

COUNTY OF SAN DIEGO BOARD OF SUPERVISORS - LAND USE  
REGULAR MEETING  
MEETING AGENDA  
**WEDNESDAY, MAY 24, 2023, 9:00 AM**  
COUNTY ADMINISTRATION CENTER, ROOM 310  
1600 PACIFIC HIGHWAY, SAN DIEGO, CALIFORNIA

Order of Business

- A. Roll Call
- B. Statement (just cause) and/or Consideration of a Request to Participate Remotely (emergency circumstances) by a Supervisor, if applicable.
- C. Closed Session Report
- D. Non-Agenda Public Communication: Opportunity for members of the public to speak to the Board on any subject matter within the Board's jurisdiction but not an item on today's agenda.
- E. Approval of the Statement of Proceedings/Minutes for the meeting of May 3, 2023.
- F. Consent Calendar
- G. Discussion Items

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Supporting documentation and attachments for items listed on this agenda can be viewed online at [www.sandiegocob.com](http://www.sandiegocob.com) or in the Office of the Clerk of the Board of Supervisors at the County Administration Center, 1600 Pacific Highway, Room 402, San Diego, CA 92101. To access the meeting virtually and offer public comment via a call-in option, please go to: [www.sandiegocounty.gov/telecomments](http://www.sandiegocounty.gov/telecomments) for instructions.

**ASSISTANCE FOR PERSONS WITH DISABILITIES:**

Agendas and records are available in alternative formats upon request. Contact the Clerk of the Board of Supervisors office at 619-531-5434 with questions or to request a disability-related accommodation. Individuals requiring sign language interpreters should contact the Countywide ADA Title II Coordinator at (619) 531-4908. To the extent reasonably possible, requests for accommodation or assistance should be submitted at least 72 hours in advance of the meeting so that arrangements may be made. An area in the front of the room is designated for individuals requiring the use of wheelchair or other accessible devices.

#### LANGUAGE TRANSLATION ASSISTANCE:

Language translation services for public speakers are available upon request to the Clerk of the Board of Supervisors at least 72 hours prior to the meeting (refer to Board Policy A-139 for additional information). Please contact the Clerk of the Board's office at (619) 531-5434 or via e-mail at [publiccomment@sdcounty.ca.gov](mailto:publiccomment@sdcounty.ca.gov).

**LEVINE ACT NOTICE: DISCLOSURES REQUIRED ON SPECIFIED ITEMS (GOVERNMENT CODE § 84308)** The Levine Act states that parties to any proceeding involving a license, permit or other entitlement for use pending before the Board must disclose on the record of the proceeding any campaign contributions of more than \$250 (aggregated) made by the parties or their agents to Board Members within the preceding 12 months. Participants with financial interests, and agents of either parties or participants, are requested to disclose such contributions also. The disclosure must include the name of the party or participant and any other person making the contribution; the name of the recipient; the amount of the contribution; and the date the contribution was made. This disclosure can be made orally during the proceeding or in writing on a request to speak.

### **Board of Supervisors' Agenda Items**

#### **CONSENT CALENDAR**

All agenda items listed under this section are considered to be routine and will be acted upon with one motion. There will be no separate discussion of these items unless a member of the Board of Supervisors or the Chief Administrative Officer so requests, in which event, the item will be considered separately in its normal sequence.

- | <b>Agenda #</b> | <b>Subject</b>  |
|-----------------|---|
| 1.              | ADMINISTRATIVE ITEM:<br>SECOND CONSIDERATION AND ADOPTION OF ORDINANCE:<br>COST RECOVERY PROPOSAL TO AMEND PORTIONS OF THE<br>ADMINISTRATIVE CODE AND ORDINANCES RELATED TO LAND<br>DEVELOPMENT FEES AND DEPOSITS EFFECTIVE FISCAL YEAR 2023-2024<br>[FUNDING SOURCE: FEES PAID BY PRIVATELY INITIATED LAND<br>DEVELOPMENT PROJECTS AND BUILDING PERMIT APPLICANTS]   |
| 2.              | NOTICED PUBLIC HEARING:<br>ADMINISTRATIVE ITEM:<br>SECOND CONSIDERATION AND ADOPTION OF ORDINANCE:<br>COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED TO FEES<br>AND DEPOSITS IN THE DEPARTMENT OF ENVIRONMENTAL HEALTH AND<br>QUALITY EFFECTIVE FISCAL YEAR 2023-24 AND CEQA EXEMPTION<br>(5/3/2023 – FIRST READING; 5/24/2023 – SECOND READING UNLESS<br>ORDINANCE IS MODIFIED ON SECOND READING)<br>[FUNDING SOURCE: FEES PAID BY DEHQ CUSTOMERS] |

3. ADMINISTRATIVE ITEM:  
SECOND CONSIDERATION AND ADOPTION OF ORDINANCE:  
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED TO FEES  
IN THE DEPARTMENT OF AGRICULTURE, WEIGHTS AND MEASURES  
EFFECTIVE FISCAL YEAR 2023-24 AND CEQA EXEMPTION (5/3/2023 - FIRST  
READING; 5/24/2023 - SECOND READING UNLESS ORDINANCE IS MODIFIED  
ON SECOND READING)  
[FUNDING SOURCE: FEES PAID BY AWM CUSTOMERS]
4. APPROVE AND RATIFY FISCAL YEAR 2022-23 REVENUE AGREEMENT  
WITH THE STATE WATER RESOURCES CONTROL BOARD FOR BEACH AND  
BAY WATER QUALITY MONITORING PROGRAM  
[FUNDING SOURCE: REVENUE AGREEMENT WITH THE STATE WATER  
RESOURCES CONTROL BOARD, GENERAL FUND FUND BALANCE, AND  
1991 HEALTH REALIGNMENT REVENUE FROM THE STATE]
5. MULTIPLE SPECIES CONSERVATION PROGRAM (MSCP) CONSISTENCY  
REVIEW AGREEMENT FOR MAR VISTA ISLAND ANNEXATION AND  
ASSOCIATED EXEMPTION TO THE CALIFORNIA ENVIRONMENTAL  
QUALITY ACT (CEQA)
6. 2022 MULTIPLE SPECIES CONSERVATION PROGRAM SOUTH COUNTY  
SUBAREA PLAN ANNUAL REPORT AND RELATED CEQA EXEMPTION
7. ADOPT A RESOLUTION TO APPLY FOR AND ACCEPT GRANT FUNDS FROM  
THE CALIFORNIA DEPARTMENT OF CONSERVATION FOR THE CLIMATE  
SMART LAND MANAGEMENT PROGRAM: CAPACITY BUILDING AND  
TECHNICAL ASSISTANCE; FIND THE ACTIONS ARE EXEMPT UNDER THE  
CALIFORNIA ENVIRONMENTAL QUALITY ACT  
[FUNDING SOURCE: THE CALIFORNIA DEPARTMENT OF CONSERVATION,  
APPROPRIATED BY THE BUDGET ACT OF 2022]
8. NOTICED PUBLIC HEARING:  
ADOPT RESOLUTIONS AMENDING THE 2019 STATEWIDE COMMUNITY  
INFRASTRUCTURE PROGRAM (SCIP) RESOLUTION AND ASSOCIATED  
CEQA EXEMPTION

(RELATES TO FLOOD CONTROL DISTRICT AGENDA NO. FL01)

## **DISCUSSION ITEMS**

- | <b>Agenda #</b> | <b>Subject</b>   |
|-----------------|--|
| 9.              | INCREASING UNDERSTANDING OF DECARBONIZATION EFFORTS BY<br>CONDUCTING A LOCAL ANALYSIS OF EXISTING RESIDENTIAL,<br>COMMERCIAL AND OTHER INFILL RENEWABLE ENERGY<br>INFRASTRUCTURE THROUGHOUT THE COUNTY AND IDENTIFYING<br>REMAINING AVAILABLE ROOFTOP, PARKING LOT AND OTHER INFILL<br>CAPACITY FOR FUTURE RENEWABLE ENERGY PROJECTS |

10. TRAFFIC ADVISORY COMMITTEE AND RELATED CEQA EXEMPTION  
(05/24/2023 - ADOPT RECOMMENDATIONS INCLUDING INTRODUCING AN  
ORDINANCE; 06/07~~14~~/2023 - SECOND READING OF AN ORDINANCE, UNLESS  
ORDINANCE IS MODIFIED ON SECOND READING)  
[FUNDING SOURCE: STATE HIGHWAY USER TAX ACCOUNT]
11. SET HEARING FOR JUNE 28, 2023:  
PUBLIC HEARING TO CONFIRM FISCAL YEAR 2023-24 LEVIES IN THE SAN  
DIEGO COUNTY STREET LIGHTING DISTRICT AND LANDSCAPE  
MAINTENANCE DISTRICT ZONES NO. 1 - RANCHO SAN DIEGO AND NO. 2 -  
JESS MARTIN PARK AND RELATED CEQA EXEMPTION  
[FUNDING SOURCE: PROPERTY OWNER PAID ASSESSMENTS AND A  
PORTION OF COUNTYWIDE PROPERTY TAX REVENUE; ASSESSMENT  
LEVIES ON PROPERTY OWNERS WITHIN THE IDENTIFIED DISTRICTS]
12. OPTIONS FOR REMOVING BARRIERS TO HOUSING AND FACILITATING  
THE COUNTY'S STATUS AS A PROHOUSING JURISDICTION AND  
EXEMPTION TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT  
(4 VOTES)

1. **SUBJECT: ADMINISTRATIVE ITEM:  
SECOND CONSIDERATION AND ADOPTION OF ORDINANCE:  
COST RECOVERY PROPOSAL TO AMEND PORTIONS OF THE  
ADMINISTRATIVE CODE AND ORDINANCES RELATED TO LAND  
DEVELOPMENT FEES AND DEPOSITS EFFECTIVE FISCAL YEAR  
2023-2024 (DISTRICTS: ALL)**

**OVERVIEW**

On May 3, 2023 (09), the Board of Supervisors took action to further consider and adopt the Ordinance on May 24, 2023.

This is a request for the Board of Supervisors (Board) to adopt the land development cost recovery proposal, which includes hourly rates, fees, and deposits for the processing of discretionary land development and building permit applications by Planning and Development Services (PDS), Department of Public Works (DPW), and Department of Parks and Recreation (DPR) (collectively “the Departments”).

Using cost recovery funding, the Departments provide services that range in diversity and complexity and serve a wide variety of customers. Services include environmental and project review, health and safety inspections of homes, and inspections of public infrastructure, such as roads, parks, and trails. The review of privately initiated land development and building permit applications ensures the safe design and construction of structures and infrastructure to protect the public. The Departments work in communities in the unincorporated region, conducting more than 60,000 inspections and processing more than 19,000 land development permits annually. This includes the issuance of over 7,000 residential solar photovoltaic permits reducing dependence on fossil fuels. Through these services, the County of San Diego (County) balances environmental, community, and economic interests to enhance the quality of life for residents and visitors in the unincorporated area of the region.

Board of Supervisors Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Exceptions require specific Board approval. The last cost recovery package was unanimously approved by the Board on April 27, 2022 (10). Since that time, the Departments have continued to provide services at the approved rates.

The fees proposed today for Fiscal Year (FY) 2023-24 are necessary to address cost changes, such as increased salary, benefit, and retirement costs, and to ensure full cost recovery, except where the Board has previously directed the waiver of fees such as residential roof mount photovoltaic and Accessory Dwelling Unit (ADU) fee waivers. Due to the timing of the labor negotiations last fiscal year, the FY 2022-23 cost recovery proposal only included the standard assumptions and not all cost increases associated with the negotiated labor agreements; it was stated that these cost increases would be included in a future cost recovery proposal. Today's proposal reflects two years of salary and benefit cost increases based on negotiated labor agreements and equity adjustments due to the timing of the last cost recovery proposal and the approved labor agreements. Therefore, due to the timing of the approved labor negotiations in FY 2022-23, those changes, as well as FY 2023-24 costs, are reflected in this cost recovery proposal. As an example, for PDS, approximately 80% of the department's costs are fixed and

fluctuate annually, such as salary and benefits, retirement, enterprise-wide services, and facilities, while 20% of the department's costs, such as services and supplies, and salary savings when positions are vacant are discretionary, meaning costs are determined by the department based on operational needs. The proposed fee package is to reflect known costs as accurately as possible to ensure full cost recovery, continue delivering programs and services to customers and the communities using data analysis, make data-driven decisions, and continue community outreach. Regular cost recovery updates allow the Departments to recuperate costs in a consistent and predictable manner without having to request County-provided one-time funding, while also providing stakeholders an opportunity to plan for smaller, more manageable fee increases as stakeholders have requested.

As part of this fee proposal the Departments evaluated 153 fees and propose to increase 143 fees, decrease one fee, delete zero fees, and add zero fees. Additionally, nine fees are proposed to not change. The Departments evaluated 110 intake deposits, and propose to increase 108 deposits, and decrease one deposit. Additionally, one intake deposit is proposed not to change.

For PDS, the proposed average flat fee increase requested in this cost recovery proposal is equivalent to a 9.5% increase, the average intake deposit change is a 10.3% increase, and the average hourly rate change is an 11.1% increase. For DPW, the proposed average flat fee increase requested is equivalent to a 4.0% increase, the average intake deposit change is a 14.0% increase, and the average hourly rate change is a 14.4% increase. DPR does not use fees or deposits and is only proposing to update its hourly rates; the proposed average hourly rate change is an 8.0% increase.

