

COLAB SAN LUIS OBISPO COUNTY

WEEK OF NOVEMBER 27- DECEMBER 3, 2011

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ENERGY WISE PLAN (CLIMATE ACTION PLAN) ADOPTED 3/2

MAJOR COUNTY FEE INCREASES FOR LAND USE AND OTHER REGULATORY FUNCTIONS ADOPTED UNANIMOUSLY

Board of Supervisors

Board of Supervisors Meeting of November 22, 2011 (Completed)

Energy Wise Plan (Climate Action Plan) Adopted: The Climate Action Plan which purports to reduce greenhouse gas GHG emissions in San Luis Obispo County by 15% below baseline levels by 2020¹ was adopted on a 3/2 vote. Supervisors Gibson, Hill, and Patterson enthusiastically voted for the Plan. Supervisors Mecham and Teixeira voted against the Plan. About 18 people testified in support and about 13 against. Five or so of the supporters were energy retrofit contractors/consultants who repair duct work, install systems, conduct energy audits, and whose businesses might benefit from both incentivized and/or compulsory energy audit and retrofit policies adopted by the County. The Executive Director of the Santa Lucia Chapter of the Sierra Club, Andrew Christie, also supported the program, and in particular, the community aggregation component. Community aggregation is a process where a city, county, or other entity can contract for its residents to buy their electricity from a producer which uses primarily renewable sources such as wind, solar, or hydro (nuclear doesn't count). Under California law the utilities are required to wheel (deliver) the electricity through their systems to the customers in the aggregation area.

Public Voices Stifled: Two representatives of the wine grower/vintner organizations plus three private growers spoke against the plan. They believe it does not take into account many of the energy saving and adaptation measures which they have already embraced. They said they attended many of the County meetings which they found them heavily scripted (phony) and they indicated that their comments were ignored. Another speaker (not from the wine industry) said that she attended many of the workshop meetings with staff and was processed with red and green dot charade, in which participants were supposed to put green dots next to provisions posted on the wall which they supported and red dots next to those that they opposed. The problem was they gave each participant nine green dots and only one red dot.

¹ The County conducted a greenhouse gas inventory in 2006 which found that the County generated 917,700 metric tons of carbon dioxide per year.

Another group of opponents was comprised of representatives of the North County Tea Party Patriots as well as unattached individuals who spoke about the intrusive and freedom limiting aspects of the Plan and its links to international social and environmental protocols such as The Rio Accords and Agenda 21. Although COLAB did not specifically comment on these concerns, Board Chair Hill called COLAB Government Affairs Director Mike Brown to the podium and asked on the record, if he (Brown) was aware of such concerns. Brown explained that in fact he was aware and that as the Supervisors know, the County had not only become a member of The International Council For Local Environmental Initiatives (ICLEI) but had hired ICLEI consultants to help develop its greenhouse gas assessment and the overall design of the Climate Action Plan. Moreover, ICLEI, which has cast itself as a beneficial technical assistance organization to cities, has included references to Agenda 21 and other protocols in its governing Charter, and its Secretary General has characterized it as a “worldwide movement.” Brown referred Hill and the Board to the COLAB website and the May 2011 Newsletter, which contains an article entitled “Global Environmental Governance,” detailing ICLEI’s history, facts on its founder, its doctrine, the County’s membership, and the County's use of ICLEI consultants.

Board discussion: Supervisor Mecham asked a series of excellent questions: *“What are the cities doing?” “Why are we out in front of this?” “If commuting (cars) is the primary problem, why don’t we see what SLOCOG is doing?” “China is industrializing (and generating huge amounts of GHG’s), are we spitting in the wind?” “Where is the money going to come from for all the projects?” “Some of the concerns out there are valid but I need to see:*

- *What is the County going to do?*
- *What are they talking about in the cities?*
- *Cost benefit analysis.*
- *Are the cost /benefits to the County or the homeowner?”*

Supervisor Teixeira pointed out that there were already many energy saving transportation improvements, opportunities to improve public buildings (with solar panels, etc.), and similar pending projects which should be looked at first. He also noted that the agricultural community needed to be brought into the discussion.

Supervisor Hill strongly supported the Plan. "I think that there is general favor. ... This is a Plan from which to draw things." "We need creative ideas." "We can help homeowners with energy improvements." "There is an enormous amount of scientific evidence vs. the climate change deniers." "We have a State that is committed; the voters have rejected attempts to repeal climate change legislation. The (measures) were roundly defeated."

