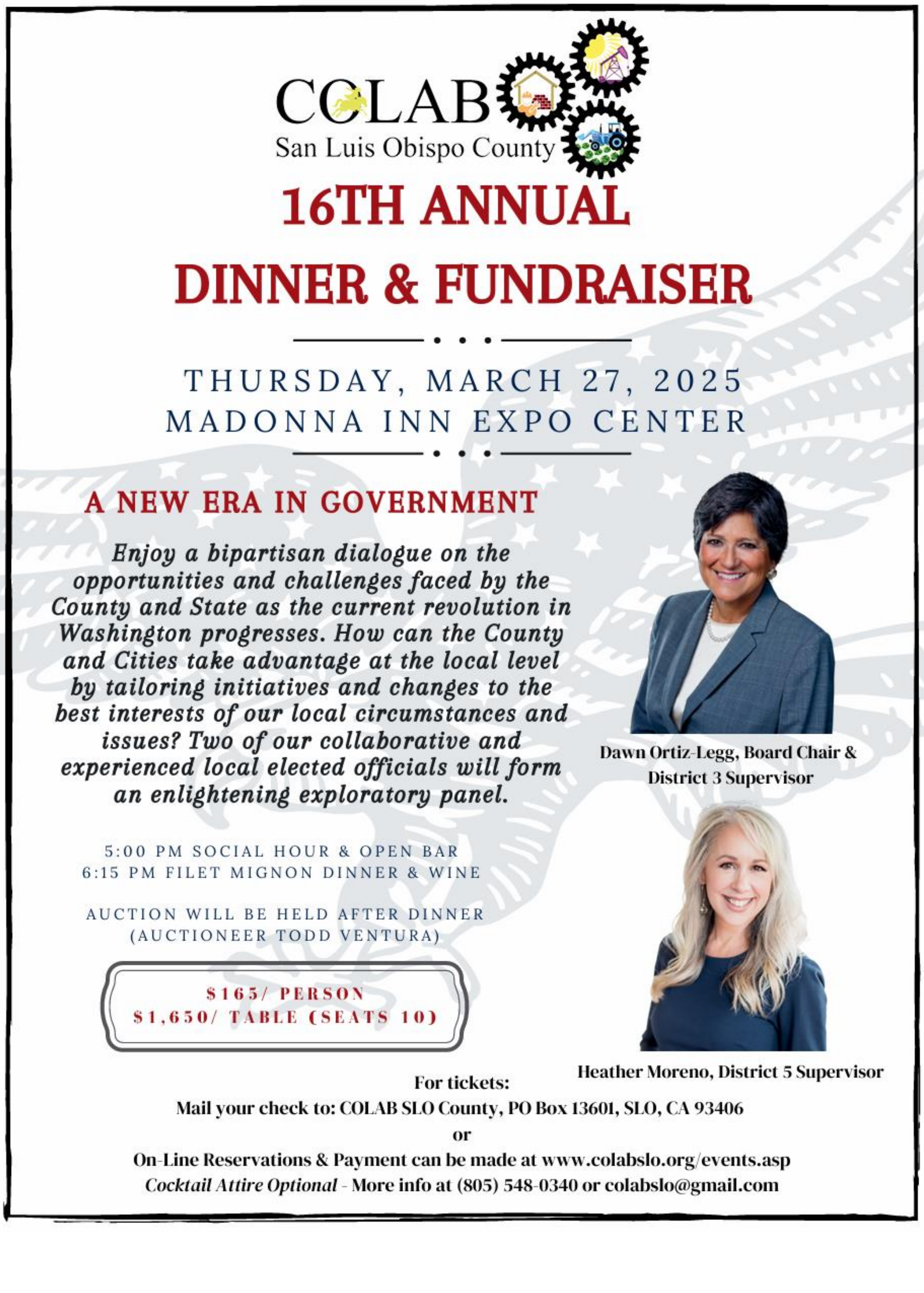
COLAB San Luis Obispo County

The Coalition of Labor Agriculture and Business

WEEKLY UPDATE
March 2 - 8, 2025



THIS WEEK'S HIGHLIGHTS
SEE PAGE 6

COLAB SLO IS WELCOMING ITS NEW EXECUTIVE DIRECTOR

GREG HASKIN

COLAB President Jeanne Helphenstine is pleased to announce that Greg Haskin is coming on board on March 1, 2025. He is a resident of Atascadero, and brings a wide range of experience. He was the Executive Director of The Republican Party of Orange County in the 1990's; District Director for Congressman Christopher Cox in the 2000's and served as Senior Director of Government Affairs for PepsiCo for 18 years. In his work for PepsiCo, he fought many tax issues, dealt with regulatory and legislative challenges and interfaced with policy makers at every level in 13 western states. He served on several Boards of Directors and Government Affairs Committees, including California Retailers Association, Grocers Manufacturers Association, California Chamber and the Plastics Recycling Corporation of California. He was president of the California/Nevada Beverage Association.

Greg has a Doctorate in Policy, Planning and Development from the University of Southern California. His wife of 42 years, Carrie is a Cal Poly graduate and a retired educator. His son Ryan is also a Cal Poly graduate and a civil engineer. His daughter, Paige, is a USC graduate and is a communications specialist for the Western States Petroleum Association in Sacramento.

Greg says that he is especially excited to be part of COLABs mission of representing a pro-business, common sense approach to San Luis Obispo policy makers and looks forward to getting to know and work with all of its members.

Current COLAB Government Affairs Director, Mike Brown, will be retiring at the end of April after 14 plus years of service.

****

COLAB is a not for profit 501©6 public policy & advocacy community resource. It also provides a 501©3 educational foundation. Membership information, events, and publications can be accessed at https://www.colabslo.org/

For questions and further information, please contact Mike Brown at 805 944-4274 or mbrown.btr@gmail.com.

NO BOARD OF SUPERVISORS MEETING

SLO COUNTY COUNCIL OF GOVERNMENTS MEETING (SLOCOG)

CENTRAL COAST COMMUNITY ENERGY (3CE) PAYING DEFEATED POLITICIAN $270,000 + BENEFITS AS "POLICY ADVISOR"

(SEE PAGE 9)

LAST WEEK

SEE PAGE 10

A MAJOR POLICY WEEK AT THE BOS

SLO COUNTY PENSION TRUST

BOARD OF SUPERVISORS

JON ANSOLABEHERE, ASSISTANT COUNTY COUNSEL, PROMOTED TO REPLACE RETIRING RITA NEAL

FY 2023-24 ANNUAL FINANCIAL REPORT
COUNTY RECEIVES CLEAN OUTSIDE AUDIT

OFFICE EXPANSION PROJECTS CANCELLED
PERHAPS THEY WANT FOLKS WORKING AT HOME

REVISED BOB JONES TRAIL EASMENTS
HOW IS THE PROJECT DOING AGAINST DEADLINES?

WATER MORATORIUM ON SAN LUIS OBISPO COUNTRY CLUB AREA – "FIVE YEARS TO START" ADOPTED

FUNDING COUNTY FIRE TO ADAQUATE LEVELS
FIRE ENGINES, FIRE HOUSES, AND STAFFING A HUGE CHALLENGE
IS A TAX INCREASE THE ONLY SOLUTION?
WHY THE COUNTY IS REALLY BROKE IN THE LONG RUN

MAJOR WATER POLICY
DELTA CONVEYANCE COSTS NEXT STEPS APPROVED

BOARD MEMBER QUESTIONS AND REQUESTS

EMERGENT ISSUES
SEE PAGE 23

HOW PROGRESSIVE POLICY DISTORTED THE HOUSING MARKET

COLAB IN DEPTH
SEE PAGE 25

WHO CAUSED THE COUNTER-REVOLUTION?

Trump's first month is a shock treatment to decades of spending, open borders, and bureaucratic bloat—restoring what was lost while critics decry the cure more than the disease

BY VICTOR DAVIS HANSON

UNIVERSITIES: DYSFUNCTIONAL INCUBATORS OF SOCIALISM

THOMAS J. DILORENZO

THE ECONOMICS OF LEFTIST POPULISM

Democrats push regulations that crush small businesses while benefiting big corporations and government, realigning America's political landscape toward economic dependency and corporate favoritism

BY EDWARD RING

THIS WEEK'S HIGHLIGHTS

Board of Supervisors Meeting on Tuesday, March 4, 2025 (Scheduled)

The next meeting is set for Tuesday, March 4, 2025.

San Luis Obispo County Council of Governments Meeting of Wednesday March 5, 2024 (Added) 8:30 AM

Item A1 - Bob Jones Trail Project: Funding Plan. The meeting was not originally scheduled. There is only one item. This would appear to be a last ditch effort to save the Bob Jones Trail project. The State rejected the local Cal Trans's application for additional funding on the theory that the trail is part of the transportation system. As noted in the highlighted section below, Caltrans Headquarters in Sacramento rejected the idea as not meeting the requirements.

Caltrans District 5 and SLOCOG have an effective partnership and collaborate closely to fund and deliver transportation projects of mutual interest. Recent examples of funding partnerships include the expressway conversion of State Route 46, State Route 1/41 roundabout in Morro Bay, active transportation improvements at SR1 and Highland Dr. When the Bob Jones Pathway project appeared stalled due to an impasse on securing an easement for the original alignment, District 5 offered a solution to bypass the property owner and use approximately .5 miles of Caltrans right-of-way for the pathway. The District prepared all the necessary project initiation document materials for Caltrans Headquarters to review. Caltrans Headquarters determined the project realignment feature did not meet the eligibility criteria for the Caltrans funding program (i.e. SHOPP). A funding gap remains of $7.8M to realign and construct the pathway along the state highway right-of-way.

The SLOCOG Board is being requested to reprogram $7.8 million to fill the gap. It should be noted that it previously switched millions from the Prado Road Interchange project during an earlier round of backfilling.