These increases in PDS and DPW include costs for salary and benefits including increases due to the negotiated labor agreement that went into effect in FY 2022-23. Recognizing that many customers are still recovering from a three-year pandemic, and incurring rising costs due to inflation, the Departments continue to focus on cost containment through innovation, efficiencies, and streamlining so that those savings can be applied where possible. The Departments have worked to contain costs where possible and have applied approximately \$2,000,000 in operational savings from streamlining measures or efficiencies. PDS has implemented cost savings programs, such as online payments, electronic approvals, expansion of online permit applications, text message building inspection management, and utilization of a mobile field inspection application. DPW has implemented tools that automate work previously done manually, such as reports and stormwater inspection scheduling, self-service tools, and a mobile inspection application. For PDS, without this cost containment, building fees would have needed to increase an additional 7.3%, and planning and land development hourly rates would have increased an additional 2.8% on average. For DPW, some fees would have increased 26%, and land development hourly rates would have increased an additional 3.6% on average without cost containment efforts.

Today's proposal requests three actions from the Board.

The first action is for the Board to find the proposed project is exempt from the California Environmental Quality Act (CEQA) as specified under Section 15273(a) of the CEQA Guidelines.

The second action is to approve Board-directed fee waivers as part of Board Policy B-29 for approximately \$5,200,000 in PDS related to appeals, fees for rebuilding structures damaged or destroyed by a natural disaster, plan review and building fees for the Green Building Incentive Program, permit fees associated with the Homeowner/Business Owner Relief Act, plan check, permit and impact fees associated with ADUs, permit fees associated with the Urban Agricultural Incentive Zone program, fees associated with political signage permits, and abatement fees associated with graffiti removal. These programs encourage health, safety, sustainability, and housing availability in the unincorporated region. The Green Building Incentive Program reduces plan check and permitting fees to encourage builders to use energy-saving materials when constructing homes and the Homeowner and Business Owner Relief Act program for minor permits, such as water heater replacements and residential roof mount photovoltaic systems, encourages sustainability practices and ensures health and safety codes are followed, and waiving plan check, permit and impact fees associated with the construction of ADUs encourages additional housing availability. Waiving abatement fees associated with graffiti removal helps to reduce the impacts of graffiti on unincorporated communities by proactively removing blight, and the Urban Agricultural Incentive Zone program waives permitting fees associated with maintaining a property in active agricultural use for a period of five years to promote and protect agricultural uses and recognize the public benefits of agriculture. The Board has previously directed these fees to be waived and provided General Purpose Revenue or General Fund fund balance appropriations to facilitate access to the appeal process, assist homeowners impacted by natural disasters, and strengthen support and promotion of sustainable building practices and additional housing units.

The third action is to approve the introduction, read title, and waiver further reading of the ordinance amendments in the San Diego County Administrative Code Sections 362, 362.1, 362.2 and 362.3 relating to the fees, deposits, and hourly rates the Land Development process on May 3, 2023. If the Board approves the three action on May 3, 2023, after making necessary findings, the Board on May 24, 2023 will be requested to consider and adopt , the ordinance amending Sections 362, 362.1, 362.2 and 362.3 of the San Diego County Administrative Code, relating to fee, deposits, and hourly rates for the Land Development process.. In accordance with Board Policy B-29, the Land Development team will review fees annually and return to the Board with any changes.

If this fee proposal is not approved, it would require the Departments to request one-time alternative County funding in the total amount of \$3,494,280 to ensure full cost recovery to continue delivering programs and services to customers and the communities, using data analysis to make data-driven decisions, and continue community outreach. If the fee proposal is not approved and alternative funding is not identified, the Departments would have operational impacts including increased processing times, reduced ability to conduct community outreach and perform research and data analysis to support data-driven decision-making. Resources would be shifted away from innovation and data analysis to front-line operations, and we anticipate a backlog would be created. This would impact customers by increasing overall costs to applicants as well as reduce our ability to focus on innovation, streamlining, and meeting operational goals. In addition, there will be a cumulative impact and the change in future fee updates will be even higher based on the need to cover the increases in this proposal, plus fee increases in future years.

**RECOMMENDATION(S)**  
**CHIEF ADMINISTRATIVE OFFICER**

Consider and adopt the following Ordinance (second reading) entitled: ORDINANCE AMENDING PORTIONS OF THE ADMINISTRATIVE CODE RELATING TO FEES AND DEPOSITS FOR THE DEPARTMENTS OF PLANNING & DEVELOPMENT SERVICES, PUBLIC WORKS, AND PARKS AND RECREATION (Attachment A).

**EQUITY IMPACT STATEMENT**

The County of San Diego strives to preserve, enhance, and promote quality of life, health and safety, sustainability, equity, and environmental resources through the implementation of programs and services that enhance the community by increasing the well-being of our residents and our environments while simultaneously complying with mandatory federal, State, and local regulations governing the land development process. The Departments utilized approved County methodology to ensure all direct and indirect project costs are fully recovered. This ensures that privately initiated project applicants are paying for the full costs needed to recover department costs associated with their project while ensuring development is designed and built to be safe, striving to meet or exceed federal, State, and local building, sustainability, and energy standards and provide opportunities for growth and development that meet the needs of the communities. In some instances, such as the Accessory Dwelling Unit (ADU) fee waiver program, fees have been waived by the Board of Supervisors to ensure equal opportunities for all communities to increase housing availability. Reviewing and updating fees and hourly rates ensures only project costs are being paid for by applicants and general public dollars are not used to subsidize privately initiated development projects. The Departments also continue to identify ways to reduce departmental costs to provide services to the public with cost containment efforts savings of over \$2,000,000 annually. Full cost recovery for privately initiated land development projects ensures that other tax dollars can be used for programs that improve equity throughout the organization.

**SUSTAINABILITY IMPACT STATEMENT**

The Departments proposed amendments to the hourly billing rates, fees, and deposits for services that are provided to the public will cover the full cost of services for the department's internal operations. The hourly billing rate, fee, and deposit changes are a result of the cumulative increase of the cost drivers such as salaries and benefits, services, and supplies, and associated departmental and countywide costs. The adjustments to the fees are based on available expenditure and revenue data, time studies, and service counts. Sustainability means efficiently using and effectively protecting natural resources, balancing economic growth, and ensuring just and equitable provision of public services, without compromising the ability of future generations to also flourish and thrive. The proposed actions support the County of San Diego's Strategic Initiative of Sustainability to align the County's available resources with services to maintain fiscal stability and that promote economic stability.

**FISCAL IMPACT**

The proposed increases to fees and deposits will be included in the Fiscal Year (FY) 2023-24 CAO Recommended Operational Plan in Planning & Development Services (PDS), Department of Public Works (DPW), and Department of Parks and Recreation (DPR).



If approved, the proposed fee and deposit adjustments will result in additional estimated costs and revenue of \$2,380,469 in PDS, \$1,113,411 in DPW, and \$400 in DPR, effective FY 2023-24, a total amount of \$3,494,280. The funding source is fees paid by privately initiated land development projects and building permit applicants.

A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) is requested to continue previously directed fee waivers, including appeal fees, fees for rebuilding structures damaged or destroyed by natural disasters, plan review and permit fees for the Green Building Incentive Program, Homeowner and Business Owner Relief Act Permits, Accessory Dwelling Units, Political Campaign Signage, Graffiti Abatement, and Urban Agriculture Incentive Zone program. These items are proposed to be less than full cost recovery, and a waiver of Board Policy B-29 is requested since the proposed fees do not cover all operating costs. The total unrecovered cost of the items combined is approximately \$5,200,000 for Fiscal Year 2023-24 and is proposed to be funded by existing and one-time General Purpose Revenue. In the future fiscal years, the Departments will return to the Board to identify the unrecovered cost and funding source. There will be no additional staff years needed as a result of the waiver.

## **BUSINESS IMPACT STATEMENT**

These recommendations would enable Planning & Development Services, the Department of Public Works, and the Department of Parks and Recreation to continue to align fees to the actual costs of services provided to fee payers in each fee category. These fees, deposits, and hourly rates allow the Departments to continue to meet program objectives, provide a level of service expected by stakeholders and customers, and fully recover costs. When individuals pay for services they receive, it ensures those agencies or individuals benefiting from the services pay those services rather than the general public which ensures that public tax dollars do not subsidize individual private projects.

2. **SUBJECT: NOTICED PUBLIC HEARING:  
ADMINISTRATIVE ITEM:  
SECOND CONSIDERATION AND ADOPTION OF ORDINANCE:  
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED  
TO FEES AND DEPOSITS IN THE DEPARTMENT OF  
ENVIRONMENTAL HEALTH AND QUALITY EFFECTIVE FISCAL  
YEAR 2023-24 AND CEQA EXEMPTION (5/3/2023 - FIRST READING;  
5/24/2023 - SECOND READING UNLESS ORDINANCE IS MODIFIED  
ON SECOND READING) (DISTRICTS: ALL)**

## **OVERVIEW**

On May 3, 2023 (10), the Board of Supervisors set a hearing, and took action to further consider and adopt the Ordinance on May 24, 2023.

This is a request for the Board of Supervisors (Board) to adopt the Department of Environmental Health and Quality (DEHQ) cost recovery proposal, which includes fees and hourly rates for services associated with food, pools, housing, body art, massage, organized camps programs, wells, septic systems, site assessment and mitigation programs, the Certified Unified Program Agency (CUPA) and medical waste program, as well as, the solid waste local enforcement

agency. This proposal also includes fees for the radiological health program, services in the vector laboratory, and miscellaneous department fees, such as rates for specialized technical staff services.

DEHQ protects the environment, community, and public health with over 40 programs that prevent disease, promote environmental responsibility, and enforce environmental and public health laws. DEHQ operates environmental health programs that regulate restaurants, public swimming pools, body art, substandard housing, septic systems, water wells, and hazardous materials. DEHQ reduces the risk of disease carried by rats and mosquitoes, oversees the State cleanup of methamphetamine and fentanyl contaminated properties, and monitors beach and bay water quality. In addition, DEHQ serves as the CUPA for hazardous materials and hazardous waste, the solid waste local enforcement agency, and is delegated the duties to implement and enforce the powers of a mosquito abatement and vector control district. DEHQ works in communities across the region, conducting more than 70,000 inspections, including oversight of over 15,000 food facilities and 14,000 businesses with hazardous materials. DEHQ performs surveillance and mosquito treatment at more than 1,600 sites throughout the region to lower the incident of vector-borne diseases and protects 70 miles of coastline by taking more than 6,000 water quality samples per year. Through these services, the County of San Diego (County) balances environmental, community, and economic interests to enhance the quality of life for residents and visitors.

Board of Supervisors Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Exceptions require specific Board approval. The last cost recovery proposal was unanimously approved by the Board on April 27, 2022 (8). Since that time, DEHQ has continued to provide services at the approved rates. To provide relief to businesses impacted by the economic impacts of the pandemic, there was no fee increases in FY 2020-21 and FY 2021-22 for DEHQ. The Board approved the use of departmental one-time funds to offset fee increases in certain programs, such as discretionary projects, and food permits for microenterprise home kitchens and cottage food operations in FY 2022-23.

The fees proposed today for FY 2023-24 are necessary to address cost changes, such as increased salary and benefit costs, and to ensure full cost recovery, except where the Board has previously directed the waiver of fees, such as reduced fees for food, housing, pool, and temporary event permits for nonprofit organizations. Due to the timing of the labor negotiations last fiscal year, the FY 2022-23 cost recovery proposal only included the standard assumptions and not all cost increases associated with the negotiated labor agreements. Today's proposal reflects two years of salary and benefit cost increases based on negotiated labor agreements and equity adjustments due to the timing of the last cost recovery proposal and the approved labor agreements. Therefore, FY 2022-23 as well as FY 2023-24 costs are reflected in this cost recovery proposal.

Approximately 75% of DEHQ's costs are fixed, such as salary and benefits, retirement, enterprise-wide services, and facilities, while 25% of the department's costs, such as services and supplies and salary savings when positions are vacant, are discretionary, meaning costs are determined by DEHQ based on operational needs. The cost recovery proposal reflects known costs as accurately as possible and ensures full cost recovery to continue to deliver programs and services to customers and communities, make data-driven decisions, and continue industry and community outreach. By reviewing and updating fees on an annual basis, DEHQ can recover costs in a consistent and predictable manner, while also providing businesses an opportunity to plan for smaller, more incremental fee increases, as stakeholders have requested.

DEHQ evaluated 230 fees for this cost recovery proposal, and proposes to increase 214 fees, modify 1 fee, and add 1 fee. Additionally, 14 fees are proposed to not change. If approved, this proposal will increase individual fees by an average of 9.5% since the Board unanimously approved the last cost recovery proposal on April 27, 2022 (8).

Recognizing that many customers are still recovering from a three-year pandemic, and incurring rising costs due to inflation, DEHQ continues to focus on cost containment through innovation, efficiencies, and streamlining so that those savings can be applied where possible. Since FY 2016-17, DEHQ has applied \$639,000 in ongoing savings from cost containment measures such as consolidating office space; expanding the online document library; converting to electronic applications; becoming accredited to provide mandated continuing education internally; developing and implementing a mobile app to conduct temporary event inspections; and implementation of the plan check digital review portal.

The practice of continuous improvement, implementing operational efficiencies, and prioritizing resources has positioned DEHQ to respond to evolving program and regulatory changes. In addition to the efforts made in prior years, this fiscal year DEHQ has approximately \$197,000 in new operational savings from efficiencies or streamlining measures that were implemented since the last cost recovery proposal. The efficiencies that have been applied include process improvements for facilities subject to the Above Ground Petroleum Storage Act in the CUPA program, automation of billing process for Hazardous Materials Division (HMD) programs, as well as, development and implementation of an updated inspection tracking log for the solid waste local enforcement agency, inspection report for the mobilehome parks inspection program, and mobile food facility plan templates. DEHQ also developed and implemented a new mobile app for the beach and bay water quality monitoring program to track daily environmental conditions observed while sampling. Combining prior year efforts, along with the efficiencies implemented this year, DEHQ has been able to apply a total of \$836,000 in savings from all cost containment measures to this proposal, reducing costs by 2%. Additionally, DEHQ is proposing to use \$1,664,906 one-time departmental funding to limit the fee increases and provide continued relief for businesses still impacted from the pandemic and current economic conditions in the food, body art, pools, septic and HMD programs, and for discretionary projects. This use of available funding will benefit nearly 130,000 customers and help reduce costs by 7.5%. Without cost containment efforts (2%) and use of one-time department funding (7.5%), fees would need to increase an additional 9.5%, or on average by 19%.

