers now report that weekly take-home pay has significantly dropped

BY KATY GRIMES

After many failed attempts to unionize more agricultural workers in California, Gov. Jerry Brown instead signed into law Assembly Bill 1066 in 2016 by then-Assemblywoman Lorena Gonzalez (D-San Diego), to require overtime pay of time-and-a-half for farm employees working more than eight hours a day or 40 hours a week, and double pay for those working more than 12 hours a day.

Gonzalez left the California Legislature in July to become the Chief Officer of the California Labor Federation.

Farmworkers were earning overtime pay after 60 hours in a work week and after 10 hours in a work day. Under AB 1066, in 2019 the threshold was lowered annually until 2022. Now ag workers earn time-and-a-half pay after 40 hours in a week, and eight hours in a day, just as office workers and retail workers do.

There are more than 80,000 farms in California, and the UFW has less than 30 of those under a collective bargaining agreement contract.

Interestingly, agricultural workers did not want the state mandated overtime. Here's why:

Ag workers now report that weekly take-home pay has significantly dropped. One ag employee said his pay dropped from $1,000 to around $600 ever since his hours were slashed from 60 hours a week to 40 hours per week, the Sacramento Bee reported.
Democrats and labor unions have pushed for years to force farm employers to give farm workers overtime pay, workers compensation insurance, and mandatory breaks, making it sound as if the employees wanted this.

But Democrats in the Assembly never once acknowledged that not all employers can provide a standardized eight-hour workday because of seasonal production or the need for some work to be done in concentrated periods.

Instead, Democrats claim that the industry can just absorb the costs.

But if industry can't absorb the costs, it is workers who pay the price. And that was always the point. Democrats wanted to make the workers so unhappy that they'd beg for the UFW to swoop in and save them with a collective bargaining agreement which is exempted from overtime, under Department of Industrial Regulations rules. This was really devious.

There are nearly one million farm and agricultural workers in California, yet the United Farm Workers labor union represents a small fraction of them. Still, Gov. Jerry Brown and the corrupt Agriculture Labor Relations Board continued to help the UFW limp along, assisting the union to terrorize well-run, law-abiding farming businesses with countless lawsuits, and harassing them with unreasonable and illegal demands.

Notably, the UFW labor union was affiliated with the Industrial Areas Foundation, headed by Saul Alinsky.

The back story is about Gerawan Farming, and its 5,000+ employees, targeted since 2012 for unionization by the United farm Workers Labor Union. But the Gerawan workers fought back against unionization, even holding an ALRB election to try to decertify the labor union – largely because most farm workers have no interest in "organizing," or losing 3 percent of their pay as mandatory dues. While most of Gerawan's employees are well-compensated full-time workers, many farm workers are seasonal and work in various locations around the state. I spent years covering the Gerawan company and workers, and have been told by many workers they don't see any advantage to the union "stealing" their hard-earned income for dues.

When the UFW couldn't convince Gerawan's employees to join them, the union leaders turned to the Agricultural Labor Relations Board to force them into the union.

As the United Farm Workers labor union and the state Agricultural Labor Relations Board found themselves on the brink of extinction and future irrelevance, they joined forces to reverse their misfortune by targeting one of the biggest non-union farming operations in the state. Should they ever succeed in unionizing the 5,000 Gerawan Farming employees, it would greatly increase UFW union membership, and certainly boost the ALRB's status.

The wrangling with the United Farm Workers Labor Union began again in October of 2012, when the union insisted that a collective bargaining agreement covering Gerawan workers be reactivated — even though there had been no union involvement with the workers for more than 23 years. Some of the workers then began a process for a vote to decertify the union, and forced the decertification election. The ALRB promptly declared "misconduct," and locked up the ballots.

Gerawan filed a constitutional challenge against the California Agricultural Labor Relations Board, with the United Farm Workers of America named as a "Real Party of Interest." In the

California Court of Appeal, Fifth District in Fresno, Gerawan challenged the ALRB's invocation of the California's Mandatory Mediation and Conciliation Statute. Democrat Gov. Gray Davis signed the MMC statute into law in 2002.