Projects Delayed or Dropped?

The staff report in this regard is a masterpiece of bureaucratic obfuscation:

The good faith effort from District 5 to bring SHOPP funds to the project funding package are not transferable to other partnership projects. However, SLOCOG staff will examine all possibilities with Caltrans District 5 during the 2026 fund cycle to recoup some or all of the $7.8M in advance programming identified under Option 1 for improvements in the state highway right-of-way. Staff believes there may be opportunities to offset prior-committed SLOCOG discretionary funding with our project funding partners-both Caltrans District 5 and the County of San Luis Obispo. Partnership projects that warrant a revisit of the existing funding cost-share agreements, or lack thereof, include:

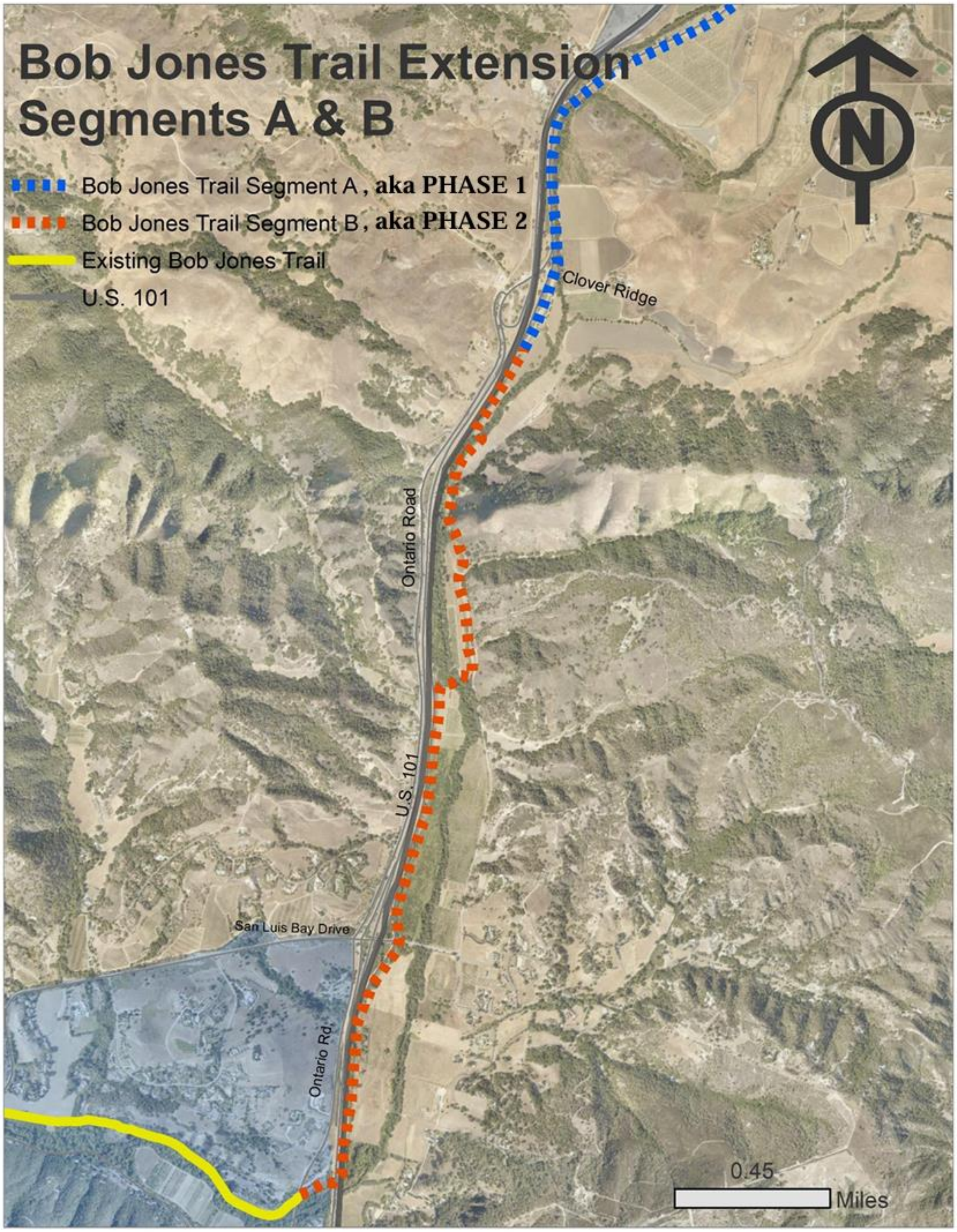
(1) SR1/41 Roundabout and Safe Routes to School improvements (Morro Bay)
(2) Morro Bay to Cayucos Bike and Pedestrian Connector
(3) SR 227 Corridor - Roundabouts and Active Transportation Improvements (rural SLO)

Just about everyone in town will be OK with eliminating the SR 227 Roundabouts.

In any case, it will be interesting to see if this switch gets a unanimous or nearly unanimous lemming vote from the Board.

See the map on the next page for the trial status.

MAP A-1 | Bob Jones Trail Extension



ADDENDUM
A-1-3

Central Coast Community Energy Authority (3CE) non-agenda related development - $270,000 Patronage Appointment

As we reported in the February, 16-23, 2025 Weekly Update, former 3CE Policy Board Chairman Das Williams was appointed to the 3CE management as Senior Policy Advisor. Das, who was the 1st District Supervisor in Santa Barbary County, was defeated in the November 2024 election. It turns out he was appointed to the 3CE position on January 13, 2025, less than 2 weeks after his term ended in the County, and therefore was no longer a Board Member of 3CE. Since Santa Barbara County makes payroll every 2 weeks, in arrears, he never missed a paycheck in the transition.

The 3CE write-up stated:

Das Williams joined 3CE on January 14, 2025 as a Senior Advisor of Policy and Legislative Affairs. Das brings over two decades of public service experience to this role, including serving in the California State Assembly and most recently as Santa Barbara County Supervisor and former Chair of 3CE's Policy Board. Das has demonstrated strong leadership in environmental and energy policy, including his work on landmark legislation like SB350, which set California's path toward 100% clean energy by 2045. His extensive experience in both state and local government, combined with his deep understanding of our Central Coast communities, will help 3CE advance our mission of delivering economic and environmental benefits through clean energy resources.

We pointed out that:

It is generally considered bad practice in public serve to appoint recently retired board members of a jurisdiction to management jobs in the same jurisdiction. Some city charters and state statues prohibit this, usually with a few years interval required. In fact, most ethical public administrators, such city managers and county executive officers, almost never consider appointing former elected officials, as their ability to be apolitical is in doubt. Once people have tasted the forbidden fruit, they are forever suspect

And:

This is a blatant patronage appointment designed to secure an income and benefits for Das until some other elected post comes up for which he can run. As readers know, we have asserted for years that 3CE is a patronage machine for engineering consultants, computer consultants, engineers, rate consultants, lawyers, and green advocates. This one is both blatant and sleazy.

It Gets Worse:

It turns out that the staff advisory position pays $270,000 plus full benefits for a 40-hour week.

Das's contract states in part:

SECTION 3: COMPENSATION AND WORK HOURS As compensation for Employee's services, Employee shall be paid on an annual salary basis of two-hundred seventy thousand dollars and *zero cents $270,000 per year, less applicable taxes, withholdings, and deductions, and any other deductions which may be authorized by the Docusign Envelope Employee, payable in accordance with the Agency's normal payroll practices. This is an exempt position under the Fair Labor Standards Act.*

SECTION 3: BENEFITS Employee shall be entitled to benefits as described in the Agency's Employee Handbook, which may be amended from time to time, subject to eligibility requirements. Employee's position is not subject to the Agency's annual Cost of Living Adjustments (COLA).

Given this example of pure political patronage, who knows how much waste and fraud is involved in the billions of dollars of energy contracts administered by the agency? The Monterey County DA should investigate (3CE) is headquartered in Monterey).

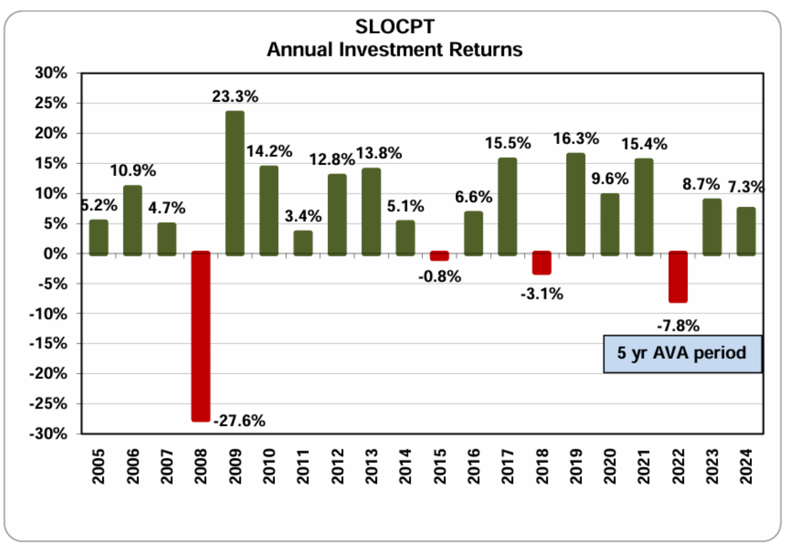
The current SLO County Board majority voted to join 3CE. Do they support this patronage appointment and cost?

LAST WEEK'S HIGHLIGHTS

SLO County Pension Trust Meeting of Monday, February 24, 2025 (Completed)

Item 11- Quarterly Investment Report for the 4th Quarter of 2024.

For the quarter ending December 31, 2024, SLOCPT's total fund returned 7.3% year-to-date, aligning with long-term investment objectives despite market volatility. U.S. equities outperformed international markets, supported by post-election economic optimism, while inflation and interest rates remained key factors influencing market performance.



