

## 4.16 SOCIOECONOMICS

### 4.16.1 Existing Conditions

#### 4.16.1.1 Population

Inyo County is rural, with approximately 10,200-square miles of land and 18,627 people (California Department of Finance 2014), resulting in a population density of 1.8 persons per square-mile. Most of the land in the County is held in public ownership (92 percent of County lands are under federal management). Less than 2 percent of County lands are privately-owned and in the County’s jurisdiction; 3.9 percent is owned by the City of Los Angeles as part of LADWP holdings (Inyo County 2014a). The County has only one incorporated city (City of Bishop). Most of the County’s population lives in Bishop or in the areas immediately surrounding it. The rest of the population lives in small towns scattered throughout the County, with most located along the US 395 corridor in the Owens Valley.

Table 4.16-1 summarizes the currently published and forecasted population trends for the County and the City of Bishop. As shown, the majority of population within the County is contained within unincorporated areas. Based on the projected growth for the County, an increase of 3,436 persons through 2040 would result in an 18.5 percent increase in total population.

Area	2014 Population	2020 Projected Population	2030 Projected Population	2040 Projected Population
<b>Inyo County (includes Bishop)</b>	<b>18,627</b>	<b>19,350</b>	<b>20,428</b>	<b>22,009</b>
Bishop	3,889	N/A	N/A	N/A

Source: California Department of Finance 2014a and 2014b  
N/A = population projections are unavailable.

#### 4.16.1.2 Employment

Table 4.16-2 summarizes the current employment base for the County. Also provided is employment for two industry types strongly influenced by renewable energy development: construction and utility trades. As shown, construction employment accounts for only 2 percent of the total County workforce. However, the broader trades and utilities category accounts for 17 percent of the total workforce.

Area	2014 Total Workforce	2014 Unemployment (percent of total)	Workers in Construction Occupations (percent of total)	Workers in Utility Occupations <sup>1</sup> (percent of total)
Inyo County	8,380	561 (7%)	170 (2%)	1,430 (17%)

Source: California Department of Finance 2014a

<sup>1</sup> Includes all identified in the Trade, Transportation, and Utilities category.

Table 4.16-3 summarizes 2010 to 2020 projections of employment by industry type within the Eastern Sierra Metropolitan Statistical Area (MSA), which contains Inyo, Alpine, and Mono Counties. Metropolitan Statistical Areas are geographic entities defined by the US Office of Management and Budget for use by federal statistical agencies in collecting, tabulating, and publishing federal statistics. An MSA contains a core urban area with a population of 50,000 persons or more, and consists of one or more counties; the counties comprising an MSA include the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core (Census 2014). Because this MSA includes the County, the employment numbers for the overall MSA shown in Table 4.16-3 also include the employment statistics identified above in Table 4.16-2 for the County only.

Because the County is considered rural, it is likely the local construction workforce is willing to regularly commute longer distances (up to a two-hour commute) when compared to larger urban centers. Therefore, as the workforce would serve all SEDAs, this socioeconomic analysis is for the County as a whole, and does not focus on specific SEDA locations. It should be noted that the bulk of the County's population, core services, and infrastructure are in the Owens Valley. However, socioeconomic effects extend throughout the County. The Eastern Sierra MSA can be used to define a regional workforce in addition to the localized County employment presented in Table 4.16-2. As shown in Table 4.16-3, the Eastern Sierra MSA yields a construction workforce accounting for approximately 7 percent of the total workforce for that region. These skilled workers would be available for renewable energy projects and infrastructure construction.

2010			2020		
Total Workforce	Construction Occupations <sup>1</sup>	Utility Operation Occupations <sup>2</sup>	Total Workforce	Construction Occupations <sup>1</sup>	Utility Operation Occupations <sup>2</sup>
17,310	1,220	100	18,690	1,240	110

Source: California Department of Finance 2014b

<sup>1</sup> Includes those identified in the Construction Management, Architecture and Engineering, and the Construction and Extraction trade categories.

<sup>2</sup> Includes those identified in the Plant System Operators, Power Distributors and Dispatchers, Power Plant Operators, and Plant and System Operators trade categories

### 4.16.1.3 Housing

Table 4.16-4 summarizes 2014 housing unit availability for the County and the City of Bishop, with these numbers including owner-occupied and rental units. As shown, the unincorporated areas of the County (County total minus City of Bishop) contain a higher number of vacant housing units when compared to the City of Bishop.

Area	Number Total Housing Units	Number Single- Family Units	Number Multi- Family Units	Number Mobile Homes Units	Number Vacant Units (Vacancy Rate Percentage)
<b>Inyo County<sup>1</sup></b>	<b>9,499</b>	<b>5,846</b>	<b>1,075</b>	<b>2,578</b>	<b>1,434 (15.1)</b>
City of Bishop	1,926	849	707	370	177 (9.2)

Source: California Department of Finance 2013b

<sup>1</sup>Numbers and percentages include the City of Bishop.

