



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

Submitted on:
(COB Stamp)

Department Name: Planning & Development
Department No.: 053
For Agenda Of: 12/16/2008
Placement: Departmental
Estimate Time: 45 minutes
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: John Baker, Assistant CEO and Planning and Development Director
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SUBJECT: Implications and Opportunities of State Climate Policy for Santa Barbara County

County Counsel Concurrence:

As to form/legality: Yes No N/A

Auditor-Controller Concurrence:

As to form: Yes No N/A

Recommended Action(s):

That the Board of Supervisors (BOS) receive and file a briefing on the impacts and opportunities associated with new statewide climate change legislation, and provide direction to staff as necessary.

Summary:

Recent State legislation aimed at addressing climate change presents a new policy environment, whereby the public and private sectors are required and encouraged to participate in reducing California's greenhouse gas (GHG) emissions. This framework, which includes Assembly Bill (AB) 32, Senate Bill (SB) 375, SB 97, as well as a host of additional topic-specific bills, presents various obligations and opportunities for Santa Barbara County (County) to participate in this emerging State directive.

Given the complex and relatively fluid nature of this discussion, the brief will:

- 1) Provide an overview of the current legislative environment related to climate change and GHG emission reductions, as well as the implications for local government.
- 2) Discuss the County's multiple roles as a) an organization that produces GHG emissions, b) a regulator of land use and development activities, and c) a potential provider of incentives capable of reducing GHG emissions.
- 3) Inform the Board of a forthcoming strategy to position the County as a regional leader in the climate change discussion by comprehensively addressing the roles described above.

The following Background section provides a brief overview of the December 16, 2008 presentation.

Background:

In response to public concern regarding greenhouse gas (GHG) emission levels, the State of California (State) has embarked on an ambitious effort to reduce its contribution to climate change. This effort began in 2000, with the passage of Senate Bill 1771, requiring the California Air Resources Board (CARB) to prepare an inventory of the State's GHGs emissions and to study data on global climate change. In 2002, further legislation began introducing GHG reduction strategies, including Assembly Bill (AB) 1493, which focused on vehicle emission standards; and, SB 1078, which called for electricity providers to increase purchases of renewable energy resources. In 2005, Governor Schwarzenegger signed California Executive Order S-3-05, setting a formal goal for statewide GHG emissions reductions; however, following these legislative early actions, it became clear that a comprehensive program of regulatory and market mechanisms would be necessary to achieve that goal.

On September 27, 2006, Governor Schwarzenegger signed AB 32, the Global Warming Solutions Act, which requires a 15 percent reduction of existing statewide greenhouse gas (GHG) emissions by 2020. This equates to approximately 169 million metric tons of carbon dioxide (MMTCO₂) that must be reduced statewide over a 12 year planning period. Through a balanced mix of incentives and regulatory requirements, AB 32 aims to reposition the California economy as one that is capable of leading in the production of new technologies, institutions, and behaviors needed to reduce GHG emissions.

While AB 32 sets a framework and process for these achieving these goals, it does not operationalize them. To begin executing the intended actions, the State legislature has thus far adopted thirteen bills and the Governor has signed four executive orders to provide GHG producers and regulators with additional direction regarding implementation activities. This includes the passage of SB 97, on August 24, 2007, which provides guidance on how GHG emissions are to be addressed through CEQA analysis, as well as the recent passage of the closely watched SB 375. Signed on September 30, 2008, SB 375 aligns the State's housing mandate with regional transportation plans to effectuate a reduction in vehicle trips. Under SB 375, each of the California's 18 Municipal Planning Organizations (MPO) is required to develop an aligned transportation and housing plan for adoption by 2013.

In addition to these topic-specific bills, AB 32 charged the California Air Resources Board (CARB) to develop a Scoping Plan outlining the State's strategy to achieve the 2020 GHG goals. The Scoping Plan proposes 18 emission reduction measures which are expected to be adopted in December 2009, with final reduction measures expected to be adopted by January 2011. These measures seek to implement AB 32's goal of framing a new statewide policy paradigm by outlining specific strategies and actions, including those related to energy conservation and efficiency, improvements to the state's infrastructure, regionally coordinated transportation planning practices, and market-mechanisms such as an emissions cap-and-trade program. These measures will be legally enforceable at the beginning of 2012, in order to reach the statewide emissions reduction target by 2020. The Scoping Plan recognizes the importance of local agencies in addressing climate change by issuing a general recommendation that local government operations match the 15% statewide emissions reduction target. Federal policy also seems poised to address the issue, as President-Elect Obama has been outspoken in his commitment to mitigating climate change, while also capitalizing on opportunities to stabilize the national economy through environmentally focused public infrastructure initiatives.

