Letter De La Rosa, Michael BOMA & NAIOP SD Comments - County CAP Subject: Monday, September 25, 2017 5:22:56 PM Attached, please find our comments regarding the CAP. We are still reviewing, but wanted to get these comments in today, by the deadline for comments. We look forward to following up with staff through the stakeholder outreach process. Please let us know if you need anything else. Thanks and have a great rest of your day...csb

Response to Comment Letter 07

BOMA San Diego and NAIOP San Diego Craig Benedetto, Legislative Consultant September 25, 2017

BOMA San Diego NAIOP San Diego

C/O California Strategies 2488 Historic Decatur Road, Suite 220 San Diego, CA 92106 (619) 546-7451

September 25, 2017

County of San Diego Planning & Development Services Attn: Maggie Soffel 5510 Overland Avenue, Suite 310 San Diego, CA 92123

RE: Climate Action Plan Comments

To whom it may concern:

Thank you for the opportunity to comment on the draft County Climate Action Plan. On behalf of the BOMA and NAIOP San Diego chapters, I am writing with some comments from the commercial real estate industry's perspective. Our members are still reviewing, but we wanted to make sure and submit comments under the timeline presented by County staff.

First, both organizations have supported climate action planning, and CAP's in particular, including the City of San Diego's recently adopted CAP, as well as the previous County CAP. What is most critical to our industry in any CAP is the ability to have clear, achievable and financially feasible goals and objectives. We understand there is a dynamic tension with the demand by others for hard mandates, but in many cases, because of different property sizes, the physical construction of the building, the geographic location of the property and the micro-climate around the property, a one-size fits all approach will only inevitably lead to poor outcomes or economic development disruption or both.

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For example, with the move to "vehicle miles traveled", a property could be disproportionately hit with GHG reduction mandates, when, in point of fact, a retail center could actually reduce VMT by locating the service nearer the need. We would encourage the County program to recognize that in many cases, the unincorporated area is underserved from both a jobs and services standpoint, and that the construction of commercial office and retail, as well as industrial, can actually provide a vital role in reducing VMT, and therefore GHG. For example, in East Otay Mesa, there is no opportunity for residential, meaning people have to get to work, but the location is ideal, next to the border, to reduce VMT from other sources. If the program were to overly burden these types of projects with mandates for solar, as an example, or other costly measures like TDM programs, it would mean that fewer would be built in the unincorporated area, working against the goals and objectives of the program and the desire of the County Board of Supervisors for jobs creation.

In terms of targets and reductions, we would encourage the county to mirror what the City of San Diego did in both the date and target they intend to hit, as well as the compliance mechanisms, through their CAP checklist, that projects follow. The current reduction target seems overly aggressive, and will place an unnecessary burden on new construction that will end up making projects harder to justify.

O7-1 The comment provides introductory remarks on behalf of the two organizations that represent the commercial real estate industry, and express support for the City and County climate planning efforts. The County appreciates the comments. The commenter suggests a one-size fits all approach is not always appropriate for CAPs. The County's CAP is a multi-objective plan that balances environmental, economic, and community interests; implements the County's General Plan; and aligns with multiple County initiatives. It identifies strategies and measures to meet the State's 2020 and 2030 GHG reductions targets, and to demonstrate progress towards the 2050 GHG reduction goal. The comment does not address the adequacy of the SEIR. Therefore, no further response is required or necessary. This comment will be included in the Final EIR and made available to decision makers prior to a final decision on the project.

O7-2 The comment expresses an opinion that the emphasis on reducing VMT associated with commercial property could result in overburdening, and reduce commercial development in the county. The County acknowledges that certain areas of the unincorporated County are underserved from jobs and services. The CAP also recognizes the importance of a mix of uses to reduce VMT.

