



COUNTY OF SAN DIEGO

LAND USE AGENDA ITEM

BOARD OF SUPERVISORS

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Fifth District

DATE: September 28, 2022

07

TO: Board of Supervisors

SUBJECT

RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

OVERVIEW

Community Benefits Agreements (CBAs) are a tool that can be used to offset social, environmental, and economic impacts on communities that are created by large-scale projects, such as renewable energy and industrial/warehouse/distribution facilities in the unincorporated area of San Diego County. CBAs are agreements that are negotiated between project applicants and the community or government agency to provide local benefits as part of the project. These can be legally binding or voluntary agreements between project applicants and community groups, or project applicants and local governments. Various benefits can be offered through CBAs, such as parks and recreation opportunities, community facilities, workforce development, local hiring, and apprenticeships. CBAs can be used for various land development projects, and in California, they are often used for large-scale renewable energy projects.

On February 10, 2021 (2), the Board of Supervisors (Board) directed staff to explore a zoning ordinance update for renewable energy projects and research other related items, including CBAs. In response to Board direction, staff began exploring CBAs, including reviewing other jurisdictions' approaches to CBAs. Staff found that each jurisdiction takes a slightly different approach to CBAs based on differing community needs and that there are a variety of program, policy, and guidelines options that could assist in incentivizing and streamlining community improvements and community input in land use decisions.

On December 8, 2021 (7), the Board directed staff to investigate the feasibility and resources needed to establish CBA programs, policies, and/or guidelines to include the following options:

1. Guidelines for the County to facilitate mandatory Community Benefits Agreements including a range of benefits to be included in the agreements, such as prevailing wage, local hire, job outreach to disadvantaged (underserved) communities, and other items as appropriate including a focus on the nexus between the negative impact on the community and the project being proposed;

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

2. Guidelines for the types of development projects that would be subject to CBAs, including renewable energy projects, warehouses, hospitals, business parks, large scale housing, and other type projects deemed to have a significant impact; and
3. Guidelines for the County to negotiate and enter into CBAs with applicants, including identification of potential incentives that the County could offer in return for community benefits.

This Board letter presents options based on literature review and best practices research; research into common uses of CBAs, research of and interviews with other jurisdictions about their approach (jurisdictional research), an analysis of County programs, plans, and existing efforts; and stakeholder input received through various public engagements, including large public meetings, “lunch-and-learns,” and small group meetings.

Today, staff is seeking further direction on proposed options to establish a CBA Program, including (1) Program Participation, whether the Program will be Mandatory and/or Voluntary (2) Program Administration, whether the County or a third-party will administer the program; and (3) Program Components, which includes options for consideration, such as benefits, community participation, and incentives. If directed by the Board, staff will begin program development and will return to the Board for program consideration at a future date.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed actions are exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3) of the CEQA Guidelines because the proposed actions do not commit the County to any definitive course of action and there is no possibility that the activity in question may have a significant effect on the environment. Subsequent actions would be reviewed pursuant to CEQA and presented to the Board for consideration prior to implementation.
2. Receive the options on Community Benefits Agreement guidelines and provide direction on the options presented, per Attachment A-Action Sheet.

EQUITY IMPACT STATEMENT

Community Benefits Agreements (CBA) programs, policies, and guidelines further incentivize and streamline community improvements and community input on land use decisions to assist in addressing significant impacts of projects on communities—especially communities that have historically been marginalized or underserved. CBAs provide local economic opportunities, empowering the public by providing opportunities for workforce development, supporting the community by increasing the communication and engagement between a project applicant and community groups; and promoting environmental justice by ensuring equal access to the decision-making process to create healthy environments.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

SUSTAINABILITY IMPACT STATEMENT

Community Benefits Agreements (CBAs) allow community groups and project applicants to work together to address projects that have significant impacts on communities, beyond the traditional environmental review and mitigation pathway. CBAs could result in benefits to the local community, including additional parks, recreation spaces, open space, and habitat restoration/protection, which are all sustainable land use practices. By creating these sustainable land use practice benefits, CBAs address risks posed by climate change, particularly for our communities of concern. To have healthy and prosperous communities, we need clean air, ample potable water supply, sanitation and hygiene, safe use of chemicals, sound agricultural practices, and health-supportive governance. These issues can be addressed through Community Benefits Agreements.

FISCAL IMPACT

There is no fiscal impact associated with receiving the report back on Community Benefits Agreements (CBAs) and policy options presented today. If directed by the Board, the expanded options will result in total costs of \$805,000 for consulting services, reimbursable staff time, and other project expenses related to the development of a CBA Program such as a market analysis, peer review, and expanded outreach. Funds for the proposed CBAs program participation development are included in the Fiscal Year (FY) 2022-23 Operational Plan in Planning & Development Services (PDS). Funding source is existing one-time General Purpose Revenue. There will be no change in net General Fund costs and no additional staff years.

Program Participation 1.A: If the Board directs staff to develop and implement Voluntary CBA Guidelines, no additional funds or staffing resources would be required because a market analysis and associated peer review would not be required for Voluntary Guidelines and the remaining program development can be completed by using the previously established funds.

Program Participation 1.B: If the Board directs staff to develop and implement a Mandatory CBA Program, consulting services and other project expenses related to a market study, a peer review, and expanded outreach will cost \$265,000 and are included in FY 2022-23 Operational Plan. If the Board directs staff to lead the administration of the CBA Program, staff will return to the Board at the time of Program adoption with the required staffing resources needed in the spring or summer of 2024.

Program Participation 1.C: If the Board directs staff to develop and implement both a Mandatory CBA Program and Voluntary Guidelines, consulting services and other project expenses related to a market study, a peer review, and expanded outreach will cost \$265,000 and are included in FY 2022-23 Operational Plan. If the Board directs staff to lead the administration of the CBA Program, staff will return to the Board at the time of Program adoption with the required staffing resources needed in the spring or summer of 2024.

