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FEDERAL ISSUES

ISSUE

Endangered and Threatened Species

POSITION

The El Dorado County Chamber of Commerce supports reforms to both state and federal threatened and endangered species laws to assure the following:

1. ESA should be an incentive-based law
2. Landowners shall be treated fairly
3. The ability to produce food, fiber and all other agricultural products is not abridged
4. Landowners shall be fairly compensated for losses when their property is converted or restricted in use to benefit the public
5. A thorough scientific review of listing and de-listing petitions, biological opinions and recovery plans is required. The ESA should be amended to include a recovery plan for the species before listing, and set a realistic number for the species de-listing goal. A peer review of data should be required prior to listing, and set a realistic number for the species de-listing goal.
6. Any conservation efforts on public lands that affect the uses and private rights held by public land permittees and users shall be subject to compensation at fair market value for the taking of these limited property rights.

BACKGROUND

Both federal and state endangered species laws have inhibited and restricted and in many cases halted industrial, construction and agricultural businesses from conducting normal business practices. The accidental taking of an endangered species can also result in large fines or even imprisonment.

REASONS FOR POSITION

The western United States and California in particular have been inundated with the listing of threatened or endangered species. Many times the species are rodents, insects or crustaceans. These species can be located in areas destined for construction or on agricultural lands. The accidental taking of a listed species can devastate a business and unfairly penalize its owners

ISSUE

Fast Track Trade Negotiating Authority

POSITION

The El Dorado County Chamber of Commerce supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad and elimination of disincentive that impede the international competitiveness of California business and, therefore, supports renewal of fast track trade negotiating authority so that the President of the United States may negotiate new multilateral, sectoral and regional trade agreements ensuring that the United States may continue to gain access to world markets, resulting in an improved economy and additional employment of Americans.

BACKGROUND

It is difficult for the President of the United States, or the U. S. Trade Representative to negotiate new multilateral, sectoral and regional trade agreements without fast track trade negotiating authority. Following congressional approval of the General Agreement of Tariffs and Trade/World Trade Organization, fast track negotiating authority lapsed in April 1994. Fast track authority must be renewed via legislation in the U. S. Congress and is expected to be considered in 2003.

Fast track is the process by which Congress gives authority to the President and/or U. S. Trade Representative to enter into trade negotiations in order to lower U. S. export barriers. Traditionally, following the conclusion of negotiations for a trade agreement, enabling legislation is submitted to Congress for approval. Once legislation is submitted, under the fast track provision, both houses of Congress will vote "yes" or "no" on the agreement with no amendments, and do so within 90 session days (not to be confused with a treaty, which is "ratified" by the U. S. Senate). During negotiations however, sufficient consultation with Congress takes place so that there is not a presentation of an agreement not having majority support in Congress.

REASONS FOR POSITION

Since 1994 U. S. trading partners in Canada, Europe, Latin America and Asia have been actively negotiating with other countries to achieve preferential market access. Since fast track authority expired, 25 free trade agreements have been negotiated, not one of them involving the United States. America's standing as a world leader depends directly upon our competitive success in the global economy.

ISSUE

Federal Involvement in Land Use Decisions

POSITION

The El Dorado County Chamber of Commerce believes that land use decision-making authority must remain with local government.

BACKGROUND

Over the last few years several bills have been introduced regarding “environmental justice.” Environmental justice refers to the fair treatment of people of all races, cultures and income with respect to the development, implementation and enforcement of environmental laws, regulations and policies. The concept has been gaining in popularity since the 1980s, when a surge of “nimbyism” regarding the siting of garbage dumps and hazardous waste sites brought the issue to prominence.

Before the 1980s these kinds of facilities were located in remote rural areas far enough from cities not to cause problems. As people became more sophisticated about the dangers of waste sites and began moving away from city centers, siting these facilities became an issue. A series of studies revealed that a high percentage of factories, heavy-duty industrial centers and waste sites were located in low-income areas.

At first glance it appeared that these facilities were sited in low-income areas because they were less desirable and tended to reduce the value of surrounding properties. In reality, many of the areas were zoned for industrial uses first and communities grew up around them to provide housing for employees. City councils and county supervisors often request rezoning and implementation of enterprise zones in an effort to revitalize a declining neighborhood by bringing in a new revenue base.