Supervisor Gibson said that “I certainly hope that we on this dais are well beyond debating the issue of climate change” “We are global citizens”. “The document maps out what we need to do.” *Gibson further pointed out that even corporations like Wal-Mart are involved in demanding energy saving in terms of their procurement policy. The County should encourage people to get energy ratings on home and commercial buildings (like car mileage stickers).* “I think we are ready to go forward.”

Supervisor Patterson said “I was a little disappointed to hear the representatives of the wine

industry state that they were not able to be involved.” He then went on to cite all the workshops, years of meetings, and three Planning Commission Hearings as examples of opportunities to participate.

Supervisor Mecham attempted to explain why people were afraid of the Plan. He said in effect, “We are really trying to tell the homeowners that they are not smart enough to take the energy saving actions themselves.” Supervisor Hill responded that “Supervisor Mecham was putting the cart before the horse and reacting to fear.”

There was considerable discussion of fear of the Plan. Supervisor Gibson observed “We should not give in to the fear and anger which comes from people confronting change.” Supervisor Hill said something to the effect that conservatives should want to be proactive on this to forestall more severe consequences of GHG’s and the need for even more government control.” Well Okay, we will get just a little bit pregnant.

Supervisor Mecham summed up: “If you really believe in sea water rise, why are you building the Los Osos sewer plant?”

COLAB voiced as many of the objections as could be put on the record in 3 minutes. These are listed again here as reference and background:

1. San Luis Obispo County’s effort will be statistically insignificant. CARB projects that by 2020 California will generate 500² million metric tons of GHG per year. The SLO County Climate Action Plan will supposedly reduce 134,000 metric tons or .0003% of the projected total per year. The County has justified its massive and costly regulatory effort by casting climate change as a crisis which compels all the components of its regulatory initiatives, including Smart Growth, Conservation and Open Space, and the Climate Action Plan. Clearly the County’s effort is about land use regulation and restriction, not reducing GHG.

2. In 2008 the estimated GHG for the planet was 30,000,000,000 metric tons per year, of which a little over 5 billion were generated by the United States, 7 billion by China (heavy coal use and rapid industrialization), and 4.1 billion by the European Union. Again, San Luis Obispo County is actually trying to trick people into accepting even more County control over their lives by casting this as a world apocalyptic crisis that the County must remedy. Several weeks ago, Supervisor Gibson complained that some groups in the County were falsely asserting that the County’s regulatory efforts would have catastrophic results. He coined the word “catastrophizing” to describe the actions of the unnamed groups. In reality, it is the County which has “catastrophized” the GHG situation into an excuse for more regulation, erosion of property rights, social engineering, and diminished freedom.

3. The Plan calls for in lieu fees (a tax) on new development, which would be used to fund energy improvements in older properties. This is nothing but a wealth redistribution scheme.

4. The plan seeks to require expensive home energy audits and even more expensive required heating, electric, appliance, window, and water system upgrades on older homes

² The LA metro area accounts for 279 million of California’s 500 million metric ton total.

before they can be listed or sold. Realtors testified at Planning Commission hearings that the proposed requirement could cost as much as \$50,000 per home.

5. The plan states that it will encourage the use of smart meters for electricity, gas, and water on all residential and commercial buildings. The Plan calls for working with energy companies to develop a web based application to provide customers with real time feedback on their energy consumption and related cost. Block rate increases and ultimately external control of appliances and other devices will follow.

6. The plan calls for amendment to the County's land use plans and ordinances to direct most new residential development away from rural areas and to concentrate new residential development in higher-density residential areas located near major transportation routes away from rural areas. Will existing neighborhoods be forced to accept higher densities? Will the dream of owning a free standing single family house on a large lot or country estate or ranchette be outlawed?

7. These and other requirements will effectively redline the entire unincorporated County, as potential buyers and lenders realize the inherent costs and difficulties in buying, selling, and building homes and commercial properties. It is unlikely that most of the cities or the neighboring counties will adopt such confiscatory provisions. In turn, this will devalue property. Will the County lower the property tax assessments as this occurs?

8. The Plan will provide the Board and staff with an inventory (ammunition) of new regulatory schemes which they can implement piecemeal over time when people are not paying attention.