BUSINESS IMPACT STATEMENT

N/A

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

ADVISORY BOARD STATEMENT

On September 9, 2022, staff presented an informational overview of Community Benefits Agreements (CBAs) to the San Diego County Planning Commission (PC). No formal action was required from the Commission. Chair Pallinger, Commissioner Edwards, Commissioner Ashman, and Commissioner Calvo expressed concerns for establishing a Mandatory CBA Program. Chair Pallinger, Commissioner Ashman, and Commissioner Edwards stated that the County should avoid adding steps and/or regulations to the existing permitting processes. Chair Pallinger and Commissioner Edwards stated that a Mandatory Program is not necessary because project impacts are addressed through other mechanisms (e.g., California Environmental Quality Act (CEQA), established impact fees) and public outreach and CBAs are already occurring voluntarily on projects. Commissioner Ashman shared concerns that communities will use the CBA program as leverage on project applicants, being the decision maker and negotiator on a project will put the County in a precarious position, the County must remain transparent in administering this program so it is not seen as leveraging the circumstances, and affordable housing projects should be looked at carefully. Commissioner Ashman would support a mandatory CBA program that only applied to lands owned or administered by the County. He also supported options 3.A.ii Determine Benefits on a Case-by-Case Basis Through Community Engagement, 3.B.iii No Expanded Community Engagement Requirements, and 3.C.ii [Determine Incentives on a] Case-by-Case Basis Through Community Engagement. Commissioner Edwards suggested that the CBA program should be voluntary.

Staff reached out to all Community Planning Group and Sponsor Groups (CPSGs) with an offer to present on the CBA project. The following is input received through the CPSG outreach process.

Staff attended the Twin Oaks Valley CPG meeting on October 20, 2021, to discuss community benefits. No formal action was taken by the CPG. However, some members expressed concerns about CBAs. Member comments included questions related to the difficulties of identifying who the community negotiators should be, and how to select benefits for the community (a potential avenue for applicants to buy support for their projects was also discussed). There was also a stated desire for the CPG to have a role in the CBA process to ensure members of the affected communities will be included in the negotiations.

Staff also attended the Campo Lake Morena CPG meeting on October 25, 2021. No formal action was taken by the Campo Lake Morena CPG. Individual member comments included (1) CBAs should not be used as a deciding factor to approve a project, (2) the funds collected from CBAs should only be used in the affected communities, (3) benefits should be defined and decided by the affected communities, (4) CBAs should not replace State environmental review requirements, (5) CBAs should be mandatory for the applicant for any project in Campo/Lake Morena, and (6) CBA negotiations should be conducted at the community level instead of by various individual entities.

One member of the Palomar CSG met with staff on November 8, 2021. They stated that much of east county is economically distressed, and residents are at a disadvantage when negotiating with wealthy corporations building renewable energy projects. The member suggested that CBAs be used to fund groups that can effectively negotiate with applicants for community benefits.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

In addition to outreach to individual CPSGs, on May 12, 2022, staff held a small group session with CPSGs and Community Based Organizations. Members from the Fallbrook, Jacumba, and Descanso CPSGs participated in the meeting, as well as members from Community Based Organizations such as Urban League of San Diego County, SoCal Pre Apprenticeship, Local Initiatives Support Corporation (LISC) San Diego, and Outdoor Outreach. Several attendees stated that a project that exports benefits outside of the project area but impacts the surrounding community, should participate in a mandatory CBA, and that a project that provides local benefits through their development should not have to participate in a mandatory CBA but instead could opt to do a voluntary CBA, if they so choose.

On July 7, 2022, the Boulevard CPG submitted written comments on CBAs (Attachment B – Public Comments). The CPG stated that community benefits should be mandatory for all industrial-scale wind, solar, related transmission, and other industrial type projects that have an impact on underserved communities. The comment letter further stated that community benefits must not require project support from appointed or elected community planning groups, which is consistent with Board Policy I-1, Planning and Sponsor Group Policies and Procedures, prohibiting CPGs from requesting community benefits in exchange for their favorable votes. Additionally, the comment letter stated that the proposed community benefits should remain in the immediate project-impacted community within the Community Planning Area boundaries. The CPG comment letter further states that for solar projects that pay into community benefits, a one-time per megawatt community benefit amount may not be appropriate for all solar projects in the region. Community benefits could be based on the cost of the project, such as a certain percentage of the cost of the project, and that projects proposed in disproportionately impacted communities such as Boulevard and Jacumba should be required to pay benefits annually throughout the life of the project.

BACKGROUND

Community Benefits Agreements (CBAs) are used to establish, early in a land development project's planning process, agreements between a community and a project applicant in which the applicant agrees to provide local economic or public benefits. These agreements also: (1) support ongoing community input, (2) establish commitment through contracts to provide community benefits, (3) promote transparency between all interested parties, (4) encourage early negotiation between project applicants and the community prior to the project approval process, and (5) provide an opportunity for creative solutions that would not typically be included in a standard regulatory process. CBAs have applications for use in residential, commercial, and industrial developments.

On February 10, 2021 (2), the Board of Supervisors (Board) directed staff to explore a zoning ordinance update for renewable energy projects and research other related items, including CBAs. In response to Board direction, staff began exploring CBAs, including reviewing other jurisdictions' approaches to CBAs. Staff found that each jurisdiction takes a slightly different approach to CBAs based on differing community needs and that there are a variety of program, policy, and guidelines options that could assist in incentivizing and streamlining community improvements and community input in land use decisions.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

On an international scale, organizations such as the World Bank provide guidance on equitable development practices. The World Bank provides research and guidance for local governments to implement community-driven development, a project design practice that transfers decision-making power, and financial and technical resources, directly to communities. Community-driven development emphasizes the importance of long-term community participation in project design, monitoring, and implementation. The Food and Agriculture Organization of the United Nations developed a toolkit “Free, Prior, and Informed Consent” (FPIC), particularly for indigenous populations. The toolkit provides guidance on how to implement FPIC in decision making processes to ensure indigenous communities are given adequate and timely information to engage on projects that affect their environment and livelihood. This toolkit provides similar guidance to some of the staff options being presented below.

On December 8, 2021 (7), the Board of Supervisors (Board) directed staff to investigate the feasibility and resources that would be needed for the County to establish CBA programs, policies, and/or guidelines to include (1) guidelines for the County to facilitate mandatory Community Benefits Agreements including items such as prevailing wage, local hire, job outreach to disadvantaged (undeserved) communities, and the negative impact on the community and the project being proposed; (2) guidelines for the types of development projects that would be subject to CBAs, including renewable energy projects, warehouse, hospitals, business parks, large scale housing, and other type projects deemed to have a significant impact; and (3) guidelines for the County to negotiate and enter into CBAs with applicants, including identification of potential incentives that the County could offer in return for community benefits.

Based on best practice research, CBAs can be categorized into two different types of benefit programs including (1) a structured fee program and (2) a public benefit program. A structured fee program uses money paid by a project applicant for the purpose of health and safety. For example, for solar power plant projects, Riverside County implements a Board Policy (Riverside Board Policy B-29 – Solar Power Plants) to secure public health, safety, and welfare. The fees collected pursuant to this policy are included in Riverside County’s Development Impact Fees. Solar power plants over 20 megawatts are required to pay an annual per-acre fee to Riverside County to offset the project’s impacts on public services, such as public safety services. The project applicant pays \$150 per acre for the project’s net acreage, and the fee increases by two percent annually. The negotiation between the applicant and County includes discussion on how the fees will be collected and/or applied. A nexus study is conducted prior to the collection of fees to understand the needs of the specific project area.