Today's proposal requests five actions from the Board.

The first action is for the Board to find that the adjustments to fees and charges are not subject to the California Environmental Quality Act (CEQA) in accordance with Sections 21080(b)(8) and 15273(a) of the CEQA Guidelines.

The second action is to find that the adjustments in fees and charges contained in proposed ordinance are necessary to meet operating expenses beginning in Fiscal Year 2023-24.

The third action is to approve a waiver of Board Policy B-29 related to fees not being full cost recovery for food, body art, pools, septic and HMD programs, and discretionary projects, and for reduced or waived fees for nonprofit organization food, housing, pool, and temporary event permits.

The fourth action is to approve the first reading of DEHQ's cost recovery proposal on May 3, 2023. If the Board approves the five actions on May 3, 2023, after making the necessary findings, the Board, on May 24, 2023, will be requested to consider and adopt the ordinance amending the County of San Diego Code of Regulatory Ordinances relating to permit fees and procedures for businesses and health-regulated activities in DEHQ effective FY 2023-24. In accordance with Board Policy B-29, DEHQ will review fees annually and return to the Board with any changes.

If this cost recovery proposal is not approved, DEHQ would require one-time alternative County funding in the amount of \$2,120,091 to ensure full cost recovery to continue delivering programs and services to customers and the communities, using data analysis to make data-driven decisions, and continue community outreach. If the fee proposal is not approved and alternative funding is not identified, DEHQ would have operational impacts, such as reduced services, increased processing times, reduced ability to conduct community outreach, and decreased opportunity to perform research and data analysis to support data-driven decision-making. Resources would be shifted away from innovation and data analysis to front-line operations and we anticipate a backlog would be created. This would impact customers by increasing overall costs to applicants as well as reduce our ability to focus on innovation, streamlining, and meeting operational goals. In addition, there will be a cumulative impact and the change in future fee updates will be even higher based on the need to cover the increases in this proposal, plus fee increases in future years.

## **RECOMMENDATION(S)**

### **CHIEF ADMINISTRATIVE OFFICER**

Consider and adopt the Ordinance amending the County Code of Regulatory Ordinances (second reading).

## **EQUITY IMPACT STATEMENT**

The County of San Diego (County) strives to preserve, enhance, and promote quality of life, health and safety, sustainability, equity, and environmental resources through the implementation of programs and services that enhance the community by increasing the well-being of residents and the environment while simultaneously complying with mandatory federal, State, and local regulations. The Department of Environmental Health and Quality (DEHQ) utilized approved County methodology to ensure all direct and indirect costs are fully

recovered. These recommendations will allow DEHQ to continue to provide important services to prevent disease, promote environmental responsibility, and ensure a level playing field for businesses.

## **SUSTAINABILITY IMPACT STATEMENT**

The Department of Environmental Health and Quality's (DEHQ) proposed amendments to the hourly billing rates, fees, and deposits for services that are provided to the public will cover the full cost of services for the department's internal operations. The hourly billing rate, fee, and deposit changes are a result of the cumulative increase of the cost drivers such as salaries and benefits, services and supplies, and associated departmental and countywide costs. The adjustments to the fees are based on available expenditure and revenue data, time studies, and service counts. Sustainability means efficiently using and effectively protecting natural resources, balancing economic growth, and ensuring just and equitable provision of public services, without compromising the ability of future generations to also flourish and thrive. The proposed actions support the County of San Diego's Strategic Initiative of Sustainability to align the County's available resources with services to maintain fiscal stability and that promote economic stability.

## **FISCAL IMPACT**

The proposed increases to fees are included in the Fiscal Year (FY) 2023-24 CAO Recommended Operational Plan in the Department of Environmental Health and Quality (DEHQ).

If approved, the overall proposed fee adjustments will result in additional estimated costs and revenue of \$2,120,091, including additional estimated costs and revenue of \$946,452 in the Food and Housing Division, \$622,849 in the Land and Water Quality Division, \$548,680 in the Hazardous Materials Division (HMD) and \$2,110 in the Community Health Division, effective FY 2023-24. The funding source is fees paid by DEHQ customers.

A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) is requested because the proposed fees do not cover all operating costs in the food, body art, pools, septic and HMD programs, and discretionary projects. The total unrecovered cost, per Board Policy B-29, for permit fees that are not full cost recovery is \$1,664,906, and if approved, will be funded with \$1,102,871 in committed General Fund fund balance, and \$562,035 from the Environmental Health Trust Fund.

Additionally, a waiver of Board Policy B-29 is requested to continue to reduce fees for food, housing, pool, and temporary event permits requested by nonprofit organizations. The total unrecovered cost per Board Policy B-29 for these waivers is approximately \$261,447 in DEHQ for FY 2023-24, and if approved, will be funded with existing General Purpose Revenue.

Inclusive of all funding sources and programs, the total unrecovered cost per Board Policy B-29 for DEHQ in FY 2023-24 is \$1,926,353. In future fiscal years, DEHQ will return to the Board to identify any unrecovered costs and funding sources. There will be no additional staff years.

## **BUSINESS IMPACT STATEMENT**

These recommendations would enable the Department of Environmental Health and Quality (DEHQ) to continue to align fees to the actual costs of services provided to fee payers in each fee category. These fees allow DEHQ to continue to meet program objectives, provide a level of service expected by stakeholders and customers, and fully recover costs.

3. **SUBJECT: ADMINISTRATIVE ITEM:  
SECOND CONSIDERATION AND ADOPTION OF ORDINANCE:  
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED  
TO FEES IN THE DEPARTMENT OF AGRICULTURE, WEIGHTS  
AND MEASURES EFFECTIVE FISCAL YEAR 2023-24 AND CEQA  
EXEMPTION (5/3/2023 - FIRST READING; 5/24/2023 - SECOND  
READING UNLESS ORDINANCE IS MODIFIED ON SECOND  
READING) (DISTRICTS: ALL)**

### **OVERVIEW**

On May 3, 2023 (11), the Board of Supervisors set a hearing, and took action to further consider and adopt the Ordinance on May 24, 2023.

This is a request for the Board of Supervisors (Board) to adopt the cost recovery proposal for the Department of Agriculture, Weights and Measures (AWM), which includes fees and hourly rates for services related to Agricultural Export, Certified Farmers Market (Direct Marketing), Industrial Hemp Cultivation, Verification of Agriculture, Apiary Certification, Apiary Registration, Hazardous Materials Inventory, Price Verification, and Weights and Measures Devices Programs.

This proposal provides the necessary resources and allows AWM to continue with outreach services that support public health and safety, a resilient food supply, continuing agricultural trade, enhanced consumer confidence, and a sustainable environment for the region. Through these services, the County of San Diego (County) balances environmental, community, and economic interests to enhance the quality of life for residents and visitors. AWM has 30 diverse programs that conduct over 340,000 inspections annually regionwide. Fee-related programs ensure the acceptance of 10,500 agricultural export shipments at destination, the integrity of produce sold at 32 Certified Farmers Markets, and the verification of price accuracy at 4,600 different retail locations.

Board of Supervisors Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Exceptions require specific Board of Supervisors (Board) approval. The last cost recovery proposal was unanimously approved by the Board on April 27, 2022 (9). Since that time, AWM has continued to provide services at the approved rates.

The fees proposed today for Fiscal Year (FY) 2023-24 are necessary to address cost changes such as increased salary and benefit costs, and to ensure full cost recovery except where the Board has previously directed the waiver of fees, such as for the Agricultural Export and Certified Farmers Market fees. It is consistent with the Board's commitment for a resilient food supply, continuing agricultural trade, enhanced consumer confidence, and a sustainable

environment, and to serve as required matching funds for State supplemental funding. Due to the timing of the labor negotiations last fiscal year, the FY 2022-23 cost recovery proposal only included the standard assumptions and not all cost increases associated with the negotiated labor agreements; AWM stated that these remaining cost increases would be included in a future cost recovery proposal. Today's cost recovery proposal reflects the remaining cost increases from FY 2022-23 and the cost increases for FY 2023-24 relating to salary and benefit costs based on negotiated labor agreements and equity adjustments.

Approximately 85% of AWM's costs are fixed, such as salary and benefits, retirement, enterprise-wide services, and facilities, while 15% of AWM's costs such as services and supplies and salary savings when positions are vacant are discretionary, meaning costs are determined by AWM based on operational needs. This cost recovery proposal reflects known costs as accurately as possible and ensures full cost recovery to continue to deliver programs and services to our customers and communities, make data-driven decisions, and continue community outreach. By reviewing and updating fees on an annual basis, AWM can recover costs in a consistent and predictable manner, while also providing stakeholders an opportunity to plan for smaller, more incremental fee increases as stakeholders have requested.

AWM evaluated 78 fees for this cost recovery proposal and proposes to delete one fee, increase 25 fees, decrease one fee, and leave 51 fees unchanged. Of the 51 unchanged fees, 46 are capped by the State in which 38 are related to the Weights and Measures device annual registration and eight are for pesticide regulation annual business registration, and five are related to services infrequently requested by customers for Verification of Agriculture, Agricultural Export, and Weights and Measures Programs.

The AWM fee adjustment in this cost recovery proposal will generate \$90,892 in additional revenue which is equivalent to an \$8 or 5.6% increase on average per fee. These increases include costs for salary and benefits based on the negotiated labor agreement that went into effect in FY 2022-23. AWM receives County and State funding to partially recuperate the cost of eligible agricultural programs. A portion of this funding and savings from operational efficiencies in this proposal were applied to the programs to mitigate the cost increases. The General Purpose Revenue (GPR) support is consistent with the Board's commitment for a resilient food supply, continuing agricultural trade, enhanced consumer confidence, and a sustainable environment, and to serve as required matching funds for State supplemental funding.

In FY 2021-22, the total cost of all agricultural programs was \$19.7 million. Local growers paid a fee total of \$772,885, or 4%, and out-of-county agricultural operators a fee total of \$457,079, or 2% of the total program costs. The remaining 94% of program costs were covered by the government/taxpayer: the County provided \$5.3 million, or about 27%, while State and federal contributions of \$13.2 million covered about 67%. State law mandates counties to provide fiscal support as a matching fund to receive the State supplemental funding. This State funding fluctuates annually and is a separate dedicated revenue source to supplement, not supplant, the available County funding for eligible agricultural programs. The total amount of \$416,763 in State supplemental funding is applied to contain the cost increases for the eligible agricultural programs in this cost recovery proposal.

AWM's continuing effort to leverage the use of technology and business process streamlining where possible are essential to contain cost increases, improve customer service, and promote regulatory compliance. AWM has obtained additional efficiency gains through innovation and streamlining business processes including the expedited data entry and certificate issuance in our Certified Farmers Market and Agricultural Export Programs. These business process improvements include streamlining the review process for grower and market certification and using a new mobile app for faster data input for plant shipment certificates. There also continue to be efficiency gains due to staff proficiency in previously implemented cost containment measures such as virtual video inspections and the use of mobile field inspection apps, which save time by reducing either travel or paperwork associated with completing inspections. AWM also continues to leverage efficiency gains from consolidating activities with dedicated staff to reduce training hours, combining field inspections to reduce billable time, improving compliance actions templates, and the use of resource documents, such as checklists and tutorials, to increase industry engagement in maintaining compliance. These efforts resulted in a saving of \$50,884 that is applied to reduce the cost increases in this proposal. Without these operational efficiencies, fees would have needed to increase an additional 3.4% on average.

The Board unanimously approved the last cost recovery proposal for AWM on April 27, 2022 (9). The fees proposed for FY 2023-24 are necessary to recover cost increases, such as increased salary and benefit costs, and to ensure full cost recovery, except where the Board has previously directed the waiver of fees. AWM proposes these fee adjustments to be effective July 1, 2023.

Today's proposal requests four actions from the Board. The first action is for the Board to find this proposal exempt from the California Environmental Quality Act (CEQA) as specified under Section 15273(a) of the CEQA Guidelines. The second action is to set a hearing for May 24, 2023, for consideration and adoption of the ordinance. The third action is to approve a waiver of Board Policy B-29 for a total of \$244,765 for operational costs of the Agricultural Export, Certified Farmers Market, and Industrial Hemp Cultivation Programs, which will be funded by existing General Purpose Revenue. This General Purpose Revenue support is consistent with the Board's commitment to a resilient food supply, continuing agricultural trade, enhanced consumer confidence, and a sustainable environment, and serves as required matching funds for State supplemental funding. The fourth action is to approve the introduction of the ordinance for the first reading of AWM's cost recovery proposal and the amendments in the San Diego County Administrative Code Section 364.3 relating to the fees and hourly rates on May 3, 2023. If the Board approves the four actions on May 3, 2023, after making the necessary findings, the Board on May 24, 2023, will be requested to consider and adopt the ordinance amending Section 364.3 of the San Diego County Administrative Code, relating to fees charged by AWM. In accordance with Board Policy B-29, AWM will review fees annually and return to the Board with any changes.

If this cost recovery proposal is not approved, AWM would require one-time alternative County funding in the amount of \$90,892 to maintain services at their current level. If the cost recovery proposal is not approved and no alternative County funding is provided, AWM would have operational impacts including reduced ability to conduct community outreach and reduced ability to perform research and data analysis to support data-driven decision-making. These reductions in services would impact customers by reducing our ability to focus on innovation, streamlining, and meeting operational goals. In addition, there will be a cumulative impact and



the change in future fee updates will be compounded based on the need to cover the increases in this proposal, plus future year budget adjustments.

## **RECOMMENDATION(S)**

### **CHIEF ADMINISTRATIVE OFFICER**

Consider and adopt the Ordinance amending Section 364.3 of the San Diego County Administrative Code, relating to fees charged by AWM (second reading).