### Short-Term Temporary Housing

The construction of infrastructure projects often requires specialized workers from outside of the local, and even regional, workforce area. Depending upon the duration of their work assignment, these workers either look for short-term housing (apartments) or transient housing (hotels, motels, and recreational vehicle parks). Table 4.16-4 identifies the numbers of multi-family (apartments) within the County. Because the County provides substantial outdoor recreational opportunities, a number of transient housing opportunities are also available within the County. The total number of available hotel/motel rooms and recreational vehicle (i.e., mobile homes) spaces available within the County fluctuates based on demand. Because the County recreational opportunities occur in both mountainous and desert areas, it is assumed recreational demand for transient housing occurs year-round.

A substantial amount of the County is under the jurisdiction of federal land management agencies, such as the BLM and the USFS) operate campgrounds within the County. Except for areas with specific camping regulations, vehicle camping is allowed anywhere on BLM administered land within 300 feet of any posted open route (BLM 2014). There is a 14-day limit for camping in any one location. After 14 days, campers wishing to stay in the area longer are required to move 25 miles from their original campsite. Long-term camping is available by permit in visitor areas on BLM lands, but because these areas are for recreational use only, workers would not be permitted to live in these areas (BLM 2014).

Camping is also allowed on National Forest System lands within the National Forest, which contains 107 campgrounds and picnic areas, with over 2,300 individual sites. USFS reservation campgrounds are operated on a first come, first served basis. The maximum stay in most USFS campgrounds is 14 days, with a 21-day maximum stay per ranger district, per calendar year (USFS 2014). Therefore, given the restrictions on BLM and National Forest System lands,

camping facilities on federally managed public lands are not expected to provide viable temporary housing opportunities for workers.

#### 4.16.1.4 Local Economy

The County's economy has historically relied on natural resources as its base. This includes cattle ranching to supply miners with food during the gold rush, extracting a wide variety of minerals found in the County, sheepherding, growing orchard and vegetable crops, and tourist based activities that take advantage of the unique landscapes and wildlife the County has to offer. In recent times, the County has relied more on tourist based activities and services, as well as, government and land management as its main economic drivers. Renewable energy development has also played a role in the County's economy, with the Coso Geothermal Power Plant and several hydroelectric generating facilities located within the County.

#### 4.16.1.5 Public Finance

Table 4.16-5 summarizes the fiscal year 2013–2014 budget for the County. The purpose of this baseline data is to establish the revenue and expenditure base of the County. As shown, the budget totals \$81,447,453 in expenditures and \$76,933,477 in revenues. With respect to the general fund portion of revenues, aid from other government agencies and local taxes accounts for the majority of County revenue. Meanwhile, public protection accounts for the largest County expenditure.

<b>General Fund Revenues</b>		<b>Total Expenditures by Function</b>	
Misc. Funds	\$30,574,322	Public Protection	\$25,387,171 (31.17%)
General Fund Revenue Total	\$46,359,155	Health & Public Assistance	\$21,151,904 (25.97%)
Aid From Other Govt. Agencies	\$22,850,428 (49.29%)	General Government	\$20,264,126 (24.88%)
Taxes - Property	\$10,922,217 (23.56%)	Roads & Airports	\$12,958,290 (15.91%)
Charges For Current Services	\$5,998,875 (12.94%)	Education & Parks	\$1,669,673 (2.05%)
Taxes - Other	\$2,994,801 (6.46%)	All Other	\$16,289 (0.02%)
Other Revenue	\$1,070,896 (2.31%)	<b>Total</b>	<b>\$81,447,453</b>
Fines & Forfeitures	\$1,005,994 (2.17%)		
Taxes - Sales	\$908,639 (1.96%)		
Licenses & Permits	\$435,776 (0.94%)		
Use of Money & Property	\$171,529 (0.37%)		
<b>Total</b>	<b>\$76,933,477</b>		

Source: Inyo County 2014b

#### 4.16.1.6 Regulatory Framework

County regulations relevant to the proposed project include sections of the County’s Zoning Ordinance (ICC Title 18) and the Renewable Energy Ordinance (ICC Title 21).

#### **Inyo County Codes Title 18: Zoning Ordinance, and Title 21: Renewable Energy Ordinance**

In the case of noncommercial wind energy generation, the County has included in its zoning code Chapter 18.79, Regulation of Small Wind Energy Systems. Chapter 18.79 includes development standards applied to small wind energy systems and a requirement that a Conditional Use Permit, which requires Planning Commission approval with a public hearing, as well as CEQA review, are necessary for all applications to build them. The stricter requirements applying to noncommercial wind energy systems are primarily derived from aesthetic, noise, and safety concerns.

ICC Title 21, the Renewable Energy Ordinance of the County Code, encourages and regulates the development of solar and wind resources for the generation and transmission of clean, renewable electric energy. To encourage small-scale, private PV systems for solar energy production, the County has created an expedited permitting process.