None of the environmental justice bills, more accurately described as socioeconomic set asides, have been successful to date. More introductions can be expected in light of President Bill Clinton issuing issued by an executive order requiring examination of federal policies and the development of environmental justice strategies for federal agencies in 1994. In 1995, further executive orders on the same subject began to appear in individual federal agencies.

REASONS FOR POSITION

1. Current law requires analyses of potential environmental impacts on all surrounding areas and populations regardless of color, race or income.
2. Siting facilities is a zoning issue that is best handled at the local level by people familiar with the short and long-term goals of the area.

ISSUE

Private Property Rights

POSITION

The El Dorado County Chamber of Commerce recognizes that private property rights are one of the most important issues facing our nation. The right of a private property owner to sell, maintain or transfer ownership of his/her property without unnecessary interference should be protected. Any legal “taking” of private property for public benefit should require compensation at fair market value

BACKGROUND

Reasonable land use restrictions are acceptable. However, “many” causes including environmental and historic preservation are viewed by some as more important than individual property rights. Recent examples include federal mandates for protection of wetlands; endangered species such as plant preserves and frog habitats.

REASONS FOR POSITION

Private property rights are fundamental and policy makers should give protecting those rights priority when wrestling with policy matters.

STATE ISSUES

ISSUE

California Independent Contractor Rule

POSITION

The El Dorado County Chamber of Commerce supports enactment of legislation conforming state law to recent changes in federal law allowing a “safe harbor” for all businesses that correctly follow the legal rules for determining worker tax status.

BACKGROUND

Legislation proposed by the California Chamber conforms state independent contractor law with recent changes in federal law signed by President Bill Clinton. For many years California businesses have asked for some type of certainty in independent contractor tax status determination. When legal requirements clearly are met, businesses want protection from “after-the-fact” determinations that the independent contractor is really an employee. From 1988 to 1994, the IRS conducted 11,400 audits of firms, forcing the reclassification of nearly 500,000 workers as employees rather than independent contractors, producing an additional \$751 million in payroll taxes and penalties. Studies show that IRS rulings support “employee” status 90 percent of the time. Targets of audits have been truckers, florists, travel agents, computer programmers and even ministers of the faith. Audits range from IBM to “mom and pop” enterprises.

REASONS FOR POSITION

When both parties to a contract follow all the legal requirements to establish an independent contractor relationship, businesses need to be able to know there won't be costly, after-the-fact determinations that the contractor is an employee. Moreover, until California enacts this change, businesses will be forced to operate under conflicting federal and state rules. Independent contractors are the small business owners (with employees) of tomorrow. California needs to help foster independent contractors because small businesses provide the bulk of new jobs in this state each year. Both businesses and independent contractors benefit from the contractual relationship.

ISSUE

Education Reform

POSITION

The El Dorado County Chamber of Commerce believes that reforms in public education that are based on standards, effective assessment of student achievement and returning control over education policy and budgets to local school boards will allow California public schools to compete as we enter the next century. To ensure that students have the best opportunity to succeed in the classroom, efforts must be made to recruit and train qualified teachers. Providing adequate school facilities, with the appropriate infrastructure to support technology is also a priority. In addition, the Chamber supports programs that help students prepare for the workforce, such as School to Career.

BACKGROUND

The quality of the labor force is the primary site selection criteria used today by businesses examining a community as a place to locate or expand a business. The ability of schools to produce a labor force capable of meeting the needs of businesses in the 21st Century is a major concern of businesses across the state. The issue of education reform dominated the debate in the 1998 elections and is the number one concern of California Governor Gray Davis.

Rigorous academic standards have been adopted in core subject areas, and assessments have been implemented to measure how students and schools are doing with respect to the standards established. Schools throughout El Dorado County are performing very well and enjoy tremendous support from parents and the community. The teaching staff throughout the schools in the county is well qualified, with less than 1% of the staff having emergency credentials.

Student enrollment growth is particularly occurring in school districts on the far western slope of El Dorado County, as well as within the El Dorado Union High School District. The need for school facility funding is evident. In addition, many schools throughout the county are over 30 years old, and require modernization in order to meet the current technology demands of providing a strong curriculum to meet student needs.