This comment does not address the adequacy of the Draft SEIR. However, in an effort to be responsive to the comment, the following is noted. As detailed on page 1-1 of the CAP, the CAP helps implement the General Plan's broad vision as well as its GHG-specific policies. While the measures included in the CAP are focused on reducing GHG emissions, each will also result in secondary, or additional, co-benefits such as improved air quality, green economy job growth, increased mobility options, and reduced household transportation costs. These benefits help achieve broader goals for a healthy environment, social equity and well-being, and a strong economy that are aligned with County's initiatives. As centers and villages within the unincorporated County grow with more residents, jobs, and services, they will increasingly be focal points for achieving sustainability, economic development, and public health goals. Providing options that allow people to drive less, save money,

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As the state continues to increase it's reduction standards and requirements, the desire for the County to go even further, particularly in a dramatic fashion, will only work against the other goals and objectives of the county, those being to provide jobs and services to its residents. We would strongly encourage balance and restraint moving forward, recognizing the legal challenges that driving this latest effort.

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Built Environment and Transportation - seems to heavily rely on a no-growth agenda of acquiring land for conservation purposes. It also relies on the notion that controlling parking, will force people to use transit. As the County knows, the transit system vastly underserves the unincorporated area, so the ability to find tenants for commercial spaces without sufficient parking will be made more difficult. County government would seem better suited to these strategies, albeit at a cost to taxpayers. Without more detail on a TDM program, we would be concerned about what these requirements would be and the chilling effect they would have on the ability to lease to future non-residential tenants. TDM specifically hurts industrial because we don't put residential near industrial. Without adequate transit service, which the County does not have, it will simply mean less industrial construction, hobbling jobs creation in places like East Otay Mesa. We would support shared parking, where the development works, and where staggering could help. Minimum requirements for carpool, vanpool, shuttle, etc will potentially create a disproportionate burden on new non-residential construction and should be avoided. The reliance should be on building an adequate transit system, not foisting this burden on new job and services creation. Regarding construction equipment, as long as the technology keeps up, this is possible, but at this point, the technology does not exist for alternative fueled construction equipment to be deployed. We would support a direct investment program.

Energy - we support increasing the renewable energy supply and streamlining the permit process, but it should be noted, that not every project can support (either physically or financially or both) renewable energy on site. Our organizations are leaders in the reduction of GHG through renewable energy, and we are constantly striving to do better, but it must be feasible. Regarding increased efficiency requirements, it needs to be clear what the goal is, noting that the State of California has some of the most STRINGENT energy efficiency standards in the world. To just increase the energy efficiency beyond state standards is tantamount to squeezing water out of rock. It just might not be there absent new and financially feasible technology. In terms of Zero Net Energy (ZNE) standards for non-residential buildings, it is unclear if this is following the state goal of 2030 or something more aggressive. Much like the energy efficiency issue, getting to ZNE usage is something we are striving for, but is very difficult, in some cases much more difficult, in non-residential buildings. Retrofits are even more challenging and these mandates could simply lead to empty buildings. Incentives could be useful, but they are few tools that government has to provide sufficient incentives to make improvements in some existing buildings feasible. Disclosure might be possible, but that is simply meant as a shaming tool, and one in which even the State of California has taken a cautious approach. Minimum renewable standards are another mandate that will just chill development. The County is already one of the most costly places for new development, and the lack of adequate commercial development is an example of the challenging environment, much of which is driven by the high cost of mitigation against the relatively low rents possible in the unincorporated area. If jobs and services are desired, mandates won't help, only incentives and flexibility on a case-by-case basis will.

Solid Waste - our organizations support diversion. The challenge in the San Diego market is the high cost of separation and the relatively few locations for separated sources to be taken. It will be important to work with the hauler community, as well as the waste disposal operators, to make sure this goal can be achieved given the challenges in the unincorporated area.