9. Neither the Planning Staff nor the Planning Commission have conducted or authorized a study of the potential economic impacts of the Plan. In fact, both the planner in charge of the project (Caruso) and the Chair of the Planning Commission, Carlyn Christianson, responded to requests for such a study as "ridiculous," "not appropriate," "we are not going to do that," and stated that, "No, this is not a purview of the Commission ... It's the Board's responsibility."

10. The cost to the County of implementing the Plan is unknown.

11. The costs of complying with the Plan are unknown.

12. The cost benefit of the Plan is unknown. (However as indicated in item 1 above, the Plan will have little or no impact on the meaningful reduction of green-house gases in terms of the alleged problems). On the other hand it calls for costly required changes in the living patterns of residents of unincorporated San Luis Obispo County.

13. The Board should suspend further work until SLOCOG's work on the Sustainable Community Strategy (SCS) and subsequent Regional Transportation Plan (RTP) is complete and reviewed by the California Air Resources Board (CARB). It is SLOCOG which has the obligation under SB 375 to provide a report to the CARB. The Board should also suspend work until the recession is over and a local economic recovery is clearly proven.

Resource Management System (RMS) Changes Incorporated into Zoning Ordinances.

The two year schedule for conducting the RMS was unanimously adopted. As we have reported previously, the RMS is an annual process whereby the County conducts an analysis of water quality, water availability, traffic, school overcrowding, and availability of park land in a survey called the Resource Summary Report (RSR). The data is then considered by the Board and is used to lock out or otherwise restrict development in areas which the Board finds (certifies) to have "inadequate" resources.

Background: Last Spring COLAB pointed out to the Board that the statistics do not change significantly from year to year and that the elaborate and costly staff work of researching the data, preparing charts and graphs, and writing a lengthy report could be abolished or at least undertaken every 3 to 5 years. Subsequently the Board directed the staff to change the process from an annual project to a biannual project.

FY 2011-12 First Quarter Financial Report. The Board received the report and had few questions. Most departments are living within their adopted revenues and expenditures. There could be a problem in the Sheriff's budget as fuel costs, vehicle repair, and overtime have exceeded budget. Several Board members indicated that the increase is a result of expending and intensifying the Sheriff's patrol in rural areas. Supervisor Gibson took the opportunity to point out that this is an example of the cost of rural development, inferring that people should live in concentrated nodes to facilitate more efficient service delivery.

Planning In Budget Trouble -- Permitting Revenue Down. Based on first quarter experience, the Planning and Building Department could have a revenue shortfall as high as \$439,000. Apparently when they put the budget together, they didn't notice the lack of development in the unincorporated county. The County Administrator's write-up says it all: *The main driver of the revenue shortfall is building permit revenue that is falling short of budgeted amounts. The issuance of building permits shows a decline of 9% as compared with the same time in 2010-11. The summer months of the first quarter of each year (fiscal year) are typically a more active time in terms of building permit applications.*

Permit Fee Increases. The Board unanimously approved hundreds of fee increases. The justification is that fees should cover as close to 100% (full cost recovery) as possible. COLAB spoke at the meeting and opposed the increases because of the weak economy, especially in sectors related to land use, construction, real estate development, and business regulation.

Key COLAB recommendations included:

1. Do not raise fees which negatively impact business and development during a protracted recession.
2. The Board should explore privatization of these functions. It is clear that even with labor union concessions (no raises for the employees who provide these services in FY 2012-13), it will be impossible in the long run to economically produce these services utilizing a government employee, career-benefited civil service labor force.
3. If this is any example, the Board's streamlining initiative has not impacted these regulatory functions. If the initiative were working, the costs would be going down and the

processing would be faster. Before considering fee increases, the Board should ensure that each department requesting higher fees is running the permitting processes on a cheaper, faster, and better basis.

For the reader's convenience, repeated here is a sampling of fees of interest to COLAB:

Planning and Building:

- Request for exemption during area plan update: \$1,774 to \$2,639.
- Request submitted for exemption during plan update, version II: \$5,037 to \$5285.
- Lot line adjustment with initial study: \$7,174 to \$8,632.
- Tract map with initial study: \$10,401 to \$10,787.
- Tract map with Development to Plan/Conditional Use Permit: \$10,800 to \$11,224.
- Development Plan/Conditional Use Permit with Categorical Exemption: \$ 6,732 to \$7,785.
- Development Plan/ Conditional Use Permit with initial study: \$11,914 to \$14,603.
- Minor Use Permit-Tier I: \$1,936 – no increase.
- Minor Use Permit Tier III with Initial Study: \$7,576 to \$9,175.
- Geologic Review-Major: \$3,656 to \$3,852.
- Code Enforcement Violation Major: \$1,519 to \$1,799.
- Mitigation Monitoring/Site Visit: \$3,066 to \$3,916.