Schools throughout the county have participated in the School to Career program, which provides an opportunity for businesses to actively participate in improving our educational system. Businesses invite educators to the workplace for short-term internships designed to broaden the educators knowledge of the skill sets required by industry. The educators then design lesson plans that integrate academic curriculum with these skills. The program is looking to expand to provide an opportunity for students to participate directly with businesses.

REASONS FOR POSITION

We believe that because of California's diversity, local elected school boards are in the best position to make critical decisions regarding educational programs and services. The best reform in public education would be to return decision-making authority to local school boards.

ISSUE

Minimum Wage and Living Wage

POSITION

The El Dorado County Chamber of Commerce is opposed to increasing the minimum wage or instituting a living wage mandate.

BACKGROUND

The current state minimum wage of \$6.75 per hour is 1.25 higher than the federal minimum wage of \$5.50 per hour. The California minimum wage was raised to \$6.25 per hour on January 1, 2001. A minimum wage is considered a starting wage, and state law states that it is the intent of the Legislature that the Industrial Welfare Commission, in setting the minimum wage, not cause undue hardship and loss of employment opportunities in any segment of industry in California.

A living wage is the income that allows a person or family to live comfortably or above the poverty level in the state where they reside. Usually a living wage is a mandated local wage well above the federal minimum wage and requires companies that conduct businesses with or have contracts with the city to pay their employees the implemented living wage. It is usually set at two levels—one for employers who provide health benefits and another for those who do not.

REASONS FOR POSITION

The El Dorado County Chamber supports keeping California competitive with other states and continuing the economic recovery California has been experiencing. Problems with minimum wage increases and living wage mandates include:

- Increased payroll costs and increased costs associated with unemployment taxes, disability insurance taxes, income taxes and worker's compensation insurance.
- Businesses with higher labor costs pass the cost onto consumers by raising the price of products or services
- Hours of work for employees are decreased
- Planned business expansion is delayed or canceled and some businesses may leave the state for locations where labor costs are lower.
- Job opportunities will be eliminated and the number of families at the poverty level will increase.
- Entry-level jobs are cut because employers cannot afford to pay living wages
- Employers will not be able to afford pay raises for employees on a regular basis because payroll costs will already be a burden on employers

ISSUE

Minimum Franchise Tax

POSITION

The El Dorado County Chamber of Commerce supports the elimination of the minimum franchise tax for small business.

BACKGROUND

The minimum franchise tax is the tax that corporations pay for the privilege of conducting business as a corporation. Many small corporations question the value because they do not understand they are paying additional taxes for the privilege of being regulated. California's minimum franchise tax on corporations and limited liability companies (LLC) is \$800. To begin operating, the small corporation actually must pay two years' worth of tax. This is required whether or not the company makes a profit.

REASONS FOR THE POSITION

1. Small businesses struggle to survive in the first five years of operation and often operate at a loss during this time.
2. Small businesses also struggle to comply with the cost of government compliance, which has a disproportionate impact on smaller firms.

ISSUE

Net-Operating Loss Carryovers- Federal Tax Conformity

POSITION

The El Dorado County Chamber of Commerce supports net operating loss provisions and research and development credits.

BACKGROUND

NOL carryovers allow taxpayers, who have suffered an operating loss in the tax year, to carry over the loss into future years to offset future income. An NOL provision in the tax year recognizes income from a business is not reflected in a 12-month tax year. Expenses may be incurred in one year with the income recognized in the future. This is particularly true for small businesses and start-up companies.

A tax credit encourages taxpayers to invest in research and development. This is especially important in California, having a large number of high-technology companies relying on innovation to remain competitive in a world economy.

REASONS FOR THE POSITION

1. Conformity to the federal tax system makes compliance with state tax simpler.
2. NOL carryovers and research and development credits encourage risk taking and innovation by California businesses.

ISSUE

Reapportionment

POSITION

The El Dorado County Chamber of Commerce supports fair and equitable representation by the following specific criteria:

- Equal in population
- Contiguous and compact districts
- Each type of district be numbered consecutively
- Geographic integrity by city and county boundaries be respected
- Communities of interest are respected
- State is divided into 40 Senate and 80 Assembly districts
- Each Senate district be composed of two Assembly districts

BACKGROUND

In California, redistricting responsibility is given to the Legislature. The party in power tends to influence the redrawing of district boundary lines to benefit itself, resulting in odd-shaped, geographically spread out districts that usually are the products of partisan gerrymandering.