The pending regulatory environment, however, does not necessarily undermine local control. Rather, it creates opportunities to align local norms and values in such a way that the security of a region's quality

of life can be protected, enhanced, and allowed to flourish. In anticipation of these opportunities, several municipalities throughout the state, including Marin County, Sonoma County and the City of Santa Barbara, have voluntarily opted to initiate climate action plans. These plans set benchmarks and outline strategies for the reduction of GHG emissions, both internally and countywide. While Santa Barbara County has initiated several distinct climate-related programs in the areas of air, green building, water, waste, land use and transportation, it has not yet committed itself to developing a systematically coordinated strategy to capitalize on the opportunities presented by AB 32.

Using the 18 emission reduction measures that form the basis of the State's strategy, the County Office of Long Range Planning, at the Direction of the County Executive Office, is in the process of proposing a comprehensive Climate Action Strategy, in the context of the Long Range Planning Work Program for the coming year. If approved by the Board of Supervisors, this strategy will include careful coordination of resources to best manage the new regulatory framework by building on the County's strengths, as well as balancing expressed local preferences with the fulfillment of public obligations. While the policy landscape continues to unfold, the Scoping Plan does address areas where the County may position itself to execute a significant leadership role. Five specific areas of potential focus include:

- Local Government Operations: the Scoping Plan recommends a 15% reduction of emissions related to local government operations
- Regional Transportation Planning Activities (SB 375): regional transportation planning processes are to be coupled with housing planning processes to achieve greenhouse gas emissions by reducing vehicle trips
- Energy Efficiency, including Green Building Standards: emissions from existing and proposed development related to building design, construction, operations, and maintenance contribute a significant portion of statewide GHGs, and the Scoping Plan calls for new standards
- Million Solar Roofs Initiative: recent legislation, including SB 1 and AB 811, has enabled local government agencies to establish financing districts to facilitate the purchase and installation of solar roof panels
- Improved Light Duty Vehicle Standards: vehicle fleets are highlighted in the Scoping Plan for their role in addressing the goal of adding thousands of zero-emission vehicles to California roadways

In total, the Climate Action Strategy will propose to set forth a series of goals and objectives that will allow the County to prioritize, coordinate, and implement existing and future activities related to the reduction of GHG emissions, including the necessary SB 375 planning requirements. Particular attention will focus on alignment with the new statewide policy paradigm outlined by AB 32 through leveraging the County's multiple roles as a producer of GHG emissions, a regulator of GHG emitting activities, and a potential provider of incentives to reduce GHG emissions.

Fiscal and Facilities Impacts:

Budgeted: Yes No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized Cost:</u>	<u>Total Project Cost</u>
General Fund	\$0		\$0
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

Narrative:

Staffing Impact(s):

Legal Positions:
NA

FTEs:
NA

Special Instructions:

NA

Attachments: (list all)

1. State Climate Action Framework and a Sample of Related County Activities
2. State Climate Change Legislation of Local Significance
3. AB 32 Implementation Timeline

Authored by:

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cc:

OLRP Chron File

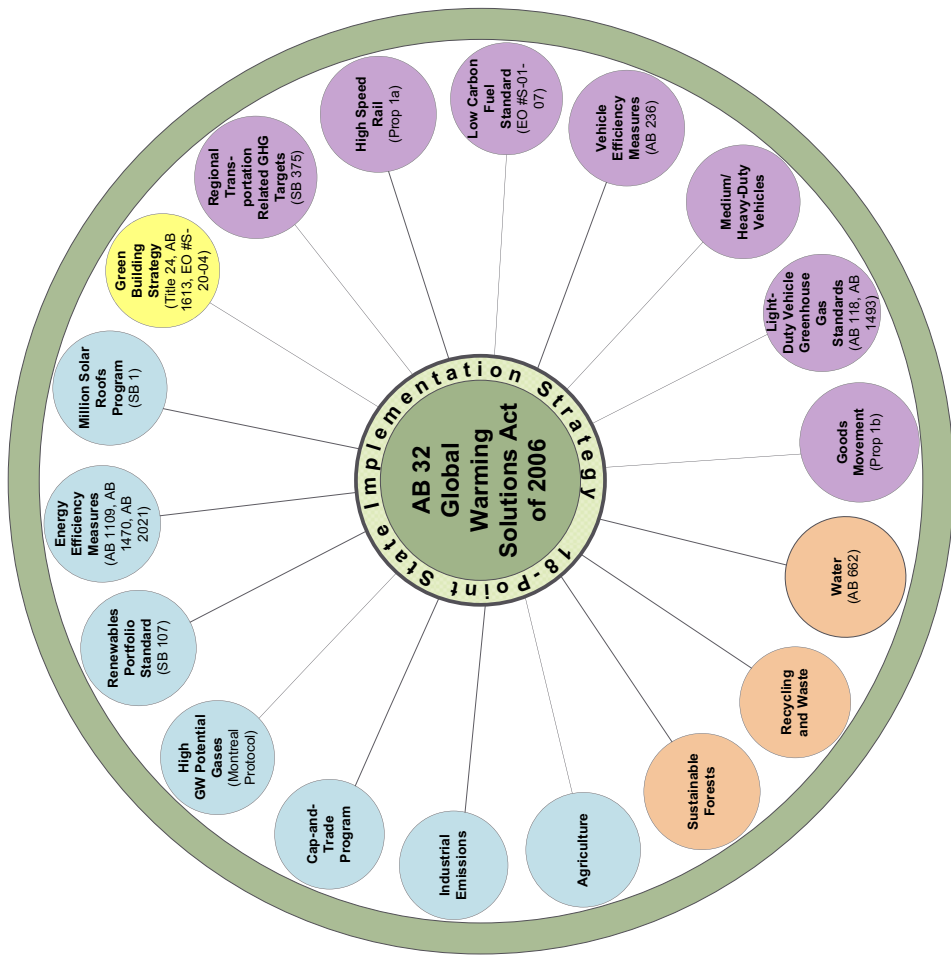
Attachment 1: State Climate Action Framework
and a Sample of Related County
Activities