The second CBA type is a Public Benefits Program. This type of program provides the ability for the project applicant to provide a specific local benefit or benefits to the communities impacted by the project. For example, the 2001 Los Angeles Sports and Entertainment District secured a wide range of benefits for the Figueroa Corridor community and involved a coalition of over 20 community groups and hundreds of residents in the negotiation process. The project applicant provided economic benefits including a developer-funded assessment of community park & recreation needs, and a \$1 million commitment toward meeting those needs; providing \$25,000 to a residential parking program for surrounding neighborhoods; \$150,000 to a “first source” hiring

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

program in which the project applicant agreed to first hire individuals from the Figueroa Corridor community; and pledged compliance with the City of Los Angeles Living Wage Ordinance for 70% of the permanent jobs created.

In December 2021, the Board elected not to pursue a fee benefit program, because the intent of a CBA program is to keep the potential benefits local to the community impacted by the large-scale project. Whereas in a fee program, similar to the Riverside County example, funds are contributed to the County General Fund and distributed for public services countywide.

In addition to best practice research, to better understand the feasibility and resources needed for the County to establish CBA programs, policies, and/or guidelines, staff researched common uses of CBAs and looked into existing County of San Diego programs, plans, and initiatives. Staff relied heavily on stakeholder engagement through public meetings, “lunch-and-learns,” and small group meetings to better understand potential CBA options for the County of San Diego. Staff is seeking further direction on the proposed options detailed further below.

Based on recent discussions around large-scale development projects, the Board directed staff to investigate the feasibility and resources needed for the County to establish CBA programs, policies, and/or guidelines related to mandatory CBAs and for the County to negotiate and enter into CBAs with applicants. Due to legal limitations, which are further discussed below, mandatory CBAs may only be used in very specific situations. Through best practice research, staff found the use of mandatory CBAs is limited, but other jurisdictions in the State do offer voluntary guidance on CBAs to project applicants.

For example, Merced County adopted a voluntary community benefits agreement for the Wright Solar Park in 2015, a 200 Megawatt (MW) solar photovoltaic facility on 2,731 acres. The project applicant will contribute \$25,000 annually to Merced County’s General Fund for twenty years to offset the project’s impacts to services, such as public safety services provided by the Merced County Sheriff and Fire Department. Industry and development stakeholder groups, including the Building Industry Association of San Diego, expressed support for the development of Voluntary CBA Guidelines to assist interested parties in engaging in CBAs. Both mandatory and voluntary CBAs are further discussed below.

Public Input

Community and stakeholder input is vital to the success of CBA programs, policies, and guidelines. Since 2021, staff has engaged with stakeholder groups and members of the public and used their input to develop options for CBA programs, policies, and guidelines for the Board’s consideration. Outreach efforts and input received to date are described in the sections below.

Phase 1 Outreach: Prior to receiving Board direction on December 8, 2021, staff hosted three public input sessions that included housing applicants, individuals from business and industry, renewable energy applicants, climate activists, members of Community Planning and Sponsor Groups (CPSGs) and interested members of the public.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

Stakeholder feedback at that time included the following: the need for flexibility in benefits provided, consideration of the diversity of project types and community needs, consideration of the potential for the increased cost to build in the region, and the role of the County in negotiating CBAs between developers and community members; CPSGs should be involved in the CBA discussion and be a part of future CBA agreements because these groups are already actively involved with their community and the land development process for projects. Also, community benefits should not replace CEQA mitigation; CBAs should remain voluntary to provide the most flexibility and benefits to the community surrounding the project; CBAs should not increase local regulatory measures on development projects and affordable housing projects should be considered community benefits in themselves and not be subject to additional community benefit requirements.

Phase 2 Outreach: After receiving Board direction on December 8, 2021, staff held three public input sessions, and six small group meetings that included one-on-one meetings with stakeholder groups which included: Labor, Business and Industry, Applicants/Developers, Building and Construction, Community Planning and Community Sponsor Groups (CPSGs), Community-Based Organizations (CBOs), Government and Youth Groups, Environmental Groups, and Tribal Governments. Additionally, staff met with specific stakeholders from the following groups: Farm Bureau, Building Industry Association (BIA), Land Development Technical Working Group (LDTWG), Environmental Coalition, and Wildlife Agencies.

Staff met with stakeholders from the business community, including the BIA, and project applicants, and heard the following from attendees: (1) housing projects should be excluded from CBAs, (2) benefits from a CBA do not have to be financial or monetary in nature but could also include modifications to aspects of a project, such as a project design and roads, (3) voluntary CBAs are not as burdensome as a requirement process may be, and (4) the parties involved in the CBA should be able to reach an agreement with mediation, otherwise, the CBA should not be a condition of approval to the project.

Stakeholders from the development, building, and construction industry also stated the importance of excluding housing projects from CBAs because the region already faces housing challenges, and mandatory CBAs could increase the time and cost for housing development, creating further barriers to housing production. They also stated that the County should consider setting a baseline or threshold for projects that would be subject to CBAs (e.g. defining what a large project is by dwelling units or acreage). They also reiterated the following: (1) to be effective, incentives for applicants, such as streamlined reviews, should be implemented early in the project, and (2) to assist in negotiations, which take time and expertise that community groups might not have, the County should consider a menu of options that applicants and community groups can choose from so the process is streamlined and less open-ended.

Members of CPSGs, CBOs, and labor groups stated that: (1) a project that exports benefits outside of the project area, but has impacts that are felt by the surrounding community, should participate in a mandatory CBA; (2) a project that provides local benefits by its development (e.g. housing) does not have to participate in a mandatory CBA and can instead opt to do a voluntary CBA; (3) that the County should be involved in negotiations between applicant and community groups and

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

act as an arbitrator or authority figure; and (4) if funds are involved, the County should play a role in assuring that funds are distributed locally, either by administering the funds or providing a list of vetted, local third-party organizations that may hold and administer the funds.

Additionally, in 2022, staff engaged the California Department of Water Resources, Imperial County staff, and Riverside County staff to discuss their respective CBA approaches. The California Department of Water Resources is currently developing a Delta Conveyance Project Community Benefits Program. The Delta Conveyance Project is a large infrastructure project that will modernize the water transport infrastructure in the Sacramento-San Joaquin Delta. In the case of the Delta Conveyance Project Community Benefits Program, community members stated that they do not want a State-run grant program because local organizations do not have the resources or capacity to apply for grants; therefore, the Department of Water Resources will explore other options for a community benefit program.