REASONS FOR THE POSITION

1. The best government for business is a balanced Legislature, which offers the opportunity for discussion of all sides of an issue.
2. Districts should be drawn to provide for fair representation of all residents, including ethnic and language minorities, and promote competition.

ISSUE

Water Storage Facilities

POSITION

The El Dorado County Chamber of Commerce supports the building and maintaining of water storage facilities as part of any overall state water plan. New storage facilities must come before new conveyance facilities.

BACKGROUND

Federal and state governments and southern California municipalities are investigating ways in which to transfer water from the northern part of the state for various uses. These uses include environmental, agricultural, residential and industrial. Many northern California water experts believe enough water exists for all California's use if it can be stored and used as needed.

REASONS FOR POSITION

Northern California and El Dorado County in particular are blessed with several valuable natural resources. Water, both surface and ground, is one of these resources. As population increases, water will be needed for residential and other uses. More and more demands will be made on northern California to give up its water and rights to its water. One solution to maintaining enough water for everyone's needs is to build more water storage facilities. Water will be caught and stored in heavy rain/snow years and can be used in drought years.

Much of northern California's economy is based upon its vast agricultural industry. To sacrifice that industry in any way would damage the area's largest business and in turn damage those businesses that depend on agriculture. The transfer of too much water or the fallowing of area farmland would damage our agricultural industry and could interfere with any expansion of industry.

In addition, lakes and reservoirs can make recreational opportunities for area businesses and create jobs and improve the local economy.

ISSUE

Workplace Regulation

POSITION

The El Dorado County Chamber of Commerce opposes any additional public or private work place regulations.

BACKGROUND

The state has passed numerous laws and regulations dealing with issues ranging from Workers' Compensation to specific worker protection for all public and private employees, but focused on police and fire. These regulations are well intended, but clearly raise the costs of providing local government services substantially. At this point, between Workers' Compensation and the Fair Labor Standards Act, all employees are very well protected.

REASON FOR POSITION

Based upon growing fiscal constraints, it is unreasonable to add to these regulations at a time when all levels of government, and private businesses as well, are attempting to provide additional service for less cost.

LOCAL ISSUES

ISSUE

Water Resources of El Dorado County

POSITION

The El Dorado County Chamber of Commerce supports the building and maintaining of water storage facilities as part of any overall state water plan. New storage facilities must come before new conveyance facilities.

BACKGROUND

We recognize that natural precipitation (both as rain and snowfall) and stream runoff are the principal sources of consumptive water in El Dorado County. Unlike many other communities, we lack ground water resources that could be available during times of drought. We also recognize that precipitation is variable and occurs in 20 to 40-year cycles during which rainfall may be below average, average, or above average for the length of the cycle. From this, we conclude that during periods of drought the availability of stored surface water is critical to the long-term viability of this county. Recent events have shown that our existing water systems are inadequate to protect us from water rationing and other restrictive edicts under conditions of only minor shortfalls in precipitation and stream flow. The need for new up-stream water storage that will augment our current facilities is now our most pressing need.

Excessive amounts of water that originate in El Dorado are being exported from the county for use by others. Sacramento is a major user of our water, and SMUD controls and benefits from massive use of El Dorado water for power generation. Despite the fact that El Dorado County had prior claims to some of the water used by SMUD and Sacramento, our citizens realize few benefits that stem from the extensive water facilities (Upper American River Project) that was put in place by SMUD nearly 50 years ago. We believe it is time to reassess the operation and management of the UARP so that El Dorado County may more equitably share in the benefit derived from utilization of our natural resources.