## **EQUITY IMPACT STATEMENT**

The Department of Agriculture, Weights and Measures (AWM) strives to preserve, enhance, and promote quality of life, health and safety, economic equity, access to healthy food, a diverse local economy, and environmental sustainability in our regulatory programs and services. AWM uses County approved methodology to ensure regulated businesses receiving AWM's services are responsible for the associated costs, rather than the general public. This proposal supports food security in underserved communities by providing access to locally grown fresh produce and promotes business continuity for the many small-scale farmers. It also supports consumer confidence and a fair and equitable marketplace by verifying customers are being charged the correct prices at retail businesses that use point-of-sale stations and to ensure fair business practices.

## **SUSTAINABILITY IMPACT STATEMENT**

The Agriculture, Weights and Measures (AWM) Fiscal Year 23-24 cost recovery proposal provides fee and hourly rate adjustments that partially cover the cost of services provided to regulated businesses. The fee and hourly rate adjustments are the result of the cumulative increase in cost drivers such as salaries and benefits, services and supplies, and associated department costs. The adjustment to the fees and hourly rates is based on time studies, the number of services provided, cost-containment efforts, expenditure and revenue data, and available funding. These services provide consumer protection, promote the exclusion of invasive pests, maintain standards at Certified Farmers Market (Direct Marketing), provide compliance monitoring of industrial hemp cultivation, and support apiary standards. They also ensure the continuity of agricultural resources that contribute to environmental sustainability and support efforts to mitigate climate impacts. This proposal aligns with County of San Diego's sustainability goals for economy, environment, climate, and resilience.

## **FISCAL IMPACT**

The proposed increases to fees are included in the Fiscal Year (FY) 2023-24 CAO Recommended Operational Plan in Agriculture, Weights and Measures (AWM).

If approved, the fee and hourly rate adjustments for Agricultural Export, Certified Farmers Market (Direct Marketing), Industrial Hemp Cultivation, Verification of Agriculture, Apiary Certification, Hazardous Materials Inventory, Price Verification, and Weights and Measures Devices Programs will result in additional estimated costs and revenue of \$90,892 and deletion of Apiary Registration fees would result in a reduction of costs and revenue of \$570 in AWM effective FY 2023-24. The funding source is fees paid by AWM customers.

A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) is requested since the proposed fees for the Agricultural Export, Certified Farmers Market, and Industrial Hemp Cultivation Programs do not cover all operating costs. The total unrecovered cost per Board Policy B-29 for FY 2023-24 is approximately \$244,765 and if approved, these programs will be funded with existing AWM General Purpose Revenue. AWM will return to the Board with any future necessary fee adjustments including identification of any unrecovered costs and funding sources. There will be no additional staff years.

#### **BUSINESS IMPACT STATEMENT**

If approved, these recommendations would enable the Department of Agriculture, Weights and Measures to continue providing the necessary services that support public health and safety, a resilient food supply, continuing agricultural trade, enhanced consumer confidence, and a sustainable environment for the region.

4. **SUBJECT: APPROVE AND RATIFY FISCAL YEAR 2022-23 REVENUE AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR BEACH AND BAY WATER QUALITY MONITORING PROGRAM (DISTRICTS: 1, 3, & 5)**

#### **OVERVIEW**

State law (Health and Safety Code, Chapter 765, Sections 115875 - 115915) provides a program for beach water quality testing and public notification when test results indicate an increased risk of illness during water contact. The law establishes criteria to identify the beach locations and frequency of monitoring for water quality and the process for providing information to the public on beach water quality conditions and closing beaches for sewage impacts. The criteria identifies beaches: 1) with storm drains that discharge to the beach during dry weather and 2) that are visited by more than 50,000 people per year. Beaches that meet these criteria are mandated to be monitored at least weekly from April 1 through October 31, the “dry weather” period when beaches are most accessed for recreation, by the local health officer or director of environmental health during a fiscal year in which the Legislature has appropriated sufficient funds for local agencies to cover the costs associated with the performance of these duties. The appropriated funds are distributed through State revenue agreements. The revenue agreement with the State Water Resources Control Board (SWRCB) for Fiscal Year 2022-23 is the subject of this Board letter.

Since 1999, the Department of Environmental Health and Quality (DEHQ) has annually entered into a revenue agreement with the State to receive funds to implement the State-mandated dry weather Beach and Bay Water Quality Monitoring Program (Program). This Program collects samples and tests ocean water, conducts public education and outreach, posts signs warning of contaminated water at public beaches when samples exceed State health standards, and closes beaches impacted by sewage or chemical spills. Up-to-date beach water quality information is also made available to the public at [sdbeachinfo.com](http://sdbeachinfo.com) so that beach users can make informed decisions as to when and where to enter the water.

In addition to the funding received through the revenue agreement with the SWRCB, the County of San Diego (County) also receives 1991 Health Realignment revenue from the State which is used to support the Program costs. The 1991 Health Realignment revenue is dedicated State funding provided to counties to cover costs associated with public health, mental health, and social services program responsibilities transferred from the State to counties. The total cost of the Program for Fiscal Year 2022-23 is anticipated to be approximately \$796,790. The revenue agreement with the SWRCB will fund \$354,539, which consists of federal (\$189,114) and State (\$165,425) funding made available through the Public Beach Safety Grant Program. Since this revenue agreement is funded by both federal and State monies, there are two different performance periods for funding reimbursement because the agencies operate under different fiscal year cycles. The performance period for the State-funded portion will reimburse expenses incurred from July 1, 2022 to June 30, 2023, while the federally funded portion will reimburse expenses incurred from October 1, 2022 to August 15, 2023.

Additionally, DEHQ will use \$33,455 in General Fund fund balance and \$408,796 of 1991 Health Realignment revenue for the Beach and Bay Water Quality Monitoring Program. This accounts for expenditures not allowable under the revenue agreement, such as monitoring during wet weather months, from November 1 to March 30. Monitoring in wet weather months is needed as beaches in our region are used year-round. The 1991 Health Realignment revenue also funds County support costs such as overhead and facilities costs, which are capped to 20% of State funding and 10% of federal funding under the revenue agreement. A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*, is requested in the amount of \$442,251 for program costs not covered by the revenue agreement and to implement a year-round Beach and Bay Water Quality Monitoring Program throughout the coastal shoreline. In addition, ratification is requested, as delayed receipt of the State agreement prevented DEHQ from bringing this agreement to the Board at least 60 days before the effective date of the agreement, and work began before the agreement was in place, as required by Board Policy B-29. The County received a final revenue agreement from the SWRCB on March 13, 2023.

If approved by the Board of Supervisors, these recommendations also authorize the DEHQ Director, or their designee, to execute a revenue agreement with the SWRCB in the amount of \$354,539 for the period of July 1, 2022 through August 15, 2023 to fund the Beach and Bay Water Quality Monitoring Program, and adopt a resolution authorizing DEHQ to receive the funds.

**RECOMMENDATION(S)**  
**CHIEF ADMINISTRATIVE OFFICER**

1. In accordance with Section 15061(b)(3) of the State of California Environmental Quality Act (CEQA) Guidelines, find that it can be seen with certainty that there is no possibility this project may have a significant effect on the environment and that it is therefore exempt from CEQA.
2. Waive Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*, which requires full cost recovery for revenue contracts as well as docketing revenue contracts with the Board at least 60 days prior to the effective date of the contract.

3. Ratify acceptance and authorize the Director, Department of Environmental Health and Quality, or their designee, to execute a revenue agreement with the State Water Resources Control Board to fund beach and bay water quality monitoring, in the amount of \$354,539 for the period July 1, 2022 through August 15, 2023.
4. Adopt a Resolution entitled: RESOLUTION AUTHORIZING EXECUTION OF A REVENUE AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR BEACH AND BAY WATER QUALITY MONITORING PROGRAM FOR FISCAL YEAR 2022-23
5. Authorize the Director, Department of Environmental Health and Quality, or their designee, to execute any extensions, amendments, or revisions thereof that do not materially impact or alter either the program or funding level.

### **EQUITY IMPACT STATEMENT**

The Department of Environmental Health and Quality protects and promotes a healthy environment for the residents and visitors of the region by ensuring safe, sustainable communities, and preserving and enhancing the natural environment in which people live. The funding received through the revenue agreement with the State Water Resources Control Board for the Beach and Bay Water Quality Monitoring Program will ensure that the public is informed of potential health risks related to water contact when testing indicates that bacteria levels exceed State health standards.

Funding from the revenue agreement is provided to equitably monitor ocean water quality in all areas of the county with storm drains that discharge to the beach during dry weather and beaches that are visited by more than 50,000 people per year.

### **SUSTAINABILITY IMPACT STATEMENT**

The Beach and Bay Water Quality Monitoring Program contributes to many of the County of San Diego's Sustainability Goals: protect health and wellbeing; engage the community; and protect ecosystems, habitats, and biodiversity. Ensuring that the public is informed of potential health risks related to water contact will allow residents and visitors to make informed decisions about whether or not to enter the water while enjoying the natural resources found in the 70 miles of coastline with the region. Safe access to beaches promotes exercise and positive physical and mental health. Poor water quality at beaches not only threatens the health of swimmers and beachgoers but also hurts our ocean-dependent economy, such as tourism and recreation. Additionally, education and outreach efforts lead to strong connections between people and beaches. These benefits impact beach visitors of all ages, abilities and financial resources.

### **FISCAL IMPACT**

Funds for this request are included in the Fiscal Year 2022-23 Operational Plan in the Department of Environmental Health and Quality (DEHQ). If approved, this request will result in current year program costs and revenue of \$796,790. The funding sources are a revenue agreement with the State Water Resources Control Board (\$354,539), General Fund fund balance (\$33,455) and 1991 Health Realignment revenue from the State (\$408,796). The County of San Diego receives a fixed amount of ongoing 1991 Health Realignment revenue for the costs

of operating various State mandated public health officer programs, one of which is the Beach and Bay Water Quality Monitoring Program. A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*, is requested in the amount of \$442,251 for program costs not covered by the revenue agreement, including County support costs which are capped under the State revenue agreement, and for wet weather monitoring. Subsequent year costs and revenues will be included in future year Operational Plans for DEHQ. There will be no change in net General Fund cost and no additional staff years.

#### **BUSINESS IMPACT STATEMENT**

Water quality testing needs to be conducted in a timely manner to ensure the protection of public health and to monitor for water quality impacts at public beaches and bays. When bacteria levels in the water at beaches and bays exceed State health standards, business, tourism and recreational activities in the county can be negatively affected due to a decline in beachgoers recreating and frequenting businesses.

**5. SUBJECT: MULTIPLE SPECIES CONSERVATION PROGRAM (MSCP)  
CONSISTENCY REVIEW AGREEMENT FOR MAR VISTA ISLAND  
ANNEXATION AND ASSOCIATED EXEMPTION TO THE  
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)  
(DISTRICT: 5)**

#### **OVERVIEW**

This is a request for the Board of Supervisors (Board) to consider approving the Multiple Species Conservation Program (MSCP) Consistency Review Agreement (CRA) between the County of San Diego (County), City of Vista (City), United States Fish & Wildlife Service (Service), and California Department of Fish & Wildlife (Department). The MSCP is a program that provides a large, connected preserve within the unincorporated area to help better protect rare, threatened and endangered species as development occurs. This program allows for important conservation land to be set aside for future management as new recreation, agriculture, and development occurs, achieving both environmental and economic benefits for the region. The CRA ensures the Mar Vista Island Annexation (Annexation) will not jeopardize the buildout of the Draft North County MSCP Priority Conservation Area (PCA) or compromise viable habitat linkages within the PCA. The PCA is the area in which mitigation and conservation are anticipated to occur and has been identified as having the highest biological value and best areas to assemble a habitat preserve.

The Annexation consists of two non-contiguous islands within the City's sphere of influence that will be annexed from the unincorporated area into the City. The area to be annexed is fully developed with primarily single-family homes and does not include any undisturbed areas that could qualify as conservation lands. The Annexation application submitted by the City was conditionally approved on November 7, 2022 by the San Diego Local Agency Formation Commission (LAFCO). LAFCO is a commission made up of appointed elected officials and public members that are responsible for coordinating and overseeing the establishment, expansion, and organization of cities, towns, and special districts as well as their municipal service areas. The immediate purpose of the Annexation is to avoid overlapping responsibilities

involving wastewater, fire protection, and emergency medical services. The long-term purpose is to bring the unincorporated islands into the City's jurisdiction and coordinate land use to be consistent with the City's General Plan.

At the County's request, LAFCO conditioned the Annexation to require the completion of the CRA because it will result in approximately 143 acres located within the County's Draft North County MSCP Plan Area moving into the City. The County requested this condition to address Section 6.8.3 of the North and East County MSCP Planning Agreement (Planning Agreement). The Planning Agreement defines the County's, Service's, and Department's commitment to preparing the MSCP Plans. It requires that the County request a CRA to ensure annexations within the MSCP planning areas will not jeopardize the buildout of future preserves or the coverage of species within the Planning Areas, or compromise viable habitat linkages within the proposed preserves. County staff have reviewed the CRA and determined the Annexation will not impact the Draft North County MSCP because it is not within or adjacent to the Priority Conservation Area (proposed preserve), and because it is fully developed. Therefore, it meets the requirements set forth in Section 6.8.3 of the Planning Agreement.

### **RECOMMENDATION(S)**

#### **CHIEF ADMINISTRATIVE OFFICER**

1. Find in accordance with Section 15061(b)(3) of the State of California Environmental Quality Act (CEQA) Guidelines that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and is, therefore, exempt from the California Environmental Quality Act.
2. Approve and authorize the Clerk of the Board to execute, upon receipt, two original copies of the Multiple Species Conservation Program Consistency Review Agreement for Mar Vista Island Annexation (Attachment B, on file with the Clerk of the Board) by and among the City of Vista, the County of San Diego, the United States Fish and Wildlife Service, the California Department of Fish and Wildlife.