The court unanimously struck down California's Mandatory Mediation and Conciliation secrecy law as unconstitutional, handing a win to Gerawan Farming and its employees.
But the state Agricultural Labor Relations Board and UFW labor union continued to harass and target Gerawan Farming and its employees. The ALRB continues to be a powerful ally of the UFW, and still does the union's bidding at the expense of farm workers across the state.

California OT Laws
California's overtime laws are complex and largely appear to be driven by the political party in power.

Overtime was enacted many years ago, to compensate employees who were being "overworked" by employers, defined by the government as working employees beyond eight hours in one workday. Overtime law requires employers to pay employees overtime equaling and one-half of employees' hourly pay for working more than eight hours in one day, as well as more than 40 hours in one week. Double-time is paid after 12 hours in one day, and again on the seventh consecutive workday in one week.

OT doesn't work in some industries. Look at the list of exemptions at the Department of Industrial Relations; most of the jobs are largely production related and require periods of work in order to meet production. They can't be molded into a standard 8-hour, state office worker workday. These people work when the work is there, and they work long hours when they need to. When they work is not available, they do not get paid.

Notably, "employees directly employed by the **State or any political subdivision thereof**, including any city, county or special district," the DIR reports.
Up until AB 1066 was signed into law, agriculture workers were exempted from standard overtime laws.

Long-time seasonal and/or production employees always understood that they make a great deal of money during some seasons, and can work long hours. Most say they want the flexibility to earn the extra money, knowing there can be periods of no work.

The warnings were there when AB 1066 was heard in legislative committees.

In a 2016 survey conducted by the Western Growers Association found over 80% responded that they would reduce wages as a result of both the overtime law and the $15 minimum wage law. Key findings included:

- More than 80% of farms will cut back working hours for farmworkers
- On average, farmworkers will lose 15 hours of work and $180 in income per week
- Many farmworker jobs will be eliminated as farms will look for ways to reduce the need for labor

- Fewer than 10% of farms will be able to pass the added costs of minimum wage and agricultural overtime along to buyers
- Nearly one-third of farms plan to reduce benefits offered to their employees
- 60% of farms with plans to expand operations in California will now shift their expansion plans to other states and countries

Democrats passed the law anyway – targeting the very workers they claimed they were trying to help.

Katy Grimes, the Editor of the California Globe, is a long-time Investigative Journalist covering the California State Capitol, and the co-author of California's War Against Donald Trump: Who Wins? Who Loses? This article first appeared in the January 9, 2023 California Globe.

THE OBVIOUS ANSWER TO HOMELESSNESS

And why everyone's ignoring it

BY JERUSALEM DEMSAS

WHEN SOMEONE BECOMES homeless, the instinct is to ask what tragedy befell them. What bad choices did they make with drugs or alcohol? What prevented them from getting a higher-paying job? Why did they have more children than they could afford? Why didn't they make rent? Identifying personal failures or specific tragedies helps those of us who have homes feel less precarious—if homelessness is about personal failure, it's easier to dismiss as something that couldn't happen to us, and harsh treatment is easier to rationalize toward those who experience it.

But when you zoom out, determining individualized explanations for America's homelessness crisis gets murky. Sure, individual choices play a role, but why are there so many more homeless people in California than Texas? Why are rates of homelessness so much higher in New York than West Virginia? To explain the interplay between structural and individual causes of homelessness, some who study this issue use the analogy of children playing musical chairs. As the game begins, the first kid to become chairless has a sprained ankle. The next few kids are too anxious to play the game effectively. The next few are smaller than the big kids. At the end, a fast, large, confident child sits grinning in the last available seat.

You can say that disability or lack of physical strength caused the individual kids to end up chairless. But in this scenario, chairlessness itself is an inevitability: The only reason anyone is without a chair is because there aren't enough of them.

Now let's apply the analogy to homelessness. Yes, examining who specifically becomes homeless can tell important stories of individual vulnerability created by disability or poverty, domestic violence or divorce. Yet when we have a dire shortage of affordable housing, it's all but guaranteed that a certain number of people will become homeless. In musical chairs, enforced scarcity is self-evident. In real life, housing scarcity is more difficult to observe—but it's the underlying cause of homelessness.