- O7-4 The comment expresses the opinion that the County should exercise restraint when creating new regulations to control GHG emissions, especially if those regulations would exceed the targets established by the State. It is not clear which GHG reduction measure or supporting effort the commenter is referring to; therefore, no further response can be provided. Please also see the response to comment O7-3.
- program could overly burden the industrial and commercial real estate sector and result in reduced job creation and development. The comment also expresses the opinion that developing an adequate transit system is a priority and that additional burdens on non-residential development should be avoided. The comment asserts that technology is not available for alternative fueled construction equipment. Finally, the comment expresses support for direct investments. The County appreciates the comments.

With regard to developing an adequate public transit system, while the County provides support to these efforts, the region's primary transit planning organization is the San Diego Association of Governments (SANDAG) and the region's transportation improvements are governed by the San Diego Forward: The Regional Plan document. Public transit planning and decision-making responsibilities are shared with Caltrans. Metropolitan Transit System, North County Transit District, and other transit operators. The CAP is a GHG reduction plan and does not govern land uses or plan for new transit infrastructure. With regard to TDM on non-residential land uses, the measure intends to reduce parking only as feasible without causing harm to local business. The measure would be implemented by ordinance, and would require the County to establish criteria by which to measure parking can be reduced when paired with TDM, transit, and biking and walking strategies. The County recognizes that parking reduction would not be appropriate in many locations because of the dearth of public transportation options. Regarding feasibility of alternative fueled construction equipment, the comment offers no evidence to support the assertion that the technology does not exist. The County

- disagrees and has based inclusion of this measure on the availability of construction equipment that can be retrofitted for alternative fuels and/or alternative fuels that could be used in existing equipment without retrofit (e.g., renewable diesel). Please see the response to comment O7-2.
- O7-6 The comment expresses general support for increased renewable energy, but states that not every project can support renewable energy on-site. The County acknowledges that renewable energy on site would require physical and/or financial commitments of future discretionary projects. The comment does not address the adequacy of the SEIR, therefore, no further response is required or necessary.
- O7-7 The comment expresses concern regarding regulations that could require non-residential buildings to achieve zero net energy (GHG Reduction Measure E-1.1) or minimum renewable energy standards because many projects would not be able to financially support this investment. It should be noted that the CAP is intended to be an adaptive plan (i.e., annual progress reports, inventory updates every two years, and updating the CAP every five years). If any measure becomes infeasible or less effective than anticipated in this program-level analysis, the County will be in the position to adjust the measure(s). The comment does not address the adequacy of the SEIR, therefore, no further response is required or necessary. Please see the response to comment O7-2.
- O7-8 The comment expresses support for increased waste diversion (GHG Reduction Measure SW-1.1). The comment also suggests that the lack of sorting facilities and the cost of separation is a barrier to achieving proposed targets. As detailed within the CAP (Page 3-62), this measure is a County initiative. On April 26, 2017, the San Diego County Board of Supervisors (Board) established a 75% waste diversion target by 2025 for the unincorporated county through implementation of the Strategic Plan to Reduce Waste. This plan contains over 15 individual programs and initiatives that focus on different waste types and sources, such as reducing food and other organic waste generated from residential and commercial uses. The CAP also analyzes an alternative to achieve 80% waste diversion. The

| County has and will continue to work with the hauler community and operators to ensure the reductions would be achieved. |
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O7-9 The comment expresses support for water conservation measures; however, the comment also expresses concern the ability to increase conservation while maintaining outdoor Water & Wastewater - both of our organizations support water conservation to the maximum landscapes. Please see Master Response 7 related to Outdoor extent feasible. Landscape rules need to mirror these goals and with an eye toward ability to achieve without creating a barren landscape devoid of any plant life. It is unclear if the 40% 07-9 Water Use. reduction will allow for both beauty and consistency with the San Diego ecosystem, as well as conservation standards. The landscape industry should be consulted to make sure these standards are achievable. Thank you for the opportunity to provide comment to the draft CAP. Sincerely, Craig Benedetto Legislative Consultant to BOMA & NAIOP SD