

City of Brisbane

Agenda Report

TO: Honorable Mayor and City Council

FROM: Open Space and Ecology Committee, via Lisa Pontecorvo, Management Analyst

DATE: Meeting of October 4, 2010

SUBJECT: Resolution supporting implementation of Assembly Bill 32 and opposing Proposition 23, an initiative to suspend AB 32.

Purpose

To demonstrate leadership in climate protection and support of AB 32.

Recommendation

The City Council adopts Resolution No. 2010-46 A Resolution of the City of Brisbane in Support of AB 32 and in Opposition to Proposition 23. (Attachment A)

Background

On September 22, 2010, the Open Space and Ecology Committee directed staff to bring before the Council a resolution opposing Proposition 23, an initiative that will appear on the November 2, 2010 General Election ballot. The official summary of Proposition 23 as prepared by the Attorney General is provided as Attachment B.

Discussion

Proposition 23 would suspend implementation of AB 32 until California's unemployment rate drops to 5.5 % or lower for four consecutive quarters. AB 32, the Global Warming Solutions Act of 2006, is the climate change and air pollution control legislation that requires the state's greenhouse gas emissions be reduced to 1990 levels by 2020. The AB 32 implementation program would include emissions reporting and reduction requirements, fees for major emission sources such as power plants and oil refineries, and expanded use of renewable energy.

An analysis by the California Air Resources Board concludes that retaining AB 32 would have a net positive economic impact on California's economy and create an additional 10,000 jobs in the next ten years. UC Berkeley's Center for Law, Energy and the Environment notes that passage of Proposition 23 would result in a loss of potential revenue from the auction of allowances for a cap-and-trade program, suspend the state's

low-carbon fuel standard, jeopardize the renewable portfolio standard, weaken SB 375, threaten public health, and generally hinder California's clean energy sector.

Supporters of Proposition 23 argue that AB 32 will raise energy prices and reduce employment, and therefore, should be suspended until the state's economy is more robust. They contend that a significant number of California jobs would be lost because manufacturers would be forced to move out of the state to circumvent AB 32 regulations aimed to reduce carbon emissions, and that Californians would be subject to the cost of compliance with these new environmental regulations.

The American Planning Association California opposes Proposition 23. It supports implementation of AB 32 as well as SB 375, which links greenhouse gas reduction to regional planning for land use, transportation, and housing. Pacific Gas and Electric (PG&E), California Professional Firefighters, Silicon Valley Leadership Group, and numerous other California business, labor, environmental, public health, and civic organizations are also on record in opposition of Proposition 23.

The League of California Cities has not taken an official position on Proposition 23. However, over thirty local government agencies (Attachment C) have passed resolutions to oppose Prop 23, primarily on the grounds that it is inconsistent with local government efforts to curb climate change and would inhibit the emerging green technology and construction sectors. Opposing Proposition 23 would be consistent with the City of Brisbane's established policies to reduce energy and air pollution, and to promote sustainability.

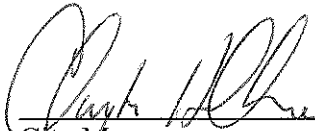
Fiscal Impact

The fiscal impacts associated with implementation of AB 32 are unknown at this time. Opposition to Proposition 23 would not create any additional financial cost to the City of Brisbane.

Measure of Success

Brisbane community demonstrates its opposition to Proposition 23.


Management Analyst


City Manager

ATTACHMENTS:

- A. Resolution 2010-46
- B. Official Title and Summary of Proposition 23 prepared by the Attorney General
- C. List of California agencies opposing Proposition 23

RESOLUTION 2010-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE OPPOSING
PROPOSITION 23, AN INITIATIVE TO SUSPEND IMPLEMENTATION OF
ASSEMBLY BILL 32, THE GLOBAL WARMING SOLUTIONS ACT OF 2006

WHEREAS, on September 27, 2006, the State of California legislature passed the Global Warming Solutions Act of 2006, Assembly Bill 32, a clean energy and air pollution control law that requires a reduction of greenhouse gas emissions that threaten human health and contribute to climate change; and

WHEREAS, Proposition 23 would suspend AB 32's air pollution regulations until the economy improves, and would threaten California's emerging clean energy industry that will reduce dependence on non-renewable fossil fuels; and

WHEREAS, a broad coalition of local government agencies, elected officials, utilities, civic, business, labor, health, and environmental organizations are on record in support of AB 32 and in opposition to Proposition 23; and

WHEREAS, opposing the suspension of AB 32's clean energy and air pollution control standards is consistent with Brisbane's regional leadership in energy conservation and sustainability.

