



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: CEO
Department No.: 012
For Agenda Of: 3/17/2009
Placement: Departmental
Estimated Tme: 30 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Michael F. Brown, County Executive Officer
Director(s)
Contact Info: John Baker, Assistant CEO and Planning and Development Director
805-548-3400
SUBJECT: Proposed Santa Barbara County Climate Change Guiding Principles

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: NA

Recommended Actions:

- A. Receive a presentation on Santa Barbara County's roles in addressing State climate change requirements.
- B. Adopt a Resolution on the Matter of Adopting the Santa Barbara County Climate Change Guiding Principles and Supporting the County's Efforts to Reduce Greenhouse Gas Emissions to make the County competitive for funding under *American Recovery and Reinvestment Act* (the Federal economic stimulus bill).

Summary Text:

A response to State climate change policy will require coordination of the County's three roles as a "producer" of operational greenhouse gas (GHG) emissions, and both a "regulator" and "incentivizer" of reductions to communitywide GHG emissions. The County is already engaged in actions to address the "producer" role through the Sustainability and Conservation Team (SCT). To address the "regulator" and "incentivizer" roles, the Office of Long Range Planning has proposed the development of a Climate Action Strategy in its annual Work Program. As illustrated in Attachment 1, the Climate Action Strategy responds to public concern, State regulations, and Federal policies to achieve outcomes that preserve and protect the regional quality of life.

In addition, the passage of the Federal economic stimulus bill presents an immediate opportunity for Board direction regarding climate policy. If adopted, the proposed Climate Change Guiding Principles

(Attachment 2) would make the County competitive for immediate Federal stimulus funding available to local governments and inform deliberation on the development of a strategy that responds to the State's regulatory environment.

Background:

On December 16, 2008 the Office of Long Range Planning briefed the Board of Supervisors (Board) on recent State climate change legislation, including Assembly Bill (AB) 32, Senate Bill (SB) 375, and SB 97. As discussed during the briefing:

- AB 32 provides a comprehensive eighteen-point Scoping Plan to achieve a mandated Statewide reduction in greenhouse gas emissions to 1990 levels by 2020. This includes a 15% reduction in County operational emissions, as well as a 15% reduction in communitywide GHG emissions.
- SB 375 implements one of the eighteen points by linking the Regional Housing Needs Allocation (RHNA) process to the Regional Transportation Plan to reduce greenhouse gas emissions related to vehicle trips.
- SB 97 compliments AB 32 and SB 375 by changing existing environmental review requirements so that CEQA documents properly analyze and mitigate the effects of project-related and cumulative GHG emissions.

In fact, the California Attorney General's Office has used the provisions of SB 97 to compel jurisdictions, through lawsuits and threats of legal action, to acknowledge the impact of GHG emissions and develop comprehensive climate action strategies to mitigate communitywide and project-specific emissions.

Response to the Regulatory Environment

The County can respond to this regulatory environment by utilizing its three roles as a "producer" of operational GHG emissions, and both a "regulator" and "incentivizer" of reductions to communitywide GHG emissions. The General Services Department has been charged with developing a plan that would enable the County, as a "producer" of GHG emissions, to achieve the State's 15% reduction target for County operations. To address the "regulator" and "incentivizer" roles, the Office of Long Range Planning has proposed a project to develop a countywide Climate Action Strategy. This proposal was heard by the Planning Commission on January 28, 2009 and February 4, 2009, and was one of two projects that emerged as priorities to a majority of Planning Commissioners.

If approved by the Board, this project will set forth a series of goals, policies, and actions necessary to achieve compliance with AB 32, SB 375, and SB 97. Since AB 32 requires a 15% reduction in communitywide emissions, the County must use both regulatory and incentive-based approaches to achieve this target. A number of actions would be analyzed in the preparation of the Climate Action Strategy to produce the outcomes needed to comply with State requirements. Specifically, a cost-benefit analysis would be performed for various potential programs so that the Board can then determine which programs may be appropriate to both meet local preferences as well as satisfy State requirements. Examples of potential programs include regulatory changes to the building code and a financial incentive program encouraging property owners to retrofit existing structures, thereby resulting in more

energy efficient commercial and residential buildings. Similarly, the County could use its regulatory role to implement an alternative energy overlay zone to encourage development of solar, wind, or biofuel projects, or provide pass-through grants to local non-profits to assist with energy efficiency audits.