In their book, *Homelessness Is a Housing Problem*, the University of Washington professor Gregg Colburn and the data scientist Clayton Page Aldern demonstrate that "the homelessness crisis in coastal cities cannot be explained by disproportionate levels of drug use, mental illness, or poverty." Rather, the most relevant factors in the homelessness crisis are rent prices and vacancy rates.

Jerusalem Demsas: Housing breaks people's brains

Colburn and Aldern note that some urban areas with very *high* rates of poverty (Detroit, Miami-Dade County, Philadelphia) have among the *lowest* homelessness rates in the country, and some places with relatively *low* poverty rates (Santa Clara County, San Francisco, Boston) have relatively *high* rates of homelessness. The same pattern holds for unemployment rates: "Homelessness is abundant," the authors write, "only in areas with robust labor markets and low rates of unemployment—booming coastal cities."

Why is this so? Because these "superstar cities," as economists call them, draw an abundance of knowledge workers. These highly paid workers require various services, which in turn create demand for an array of additional workers, including taxi drivers, lawyers and paralegals, doctors and nurses, and day-care staffers. These workers fuel an economic-growth machine—and they all need homes to live in. In a well-functioning market, rising demand for something just means that suppliers will make more of it. But housing markets have been broken by a policy agenda that seeks to reap the gains of a thriving regional economy while failing to build the infrastructure—housing—necessary to support the people who make that economy go. The results of these policies are rising housing prices and rents, and skyrocketing homelessness.

When we have a dire shortage of affordable housing, it's all but guaranteed that a certain number of people will become homeless.

It's not surprising that people wrongly believe the fundamental causes of the homelessness crisis are mental-health problems and drug addiction. Our most memorable encounters with homeless people tend to be with those for whom mental-health issues or drug abuse are evident; you may not notice the family crashing in a motel, but you will remember someone experiencing a mental-health crisis on the subway.

I want to be precise here. It is true that many people who become homeless are mentally ill. It is also true that becoming homeless exposes people to a range of traumatic experiences, which can create new problems that housing alone may not be able to solve. But the claim that drug abuse and mental illness are the fundamental *causes* of homelessness falls apart upon investigation. If mental-health issues or drug abuse were major drivers of homelessness, then places with higher rates of these problems would see higher rates of homelessness. They don't. Utah, Alabama, Colorado, Kentucky, West Virginia, Vermont, Delaware, and Wisconsin have some of the highest rates of mental illness in the country, but relatively modest homelessness levels. What prevents at-risk people in these states from falling into homelessness at high rates is simple: They have more affordable-housing options.

With similar reasoning, we can reject the idea that climate explains varying rates of homelessness. If warm weather attracted homeless people in large numbers, Seattle; Portland, Oregon; New York City; and Boston would not have such high rates of homelessness and cities in southern states like Florida, Georgia, Alabama, and Mississippi such low ones. (There is a connection between *unsheltered* homelessness and temperature, but it's not clear which way the causal arrow goes: The East Coast and the Midwest have a lot more shelter capacity than the West Coast, which keeps homeless people more out of view.)

America has had populations of mentally ill, drug-addicted, poor, and unemployed people for the whole of its history, and Los Angeles has always been warmer than Duluth—and yet the homelessness crisis we see in American cities today dates only to the 1980s. What changed that caused homelessness to explode then? Again, it's simple: lack of housing. The places people needed to move for good jobs stopped building the housing necessary to accommodate economic growth.

HOMELESSNESS IS BEST UNDERSTOOD as a "flow" problem, not a "stock" problem. Not that many Americans are *chronically* homeless—the problem, rather, is the millions of people who are precariously situated on the cliff of financial stability, people for whom a divorce, a lost job, a fight with a roommate, or a medical event can result in homelessness. According to the Los Angeles Homeless Services Authority, roughly 207 people get rehoused daily across the county—but 227 get pushed into homelessness. The crisis is driven by a constant flow of people losing their housing.