Item 12 - January Monthly Investment Report. The Board item stated in part:

In January, the S&P 500 gained 2.8%, with broad market strength as 10 of 11 sectors finished positively, led by communication services, 9.0%. However, the "Magnificent Seven" stocks (0.3%) underperformed, with Nvidia dropping (17%) in a single day following news that Chinese AI firm, DeepSeek, had developed a competitive model at a lower cost. Large-cap value stocks, 4.6% outperformed large-cap growth, 2.0%, narrowing the valuation gap slightly. Fixed income markets saw positive returns, with 1 Agenda Item #12 high-yield corporate credit, 1.7%, leading. Internationally, the European Central Bank cut rates again, while geopolitical tensions and trade policy uncertainty fueled market volatility. Despite fluctuations, earnings reports remained strong, with 77% of S&P 500 companies beating estimates, supporting continued market resilience.

	1-month	YTD	2024	2023	2022	2021	2020
Total Fund (%) *(Gross)*	1.80	1.8	7.0	8.9	(8.0)	15.2	8.9
Policy Index (%)	1.50	1.5	8.5	10.2	(9.7)	12.8	10

	YTD	2024	2023	2022	2021	2020
Market Value *(millions)*	$1,794	$1,763	$1,694	$1,614	$1,775	$1,552

Related factoid item: Retiring APCD Director/Air Pollution Control Officer Gary E. Willey will receive a pension of $19,507 per month or $234,084 per year. If he has many years of Social Security credits, and depending on his age and when he takes, he could have another $40,000 on top of the pension.

SLO County Board of Supervisors Meeting of Tuesday, February 25, 2025 (Completed)

Item 2 - Request to approve the employment agreement of Jon Ansolabehere to serve as County Counsel for a four-year term beginning March 16, 2025, pursuant to the California Government Code, sections 27640 and 27641. The Board appointed the current Assistant County Counsel, Jon Ansolabehere unanimously, as County Counsel for a 4-year term. He will replace Rita Neal, who is retiring in March.

The write-up stated in part:

The Board of Supervisors is impressed with the outstanding performance of the County Counsel's office and recognizes the exceptional contributions of Assistant County Counsel Jon Ansolabehere. After considering all options and looking at the experience and qualifications of Mr. Ansolabehere, the Board requested staff negotiate an employment agreement. The Board is confident that he possesses the expertise, leadership and vision necessary to continue driving the office forward with excellence. The Board has decided through this action to appoint Jon Ansolabehere as County Counsel for a four-year term pursuant to the California Government Code, sections 27640 and 27641.

Mr. Ansolabehere earned a Juris Doctor from Golden Gate University School of Law, following a Master's degree in Public Policy from Cal Poly. He is also an active member of the California League of Cities Fair Political Practices Commission Advisory Group.

Mr. Ansolabehere has been a member of the County Counsel's office since March 18, 2019, when he joined the department as Chief Deputy County Counsel after practicing at both a private law firm, and a public agency. He was appointed as Assistant County Counsel on December 21, 2021. During his time with the County Counsel's office, Mr. Ansolabehere has proven his extensive experience in the Subdivision Map Act, CEQA, Affordable Housing Law, Brown Act, and laws relating to homelessness.

COLAB NOTE: With respect to the section highlighted above, this is not good news, as the County Counsel's advice and opinions on these matters over the past years have been pro-statist, anti-private property, and anti-citizen participation. For example, the County Counsel shucked and jived the creation of the Paso Basin Water Management Joint Powers Authority. The Board joined the Authority with a consent calendar vote. There was no hearing. It was not even a business item. County Counsel ruled that a pre-discussing of the matter in December constituted a hearing. Moreover, the Board and County Counsel allowed a substantial staff presentation and introduction of revised governing documents (that no one had seen) after public comment on February 4th. Ansolabehere could start off of on the right foot by telling the Board to reprocess the issue correctly.

Similarly, the Planning Department and County Counsel have been inconsistent on antiquated subdivisions. Some are okay and some are not, depending on what the Sierra Club thinks vs. the law.

The salary range for the County Counsel is $224,848 to $286,998.40 per year. Mr. Ansolabehere will start at step six of the salary range for this position, which equates to an annual salary of $286,998 and $110,785 per year in benefits.

Item 6 - Fiscal Year 2023-24 Annual Financial Report and Independent Auditor's Opinion. The County received an unqualified opinion that means that after analysis of the books and related files, the independent auditors found no misrepresentations, inaccuracies, or other problems with the County's financial records. Money was expended properly in accordance with law and national accounting standards. Note, this is not an opinion on the policies (what the money is expended for), but on the legality and the accuracy of the presentation and record keeping.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In addition to the balance sheets, revenue and expenditure comparisons, debt analysis, and explanation of reserves, the report contains many useful tables about the financial status of the County and community.

https://www.slocounty.ca.gov/departments/auditor-controller-treasurer-tax-collector-public/forms-documents/financial-reports/annual-comprehensive-financial-report/2023-24-slo-county-acfr

Item 25 - Request to: 1) authorize the cancellation of the following projects in Fund Center (FC) 230 – Capital Projects: WBS 320151 (General Government – SLO – Relocation of Parks Offices to El Choro, PYA11) and WBS 320221 (Parks – El Choro Park – Road and Bike Course, PYA04) in FC 230 – Capital Projects; 2) authorize a modification of the approved scope of work for WBS 320152 (General Government – SLO – Relocate Agricultural Commissioner and UC Cooperative Extension Office to El Chorro Park Area, PYA04), also in FC 230 – Capital Projects; and 3) approve corresponding budget adjustments totaling: $1,859,183 in remaining General Fund contributions to the Facilities Planning Designation within the Capital Projects Fund, $2,992,650 to the General Government Building Replacement Designation, $217,796 to the Parks Public Facility Fees Designation, and $362,204 of General Fund loans to FC 305 – Parks and Recreation – Regional Parks, by 4/5 vote. The Board approved the matter unanimously on the consent calendar. The irritating and meandering Board letter seems to request that the Board terminate several projects that would transfer, relocate, and consolidate Parks Department staff to a renovated facility in El Chorro Park. Similarly, it would seem to cancel a project to relocate the Ag. Commissioner's staff to El Chorro park. The lengthy and confusing tale consists of consultants and staff studying various configurations and use of certain buildings at the Park. In the end, environmental issues seem to have blunted the effort. It is not clear if there is enough money to undertake the projects.

The approved budgets and the amount expended so far are displayed in the table below (assuming estimated project costs means expended to date.) The bottom half of the table shows the remaining balances, their sources, and their transfer to various designations.

Exhibit A – Funding Summary for WBS 320151, 320152, and 320221

Expenditures:	Approved Budget	Estimated Project Costs	Variance
WBS 320151 – Gen Govt - SLO - Relocation of Parks & Recreation Offices to El Chorro Regional Park, PYA04	$1,200,000	$387,294	$812,706
WBS 320152 – Gen Govt - SLO - Relocate Ag Comm And UC Coop Office to El Chorro Regional Park, PYA04	$4,250,000	$375,000	$3,875,000
WBS 320221 – Parks - SLO - El Chorro Regional Park - Road Realignment and Bike Park PYA04	$750,000	$5,873	$744,127
Total Expenditures:	**$6,200,000**	**$768,167**	**$5,431,833**
Funding Source:	**Approved Funding**	**Proposed Funding**	**Variance**
General Fund	$2,618,321	$759,138	$1,859,183
General Government Building Replacement Designation - Fund Center 267	$3,001,679	$9,029	$2,992,650
Parks Public Facility Fees Designation - Fund Center 247	$217,796	$0	$217,796
Parks General Fund Loan - Fund Center 305	$362,204	$0	$362,204
Total Funding:	**$6,200,000**	**$768,167**	**$5,431,833**

Now What?

The murky write-up is not clear on what happens next. It does mention more study with architects and alludes to continuing the projects in some fashion, but it is unclear.

The bigger issues include:

1. The County is facing an $8 to $13 million general fund revenue gap in its next fiscal year. This could be exacerbated by Federal and State funding cuts to counties as the DOGE process proceeds and California maintains its stance to ignore Federal orders.

2. How many of the impacted employees are "working" remotely? ("Working" at home)

3. How many total County employees are working remotely, and how much office space has been freed up?

Item 27 - Request to approve, for necessary right of way and easement access for the Bob Jones Pathway "Gap Closure" Project in San Luis Obispo, the following: 1) amendments to perpetual and temporary construction easement agreement Nos. 22-12.01, 03, 07 with the City of San Luis Obispo in the amount of $16,000; 2) amendment to perpetual and temporary construction easement agreement No. 22-12.05 with Sarjit S. Malli and Rupinder K. Malli, Trustees of the Malli Family Trust of June 7, 1994, in the amount of $500; 3) amendment to the perpetual and temporary construction easement agreement Nos. 22-12.15, 06 and 22-12.14,09 with the Land Conservancy of San Luis Obispo in the amount of $29,500; 4) amendment to easement agreement No. 22-12.02 with Ronald Rinell in the amount of $150; and 5) authorize the Director of Public Works, or designee, to execute any remaining escrow and payment-related documents or instructions necessary to close the transactions associated with the acquisition of these real property interests. The write-up stated that refinements in the trail design have required some adjustments to the easements previously required.

Real property interests were previously acquired on the subject properties Nos. 1–4 to provide the County and its contractors with the permanent and temporary property rights needed to construct the Project across each of these properties. These interests were accepted by the Board on July 16, 2024. Amendments to the original real property interests are now needed due to the Project's design being farther along and its schedule better defined from what it was on July 16, 2024. The amended easements were negotiated with affected property owners, and approval of them as recommended herein will make the amended easements effective.

