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

WEEKLY UPDATE
MAY 5 - 11, 2024

THIS WEEK
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NO BOARD OF SUPERVISORS MEETING

CENTRAL COAST COMMUNITY ENERGY (3CE) OPERATIONS BOARD
RATE SETTING DISCUSSION BEGINS

SLO INTEGRATED WASTE MANAGEMENT AUTHORITY
BUDGET DISCUSSION BEGINS
THE MYTH OF RECYCLING BECOMES EVER MORE APPARENT

COSTS ARE UP BUT SO ARE REVENUES – CUSTOMERS MAY GET A BREAK

COUNTY PLANNING COMMISSION
MONARCH DUNES SEEKS 76 MORE UNITS

CAL COASTAL COMMISSION

MESSING WITH ICBM INTERCEPTORS
LIMITING STARLINK LAUNCHES

REGULATING OYSTER FARMING IN MORRO BAY

LAST WEEK
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NO BOARD OF SUPERVISORS MEETING

SLOCOG MEETING

NEW ½ CENT SALES TAX DEAD FOR NOW – NEXT AIMING FOR 2026

VEHICLE MILES DRIVEN TAX COULD START AT 2.2 CENTS PER MILE

AN ALTERNATIVE: HIGHER ANNUAL REGISTRATION RATES

YOU WON'T WANT THE MERCEDES MAYBACH UNDER THIS VERSION

SEEKING EXPERIENCED EXECUTIVE DIRECTOR!

COLAB San Luis Obispo is seeking an experienced Executive Director to lead the organization's advocacy and education efforts. This position will report directly to the Board of Directors, and will oversee administration, staffing, scheduling and communications in addition to being COLAB's principal advocate for a stronger business environment in our region. Qualified candidates will have experience in government, public policy, advocacy, and/or law, experience managing employees, and exemplary communication skills. (This is a 1099 Misc. position.) Interested parties may submit questions, or resumes and cover letters to colabslo@gmail.com.

EMERGENT ISSUES

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WHAT IS GOV. NEWSOM'S CALIFORNIA CLIMATE ACTION CORPS AND WHY IS HE EXPANDING IT?

A 'CAREER IN SUSTAINABILITY' MEANS NOTHING

SLO COUNTY OFFERS REMAINING 10 HOMELESS AT SAFE PARKING SITE $60,000 TO LEAVE

COURT REJECTS ATTEMPT TO CLOSE DIABLO CANYON NUCLEAR POWER PLANT

OFFSHORE WIND ENERGY-COST AND ECONOMIC IMPACTS: PART 2

Electricity grids need batteries that can store as much as a month's demand, and then discharge that energy over the course of six months or more

COLAB IN DEPTH

SEES PAGE 25

AMERICA'S POISONOUS ANTIWAR PROTESTS

HAVE WE MOVED THE DOOMSDAY CLOCK TO THE BRINK OF MIDNIGHT?

BY BRUCE THORNTON

THE WALL STREET JOURNAL.

DOW JONES | News Corp WEDNESDAY, MAY 1, 2024 ~ VOL. CCLXXXIII NO. 102 WSJ.com ★★★★ $5.00

AMERICA'S NEW MOB RULE

UNIVERSAL HOUSING AFFORDABILITY

Prepared by Golden Together, a Movement to Restore the California Dream

LEAD AUTHOR, EDWARD RING, CALIFORNIA POLICY CENTER & AUTHOR STEVE HILTON

SPONSORS

THIS WEEK'S HIGHLIGHTS
ALL MEETINGS ARE AT 9:00 AM UNLESS OTHERWISE NOTED

No Board of Supervisors Meeting of Tuesday, May 7, 2024 (Not Scheduled)

The next meeting is set for Tuesday, May 14, 2024.

Central Coast Community Energy Authority (3CE) Operations Board Meeting of Wednesday, May 8, 2024 (Scheduled) 10:30 AM

Item 11 - Report on efforts for Setting Rates Beginning Fiscal Year 2024-25. The rate setting process and analysis is interesting. The full write-up is presented below, as it is informative, raises some questions, and may have some lessons for the counties, cities, and special districts.

RECOMMENDATION:

This memorandum provides a report on efforts for setting rates beginning Fiscal Year 2024-25.

BACKGROUND:

In August 2023, 3CE issued a Request for Proposal (RFP) to contract a rate design consultant to complete a territory-wide Cost of Service (COS) study for the 3CE rate design process for calendar years (CYs) 2025 through 2027. In November 2023, the contract was executed with NewGen Strategies and Solutions, LLC. Since then, the Finance Department has provided ongoing updates on these rate-setting efforts. The Operations Board received an update on November 8, 2023, while the Policy Board and Audit and Finance Committee received updates on February 21, 2024.

DISCUSSION/ANALYSIS:

There are five milestones in the rate-setting process. These steps include developing a revenue requirement, functionalizing costs into the function types defined by what the expense is used for, classifying costs as either fixed or variable, allocating costs, and rate design. 3CE completed a draft COS study incorporating the first four of the five steps and has begun the last step, rate design. The study results provide vital information to the analyses that flow through to the rate design and inform the recommendations to be brought to the Policy Board at the June 2024 meeting.

Revenue Requirement

The revenue requirement is established by first forecasting all expenses and costs incurred in the service of 3CE customers. A forecasted test year is established from the 2024 Fiscal Year (FY) Approved Budget and the 3CE forecasted load. The test year incorporates known and measurable adjustments to the base year to approximate the financial and operational conditions expected in CYs 2025 through 2027. This includes the consideration of the Board approved 3CE reserve policies. Any contribution to the reserve needed to meet the target reserve levels is added to the projected expenses to complete the revenue requirements. 3CE evaluated the revenue requirements for CYs 2025 through 2027 and determined that utilizing CY 2025 as the single test year will lead to greater rate stability than a test year that averages all three CYs. The initial single test year totals approximately $748.5 million.

Functionalized and Classified Costs

The test year is then functionalized and classified. As a CCA, 3CE does not have transmission or distribution costs, so costs are functionalized into production, associated with the cost of energy (COE), or customer costs, associated with all other non-COE costs. The estimated revenue requirement is broken down into power supply costs, non-power supply costs, and contribution to reserve in the table below.

Single Year Test Year – CY 2025	
Production Costs	$676,668,593
Customer Costs	$31,845,719
Contribution to Reserve	$40,000,000
Total Revenue Requirement	**$748,514,312**

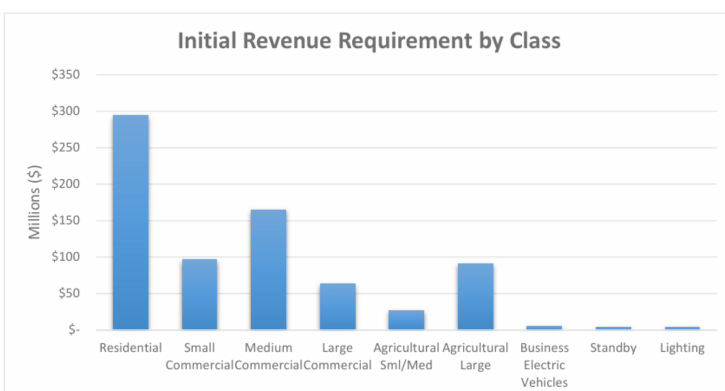
COLAB NOTE - You pay the transmission, distribution, customer billing, and other PG&E non-energy generation costs directly to PG&E. What is the breakdown of the $31.8 million?

Next, the functionalized costs are classified as fixed or variable. Fixed costs do not vary from customer to customer and are made up of customer costs and the portion of COE related to demand. For CCAs, the demand portion of COE comprises of Resource Adequacy (RA) costs. Variable costs are associated with COE costs related to hourly energy purchases and will vary from customer to customer, depending on their usage patterns. After functionalizing and classifying the draft test year, it was found that 37% of 3CE's costs are related to fixed costs, and 63% are related to variable costs.

Allocating Costs

The functionalized and classified costs are then allocated to various customer classes based on their share of the fixed costs and their annual load profiles. Nine distinct customer classes have been identified, grouped by their load profiles. These include residential, small commercial, medium commercial, large commercial, small and medium agricultural, large agricultural, business electric vehicles, standby, and lighting.

3CE has evaluated the COS model as a single territory and with SCE and PG&E customers allocated separately. Staff will be recommending that the rates be designed as a single territory. This approach ensures that customer classes across the entirety of the 3CE territory are charged at the same rate regardless of which territory they reside. The table below shows the nine classes' initial allocated revenue requirements under a single territory design. 3CE will continue to evaluate the competitiveness, equity, and stability of the nine classes and single territory rate design.



COLAB NOTE: How are large institutions such as universities, municipal governments, hospitals, water treatment plants, Vandenberg Air Force Base, and airports classified? Are residential rates subsidizing them?

Note in the tables below the basic 3CE residential rate of 9 cents per kilowatt hour for the actual energy. For larger commercial/industrial users, it is essentially 8 cents per kilowatt hour. The total cost for residential is 30 cents per kilowatt hour and 18 cents or 21 cents for 2 classes of commercial /industrial respectively. Do the large users get a break based on volume?

Tiered Rate Plan E-1*

Residential: E-1	PG&E	3Cchoice
Generation Rate ($/kWh)	$0.14202	$0.09100
PG&E Delivery Rate ($/kWh)	$0.20894	$0.20894
PG&E PCIA/FF ($/kWh)	$0.01412	$0.00374
Total Electricity Cost ($/kWh)	$0.36508	$0.30368
Average Monthly Bill ($)	**$143.41**	**$119.29**

Monthly usage: 393 kWh

B20 P

Commercial/Industrial: B20 P	PG&E	3Cchoice
Generation Rate ($/kWh)	$0.12050	$0.08388
PG&E Delivery Rate ($/kWh)	$0.10161	$0.10161
PG&E PCIA/FF ($/kWh)	$0.01227	$0.00325
Total Electricity Cost ($/kWh)	$0.23438	$0.18874
Average Monthly Bill ($)	$191,657.39	$154,336.61

Monthly usage: 817,721 kWh, monthly demand: 1,723 kW

B19 S

Commercial/Industrial: B19 S	PG&E	3Cchoice
Generation Rate ($/kWh)	$0.13163	$0.07955
PG&E Delivery Rate ($/kWh)	$0.13478	$0.13478
PG&E PCIA/FF ($/kWh)	$0.01338	$0.00355
Total Electricity Cost ($/kWh)	$0.27979	$0.21788
Average Monthly Bill ($)	$48,211.77	$37,543.81

Monthly usage: 172,314 kWh, monthly demand: 500 kW

Next Steps

The last remaining step in the 3CE rate-setting process is rate design. An update to this report will be brought in May 2024 to the Audit & Finance Committee. The allocated costs will be reflected in a set of proposed rates for each rate code that 3CE serves and presented to the Policy Board for approval. In addition, 3CE expects to bring the recommendations related to the single test year, nine customer classes, and single territory rate design discussed above to the June 2024 Policy Board meeting.

FISCAL IMPACT:

Receiving this report has no fiscal impact as no action is requested. Setting of rates will eventually determine the financial sustainability of 3CE.

ATTACHMENT(S):

None

CONCLUSION:

The 3CE rate design process uses the COS methodology to inform the building of rate values that will recover the necessary revenue requirements from each customer class. Designing rates with this methodology will maintain 3CE's strong financial position while providing competitive and fairly allocated rates to its customers.

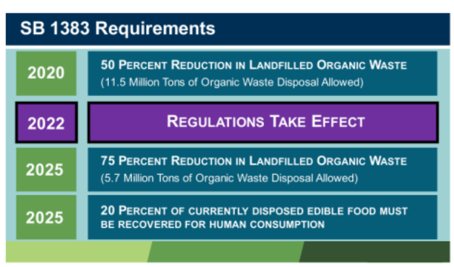
SLO Integrated Waste Management Authority (IWMA) Meeting of Wednesday, May 8, 2024 (Scheduled) 1:30 PM

Item 10 - Fiscal Year 2024/2025 Draft Revenue and Spending Plan. The Authority Board will undertake a preliminary review of the proposed FY 2024-25 Annual Budget. Staffing costs, publication and outreach, professional and special services (consultants), and equipment account for most of the increased expenditures. Implementation of SB 1383 wet garbage recycling State mandate is driving much of this.