Staff met with the nearest jurisdictions with CBA Programs related to renewable energy projects including Imperial County and Riverside County staff to discuss their respective programs and policies. The Imperial County Executive Office administers the Public Benefits Program, which is supported by utility-scale solar applicants entering into a voluntary CBAs with Imperial County. The agreements are to pay fees based on the MW capacity for the solar power plants and a CBA component. Staff found that participation in the Public Benefits Program occurs early in the project review process prior to receiving grading permits. The funds collected through the program are administered by the County Executive Office (CEO) and used to fund loans and grants. Loan and grant applications are reviewed by an appointed committee comprised of Imperial County staff and community members.

Riverside County implements its Board Policy B-29, which applies to solar power plants with capacity above 20 MW and implements a fee per MW capacity. Staff learned that projects that participate in this policy may also submit a Development Agreement application, which is negotiated between the applicant and Riverside County Counsel. These projects also go through a "fast track" public hearing process and do not have to appear before the Planning Commission prior to appearing before the Board of Supervisors. The Riverside Board of Supervisors ultimately approves Development Agreements but does not typically get involved in negotiations.

Phase 3 Outreach: Staff held additional stakeholder engagement with the public. On July 1, 2022, staff held a virtual Lunch and Learn stakeholder meeting, and on July 7, 2022, staff held a Public Webinar to present the draft CBA options and inform stakeholders of the next steps and upcoming public hearings. Public stakeholders stated that (1) the County should consider reaching out to Community Based Organizations, and youth groups that will be most impacted by development projects and CBAs; (2) that CBAs should contain measurable changes and should be monitored closely so that communities can receive the most from promised benefits; and (3) some attendees expressed that it might be difficult to get stakeholders involved, and suggested the County create a team to reconvene stakeholders for future CBAs. These stakeholder recommendations and draft options for the Board's consideration are further captured below under Program Options.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

Mandatory and Voluntary CBAs

Guidelines for the County to Facilitate Mandatory Community Benefits Agreements

Mandatory programs where the County uses its regulatory authority to require project applicants to provide mitigation or benefits (Mandatory CBAs) could have legal implications. The United States Supreme Court has ruled in two separate cases, *Nollan v. California Coastal Commission* (1987) and *Dolan v. City of Tigard* (1994), that there must be a project nexus to impacts and rough proportionality before a local authority can require mitigation or project conditions, such as requiring a CBA. Consequently, CBA program participation can only be mandatory if the impacts are directly linked to the project. Project impacts are typically addressed through the environmental review process. These impacts are generally studied and mitigated, or offset, by other actions (such as the replacement of habitat somewhere else if it is impacted on a project site).

The local authority cannot require double mitigation or project conditions for impacts that are already mitigated by State or federal laws. For example, the California Environmental Quality Act (CEQA) requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including regionwide or statewide environmental benefits) of a proposed project against its unavoidable environmental impacts when determining whether to approve the project. These significant unavoidable environmental impacts are identified through the preparation of an Environmental Impact Report (EIR) for the project. If the specific economic, legal, social, technological, or other benefits, including regionwide or statewide environmental benefits, of a proposed project, outweigh the unavoidable adverse environmental impacts, the project as a whole may be considered acceptable. When the Board makes this determination, it is memorialized in a CEQA Statement of Overriding Considerations (SOC).

A mandatory CBA program could be considered for land development projects that have environmental impacts that are not able to be fully mitigated and that would require Board consideration of an SOC. The mandatory program would apply to any project that could not fully mitigate its direct environmental impacts to a “less than significant” threshold, which is a key threshold under CEQA. In this case, the CBA could be a requirement by the Board as part of the economic and social benefits that the Board could consider when determining whether to approve the project. The Board could determine that the benefits of the project, including the existence of a CBA for the project, would outweigh the significant, unmitigable environmental impacts from the project as part of their decision to approve the project.

Guidelines for Voluntary CBAs and the Types of Development Projects That Could Be Subject to CBAs

Voluntary Guidelines would provide more flexibility than what is legally permitted through a mandatory CBA program. A voluntary program could be utilized by any project type and could provide direction on things such as types of benefits that the generated funds may be used for, additional benefits that a project applicant can provide, and the ways to legally memorialize the agreement such as a recorded development agreement. Voluntary CBA Guidelines could be used as a tool to meet the intent of the Board direction for certain projects that are not legally required to do a mandatory CBA, including large-scale projects such as solar, industrial/warehouse/

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

distribution, business parks, and hospitals. Voluntary Guidelines can initiate more conversations between the applicant and community groups early in the project process.

Guidelines for the County to Negotiate and Enter into CBAs With Applicants

When CBAs are negotiated between the project applicant and the local land use authority, the local land use authority can offer an incentive or subsidy in return for community benefits. As discussed above, mandating this process could be limited to development projects that have significant unmitigable environmental impacts, based on CEQA. However, CBAs that include subsidies could be more flexible than CBAs that are mandatory. For example, the County could include community benefits when negotiating a lease of public property or land, or when offering subsidies for a project, such as a reduction in fees. In these cases, the County may negotiate and support agreements that require employees to live within a specific proximity to the development project, also known as local hire provisions. These types of agreements are intended to create opportunities to expand local jobs. However, State and federal laws limit when local authorities can impose on a private project local hire provisions, wage requirements above State minimum wage (known as prevailing wages, which are defined as the basic hourly rates paid on public works projects to a majority of workers engaged in a particular craft, classification, or type of work within the locality and in the nearest labor market area), and job outreach to communities as benefit options or as a project condition, as further detailed below. Therefore, the County is limited when it can require a private project to include local hire provision, prevailing wages, and job outreach.

Communities can also negotiate CBAs with support from the County. In community led negotiations, often community groups form coalitions comprised of neighborhood associations, faith-based organizations, labor unions, environmental groups, and other stakeholders. These coalitions can then negotiate with the project applicant to obtain various benefits. These benefits can include funding for community specific needs, such as community parks, road repair, youth education programs, community services, and grants for small businesses and apprenticeships. The County can support the community groups by providing the project applicant a list of groups to engage, providing a pre-identified list of community benefits desired, and providing potential incentives the County can offer to encourage CBAs.

Program Options

To respond to the Board’s direction, staff developed three categories of options and additional considerations for the Board’s review. These include:

- Category 1 - Program Participation: Mandatory and/or Voluntary CBAs- who can participate in the program;
- Category 2 - Program Administration: County or Third-Party lead- who will lead the administration of the program; and
- Category 3 - Program Components: Benefits and Incentives- what can be included within the program.