State Climate Action Framework and a Sample of Related County Activities

This diagram illustrates the State's 18-point emission reduction strategy described in the Proposed Scoping Plan, pursuant to AB 32: The Global Warming Solutions Act of 2006. Several measures in the 18-point strategy have been partially or fully implemented through subsequent state legislation or Executive Orders (EO) issued by the Governor's Office (shown in parentheses). Combined, the 18-point AB 32 implementation strategy aims to produce significant reductions in GHG emissions by 2020. The State's strategy has been organized into four color-coded categories, each of which account for a percentage of the total GHG reduction goal: 1) Blue: Air and Energy (7 measures, 40% of total GHG reductions), 2) Yellow: Green Building (1 measure, 14.4%), 3) Orange: Resource Conservation (3 measures, 1.1%), and 4) Purple: Transportation and Land Use (7 measures, 34.5%). The four corresponding color-coded tables describe some of the existing sustainability activities in which Santa Barbara County is currently participating.

AIR / ENERGY		
COUNTY INITIATIVE	RESPONSIBLE AGENCY	DESCRIPTION
County Carbon Footprint Project (CO2 Inventory)	General Services	Investigates and analyzes the carbon footprint of county operations in the following sectors: buildings, vehicles and operations; to create an inventory of GHG emissions for FY 2005 focusing on carbon dioxide (CO2).
Greenhouse Gas Inventory Project	APCD	Develops capabilities to inventory greenhouse gas emissions in the County so the APCD can serve as a resource for jurisdictions and businesses who will be working to reduce their emissions, and to meet the new state regulations that will be established under AB 32.
California Environmental Quality Act (CEQA) Thresholds and Guidelines	APCD	Develops greenhouse gas emission thresholds for application in California Environmental Quality Act (CEQA) reviews of new projects in conjunction with California Air Pollution Control Officers Association.
2007 Clean Air Plan	APCD	Provides an overview of Santa Barbara County air quality and sources of air pollution, and identifies the pollution-control measures needed to meet cleanair standards.

GREEN BUILDING		
COUNTY INITIATIVE	RESPONSIBLE AGENCY	DESCRIPTION
Title 24 Compliance	Planning and Development	The Energy Efficiency Standards for Residential and Nonresidential Buildings are updated periodically to allow consideration and incorporation of new energy efficiency technologies and methods. The County adopts all updates to these standards, including the newest in early 2009, which incorporate additional green building principals.
Sustainable Public Architecture Directive	General Services	Voluntary efforts to define a minimum standard for public buildings and major projects and major remodels using LEED, Architecture 2030 and the Federal GSA-LEED cost based LEED standards.
Isa Vista Built-Right Housing Incentive Program	Redevelopment Agency	Used to encourage the use of energy efficient and green building practices, such as solar energy, low VOC interior finishes, and water conservation.
Innovative Building Review Program	Planning and Development	Advises developers on how to make their developments more energy efficient and attain incentives. The IBRP is made up of local professionals including contractors, architects, engineers, energy consultants, and government officials.