SMUD's license to operate its power-generating facilities expires in 2007; SMUD is now in the process of applying to Federal Energy Regulatory Commission (FERC) for a new license. El Dorado County has been invited to participate with SMUD as a "stakeholder" in the process, along with dozens of other organizations that have special interests to plead during the licensing process. Many of these "stakeholders" reside outside of El Dorado, and most of them are concerned with matters that affect aquatic environments or recreational activities. El Dorado County citizens must vigorously articulate our own needs for water storage facilities, and we must also urge our elected officials to adopt policies that will ensure that the needed facilities are actually constructed. Because all of the readily accessible and low-cost sites for reservoirs in the county are presently occupied by SMUD. We believe that SMUD bears an obligation to assist us in the location, design, and construction of new facilities devoted to the benefit of our citizens as well as to SMUD. In addition, many other adjustments in the operation and Management of the UARP should be explored to elucidate other benefits that might accrue to the county of origin.

REASONS FOR POSITION

El Dorado Citizens for Water has led the way in developing water plans and in advocating specific courses of action required to satisfy our long-term water needs. County officials now appear to support these positions but much more needs to be done to generate public support for the proposed solutions. Chambers of Commerce can play a key role in public education through their broad contacts throughout the county. The following activities are recommended in which the Chamber could play a key role:

- ✓ Sponsor public “town hall” meetings where interested parties espousing all viewpoints can come together in order to express their opinions on how best to alleviate our present inadequate water situation.
- ✓ Distribute educational materials about our water situation, and time and places of meetings.
- ✓ Continuous contact with our Board of Supervisors must be maintained to encourage them to vigorously defend our interests with SMUD; unanimity in votes is desirable to show our concern and resolve.
- ✓ Insist our County Water Agency recognize our need for long-term storage and develop strategic plans to achieve it.
- ✓ Encourage direct contact by Chamber representatives with SMUD’s Board of Directors and invite them to attend our town hall meeting.
- ✓ Monitor the proceedings of SMUD’s plenary sessions to ensure that El Dorado County’s interests are fully expressed and realized.
- ✓ Attend meetings of the Board of Supervisors, the County Water Agency, and EID’s Board of Directors’ meetings and advocate water storage development.
- ✓ Join other civic organizations to foster a unified approach to solving our water problems.
- ✓ Contact the Sacramento and Folsom Chambers of Commerce to make them aware of our needs.
- ✓ Request our members and citizens contact their state representatives to express their support for our water situation.
- ✓ Consider ways to raise funds in support of litigation to protect the public trust for our county of origin rights should that become necessary.
- ✓ Support Citizens for Water when they intervene in the FERC licensing process.
- ✓ Be involved in ongoing process & activities as they arise.

ISSUE

50 Corridor Transportation

POSITION

The El Dorado County Chamber of Commerce supports the High Occupancy Vehicle (HOV) study.

BACKGROUND

The proposed study represents a nontraditional process for Caltrans to examine transportation project. It will offer a holistic approach to studying the U.S. 50 HOV lanes – their impacts on Highway 50 Corridor communities, businesses, and other transportation modes.

The SACOG Highway 50 Major Investment Study, adopted in 1997, acknowledged the controversy regarding the Downtown to Sunrise HOV lane project. The primary concern was the drop ramps that would connect to surface streets in the downtown Sacramento residential neighborhoods. The proposed study would include community outreach and participation to address downtown traffic circulation. The study would also examine the “weave” issue on the W-X Freeway involving the merge between westbound 50, Capital City Freeway and 16th Street exiting traffic.

The proposed study also addresses sound walls and landscaping along Highway 50.

First Segment Already Under Construction

The first segment of U.S. Highway 50 HOV lanes is already under construction. This project, funded partially by El Dorado County, will provide for east and west bound HOV lanes from Sunrise to the El Dorado Hills interchange. This first segment will improve mobility on the east end of the corridor. Not connecting this increased capacity to Downtown, in fact, could encourage the eastern-bound sprawl that HOV opponents warn against.