### **EQUITY IMPACT STATEMENT**

The MSCP CRA identified within this Board Letter will support County of San Diego efforts to conserve habitat and protect vulnerable species within the unincorporated area, including rare, threatened, and endangered species. The CRA ensures the viability of the Draft North County MSCP PCA. Future implementation of the North County MSCP will have a positive impact on all residents and visitors by improving water and air quality and preserving the natural environment for future generations.

### **SUSTAINABILITY IMPACT STATEMENT**

The MSCP CRA will support the County of San Diego Sustainability Goal No. 6 to protect ecosystems, habitats, and biodiversity, according to the County of San Diego's Sustainability Vision and Goals. The CRA helps sustain the Draft North County MSCP by ensuring the PCA remains viable even as this land is annexed out of the County. The CRA ensures the annexation will not jeopardize the buildout of future preserves or the coverage of species within the Draft North County MSCP, or compromise viable habitat linkages within the PCA.

## **FISCAL IMPACT**

There is no fiscal impact associated with the approval of the Mar Vista Consistency Review Agreement. There will be no change in net General Fund costs and no additional staff years.

## **BUSINESS IMPACT STATEMENT**

N/A

**6. SUBJECT: 2022 MULTIPLE SPECIES CONSERVATION PROGRAM SOUTH COUNTY SUBAREA PLAN ANNUAL REPORT AND RELATED CEQA EXEMPTION (DISTRICTS: ALL)**

## **OVERVIEW**

San Diego county has one of the most diverse habitats in the United States, with over 200 rare, threatened, or endangered species inhabiting the region. To protect the region's biodiversity, in 1997, the County of San Diego (County) partnered with 11 other jurisdictions, community stakeholders, the United States Fish and Wildlife Service, and California Department of Fish and Wildlife (Wildlife Agencies) to develop the Multiple Species Conservation Program (MSCP). The MSCP is a long term, regional habitat conservation program focused on balancing the protection of plant and animal species with recreation, development, and agricultural activities within the San Diego region. On October 22, 1997 (1), the County Board of Supervisors (Board) adopted the 50-year MSCP South County Subarea Plan, which includes the unincorporated areas in the southwestern portion of the region. The South County Subarea Plan requires the County, Wildlife Agencies, and partnering agencies to conserve 98,379 acres (MSCP Preserve).

The South County Subarea MSCP Preserve goal of 98,379 acres was determined by the area needed to successfully conserve populations of MSCP covered species, associated high-quality habitats, and wildlife linkages between large, conserved areas. Habitat that is mostly intact or has not been degraded by impacts such as from development activities or a high frequency of fires is generally considered to be high-quality. To create opportunities for residents and visitors to connect with nature, passive recreation is allowed within County preserve lands in areas where MSCP covered species and habitat would not be impacted.

In addition to the adopted South County Subarea Plan, there are two additional MSCP plan areas in the unincorporated area: the draft North County Plan and future East County Plan. On October 28, 2020 (6), the Board directed staff to develop a plan for the draft North County Plan Area. The draft North County Plan will cover the northwestern portion of the unincorporated area and is anticipated to be brought to the Board for consideration in Fiscal Year 2025-26. The eastern portion of the unincorporated area is covered by the future East County Plan, which will be prepared after the North County Plan is adopted. The County's partnership with the Wildlife Agencies, through the MSCP, ensures the unincorporated area's rich biodiversity is conserved while allowing development to occur through the County's permitting process. Through the MSCP, development applicants can rely on the County's permits under the Federal Endangered Species Act, California Endangered Species Act, and State Natural Community Conservation Planning Act, eliminating the need for individual project-by-project permitting under these regulations.

The South County Subarea Plan Implementing Agreement (IA) between the County and Wildlife Agencies became effective on March 17, 1998. Per the IA, the County prepares an annual report that includes information about habitat gained through acquisitions or dedications of preserve lands, habitat lost due to development, and the management and monitoring efforts performed to ensure the assembled MSCP Preserve is functioning successfully. The 2022 MSCP South County Subarea Plan Annual Report (Annual Report) summarizes habitat gains and losses as well as County management and monitoring programs within the South County Subarea Plan boundaries for the period of January 1, 2022, through December 31, 2022.

The Department of Parks and Recreation (DPR) implements the MSCP in all three MSCP planning areas through land acquisition, management, and monitoring of preserve lands to ensure preservation of sensitive species and habitat. The acquisition criteria for County preserve land includes high-quality habitat and biodiversity, biological connectivity, access, and value. DPR works closely with an enterprise-wide acquisition roundtable team to analyze potential acquisitions from a multi-faceted perspective to ensure alignment with the County's sustainability programs including the Climate Action Plan (CAP) update, water quality protection, and Regional Decarbonization Framework (RDF). County departments participating in the acquisition roundtable include Department of Parks and Recreation, Department of Public Works, Department of Environmental Health and Quality, Planning & Development Services, Agriculture, Weights and Measures, Department of General Services, and Office of Sustainability and Environmental Justice.

In 2022, 132 acres of land were added to the MSCP Preserve through County and local non-profit partner acquisitions and private development mitigation. The County has successfully implemented the South County Subarea Plan for 25 years, with the assembled 80,108 acres of the MSCP Preserve, which represents 81% of the 98,379-acre conservation goal. Federal, State, County, and local non-profit partner acquisitions, as well as private development mitigation all contribute to the assemblage of the MSCP Preserve.

As stated in the Annual Report, since 1998 and through December 31, 2022, the County has acquired approximately 26,670 acres of preserve lands within the County's adopted MSCP South County Subarea, the draft North County, and future East County Plan Areas. During this time, approximately \$233 million has been spent on County acquisitions in all three MSCP Plan areas, of which approximately \$136 million is from County funding and \$96 million is from partnering organizations and grants. Since 1998 through December 31, 2022, the County's contribution towards the MSCP Preserve is approximately 13,380 acres and includes baseline acquisitions made prior to 1998 and acquisitions after 1998 through December 31, 2022.

The South County Subarea Plan has 85 covered species within the MSCP Plan area that must be protected. The County is obligated to meet certain management and monitoring requirements for the protection of these MSCP covered species. MSCP Preserve monitoring assesses the success of the South County Subarea Plan and ensures that the habitats and species conserved on the preserve lands are successfully maintained and enhanced. The MSCP monitoring program on County Preserves includes various monitoring efforts, including implementation of the Targeted Monitoring Plan (TMP), baseline inventory surveys, research partnerships, and special-status species monitoring. DPR manages and monitors vegetation communities within County preserve lands that provide habitat for these special-status species and MSCP covered species. In



addition, DPR manages and monitors MSCP covered species at the species level. MSCP covered species monitoring focuses on species for which population-level monitoring is considered critical for effective management. In addition to the monitoring on County Preserves, DPR is working with its federal, State, and local partners to assess the overall MSCP preserve goals and objectives. This includes analyzing, from a regional perspective, habitat and species monitoring data across the 80,108 acres. This effort will be ongoing through the term of the permit.

Today's requested action is to receive the 2022 Annual Report. The Annual Report highlights the monitoring efforts conducted for sensitive plant and animal species within the South County Subarea Plan boundaries that ensures long-term viability of habitat and species. In addition, the Annual Report highlights land stewardship activities for preserve lands, such as installing fencing and signage, patrolling preserve lands, managing public access areas, treating invasive species, and planting trees and vegetation. Through implementation of the County's 2018 Climate Action Plan measures, conservation of preserve lands from 2015-2022 has reduced greenhouse gas (GHG) emissions by 9,457 metric tons of carbon dioxide equivalent. This reduction is comparable to eliminating the GHG emissions produced by about 2,038 gasoline powered vehicles driven over one year, representing over 23,474,218 million miles driven.

### **RECOMMENDATION(S)**

#### **CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed Board of Supervisors action is exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and 15378(b)(5) of the State CEQA Guidelines.
2. Receive the 2022 Multiple Species Conservation Program South County Subarea Plan Annual Report (Year 25) (Attachment A).

### **EQUITY IMPACT STATEMENT**

Implementation of the Multiple Species Conservation Program (MSCP) South County Subarea Plan will ensure continuation of accessible recreational and educational experiences for residents and visitors related to the natural and cultural resources of the region. It will have a positive impact on all residents and visitors by improving water and air quality and providing opportunities to engage in recreational experiences in the County of San Diego's parks and preserve lands.

### **SUSTAINABILITY IMPACT STATEMENT**

Implementation of the MSCP South County Subarea Plan supports multiple County of San Diego Sustainability Goals including County Sustainability Goal No. 4 by expanding opportunities for community members to access outdoor recreation and nature, County Sustainability Goal No. 5 by protecting rivers and streams, and County Sustainability Goal No. 6 by protecting native ecosystems and habitats.

### **FISCAL IMPACT**

There is no fiscal impact associated with the Board of Supervisors' acceptance of the 2022 Multiple Species Conservation Program South County Subarea Plan Annual Report. There will be no change in net General Fund cost and no additional staff years.

## **BUSINESS IMPACT STATEMENT**

N/A

7. **SUBJECT: ADOPT A RESOLUTION TO APPLY FOR AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA DEPARTMENT OF CONSERVATION FOR THE CLIMATE SMART LAND MANAGEMENT PROGRAM: CAPACITY BUILDING AND TECHNICAL ASSISTANCE; FIND THE ACTIONS ARE EXEMPT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (DISTRICTS: ALL)**

### **OVERVIEW**

On August 3, 2011 (1), the Board of Supervisors (Board) directed the development of the Purchase of Agricultural Conservation Easements (PACE) Program as part of the comprehensive update to the County of San Diego's (County) General Plan. The PACE Program promotes the long-term preservation of agricultural land in the unincorporated area. Voluntary property owners are compensated for placing permanent easements on their agricultural property, limiting future uses to only agricultural operations, and ending future development potential. As a result, the agricultural land is preserved, and the property owner receives compensation making the land's continued use for agriculture more viable. Additionally, on August 31, 2022 (6) the Board directed the Chief Administrative Officer to develop a Pilot Carbon Farming Program to encourage adoption and local scalability of carbon farming practices that account for greenhouse gas emissions reductions and promote soil health. The direction also included a return to the Board with options for program implementation, including a list of identified pilot projects. As directed, Planning & Development Services (PDS) staff are in the program development process for the Pilot Carbon Farming Program. Both programs are key components of the County's sustainability efforts.

Staff have identified the California Department of Conservation Climate Smart Land Management (CSLM) Program: Capacity Building and Technical Assistance as a funding source for the PACE and Pilot Carbon Farming Program. The funds may be used to streamline and automate the existing PACE Program, which would allow for greater accessibility to the public and allow for the processing of a greater numbers of applications. The grant will fund expanded PACE outreach and engagement efforts to increase the number of agricultural producers participating in the program. Additionally, the funds may be used to continue to develop and implement the Pilot Carbon Farming Program and help cover costs associated with technical requirements (e.g., soil testing) of the program, thereby removing potential cost burdens for farmers interested in participating. Carbon farming refers to a suite of different farming techniques that increase the rate at which carbon is sequestered into the soil and plants.

The overarching goal of the CSLM Program is to build the capacity of local, tribal, regional, and Statewide partners to increase the pace and scale of climate action on California's natural and working lands in a socially, ecologically, and geographically equitable manner. The grant is specifically interested in supporting partners in implementing the nature-based solutions in the State's Natural and Working Lands Climate Smart Strategy and Pathways to 30x30: Accelerating Conservation of California's Nature. Both of these documents reference the value of supporting local agriculture as a nature-based climate solution and specifically refer to climate

smart agriculture, which can include farming practices that remove greenhouse gases from the atmosphere and store it in the soil or plant biomass.

This is a request for the Board of Supervisors to adopt a Resolution that authorizes the County to apply for and accept a CSLM Program grant. If the County is selected for an award, it also authorizes the Director of PDS or a designee to execute all related documents.

## **RECOMMENDATION(S)**

### **CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed actions are exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3), Section 15301, and Section 15304 of the California CEQA Guidelines.
2. Adopt a Resolution entitled: RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING DIRECTOR, PLANNING & DEVELOPMENT SERVICES, TO APPLY FOR AND ACCEPT GRANT FUNDS FROM THE CALIFORNIA DEPARTMENT OF CONSERVATION CLIMATE SMART LAND MANAGEMENT PROGRAM: CAPACITY BUILDING AND TECHNICAL ASSISTANCE GRANT (Attachment A).
3. Authorize the Director, Planning & Development Services, or their designee, to execute all required grant documents pertaining to the CALIFORNIA DEPARTMENT OF CONSERVATION CLIMATE SMART LAND MANAGEMENT PROGRAM: CAPACITY BUILDING AND TECHNICAL ASSISTANCE, including, but not limited to, applications, agreements, annual extensions, revisions, payment requests, and/or any agreements and/or memorandums of understanding with other entities as co-applicants, participants, and/or partners in the application and spending of grant funds received, that do not materially impact or alter the services or funding level and may be necessary for completion of the grant deliverables.
4. Waive Board Policy B-29, *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*, which requires full cost recovery for services provided under grants.

## **EQUITY IMPACT STATEMENT**

Application to the Climate Smart Land Management (CSLM) grant will allow continued financial support to develop and implement the Purchase of Agricultural Easements (PACE) and Pilot Carbon Farming Programs in San Diego County. The grant will help cover costs associated with technical requirements (e.g., soil testing) of the Pilot Carbon Farming Program thereby removing potential cost burdens for farmers interested in participating. Additionally, the grant will fund outreach and engagement efforts and an automated online system for both the Pilot Carbon Farming Program and the PACE Program. Funding elements of the two programs will also increase program reach and accessibility. Furthermore, the Pilot Carbon Farming Program will utilize an equity-driven approach by emphasizing support to socially disadvantaged farmers and ranchers as defined by the United States Department of Agriculture.