Revenue and Expense Summary:

	Approved Budget FY 2023/2024	Estimated Actual FY 2023/2024	Draft Budget FY 2024/2025
Total Revenue	**$3,847,501**	**$4,502,242**	**$5,227,431**
Operating Expenses			
Labor and Benefits	1,048,952	1,025,261	1,215,632
Administration	336,225	358,596	342,780
Programs and Outreach	1,895,591	1,431,948	2,601,524
Total Operating Expenses	**$3,280,768**	**$2,815,805**	**$4,159,936**
Total Capital Expenses	**$497,843**	**$0 -**	**$497,843**
Change in Net Position	$68,890	$1,686,437	$569,652

The whole recycling myth accounts for the creation of this agency and most of the costs. Much of what is segregated and put into separate containers ends up in landfills, nevertheless, as there is no market for the stuff, especially since the Chinese stopped buying it. In fact, the Budget does not contain a revenue item for materials sold to recyclers. Perhaps the haulers are the ones who sell the materials and then lower their rates in return. If this is true, it would be important to understand just how much the recycled materials (glass, metals, plastics, cardboard, and newspapers) fetch.



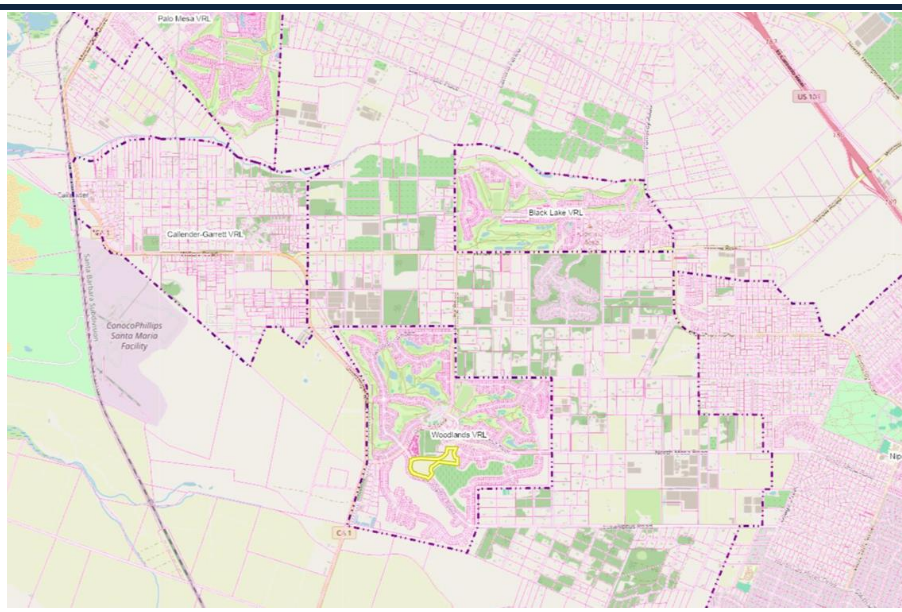
Revenue in Fiscal Year 2023/2024 continues to outpace expenses as solid waste collection rates increased at a greater rate than planned. As a result of the overearning, Fiscal Year Budget 2024/2025 Draft Revenue and Spending Plan (Revenue and Spending Plan) reflects a proposed temporary decrease in the IWMA's Solid Waste Management Fee from 5.4% to 3.2%. The fee *reduction will be reflected on ratepayers' garbage bills, will decrease earnings, and will better stabilize the agency's revenue-to expense balance.*

Planning Commission Meeting of Thursday, May 9, 2024 (Scheduled)

Item 6 - Hearing to consider a request by Monarch Dunes, LLC for a Phased Vesting Tentative Tract Map (Tract 3127) and Conditional Use Permit (N-SUB2023-00058) to subdivide an existing 18.3-acre parcel into 76 residential lots and nine open space parcels and develop Phase 3a of the Monarch Dunes (formerly Woodlands) Specific Plan including the construction of 76 residential units in the form of 38 common wall developments (twin homes). An adjustment to Public Improvement Standard A-6a is requested per Section 21.03.030(d) of the Real Property Division Ordinance to allow for an offset urban cul-de-sac with a raised, circular landscape median, consistent with the existing development in the Monarch Dunes Specific Plan area. The project would result in 62,800 cubic yards of cut and 62,800 cubic yards of fill and site disturbance over the 18.3-acre site. The project site is within the Monarch Dunes Specific Plan area, identified as Phase 3 Site 3, 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. This is a further buildout with modifications to recognize current market conditions of the original long-range specific plan for the development. The staff recommends approval, and there are no letters of opposition in the file as of this writing. Along with recently approved Dana Reserve, new apartment projects, and recently approved buildout in other Nipomo planned communities, Nipomo is the growth area of the unincorporated county.

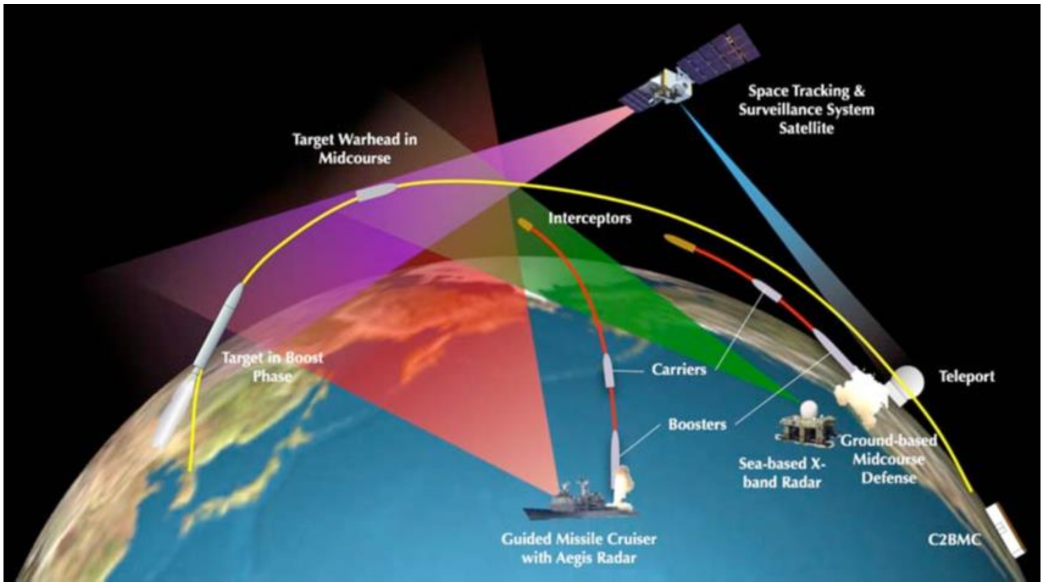
The summary states in part:

The proposed project includes a request for a residential subdivision (Tract 3127) to subdivide an 18.3-acre parcel into 85 proposed lots including 76 individual lots ranging in size from 0.09 acres to 0.13 acres and nine open space parcels ranging in size from 0.04 acres to 1.64 acres. Additionally, the project is seeking a Conditional Use Permit for the construction of 76 single family residences in the form of 38 common wall developments including architectural floor plans and elevations, a phased grading and drainage plan, on-site utilities, on-site circulation including realignment of an existing trail and new trail connections, common area landscaping, front yard landscaping, site fencing and walls, and a Model Homes Complex. Out of the 76 single family residences, 25 percent of them (19 residences) will be pre-constructed with an Accessory Dwelling Unit (ADU). Seven distinct twin home models will be constructed, and each model would fit into the proposed building envelopes and would not exceed 2,970 square feet or 54% of lot coverage, whichever is less. The proposed project also would include the construction of four roads through the subdivision, Proposed Roads A, B, C, and D.



California Coastal Commission Meeting of Friday, May 10, 2024

Item 7a - Presentation by the U.S. Space Force on space launch and landing operations at Vandenberg Space Force Base. As we reported last month, the Commission staff is seeking approval to regulate the number and circumstances of launches at Vandenberg. It appears that the Air Force will be given a chance to discuss its mission with the Commission in public. There is no written material provided with the item.



Should the rubes on the Commission actually be allowed to undermine national defense? What about the Starlink Satellite program, which is a component of SLO and Santa Barbara Counties' economic development program.[1]?

Item 8a - Application by Morro Bay Oyster Company, LLC to cultivate Pacific oysters on an additional 8.29 acres as well as install and use a new floating work platform and modify the structures and layout of existing operations, Morro Bay, San Luis Obispo County. Apparently, the State has been restoring the eelgrass in the bay. This effort has been successful, and the eelgrass has spread considerably over the last 5 years. The Oyster Company expanded into an area of eelgrass and installed a work barge to process the oysters. The Commission therefore required them to update their permit. Happily, the staff recommends the new amended permit; however, just the Board letter is 28 pages long and imposes many complex conditions. Five very detailed exhibits are also appended to the report. Oysters are already very expensive.

Hopefully, the costs of processing the permit and then complying with its requirements will not drive the company out of business. The State Lands Commission, Army Corps of Engineers, Regional Water Quality Control Board, and California State Department of Fish and Game are also taking their pound of flesh. The summary states in part:

Approval of this CDP amendment would allow MBOC to cultivate oysters over a total of 10.52 acres (2.2 acres of existing + 8.29 acres of expansion + 0.03-acre work platform) in Morro Bay.

Morro Bay Oyster Company, LLC (MBOC) has requested an amendment to Coastal Development Permit (CDP) 9-19-0386, approved by the California Coastal Commission (Commission) on December 13, 2019, which provided after-the-fact authorization for MBOC's

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[1] Starlink is a satellite internet constellation operated by Starlink Services, LLC, a wholly-owned subsidiary of American aerospace company SpaceX, providing coverage to over 70 countries. It also aims to provide global mobile broadband. SpaceX started launching Starlink satellites in 2019.

previously unpermitted 2.2-acre existing oyster aquaculture farm and authorized a six-acre expansion of the farm within intertidal mudflats (the latter of which never occurred). CDP 9-19-0386 also included after-the-fact (ATF) authorization of two nursery rafts and prescribed the removal of an existing work barge. Since the original ATF approval of MBOC's operations, eelgrass within Morro Bay recovered from a near total absence and now occurs throughout the six-acre expansion area the Commission previously approved. The conditions of that approval prohibit placement of oyster cultivation gear within eelgrass and thus prevent the prior-approved gear configuration from being installed as described in CDP 9-19-0386. As such, MBOC now proposes to instead use a new location on the lease site outside of eelgrass habitat. In this proposed amendment, MBOC also requests approval for an onsite work barge, which was recently authorized by the California Fish and Game Commission for use on State Water Bottom Lease No. M-614-01 Parcel 2, for a limited scope of aquaculture-related activities. Approval of this CDP amendment would allow MBOC to cultivate oysters over a total of 10.52 acres (2.2 acres of existing + 8.29 acres of expansion + 0.03-acre work platform) in Morro Bay.

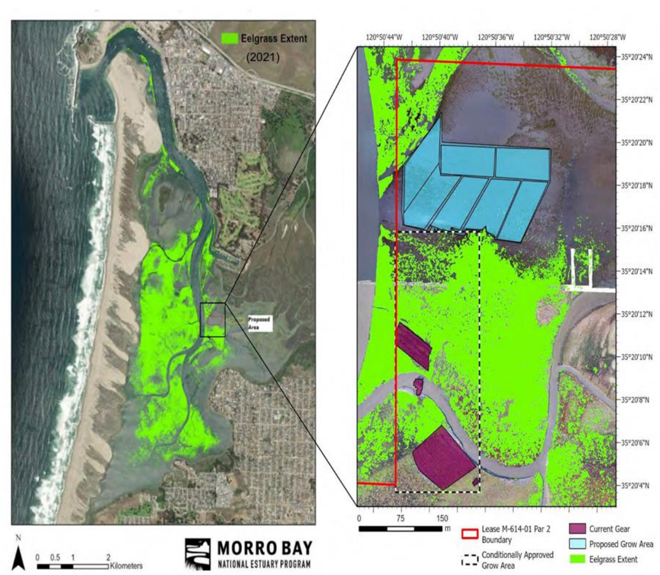


Photo of MBOC's current work barge to be removed and replaced. Photo by: MBOC

LAST WEEK'S HIGHLIGHTS

No Board of Supervisors Meeting on Tuesday, April 30, 2024 (Not Scheduled)

The next Board of Supervisors meeting will take place Tuesday, April 7, 2024.