If the Board provides direction on any of these options and provides the resources requested, staff will begin program development. These categories are shown in Table 1 and discussed in detail further below.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

Table 1. CBA Program Options

| # | Category | Options | Additional Considerations |
|----|------------------------|--|--|
| 1. | Program Participation | A. Establish Voluntary Guidelines | No Additional Considerations Identified at this Time |
| | | B. Establish A Mandatory Program for Projects Requiring a CEQA Statement of Overriding Considerations (SOC) | Consider exempting one or all of the following development types due to their perceived benefits: |
| | | | i. Agriculture Projects |
| | | | ii. General Plan Consistent Housing Projects |
| | | | iii. Other Project Types as Determined by the Board |
| | iv. No Exemptions | | |
| | | C. Establish Both Voluntary Guidelines (1.A) and a Mandatory Program (1.B) | No Additional Considerations Identified at this Time |
| 2. | Program Administration | A. County Administered Mandatory and/or Voluntary CBA Programs | No Additional Considerations Identified at this Time. Staffing Resources Will Be Considered at the Time of Program Adoption. |
| | | B. Third Party Administered Mandatory and/or Voluntary CBA Programs | |
| 3. | Program Components | A. Benefit Options | i. Develop Pre-Set List of Benefits |
| | | | ii. Determine Benefits on a Case-by-Case Basis Through Community Engagement |
| | | B. Establish Expanded Community Engagement to Initiate Early Conversations with Potentially Impacted Communities | i. Identify Project Types for Expanded Community Engagement Requirements |
| | | | ii. Establish Expanded Community Engagement for Certain Project Types Determined by the Board |
| | | | iii. No Expanded Community Engagement Requirements |
| | | C. Incentives County Can Offer in Return for CBA | i. Develop Pre-Set List of Incentives |
| | | | ii. Case-by-Case Basis Through Community Engagement |

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

Category 1: CBA Program Participation

Within CBA Program Participation, the Board can direct staff to establish a Voluntary CBA Guidelines and/or Mandatory CBA Program.

1.A: Establish Voluntary Guidelines

Due to the legal limitations of a Mandatory CBA Program, further explained in Option 1.B below, staff developed an option for Voluntary CBA Guidelines for the Board’s consideration. Voluntary Guidelines are intended to provide more flexibility than what is legally permitted through a Mandatory Program (Option 1.B). The Voluntary Guidelines are intended to facilitate the voluntary creation of CBAs for projects which do not meet the criteria for the Mandatory Program. A voluntary program could be utilized by any project type through voluntary actions between a project applicant and a community group. Through best practice research, staff found other jurisdictions in the State do offer voluntary agreements to project applicants. Imperial County offers to enter into agreements with utility-scale solar project applicants at the applicants’ discretion. Through this process Imperial County developed “Guidelines for the Imperial County Community Benefit Program” which utilizes the voluntarily agreed upon fees through a localized grant program. Imperial County’s guidelines provide direction on the grant application process, fee schedule, types of benefits that the grant funding may be used for, additional benefits that a project applicant can provide, and the grant application.

Certain stakeholders engaged, such as members of the development community, and the Building Industry Association (BIA) of San Diego, stated that they would support a voluntary program over a mandatory program, as they had concerns that a mandatory program may hinder development and industry. The BIA expressed concerns about the addition of new initiatives and the negative impact on development and industry. Options as to what can be included in a CBA program can be seen in Category 3: CBA Program Components, below. Other stakeholders, such as the Environmental Coalition, remain concerned that a CBA program would be used to avoid environmental mitigation requirements. However, staff explained that CBAs cannot replace the State mandated environmental mitigation regulations of any CBA program due to concerns that CBAs could be used as a means to avoid environmental mitigations. Additionally, labor unions were in support of CBA programs as long as specific benefits were included such as wage requirements above State minimum wage (prevailing wage), and requirements for employees to live within a specific proximity to the project known as local hire provisions.

The Board previously allocated \$540,000 in Fiscal Year (FY) 2022-23 to CBA program development. Should the Board of Supervisors (Board) direct staff to develop only Voluntary Guidelines, no additional fiscal resources would be needed as part of guideline development. This previously allocated funding will be used for consulting services, reimbursable staff time, and other project expenses related to the development of a CBA Program.

1.B: Establish A Mandatory Program for Projects Requiring a CEQA Statement of Overriding Considerations

This option directs staff to establish a Mandatory CBA program for land development projects that have environmental impacts not fully mitigated and that requires the Board to consider a SOC. In this option, the mandatory program would not be specific to any type of project, such as renewable

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

energy projects or business parks, but instead would apply to any project that could not fully mitigate its environmental impacts to a less than significant threshold under CEQA and that needs the Board to approve an SOC. The CBA entered into between the project applicant and community could then be considered by the Board as economic and social benefits that are included as part of the SOC approval process.

Since 2015, the Board has approved nine land use projects requiring a CEQA SOC. Three projects were solar developments, five projects were housing and/or mixed-use developments, and one was a commercial retail center development. Four of the five housing and/or mixed-use developments required a General Plan Amendment as part of project approval. These four projects were not General Plan consistent; therefore, they would have qualified for a Mandatory CBA program if it was in place at that time. In total, three solar and four housing and/or mixed-use developments totaling seven of the nine SOCs approved since 2015, would have been eligible for a Mandatory CBA program based on the proposed options presented.

A Mandatory CBA Program could include a list of pre-identified benefit types, expanded outreach guidelines for applicants, potential incentives for participation, and identify potential community groups to engage. Category 3: CBA Program Components, provides options for what types of items could be included in a Mandatory CBA program. If the Board directs a Mandatory CBA Program, staff will begin to prepare regulatory documents, conduct environmental review per CEQA, and return to the Board for consideration at a future date.

The Board previously allocated \$540,000 in Fiscal Year (FY) 22-23 to CBA program development. Should the Board of Supervisors (Board) direct staff to develop a Mandatory CBA Program, consulting services and other project expenses related to a market study, a peer review, and expanded outreach will cost \$265,000 and are included in FY 2022-23 Operational Plan.

In response to stakeholder input, staff prepared options described below for the Board's consideration of potential project type exemptions from a Mandatory CBA program, including agriculture and General Plan consistent housing. As described below under Category 1.B.i and 1.B.ii, stakeholders expressed a desire to exclude certain project types from a Mandatory CBA program because of the benefits these project types offer to the unincorporated area and the San Diego region. Additionally, staff included options if the Board would like to include any other project types not identified by staff, or not allow exemptions based on project type.

