

County of Monterey

Item No.2

Board of Supervisors Chambers 168 W. Alisal St., 1st Floor Salinas, CA 93901

February 29, 2024

Board Report

Legistar File Number: 24-133

Introduced: 2/23/2024 Current Status: Agenda Ready

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a. Receive a presentation from staff and Ascent Environmental on the status of the Community Climate Action & Adaptation Plan and the options for moving forward; and,

- b. Recommend to the Board of Supervisors that the Board approve a contract with Ascent Environmental to prepare a "Non-Qualified" climate action plan for the County with CEQA thresholds; and,
- c. Provide direction to staff as needed.

RECOMMENDATION:

It is recommended that the Alternative Energy and Environment Committee:

- a. Receive a presentation from staff and Ascent Environmental on the status of the Community Climate Action & Adaptation Plan and the options for moving forward; and,
- Recommend to the Board of Supervisors that the Board approve a contract with Ascent Environmental to prepare a "Non-Qualified" climate action plan for the County with CEQA thresholds; and,
- c. Provide direction to staff as needed.

SUMMARY:

Staff recommends that the Alternative Energy and Environment Committee receive an update on the Community Climate Action and Adaptation Plan (CCAAP) and Municipal Climate Action Plan and provide direction to staff on options moving forward. In 2022, staff held four stakeholder working groups for the emissions sectors of Resource Consumption, Buildings and Energy, Transportation and Land Use, and Agriculture and Sequestration. This enabled Ascent Environmental to identify strategies supported by the community and stakeholder feedback received in this committee. However, these strategies alone fall significantly short of 2030 and 2045 emissions reductions goals. Staff will need to propose more ambitious reductions targets and develop new strategies for consideration. The County must now decide whether to pursue a California Environmental Quality Act- (CEQA-) qualified climate action plan or a "non-qualified" plan while developing CEQA thresholds of significance to support discretionary development projects. Staff recommend moving forward with Option 1: drafting a non-qualified plan and developing CEQA thresholds of significance. The pros and cons of these approaches are detailed in this report.

DISCUSSION:

In 2022, staff held four stakeholder working groups for the emissions sectors of Resource Consumption, Buildings and Energy, Transportation and Land Use, and Agriculture and Sequestration. This stakeholder engagement process allowed staff to work directly with community and stakeholder working group members to explore opportunities and concerns with greenhouse gas emissions (GHG)

reductions strategies. This resulted in a preliminary draft of strategies that were developed from the community feedback heard in the working group meetings. These strategies have gone through an initial round of staff review and are still in a developmental stage. Attachment A: Monterey County CCAAP and 2030 MCAP GHG Reduction and Adaptation Measures Memo attached to this report provides a summary of these strategies and the emissions reductions needed to achieve the 2030 and 2045 goals. Neither the community nor the municipal strategies achieve the State's 2030 GHG reduction target of 40% or the 2045 carbon neutrality goal. Additional GHG emissions reduction will be needed for all sectors, but primarily for Transportation, Buildings, and Agriculture.

At this stage, the Community Climate Action and Adaptation Plan is at an inflection point where the County must choose whether to pursue a "California Environmental Quality Act- (CEQA-) qualified" or a "non-qualified plan." "CEQA qualified" means a GHG reduction plan that is consistent with State CEQA Guidelines Section 15183.5 (Tiering and Streamlining the Analysis of Greenhouse Gas Emissions), which outlines the requirements for qualified plans for the reduction of GHG emissions. By preparing a CEQA-qualified CCAAP, the County would unlock CEQA tiering benefits that will streamline environmental review of GHG impacts of future development projects that are consistent with the CCAAP. The County may also elect to pursue a "non-qualified" plan and develop CEQA thresholds of significance for discretionary projects. CEQA thresholds of significance for GHGs are intended to help discretionary projects within the County's jurisdiction comply with State CEQA Guidelines regarding the evaluation of impacts from GHG emissions. The Board of Supervisors would adopt the thresholds at the same time as the CCAAP. The pros and cons of each option are evaluated below.