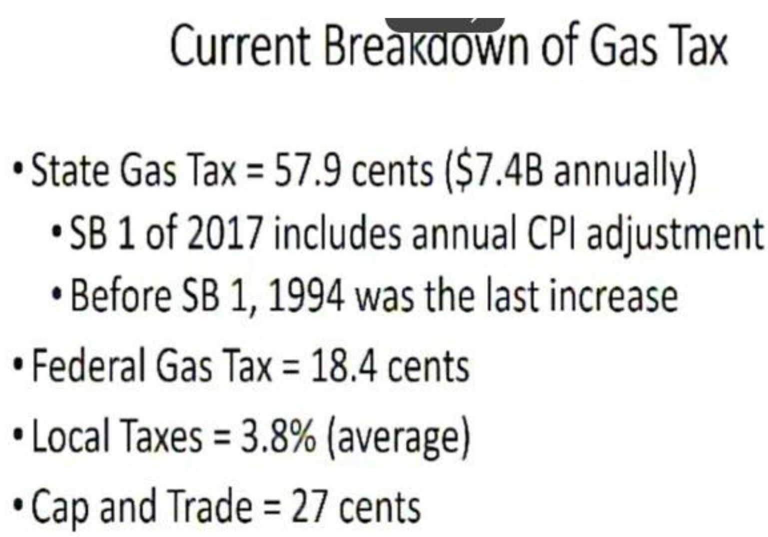
San Luis Obispo County Council of Governments (SLOCOG) Meeting of Wednesday, May 2, 2024 (Completed)

Item A-2 Presentation: Options to Replace Gas Tax. A consultant presented potential revenues and impacts on this no action information item.

With declining gas tax revenue at the state level, due in large part to the increasing number of zero-emission vehicles (ZEVs) on California roadways, it is estimated that the state could lose more than one billion dollars annually by 2027 compared to projected 2024 revenue. SLOCOG's State Legislative Consultant, Gus Khouri of Khouri Consulting, is exploring options to replace the gas tax and will compare potential revenue sources and their potential impact on San Luis Obispo County residents.

Transportation maintenance and improvements are heavily dependent on the gas tax. According to the Legislative Analyst's Office (LAO), the 57.9 cents state gas tax generates $7.4B annually. With gas-powered vehicles becoming more fuel efficient, the rise in telework, and rapid conversion to zero-emission vehicles(ZEVs), gas tax resources have declined, hampering the ability to fund our infrastructure, which includes local streets and roads, highway safety, and congestion projects. The gas tax is regressive and is losing purchasing power despite inflationary adjustments in SB 1 in 2017.Governor Newsom's Executive Order N-76-23, which phases outgas-powered vehicle sales by 2035, makes it inevitable to convert to a new funding mechanism.

The current gas taxes are detailed in the slide below.



The State is currently receiving $7.4 billion. This is declining, as vehicles are more efficient and as electric and mixed fuel vehicles grow into the inventory.

An alternative is to increase the annual Vehicle registration fee per the table below.

VRF + Stat[illegible]ax Per Vehicle

Vehicle Value Range	Annual Rate	Factoring in Annual Average Gas Tax of $224 (State-$.579)	Percentage of Registered Vehicles (2018)
$0-$4,999	$25	$249	46.34%
$5,000 - $24,999	$50	$274	40.96%
$25,000 - $34,999	$100	$324	7.04%
$35,000 - $59,999	$150	$374	4.64%
$60,000 & Up	$175	$399	1.02%
Overall			100%

VRF + Stat[illegible]Tax Per Driver

Vehicle Value Range	Annual Rate	Factoring in Annual Average Gas Tax of $297.43	Percentage of Registered Vehicles (2018)
$0-$4,999	$25	$322.43	46.34%
$5,000 - $24,999	$50	$347.43	40.96%
$25,000 - $34,999	$100	$397.43	7.04%
$35,000 - $59,999	$150	$447.43	4.64%
$60,000 & Up	$175	$472.43	1.02%
Overall			100%

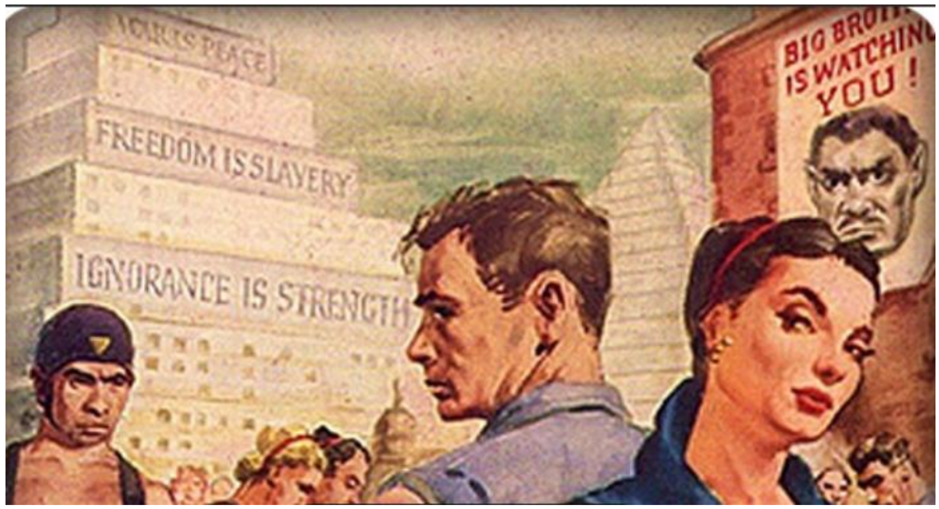
The table below indicates that a VMT of 2.2 cents per mile would generate the current $7.4 billion raised by the gas tax. It then suggests that this would cost the average SLO resident $246-$356 per year. This doesn't seem to make sense. This low number is probably designed to lure public acceptance. Once the tax is authorized, the Legislature will raise it over the years, just as it does for everything else. Alternatively, they could design the law to provide for inflation based or other automatic increases automatically.

Of course, a major issue is the privacy concerns that will occur as all trucks and cars are automatically metered. Law enforcement, civil agencies, national security agencies, employers, and even marketers might ultimately obtain access to your information - for example at the divorce trial:

Spouse's attorney: Mr. Jones, while your wife was in France last June, you put 2,008 miles on your car in just one month, recharging in Las Vegas, Tahoe, and San Francisco and points in between? Did anyone accompany you?

Jones: No

Spouse's attorney to one of Jones' alleged affair partners: Ms Blanchfleur, do you drive your car almost every day?



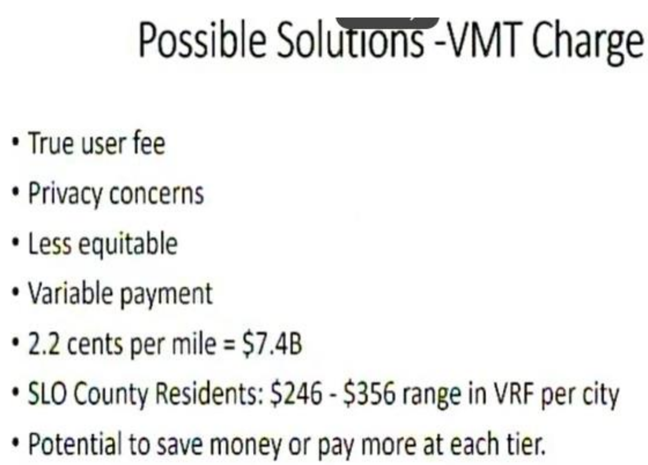
Fleur: Yes

Spouses' attorney: Do you have access to another car:

Fleur: No

Spouse's attorney: Your car was parked at your residence and never moved during the exact same time period Mr. Jones stayed at the Hyatt Regency at Incline Village. Have you ever been to the Hyatt at Incline?

Imagine the consequences if it is necessary to engage in protest and civil disobedience against a tyrannical government some day? Parenthetically, Biden and company are working on an all-electronic system of credits and the termination of currency.



Item A-3 Supplemental Funding: 2024 Polling Results. It was not good news for those who support a new ½ cent sales tax for transportation. The consultant recommended that SLOCOG wait until 2026 before trying for tax increase vote, stating that this November's ballot includes a controversial attack on Proposition 13 and other tax increase measures, and that some of the cities are likely to have their own measures. Citizens are already reeling under inflation, failed government programs, spiraling homelessness, accelerating electricity costs, and disgust with transportation dollars being expended on irritating bike lanes, trails which become homeless camps, buses, and high speed rail.

In January2023, the SLOCOG Board authorized staff to released Request for Proposals (RFP) and secure a contract (in February) for polling services for a Supplemental Funding Assessment to update poll questions last asked in 2016. Polling was conducted in April2023and results, recommendations, and draft materials were presented in June2023. The contract provided for a second round of polling which was completed in March 2024. Results of this poll will be presented, and the final report is available for download. A total of 1,065responses were collected, within budget, and top line results found that t63%to64% are supportive of a transportation-specific tax

SLOCOG Past Polling Results Comparison:

	2011	2015	2016	2023	2024	202?
½ cent 30 years	57%	-	-	-	-	
½ cent 25 years following engagement	-	-	63%	-	-	
½ cent 20 years pre-engagement	60%	44%	-	63%	64%	
½ cent 10 years	-	56%	-	-	-	
Election (J-16): ½ cent for 9 years	-	-	66.3%	-	-	

Notes: %s above represent highest % from each survey.
Measure J-16 results by Supervisorial District - 1: 59%; 2: 71%, 3: 71%, 4: 66%, 5: 63%

The SLOCOG Board determined not to "push a wet rope" and attempt to grow public support through a "public education" campaign. See **Item 4**, immediately below for the staff report and recommendation.

Item A-4 Supplemental Funding: Next Step. The Board voted unanimously to not go forward with a ballot measure in November of 2024.

Although the issue polled around 64% overall, there is not unanimity among the cities in the County on whether to support a measure this year. The staff, along with the polling consultant, recommended that the idea be deferred to a future year. Although SLOCOG unanimously voted to defer the idea to 2026, it did direct staff to continue to promote the issue though public education. It also directed staff to program the balance of funding currently appropriated (about $50,000) and left over to push the issue.

Local Agencies Roadblock: In 2016, all city councils and the Board of Supervisors supported the effort; with six elected members not in support. In 2016, no city was seeking a new, or renewal of a local general tax. In 2024, four cities are seeking renewals/additions in the November election. Multiple councils identified concerns of measures competing and reducing their chance to pass a general tax. Regional measures require support from half the cities with half of the incorporated population, and the Board of Supervisors, before SLOCOG approves it for the voter ballot.

Weaken Proposition 13: The staff report calls out ACA-1 (a November 2024 ballot measure to weaken Proposition 13) as one of the reasons to delay a transportation measure. They hope it will pass and make it much easier to push a new tax through.

ACA-1-If approved by voters, ACA-1wouldlower the required threshold for special taxes and bonds that fund affordable housing, transportation, and infrastructure projects from two-thirds (66.7%) to 55%. Voter approval of ACA-1 would naturally make passing the proposed transportation sales tax much more feasible in the current environment. If ACA1 is adopted by voters, the new 55% threshold for passage would apply to all applicable measures on the same ballot (November 2024) and future ballots

Passed by both legislative chambers and signed by Governor Newsom, Assembly Constitutional Amendment 1 (ACA1) will appear on the November 2024 ballot for voters' consideration as a legislatively referred constitutional amendment (LRCA). If approved by voters, ACA1 will lower the required threshold for special taxes and bonds that fund affordable housing, transportation, and infrastructure projects from two-thirds(66.7%) to 55%. Voter approval of ACA1 would naturally make passing the proposed transportation sales tax much more feasible in the current environment. If ACA1 is adopted by voters, the new 55% threshold for passage would apply to all applicable measures on the same ballot (November 2024) and future ballots.

Big Picture: The elected officials of the County and the 7 cities fail to realize that they are broke. They are living hand to mouth as each year goes by. The pressure will continue to grow inexorably with each budget cycle as salaries, staffing levels, benefit costs, and services are expanded. The system is breaking before our eyes. Any major societal disruption will doom the smaller jurisdictions and will require major pull backs by the larger ones. The climate change hysteria, a socialist State government, untenable immigration (and related costs), government debt at all levels, huge infrastructure deficits, and unfunded pension liabilities are all coming home to roost. The public is becoming ever more wary. The trivialist obsession with bike lanes is an apt symptom of the unreality that pervades our political culture.

Nero actually played the harp, not the violin, which had not yet been invented.

EMERGENT ISSUES

Item 1 - What is Gov. Newsom's California Climate Action Corps and Why is He Expanding It?