## **SUSTAINABILITY IMPACT STATEMENT**

The Purchase of Agricultural Easements (PACE) Program is part of the 2018 Climate Action Plan, and both the PACE Program and Pilot Carbon Farming Program align with the Climate Action Plan Update that is in process. Additionally, land conservation and carbon farming are referenced in the Natural Climate Solutions and Other Land Use Considerations chapter of the Regional Decarbonization Framework's Technical Report. If awarded, the Climate Smart Land Management grant will provide funding to continue the development of the Pilot Carbon Farming Program and the PACE Program, thereby positively impacting the environment and the County's commitment to sustainability.

## **FISCAL IMPACT**

Funds for this request are not included in the Fiscal Year 2023-24 CAO Recommended Operational Plan Change Letter in the Department of Planning & Development Services (PDS). If approved and the grant is awarded, this could result in estimated costs and revenue of up to \$1,000,000 over the grant term (three years) in Fiscal Years 2023-24 through Fiscal Year 2025-26. If the grant is awarded to PDS, at a later date funds will be included in a future quarterly adjustment. The funding source is the California Department of Conservation, appropriated by the Budget Act of 2022 (AB 179, Ch. 249, Stat. 2022). There will be no change in net General Fund cost and no additional staff years.

## **BUSINESS IMPACT STATEMENT**

N/A

8. **SUBJECT: NOTICED PUBLIC HEARING:  
ADOPT RESOLUTIONS AMENDING THE 2019 STATEWIDE  
COMMUNITY INFRASTRUCTURE PROGRAM (SCIP) RESOLUTION  
AND ASSOCIATED CEQA EXEMPTION (DISTRICTS: ALL)**

## **OVERVIEW**

The Statewide Community Infrastructure Program (SCIP) allows local jurisdictions to be able to offer financing options to private, including some relatively small and local, developers to help fund components of their projects. This can help to facilitate development, especially housing development, by providing more flexible funding options so developers can navigate economic uncertainty or project financing challenges. It can also improve the quality of developments by funding amenities like sidewalks, parks, or libraries. Today's proposed actions will expand the County's current participation in the SCIP program to create additional forms of financing to help bring development, especially housing, online.

On September 25, 2019, the County adopted Resolution 19-158, or the 2019 Statewide Community Infrastructure Program (SCIP) Resolution, which allowed the County to participate in a program called SCIP. The SCIP groups together the sale of bonds from different jurisdictions into one bond issuance. The resolution gives a Joint Powers Authority, or JPA (of which the County of San Diego is a member) the authority to form districts in order to finance fees and infrastructure. Under the existing 2019 SCIP Resolution, the finance assistance bond offered through SCIP is available for the establishment of Assessment Districts (ADs). ADs typically include public infrastructure such as streets, sidewalks, lighting infrastructure, and water and sewer lines-and are limited to only County facilities like parks and libraries. In 2020,

the JPA, called the California Statewide Communities Development Authority (or CSCDA), extended SCIP financing options for establishment of another type of district called Community Facilities Districts (CFDs). CFDs may include the types of infrastructure that are included in ADs, but CFDs also allow for infrastructure from other local agencies including infrastructure of school districts and water districts. For the County to participate in this newer financing program for CFDs, which allows for more fee types, more facility types, and the inclusion of maintenance fees into the bond financing, an amendment to the adopted 2019 SCIP Resolution is required.

Many developers throughout California rely on SCIP financing assistance in making their decision to purchase land for new development because, through SCIP, they have access to low-cost/tax-exempt capital for funding of public improvements. The costs of public improvements that are constructed for an AD or CFD are incorporated into the home price of each home within these districts. If a developer uses low-cost/tax-exempt capital to pay for the public improvements offered through the SCIP Program, the costs added to the home price could be reduced-potentially making it easier for new homebuyers to qualify for personal financing of a home within an AD or CFD that provides amenities they may find desirable.

The County has been a member of the California Statewide Communities Development Authority (CSCDA) since 1991. This has allowed the County and 501(c)(3) organizations in the region to use programs provided by CSCDA to access low-cost, tax-exempt bonds to finance or refinance the acquisition, construction, installation, expansion, or rehabilitation of land, buildings, and equipment. SCIP is one of several programs that is administered by CSCDA that is available to the County. The adoption of the 2019 SCIP Resolution by the Board both authorized the County's participation in SCIP, and authorized CSCDA to form ADs and issue bonds to finance impact fees and improvements on behalf of private development projects. As a participant of the 2019 SCIP, the County has been able to offer competitive financing to developers and has minimized County staff time for the formation of these ADs and non-pooled CFDs by having CSCDA issue the bonds. To date, four projects have used the SCIP process: three of these have taken advantage of the SCIP Pooled AD program-two located in the South County Region (District 4) and one in the North County Region (District 5), and one has taken advantage of the standalone CFD program and is located in the North County Region (District 5). Additionally, CSCDA requires that "special districts" such as the San Diego County Flood Control District adopt a resolution to participate in the SCIP Pooled program.

In 2020, CSCDA updated the SCIP program to include a financing mechanism for the formation of Community Facilities Districts (CFDs). Today's action seeks approval to extend the County's current participation in SCIP to align with CSCDA's (2020) financing options that now include a pooled CFDs. Today's request is for (1) the Board acting as the Board of Supervisors for the County to adopt a resolution to amend Resolution 19-158 in order to allow the County to participate in the CSCDA SCIP financing program for the formation of CFDs in addition to ADs, and (2) and for the Board acting as the Flood Control District Board of Directors to adopt a resolution in order to allow the Flood Control District to participate in the CSCDA SCIP financing program for the formation of CFDs in addition to ADs.

**RECOMMENDATION(S)**  
**CHIEF ADMINISTRATIVE OFFICER**

**Acting as the Board of Supervisors for the County:**

1. Find, pursuant to Section 15061 (b)(3) of the California Environmental Quality Act Guidelines (CEQA), that actions to adopt the amended resolution to participate in the expanded Statewide Community Infrastructure Program instituted by the California Statewide Communities Development Authority are exempt from CEQA since it can be seen with certainty there is no possibility that it will have a significant effect on the environment.
2. Adopt a Resolution entitled: AMENDED AND RESTATED RESOLUTION OF THE COUNTY OF SAN DIEGO BOARD OF SUPERVISORS AUTHORIZING THE COUNTY TO PARTICIPATE IN THE EXPANDED STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT SPECIAL ASSESSMENT PROCEEDINGS AND LEVY ASSESSMENTS AND SPECIAL TAXES AND TO FORM ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS WITHIN THE TERRITORY OF THE COUNTY OF SAN DIEGO; EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF COMMUNITY FACILITIES DISTRICT FINANCINGS; APPROVING THE FORM OF ACQUISITION AGREEMENT FOR USE WHEN APPLICABLE; AND AUTHORIZING RELATED ACTIONS (Attachment A, on file with the Clerk of the Board).

**Acting as the Flood Control District Board of Directors:**

1. Find, pursuant to Section 15061 (b)(3) of the California Environmental Quality Act Guidelines (CEQA), that actions to adopt the amended resolutions to participate in the expanded Statewide Community Infrastructure Program instituted by the California Statewide Communities Development Authority are exempt from CEQA since it can be seen with certainty there is no possibility that it will have a significant effect on the environment.
2. Adopt a Resolution entitled: RESOLUTION OF THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT BOARD OF DIRECTORS AUTHORIZING THE SAN DIEGO COUNTY FLOOD CONTROL DISTRICT TO PARTICIPATE IN THE EXPANDED STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT SPECIAL ASSESSMENT PROCEEDINGS AND LEVY ASSESSMENTS AND SPECIAL TAXES AND TO FORM ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS WITHIN THE TERRITORY OF THE COUNTY OF SAN DIEGO; EMBODYING A JOINT COMMUNITY FACILITIES AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF COMMUNITY FACILITIES DISTRICT FINANCINGS; APPROVING THE FORM OF ACQUISITION AGREEMENT FOR USE WHEN APPLICABLE; AND AUTHORIZING RELATED ACTIONS (Attachment B, on file with the Clerk of the Board).

## **EQUITY IMPACT STATEMENT**

The opportunity for developers to access low-cost bond funding through the Statewide Community Infrastructure Program (SCIP) will help to incentivize more housing projects in the County of San Diego's unincorporated areas and create housing inventory to assist with the housing demand across the San Diego region. Additionally, residential projects developed through SCIP will provide opportunities to develop new residential communities with appealing amenities more attainable for homebuyers. Amenities provided by public infrastructure such as parks, transit centers, and schools are often desirable to future homeowners. Paying for the costs of such public infrastructure through SCIP bond financing has the potential to reduce the amount of these costs added into the price of a home which could assist new homebuyers in qualifying for financing. Bond financing through SCIP provides the County a means to meet housing demand goals, and to make purchasing in new communities with amenities more attainable for new homeowners.

## **SUSTAINABILITY IMPACT STATEMENT**

Extending the Statewide Community Infrastructure Program's (SCIP) bond finance option that is currently available for the development of assessment districts and making it an available option for the development of Community Facilities Districts (CFDs), will contribute to land use sustainability planning efforts in terms of improving the environment and promoting health/wellbeing for individuals. The County of San Diego's ability to offer SCIP's bond finance assistance for both assessment districts and CFDs will promote the development of new residential communities with nearby public services such as parks, trail/trail heads, schools, libraries, transit centers, and police/fire stations, that will result in the reduced need for vehicle travel and thereby contributing to reduced generation of greenhouse gas (GHG) emissions. In terms of promoting health and wellbeing, districts funded through SCIP present an opportunity for the funding and inclusion of recreational areas such as parks, trails, and open spaces providing ease of access to outdoor recreation and nature promoting the enhancement of health and wellbeing for individuals.

## **FISCAL IMPACT**

There is no fiscal impact associated with the adoption of the Resolution as presented today. It is anticipated that costs and time associated with processing assessment districts and CFD's through the SCIP program will be reduced as CSCDA will have primary responsibility for the formation, administration, and issuance of bonds, subject to approval of affected property owners. Developers/applicants will be responsible for all County of San Diego staff costs through developer deposit accounts established pursuant to County of San Diego ordinances, and as a condition of project approval. There will be no change in net General Fund cost and no additional staff years.

## **BUSINESS IMPACT STATEMENT**

Program participation may result in reduced costs for individual developments and future residents as costs associated with formation, administration, and debt issuance are shared among different projects throughout the state. The formation of Community Facilities Districts and assessment districts, and issuance of bonds to reimburse developers assists in providing for community amenities and infrastructure improvements, such as recreational centers, parks, schools, roads, trails, and sanitation systems.

(RELATES TO FLOOD CONTROL DISTRICT AGENDA NO. FL01)

**9. SUBJECT: INCREASING UNDERSTANDING OF DECARBONIZATION EFFORTS BY CONDUCTING A LOCAL ANALYSIS OF EXISTING RESIDENTIAL, COMMERCIAL AND OTHER INFILL RENEWABLE ENERGY INFRASTRUCTURE THROUGHOUT THE COUNTY AND IDENTIFYING REMAINING AVAILABLE ROOFTOP, PARKING LOT AND OTHER INFILL CAPACITY FOR FUTURE RENEWABLE ENERGY PROJECTS (DISTRICTS: ALL)**

**OVERVIEW**

In an effort to reduce the region's reliance on traditional sources of energy and combat climate change, on January 27, 2021 (3), the San Diego County Board of Supervisors (Board) voted to create a plan that would outline realistic, data-driven pathways for local governments, industries, businesses, etc. to collectively reach net zero greenhouse gas (GHG) emissions - focusing namely on carbon dioxide (CO<sub>2</sub>) - from our region by 2045. This plan was officially dubbed the "Regional Decarbonization Framework" (RDF), which is currently in draft form and is anticipated to return to the Board for further consideration in late 2023 or sometime next year. To shape the RDF, County staff contracted with the University of California San Diego School of Global Policy and Strategy, the Energy Policy Initiatives Center (EPIC) at the University of San Diego School of Law and other technical consultants to ensure scientific knowledge guides this effort at decarbonizing San Diego County's energy, transportation and building systems.

Although the RDF is an extensive framework covering a broad range of topics including climate change, equity, green jobs, public safety and so forth, the Technical Report portion of the RDF ultimately contemplates nine different scenarios for renewable energy infrastructure that, in combination with other efforts, would guide the region in achieving net zero GHG emissions by mid-century. Each scenario includes its own unique cost-benefit considerations that would have to be weighed carefully by local decision-makers, including this Board, to ensure everyday San Diegans will benefit from decarbonization. Examples of these considerations include but are not limited to 1) the degree to which any given scenario is able to achieve estimated 2050 electricity demand; 2) the levelized cost of energy in dollar amount per Megawatt hours generated; and 3) impacts to conservation and agricultural lands.

I agree we should harness the power of renewable energy sources. At the same time, we need to carefully consider possible destabilizing effects on the existing energy grid, which is becoming an all-too-common threat as electricity demand is quickly outpacing current supply, especially in the summer months. We must consider various approaches to decarbonization and embrace a range of energy supply sources, which increases reliability and community resilience to energy emergencies such as blackouts and brownouts, and would also help ratepayers maintain some degree of control over their energy needs.

It is in this spirit that I ask my colleagues to vote that an analysis of local, existing renewable energy conditions be conducted by staff. The scenarios highlighted in the RDF Technical Report were generated relying largely on state and federal data sources and models. While this is contextually beneficial, a better understanding of local conditions relating to existing residential, commercial and other infill renewable energy generation, with an emphasis on existing solar is needed before we should move forward. This should also include an analysis of remaining rooftop and infill solar capacity in order to provide information that will inform and guide the Board in our decarbonization efforts.



It's prudent to collect a more detailed local accounting of existing renewable energy generation and remaining capacity in San Diego County. Again, the intent of today's item is meant to give us more information to ensure we maximize energy production while minimizing impacts as California moves away from traditional sources of energy. Ordinary San Diegans must be the largest beneficiary of our local decarbonization efforts. Taking steps now to make sure the RDF is reflective of local reality and focuses on ratepayer control over their energy needs is critical for the wellbeing of every community in the region, for both existing and future generations.