These are a small portion of the overall project:

The Bob Jones Pathway Gap Closure Project (Project) is a multi-year project widely supported by the community and partner agencies (SLOCOG and CalTrans). The proposed 4.5-mile extension of the Bob Jones Pathway is pending approval by the California Transportation Commission to be constructed in two segments, as approved by your Board on January 14, 2025, connecting the Land Conservancy Octagon Barn to the County's Ontario Road staging area. The County has previously completed the construction of a public parking lot and staging area at the

Octagon Barn site located on South Higuera Street to serve the pathway. This pathway fills an essential link in the County's bicycle transportation network between the five cities area and San Luis Obispo, providing people of all abilities a transportation choice for bicycling and walking to work/school/community destinations. It also offers access through natural and agricultural areas for recreation and exercise

While this agenda item is focused on these specific transactions, it could have been an opportunity to also report on the status of the major reroute issue:

1. Has the State Transportation Commission approved the route modification?

2. Has the new $6 million to fund the new route portion that is not allowed by the State been approved?

3. Is the $6.8 million in County funds, noted below, within the $46.1 million cost or on top of it?

The project is funded in part by ATP grant funds administered by the California Transportation Commission (CTC) in the amount of $18,248,000. Of this $18.25 million, $2.3 million has been allocated and authorized to reimburse land acquisition costs and engineering costs associated with planning, design, and right-of way. Another $15.9 million has been programmed but not yet authorized for the construction phase of the Project. In addition to support from the CTC, the County has spent $6.8 million in County funds, community donations, and State and Federal grants since 2002.

FINANCIAL CONSIDERATIONS

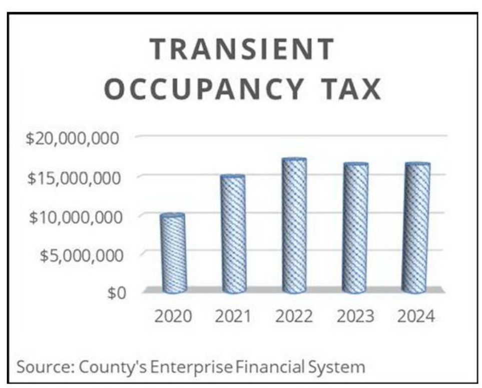
The amendments and agreement provide for the following compensation:

Agency	Amount
City of San Luis Obispo	$16,000.00
Ronald Rinell	$150.00
Sarjit S. Malli and Rupinder K. Malli, Trustees of the Malli Family Trust of June 7, 1994	$500.00
The Land Conservancy of San Luis Obispo	$29,500.00
Total:	**$46,150.00**

How does this table relate to the overall trail budget? The narrative does not jive with the table.

Fairness and policy:

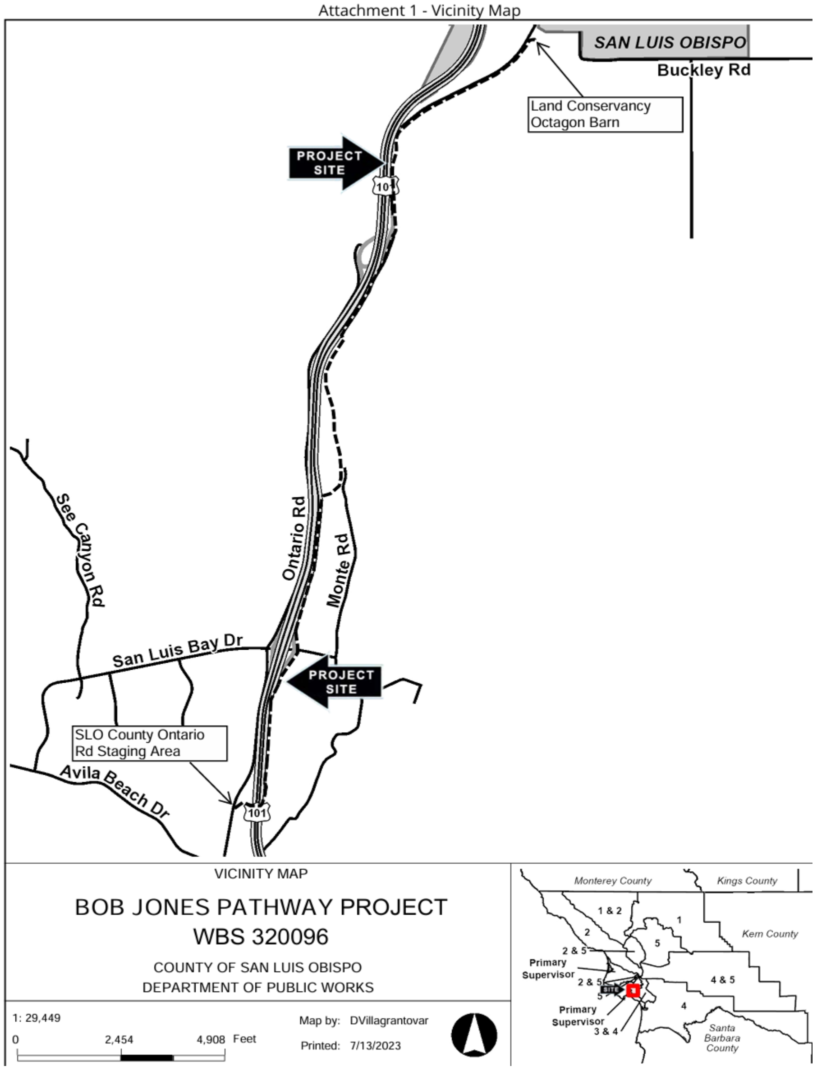
Trails are a nice amenity for people who are young and strong enough to use them. People also need the time. Few people will use the trail as an alternative to cars for commuting. You can’t arrive at work sweaty and disheveled and also be ready to go. Meanwhile, your State and local tax dollars are being used to build the thing, while at the same time your gasoline taxes, road



Source: County's Enterprise Financial System fees, and general taxes are rising inexorably each year. It is asserted that the trail will be a boon for the hospitality industry vis-a-vis the TOT. Note that the TOT is performing weakly. What exactly is the ROR on a $50 million trail?

Of course, maintaining the trail will be a major new expenditure, as it becomes a linear homeless camp.

Attachment 1 - Vicinity Map



Item 28 - Request to 1) adopt the attached ordinance imposing a moratorium on the issuance of will serve letters for sewer service in County Service Area 18 - San Luis Obispo Country Club; 2) delegate authority to the Director of Public Works or designee to temporarily halt the issuance of will serve letters until the effective date of the ordinance; and 3) authorize the use of Alternate Public Procedures for the subject ordinance. Service Area 18 provides sanitary sewer service to the San Luis Obispo Country Club area. The moratorium was approved unanimously on the consent calendar. There was no public objection or discussion.

The Board letter stated in part:

Approval of the recommendations would result in the introduction of the attached ordinance imposing a moratorium on the issuance of new will serve letters for sewer service in CSA 18 San Luis Obispo Country Club and temporarily halt issuance of new will serve letters until the effective date of today's final action, thereby serving the County's interest to provide public health and safety, maintain regulatory compliance, and protect environmental resources.

The County and Regional Water Quality Control Board have determined that further development of the area must be pended for at least 5 years, while the various jurisdictions figure out how to comply with stricter state regulations on sewer discharge volumes. The area now generates about 67,000 gallons per day. If the volume increased to 80,000 or more gallons per day, it would be unable to meet State requirements. The issue is further complicated by days when there is heavy rain runoff. Items subject to the moratorium include:

• New construction on vacant parcels
• Accessory dwelling units (ADUs)
• Lot splits
• Annexations
• Connections from residential parcels with abandoned septic systems

Some related information that should have been detailed in this communication include:

1. Are there any vacant but potential entitlements for dwelling units or lots in Service Area 18? If so, how many?

2. Have the property owners or their association been involved in the discussions on this issue?

3. Are any existing vacant lots counted in the County's Housing Element? If so, how many?

4. When will the County switch to a policy of abundance vs. rationing?

4. Are any vacant?

Item 36 - Request to: 1) receive and file a status update on the County Fire Strategic Plan (Strategic Plan), the Information Technology Component of the Strategic Plan and the Paid Call Firefighter Program (PCF) Review for the San Luis Obispo County Fire Department, and provide direction as deemed necessary; 2) approve a new maintenance project (WBS 350201) in Fund Center 200 – Maintenance Projects to complete a feasibility analysis and conceptual plan for a new fire station in Santa Margarita Ranch; 3) approve a new maintenance project (WBS 350202) in Fund Center 200 – Maintenance Projects to complete a feasibility analysis and conceptual plan for a fire station in Oak Shores; 4) approve a corresponding budget adjustment in the amount of $250,000 from the Capital Projects Fund Facilities Planning Designation to WBS 350201in Fund Center 200 – Maintenance Projects, by 4/5 vote; 5) approve a corresponding budget adjustment in the amount of $250,000 from the Capital Projects Fund Facilities Planning Designation to WBS 350202 in Fund Center 200 – Maintenance Projects, by 4/5 vote. The item was reviewed after considerable discussion. Several Fire agencies testified as to the importance. Various neighbored groups pled for new fire stations and additional staffing in their respective areas.

The Board directed staff to undertake study of the feasibility of tax overrides, assessment district, and other mechanism to fund the expanded services. There was no consideration of the potential for competing tax measures or generating more revenue from economic development. There appeared to be friction between fire management and the fire union over the use of part time paid volunteers.

Background: This item contained an update on fire as one of the main challenges facing the County. That is the number of fire stations, the number of firefighters, the number of fire engines, the number of firefighters per engine (in many cases), and other shortfalls in terms of standards needed to be addressed.

As noted further in this article, the fire service issues raise much bigger questions about the survival of the entire County system of government.

Back in January 2023, the Board received a detailed analysis and long range plan to begin to remedy the situation. This report details some of the small steps taken so far and authorizes expenditures for architectural studies for 2 new fire houses.