1.B.i: Exempt Agriculture Projects

This option would exclude all agricultural projects from Mandatory CBA requirements. This option was suggested during stakeholder and public outreach from various stakeholder groups, such as labor unions, and the Farm Bureau. Stakeholders stated that agricultural projects should be excluded because (1) agriculture is a benefit to the communities they are placed in and society at large. The exclusion of these project types would support Board Policy I-133 – Support and Encouragement of Farming in San Diego County, which states the County is committed to supporting and encouraging farming in the region through the establishment of partnerships with landowners and other stakeholders to identify, secure,

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

and implement incentives that support the continuation of farming as a major local industry.

1.B.ii: Exempt General Plan Consistent Housing Projects

This option excludes all housing projects that are consistent with the County's General Plan from the Mandatory CBA requirements. Housing projects that do not require a General Plan Amendment to change the land use or density established in the General Plan would be exempt from the Mandatory CBA requirement. This option complies with existing State laws, though during stakeholder and public outreach, various stakeholder groups, such as labor unions, housing advocates, and business and industry working groups suggested exempting all housing projects, not just General Plan consistent projects. On December 8, 2021 (7) the Board directed staff to evaluate large-scale housing as part of a Mandatory CBA Program. This option to exclude the General Plan consistent housing projects supports this direction to evaluate large-scale housing as part of a Mandatory CBA Program. Furthermore, mandating CBAs for all housing projects could increase the time and cost of small-scale housing development projects which are consistent with the General Plan, and do not create local significant impacts to the communities in which they are built.

1.B.iii: Exempt Other Project Types Determined by the Board

If the Board directs a Mandatory CBA Program, the Board also has the option to provide input as to whether to exempt other project types that have not been identified by staff and stakeholders.

1.B.iv: No Exemptions

If the Board directs a Mandatory CBA Program, the Board also has the option to direct the CBA Program to have no project type exemptions. This option would ensure that all projects, including agriculture and housing, requiring a CEQA SOC would include a Mandatory CBA.

1.C: Establishing both Voluntary CBA Guidelines and Mandatory CBA Program

The Board can also consider and direct staff to develop both a Mandatory CBA Program and Voluntary Guidelines. This would combine Options 1.A and 1.B above.

The Board previously allocated \$540,000 in FY 2022-23 to CBA program development. Should the Board of Supervisors (Board) direct staff to develop both a Mandatory CBA Program and Voluntary Guidelines, consulting services and other project expenses related to a market study, a peer review, and expanded outreach will cost \$265,000 and are included in FY 2022-23 Operational Plan.

Category 2: CBA Program Administration

If the Board selects an option under Category 1: Program Participation, staff seeks the Board's input on whether CBA programs should be administered by the County or by a third party. Staff researched CBA policies and programs and found that CBAs can be administered by either the local jurisdiction or a third party, such as a local non-profit organization. Jurisdictional best practice research showed that when CBAs are administered by a third party, the jurisdiction

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

provides support for applicants and community members through information and guidance. Staff also found that jurisdictional roles can vary and could include (1) periodic updates to regulations to support CBAs; (2) negotiating and forming agreements that include the jurisdiction and either the applicant, community, or both; (3) helping obtain State or federal financing for a benefit; (4) participating in the delivery, operation, and maintenance of a benefit; (5) facilitating discussions between a project applicant who voluntarily establishes a CBA and the community in which the project is located; and (6) helping communities build coalitions to discuss and negotiate with project applicants.

When facilitating a Mandatory CBA Program or Voluntary CBA Guidelines, the County could have an active or neutral role in negotiations. When CBAs are mandated, the local jurisdiction may have an active role in negotiations. When CBAs are voluntary, the jurisdiction is not typically a party to the negotiations but may still provide support to the CBA process. CBAs are typically negotiated by the applicant of the project involved, and a coalition of community groups that represent the affected community or communities. CBAs can also be negotiated by a project applicant and local jurisdiction if the CBA involves subsidies or incentives provided by the local jurisdiction, such as leases of County-owned land at below market rates.

When facilitating a Mandatory CBA Program or Voluntary CBA Guidelines the County could have an active role or a neutral role in delivery, operation, and maintenance of benefits. For instance, when the County takes a neutral role, CBA monetary benefits can be managed through a non-profit, such as a foundation. During jurisdictional research, staff found the Ocotillo Wind Community Benefits Program in Imperial County includes three endowment funds that are managed by the Imperial Valley Community Foundation, a non-profit organization serving the communities in Imperial County. The Ocotillo Wind Project is a renewable energy facility that utilizes 112 wind turbines. When the County takes an active role in delivery, operation, and maintenance of CBA benefits the details of each unique agreement will need to be reviewed and subject matter experts will need to be identified based on the benefits that are mutually agreed to. Additional County staffing and resources will need to be identified if the Board directs staff to take an active role in CBA administration.

2.A: County Administered Mandatory and/or Voluntary CBA Programs

This option directs County staff to lead the administration of a Mandatory CBA Program and Voluntary Guidelines. County staff roles for a Mandatory Program could include (1) periodic updates to the regulations setting protocols for the types of projects required to enter into CBAs; (2) negotiating and forming agreements; (3) helping obtain State or federal financing for a benefit; (4) participating in the delivery, operation, and maintenance of a benefit; and (5) helping communities build coalitions to discuss and negotiate with project applicants. County staff roles for supporting Voluntary Guidelines could include little to no County involvement. However, based on the applicant or community desires, County staff roles could include (1) negotiating and forming agreements; (2) helping obtain State or federal financing for a benefit; (3) participating in the delivery, operation, and maintenance of a benefit; (4) facilitating discussions between project applicants who voluntarily establish CBAs; and (5) helping communities build coalitions to discuss and negotiate with project applicants. If the Board selects this option, staff will identify staffing resources necessary at the time of program adoption to implement the program.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

2.B: Third Party Administered Mandatory and/or Voluntary CBA Programs

This option directs County staff to identify potential options for third party organizations to have a lead role in the administration of the CBA program. A third-party organization could lead the following administration roles (1) helping obtain State or federal financing for a benefit; (2) participating in the delivery, operation, and maintenance of a benefit; (3) facilitating discussions between project applicants who voluntarily establish CBAs; and (4) helping communities build coalitions to discuss and negotiate with project applicants. If the Board directs this option, staff will return to the Board to approve a third party and any potential administrative actions as needed.