A 'career in sustainability' means nothing – like saying you have a career in believability or significance

By [Katy Grimes], April 26, 2024

California Governor Gavin Newsom, who isn't running for President, refuses to seriously address what ails his state, instead focusing on shady, unaccountable, immeasurable issues like climate change, and the "equity" hoax. Newsom created the California abortion sanctuary state, legalized abortion/infanticide up until birth, authorized a trans sanctuary state allowing children to receive hormone blockers and chemical castration without parental consent, exacerbated the homeless crisis spending $24 billion only to gain more homeless, says he's working on the thousands of fentanyl deaths, and has embraced illegal immigration, even providing health insurance for illegal immigrants. Newsom is also on board for the bottomless pit of high speed rail and Delta water tunnel(s), while frequently reminding the state's residents to stop using so much water and energy.

Now he's bragging about three new states "teaming up with California," for his Climate Corps programs.

Newsom says he is "the state's leadership in pioneering this nation-leading initiative."

Apparently in "teaming up with California," new states will be "providing thousands of young people with opportunities for climate action and careers in sustainability."

A "career in sustainability" means little to nothing. That's like saying you have a career in believability or significance.

Here is Gov. Newsom's statement:

"We can't go it alone in tackling the climate crisis. With these three states launching their own Climate Corps, we're making climate action a reality in communities representing millions of Americans. Together, we're mobilizing and organizing citizen climate action at a scale never seen before – and now we'll begin to see its impact across the nation."

WHAT CHIEF SERVICE OFFICER JOSH FRYDAY SAID: "When Governor Newsom launched California Climate Action Corps in 2020, we aimed to mobilize and organize civilian climate action at scale and spark similar movements across the country. In a few short years, we have seen thousands of Californians take climate action and their success is inspiring the nation."

HOW WE GOT HERE: As a part of California's comprehensive strategy to address the climate crisis, Governor Gavin Newsom created the California Climate Action Corps in 2020 – providing a case study on the success of climate-based and statewide service programs that empower climate action through volunteer and fellowship opportunities.
What is this California Climate Action Corps launched in the middle of Newsom's Covid lockdowns?

Here is what the Climate Action Corps website says:

In California, climate change is a growing threat to systems and people across the state. The impacts to our environment and health are worsening as we experience longer and more frequent droughts, devastating wildfires, and more. Each of us has a role to play. You can take meaningful action today to help communities across our state.
And just how do we take action?

"Leveraging the power of AmeriCorps to advance climate actions that engage communities, cultivate change, and leave a lasting impact."

Aha. AmeriCorps is involved. *Remember the Kevin Johnson and Barack Obama entanglement in AmeriCorps, when Inspector General Gerald Wallin was fired, which led to the House-Senate Report on IG Firing: Did White House Lawyers and D.C. Public Schools Chief Act to Cover-up Sexual Misconduct with Students by Sacramento Mayor?*

Climate Action Corps:

“Creating opportunities to get more involved by connecting people with the community climate action organizations that need support.”

This doesn’t really mean anything unless it is secret Democrat code lingo for how to spread taxpayer money to climate groups.

and…

“Empowering individuals to act at home or in their communities by promoting and supporting accessible, climate actions for everyone.”

“The Governor created California Climate Action Corps, the country’s first state-level, climate service corps to empower all Californians to take meaningful action to safeguard the climate.”

None of this really means anything. But it’s clearly some sort of slush fund devised to redistribute wealth – i.e. taking more money from the middle class.

But Wait! There’s more!

You can participate in “Community Climate Action Days” which “are an opportunity for Californians to work on projects that will protect their communities against the harshest impacts of climate change while improving quality of life and access to green spaces.”

What exactly are those harshest impacts of climate change? California Climate Action Corps says:

“In California, climate change is a growing threat to systems and people across the state. The impacts to our environment and health are worsening as we experience longer and more frequent droughts, devastating wildfires, and more.”

But they don’t say what these impacts are, so how do they know “our environment and health are worsening?” Because we aren’t experiencing “longer and more frequent droughts, devastating wildfires, and more.”

Let’s backup to the creation of California Climate Action Corps:
On Sep 24, 2020 (While Californians were locked snug in their homes during Newsom’s Covid lockdown) “Governor Gavin Newsom announced the launch of California Climate Action Corps, the country’s first statewide corps of its kind with the mission of empowering Californians to take meaningful action to protect their homes, health and communities against the harshest impacts of climate change.”

The announcement “follows the Governor’s historic action the day before directing the state to require that, by 2035, all new cars and passenger trucks sold in California be zero-emission vehicles – joining 15 countries that have already committed to phase out gasoline-powered cars and using our market power to push zero-emission vehicle innovation and drive down costs for everyone.”
And who runs this illustrious Climate Action Corps?

Climate Action Corps commissioners. (Photo: californiavolunteers.ca.gov)

Josh Fryday (far left in photo) serves as California's Chief Service Officer within the Office of Governor Gavin Newsom to lead service, volunteer, and civic engagement efforts throughout California.

As a member of the Governor's Cabinet, Fryday leads California Volunteers. Fryday led the COVID-19 Task Force to support food insecure communities and food banks across the state.

Fryday is the former Mayor of Novato, his hometown (in Marin County). He also served as President of Golden State Opportunity, leading the expansion and implementation of the California Earned Income Tax Credit (CalEITC). He served as Chief Operating Officer for NextGen Climate, a leading national organization focused on climate change, founded by Tom Steyer.

All of this led to Gov. Newsom announcing this week:
"States Boost Earth Day Impact with Climate Corps Expansion."

Newsom is expanding his Climate Corps?

"Illinois, New Mexico and Vermont join 10 Climate Corps states by teaming up with California to provide more opportunities for climate action and careers in sustainability."

More careers in sustainability…

"These new states represent a powerful network of leaders committed to engaging more Americans in climate action. The state-level Climate Corps will engage people through a variety of activities and create job pathways for careers in sustainability. Current states that have launched state-level Climate Corps include Arizona, California, Colorado, Maine, Maryland, Michigan, Minnesota, North Carolina, Utah and Washington. Many of these programs have already experienced early success.

Once again we have "a variety of activities and create job pathways for careers in sustainability."

Is Gavin Newsom creating a Climate Corps army?

Katy Grimes, the Editor in Chief 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

Item 2 - SLO County offers remaining 10 homeless at safe parking site $60,000

What if the 50 who left voluntarily demand a payment? Where is the "equity"? We heard that some received $1,000, many received nothing, and the last 10 each received $6,000. It sounds like a government reverse misinterpretation out of the parable of vineyard workers.

Jesus tells the parable of the workers in the vineyard to further explain what the Kingdom of God is like.

A landowner goes out early in the morning and hires men, agreeing to pay them the daily rate - a silver coin for a day's work.

He hires them at various times throughout the day - 9am, 12pm, 3pm and 5pm and promises all of the workers a fair wage.

When the end of the day came, the landowner said to his manager to pay the workers, starting with those who had been hired last. Those who began working at 5pm were given the daily rate - one silver coin.

When it came to those who had been hired first (early in the morning) they thought that they were going to receive more. When they too were given the standard daily wage they began to grumble. They were angry because they had done a lot more work than those who had started later in the day.

The landowner did not listen to their complaints and reminded them that they had agreed to the daily rate of pay when they were hired.

*He said, **"Am I not allowed to do what I choose with what belongs to me? Or are you envious because I am generous?"***

*The landowner then says, **"The last will be first and the first will be last."***

Of course, it was CAPSLO that received hundreds of thousands of dollars to manage the camp, find permanent housing for the people, and provide other social services. The Grand Jury found that it did little. Apparently, the County Social Services Department did not monitor and manage the contract. Notwithstanding the payments, the homeless Union still plans to sue the County and perhaps CAPSLO. Rather than go through the embarrassing depositions, the County will probably pay everyone off. The Board should not allow that to happen and let the legal process expose the failure.

By KAREN VELIE

On the day the remaining 10 homeless people were to leave the safe parking site off Highway 1 near the San Luis Obispo County Sheriff's Office, the county agreed to give the group $60,000 and an extra week to find somewhere to go. The site is slated to close on May 6 at 5 p.m.

The county had planned to turnoff or close all services at the site, including restrooms, showers, trash, fencing, security and food delivery services on April 29. Following the closure, the plan was to move remaining vehicles into storage.

Established in 2021 as a temporary safe parking site during the pandemic, the county began taking steps last year to close the site.

On Oct. 4, county officials held a meeting with individuals sleeping at the safe parking site and offered them $1,000 each and additional resources if they moved out by the end of the year. Some individuals said the funds would be enough to cover their move, while others said it would not be sufficient.

However, in January, attorneys representing the Homeless Union of San Luis Obispo filed a restraining order asking the court to stop the proposed closure.

On two occasions, the judge temporarily restrained officials from closing the site.

On April 23, a Homeless Union attorney asked the county to extend the injunction for six months, or agree to pay for hotel rooms for the remaining residents for the next six months. The judge denied the plaintiffs request for a six-month injunction.

At a press conference on Monday, Homeless Union attorney Anthony Prince voiced concerns that people, companies and nonprofits are “profiting from the oppression” of homeless individuals. He said they plan to file a lawsuit over failures to help the homeless find housing.

In 2021, the county allotted $45,000 a month to manage the site, a portion of which was paid to Community Action Partnership of San Luis Obispo (CAPSLO) for case management, while the SLO County Department of Social Services was paid for oversight.

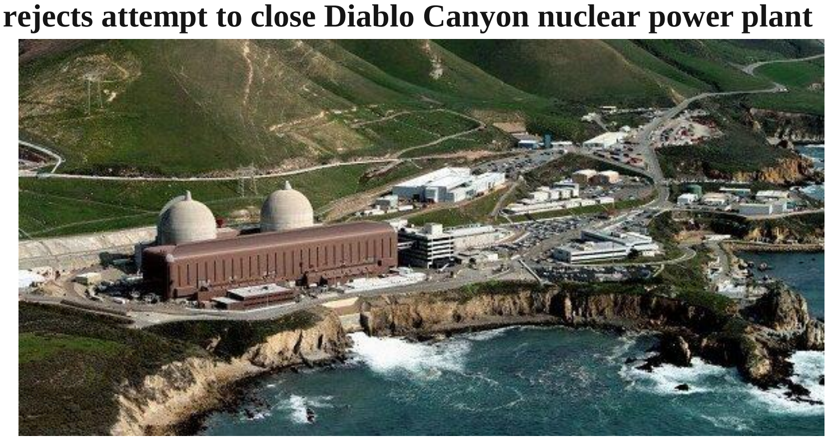
However, a San Luis Obispo County Grand Jury report last summer called out SLO County Department of Social Services and CAPSLO for failing to accomplish tasks they were paid to perform at the county’s safe parking site and for refusing to hand over records.

Multiple members of the safe parking community contend CAPSLO’s failures hampered their ability to move into housing. For example, CAPSLO was paid to help residents register their vehicles, a contracted service CAPSLO allegedly failed to perform.

The grand jury found that those managing the site were unsuccessful at helping the majority of its participant households successfully transition to permanent housing. With a transition rate of 14%, the county safe parking site falls well below the median rehousing rate of 40% found in a 2021 nationwide study of 43 safe parking programs, according to the grand jury report.

Karen Velie is the central coast’s real investigative reporter. This article first appeared in Cal Coast News on April 30, 2024.

Item 3 - Court rejects attempt to close Diablo Canyon nuclear power plant



By KAREN VELIE

The Ninth Circuit Court of Appeals on Monday denied a petition seeking to shut down Diablo Canyon nuclear power plant in San Luis Obispo County.

After agreeing to close the nuclear power plant in 2025, PG&E received backing from both federal and state officials to extend the operating life of Diablo Canyon through 2030, with a goal of providing Californians electric reliability. The nuclear plant provides nearly 10 percent of California's electric power.

However, PG&E needed to obtain license renewals from the U.S. Nuclear Regulatory Commission (NRC) to keep operating the plant past 2025. A regulation, however, requires nuclear power plants to file renewal applications at least five years before their existing license is set to expire.

PG&E requested an exemption to the regulation, which the NRC approved in Nov. 2023.

Three non-profit organizations, San Luis Obispo Mothers for Peace, Friends of the Earth and the Environmental Working Group, petitioned for review of the NRC's decision, arguing against the exemption.

On the other side, the NRC said the exemption was authorized by law, would not pose an undue risk to public health and safety, and that special circumstances were present. The NRC also concluded that the exemption met the eligibility criteria for a categorical exclusion, meaning no additional environmental review under the National Environmental Policy Act was required.

The court denied the environmental groups petition for review.