Today's action would direct the Chief Administrative Officer (CAO) to conduct a local analysis of existing residential, commercial and other infill renewable energy infrastructure throughout the region (with an emphasis on existing solar) and provide a report inventorying existing conditions by supervisorial district. Today's action would also direct the CAO to perform an opportunity analysis identifying remaining available rooftop, parking lot and other infill capacity for future renewable energy projects.

### **RECOMMENDATION(S)**

#### **SUPERVISOR JIM DESMOND**

1. Find that the proposed actions are not a project pursuant to the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(5) of the CEQA Guidelines.
2. In accordance with Section 401, Article XXIII of the County Administrative Code, authorize the Director, Department of Purchasing and Contracting to issue a solicitation or solicitations for a study of renewable energy generation, transmission, distribution, and storage capacity in the San Diego region that considers resiliency from power outages, economic benefits and costs, and local community context, and upon successful negotiations and determination of a fair and reasonable price, award contracts for a term of two years, with two option years and up to an additional six months if needed, and to amend the contracts as needed to reflect changes to services and funding.
3. Direct the Chief Administrative Officer to report back to the Board in 180 days on the progress of the study and include the study in future Regional Decarbonization Framework reports and updates.

### **EQUITY IMPACT STATEMENT**

Low-income and other vulnerable communities often bear the brunt of energy insecurity and high utility bills. As the County continues its decarbonization efforts, we must prioritize reliability, affordability and ratepayer control over an "at-all-costs" approach to emissions reductions. Actions we take to completely transform our energy systems and existing power grid will have a profound impact on our constituents and ratepayers throughout San Diego County and will set the stage for future generations. We must ensure that our actions around decarbonization do not disproportionately impact low-income and other vulnerable communities.

**SUSTAINABILITY IMPACT STATEMENT**

The County's commitment to sustainability requires us to consider the long-term consequences of our actions on the environment, economy, and social well-being of our communities. While the environmental benefits are often touted, I also recognize the potential economic benefits of pursuing renewable energy solutions, such as job creation and reduced reliance on imported energy sources. However, as we begin to invest heavily in alternative forms of energy, it is imperative we do so in a way that creates a more resilient and prosperous economy for everyone in the region, both now and for future generations.

**FISCAL IMPACT**

Funds for this request are included in the Fiscal Year (FY) 2022-23 Operational Plan in the Land Use & Environment Group Executive Office (LUEG). There is no impact to net General Fund costs, and there will be no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

- 10. SUBJECT: TRAFFIC ADVISORY COMMITTEE AND RELATED CEQA EXEMPTION (05/24/2023 - ADOPT RECOMMENDATIONS INCLUDING INTRODUCING AN ORDINANCE; 06/07/2023 - SECOND READING OF AN ORDINANCE, UNLESS ORDINANCE IS MODIFIED ON SECOND READING) (DISTRICTS: 1, 2, & 5)**

**OVERVIEW**

The Traffic Advisory Committee (TAC) supports the Department of Public Works (DPW) traffic engineering program. The TAC was established by the Board of Supervisors (Board) in the 1960s to provide traffic regulations and recommendations within the unincorporated areas of the county. To be effective, TAC proposes policies that will enhance safety, reduce congestion, and be legally enforceable. The TAC meets every six weeks to review proposed additions, deletions, or changes to regulatory traffic control devices such as speed limits, stop signs, traffic signals, and parking regulations on County of San Diego (County) maintained roads. Upon receipt of a request or recommendation for a traffic regulation in unincorporated areas of the county, the TAC reviews and investigates the requested item, including engineering and traffic condition studies. TAC recommendations are provided to the Board for consideration.

The TAC recommends the Board act on five items from the January 27, 2023, TAC meeting agenda:

<b>Items from the 01/27/2023 TAC Meeting</b>			
<b>District</b>	<b>Item</b>	<b>Location</b>	<b>Action</b>
1	1-A*	Jamacha Rd, from Osage Dr to Sweetwater Rd, in La Presa	Reduce the 45 miles per hour (MPH) speed limit to 40 MPH and certify.
1	1-B*	Central Ave, from Bonita Rd to Corral Canyon Rd, in Bonita	Certify the 35 MPH speed limit.
2	2-A	Ninth St & H St in Ramona	Establish an all-way stop intersection.
2	2-B	Six intersections in San Diego Country Estates: <ul style="list-style-type: none"> <li>•Vista Ramona Rd and Arena Way</li> <li>•Vista Ramona Rd and Sargeant Rd</li> <li>•Arena Way and Open View Rd</li> <li>•Arena Way and Arena Dr</li> <li>•Arena Way and Gunn Stage Rd</li> </ul> Arena Dr and Del Amo Rd	Establish all-way stop intersections.
5	5-A*	West Lilac Rd, from Camino del Rey to Old Highway 395, in Bonsall	Recertify the 45 MPH speed limit.
*Indicates second reading of the ordinance is required.			

Approval of Item 1-A on Jamacha Road in La Presa CPA (District 1), Item 1-B on Central Avenue in Bonita (District 1), and Item 5-A on West Lilac Road in Bonsall (District 5) would support speed enforcement which enhances roadway safety and retains mobility. Properly posted speed limits provide feedback to drivers to improve traffic safety, reduce the number and severity of collisions, and allow for fair enforcement.

Approval of Item 2-A at Ninth Street and H Street in Ramona (District 2) and Item 2-B at six intersections in San Diego Country Estates will provide safety enhancement measures for pedestrians, bicyclists, and all other roadway users by assigning a full stop to all approaches at intersections. Properly posted stop controls at intersections reduce the number and severity of collisions by assuring reasonable drivers enter intersections at a low speed and have more time to take heed of the traffic situation.

The following items do not revise the San Diego County Code of Regulatory Ordinances (County Code) and therefore do not require a second reading of an ordinance. Board direction on May 24, 2023, would allow implementation by DPW of Item 2-A on Ninth Street and H Street in Ramona (District 2) and Item 2-B on six intersections in San Diego Country Estates (District 2). Board direction on May 24, 2023, would allow implementation by DPW.

The Board's action on Item 1-A on Jamacha Road in La Presa (District 1), Item 1-B on Central Avenue in Bonita (District 1), and Item 5-A on West Lilac Road in Bonsall (District 5) would introduce an ordinance to amend a speed limit zone. This action would revise County Code and requires two steps. On May 24, 2023, the Board would consider the TAC items. If the Board takes action as recommended on May 24, then on June 7~~14~~, 2023, a second reading and adoption of ordinances amending County Code would be necessary to implement the Board's direction. If the proposed ordinance is altered on June 7~~14~~, 2023, then on that date a subsequent meeting date will be selected for the ordinance's adoption.

**RECOMMENDATION(S)**  
**TRAFFIC ADVISORY COMMITTEE**

**District 1:**

Item 1-A. Jamacha Road from Osage Drive to Sweetwater Road in La Presa - Reduce the 45 miles per hour (MPH) speed limit to 40 MPH and certify.

Item 1-B. Central Avenue from Bonita Road to Corral Canyon Road in Bonita - Certify the 35 MPH speed limit.

**District 2:**

Item 2-A. Ninth Street & H Street in Ramona - Establish an all-way stop intersection.

Item 2-B. Six intersections in San Diego Country Estates - Establish six all-way stop intersections.

**District 5:**

Item 5-A. West Lilac Road from Camino del Rey to Old Highway 395 in Bonsall - Recertify the 45 MPH speed limit.

**CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) as specified under Section 15301 of the CEQA Guidelines because the proposed action involves minor alterations of existing public facilities relating to regulatory traffic control on County of San Diego maintained roadways, resulting in negligible or no expansion of existing or former use.
2. Adopt the Traffic Advisory Committee's recommendations.
3. Adopt the following Resolutions:  
RESOLUTION AMENDING TRAFFIC RESOLUTION NO. 299 RELATING TO THE ESTABLISHMENT OF ALL-WAY STOP INTERSECTIONS IN THE COUNTY OF SAN DIEGO (Items 2-A & 2-B).

RESOLUTION AMENDING TRAFFIC RESOLUTION NO. 304 RELATING TO THE ESTABLISHMENT OF STOP INTERSECTIONS IN THE COUNTY OF SAN DIEGO (Item 2-A & 2-B).

RESOLUTION AMENDING TRAFFIC RESOLUTION NO. 305 RELATING TO THE ESTABLISHMENT OF THROUGH HIGHWAYS IN THE COUNTY OF SAN DIEGO (Items 2-A & 2-B).

RESOLUTION AMENDING TRAFFIC RESOLUTION NO. 306 RELATING TO THE ESTABLISHMENT OF YIELD RIGHT-OF-WAY INTERSECTIONS IN THE COUNTY OF SAN DIEGO (Item 2-B).

4. Approve the introduction of the following Ordinance:  
ORDINANCE AMENDING SECTIONS 72.163.54. AND 72.164.56. AND DELETING SECTION 72.169.74.8. OF THE SAN DIEGO COUNTY CODE RELATING TO SPEED LIMITS ON COUNTY MAINTAINED ROADS IN SAN DIEGO COUNTY  
(Items 1-A, 1-B, & 5-A).

If, on May 24, 2023, the Board takes action as recommended, then, on June ~~7~~14, 2023:

Consider and adopt the following Ordinance:

ORDINANCE AMENDING SECTIONS 72.163.54. AND 72.164.56. AND DELETING SECTION 72.169.74.8. OF THE SAN DIEGO COUNTY CODE RELATING TO SPEED LIMITS ON COUNTY MAINTAINED ROADS IN SAN DIEGO COUNTY  
(Items 1-A, 1-B, & 5-A).

#### **EQUITY IMPACT STATEMENT**

The review of traffic signs, intersection controls and roadway markings support vehicle safety on County of San Diego maintained roads. The transportation system must be safe for all road users, for all modes of transportation, in all communities, and for people of all incomes, races, ethnicities, ages, and abilities. Understanding travel patterns, where correctable crashes are occurring and the disproportionate impacts on certain communities will allow the Department of Public Works (DPW) to identify actions to address the underlying causes, enhance safety, and ensure justice in the enforcement of traffic regulations.

DPW's Local Road Safety Program reviews correctable collisions along road segments within the unincorporated areas of the county and utilizes the Healthy Places Index and CalEnviroScreen to ensure underserved populations are prioritized. The Traffic Advisory Committee relies on the Local Road Safety Plan and performs reviews of regulatory traffic control devices such as signs and markings. While adherence to sign and marking standards developed by the California Department of Transportation is crucial to obtaining the compliance of the majority of drivers, the Traffic Advisory Committee also relies on various community engagement methods such as the Tell Us Now! Mobile app, toll-free hotlines, and a customer service request program to intake reports on a wide variety of traffic concerns and ensure the concerns are addressed.

#### **SUSTAINABILITY IMPACT STATEMENT**

The Traffic Advisory Committee has made addressing sustainability a top priority by partnering with local communities and industry leaders in a monthly public forum to find timely, reasonable, and cost-effective in-road traffic solutions that reduce costly traffic delays, mitigate vehicle idling to reduce emissions, improve fire response times and regional readiness.

## **FISCAL IMPACT**

Funds for this request are included in the Fiscal Year 2022-23 Operational Plan in the Department of Public Works Road Fund. If approved, this request will result in costs of \$24,160 for staff time, materials, and supplies. The funding source is State Highway User Tax Account. There will be no change in net General Fund cost and no additional staff years.

## **BUSINESS IMPACT STATEMENT**

N/A

11. **SUBJECT: SET HEARING FOR JUNE 28, 2023:  
PUBLIC HEARING TO CONFIRM FISCAL YEAR 2023-24 LEVIES IN  
THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT AND  
LANDSCAPE MAINTENANCE DISTRICT ZONES NO. 1 - RANCHO  
SAN DIEGO AND NO. 2 - JESS MARTIN PARK AND RELATED CEQA  
EXEMPTION (DISTRICTS: ALL)**

## **OVERVIEW**

Special districts are created in order to provide new or enhanced local services and infrastructure to specific communities. The special districts in today's action were created to fund community parks and streetlights in the unincorporated areas of the region. Services are primarily funded by property owners and paid through assessments that are collected through the tax roll, reducing administrative costs from billing and payment collection. District boundaries, services, and maximum rates were established by voters or as a condition of development at the time of formation. The method for calculating how much each parcel pays is established in the ordinance adopted at the time of formation and may be based on a variety of factors, commonly including the type of land use, or parcel acreage. The rate cannot exceed the maximum amount in the adopted ordinance without voter approval from affected property owners. At the time of formation, residents in some districts voted to include cost escalators in their ordinances, which allow the maximum rate to increase each year to keep pace with inflation. The most commonly used cost escalator is the Consumer Price Index (CPI), which measures the cost of consumer goods.

Board of Supervisors Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* directs departments to recover the full cost of services provided to the residents of special districts. County of San Diego (County) staff reviewed budgets for the three districts included in today's action to determine if revenues were adequate for services or if rates should be adjusted. Staff determined the proposed rates for Fiscal Year (FY) 2023-24 are needed to continue to fund services and to ensure compliance with Board Policy B-29. Rates are also necessary to maintain financial reserves to fund future services, facility repairs, emergency repairs, improvements, and replacements. The proposed rates subject of today's action is in accordance with Articles XIII A-D of the California Constitution (Proposition 218) as amended to date and are within maximum rates set forth in each district's adopted ordinance; and therefore, do not require voter approval from affected property owners. Under Proposition 218, voters must approve the formation of the special district and the maximum amount that can be collected from property owners.

### **San Diego County Street Lighting District**

The San Diego County Street Lighting District is managed by the County Department of Public Works (DPW). The Street Lighting District funds the operations and maintenance of public streetlights across the unincorporated areas of San Diego county. The proposed annual assessment rate will remain at the current amount of \$2.00 per single-family residence. The current assessment is sufficient to continue to fund the operation and maintenance of streetlights for the next fiscal year.