State Route 99 HOV lanes successful

During the last decade, 14.3 miles of HOV lanes have been constructed on State Route 99 in Sacramento County. On this segment of HOV lanes, use grew from 1100 vehicles in 1991 to 1450 vehicles carrying 3260 people during the same peak commute hour in 1998. (23% increase)

Valley Vision Study

In a recent Capital Region Institute and Valley Vision/Regional Action Partnership publication, a U.C. Davis academic report suggested that HOV lanes encourage urban sprawl and increase air pollution. The conclusion of this U.C. Davis report is not endorsed by Valley Vision and was intended only to add to the body of research/opinions on transportation strategies. The study looks at regional impacts supposing the addition of HOV lanes to Auburn, the Sacramento International Airport, Placerville and Davis. According to the author, Robert A. Johnston, study results cannot be corridor specific (i.e. cannot be used to argue for or against HOV lanes along Highway 50). Johnston notes that the study does not take into consideration existing conditions along Highway 50 since the data and modeling tools used in this study are 5-6 years old. Further, Johnston indicates that a new study is warranted given that HOV lanes from Sunrise to the El Dorado Hills interchange are already under construction.

Will HOV lanes encourage commuters to live further from Downtown?

Ease of Commute is one factor for making a decision about where to live. Just as important are factors such as quality of schools, level of crime, property values, quality of life and general lifestyles. The Downtown Sacramento Partnership's Five Year Strategic Plan (2001) indicates that Downtown Sacramento currently has an unfulfilled demand for downtown housing. Meeting this demand and providing appropriate incentives for infill development will do much to discourage urban sprawl, while allowing the regional transportation system to grow efficiently.

Why is it important to extend the HOV lanes to Downtown Sacramento?

Without support from the City of Sacramento, HOV lanes will eventually be extended from El Dorado Hills to Watt Avenue. The result will be improved mobility along Highway 50 in El Dorado County, Folsom and Rancho Cordova. Mobility and accessibility to Downtown Sacramento, however, will be impeded. Access to Downtown Sacramento is important to the Region – it is a focal point for government, entertainment and employment. Lack of access to Downtown Sacramento will encourage residential, commercial and employment development outside the city limits.

Air Quality Impacts of HOV Lanes

A Draft Fact Sheet published by the California Air Resources Board in 1999 acknowledges HOV lanes as a key component of an efficient transportation system. As California's population continues to grow HOV lanes improve mobility, ease congestion and reduce air pollution. The fact sheet notes that HOV lanes do increase carpooling. "Carpooling on freeways with HOV lanes has remained static... On Route 101 in Santa Clara County, carpooling has doubled the year after a new HOV lane opened, and carpoolers were reaching their destinations in half the time of solo drivers in adjacent lanes. In Los Angeles County, carpooling has increased over 100 percent on the Route 110 HOV lanes in the last two years." ARB also notes that HOV lane systems are included in the federally-approved air quality plans for the LA region and the San Francisco Bay area. If these systems are not constructed and existing HOV lanes become missed flow, new measures to reduce air pollution would have to be added to the air quality plans to replace the emissions benefits that HOV lanes provide. ARB offers the following recommendations for making HOV lanes more efficient:

1. Completing the network.
2. Maximizing use by express transit buses.
3. Including HOV lanes information in real-time traffic advisories.

REASONS FOR POSITION

Attitudes Toward HOV lanes: Nearly two-thirds of commuters use a freeway to travel to or from work (61%). Of these, 55 percent report having HOV lanes available to them. This continues a steady up trend since 1993 (37%). Of those having HOV lanes available to them, nearly one in five (18%) actually used the lanes at least once in the week prior to the survey. The vast majority of rideshares with access to an HOV lanes (71%) report traveling on the HOV lane to work. Of the respondents with no HOV lanes available to them, 39% believe the availability of these HOV lanes would personally encourage them to carpool, vanpool or take the bus.

ISSUE

Agricultural Land Preservation and Support of Agricultural Economy

POSITION

The El Dorado County Chamber of Commerce supports the preservation of prime agricultural lands (defined as Class 1 and Class 2 soils) and supports the local agricultural economy.

BACKGROUND

The agricultural industry in El Dorado County directly supports approximately one in ten persons directly and numerous more indirectly. Agriculture is El Dorado County's largest industry.

REASONS FOR POSITION

Many area businesses (auto dealerships, ag chemical dealers, implement dealers, banks, accountants, attorneys, irrigation supply companies, etc.) owe much of their prosperity to agriculture. The damaging of agriculture in any way can adversely affect the entire northern California economy. The preservation of prime agricultural land is the first step in insuring a healthy overall agricultural economy. Residential and commercial construction must be encouraged on lesser quality soils in areas that do not have adverse affects on commercial agricultural production.