"These arguments are not persuasive," according to the ruling. "The prior NRC exemptions to the timely renewal rule referenced by petitioners are inapposite as those exemptions were granted because of a different special circumstance—that 'application of the regulation in the particular circumstances would not serve the underlying purpose of the rule or is not necessary to achieve the underlying purpose of the rule.' "

Item 4 - Offshore Wind Energy-Cost and Economic Impacts: Part 2

Electricity grids need batteries that can store as much as a month's demand, and then discharge that energy over the course of six months or more

By Robert Sidenberg, April 30, 2024

This is Part II of Offshore Wind Energy: The Cost and Economic Impacts; Part I is here.
The Golden State's electricity prices are the second highest in the country, with only Hawaii's costs being greater.

Contrary to what the public is being told offshore wind energy is the most expensive and inefficient way to produce electricity. The unprecedented amount of subsidies for wind and solar energy distort the wholesale energy market causing overall electricity prices to increase to unprecedented levels. This is mostly due to wind and solar's intermittency problem and its reliance on conventional peak power sources like nuclear and natural gas to fill the void at times of low or no wind or sun. When these peak power sources are not able to operate continuously as they were designed they are less inefficient resulting in more fuel being consumed, more CO_2 emissions released, and increased operating costs.

Storage

To cover this intermittency problem, wind and solar facilities need to be backed up by something. It is apparent fossil-fuel generators are not a consideration although neither is nuclear, which would actually be the best solution if the true goal is to reduce CO2 emissions. Of course we could simply build a few more nuclear power plants and there would be no need for inefficient large scale wind or solar generators, problem solved. But since we have ignorant and/or corrupt politicians in government mandating the conversion to intermittent renewable sources of energy, some form of storage will be needed. But the amount of storage needed and the cost has not been adequately addressed. Currently there is no storage solution that can fully replace wind and solar's intermittent period at any cost nor is there any real solution in the near future.

There are plans for energy storage using batteries but in all cases the capacity that could be delivered by year 2030 is at the most .2% of the amount needed. Recent government reports on the projected cost and capabilities of battery technologies using even the most optimistic assumptions, show the cost to be as high as a country's annual GDP. Current battery technologies provide about four hours of discharge at maximum capacity, but based on various weather patterns, grids need batteries that can store as much as a month's demand, and then discharge that energy over the course of six months or more. Such 'long duration' batteries have not yet been invented.

"Green" hydrogen is another highly subsidized proposed alternative storage medium produced by electrolysis of water. The high cost of this production tax credit subsidy is equivalent to $91 per megawatt-hour (MWH) which is much greater than the wholesale electricity prices in the U.S., which in 2023 averaged between $30/MWh and $50/MWh.
Francis Menton, in his report "The Energy Storage Conundrum" writes:

"Politicians and governments have committed their people to Net Zero goals without any kind of demonstration project that shows that the goal can be achieved technologically, let alone at reasonable cost. To date, no such project has achieved Net Zero emissions through intermittent renewable generation and energy storage backup; nor is there anything close to it. Half-hearted efforts to build such demonstration projects have incurred unaffordable costs, without getting close to the Net Zero goal, leaving no reason to think that such a system can ever succeed."

"The push toward Net Zero without a fully demonstrated and costed solution to the energy storage conundrum is analogous to jumping out of an airplane without a parachute, and assuming that the parachute will be invented, delivered and strapped on in mid-air in time to save you before you hit the ground. Now, before our advanced economies are destroyed, it is time to demand from our politicians and energy planners that they level with the public about the huge costs and the likely impossible technical requirements of the goals to which they have committed us."

Curtailment

As wind and solar subsidies affect overall electricity prices by over producing electricity during periods of low demand, this creates congestion in the grid which causes it to overheat. To prevent this another subsidy, "curtailment" is provided. Curtailment entails paying some wind and solar generators to not produce during these periods. The price paid to curtail often exceeds the price to produce.
Power Purchase Agreements

As previously mentioned California, like many other states that subsidize wind energy companies, do so through Power Purchase Agreements. PPA's set an agreed upon price that wind companies say they need to be paid for their projects to be viable. The agreements force the utility companies or the state to pay, but either way the consumer is on the hook. We need to realize that when Federal and State governments shell out all this money in subsidies it is actually we the American tax-payer footing the bill. The high electricity rates we pay each month is only a small portion. The additional hidden costs are in the numerous fees and taxes we are forced to pay. When energy is expensive everything else becomes expensive. It's a huge tax on everything.

The Grid

A reliable and affordable electrical power grid system is crucial to the economy and security of the United States. Without it we are vulnerable in many ways. The current policies mandated by our federal and state governments are unquestionably threatening to the stability of the grid. Shifting transportation, heating, and other essentials onto the grid is increasing electricity demand exponentially, further straining an energy infrastructure that is being pushed to the brink. Furthermore one of our most basic freedoms, "free to choose" is threatened when we have only one source of energy and that is controlled by the government.

Please contact all your city, county, state, and federal government representatives, and tell them to oppose all offshore wind energy projects built along the California coast. Although our local city officials and county supervisors have no direct authority to stop this they influence others by announcing their opposition. We all need to push hard against all these elected officials and if they ignore us they need to be removed and replaced.

Robert Sidenberg was born and raised in Richmond, Va., has lived in Arroyo Grande, CA on the Central Coast since 1985. He has been a recreational sport fisherman for 38 years, fishing out of Port San Luis. He is a graduate of Virginia Commonwealth University with BS Degree in Business Administration, Cal Globe April 30.

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

AMERICA'S POISONOUS ANTIWAR PROTESTS

Have we moved the doomsday clock to the brink of midnight?

BY BRUCE THORNTON

The sorry spectacles being staged at our most prestigious universities bespeak the accelerating degeneration of our future cognitive elites. How else do we describe the aggressive ignorance and moral idiocy of protestors who identify with sadistic, savage terrorists, and adopt the rhetoric and tropes of Nazi Germany? Who shamelessly smear Jews—the intended victims of Hamas' widely publicized and celebrated genocidal aims—the perpetrators of genocide? Who clearly know nothing of the region's history, or that of Islam's "settler colonialism" and millennium of imperialist depredations and slaving, or the Koranic foundations of that sanctified aggression?

The letter of these chants and slogans is new, but the spirit goes back to Marx's debut in history, whence it gradually migrated to Western fellow-travelers and progressives, until emerging during the Sixties to drive the protest movements against the Vietnam War.

There too willful ignorance about the facts of the conflict filled antiwar propaganda—especially the canard that the war was a "civil war" between North Vietnamese "patriots" seeking "national self-determination," "decolonization," and "human rights," just as the American colonies did in the Revolutionary War. Wasn't Ho Chi Min just another George Washington?

On the other side were the South Vietnamese, the willing collaborators with the "racist" occupiers and oppressors, the capitalist, imperialist Americans propping up the quisling regime in Saigon in order to take control of natural resources like "tin and tungsten," the talking point provided to Jane Fonda by her handlers when she first became an activist against the war.

And of course, ignored was the reality of the conflict—a proxy war in the U.S.'s efforts to contain Soviet communism's imperialist ambitions to turn the world into communist satrapies like Eastern Europe. The same callow, mostly affluent youth who demonized America soldiers as the feral attack dogs of the capitalists masters, never mentioned the millions slaughtered, tortured, and enslaved by Soviet and Maoist communist tyrants.

Also then as now, the shock troops of the antiwar movement were college students, some of the most privileged young people not just in America, but the world. Like today, they were cultivated, praised, and sometimes financed by America's enemies exploiting these "useful idiots" who couldn't have survived for five minutes living under communist totalitarianism, any more than the pro-Hamas feminists and champions of the LGBTQ alphabet people could survive under illiberal, homophobic, misogynist Islamic sharia law that recognizes only one "human right"—the right to submit to Islam by accepting dhimmitude or converting.

Vietnam created the paradigm of America's toxic antiwar movements, as we saw after 9/11 with the war to punish the Taliban for sheltering and supporting al Qaeda. Every feature of antiwar protests was trotted out to hinder and smear our attempt to punish the abettors of terrorist murderers of 2996 Americans, cutting short the brief burst of patriotism and resolve that had followed that mass murder.

Just as today, protests were organized in major cities and on university campuses. Most of the protests were the work of International Answer, a coalition of radical leftist groups that supported communist regimes in Cuba and North Korea and, a portent for the future, Hamas. America's most visible and well-paid "anti-capitalist" radical, MIT professor Noam Chomsky set the tone, announcing a few weeks after the war started that America is the "greatest terrorist state" and was planning a "silent genocide" in Afghanistan by starving the people.

Equally adept as Chomsky and today's Hamas cheerleaders at specious moral equivalence and projecting the sins of America's enemies onto the U.S., radical historian Howard Zinn compared the bombing of Afghanistan to the 9/11 attacks, "a crime which cannot be justified." The Iraq war in 2003, which overlapped with the 2004 presidential primaries, featured equally passionate and morally idiotic protests even before the war began.

In October 2002, hundreds of thousands of demonstrators sprung up across the country. As David Horowitz wrote in *Unholy Alliance*, "Spokesmen denounced America as a 'rogue state' and a 'terrorist state,' likened the president to Adolf Hitler, equated the CIA with al Qaeda, described America's purpose as 'blood for oil, and called for 'revolution.'" Such clichéd distortions of history and hard-left propaganda spread to hundreds of "sit-ins," rallies, protests, and "teach-ins" across the country.

And of course, all were drenched in vicious anti-Americanism, and dull Marxist tropes about "imperialism," "colonialism," and the evils of capitalism. Typical was an anthropology professor at Columbia University—yes, the same Columbia currently appeasing anti-Semitic, badly educated students marching and chanting for Hamas—who hoped for America's defeat in Iraq, and longed for "a million Mogadishus," where in 1993 18 American servicemen were killed and their corpses paraded to cheers, just as Hamas did to Israelis on October 7, updating this barbarity with social media videos.

Finally, like previous antiwar protests, many in the Democrat Party support the antiwar movement for electoral political gain. In 2002, the rise of Howard Dean, the governor of Vermont, to a brief front-runner for the Democrat presidential nomination, was fueled in part by his embrace of the antiwar movement. Soon mainstream aspirants Senators John Kerry and John Edwards, who had both voted to authorize the Iraq war, had to ratchet up their criticism of the war and George Bush. As the *Wall Street Journal* wrote, "As Mr. Dean climbed in the polls by denouncing the war, he made opposition to it a party litmus test."

By June 2004, the Dems were "back in Saigon," reprising many of the self-loathing postures of the antiwar activists. The epitome of this shift to the party's left was the enthusiastic presence of party bigwigs like Al Gore, Barbara Boxer, Tom Harkin, and Tom Daschle at "documentary" filmmaker Michael Moore's anti-American libel *Fahrenheit 9-11*. This celluloid agitprop featured bizarre statements such as calling Saddam Hussein's Iraqi fascist loyalists the "Minutemen" who "have risen up against the occupation" and "will win." Moore was rewarded with a box seat next to Jimmy Carter at the Democrat national convention.

And as usual the establishment media eagerly served as the Democrats' and activists' press agents. At the beginning of the war, Peter Arnett of CNN acknowledged as much when he told Iraqi television that "our reports of civilian casualties here are going back to the United States. It helps those who oppose the war."

This survey of postwar antiwar activism puts the current protests against Israel and the Biden regimes' wobbly support of it, into that clichéd paradigm comprising anti-Americanism, fake history, outright lies, specious Third Worldism, incontinent virtu-signaling, conspicuous preening of class privilege, and utopian expectations about interstate relations and conflicts.

And don't forget the debased romantic idealization of "rebels" and "revolutionaries," the feckless admiration for "men of action" whose "passionate intensity" both glorifies and excuses their psychopathic violence. As Rich Lowry said last week about today's protestors, "Hamas is their equivalent of Che Guevara or the Viet Cong and Israel an expression of Western imperialism that must be opposed at all costs."

The current demonstrations, encampments, and marches, however, mark a dangerous escalation in our cultural oikophobia and feckless antimilitarism. The enthusiastic endorsement of antisemitism and the Holocaust on the part of our future cognitive elite, and their partnering with adherents of the faith that endorse violence against "infidels" like themselves, is turning oikophobia into a suicide cult. Coupled with the current administration's disastrous foreign policy of appeasement, these political and cultural dysfunctions, even as America's sworn enemy Iran is mere months from possessing nuclear weapons, have moved the doomsday clock to the brink of midnight.

Bruce S. Thornton is a Shillman Journalism Fellow at the David Horowitz Freedom Center, an emeritus professor of classics and humanities at California State University, Fresno, and a research fellow at the Hoover Institution. His latest book is Democracy's Dangers and Discontents: The Tyranny of the Majority from the Greeks to Obama. Front Page of May 1, 2024

THE WALL STREET JOURNAL.

