



COUNTY of VENTURA

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November 9, 2021

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Subject: Receive and File the FY2021-22 Budget and Staffing Plan for Climate Action Plan (CAP) Implementation and Approve an Additional \$716,904 in General Fund Appropriations for CAP implementation (Recommendation #2 Requires 4/5ths Vote)

Recommendations:

1. Receive and file the FY2021-22 Budget and Staffing Plan for Climate Action Plan (CAP) Implementation; and
2. Authorize the Auditor-Controller to process budgetary transactions necessary to revise the following appropriations and fund balance as follows (Requires 4/5ths vote):

INCREASE	2910-2913 Services and Supplies	\$ 161,392
INCREASE	1050 Services and Supplies	\$ 555,512
DECREASE	General Fund-Fund Balance-Assigned to Program Mitigation	\$ 716,904

FISCAL/MANDATES IMPACT:

Mandatory:	No
Source of Funding:	General Fund – Fund Balance-Assigned to Program Mitigation
Funding Match Required:	N/A
Impact on Other Departments:	Yes; collaboration between multiple departments in fulfilling assigned implementation programs found in the County of Ventura General Plan. Departments directly and indirectly involved in transactions include County Executive Office, Resource Management Agency, and Agricultural Commissioner's Office

Summary of Revenues and Costs:

	<u>FY 2021-22</u>	<u>FY 2022-23</u>
Revenue:	\$ 0	\$ 0
Costs:		
Direct	\$ 716,904	\$ 0
Indirect-Agency/Dept.	0	0
Indirect-County CAP	0	0
Total Costs	\$ 716,904	\$ 0
Net Costs:	\$ 716,904	\$ 0
Recovered Indirect Costs:	\$ 0	\$ 0

FY2021-22 Budget Projections for 2913 Plans and Ordinances and 1050 Special Accounts and Contributions					
Budget Unit		Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
2910-2913	Appropriations	\$1,449,090	\$1,449,090	\$1,449,090	\$0
	Revenue	\$825,746	\$825,746	\$825,746	\$0
	Net Cost	\$623,344	\$623,344	\$623,344	\$0
1050	Appropriations	\$90,039,369	\$94,427,896	\$94,427,896	\$0
	Revenue	\$27,003,182	\$33,003,182	\$33,003,182	\$0
	Net Cost	\$63,036,187	\$61,424,714	\$61,424,714	\$0

Background:

Led by the County Executive Office and in collaboration with several County agencies and departments, staff prepared the FY2021-22 Budget and Staffing Plan for CAP Implementation (Exhibit 1). Given the increase in regional greenhouse gas emissions (GHG), combined with the long-term consequences of annual drought and fire seasons, county governments across California recognize the detrimental impact GHG concentrations have on communities, families, and businesses.

In response to the need for climate action, the Ventura County 2040 General Plan (General Plan) established a community Climate Action Plan (CAP) with the intended goal to reduce GHG emissions and mitigate climate change impacts. The purpose of the CAP is to identify and reduce community GHG emissions from existing and future activities and sources within the unincorporated areas of Ventura County. The CAP is consistent with the County's commitment to address climate change and work towards a more sustainable community by reducing GHG emissions. The County's progress on CAP implementation is outlined below:

- On August 9, 2019, the Board of Supervisors gave direction to staff to prepare a cost analysis to estimate the County's costs to implement the draft General Plan, which included the CAP, scheduled during the first five years after Plan

adoption.

- On July 28, 2020, County Executive Office (CEO) staff presented the *Implementation Program Estimate Cost Analysis for Ventura County General Plan* which estimated the County's five-year costs relating to General Plan implementation. This update included the CAP-related implementation programs. This fiscal analysis provided the Board of Supervisors (Board) with a preliminary overview of estimated costs.
- On September 15, 2020 the Board approved the General Plan, which included the establishment of a CAP, and directed the CEO to present a proposed budgeting and staffing plan to implement the CAP to the Board of Supervisors pursuant to General Plan Program COS-DD (Budget and Staffing Plan for CAP Implementation).

The underlying budget and staffing assumptions that support the CAP implementation are provided in detail in the exhibits of this Board item.