Of course, the problem is funding. The Study found that the upgrades would cost $46 million in capital expenditures, $4.5 million for new equipment, and new $19 million per year (and growing) funding for staffing and other annual operations costs.

One proposed solution is asking citizens of the unincorporated area to approve a property tax override or sales tax increase, TOT increase, or special assessment. The report states in part:

*As presented on January 24, 2023, for the County to continue its ability to provide and fund County Fire protection at a rate that is needed, based off the recommendations outlined in the Strategic Plan, staff recommended an evaluation of Special Tax or Benefit Assessment. Subsequently, the County engaged a consultant, Fairbank, Maslin, Maullin, Metz & Associates (FM3), to conduct voter polling services to determine the level of voter support for potential revenue sources including a special tax to increase funding for County fire service and changes to the unincorporated county transient occupancy tax (TOT). Currently staff has begun planning efforts to communicate the County Fire Department's needs through outreach to the community. County Fire is working with the Administrative Office to include an initial cost estimate for community outreach efforts in the FY 2025-26 Budget***.**

This appears to be another case of the government (the County) using the people's tax dollars to "educate" them about the need for even another tax.

The Bigger Problem:

1. Any tax increase or new tax for fire and emergency services will probably have to compete with a SLCOG push for a ½ cent increase for regional roads and "transportation," especially "local effort" money to qualify for CAL Trans road grant incentives.

2. There is also the thought of issuing debt and commensurate tax increase for affordable housing.

3. With billions being spent at the State level and millions at the County level on the sick and addicted homeless, there is no end in sight. Until constitutional legal reforms are adopted, requiring the homeless to comply with medical and behavior norms, nothing will work. Thus, there is an endless pit.

4. Local County Roads require more funding. As the current Budget states:

The department uses a pavement condition index (PCI) as a measure to gauge the overall condition of the County's paved roads. As discussed in the performance measures for this fund center, the Board's adopted goal is to maintain a PCI of 65 or better, which is the statewide average. With the recommended level of funding from the General Fund and Senate Bill (SB) 1 The Road Repair and Accountability Act, the pavement management program is expected to maintain a PCI of 60 through FY 2024-25.

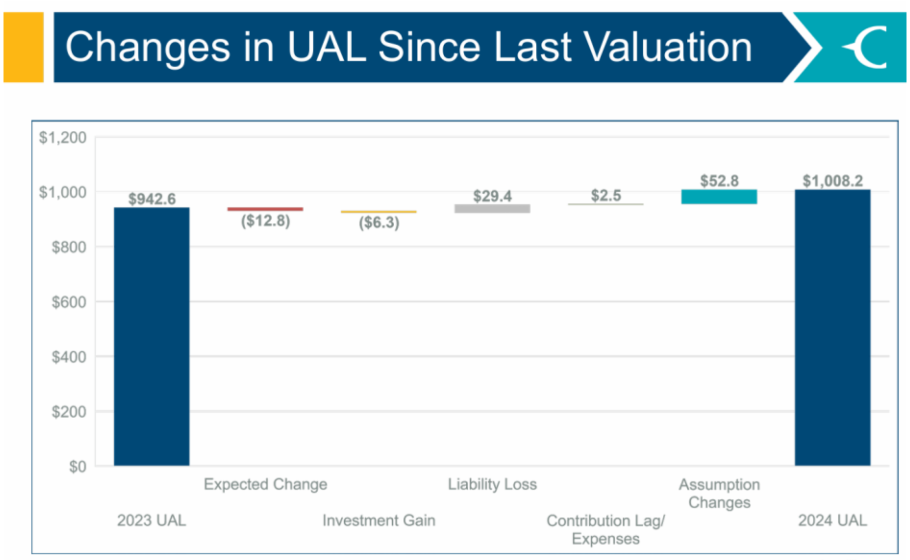
.

The overall road maintenance deficit is in the hundreds of millions of dollars, with no prospective financial source for remediation.

5. Similar to the roads section, there are large maintenance deficits for the County's public building and parks facilities.

6. County salary costs are rising at about 4.9 % per year, which is more that its stated policy level of about 2.5% per year.

7. The County unfunded pension liability now stands at over $1 billion, adding pressure to the annual Budget.



8. The County already reduced some reserves and kicked the can down the road for more reductions.
Is the $7.3 million a portion of the projected FY 2025-26 gap of $8 to $13 million, or is it on top of that amount?

> The following table shows the short- vs long-term reductions recommended to close the "true" General Fund gap of $15.6 million for FY 2024-25. Specific details about reductions by Fund Center are included in the 'Departmental Budgets by Service Group' section of this book.

Budget Recommendations to Close the Gap

	Total Amount	Short-Term	Long-Term
Departmental GFS Reductions	$8.9M	$1.6M	$7.3M
Housing/Homeless ARPA reallocation	$500K	$500K	
Defer Amount for Automation Depreciation	$850K	$850K	
Lower Contingency to 4.75%	$1.8M	$1.8M	
Contingency Adjustment for GFS Reductions and BARs	$322K	$42K	$279K
Designated - Rainy Day Funds	$1.5M	$1.5M	
Designated - COVID-19 Funds	$1.8M	$1.8M	
Total	**$15.6M**	**$8M**	**$7.6M**
% of Short-Term vs. Long-Term		**52%**	**48%**

9. Federal funding of State and county programs is likely to decrease this year and in future years as budgetary reforms are imposed by the President and Congress. The dismantling of the LBJ Great Society and Nixon follow-on could shock blue states like California and their sub-component local governments.

From the macro perspective, the County's expenditure requirements are outstripping its natural revenue growth. Once again, we plead for a major policy reform that would:

1. Expand nuclear power generation in the County.

2.Proactively promote the development of the County's mineral resources, especially oil and gas.

3. Promote the development of 5-star coastal and wine country resorts.

4. Complete the current feasibility study of industrial scale desalination.

5. Promote the development of large estates, large luxury homes, and luxury ranchettes. These use few government services, often send the children (if any) to private schools, and pay high property taxes. The residents buy expensive vehicles and appliances, enjoy restaurants, and otherwise promote the local economy.

6. Encourage Cal Poly to upgrade its sports to Class IA and become a football powerhouse. A Texas football weekend would generate millions in sales taxes, TOT, and publicity.

7. Examine the feasibility of race track pari-mutual betting, thoroughbred breeding, and sales similar to the Keenland facility in Lexington, Kentucky. Have the County share in a piece of the handle (that is the revenue form the bets laid down).

8. Support legislation and a political movement to abolish CEQA and terminate the Coastal Commission. Return local control to cities and counties.

Over- all, the County should develop a long range revenue plan to inform the Board and public of how the macro gap will grow. In the end, the current model of government, a unionized civil service bureaucracy that participates in the political process through campaign financing, campaigning, and endorsements, cannot survive.

Item 40 - Submittal of a resolution 1) adopting the California Environmental Quality Act findings of the California Department of Water Resources (DWR) as the Lead Agency for the Delta Conveyance Project, and adopting a Statement of Overriding Considerations regarding the potentially significant impacts that may result from the Pre-Construction Work; and 2) approving and authorizing the Director of Public Works to execute a letter agreement that commits the San Luis Obispo County Flood Control and Water Conservation District (District) to provide funding to DWR for the District's share of Delta Conveyance Project planning and Pre-Construction Work in calendar years 2026 and 2027 in an amount not to exceed $1,860,000. (Public Works). The new payment was approved unanimously on a 4/0/0 vote. Supervisor Peschong had left the meeting to travel on business. This means the County will hang in for a few more years as the project costs and financing are fleshed out.

The Sierra Club appeared in opposition, as always, hoping to starve society of resources in its ongoing effort to collapse society and bring on an elite envro-socialist dictatorship in America.

Supervisor Gibson is not thrilled with the project but seems to be going along for now. He may favor the peripheral canal version as opposed to the under delta tunnel. He noted that it might be 5,000 more acre-feet of water for the County.

Background: After many years of fiddling around about how to bring more water to the middle and south part of the State, the powers that be determined to build tunnels under the Sacramento River Delta to connect the river to the State Water project.

One question was how to pay for it. In turn, it was determined that the 29 subscribers to the Water Project would pay based on their proportionate share of the water in the project. LA Metro Water is the largest user at about 45%, while SLO County is one of the smaller users at about 1.2%.

The project has been broken up into phases. The County paid $1.3 million toward the first phase. It is now being requested to pay $1.86 million for the 2nd phase for pre-construction work planning. It is estimated that the total County share for the project could be about $125 million out of billions.

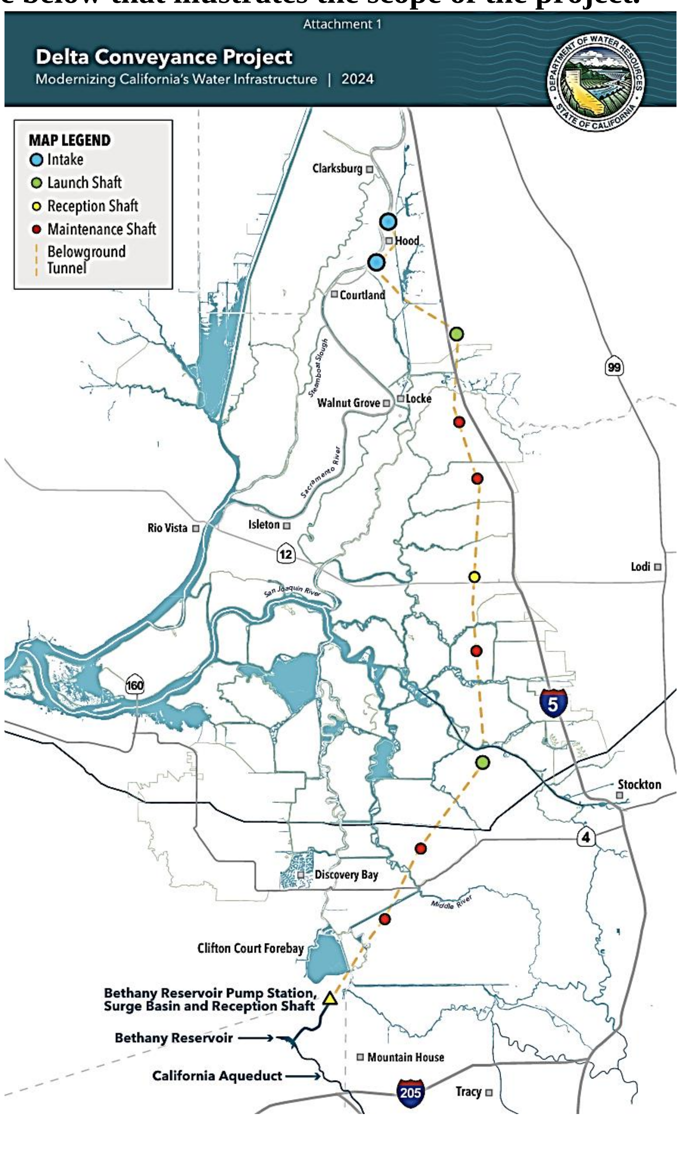
The County could opt out, but if a subscriber opts out now, it cannot decide to rejoin. Thus, it is prudent for the County to remain in until the final costs and their financing mechanisms are determined.