DOW JONES | News Corp ★★★★★★★ WEDNESDAY, MAY 1, 2024 - VOL. CCLXXXIII NO. 102 WSJ.com ★★★★ $5.00

America's New Mob Rule

The anti-Israel—and often antisemitic—protests sweeping college campuses these days are an old story with a new cause. That story is the increasing resort by America's political left to protests in the streets as a form of intimidation and rule by the mob. When Americans on the political right do this, it's called a threat to democracy.

The left increasingly resorts to fomenting disorder to get its way.

For readers of a certain age, today's protests at Columbia and other campuses echo 1968 and opposition to the Vietnam war. The kids even took over the same building at Columbia, Hamilton Hall. But the mass-protest method has become the political default for progressives when they lose the policy debate in Congress, the White House, the courts, or other institutions. They keep going to the barricades because it often gets them what they want.

The clearest example was the post-George Floyd riots of 2020. The left used that murder to trigger, and then condone, riots in numerous cities against what they claimed was widespread police abuse. Looting and vandalism were justified as social-justice rage.

Fearful of these protests, Democratic mayors and city councils around the country slashed police funding, eliminated cash bail, and stopped enforcing many crimes. Vice presidential candidate Kamala Harris tweeted support for a bail fund for protesters who were arrested in Minnesota. The Democratic convention in 2020 failed to condemn the rioting.

One result was an urban crime spree that broke out across the country, and cities from Philadelphia to San Francisco are still trying to recover. But in that election year the mob created the impression of disorder that probably hurt Donald Trump's campaign for re-election. Political mission accomplished.

Post-Vietnam, a watershed of this mob method was the assault by the organized left against the World Trade Organization conference in Seattle in 1999. The riots put the "anti-globalization" movement on the political map and, anticipating the protests, the Clinton Administration issued an executive order to include environmental reviews in trade deals.

The so-called "occupy" protests in 2011 included encampments in public places in numerous cities, including lower Manhattan. The goal was to focus on income inequality, and Democrats were again loath to push back and slow to clear public spaces. The "occupiers" succeeded in changing the debate inside the Democratic Party in favor of much higher taxes and income redistribution.

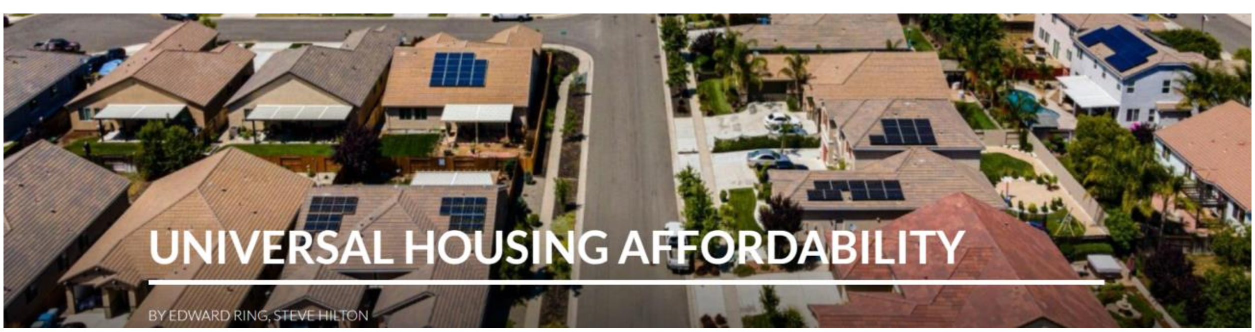
Now, in this election year, the student protesters are trying to change American Middle East policy. They may not know much about the region, its history, or even that Hamas's charter calls for annihilating Jews. But they are swept up in the anti-colonialist, anti-Western, anti-American themes that now dominate so much university instruction. They are the intellectual children of Frantz Fanon.

They are also changing the political debate inside the Democratic Party. President Biden has shifted from the strong pro-Israel stand he took immediately after the Oct. 7 massacre. He now opposes the destruction of Hamas in its Rafah redoubt in Gaza. And he is publicly critical of Israel's coalition wartime government. This accommodation will encourage the protesters to continue even once college exams are over and students return home. As in 1968, the Chicago convention will be a target.

* * *

All of this bodes ill for the country's political future, not least if Mr. Trump wins in November. The protests are likely to be widespread and perhaps violent if the election is close. Democrats and the press keep warning about a repeat of the Jan. 6 Capitol riot, which was a disgrace and for which hundreds have been rightly punished. But the political left is more organized for mass protests and more likely to take to the streets.

Today's campus eruptions may be aimed at U.S. policy in the Middle East, but they are a symptom of a larger trend toward street protest and law-breaking to achieve political goals. Political and other leaders have a duty to call this out and enforce public order, whether the violators are on the left or right.



Prepared by Golden Together, a Movement to Restore the California Dream
Lead Author, Edward Ring, California Policy Center
Author Steve Hilton, Founder of Golden Together
Published April 4, 2024.

INTRODUCTION

Right up until the final decades of the 20th century, California's allure was simple and beautiful. Move to the Golden State, get a good job, buy a nice house with a yard in a leafy suburb with good schools for the kids, raise a family and live the dream. Millions of people moved here from all across America and the world and thrived. Suburban life was achievable and fulfilling. Anyone willing to work hard could buy their own small piece of paradise.

For most Californians today, however, home ownership is out of reach. California has the highest housing costs in the nation. The median price of a single family home in December 2023 was $819,740, up 6 percent compared to $770,490 a year before. The median household income in California in 2022 was $91,905. Put another way, a family with earnings at the midpoint of the income scale in California would have to spend nearly 9 times their annual gross income to buy a mid-priced home.

Even when interest rates were at historic lows a few years ago, buying a home in California was a stretch. Borrowing $750,000 via a 30 year, fixed rate 3 percent mortgage loan would have generated annual payments of $38,264 – a prohibitive 42 percent of median household income. But today that rate is up to 7 percent, which generates an annual loan payment of $60,439. On top of that, a homeowner must also pay for property taxes, property insurance, mortgage insurance, special district assessments, and the most expensive utilities in the country. The average buyer of a median priced home in California today would have to pay nearly 100 percent of their gross income merely to "own" a roof over their head.

When buying a home is impossible, renting one is the only option. But California is the most expensive state in America for renters. To afford the average two bedroom home rental in California, a full time worker would have to earn over $42 per hour. A study completed in 2023 by the National Low Income Housing Coalition determined that at the minimum wage at that time in California of $15.50 per hour, it would require 2.7 full time jobs to pay rent on the average two bedroom home while also purchasing other basic necessities. No wonder so many families in California are struggling to stay housed.

But it hasn't always been this way.

Even as California's population exploded in the post-war 1950s and 1960s, average home prices here were *less* than in the rest of the United States. In 1950, *adjusting for inflation*, a median priced home only cost $121,336. In 1960, in 2023 dollars, it was $154,520. Even by 1970, a median priced home in California in today's dollars only cost $180,335. These seem like give-away prices today, and back then, people in the rest of the nation took notice. Drawn by a booming economy, great weather, and affordable homes, new residents arrived by the millions. In 1950 the state's population was 10.7 million, by 1960 it had risen to 15.9 million, and by 1970 it hit 20 million. Life was good.

Starting in the 1970s, however, slowly at first but worse with each passing decade, home prices rose faster than the rate of inflation. Much faster. This report will explain the reasons why this happened, and how it can be fixed.

HOW HOUSING BECAME UNAFFORDABLE IN CALIFORNIA

On January 7, 1976, in his annual State of the State Address, Governor Jerry Brown uttered a phrase that perfectly captured the changing consensus in Sacramento and among California's elites:

"We are entering an era of limits," he said, "In place of a manifest economic destiny, we face a sober reassessment of new economic realities; and we all have to get used to it. We can't ignore the demands of social and economic justice or the fragile environment on which we all depend. But, in meeting our responsibility, we are now forced to make difficult choices. Freeways, childcare, schools, income assistance, pensions, health programs, prisons, environmental protection – all must compete with one another and be subject to the careful scrutiny of the common purpose we all serve."

These remarks, and the actions to follow, represented a seismic shift in California's political landscape. Between 1959 and 1967, Jerry Brown's father, Governor Edmund G. "Pat" Brown expanded the state's public works projects to build new colleges and universities, freeways and expressways – and the California Water Project, which remains the most extensive system of water storage and distribution in the world. To this day, Californians still benefit from these public assets. Pat Brown, however, was a product of his time. It was an era when Californians welcomed growth. All of that changed, starting in the 1970s.

The "era of limits" Jerry Brown talked about was partly economic. The first OPEC oil embargo in 1973 caused shortages of gasoline. The deep recession and double digit inflation during the Carter years shook the confidence of business entrepreneurs and working families. But also emerging in the 1970s was the modern environmentalist movement. It found widespread support among Californians who lived in coastal cities, hemmed in by mountains, where the smog from leaded gasoline created dangerously unhealthy air pollution. It resonated with residents in the San Francisco Bay Area, who mobilized to stop developments from filling in the shallow wetlands of the South Bay to build more homes.

But the environmentalist movement has transformed: from what back in the 1970s was a necessary and common sense reaction to air pollution and land development in sensitive areas, into a powerful political lobby that has made significant development of new housing anywhere in California almost impossible.

A series of landmark state laws (each of them spawning additional legislation), and endless rulemaking from state agencies, have created an acute housing shortage with devastating consequences that hit the working class, and the poorest and most vulnerable Californians the hardest.

Some of the causes of California's housing shortage are not solely policy driven. Demographic shifts have altered market demand. In particular, millennials, born between 1981 and 1996, are children of America's baby boom generation, known to demographers as the "pig in the python" because there were so many post-WW2 babies born. Consequently millennials were also born in great numbers in what has been called the "echo boom," and since 2000 these millennials have come of age and want to start families. To do this they want to purchase suburban homes, for which demand greatly outstrips supply.

Even without the demographic phenomenon of millennials boosting demand for homes, there would be a shortage. California's Legislative Analyst's Office released a report in 2015 that estimated the magnitude of this shortage, starting around 1980. They write:

"Between 1980 and 2010, California's major metros added about 120,000 new housing units each year. Our analysis suggests that between 190,000 units per year and 230,000 units per year were needed to keep California's housing cost growth in line with cost escalations elsewhere in the U.S."

Citing this report in a September 2023 *Los Angeles Times* article, LAO housing expert Brian Uhler stated "A couple of years of population loss is not going to be enough to offset three decades or more of undersupply." To bring supply into balance with demand, California is roughly 2 *million* new homes behind. Campaigning for Governor in 2017, Gavin Newsom pledged 3.5 million new homes by 2025. We are nowhere near meeting that target today.

What kind of homes are missing? Assessing true market demand and homebuyer preference is distorted by the fact that today in California, *nothing* is affordable. Buyers and renters are often forced into the path of least resistance, which can put them in apartments when they'd rather own a condominium, or into condominiums when their dream is a detached single family home with a yard. In a less regulated, more affordable market, supply would adapt to meet demand in order to serve a range of choices, from a cozy apartment in a bustling downtown high rise to a ranch house on a spacious lot in a quiet suburb.

From this perspective, solving the housing shortage requires policies that are open to all types of housing. By offering Californians the freedom to choose the types of housing that best suits their needs and desired lifestyle, the market itself will drive what types of homes are built.

With greater competition between home builders in a less regulated market, fewer buyers will be priced out. Some will choose high density and the amenities of a vibrant downtown culture, and others will find suburban living to be more family friendly. But if California creates a policy framework for individuals and families to have control over their lifestyle choices, the question of what types of homes are missing will answer itself. People from all backgrounds, at every point on the income scale, will have greater control over where and how they choose to live. This is the more human approach that will help us achieve Universal Housing Affordability: Housing Choice and Homeowner Autonomy.

Some critics have suggested that the most popular of those choices for families with children, the choice to live in a suburb, has been one conditioned by the legacy of racial injustice; that suburbs are exclusionary enclaves formed by "white flight" from the urban core. And of course it is true that parts of California, in common with so many places in America, bear the scars of horrific racial discrimination when it comes to housing.

But a 2021 study by the Heartland Institute reported that over 50 percent of America's ethnic minorities now live in suburbs, and "account for virtually all of the suburban growth over the past decade." California, with a K-12 student population that is 56 percent Latino and only 20 percent non-Latino white, is America's most multi-ethnic state. Increasing California's housing supply to the point of universal affordability is by definition inclusive zoning.