Option 1 Non-qualified CCAAP with CEQA Thresholds

This approach provides greater flexibility to the County to develop GHG reduction strategies that meet County needs, are reflective of community feedback, and rely more heavily on partnerships with our agricultural community through carbon sequestration activities. Developing CEQA thresholds of significance provides projects with guidance on assessing GHG impacts under CEQA and retains flexibility in how potential impacts are mitigated on a project-by-project basis. This also represents lower financial costs and a quicker administrative process for the County. Additionally, this option is more congruent with what is desired from County stakeholders. Ascent Environmental has scoped this option (prepare CCAAP and develop thresholds) to cost approximately \$195,000 and with an anticipated adoption date of summer of 2024.

Option 2 CEQA-qualified CCAAP

This approach limits the flexibility of GHG reduction strategies because it needs to be supported by substantial evidence and has stronger enforcement mechanisms. The quantification of emissions needs to be based on available data supported by evidence which necessitates a higher reliance on regulatory and mandatory pathways. Because the County has greater authority or influence over the Buildings and Transportation sectors, those two sectors would need to carry the majority of reductions. For example, to meet the 2030 goal by reducing emissions from buildings the County would need to commit to electrifying 40% of existing buildings by 2030. Based on community feedback and staff input, this aggressive goal is considered both undesirable and unachievable. While the County will almost certainly need a far-reaching building electrification goal, it should be better tailored to County needs. Reducing GHG emissions through transportation to meet the 2030 goals would rely on

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increased availability and affordability of zero-emissions vehicles or significant mode shifts away from automobile travel, which is not solely in the jurisdiction of the County and may be deemed infeasible for the purposes of CEQA approval. Developing a CEQA qualified CCAAP unlocks the CEQA tiering streamlining benefit. The CEQA process requires either a statement of Negative Declaration or Mitigated Negative Declaration (ND/MND) or an Environmental Impact Report (EIR). If an EIR is required, the earliest adoption date would be in March 2025. However, CEQA processes present an increased risk of litigation, which could continue to delay the adoption of the CCAAP and impair the County's ability to reach 2030 goals and extend beyond the Sustainable Agricultural Land Conservation grant deadline providing \$134,000 to this project. Ascent Environmental has scoped this option (prepare CCAAP and CEQA documentation) to cost between \$176,000 (for a ND/MND) and \$358,000 (for an EIR).

Conclusion

Staff supports Option 1: Non-qualified CCAAP with Thresholds because of the greater flexibility to create GHG strategies that fit County needs, quicker adoption timeline, decreased risk of litigation, reduced cost, and comparable benefits for discretionary projects.

OTHER AGENCY INVOLVEMENT:

Staff have collaborated with staff from Housing and Community Development; Public Works, Facilities, and Parks; the Agricultural Commissioner's Office; the Sheriff's Department; and the Health Department to ensure consistency and alignment across departments.

FINANCING:

Option 1 is estimated to cost \$195,000 over FY 23-24 and FY 24-25. Option 2 is estimated to cost between \$176,000 and \$358,000 over FY 23-24 and FY 24-25. Funding is currently being allocated to the completion of the Community Climate Action Plan and Municipal Climate Action Plan in the amount of \$275,000 by the American Rescue Plan Act. This funding will need to be reallocated through the augmentation process for the FY 24-25 proposed budget. Funding is also provided by a Sustainable Agricultural Land Conservation planning grant in the amount of \$134,000. Maintaining budget allocation for both sources is necessary to complete the climate action planning process.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This item supports the County's municipal climate action goals.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development

___ Administration

X Health & Human Services

X Infrastructure

X Public Safety

Prepared by: Cora Panturad, Management Analyst I x5338

Approved by: Deborah Paolinelli, Assistant County Administrative Officer x5309

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Attachments:

Attachment A: Monterey County CCAAP and 2030 MCAP GHG Reduction and Adaptation Measures Memo

PowerPoint

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