Preservation of prime agricultural lands through the Williamson Act, the purchase and transfer of development rights, area green lines and ag preserves are encouraged by the El Dorado County Chamber of Commerce.

ISSUE

General Plan Update

POSITION

The El Dorado County Chamber of Commerce should get involved and review and comment on the draft EIR once it is available. No action is needed now

BACKGROUND

The El Dorado County Board of Supervisors has made the decision to create a new General Plan and EIR, rather than complying with the writ of mandate issued by Judge Bond in 1998, citing certain items in further CEQA and environmental review.

Also in 1998, the traffic control/traffic congestion initiative Measure Y, was passed by the voters of El Dorado County that amends the General Plan to address traffic concerns. Ironically, Measure Y was passed prior to Judge Bond's decision and writ of mandate.

Currently, the General Plan process is in full gear and Notice of Preparation (NOP) has been circulated and commented. One of the first actions of the Board of Supervisors was to remove the General Plan Process from the Planning Commission and for the Board of Supervisors to act as the planners in the creation of a new General Plan. The Board has decided to use a land use plan from 1994, some information from the 1996 General Plan and a traffic study to be performed in 2001-2002.

The Board of Supervisors has retained EDAW to prepare an EIR, Pher and Peers to perform traffic studies and the Law Offices of Shute Mahaiely for legal services.

The timing on all this is as follows. By the second quarter of 2001, a draft EIR should be circulated for comment. At that time, anyone with interest should comment. The comments will be addressed and a public hearing will be set. It is anticipated by the Board of Supervisors, that the public hearings should occur by the end of 2001 or beginning of 2002. This is a very aggressive schedule and process.

REASONS FOR POSITION

Due to the fact that the General Plan is a work in progress, we need to stay informed but there is not a reason for a firm position at this time.

ISSUE

Economic Development

POSITION

Enactment of growth controls has tended to be a cyclical phenomenon. As the economy heats up and population increases, many communities respond by pulling up the drawbridge. Growth control measures have generally been adopted by public officials in response to perceived negative impacts of growth. More and more however, growth limitations have been adopted through the initiative process as a direct expression of public dissatisfaction and desire for control.

BACKGROUND

Unfortunately, California's remarkable recovery from the early 1990's recession gave way to an increased effort to halt growth in many communities. During most of the early part of the 1990-decade, few new measures to control or restrict growth had been enacted. As the State began to see an end to the recession and enjoy a strong recovery, one distressing reaction has been the increased number of proposed initiatives and measures to restrict growth.

Through the later parts of the 1990's there were only 50 cities and counties that had measures that directly limited the number of housing units that could be approved annually. Over the past few years however, other forms of growth controls, many less explicit than direct limits on housing units, have become more prevalent. Such indirect measures include density limitations, requiring voter approval for density increases or changes in zoning, metered development requirements, and urban growth boundaries. While less explicit than direct limits on housing development permits, these new measures nonetheless have the effect of arbitrarily restricting needed housing development which in turn inhibits industry development and overall managed growth. Markets do not respect city or county boundaries. In market areas with high demand, the restrictions of one community often lead to leapfrog development into nearby communities or even worse, no development at all.

While many of these measures are enacted in reaction to valid public concerns about air quality, traffic congestion, etc., they more often are the wrong solution to a real problem and all to frequently exacerbate the very problems they were enacted to address. For example, locally Measure Y has proposed to address traffic problems by prohibiting further expenditures to improve roads, significantly reducing the amount of new development allowed, and considerably impacted traffic mitigation fees. Today, traffic congestion is the number one concern of businesses and residents in El Dorado County.

REASONS FOR POSITION

So, if growth controls are not the answer, what is? Solutions to dealing with growth impacts cannot afford to abdicate or foreclose the planning function in attempt to preserve the status quo. Planning inherently involves maintaining flexibility to balance competing objectives while adapting to change and educating and involving citizens in the processes. We must work together to comprehensively address growth in a manner that protects the quality of our communities while ensuring El Dorado County can benefit from the positive aspects of growth.

Addressing concerns about growth cannot be effectively tackled by individual jurisdictions. Increased cooperation between local governments must invest more effort into effectively managing growth, rather than increasing efforts to stop it.