‘PLANNERS’ VS. MARKET - UNLOCKING INNOVATION

The prevailing ‘Infill Ideology’ among policy makers and urban planners in California is that new housing permits should be issued only within existing cities, should exclusively promote high density housing, and whenever possible should be sited adjacent to or within walking distance of mass transit. This approach has been justified as necessary because suburban “sprawl” is unsustainable. But the reasons cited don’t hold up to scrutiny.

Urban infill development can and should occur organically and is part of the natural evolution of an expanding city. But a more human approach based on Housing Choice and Homeowner Autonomy would balance infill development with suburban expansion that addresses the actual preferences of Californians. Building outward removes the pressure on urban real estate to absorb all housing demand at the same time as increasing the overall supply of homes, thereby lowering prices.

In a September 2023 study “Building the New America,” published by the Urban Reform Institute, the authors lead off with a section entitled “Planners Against the People.” They write:

“For generations Americans have voted with their feet—and their dollars—to achieve what has long been called ‘the dream,’ namely, a home of their own, usually in a low- to mid-density community,” but “Over the past half-century, there has been growing pressure from planners and governments to restrict home construction, particularly on the fringes of urban areas.”

While preserving California’s beautiful and essential open space, wildlife and diverse ecosytems is a vital priority, this can comfortably co-exist with expanding our development footprint and welcoming even massive new suburban housing development. California is a vast state, covering over 165,000 square miles, with only 8,000 square miles urbanized. A century ago, California’s population was only 4.7 million; today it is nearly 40 million. Over this period, the vast majority of growth was concentrated around the big coastal cities. Meanwhile, California has over 25,000 square miles of ranchland. Building new homes on quarter acre lots, with four person households, and allocating an equivalent amount for schools, parks, roads, retail and commercial areas would in total only consume 2,000 square miles. This could accommodate 10 *million* new residents.

This fact refutes the belief, embodied in the ideology that currently dominates urban planning decisions and state legislation, that the state is running out of room. If California’s population were to increase from 40 million to 50 million, and every one of those additional 10 million people lived in so-called ‘sprawling suburbs’, it would only increase California’s urban footprint from 8,000 to 10,000 square miles, i.e., from 5 percent to 6 percent of all land in the state. There is plenty of room in California for new housing, including in new suburbs – Sustainable Suburbs.

The conventional wisdom that suburbs are *not* sustainable turns out to be a prejudice rather than fact-based reality. Multistory structures use more construction materials per square foot than one and two story wood framed homes. High density districts lack permeable surfaces to absorb runoff. They lack the cooling impact of trees and other landscaping. On the other hand, new Sustainable Suburbs can incorporate green innovations such as narrower, more reflective roads, and cost-effective insulation and heating/cooling systems. With a higher ratio of rooftop to interior square footage than multistory buildings in high density environments, suburban homeowners can more easily install solar panels to generate a higher proportion of their electricity. Suburbs are not intrinsically worse for the environment than higher density areas, certainly not in spacious California.

There are much better ways to meet California's climate goals and reduce carbon emissions than to deny opportunity to poor and working class families seeking the California Dream.

Planners continue to claim that suburbs cause more per capita greenhouse gas emissions than high density infill. But the assumption that low density housing causes disproportionate emissions is outdated. Jobs are created within suburbs, employers relocate to new suburbs, people work from home…and vehicles are becoming either zero emission or ultra-low emission.

What cities and suburbs may look like in the future should not be limited by planning biases that are increasingly debunked and contrary to what Californians want. Relaxing the restrictions on suburban development outside of established cities would take away a natural negative consequence: artificially inflated land values within the existing city's footprint, yet another significant contributing factor to high home prices. Relaxing restrictions on suburban development can also give rise to far more creative uses of space, once the price of developable acreage descends to affordable levels. Low density suburbs can be havens of greenery and wildlife, with the price of parks, greenbelts and wetlands falling below the threshold that today mandates a developer choose – either build homes with big yards, or set aside development acreage for open space, but not both. With constraints on land acquisition for development reduced or removed, you can have it all.

New suburbs can also be linked to higher density centers in a metropolitan area with new and emerging 21st century technologies that California should be famous for pioneering. The promise of virtual work and the allure of suburbs, the cost per square foot of high rise space, the decline of brick and mortar retail and the explosion of work-from-home choices may mean California's cities cannot simply be revived and expanded in exactly the same way that worked in the 20th century.

But we can create new spaces and new opportunities in the middle of legacy downtowns by repurposing commercial and residential buildings that are no longer economically viable.

There is an optimal synergy that can be found when peripheral suburban development is permitted, allowing downtowns to evolve without the pressure of absorbing 100 percent of California's population growth. Successfully reinventing California's downtowns requires embracing a strategy of decentralization. Ironically, downtown real estate may come down enough in value that cities can become even greater cultural magnets, because the so-called "cultural creatives" will once again be able to afford to live and congregate there.

To make it all work, the prevailing ideology restricting state infrastructure policies must also be reversed, to deregulate energy and water development so private companies can afford to build new supply infrastructure.

We have an opportunity in California to once again revolutionize our beautiful state, with its incomparable endowment of open space and natural resources, to set an example to the world with extraordinary appeal. With a mindset of abundance not scarcity, with a strategy of Universal Housing Affordability, the possibilities are truly breathtaking. Expect this version of the future to see flying cars, shared cars, urban cores with lower density, and near self-sufficiency in agriculture, energy and waste management. Expect commercial scale indoor agriculture, growing in converted high rises that feature vertical axis wind turbines to supplement conventional energy on a power grid that embraces an all-of-the-above energy strategy.

This is the modern, more human urban vision that defies the current orthodoxy. It is needed now more than ever. It will usher in the shared prosperity of Sustainable Suburbs side by side with a metropolitan megaboom, benefiting everyone.

The next sections of this report list some of the most significant legislation and policy priorities that have caused California's housing shortage and high home prices. Following a discussion of these, we offer recommendations to repeal, revise, or mitigate each of them.

The California Environmental Quality Act (CEQA)

The state law that has been around the longest, and has done the most damage to the housing opportunity in California, is the California Environmental Quality Act, universally known by its serendipitously phonetic acronym "SEE-kwa." It was passed by the state legislature in 1970, and at that time was the first legislation of its kind in the nation, if not the world. Its original intent was to "inform government decision makers and the public about the potential environmental effects of proposed activities and to prevent significant, avoidable environmental damage."

Over the past half-century, however, CEQA has acquired layers of legislative updates and precedent setting court rulings, warping it into a beast that denies clarity to developers and derails projects. When projects do make it through the CEQA gauntlet, the price of passage adds punitive costs in time and money. Knowing this will happen deters countless investors and developers from even trying to complete a project in the state.

When CEQA was originally passed, it wasn't even intended to affect housing developments. But that was then. According to Dan Dunmoyer, president of the California Building Industry Association, in the 1970s a CEQA report that was only two pages is today going to require over 1,000 pages. For a typical 200 home subdivision project the developer can expect to spend at least $1 million on CEQA reports in a process that will take 2-3 years, and that's best case. If there is any litigation, those budgets and timelines go out the window. But the tentacles of CEQA intersect with other regulatory beasts.

CEQA, in combination with other environmentalist inspired laws, has created a web of regulatory hurdles that are so unclear and so costly that only a small handful of housing developers, government agencies, or civil engineering contractors are big enough to navigate them. Another compounding problem with CEQA (and related laws designed to protect the environment) is that because so many years are required to get approval, by the time the design of a project is approved, it can often become obsolete.

One of the biggest problems with CEQA is that it permits private attorneys to file lawsuits. Ostensibly to ensure development projects are in compliance with CEQA guidelines, often these lawsuits are filed by attorneys with other motives. These include a competitor who wants to delay a project that might take customers or buyers away from their own business or project, a labor union engaging in what has become called "greenmail" to exert pressure on a developer to hire union labor, an environmentalist group that opposes development on principle even if it is badly needed housing, and even entrepreneurial attorneys that are just after lucrative settlements.

Of these, the most egregious abuse of CEQA's "Private Right of Action" that has contributed to the crisis of housing affordability in California is the weaponization of lawsuits to extract "Project Labor Agreements." These typically include elevated labor costs, the forced use of union labor, or both.

As we discuss in our recommendations, there are specific remedies to curb these abuses and restore CEQA to what it was originally intended to be: a productive tool to ensure reasonable environmental oversight on development projects.

The Global Warming Solutions Act

CEQA is only one big part of a consortium of similar regulatory creatures. The Endangered Species Act, the National Environmental Policy Act, the California Global Warming Solutions Act (AB32, passed by the state legislature in 2006), and seemingly infinite laws, executive orders, agency regulations, and court rulings pursuant to these and others, along with CEQA, have combined to make development in California nearly impossible.

For example, a relatively recent regulation pursuant to AB 32 is the requirement that any new housing development calculate the projected annual "vehicle miles traveled" (VMT) the residents will generate. Taking effect in 2018, this new analysis must be done in order to determine how much mitigating fees the developer will be assessed in order to fund mass transit or otherwise offset the anticipated greenhouse gas emissions from vehicles owned by residents of a new community.

In the meantime, developers whose projects have been mired in the CEQA process since well before 2018 are now required to supplement the portions of their Environmental Impact Report that evaluated traffic impacts based on congestion with a new evaluation that estimates vehicle miles traveled. And while this VMT analysis is meant to supersede the traffic congestion as "the new lens for assessing transportation impacts," potential congestion remains grounds for third parties to use CEQA to sue developers to stop their projects.

Changing the rules in midstream, conflicting rules depending on the agency, an approval process that takes years if not decades, financing that dries up or is driven up to punitive levels, excessive, unreasonable fees, projects that take so long that if and when they finally get the green light, either the market or the technology has left them far behind and they have to start over…For all its virtues, and there are plenty of them, environmentalism taken to extremes has helped destroy the California Dream for pretty much everyone except the rich.

Rent Control and Affordable Housing

The California Tenant Protection Act, passed in 2019, limits rent increases for all properties built more than 15 years ago that are not covered by local rent control ordinances. It limits rent increases to 5 percent per year (plus inflation), or 10 percent, whichever is lower. It also bans so-called "no-fault" evictions, meaning that landlords have to have a "valid reason" for evicting a tenant. Rent control lowers the value of rental properties, taking away incentives for landlords to improve their properties. It also lowers the incentive for developers to build new rental properties because they know the annual caps may prevent them in the future from charging market rates.

Rent control restrictions have contributed to California's housing shortage, which has caused rents to soar in properties that haven't yet reached 15 years since they were constructed. Another legislative response to California's housing shortage and consequent high prices has been a plethora of laws that create, in various ways, incentives for developers to build so-called "affordable" housing. For example, housing developments are exempt from or qualify for streamlined CEQA review, or they qualify for tax credits, if they allocate a percentage of homes or apartment units to be "affordable." In practice this means that qualifying low-income families are able to rent or buy the affordable housing, but the remainder of homes or apartments in the development are priced higher in order for the developer to recoup their costs.

In addition, the legislative work-arounds that have been employed in the name of promoting "affordable" housing have been accompanied by concessions to labor unions that make housing much more expensive to build.

Mandates and Incentives for High Density Housing

Frequently combined with so-called "affordable" housing incentives is California's State Density Bonus Law. Expanded in 2023, it grants regulatory waivers with reduced allocations for parking if a portion of the housing units, typically at least 10 percent, are restricted to low income or otherwise disadvantaged occupants. Qualifying developments may override local zoning ordinances, exceeding the permitted project density by up to 50 percent, and in some cases up to 80 percent.

The consequences of these laws are not only to bring up the prices for the residents of the unsubsidized portion of the development, but to direct investments into these high density projects instead of into building more single family dwellings. This exacerbates the shortage of single family dwellings, raising prices. Since, as previously noted, detached homes with yards remain the overwhelming preference for young families, rent control, so-called "affordable" housing mandates, and high density mandates all combine to make families' housing options not only more expensive, but to lock them out of the home ownership they most desire.

SB 375 and enhanced Urban Growth Boundaries

In 2008 the state legislature passed SB 375, which gave the California Air Resources Board (CARB) authority over "sources of greenhouse gas (GHG) emissions, including cars and light trucks." Based on the claim that low density housing caused longer commutes and hence more greenhouse gas, SB 375 established streamlined CEQA review for projects that are consistent with a regional plan that meets greenhouse gas reduction targets. The practical effect of SB 375 was to make it harder to get permits to build low density housing, and at the same time, to accelerate the establishment of more restrictive so-called "urban growth boundaries areas."