In addition, the County's roles as a "regulator" and "incentivizer" are key to compliance with the provisions of SB 97. In fact, the development of a comprehensive plan to address climate change has been required by the State Attorney General, as a result of recent lawsuit settlements with local governments. To address the Attorney General's concerns related to SB 97, the County's Climate Action strategy could propose a master GHG emission mitigation plan, applicable to all programmatic and project-specific County CEQA documents. Moreover, in addressing the requirements established with SB 375, policies to incentivize recycling of underutilized land and encourage an improved regional jobs/housing balance will assist the County in attaining an appropriate share of the Regional Housing Needs Allocation (RHNA). These policies, coupled with other regulations to preserve the County's rural heritage by directing growth to urban areas could position the County for financial incentives in the Regional Transportation Plan (RTP).

Clearly, the ability to comply with this overarching policy framework requires the County to exercise all three roles as a producer, regulator, and incentivizer. While the SCT is well positioned to address the County's operational emissions, achieving the communitywide GHG reductions called for by California's climate change policies requires a broad and comprehensive strategy.¹ Without question, active public involvement will be an essential component to the development of this communitywide response to climate change. This includes coordination with the Santa Barbara County Association of Governments and the Air Pollution Control District. In totality, this approach is necessary to achieve outcomes that meet with the community's expectations to preserve and protect the regional quality of life.

CEQA does not apply because the Board's consideration of this matter does not commit the County to a definite course of action in regard to an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. (Public Resource Code §21080(a).)

Guiding Principles for Climate Action and the American Recovery and Reinvestment Act

In addition to existing State mandates, the recently enacted *American Recovery and Reinvestment Act*, commonly referred to as the Federal economic stimulus bill, allocates over \$40 billion toward energy efficiency and conservation efforts that address climate change. Of that, approximately \$28 billion is directly available to local governments. Since its inception in the U.S. House of Representatives in January 2009, the Federal economic stimulus bill has promoted the creation of new jobs and a "green economy." Accordingly, the bill includes funding and provides tax incentives for a variety of initiatives to promote conservation planning, renewable energy, and energy efficiency in an effort to reduce GHG emissions over the next 10 years. Attachment 3 outlines funding opportunities available to local governments, including money that may be available to offset the cost of climate action.

The Board can take an early step forward by adopting the proposed Santa Barbara County Climate Action Guiding Principles, thereby making the County more competitive in accessing funds available to local

¹ The State's eighteen-point Scoping Plan can be divided into four areas of responsibility: Air/energy, Green building, Resource conservation, and Transportation and land use. Attachment 1 illuminates how these four areas are addressed.

governments and establishing a foundation to inform deliberations surrounding an overarching climate strategy. This statement of commitment can be referenced when applying for grants and loans, and places the County on equal footing with other jurisdictions that have taken similar actions. In fact, 25% (135) of all local jurisdictions in California, including 43% (25) of the counties, have adopted policies or programs related to climate change. Similar efforts are underway nationwide. For example, the “Cool Counties” initiative, which was created at the National Association of Counties Annual Conference in 2007, seeks to marshal the resources of all 3,066 counties across the nation to address the challenges climate change poses to communities.

Conclusion

The nexus between action to reduce GHG emissions, countywide economic vitality, public health and safety, and conservation planning is clear. Accordingly, the importance of a coordinated and centralized approach to the development of climate policy, and the related impact on programs cannot be understated. Adoption of the proposed Santa Barbara County Climate Change Principles establishes a foundation necessary to position the County to manage the regulatory environment and access Federal economic stimulus funding via a comprehensive strategy for climate action.

Performance Measure:

NA

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

Narrative: There is no fiscal impact associated with adopting the resolution and accompanying climate change guiding principles.

Staffing Impacts:

Legal Positions:

NA

FTEs:

NA

Existing County staff from various departments may be utilized in developing a strategy and in implementing projects that contribute to energy efficiency and the reduction of GHG emissions.

Special Instructions:

Clerk of the Board should send a copy of the resolution and minute order to Planning and Development and the General Services Departments.

Attachments:

1. Diagram: Proposed Architecture for Climate Policy in Santa Barbara County
2. Resolution concerning adoption of the Santa Barbara County Climate Change Guiding Principles and Supporting Efforts to Reduce Greenhouse Gas Emissions
3. Federal Funding for Climate Action, Energy, and Conservation Planning

Authored by:

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CC:

OLRP Chron File