This is a major policy item for the future of the County. The general scope of the project includes:

• Two intake facilities along the Sacramento River in the north Delta near the community of Hood with on-bank intake structures that would include fish screens.

• *A concrete-lined tunnel and associated vertical tunnel shafts to convey flow from the intakes about 45 miles to the south of the Bethany Reservoir Pumping Plant and Surge Basin at a location south of the existing SWP Clifton Court Forebay.*
• *A Bethany Reservoir Pumping Plant to lift the water from inside the tunnel below ground into the Bethany Reservoir Aqueduct for conveyance to the Bethany Reservoir Discharge Structure and into the existing Bethany Reservoir.*
• *Other ancillary facilities to support construction and operation of the conveyance facilities including, but not limited to, access roads, concrete batch plants, fuel stations, and power transmission and/or distribution lines.*
• *Efforts to identify geotechnical, hydrogeologic, agronomic, and other field conditions that will guide appropriate construction methods and monitoring programs for final engineering design and construction data collection and field work investigations, including ground-disturbing geotechnical work, water quality and hydrogeologic investigations, agronomic testing, the installation of monitoring equipment, construction test projects, pre-construction design work, and engineering work (Pre-Construction Work).*

Please see the graphic below that illustrates the scope of the project.



Item 42 - Any Supervisor may ask a question for clarification, make an announcement, or report briefly on his or her activities. In addition, Supervisors may request staff to report back to the Board at a subsequent meeting concerning any matter or may request that staff place a matter of business on a future agenda. Any request to place a matter of business for consideration on a future agenda requires the majority vote of the Board. There were no new requests this time.

Planning Commission Meeting of Thursday, February 27, 2025 (Scheduled)

The agenda was lite, with only a residential grading permit and some cell towers.

Local Agency Formation Commission Meeting of Thursday, February, 20, 2025 (Cancelled)

EMERGENT ISSUES

Item 1 – How Progressive Policy Distorted the Housing Market , By Howard Husock

A new book makes the case that the private market isn't to blame for America's housing woes.

Yoni Appelbaum (Random House, 320 pp., $32)

For more than a century, American progressives have argued that the costs and conditions of American housing prove that the private market has failed. In the early twentieth century, the often-rough tenements of New York's Lower East Side were deemed the work of rapacious "slumlords," while small single-family or duplex homes that sprouted in cities were "crackerbox" firetraps. Reformers such as Catherine Bauer, whose book Modern Housing made the case for public housing, asserted that without government involvement as many as two-thirds of households would be unable to afford decent housing. More recently, progressives have looked to the "rent-burdened"—those paying more than a third of their income in housing costs—to demonstrate the need for subsidized "affordable" housing.

Yoni Appelbaum, deputy executive editor of The Atlantic, does not directly criticize the assumptions behind such long-standing public policy in his new book, Stuck: How the Privileged and the Propertied Broke the Back the Engine of American Opportunity. But in a remarkable break from left-liberal orthodoxy, he points his finger clearly at progressives for distorting the housing market in a way that has undermined the American tradition of economic mobility, leaving many "stuck" in places where that opportunity does not exist. That he is willing to use the label "progressive" as a term of opprobrium is notable.

"American mobility," Appelbaum writes, "has been slowly strangled by generations of reformers, seeking to assert control over their neighborhoods and their neighbors. . . . Their chosen tools were building codes and restrictive covenants and zoning ordinances, designed to segregate land by use and class and race." He sees Herbert Hoover as a progressive who sought to impose restrictive zoning across the country and rightly identifies rent control and voucher-subsidized housing as impediments to mobility. He links the progressive tradition of city planning to immigration restriction, and government involvement in housing markets to racism. Nor does he spare environmental regulation—such as the landmark 1970 California Environmental Quality Act, which he brands a tool for the wealthy to protect the value of their properties.

In making these arguments, Appelbaum aligns himself with such right-of-center thinkers as Edward L. Glaeser, who has written in these pages about how "incumbents" use zoning to protect the value of their homes by excluding new construction and standing in the way of those who would move from Cleveland to California; Bernard Siegan, whose 1972 book, Land Use Without Zoning, links Houston's growth, prosperity, and affordability to its decision not to adopt a zoning code; Bernard Friedan, whose 1961 book, The Future of Old Neighborhoods, celebrates lower-income neighborhoods as pathways to upward mobility; and Robert Ellickson, whose 2022 book, America's Frozen Neighborhoods, criticizes single-family zoning. My own book, The Poor Side of Town—and Why We Need It, shares his defense of so-called slum housing and the importance of a variety of housing types beyond single-family. It's unfortunate that Appelbaum does not acknowledge these and similar works.

Nevertheless, Appelbaum's willingness to take on progressive conventional wisdom makes his book an important contribution. His guiding principle—"we need to turn housing from a scarce asset back into an abundant resource"—is exactly right. He even concedes that the "bitterness" of Donald Trump voters is related to progressive housing policy's collateral damage.

Most of Stuck, however, is about how we got into this mess. Appelbaum's skill as a historian shines here. He gradually tells the story of how zoning laws expanded from Modesto, California, where they were originally used to exclude Chinese laundries from white neighborhoods. The laws spread to localities across the country, thanks to the Supreme Court's 1924 ruling in Village of Euclid v. Ambler Realty Co. The Euclid court accepted an expansive definition of nuisance ("merely the right thing in the wrong place") to justify zoning that separates different types of housing, as well as industry and commercial property. The decision drew the support not only of the conservative justices but also of the arch-progressive Louis Brandeis.

Photo by Keystone View Company/FPG/Archive Photos/Getty Images

Stuck also digs deep into the historical roots of today's obstacles to housing abundance, from the expansive understanding of localism in colonial New England to the creation of the city-planning profession. Applebaum unearths some fascinating social history along the way, such as the venerable tradition of "Moving Day," an annual occasion when rental leases expired and tenants moved to new and often better quarters. "As late as World War II," he reports, "a million New Yorkers found new addresses each May 1." By 2022, only 315,000 New Yorkers moved at any point during the year, including a mere 94,000 residents of the city's nearly 1 million rent-regulated apartments.

To his credit, Appelbaum includes rent control among the impediments to mobility, as it keeps Americans frozen in place with their superficially good deals. He also mentions housing vouchers along these lines in his profile of a low-income resident of economically depressed Flint, Michigan.

It's worth questioning Appelbaum's argument that a decline in geographic mobility is a key cause of the decline in American civil society, as described in Robert Putnam's Bowling Alone. Per Appelbaum, when new communities filled with new arrivals emerge, they have a strong impetus to form Tocquevillian civic groups; more stagnant communities lose such groups over time. But he overlooks other causes of civil decline, such as the growth of the federal welfare and social service states, which have obviated the apparent need for mutual aid.

Moreover, Appelbaum could have been more specific in his proposals for breaking our housing logjam—which, as he makes clear, is more of a political problem than a technical one. Ultimately, no obvious path exists around the impediments created by local zoning and planning boards. Advocates for more housing and more varied types of housing will have to find arguments that carry the day in local public hearings. They will have to make the case to incumbents that they should be open to permitting starter homes for their own children and grandchildren.

Such concerns aside, Stuck is both a strong work of popular history and an important marker in our long-running debate about government's role in housing markets. That Appelbaum consistently finds fault with progressives is both a surprise and a helpful spur toward better policy.

Howard Husock is a senior fellow at the American Enterprise Institute and a contributing editor of City Journal.

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

WHO CAUSED THE COUNTER-REVOLUTION?

Trump's first month is a shock treatment to decades of spending, open borders, and bureaucratic bloat—restoring what was lost while critics decry the cure more than the disease.

BY VICTOR DAVIS HANSON

At some point, some president was going to have to stop the unsustainable spending and borrowing.

To have any country left, some president would eventually have had to restore a nonexistent border and stop the influx of 3 million illegal aliens a year.

Some commander-in-chief finally would have to try to stop the theater wars abroad.

But any president who dared to do any of that would be damned for curbing the madness that his predecessors fueled.

And so none did—until now.

Not since Franklin Roosevelt's rapid and mass implementation of the New Deal administrative state have Americans seen such radical changes so quickly as now in Trump's first month of governance.

Americans are watching a long-awaited counter-revolution to bring the country out of its madness by restoring the common sense of the recent past.

It is easy to run up massive debts and hard to pay them back. Politicians profit by handing out grants and hiring thousands with someone else's money or creating new programs by growing the debt.

Yet it is unpopular and considered "mean" to spend only what you have and to create a lean, competent workforce.