These geographic boundaries used to merely define where cities and counties intended to direct growth of residential, commercial and retail districts. But even prior to SB 375's passage, urban growth boundaries were no longer just a practical way to coordinate development among adjacent cities and county governments, and assign special districts to pay for infrastructure improvements. In 1963, in response to concern about urban "sprawl," a desire to protect farmland, and to "encourage the orderly formation of local governmental agencies", the state legislature required California's growing counties to form a Local Agency Formation Commission (LAFCOs). These LAFCOs are run by members of city councils and county supervisors and have the authority to designate urban growth boundaries and prevent or approve annexations of unincorporated land by cities. In practice, because these LAFCOs were controlled by elected officials representing existing cities and counties, they had a vested interest in restricting development in order to grow their own tax base through infill and redevelopment. SB 375 took a problem that was already contributing to a shortage of new homes and made it much worse.

Urban growth boundaries are now a key variable in constraining the growth of cities, because with higher density built into a given urban service boundary, the easier it becomes for developers to get approval for their projects there. As noted, the consequence of this squeeze is to make land within urban service areas artificially expensive, because it is more likely to get a development permit, further elevating housing costs.

Neglected Infrastructure – High Cost of Materials

California's current system of freeways was built between 1958 and 1974. As then Assemblyman Ray Hanes wrote in 2005, "between 1974 and 1982, the years Jerry Brown was governor, California stopped improving its existing freeway system, and made it virtually impossible to plan for new freeways." Starting with Brown's first gubernatorial administration, California also canceled remaining water projects in California. The last major reservoir built in California was New Melones, completed in 1978.

Lack of major new freeways in a state that has grown from 21.2 million in 1974 to nearly 40 million today obviously causes congestion and inconvenience – and greenhouse gas from all those vehicles idling in traffic. But lack of water has directly exacerbated our housing shortage. In 2002 the state legislature passed SB 221, wherein applicants intending to develop "large subdivisions will be required to produce proof of water availability in the form of a written verification from the applicable public water supplier." As California has experienced five multi-year droughts since the 1970s, when work essentially stopped on water infrastructure, vast areas of the state are now effectively off limits to new housing developments.

If lack of available water prevents housing from being built at all, lack of local lumber makes the homes that are built cost much more. California's logging industry used to harvest and mill 6 billion board feet per year. Today, thanks to state and federal regulations that have put most publicly administered forests off limits to logging, lumber has to be imported from other parts of the Pacific Northwest and elsewhere.

Similar restrictions have reduced access to other critical in-state building materials. Sand and gravel is abundant in California, and is necessary to make concrete and pavement, but it takes decades to get permits (and a gauntlet of litigation) before starting or even expanding a quarry. Because of their weight, transportation costs are significant for sand and gravel, and for this reason they are traditionally sourced close to construction projects. But not in California. With the regulatory and litigious environment here, that, too, increases the cost for homes in the state. And of course, contributes to greenhouse gas emissions via additional, avoidable transportation.

Expensive and Protracted Permit Process to Build Homes

California has among the highest permit costs and the slowest permit approval times in the United States. While CEQA reporting can slow projects down for years, even individual home building permits in California can take several months. The worst is San Francisco, where it takes over 600 days on average for the city to issue a building permit. In San Jose, a standard plan check and approval takes 40 weeks "if all goes well." In San Diego, turnaround time is between six months to one year. In Oakland, development planning projects take 12-36 months.

While delays in project approval increase financing costs, as developers have to pay interest on construction loans while they await the final building permits, the amount of the fees also drive up prices.

Builders not only have to pay the city and county (often both) a direct fee for project approval, but also "impact fees." As California's cities and counties redirected operating budgets and bond issuances away from new infrastructure, the costs instead have been passed on to developers – and thereby homeowners and renters. Included in the price of new housing in California today are impact fees assessed to finance the construction of schools, parks, roads, fire and police, environmental impact, and even installation of public art. A 2018 study that evaluated seven

California Cities calculated the total cost of permit and impact fees to range between $20,000 and $155,000 per single family home, and between $12,000 and $75,000 per multifamily unit. Overall, they concluded that development fees add between 6 and 18 percent to median home prices in these cities. It is interesting to note that the "single family home" example they researched was at a density of 8.2 homes per acre. Homes with more spacious lots would undoubtedly carry with them even higher development fees.

Today, combined Impact Fees of $150,000 to $200,000 per housing unit are typical – with the highest in the state rising to as much as $300,000 per unit. Obviously, this amount is added directly to the cost of the home. Impact Fees have become a Stealth Tax on housing – and a deeply unfair one at that, since they are levied on the next generation seeking to buy a new home rather than existing homeowners.

THE PATH TOWARDS UNIVERSAL HOUSING AFFORDABILITY

The starting point on the path towards Universal Housing Affordability is to address the manifest problems created by CEQA and its abuse. It is difficult to overstate how central a role CEQA has played in making housing unaffordable in California. Removing the notorious "Private Right of Action" under CEQA and restricting the ability to file CEQA lawsuits to County District Attorneys or the state Attorney General would eliminate the countless lawsuits filed by activist environmentalist groups, and opportunistic litigators with hidden agendas. This single reform would dramatically reduce the potential for CEQA lawsuits to derail worthy housing development projects, while leaving intact the ability for elected leaders and the people they represent to exercise oversight over new projects and their impact on the environment.

As previously noted, the Global Warming Solutions Act of 2006 is another law that has destructively limited development in California. Enacted in 2006 with a goal of reducing greenhouse gas emissions in the state to 1990 levels by 2020, the law has undergone several revisions, each more aggressive than the last. Fundamental to the law as it affects housing is the claim that single family dwellings and suburban "sprawl" cause more greenhouse gas emissions than high density infill. The consequences of this claim are mandates – such as the Vehicle Miles Traveled assessments and fees required with all new housing proposals – that channel new housing to within the footprint of existing urban areas. This artificially inflates land values inside these "urban service boundaries." But as noted earlier, the claim that low density housing causes disproportionate greenhouse emissions is outdated. Jobs are created within suburbs, and often employers relocate to new suburbs. People work from home. And vehicles are becoming either zero emission or ultra-low emission.

Restructuring or eliminating rent control and subsidized "affordable" housing, in particular, the special incentives for high density housing, will free up investment to build housing on the scale we need. Similarly, if laws and special exemptions designed to streamline the approval process were fully extended beyond so-called "affordable" housing and high density housing, the supply of all types of housing would increase.

Investing in infrastructure – water in particular – and lowering the cost of construction materials is critical to increasing the supply of homes and making them affordable, as is expediting the permit process and putting an end to excessive permit fees. Before making more specific recommendations we will consider what else stands in the way of these needed reforms.

SPECIFIC POLICY REFORMS

Actions to be taken by California's Governor, State Legislature, and State Agencies

(1) End the private right of action under the California Environmental Quality Act (CEQA). The original intent of CEQA was to "inform government decision makers and the public about the potential environmental effects of proposed activities and to prevent significant, avoidable environmental damage." Over the past half-century, however, CEQA has acquired layers of legislative updates and precedent-setting court rulings, warping it into a distortion of its original intent that denies clarity to developers and derails projects. When projects do make it through the CEQA gauntlet, the price of passage adds punitive costs in time and money. Reforming CEQA by restricting the right to file lawsuits to District Attorneys in California's counties and the State Attorney General would deter what are now countless lawsuits that constitute a significant impediment to housing starts.

(2) Require CEQA lawsuits be submitted within 90 days of a project application being received by the permitting agency, with no CEQA lawsuits to be accepted after that deadline expires.

(3) Eliminate the VMT (vehicle miles traveled) analysis currently required for all land use project proposals.

(4) Limit the number of hearings on a housing project, and require hearings to take place within 30 days of the previous hearing. Today, agencies that don't want to approve a project but also don't want to get sued by the developer will ask for project modifications instead of denying the project. The developer may then have the modifications ready within a few weeks, but the next hearing may not be scheduled for another year, and when that hearing arrives, the agency will ask for additional modifications, repeating the delay yet another year. Reducing the time between hearings to 30 days prevents these delaying tactics.

(5) Require Impact Fees for any development to be placed in specific Impact Accounts to prevent agencies from using the proceeds for other budget items. If the Impact Fees are not spent, return them to the project developer.

(6) If Impact Fees are being charged to housing developers and they are not used within two years, they should be returned to the homeowners, and the property tax basis for the homes should be lowered by the amount of the refunded fees.

(7) Once a project permit is granted, no new Impact Fees can be added.

(8) Place a cap on all Impact Fees at 3 percent of the construction cost of the housing, and require the agencies to set priorities for the funds.

(9) Abolish Local Agency Formation Commissions, and eliminate urban growth boundaries.

(10) To fund infrastructure for new cities and new housing developments, permit Municipal Utility Districts to issue tax-exempt bonds to finance roads, water mains, and sewer and wastewater treatment plants. This financing mechanism would enable a more timely and market driven response to demand for housing, and more efficiently coordinate the homebuilder's plans with a simultaneous construction of the necessary infrastructure.

(11) Eliminate the right of cities and counties to subject development applications to discretionary permitting, wherein bureaucrats can deny code-compliant permit applications. If projects are code-compliant, require building permits to be issued automatically.

(12) If building codes or environmental regulations are changed, they shall not apply to projects that have already been approved.

(13) Building codes and environmental regulations shall not be changed more than once every five years.

(14) Eliminate "affordable housing" set-asides as a requirement for approval of large development projects. Every unit a developer is required to sell under market price is directly linked to a proportionately higher price they will have to charge all other buyers.

(15) Revise the California Building Code to make the installation of solar panels, storage batteries, heat pumps, tankless water heaters, and other active energy efficiency systems on new homes optional on the part of the developer. Let the market determine adoption of these innovations.

(16) Restore the net metering rate structure that increases the incentive for homeowners to invest in solar panels and batteries.

(17) Abolish zoning restrictions that incentivize high density as a condition of a streamlined permit process, and abolish urban service boundaries that render abundant developable land off-limits to new homes and new communities.

(18) Restore infrastructure policies that will help increase the availability of housing as well as reduce the ongoing cost to own homes. For example, repealing the laws and regulations that discourage public and privately funded construction of water and energy supply infrastructure.

A NEW APPROACH TO HOUSING

The policies recommended here are designed to create the conditions where the private sector can again build affordable homes while still making a profit. The innovations that have occurred in the past few years as well as those that are just around the corner promise to deliver a future where urban centers and suburbs both experience a spectacular renaissance.

If we can loosen the restrictions on land development, as well as the restrictions on development of energy, water and building materials, and if we can significantly reduce the cost and the time required to get building permits, affordable market housing will be just one major dividend of these reforms.

We can recreate the optimism and dynamism of California's 'Golden Age' of building in the 1950s and 1960s, while incorporating the enormous innovation we've seen since then – creating new cities and upgrading our existing cities and suburbs in positive, sustainable ways that we can only begin to imagine.

Californians should be creating new cities, built for the 21st century, offering an opportunity to incorporate the best new technologies and ideas free of restrictions that inhibit innovation. New cities can incorporate everything we've learned over the past half-century, to engage in mindful development, with thoughtful urban design that always prioritizes its impact on the human experience.

There is plenty of room to build in California while protecting our precious natural heritage. We can give people Housing Choice and Homeowner Autonomy, reviving upward mobility for the working class and restoring the California Dream for everyone.

Cities can be revived. New sustainable suburbs can be built – when thoughtfully conceived, they embody the finest aspirations of the Garden City concept, an idealized vision of town planning where people live in healthy, spacious communities in proximity to open space and wildlife. Building new cities in California that meld Garden City ideals with the latest innovations in architecture and sustainability is the antithesis of much-maligned “sprawl”.

When it comes to housing and urban development California can break out of its scarcity mindset, building new cities that embrace both new technologies along with a next-generation cultural identity that is both authentic and unique. This is how California can once again realize its potential, a place where people can live well, an example to the rest of the world.

Edward Ring is the director of water and energy policy for the California Policy Center, which he co-founded in 2013. Ring is the author of Fixing California: Abundance, Pragmatism, Optimism (2021) and The Abundance Choice: Our Fight for More Water in California (2022).

Steve Hilton, previously senior policy and strategy advisor to former UK prime minister David Cameron and former host of The Next Revolution on Fox News. Steve has been a California resident since 2012, and a U.S. citizen since 2021. After stints teaching at Stanford and founding tech start-up Crowdpac, he is now increasingly focused on California and its policy challenges.

Golden Together, founded by Steve Hilton in 2023, develops and advocates positive, practical policy ideas to help solve California’s problems. They are non-partisan, and open to everyone who wants to help restore the California Dream.

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