Discussion

A significant amount of work was completed by the CEO's Sustainability and Budget & Finance Divisions to engage subject matter experts from impacted departments (General Services, Public Works, Agriculture Commissioner, Farm Advisor, Public Health, Fire District, and Resource Management) in preparation of the County's FY2021-22 Budget and Staffing Plan for CAP Implementation. The CAP is contained within the General Plan and includes several components including 81 implementation programs that the County's agencies are tasked with administering. This report began with the foundational budgetary elements reported to your Board in the *Implementation Program Estimate Cost Analysis for Ventura County 2040 General Plan* on July 28, 2020. These engagements look to align each agency's long-term vision with the CAP. Our engagements with the departments responsible for these CAP-related implementation programs revealed a common theme of Year One serving as a strategy and implementation phase for these programs.

A large portion of the CAP-related programs are scheduled to be implemented in the first five years following General Plan adoption. Per General Plan Program COS-DD (Budget and Staffing Plan for CAP Implementation), our office is required to provide an annual budget and staffing plan following the adoption of the General Plan and update the CAP budget and staffing plan each year thereafter. Consequently, the focus of this report is on FY2021-22.

Additionally, on October 5, 2021, your Board received a report on General Plan programs related to the establishing a mandatory Energy Reach Code ("Reach Code")

(Program COS-S) and prohibition of natural gas infrastructure in new residential and new commercial development (Program HAZ-AA). Your board instructed staff to include an option to add resources to expedite adoption of these program activities by six months. The FY2021-22 Budget and Staffing Plan for CAP Implementation proposes \$69,656 in new General Fund resource needs for Programs COS-S and HAZ-AA. As proposed, the programs will be initiated in FY2021-22 such that the requested programs occur six months earlier than the previously Board-approved workplan for General Plan implementation programs managed by the Resource Management Agency. The Planning Department will bring these programs for your Board's consideration around July 2022.

Discussion topics for development of the FY2021-22 Budget and Staffing Plan for CAP Implementation included project planning, cost estimation and forecasting, staffing levels, risk management, and schedule outlook. Subsequently, through this collaboration staff learned that several projects listed in the CAP are already operational and resourced within the County. Lastly, this collaboration concluded that the CEO's Sustainability Division staff be selected as the Project Manager for CAP implementation given its history as a leader in local climate action, interagency collaboration, and energy issues. Looking ahead, this multi-department collaboration will continue to convene and refine strategy for CAP implementation.

Th FY2021-22 Budget and Staffing Plan for CAP Implementation estimates that the County's cost of implementing CAP-related programs will be \$5.9M in FY21-22. In FY2021-22, \$2.9M or 50% of the total costs are expected to be funded from the General Fund. However, the implementation programs include both existing (\$2.2M) and new (\$717K) funding allocations. The balance of funding, \$3.0M, is expected to come from a combination of other sources including revenue offsets and permitting activities, grants, impact fees, or other funding mechanisms. Federal, state, or regional grants over and above the figures in this report are anticipated as additional revenue sources to partially fund CAP-related programs, although the expected amounts are speculative.

Of the 81 CAP-related implementation programs, 36 (44%) have already been initiated or completed while 45 (56%) remain uninitiated. Amongst the programs that remain uninitiated are those that are due to be initiated by 2025, those due to be implemented after 2025, and those that are sequential in nature whose implementation is contingent on another program's progress. The report includes summaries of estimated costs, funding sources, and General Fund impacts by agency and general plan element. These estimates will vary as more detail is made available about specific projects. The report also includes a program-by-program inventory of budget and staffing estimates for each of the 81 CAP-related implementation programs.

A budget modification for budget units in the Planning Division and CEO totaling in the amount of \$716,904 is required to fulfill implementation of CAP-related programs in FY2021-22.

This item was reviewed by County Counsel and Auditor-Controller. If you have any questions regarding this item, please call James Importante, Program Management Analyst in the County Executive Office Budget and Finance Division at 805-654-5088; or Clay Downing, Program Administrator in the County Executive Office Sustainability Division at 805-654-2187.



James Importante
Program Management Analyst
County Executive Office



m.p.

Michael Powers
County Executive Officer

Attachments

Exhibit 1 – FY2021-22 Budget and Staffing Plan for CAP Implementation