Category 3: CBA Program Components

In December 2021, the Board directed staff to develop benefits and incentives guidelines, which staff found can be considered components of a CBA Program based on interviews with other jurisdictions. In addition to benefit and incentive guidelines, staff developed options for expanded outreach, and community participation to encourage more communication between a project applicant and community group with the goal of creating more CBA opportunities. Through jurisdictional interviews and outreach efforts, staff identified a need to provide examples of these components, for which staff is seeking further Board input.

3.A: Benefit Options

The Board directed staff to consider the types of benefits that could be provided during a mandatory program between a project applicant and communities. These could include wage requirements above State minimum wage (known as prevailing wages, which are defined as the basic hourly rates paid on public works projects to a majority of workers engaged in a particular craft, classification, or type of work within the locality and in the nearest labor market area), require employees live within a specific proximity to the project (local hire provisions), job outreach to underserved communities, and other items as appropriate, including a focus on the nexus between the negative impact on the community and the project being proposed. Benefits such as prevailing wage, local hire provisions, and job outreach to underserved communities intend to strengthen the local workforce with wages above the State's minimum value, more specific job training opportunities, and outreach to underserved communities to expand knowledge of employment options. However, the County is limited under law in the amount of direction the County could provide during negotiations between project applicants and community groups. The County cannot infringe on private agreements. If the County is participating in the negotiation of the agreement, or a specific project involves County owned lands or County leases, then the County does have more options to support and negotiate for these desired benefits. Additionally, stakeholder outreach suggested that communities want to be able to negotiate for benefits that are meaningful to their communities.

Staff provided suggestions as to the types of benefits that the County could support and would be meaningful to the various communities in the unincorporated areas based on jurisdictional best practices research and input from stakeholders. During stakeholder and public outreach, community members and stakeholder groups such as agricultural and development industry

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

representatives, environmental, and labor unions identified that there is a wide array of benefits for both project applicants and community support. Examples of benefits suggested during stakeholder outreach include (1) improvements to public spaces including plazas or parks facilities, (2) multi-modal transportation (e.g., bike lanes, pedestrian & transit facilities), (3) Project Labor Agreements (PLAs), which are collective bargaining agreements between building trade unions and contractors that govern terms and conditions of employment for all craft or trade workers, both union and non-union, on a construction project, and (4) addressing the needs of communities that have experienced negative health impacts due to pollution from the built environment (Environmental Justice Communities). Environmental Justice Communities and other unincorporated communities have unique needs, and throughout stakeholder outreach staff received comments that the community or its representatives should be a part of benefit negotiations to ensure the community need is met.

Additionally, on December 8, 2021 (7) the Board directed that a range of benefits be included, such as: prevailing wage, local hire, and job outreach to disadvantaged (underserved) communities. However, these particular specific benefits and others such as project labor agreements (PLAs), and local hire, which various labor unions requested during stakeholder and public outreach cannot be mandated unless specifically allowed per State law. State and federal laws limit when local authorities can impose prevailing wages, local hire, and job outreach to communities as benefit options or as a project condition. Due to this legal limitation, a local authority can only mandate these types of benefits when the project is located on County owned land, or the County provides a subsidy for the project. However, the local authority can strongly support these benefits and provide these benefits as examples to the community and project applicant so the benefits can be voluntarily selected and negotiated.

In developing benefit options, staff considered all stakeholder input received and reviewed the County's Strategic Initiatives. The County's Strategic Initiatives provide the framework for the County to set measurable goals. The initiatives are designed to span the entire organization, break down silos, and extend across groups for all departments to see their work contributing to the overall success of the region. The initiatives are (1) Sustainability, (2) Equity, (3) Empower, (4) Community, and (5) Justice. Many of the benefits identified during stakeholder engagement can be supported by the County Strategic Initiatives such as:

- Sustainability: Benefits that support improvements to the environment such as solar panel installations and support agricultural lands and its industry through reduced regulation, and equipment sharing opportunities.
- Equity: Benefits that support equal opportunities to services and jobs, such as job outreach to underserved communities.
- Empower: Benefits that support strong workforces such as Project Labor Agreements (PLAs), and job outreach and training.
- Community: Benefits that support the promotion of safe communities, partnerships to support communities, and neighborhood reinvestment programs specific to the community's needs and requests.
- Justice: Benefits that support meaningful involvement of all people regardless of race, color, national origin, or income with an urgent focus on communities of color and low-income

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

communities recognizing they historically lacked the same degree of protection from environmental and health hazards.

3.A.i: Develop Pre-Set List of Benefits

The Board can direct staff to develop a non-limiting list of benefit types, such as those included in the dot-list above, to offer to project applicants and the public that do not limit CBA participants to specific benefits. A general list grouped by initiatives that the County supports would provide transparency to both the project applicant and the community and would provide a starting point for the project applicant and the community in benefits negotiations. This would also provide resources to the project applicant and continue the County’s efforts to support efficiency in the permitting process.

Imperial County offers “Guidelines for the Imperial County Community Benefit Program” which establishes a process for interested community members to apply to a localized grant program. This localized grant program distributes funds to a preset list of categories for potential funding such as Community Services, and Community and Economic Development. The Community Services funding can include arts and culture, library, homeless, youth, or scholarship programs. The Community and Economic Development funding can include small business loans, parks and recreation, and entrepreneurial training, which are supported by the voluntary public agreements entered into between Imperial County and utility-scale solar project applicants. The Imperial County program is an example of a local jurisdiction offering a preset list of categories for benefit types, which supports this option for the Board’s consideration to include in the non-limiting list of benefits.

3.A.ii: Determine Benefits on a Case-by-Case Basis Through Community Engagement

The Board can direct staff to not develop a non-limited list of benefits but rather allow for applicants and the community to initiate benefit discussions without a reference point. This option would allow the applicant and community to initiate benefit type discussions based on the project impacts or a specific community’s unique needs. However, this option would not provide the applicants or community guidance as to the types of benefits the County and unincorporated area residents are most interested in seeing included in a project.

3.B: Establish Expanded Community Engagement to Initiate Early Conversations with Potentially Impacted Communities

The County currently actively engages with the community and stakeholders throughout the project review process. This option would provide opportunities for expanded outreach to discuss and negotiate a CBA early in the project process. In either a Mandatory or Voluntary CBA program, the County could assist with creating new and creative opportunities for outreach.

To date, stakeholders’ comments requested that project applicants conduct community outreach early in the process. Existing permit and project processes require project applicants to issue public notices and require County staff to bring proposed projects to the Community Planning or Sponsor Groups. This option would look at ways to expand upon the existing public outreach process.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

Expanding outreach requirements for project applicants in the Mandatory CBA Program could foster relationships with community members early on and could assist in the negotiation process. Additionally, the expanded outreach requirements between project applicants and affected communities could help foster voluntary CBA adoption by project applicants who would not otherwise be subject to the Mandatory CBA Program.