THEREFORE, BE IT RESOLVED that the City of Brisbane City Council hereby expresses its opposition to Proposition 23 and its support of AB 32.

W. Clarke Conway
Mayor

I certify that the foregoing Resolution No. 2010-39 was duly and regularly adopted at a regular meeting of the Brisbane City Council on the 4th day of October, 2010, by the following vote:

AYES:
NOES:
ABSENT:

Sheri Marie Spediacci
City Clerk

SUSPENDS IMPLEMENTATION OF AIR POLLUTION CONTROL LAW (AB 32) REQUIRING MAJOR SOURCES OF EMISSIONS TO REPORT AND REDUCE GREENHOUSE GAS EMISSIONS THAT CAUSE GLOBAL WARMING, UNTIL UNEMPLOYMENT DROPS TO 5.5 PERCENT OR LESS FOR FULL YEAR. INITIATIVE STATUTE.

OFFICIAL TITLE AND SUMMARY

PREPARED BY THE ATTORNEY GENERAL

SUSPENDS IMPLEMENTATION OF AIR POLLUTION CONTROL LAW (AB 32) REQUIRING MAJOR SOURCES OF EMISSIONS TO REPORT AND REDUCE GREENHOUSE GAS EMISSIONS THAT CAUSE GLOBAL WARMING, UNTIL UNEMPLOYMENT DROPS TO 5.5 PERCENT OR LESS FOR FULL YEAR. INITIATIVE STATUTE.

- Suspends State law that requires greenhouse gas emissions be reduced to 1990 levels by 2020, until California's unemployment drops to 5.5 percent or less for four consecutive quarters.
- Suspends comprehensive greenhouse-gas-reduction program that includes increased renewable energy and cleaner fuel requirements, and mandatory emissions reporting and fee requirements for major emissions sources such as power plants and oil refineries.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- The suspension of AB 32 could result in a modest net increase in overall economic activity in the state. In this event, there would be an unknown but potentially significant net increase in state and local government revenues.
- Potential loss of a new source of state revenues from the auctioning of emission allowances by state government to certain businesses that would pay for these allowances, by suspending the future implementation of cap-and-trade regulations.
- Lower energy costs for state and local governments than otherwise.

ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND

Global Warming and Greenhouse Gases.

Greenhouse gases (GHGs) are gases that trap heat from the sun within the earth's atmosphere, thereby warming the earth's temperature. Both natural phenomena (mainly the evaporation of water) and human activities (principally burning fossil fuels) produce GHGs. Scientific experts have voiced concerns that higher concentrations of GHGs resulting from human activities are increasing global temperatures, and that such global temperature rises could eventually cause significant problems. Such global temperature increases are commonly referred to as global warming, or climate change.

As a populous state with a large industrial economy, California is the second largest emitter of GHGs in the United States and one of the largest emitters of GHGs in the world. Climate change is a global issue necessitating an international approach. Actions in California regarding GHGs have been advocated on the basis

that they will contribute to a solution and may act as a catalyst to the undertaking of GHG mitigation policies elsewhere in our nation and in other countries.

Assembly Bill 32 Enacted to Limit GHGs. In 2006, the state enacted the California Global Warming Solutions Act of 2006, commonly referred to as Assembly Bill 32 or "AB 32." This legislation established the target of reducing the state's emissions of GHGs by 2020 to the level that emissions were at in 1990. It is estimated that achieving this target would result in about a 30 percent reduction in GHGs in 2020 from where their level would otherwise be in the absence of AB 32.

Assembly Bill 32 requires the state Air Resources Board (ARB) to adopt rules and regulations to achieve this reduction. The law also directs ARB, in developing these rules and regulations, to take advantage of opportunities to improve air quality, thereby creating public health benefits from the state's GHG emission reduction activities.

California Cities, Counties, and Public Agencies opposing Proposition 23

City of Albany
City of Baldwin Park
City of Berkeley
City of Cloverdale
City of Chula Vista
City of El Cerrito
City of Davis
City of Del Mar
City of Fairfax
City of Hayward
City of Hermosa Beach
City of La Mesa
City of Los Angeles
City of Manhattan Beach
City of Maywood
City of Oakland
City of Petaluma
City of Sacramento
City of San Mateo
City of San Rafael
City of Santa Cruz
City of Santa Monica
City of Santa Rosa
City of Sunnyvale
City of Solana Beach
City of West Hollywood
City and County of San Francisco
County of Marin
County of Santa Barbara
County of Santa Cruz
County of Sonoma

California Public Utilities Commission
California Municipal Utilities Association
ICLEI Local Governments for Sustainability
Marin Municipal Water District
East Bay Municipal Commission