RESOURCE CONSERVATION		
COUNTY INITIATIVE	RESPONSIBLE AGENCY	DESCRIPTION
Integrated Regional Water Management Plan	Water Agency	A prerequisite for cities, water providers, and other stakeholders to State Proposition 50. Regional water management will be coordinated through cooperative partners throughout the region to formulate a plan to issue to the State.
Project Clean Water	Water Agency	A \$250,000 grant to carry out a two-year program that will assess County wetland functions and will create a guidebook that prioritizes the conservation efforts of wetlands within the County.
Tajiguas Landfill Gas Collection System	Public Works	Adds landfill gas collection wells and associated piping to the existing gas collection system, as well as maintenance. Converting collected gases into power by the on-site generator will create enough electricity to supply the needs of 3,000 homes throughout the year.
Waste Management	Public Works	Series of innovative programs designed to reduce and divert commercial and residential waste, including composting, recycling and clean up programs.

TRANSPORTATION / LAND USE		
COUNTY INITIATIVE	RESPONSIBLE AGENCY	DESCRIPTION
Regional Bikeway Plan	SBCAG Member Jurisdictions	Local Plans to comply with the requirements of the California Bicycle Transportation Act will be implemented through the implementation of a consistent set of bicycle policies and standards across the region.
Congestion Management Plan	SBCAG Member Jurisdictions	Designed to reduce auto-related congestion through capital improvements, travel demand management, and land use planning among all jurisdictions.
Regional Blueprint Grant	SLOCOG, City of Santa Maria and SB County	A Regional Blueprint Planning Pilot Study, called Community 2050, for San Luis Obispo County and the Santa Maria Valley Area to develop a comprehensive set of regional geographic data files as well as maps and other visual representations of data and other variables.
Santa Barbara County Greenbelt	LAFCO, County and City of Santa Maria	There is an existing greenbelt agreement between the City of Santa Maria and the County, administered by LAFCO. In addition, a conceptual proposal has been made for a green belt along Highway 246.

Attachment 2: State Climate Change Legislation of
Local Significance

State Climate Change Legislation of Local Significance

This matrix discusses recent statewide climate change legislation. While other topic-specific bills have been adopted by the State legislature, the three discussed here present the most immediate impacts and opportunities for local agencies.

State Legislation	Year Approved	Summary	Implementation Milestones	Oversight Agency
<p>AB 32 Sets target to reduce GHG emissions</p>	2006	<p>AB 32 requires the California Air Resources Board (CARB) to develop regulations and market mechanisms to reduce California's greenhouse gas (GHG) emissions back to 1990 levels by 2020. Mandatory caps on GHG emissions will begin in 2012 to achieve reduction targets.</p> <p>County Impacts: Specific requirements for local agencies as well as impacts associated with noncompliance are expected to be outlined by 2012.</p>	<p>2008 – Baseline for mandatory GHG emissions and 2020 statewide cap adopted by CARB.</p> <p>2009 – CARB adopts Scoping Plan indicating how emission reductions will be achieved from significant sources.</p> <p>2012 – GHG rules and market mechanisms adopted by CARB take effect and are legally enforceable.</p> <p>2020 – Deadline for emission reduction target.</p>	CARB OPR
<p>SB 97 Ties GHG analysis to CEQA</p>	2007	<p>SB 97 requires the State Office of Planning and Research (OPR) to develop legal guidelines for analysis and mitigation of GHG emissions, pursuant to CEQA.</p> <p>County Impacts: CEQA documents, including negative declarations, mitigated negative declarations, and environmental impact reports are required to address GHG emissions.</p>	<p>2009 – Preparation of guidelines for the feasible mitigation of greenhouse gas emissions or the effects of greenhouse gas emissions, as required by CEQA.</p> <p>2010 – Certification and adoption of guidelines.</p>	OPR
<p>SB 375 Implements one portion of AB 32</p>	2008	<p>SB 375 addresses one of the eighteen implementation measures called for by AB 32 through alignment of the Regional Housing Needs Allocation (RHNA) and the Regional Transportation Plan. This includes development of a Sustainable Communities Strategy (SCS) that would be adopted by SBCAG. Certain types of infill projects that are consistent with the SCS would receive CEQA exemptions and/or streamlining under SB 375.</p> <p>County Impacts: SB 375 calls for a new regional planning process, new requirements for environmental analysis, and strengthens the Housing Element rezoning mandate overseen by the State Housing and Community Development Department (SHCD).</p>	<p>2010 – GHG reduction targets related to SB 375 are established by CARB and assigned to Metropolitan Planning Organizations (such as SBCAG).</p> <p>2013 – Local Regional Transportation Plan updates, including adoption of the SCS & RHNA.</p> <p>2015-2023 – Housing Element updates.</p>	CARB SHCD SBCAG

Attachment 3: AB 32 Implementation Timeline

AB 32 Implementation Timeline

This timeline provides an overview of AB 32 implementation activities, which are overseen by the California Air Resources Board (CARB), from adoption in 2006 to 2020, when the statewide target for emissions reductions is to be achieved.