3.B.i: Identify Project Types for Expanded Community Engagement Requirements

This option would establish expanded outreach requirements based on project type. Expanded community outreach guidelines could include required participation by the project applicant. Currently, County-led outreach occurs throughout the discretionary process, which includes public outreach meetings with CPSGs, public review of technical documents, stakeholder engagement, and public noticing. However, in this current process, applicant attendance is not required. Guidelines could encourage project applicants to facilitate public meetings which could allow for more touchpoints with the applicant and community groups prior to decisions on whether a CBA could be part of the project. Potential options for expanded outreach may include (1) early application public noticing, (2) attending community meetings, and (3) hosting virtual meetings or workshops. The expanded outreach would include County staff participation.

3.B.ii: Establish Expanded Community Engagements for Certain Project Types Identified by the Board

On December 8, 2021 (7), the Board identified certain types of projects that should be considered for a mandatory program, including renewable energy, warehouse, hospitals, business parks, and large-scale housing. However, as discussed above, due to the legal limitations of the Mandatory CBA Program, these must be determined to have a nexus to the project's environmental impact, not a project type. However, expanded outreach could be required based on project type. Staff reviewed and compared the Board's list of project types included in the December 8 minute order to the existing Regulatory Code and Zoning Ordinance. Table 2 below translates the Board's list of project types into the corresponding Zoning Ordinance Use Type for examples of potential future regulations. For example, if the Board directs warehouse projects to participate in enhanced outreach, the resulting regulation could be that Zoning Ordinance Use Type 1630 Heavy Industrial, or a more specific subcomponent, must participate in enhanced outreach.

This option would direct staff to establish expanded outreach guidelines for project types to adhere to, which could include public notifications and public meetings early in the process to get a conversation started between the community and the project applicant. Staff relied on the project types listed by the Board on December 8, 2021 (7) as a guide, such as renewable energy projects, warehouses, hospitals, and business parks. Staff reviewed the County's Zoning Ordinance to determine which Use Type would most closely align with the Board's direction. Based on the legal limitations of what can be included in a Mandatory CBA, staff will further evaluate potential thresholds or criteria which would most likely cause significant community impacts.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

Table 2. Project Types Requiring Expanded Community Outreach Requirements

| Project Category | Zoning Ordinance Use Type |
|------------------|--|
| Renewable Energy | 1350 Major Impact Services and Utilities |
| Warehouses | 1630 Heavy Industrial |
| Hospitals | 1350 Major Impact Services and Utilities |
| Business Parks | 1310 Administration Services |
| | 1630 Heavy Industrial |

3.B.iii: No Expanded Outreach Requirements

The Board may also choose not to direct staff to expand outreach procedures. Project applicants may be limited by resources to be able to attend or hold public meetings on their own without the assistance of County staff. As mentioned above, staff conducts community and stakeholder outreach throughout the discretionary review of a project. If this option is selected, no changes to the current outreach procedures would be needed requiring applicant attendance.

3.C: Incentives County Can Offer in Return for CBAs

Another way the County can support project applicants participating in a Voluntary CBA Program is to offer incentives or subsidies to the project applicants. Stakeholder input and research indicate that CBAs are only successful when project applicants and the community both participate. Staff identified examples of incentives to encourage both the community and applicant participation based on research and stakeholder input. See Option 3.C.i below for further details.

When identifying the types of incentives the County may offer, staff looked to a related policy: Board of Supervisors Policy A-124, Economic Incentives. The policy discusses two types of incentives. The first is non-financial incentives, such as expedited permit processing, letter of support for grant applications, legislative support, and provision of customized training programs through non-profit organizations and State agencies. The second is financial incentives, such as leases of County-owned land at below market price (excluding non-aeronautical land, per FAA and federal grant assurances, such as concessions and lounge spaces), industrial development bonds, and assistance in securing financial backing acting as a liaison.

The City of Morro Bay, for example, agreed to provide the applicant of a proposed offshore wind project an exclusive option to lease the City's infrastructure for connection to the electrical grid, and the applicant agreed to provide economic benefits to the city, including local hiring. Additionally, project applicant incentives suggested by industry stakeholders included incentives such as a density bonus or floor area ratio (FAR) bonus, which could increase the allowed size or number of units of a project. They also suggested codifying a public meeting requirement, as mentioned in Option 3.B above, to initiate conversations with various community members other than the CPSG members as the County protocols define now.

3.C.i: Develop Pre-Set List of Incentives

The Board can direct staff to develop incentive guidelines such as to those identified within Board Policy A-124, Economic Incentives, which establishes criteria and procedures to be used by the County to encourage business to locate, expand or remain in the region.

SUBJECT: RETURN BACK ON EXPLORATION OF COMMUNITY BENEFITS AGREEMENTS, AND SEEKING BOARD DIRECTION ON PROGRAM OPTIONS FOR FUTURE CONSIDERATION (DISTRICTS: ALL)

The Board can also direct staff to develop additional incentives that were suggested by stakeholders, such as density bonuses.

3.C.ii: Case-by-Case Basis Through Community Engagement

The Board can direct staff to not develop incentive guidelines. This option creates flexibility for the applicant and staff to identify the appropriate incentive based on the proposed project.

ENVIRONMENTAL STATEMENT

This project has been reviewed for compliance with the California Environmental Quality Act (CEQA). The project is for the Board of Supervisors to accept the report and provide direction on program options which will later be analyzed under CEQA.

Accepting this report and directing options for Community Benefits Agreements does not commit the County to any definitive course of action and would have no potential for resulting in significant physical change or effect on the environment directly or indirectly. Subsequent actions would be reviewed pursuant to CEQA and presented to the Board for consideration before implementation. Therefore, the project is exempt from CEQA, pursuant to Section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty that there is no possibility that today's actions may have a significant effect on the environment.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed Community Benefits Agreement policy options support the Equity/Empower/Community Initiatives in the County of San Diego's 2022 - 2027 Strategic Plan. These options support unincorporated communities and their residents who are impacted by large-scale projects by allowing these communities to work directly with project applicants to provide local benefits to offset potential socio-economic impacts created by large-scale projects. An integral part of the County's Strategic Initiatives is to enhance communities by creating partnerships in the community to maximize resources that benefit the region. This is also one of the goals of CBAs, bringing this project into alignment with the County's Strategic Initiative regarding Community.

Respectfully submitted,



SARAH E. AGHASSI
Deputy Chief Administrative Officer

ATTACHMENT(S)

Attachment A – Action Sheet

Attachment B – Public Comments