1776, not 1619, is the foundational date of America.

Biological men should not manipulate their greater size and strength to undermine the hard-won accomplishment of women athletes.

Affordable fossil fuels, when used wisely, are still essential to modern prosperity.

American education must remain empirical and inductive, not regress into indoctrination and deduction. If college campuses no longer abide by the Bill of Rights, then perhaps they should pay taxes on income from their endowments and guarantee their own student loans.

If American citizens are arrested and arraigned for violent assaults, destroying property, and resisting arrest, then surely foreign students who break the laws of their hosts should be held to the same account—and if guilty, go home.

Tribalism and racialism, and government spoils allotted by superficial appearances, are the marks of a pre-civilized society. Such racialism leads only to endless factions and discord.

It is easy to destroy a border, and hard to reconstruct it. And it was not Trump who invited in 12 million unaudited illegal aliens, a half million of them criminals.

Who is the real culprit in the Defense Department—the new secretary with the hard task of restoring the idea among depleted ranks that our race, religion, and gender are incidental, not essential, to defeating the enemy and ensuring our national security?

Is it really wise to divert money from needed combat units and weapons to indoctrinate recruits with social and cultural agendas that do not enhance, but likely undermine, our national defenses?

Who is the real callous actor—Elon Musk, who is trying to prevent the country from insolvency by eliminating fraud and waste, or those who bloated the bureaucracy in the first place with jobs and subsidies for their constituents, friends, clients, and fellow ideologues?

No one likes to fire FBI agents.

That certainly is an unpleasant job for the new FBI Director, Kash Patel.

But again, who are the true culprits who so cavalierly turned a hallowed agenda into a weaponized tool to warp elections, harass political enemies, lie under oath, surveil parents at school board meetings, doctor court documents, and protect insider friends?

Massive borrowing is an opiate addiction that needs shock treatment, not more deficits to break the habit. An unchecked administrative state becomes an organic organism that exists only to grow larger, more powerful, and more resistant to any who seek to curb it.

Yet those who brought the cultural revolution of the last years are now screaming that it is unfair to restore what they undermined. It is as if a patient blames only the tough chemotherapy and not the invasive cancer that it seeks to cure.

Most of the Trump people are not high-fiving firing people. They are not laying off miners or frackers and directing them to go "code" or dismissing half the country as "deplorables."

The left screams that those who are tasked with balancing a budget and pruning back a strangling bureaucracy are heartless.

No, the pitiless are those who recklessly sought to hire with borrowed money and fire people on the basis of their race, used federal programs to feather their own nests, and harassed and arrested those for their politics.

No SWAT teams are now raiding the homes of ex-presidents.

No one is trying to take a presidential rival off state ballots.

No one is coordinating local, state, and federal prosecutors to indict, harass, and bankrupt an ex-president.

And no president—his dementia sheathed by political insiders and toadish media—is working three days a week, avoiding press conferences, or stonewalling reporters' questions.

No wonder the current normal seems abnormal to the status quo of the recent past.

Victor Davis Hanson is a distinguished fellow of the Center for American Greatness and the Martin and Illie Anderson Senior Fellow at Stanford University's Hoover Institution. He is an American military historian, columnist, a former classics professor, and scholar of ancient warfare. He has been a visiting professor at Hillsdale College since 2004, and is the 2023 Giles O'Malley Distinguished Visiting Professor at the School of Public Policy, Pepperdine University. Hanson was awarded the National Humanities Medal in 2007 by President George W. Bush, and the Bradley Prize in 2008. Hanson is also a farmer (growing almonds on a family farm in Selma, California) and a critic of social trends related to farming and agrarianism. He is the author of the just released New York Times best seller, The End of Everything: How Wars Descend into Annihilation, *published by Basic Books on May 7, 2024, as well as the recent* The Second World Wars: How the First Global Conflict Was Fought and Won, The Case for Trump, *and* The Dying Citizen. This article first appeared in the American Greatness of February 27, 2025

UNIVERSITIES: DYSFUNCTIONAL INCUBATORS OF SOCIALISM

THOMAS J. DILORENZO

Ludwig von Mises called the universities of his day "nurseries of socialism" because of the inevitable socialist bias of all *government-funded* universities. He also said that there is always a remnant of students, however, that does not buy into the endless drumbeat about the alleged wonders of socialism and the "imperfections" of free-market capitalism. It is this remnant that the Mises Institute devotes so much effort to educating and inspiring in the Misesian/Rothbardian tradition.

The vast majority of today's American universities have become incubators of socialism to a far greater extent than anything Mises experienced. They have produced generations of students who are well versed in all the left-wing platitudes about just about everything even if they lack the most elementary critical thinking skills. (So-called "critical theory," invented by Marxist law professors, is not about critical thinking but criticizing the critics of socialism and all the institutions of Western civilization). The unique incentive systems in American universities have made this possible.

Almost all universities are either government funded state universities, or private nonprofit sector universities that receive significant amounts of government subsidies, making them de facto state universities. (Remember: He who takes the king's shilling becomes the king's man). As such, they have no real customers in a business sense. Students do not think of themselves as customers in the sense that they are customers of say, Starbucks or a pizza joint. They rarely pay the tuition bills for one thing; mom and dad or the taxpayers do, or the banks that extend to them student loans. Parents may pay the tuition bills but it is the children who receive the primary benefits of higher education, if such benefits even exist. Thus, consumer pressure that leads to consumer sovereignty is very weak.

There are no stockholders in government or private, nonprofit universities, so neither is there stockholder pressure as with private competitive businesses. On top of that there is supercharged rational ignorance. When we acquire information during the course of our lives it is mostly to get through school, get and keep a job, raise a family, buy houses and cars, etc. Private affairs. We spend relatively little informing ourselves about government policy. Besides, government at all levels is so gargantuan that no human mind could possibly comprehend a tiny fraction of one percent of what governments do. We are rationally ignorant of it for the most part. Universities are the same way, but in addition, many people are intimidated by people with Ph.D. degrees in the same sense they are somewhat worshipful and intimidated by medical doctors. So they don't question them very often. Rational ignorance is supercharged when it comes to universities and doctors.

The boards of directors of universities are primarily composed of yes men and women who rubber stamp the decisions of the administrators for the most part. To oppose them might jeopardize the main reasons they are on the board of trustees in the first place: to improve their social lives, local reputations, and business connections. University boards were easily intimidated into acquiescing in the latest synonym for socialism, "diversity, equity, and inclusion," with its threats of calling critics racists or sexists.

At some universities the university president can fire board members rather than the other way around. When yours truly first arrived at Loyola University Maryland in the early 90s a senior faculty member recalled how Loyola alumnus Tom Clancey, the famous author, was not invited back to the board after he complained too much that the son of a mail man like himself could no longer afford the tuition.

So-called peer-reviewed research is not all that it is made out to be. So much university research is government funded, that "peer reviewers" are often very careful not to allow the publication of much literature (if any) that criticizes the state. Try having a career as an environmental scientist who criticizes the EPA, or as an agricultural economist who criticizes the massive interventionism of the Department of Agriculture. Even modern physics is almost entirely devoted to military applications. Economist Larry White published a research article that revealed that almost three fourths of all peer reviewed articles in monetary economics were authored by economists with some connection to the Fed. As Milton Friedman once said, if one wants a career as a monetary economist, it is best not to criticize the major employer in your field.

Let's not forget also that the Italian communist Antonio Gramsci's theory about "the long march through the institutions" to turn a country communist was first spread in universities, and is still metastasizing there. The extreme left-wing bias among university faculty is proof, moreover, that most faculties are enemies of academic freedom despite all their false claims otherwise.

Because of the near absence of customer and stockholder pressures – or even elections as with government – university administrators often behave like dictatorial tyrants who answer to no one. This causes younger conservative or libertarian faculty members to cower in fear that the university administrators might discover that they have politically unacceptable ideas like respect for property rights, the rule of law, or God forbid, free enterprise.

University faculties are mostly paid like government bureaucrats with rigid pay scales that go by seniority rather than merit. Faculty committees are typically controlled by the least scholarly faculty members due to the fact that to the more productive scholars the opportunity cost of spending endless hours sitting in unproductive committee meetings is too high. It's the low opportunity cost faculty who make university policy by committee.

Ever since the American economy moved from being dominated by sole proprietorships to corporations the Left has complained about the separation of ownership from control. In corporations the stockholders are the owners and management is composed of their agents who are entrusted to earn profits for them. Who, but the taxpayers, are the "owners" of a state-funded university? And what control do they have over what goes on?

Universities are incubators of socialism because they are themselves socialist institutions funded by taxpayers with Rube Goldberg style incentive systems.

This article is adapted from a talk delivered at Educating for Liberty: Mises Circle in Tampa. This article appeared in the Mises Wire of February 25, 2025. ***Thomas DiLorenzo is president of the Mises Institute. He is a former professor of economics at Loyola University Maryland and a longtime member of the senior faculty of the Mises Institute. He is the author or co-author of eighteen books including*** **The Real Lincoln*****;*** **How Capitalism Saved America*****;*** **Lincoln Unmasked*****;*** **Hamilton's Curse*****;*** **Organized Crime: The Unvarnished Truth About Government*****;*** **The Problem with Socialism*****; and The Politically-Incorrect Guide to Economics.***

THE ECONOMICS OF LEFTIST POPULISM

Democrats push regulations that crush small businesses while benefiting big corporations and government, realigning America's political landscape toward economic dependency and corporate favoritism

BY EDWARD RING

To fully appreciate why the Republican Party has become a movement primarily supported by America's most productive private-sector workers and entrepreneurs, it is necessary to understand what constitutes the opposition. It isn't the "woke" agenda that is the most defining feature of Democrats. It's that the policies associated with the woke agenda benefit big government and big corporations.