### **Landscape Maintenance District Zone No. 1 - Rancho San Diego**

Landscape Maintenance District Zone (LMDZ) No. 1 - Rancho San Diego - is managed by the County Department of Parks and Recreation (DPR) to fund ongoing park operation, maintenance, and improvements within the unincorporated community of Rancho San Diego in District 4. The proposed annual assessment rate will increase by 3% from \$37.46 to \$38.58 per single-family residence. The increase is due to the annual inflation of goods and services, based on a 6.45% escalation in the Consumer Price Index for 2022, with a voter-approved maximum cost escalator of 3%. The additional revenue will support ongoing services. Without the additional revenue, services would be reduced, resulting in deferred maintenance and more costly future repairs. The proposed rate is within the maximum in the ordinance and does not require voter approval from affected property owners for this action.

### **Landscape Maintenance District Zone No. 2 - Jess Martin Park**

LMDZ No. 2 - Jess Martin Park - is managed by DPR to fund ongoing maintenance of amenities and construction of minor capital improvements at Jess Martin Park in the unincorporated community of Julian in District 2. The proposed annual assessment rate will remain at the current amount of \$47.82 per single-family residence. The voters did not approve an annual cost escalator at the time of the district's formation; however, the Board did approve an allocation of County General Purpose Revenue (GPR) to offset the benefit from park visitors who do not reside in the district. Since there is no proposed rate increase a vote from affected property owners is not required for this action. The proposed rate is sufficient to fund services for FY 2023-24.

This is a request to adopt resolutions to confirm assessments and authorize levies for three special districts administered by DPW and DPR. Upon adoption, the assessments will be placed on the tax roll for FY 2023-24. The deadline to place these assessments on the FY 2023-24 tax rolls is August 10, 2023. These actions are discretionary after consideration of public testimony.

### **RECOMMENDATION(S)**

#### **CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) as specified under Section 15301 of the State CEQA Guidelines because the activity in question addresses funding mechanisms for maintenance of existing streetlight and landscape facilities and services involving negligible or no expansion of existing or former use.
2. Accept and approve the Engineer's Reports for the San Diego County Street Lighting District and Landscape Maintenance District Zones No. 1 - Rancho San Diego and No. 2 - Jess Martin Park.

3. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER IMPROVEMENTS FOR THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT and set a hearing for June 28, 2023.
4. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 1, and set a hearing for June 28, 2023.
5. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 2, and set a hearing for June 28, 2023.

**If, on May 24, 2023, the Board takes the actions recommended in Items 1-5, then on June 28, 2023, a public hearing will be conducted, and the following recommendations will be considered:**

6. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT.
7. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 1.
8. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 2.

#### **EQUITY IMPACT STATEMENT**

Today's action continues the County's commitment to provide programs and services that enhance our communities. Assessments and special taxes fund services for special districts which improve the health, safety, and economic interests of local communities. Levying charges on the Fiscal Year (FY) 2023-24 tax rolls for the County of San Diego and San Diego County Street Lighting District will have a direct impact on communities throughout the unincorporated areas of the county. These levies fund street lighting and community park services to residents of approximately 117,000 parcels. Special district revenues also offset the need for the County to fund these services, which allow additional County funds to be allocated towards services in underserved communities.

#### **SUSTAINABILITY IMPACT STATEMENT**

Today's action supports the County's Sustainability Goals to protect the health and wellbeing of residents, provide just and equitable access to County services, and make investments in energy efficiency by continuing to fund the operation, maintenance, and improvements of streetlights and parks. Streetlights enhance the health and safety of all residents and visitors who utilize County roads. Regular streetlight maintenance protects the health and wellbeing of everyone in the region and supports economic sustainability by preventing more costly maintenance treatments in the future. The Street Lighting District also supports the County's goal to invest in energy efficiency and reduce greenhouse gas emissions through the conversion of streetlight assets to LED fixtures. Specific LED fixtures are installed within dark sky designated communities to reduce light pollution and maintain compliance with the County's Dark Sky



Ordinance. The nine County parks included in this action provide access to outdoor recreation and nature. Funding the operation and maintenance of these parks aligns with the County's sustainability goals to promote the health and wellbeing of citizens and allowing equitable access to County facilities.

### **FISCAL IMPACT**

Funds for this request are included in the Fiscal Year 2023-24 CAO Recommended Operational Plan in the Departments of Public Works and Department of Parks and Recreation. There is no proposed change in the assessment for the San Diego County Street Lighting District and Landscape Maintenance District Zone No. 2 - Jess Martin Park. A rate increase is proposed for Landscape Maintenance District Zone No. 1 - Rancho San Diego. If approved, this request will result in total revenue of approximately \$275,988 for the Street Lighting District, \$182,716 for LMDZ No. 1 - Rancho San Diego, and \$99,843 for LMDZ No. 2 Jess Martin Park. The funding source for this request comes from property owner paid assessments and a portion of countywide property tax revenue. There will be no change in net General Fund cost and no additional staff years.

The proposed assessment levies are evaluated annually in an amount sufficient to recover the full cost as required by Board Policy B-29: *Fees, Grants, Revenue Contracts-Department Responsibility for Cost Recovery*. Accordingly, there is no projected unrecovered cost, and a waiver of Board Policy B-29 is not needed. The funding source is assessment levies on property owners within the identified districts.

If the Board of Supervisors does not adopt the resolutions, the proposed assessments cannot be placed on the tax rolls for FY 2023-24. Without the funds generated by the assessments, services for street lighting and landscape maintenance would be greatly reduced unless other funding sources are identified.

### **BUSINESS IMPACT STATEMENT**

N/A

**12. SUBJECT:     OPTIONS FOR REMOVING BARRIERS TO HOUSING AND  
FACILITATING THE COUNTY'S STATUS AS A PROHOUSING  
JURISDICTION AND EXEMPTION TO THE CALIFORNIA  
ENVIRONMENTAL QUALITY ACT (DISTRICTS: ALL)**

### **OVERVIEW**

The state and region are in the midst of a housing crisis. The growing housing shortage has acutely impacted communities of color and low-to-moderate income families. In an effort to address the barriers and address the housing shortage, the Board of Supervisors (Board) directed a wide range of actions to assist development in unincorporated communities, from modernizing regulations and streamlining permitting processes to waiving fees for certain types of housing, establishing a regional funding source and creating a Housing Blueprint to explore everything that the County of San Diego (County) can do to facilitate the production and provision of housing to all people at all income levels.

On February 7, 2023 (20), the Board directed staff to return in 90 days with additional recommendations to remove barriers, add resources, and expedite processes in building housing in unincorporated communities, and to facilitate the County's status as a Pro-housing jurisdiction, including the feasibility of adopting policies similar to the City of San Diego's Executive Order 2023-1 (Attachment A). The City of San Diego's Executive Order directed a series of actions related to affordable housing developments, including the liberal granting of incentives and fee waivers, prioritizing, and expediting plan and permit reviews, adding resources, and providing technical assistance to customers.

In response to the Board's direction, staff across the County organization worked together to identify short, mid, and long-term actions that could facilitate and remove barriers to housing, as well as resources needed to implement these actions. In some cases, staff provided options regarding which housing types the action should apply to, such as affordable housing only, affordable housing and housing within Vehicle Miles Traveled (VMT) efficient or infill areas (areas exempt from VMT analysis or mitigation), or to all housing, including workforce and moderate-income housing. These options were provided particularly where it affected the level of cost or resources needed to implement the respective action like expediting building plan reviews or waiving fees. Staff also evaluated which of these measures may have further implications and where additional stakeholder engagement is recommended prior to the Board taking action.

Today's action is a request for the Board to provide direction on which of these measures to implement now and any that staff should further evaluate and engage with stakeholders on before returning to the Board with recommendations. Staff also requests that the Board allocate resources to implement any actions directed.

#### **RECOMMENDATION(S)**

##### **CHIEF ADMINISTRATIVE OFFICER**

1. Find in accordance with Section 15061(b)(3) and 15378(b)(5) of the California Environmental Quality Act (CEQA) Guidelines that this action is exempt because it has no potential to result in either a direct physical change to the environment or a reasonably foreseeable indirect physical change to the environment.
2. Receive options for removing barriers to housing and provide direction on which actions to be implemented, which should involve further discussions with stakeholders, and which if any, should not be pursued.
3. If direction is provided to implement options with a one-time cost, in order to fund these one-time costs, authorize the Auditor and Controller to establish a fund balance commitment account within the General Fund and for the Office of Financial Planning to commit up to \$16,869,490 to the new fund balance commitment account based on unassigned General Fund, fund balance from the General Fund Reserve, which is currently below the minimum balance requirement, to promote the long-term fiscal health and stability of the County by aligning one-time expenditures with a one-time funding source.

**(4 VOTES)**

4. If direction is provided to implement options that have a cost, direct the Chief Administrative Officer to establish appropriations and staffing in the Fiscal Year 2023-24 Operational Plan by inclusion in the CAO Recommended Operational Plan Change Letter.
  - a. The funding source for one-time costs will be the fund balance commitment established in Recommendation 3;
  - b. The funding source for ongoing costs will be: 1) fee revenue from current fee ordinances and 2) existing General Purpose Revenue that will be redirected from planned programs/services in the County that have been identified in the CAO Recommended Operational Plan.
5. In accordance with Board Policy A-87, Competitive Procurement, approve and authorize the Director, Department of Purchasing and Contracting, to enter into negotiations with the California Association of Environmental Health Administrators (CAEHA) for Environmental Health professional services to assist with expediting the review and approval of onsite wastewater treatment system plans, and subject to successful negotiations and determination of a fair and reasonable price, award an agreement for CAEHA Staffing Services for up to 1 year and 4 option years through June 30, 2028, and an additional six months if needed, and to amend the contract as needed to reflect changes to services and funding, subject to the approval of the Director of Environmental Health and Quality.
6. Waive Board Policy B-29: Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery for building permit fee waivers and grants for septic systems.

#### **EQUITY IMPACT STATEMENT**

Access to housing is important to all. Private property owners build the majority of housing, with the County playing a key role in the review and permitting of new housing. Housing affordability and attainability is a challenge many people have, with a greater burden placed on low-income and underserved communities. The items presented will remove barriers to housing, facilitating faster and increased housing production. Several items today are targeted at streamlining affordable housing as well as housing that is often more attainable.

#### **SUSTAINABILITY IMPACT STATEMENT**

These proposed actions are aligned with Sustainability Goal #2, assisting in providing just and equitable access to housing. These actions also promote the development of new housing in VMT Efficient Areas, which will result in lower carbon emissions, in alignment with Sustainability Goal #3, facilitating the transition to a green, carbon-free economy.

#### **FISCAL IMPACT**

Fiscal impact of these recommendations will vary based on the options directed by the Board, outlined in Tables 1.0, 2.0 and 3.0 (collectively, the Option Tables). Funds for this request are not included in the Fiscal Year (FY) 2023-24 CAO Recommended Operational Plan in Planning & Development Services (PDS), Department of Public Works (DPW), Department of Environmental Health & Quality (DEHQ) or the other departments identified in the Option Tables. Should the Board direct implementation of any of the options that have an associated cost or staffing, additional funding would be required beginning in FY 2023-24.

Available funding sources for these options include: 1) permit fee and/or deposit revenue collected pursuant to Board Policy B-29, *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*; 2) existing General Purpose Revenue (GPR) or other ongoing revenue sources that will be redirected from other programs and will result in program impacts; and 3) one-time unassigned General Fund fund balance from the General Fund Reserve for one-time costs. The General Fund Reserve amount is currently below the minimum balance. In accordance with the San Diego County Code of Administrative Ordinances Section 113.1, *General Fund Balances and Reserves*, all appropriations of the General Fund Reserve below the minimum balance will require at least four votes of the Board.

If all short-term options are directed by the Board, estimated ongoing costs will total up to \$8,097,190 beginning in FY 2023-24, as detailed in Table 1.0. Of this amount, proposed funding sources include \$4,873,849 from existing ongoing GPR redirected from other programs and \$3,223,341 from permit/deposit revenue from customers. Estimated one-time costs in FY 2023-24 total \$10,464,490 which is proposed to be funded by General Fund, fund balance. Additional staff years total up to 45 in various departments as detailed in Table 1.0.

If all mid-term options are directed by the Board, no ongoing costs are anticipated. Estimated one-time costs total up to \$2,170,000 in FY 2023-24 as detailed in Table 2.0, and are proposed to be funded by General Fund, fund balance. There will be no additional staff years.

If all long-term options are directed by the Board, no ongoing costs are anticipated. Estimated one-time costs total up to \$4,235,000 in FY 2023-24, as detailed in Table 3.0 and are proposed to be funded by General Fund, fund balance. There will be no additional staff years.

If all options in total are directed by the Board, estimated ongoing costs will total \$8,097,190 beginning in FY 2023-24, with proposed funding sources including \$4,873,849 from existing ongoing GPR redirected from other programs and \$3,223,341 from permit/deposit revenue from customers. Estimated one-time costs will total \$16,869,490 and are proposed to be funded by General Fund, fund balance. There will be 45 additional staff years in various departments as detailed in the Option Tables.

If additional key areas are identified, staff would return to the Board for additional direction and a request for funding as needed.

A waiver of Board Policy B-29 would be required for building permit fee waivers and grants for septic systems since the proposed options do not cover all the operating costs. The total unrecovered cost per Board Policy B-29 is approximately \$7,900,000 for FY 2023-24 and would be funded with General Fund, fund balance, as proposed. Funding for unrecovered cost in all future years would need to be identified.

#### **BUSINESS IMPACT STATEMENT**

Removing barriers to housing will benefit the general public as well as the businesses that are part of the home development process, helping to create jobs and economic growth. Increased housing supply also benefits local businesses by having a more ample supply of housing for employees, which helps incentivize prospective candidates to select businesses in San Diego for employment and helps those already residing locally.