The homelessness crisis is most acute in places with very low vacancy rates, and where even "low income" housing is still very expensive. A study led by an economist at Zillow shows that when a growing number of people are forced to spend 30 percent or more of their income on rent, homelessness spikes.

Academics who study homelessness know this. So do policy wonks and advocacy groups. So do many elected officials. And polling shows that the general public recognizes that housing affordability plays a role in homelessness. Yet politicians and policy makers have generally failed to address the root cause of the crisis.

Few Republican-dominated states have had to deal with severe homelessness crises, mainly because superstar cities are concentrated in Democratic states. Some blame profligate welfare programs for blue-city homelessness, claiming that people are moving from other states to take advantage of coastal largesse. But the available evidence points in the opposite direction—in 2022, just 17 percent of homeless people reported that they'd lived in San Francisco for less than one year, according to city officials. Gregg Colburn and Clayton Aldern found essentially no relationship between places with more generous welfare programs and rates of homelessness. And abundant other research indicates that social-welfare programs *reduce* homelessness. Consider, too, that some people move to superstar cities in search of gainful employment and then find themselves unable to keep up with the cost of living—not a phenomenon that can be blamed on welfare policies.

But liberalism *is* largely to blame for the homelessness crisis: A contradiction at the core of liberal ideology has precluded Democratic politicians, who run most of the cities where homelessness is most acute, from addressing the issue. Liberals have stated preferences that housing should be affordable, particularly for marginalized groups that have historically been shunted to the peripheries of the housing market. But local politicians seeking to protect the interests of incumbent homeowners spawned a web of regulations, laws, and norms that has made blocking the development of new housing pitifully simple.

Voters will tolerate disorder for only so long before they become amenable to reactionary candidates and measures, even in very progressive areas.

This contradiction drives the ever more visible crisis. As the historian Jacob Anbinder has explained, in the '70s and '80s conservationists, architectural preservationists, homeowner groups, and left-wing organizations formed a loose coalition in opposition to development. Throughout this period, Anbinder writes, "the implementation of height limits, density restrictions, design review boards, mandatory community input, and other veto points in the development process" made it much harder to build housing. This coalition—whose central purpose is opposition to neighborhood change and the protection of home values—now dominates politics in high-growth areas across the country, and has made it easy for even small groups of objectors to prevent housing from being built. The result? The U.S. is now millions of homes short of what its population needs.

Annie Lowrey: The U.S. needs more housing than almost anyone can imagine

Los Angeles perfectly demonstrates the competing impulses within the left. In 2016, voters approved a $1.2 billion bond measure to subsidize the development of housing for homeless and at-risk residents over a span of 10 years. But during the first five years, roughly 10 percent of the housing units the program was meant to create were actually produced. In addition to financing problems, the biggest roadblock was small groups of objectors who didn't want affordable housing in their communities.

Los Angeles isn't alone. The Bay Area is notorious in this regard. In the spring of 2020, the billionaire venture capitalist Marc Andreessen published an essay, "It's Time to Build," that excoriated policy makers' deference to "the old, the entrenched." Yet it turned out that Andreessen and his wife had vigorously opposed the building of a small number of multifamily units in the wealthy Bay Area town of Atherton, where they live.

The small-*c* conservative belief that people who already live in a community should have veto power over changes to it has wormed its way into liberal ideology. This pervasive localism is the key to understanding why officials who seem genuinely shaken by the homelessness crisis too rarely take serious action to address it.

THE WORST HARMS of the homelessness crisis fall on the people who find themselves without housing. But it's not their suffering that risks becoming a major political problem for liberal politicians in blue areas: If you trawl through Facebook comments, Nextdoor posts, and tweets, or just talk with people who live in cities with large unsheltered populations, you see that homelessness tends to be viewed as a problem of disorder, of public safety, of quality of life. And voters are losing patience with their Democratic elected officials over it.

In a 2021 poll conducted in Los Angeles County, 94 percent of respondents said homelessness was a serious or very serious problem. (To put that near unanimity into perspective, just 75 percent said the same about traffic congestion—in Los Angeles!) When asked to rate, on a scale of 1 to 10, how unsafe "having homeless individuals in your neighborhood makes you feel," 37 percent of people responded with a rating of 8 or higher, and another 19 percent gave a rating of 6 or 7. In Seattle, 71 percent of respondents to a recent poll said they wouldn't feel safe visiting downtown Seattle at night, and 91 percent said that downtown won't recover until homelessness and public safety are addressed. There are *a lot* of polls like this.