This runs counter to every stereotype that has been used to deceive voters for decades, but it's true. The economic model that Democrats hope to impose on America is one where regulations inspired by leftist values—generally falling within two broad categories, "equity" and "green"—lead" to a government that can micromanage every aspect of economic life. The weight of these regulations and the taxes required to enforce them drive households and businesses into dependency on government aid and subsidies, driving small businesses into bankruptcy and enabling big businesses to consolidate their control of products and markets.

Ronald Reagan famously said, "Corporations don't pay taxes; they pass those taxes onto their customers. When taxes are imposed on corporations, YOU pay them." But the consequences of over-regulation and higher taxes don't fall onto corporations equally. Large corporations have economies of scale. If they have to hire scores of full-time human resources professionals to comply with equity-oriented mandates, or scores of attorneys and environmentalist scientists to comply with new environmental regulations, they can spread those additional costs over thousands of workers and billions in revenue.

When a small business has to perform these new tasks, they only have millions in revenue to cover all these new obligations. This means they have to raise their prices more than the big corporations have to in order to still make a profit. This makes them no longer competitive, and down they go. When big corporations oppose new taxes, it's an annoyance. When small businesses oppose new taxes, it's a matter of life and death.

Once America's major corporations realized they could defang the equity and green movements by embracing their agenda, even lobbying Congress and state legislatures to enact the laws the movements were demanding, and actually increase their profits and market share while destroying emerging smaller competitors, flipping to the Democratic Party was easy.

Once this happened, a realignment that had been going on for decades suddenly picked up momentum. The Democrat strategy should be obvious by now, and it is not primarily oriented to identity politics. That's just the ideological window dressing, with plenty of evidence to debunk its substance. Productive private sector workers and entrepreneurs, regardless of their ethnicity or gender, have overwhelmingly rejected the Democrats, along with their woke and green rhetoric. But the economic strategy the Democrats are pursuing may yet work. It appeals to three constituencies.

The first of these constituencies is government workers, about 15 percent of households. This figure, while high, understates their influence because spouses of government workers are likely to share the economic priorities of their partner. Anyone working for a government contractor also benefits when the public sector expands. When government grows, these voters prosper.

Add to that the next constituency of Democrats, the households in America that pay no taxes, conservatively estimated at 40 percent. These are people in lower income groups that are often receiving government subsidies, whether it's welfare, the Earned Income Tax Credit, or other benefits. These voters benefit when government aid programs are increased. And when you add together the government workers and the households dependent on government assistance—or at the least indifferent to its expansion because they don't pay taxes anyway—you already have over 50 percent of the electorate.

It's at this margin that the battle for the future of America is being fought. And every time another government regulation or tax is imposed on small businesses or households that still manage to maintain financial independence, the resentment they feel against expanding government begins to compete with the economic necessity of depending on government handouts to survive.

This is seen across all economic sectors but is most acute in the housing industry. Equity-oriented mandates for developers of subdivisions to offer qualified buyers a percentage of under-market "affordable housing" force them to raise prices for all the remaining homes they sell. Environmentalist-inspired building code requirements that never stop escalating—solar, all-electric systems, battery and EV hookups, hyper-energy-efficient windows, and insulation—also add costs to homes, while even more costs are added when the price of land and building materials are artificially increased because of environmentalist inspired restrictions on what land can be built on and where lumber and aggregate can be extracted. And then there are the costs of building permits and fees, which in California, for example (of course), can run well over $100,000 per home.

Which brings us to the third constituency of the Democrats: business owners, mostly the operators of mid-size and large corporations, who have become adept at collecting government subsidies. For example, if government overregulation makes it impossible for a home builder to make a profit selling homes that people with median incomes can afford to buy, then go into the affordable housing business and start collecting billions in government subsidies. Whether it's affordable housing, or "permanent supportive housing" for the homeless, or solar farms and wind farms, literally trillions of government dollars now flow into the hands of corporate special interests who no longer have to operate in a competitive market.

This reality makes Trump's election miraculous. Underlying the Democrat strategy are economic incentives that easily tempt more than 50 percent of all voters. They tempt every voter who has been driven into near poverty by the consolidation of markets and higher prices that result. They tempt every government worker who knows that Democrats will expand government. And they tempt—and are orchestrated by—those corporate interests that thrive when competition is eliminated and government subsidies pick up any shortfalls that may result from a market distorted by crippling regulations.

The populism of MAGA is increasingly derided by the corporate press as a naive, self-harming, misguided movement, manipulated by "oligarchs." To be sure, there are a few oligarchs who have jumped into the MAGA camp. But all of them—Musk, Ramaswamy, Thiel, Andreesen, Sacks, maybe even soon to be fully joined by Bezos, Zuckerberg, Soon-Shiong, and others—are innovators who have upended entire industries by *lowering* costs to customers. And as has become undeniably obvious, these "oligarchs" are trying to shrink government, not expand it.

It is not easy to characterize how America has realigned because conventional labels don't apply. This is not a battle against socialism because corporations are driving the Democratic Party. Calling it "corporatism" is too fancy and hard to understand, and calling it "fascism" evokes extraneous connotations that don't add clarity. But it's something of all those. And it must be stopped by appealing not only to America's remaining productive citizens but also to those millions who could be, and who could do so much better, if government and their corporate allies would just get off their backs.

Edward Ring is a senior fellow of the Center for American Greatness. He is also the director of water and energy policy for the California Policy Center, which he co-founded in 2013 and served as its first president. Ring is the author of Fixing California: Abundance, Pragmatism, Optimism (2021) and The Abundance Choice: Our Fight for More Water in California (2022). American Greatness, February 26, 2025.

ANNOUNCEMENTS

ANDY CALDWELL SHOW NOW LOCAL IN SLO COUTY

Now you can listen to THE ANDY CALDWELL SHOW in *Santa Barbara, Santa Maria & San Luis Obispo Counties!*

We are pleased to announce that The Andy Caldwell Show is now

broadcasting out of San Luis Obispo County on FM 98.5 in addition to AM

**1290/96.9 Santa Barbara and AM 1240/99.5 Santa Maria
The show now covers the broadcast area from Ventura to Templeton -**

THE only show of its kind on the Central Coast covering local, state, national and international issues! 3:00-5:00 PM WEEKDAYS
You can also listen to The Andy Caldwell Show LIVE on the [Tune In Radio App]() and previously aired shows at: 3:00-5:00 PM WEEKDAYS

COUNTY UPDATES OCCUR MONDAYS AT 4:30 PM

MIKE BROWN IS THE REGULAR MONDAY GUEST AT 4:30!

SUPPORT COLAB

MIKE BROWN ADVOCATES
BEFORE THE BOS

VICTOR DAVIS HANSON ADDRESSES A COLAB FORUM

DAN WALTERS EXPLAINS SACTO MACHINATIONS AT A COLAB FORUM

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

NATIONAL RADIO AND TV COMMENTATOR HUGH HEWITT AT COLAB DINNER

MIKE BROWN RALLIED THE FORCES OUTDOORS DURING COVID LOCKDOWN

KEEP HANDY * CONTACT YOUR ELECTEDS

ON ISSUES OF CONCERN!
THEY NEED TO HEAR FROM YOU!

Elected Officials Representing San Luis Obispo County

Governor Gavin Newsom
916-445-2841 Sacramento
https://www.gov.ca.gov/contact/

Senator Alex Padilla
202-224-3553 DC
https://www.padilla.senate.gov/contact/

Senator Adam Schiff
202-224-3841 DC
https://www.schiff.senate.gov/contact/

Representative Salud Carbal
202-225-3601 DC
805-546-6348 District
carbajal.house.gov/contact

Representative Jimmy Panetta
202-225-2861 DC
831-424-2229 District
panetta.house.gov/contact

State Senator John Laird
916-651-4017 Sacramento
805-549-3784 District
senator.laird@senate.ca.gov

State Assembly Member Dawn Addis
916-319-2030 Sacramento
805-549-3001 District
assemblymember.addis@assembly.ca.gov

SLO County Supervisor Bruce Gibson
805-781-4338 District
bgibson@co.slo.ca.us

SLO County Supervisor Heather Moreno
805-781-4339 District
hmoreno@co.slo.ca.us

SLO County Supervisor Dawn Ortiz-Legg
805-781-5450 District
dortizlegg@co.slo.ca.us

SLO County Supervisor Jimmy Paulding
805-781-4337 District
district4@co.slo.ca.us

SLO County Supervisor John Peschong
805-781-4491 District
jpeschong@co.slo.ca.us

JOIN OR CONTRIBUTE TO COLAB ON THE NEXT PAGE

Join COLAB or contribute by control clicking at: COLAB San Luis Obispo County (colabslo.org) or use the form below:

Coalition of Labor, Agriculture and Business
San Luis Obispo County
"Your Property – Your Taxes – Our Future"
PO Box 13601 – San Luis Obispo, CA 93406 / Phone: 805.548-0340
Email: colabslo@gmail.com / Website: colabslo.org

MEMBERSHIP APPLICATION

MEMBERSHIP OPTIONS:

General Member: $100 – $249 ❑ $ _______ **Voting Member: $250 - $5,000 ❑ $ _______**

Sustaining Member: $5,000 +❑ $ _______

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

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

MEMBER INFORMATION:

Name: ____

Company: ____

Address: ____

City: ______________________________ State: ____________ Zip: ____________

Phone: ______________ Fax: ______________ Email: ____________________

How Did You Hear About COLAB?

Radio ❑ Internet ❑ Public Hearing ❑ Friend ❑

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

NON MEMBER DONATION/CONTRIBUTION OPTION:

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

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

PAYMENT METHOD:

Check ❑ Visa ❑ MasterCard ❑ Discover ❑ Amex NOT accepted.

Cardholder Name: ________________________ Signature: ________________________________

Card Number:_________________________Exp Date: ___/___ Billing Zip Code: ______ CVV:____

TODAY'S DATE: ________________________