Public Works:

- Parcel Map Application Fee for Checking Through Tentative Approval: \$1,400 to \$1,998.

County Fire:

- Fire Safety Plan: \$396 to \$405. (Remember, this is one that is proposed to be required in order to obtain permits under the pending events ordinance)
- Development Plan/CUP, Oil Wells, Mines: \$594 to \$600 plus hourly billing.

Health Agency:

Annual Retail Food Facility Fees:

- Bar-no food: \$315 to \$330.
- Restaurant/over 50 seats: \$528 to \$553.
- Farm Stand: \$231 to \$254.
- Ag. Homestay: \$212 to \$233.
- Produce Truck: \$195 to \$215.

Land Use Review Fees:

- EIR Review: \$1,201 to \$1,833.
- Verification of Water and Sewer Disposal: \$363 to \$399.
- Tract Map Review (Water and Sewer): \$1,336 to \$1,405)

Parcel Map Review: \$1,288 to \$1,358.
Planning Department Pre-Application Meeting: \$477 to \$491.
Building Department Pre-Application Meeting: \$524 to \$552.

Hazardous Material Fees, annual permit renewal:

Service Station: \$170 to \$178.
A Facility with 1-4 Hazardous Materials: \$201 to \$210.
An Ag. Facility with 1-4 Hazardous Materials: \$186 to \$265.
New Underground Storage Tank: \$3,381 to \$3,697.

Board of Supervisors Meeting of November 29, 2011 (Not Scheduled)

California State Association of Counties (CSAC) Annual Conference: There will be no Board meeting because some or all of the Supervisors will be attending the annual CSAC conference in San Francisco. CSAC is primarily a lobbying organization which represents the 58 California counties in Sacramento and Washington DC. The Conference focuses on updating supervisors and senior staff people on legislation generated by the State Legislature, Governor, and State Agencies that is inimical to Counties. There are also educational sessions on local government finance, leadership, pensions, labor relations, and other operational matters. Considerable time is spent on adopting CSAC legislative positions.

Time is also spent on governance issues within CSAC. There are general sessions usually featuring motivational speakers and sometimes prominent California leaders. For example, this year, Former Assembly Speaker/former San Francisco Mayor, Willie Brown, will kick off the Conference during an opening session. For those supervisors who are so inclined, there is considerable jockeying for committee chairmanships and officer positions.

There are the usual rubber chicken lunches and dinners, as well as a dance, which can be viewed as either fun or grim depending on who you know. At least this year it's in San Francisco, which offers plenty of distractions. Attendees can bug out on Thursday evening's rubber chicken dinner and join in the gorgeous and traditional Evensong at Grace Cathedral (exquisite choral music in a spectacular visual and acoustical setting at 5:15 PM) and then hit the Balboa Café in Pacific Heights for cocktails and dinner with San Francisco's young smart set. Then they can grab a quick cab ride to the San Francisco Opera House to see a big time *Carmen*, an opera based on gypsies trying to fleece the public. (Champagne at the breaks). Since the San Luis Obispo Board is all guys, they won't be able to sport their diamonds and chinchilla stoles.

Next Board Meeting December 6, 2011 (Scheduled)

The agenda has not yet been posted and will be reported in next week's update.

OTHER GOVERNMENT ENTITIES

Planning Commission

Planning Commission Meeting of November 18, 2011 (Completed).

Planning Commission Retreat. On Friday, November 18, 2011, the Commission conducted an all-day study session from 9AM to 4PM at the Fairways at Dairy Creek in El Chorro Regional Park, 2990 Dairy Creek Rd. The purpose of the retreat was *to Discuss Planning and Building Department organization and process, Planning Commission roles and responsibilities, the Planning Commission Agenda process and procedures, and Long Range Planning initiatives*. The Commission was surprised to see how many new land use regulatory projects and ordinances initiated by the Board of Supervisors are in the pipeline. It is likely that Planning and Building Department leadership will assert that more staff is required to undertake all the work.

As we opined last week, they could have saved themselves and the community considerable trouble and recommended a moratorium on long-range planning initiatives.