As the situation has deteriorated, particularly in areas where homelessness overruns public parks or public transit, policy makers' failure to respond to the crisis has transformed what could have been an opportunity for reducing homelessness into yet another cycle of support for criminalizing it. In Austin, Texas, 57 percent of voters backed reinstating criminal penalties for homeless encampments; in the District of Columbia, 75 percent of respondents to a Washington Post poll said they supported shutting down "homeless tent encampments" even without firm assurances that those displaced would have somewhere to go. Poll data from Portland, Seattle, and Los Angeles, among other places, reveal similarly punitive sentiments.

This voter exasperation spells trouble for politicians who take reducing homelessness seriously. Voters will tolerate disorder for only so long before they become amenable to reactionary candidates and measures, even in very progressive areas. In places with large unsheltered populations, numerous candidates have materialized to run against mainstream Democrats on platforms of solving the homelessness crisis and restoring public order.

By and large, the candidates challenging the failed Democratic governance of high-homelessness regions are not proposing policies that would substantially increase the production of affordable housing or provide rental assistance to those at the bottom end of the market. Instead, these candidates—both Republicans and law-and-order-focused Democrats—are concentrating on draconian treatment of people experiencing homelessness. Even in Oakland, California, a famously progressive city, one of the 2022 candidates for mayor premised his campaign entirely on eradicating homeless encampments and returning order to the streets—and managed to finish third in a large field.

During the 2022 Los Angeles mayoral race, neither the traditional Democratic candidate, Karen Bass, who won, nor her opponent, Rick Caruso, were willing to challenge the antidemocratic processes that have allowed small groups of people to block desperately needed housing. Caruso campaigned in part on empowering homeowners and honoring "their preferences more fully," as Ezra Klein put it in The New York Times—which, if I can translate, means allowing residents to block new housing more easily. (After her victory, Bass nodded at the need to house more people in wealthier neighborhoods—a tepid commitment that reveals NIMBYism's continuing hold on liberal politicians.)

"WE'VE BEEN DIGGING ourselves into this situation for 40 years, and it's likely going to take us 40 years to get out," Eric Tars, the legal director at the National Homelessness Law Center, told me.

Building the amount of affordable housing necessary to stanch the daily flow of new people becoming homeless is not the project of a single election cycle, or even several. What can be done in the meantime is a hard question, and one that will require investment in temporary housing. Better models for homeless shelters arose out of necessity during the pandemic. Using hotel space as shelter allowed the unhoused to have their own rooms; this meant families could usually stay together (many shelters are gender-segregated, ban pets, and lack privacy). Houston's success in combatting homelessness—down 62 percent since 2011—suggests that a focus on moving people into permanent supportive housing provides a road map to success. (Houston is less encumbered by the sorts of regulations that make building housing so difficult elsewhere.)

The political dangers to Democrats in those cities where the homelessness crisis is metastasizing into public disorder are clear. But Democratic inaction risks sparking a broader political revolt—especially as housing prices leave even many middle- and upper-middle-class renters outside the hallowed gates of homeownership. We should harbor no illusions that such a revolt will lead to humane policy change.

Simply making homelessness less visible has come to be what constitutes "success." New York City consistently has the nation's highest homelessness rate, but it's not as much of an Election Day issue as it is on the West Coast. That's because its displaced population is largely hidden in shelters. Yet since 2012, the number of households in shelters has grown by more than 30 percent—despite the city spending roughly $3 billion a year (as of 2021) trying to combat the problem. This is what policy failure looks like. At some point, someone's going to have to own it.

This article appears in the January/February 2023 *print edition with the headline "The Looming Revolt Over Homelessness." When you buy a book using a link on this page, we receive a commission. Thank you for supporting* The Atlantic. *Jerusalem Demsas is a staff writer at* The Atlantic. *D*ec 12 Atlantic

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