ICC Title 21 provides standards for commercial scale wind and solar energy development. Under ICC Title 21, the construction of any commercial solar thermal, photovoltaic, or wind energy power plant, or an electric transmission line associated with these types of power plants, requires the developer to either obtain a renewable energy permit or renewable energy impact determination or enter into a renewable energy development agreement with the County, and each choice is subject to CEQA review. Which one a developer uses is generally based on the size and type of facility that is being constructed. For smaller scale projects a renewable energy permit can be appropriate. The permit must be approved by the Planning Commission, which requires a public hearing. The specific development standards attached to a renewable energy permit are decided on a case by case basis, and can address the same requirements found in the rest of the County’s zoning code such as noise, light and glare, height, setbacks, and distance between structures.

Large-scale commercial facilities that are required to obtain approval from the CEC or the CPUC prior to construction are exempt from the County’s requirement to obtain a renewable energy permit. They are, however, required to obtain a renewable energy impact determination. The purpose of the renewable energy impact determination is to ensure that the development standards and/or mitigation measures that would otherwise be addressed in a renewable energy permit are to the extent possible, incorporated into any approval of the facility granted by a state or federal agency.

The last option, a renewable energy development agreement, is designed to encourage and support the development of renewable energy projects. These exempt developers from the requirement of obtaining a renewable energy permit or renewable energy impact determination and, instead, are tailored to each project and developer through negotiations with the County. The process for entering into a renewable energy development agreement with the County are

specified in ICC Title 20–Development Agreements. All commercial scale renewable energy developments, per ICC Title 21, must also be consistent with the General Plan.

ICC Title 21 states: “By this title, the County intends to: (1) support and encourage the responsible development of its solar and wind resources to generate and transmit clean, renewable electric energy while protecting the health, safety and welfare of its citizens and its environment, including its public trust resources, by requiring that the adverse impacts of such development are avoided or acceptably mitigated; (2) recover the County’s costs of increased services resulting from such development; and (3) ensure that the citizens of the County’s equitably share in the benefits resulting from the use of such resources.”

#### **4.16.2 Significance Thresholds**

State CEQA Guidelines Section 15131 states, “...[e]conomic or social information may be included in an EIR or may be presented in whatever form the agency desires.” It is important to note that: “...(a) economic or social effects of a project shall not be treated as significant effects on the environment...” The County’s proposed project objectives include minimizing any negative direct and indirect economic impacts on the County’s residents due to solar energy development. Although socioeconomic issues are not typically addressed in a topic specific EIR section, socioeconomics is an issue of concern to the County; therefore, the information in this section is presented to better inform the REGPA process.

#### **4.16.3 Socioeconomic Effects Analysis**

This section discusses typical socioeconomic effects associated with the siting of solar energy facilities and associated transmission infrastructure. The focus is on the overarching nature of socioeconomic effects, and the influence solar energy development has on outlying communities and services, as they relate to County economics, services, and its population. The County’s development of goals and policies within the REGPA would be expected to facilitate responsible development of these future projects. The following sections outline the proposed goals, policies, and management strategies of the REGPA that would help offset socioeconomic effects of future solar energy project development.

The following impact analysis primarily focuses on utility scale solar energy facilities because those would result in the greatest environmental change due the potential expanse of such facilities; however, the analysis also applies to the other proposed categories of solar energy facilities, including distributed generation and community scale facilities. The proposed REGPA also includes provisions for development of small-scale solar energy facilities. However, due to their small size(e.g., small array of ground- or roof-mounted PV panels), and location (on the building or the property it serves), these developments are currently allowed throughout the County within any zoning district under ICC Title 18, and require only electrical and building permits for development. As a result, these developments are not considered to result in impacts under CEQA, and would not typically require the CEQA analysis or associated mitigation measures described in this document.

Pursuant to ICC Title 21, the County routinely reviews all solar energy development proposals for effects on socioeconomics. Therefore, all future solar energy projects would be evaluated on

a project-specific basis to assess specific effects on socioeconomics against the program level analysis contained in this PEIR.

#### 4.16.3.1 Renewable Energy Facilities

As described in Section 4.3.4, various sizes of renewable energy facilities could be constructed under the REGPA, including: utility-scale (greater than 20 MW of generation), distributed generation (less than 20 MW of generation for off-site use, consumption, or sale), community scale (uses renewable solar resources to generate energy for a specific community's use and located near the community it serves). Utility scale renewable energy projects have the greatest potential for population in-migration, both temporary and permanent, and overall economic stimulus within the County. This is due to the scale of development and the associated workforce needed to implement utility scale projects. Therefore, this analysis primarily addresses utility-scale development.

Economic models such as the NREL Jobs and Economic Development Impact (JEDI) models are user-friendly tools that estimate the number of workers and economic impacts of constructing and operating utility scale renewable energy facilities at the local and state levels. The County could utilize the JEDI model (or similar) when utility-scale projects are proposed to estimate socioeconomic effects, both adverse and beneficial, to determine the applicability of the proposed REGPA goals and policies (see Section 4.16.5), and the need for further mitigation of socioeconomic impacts of future projects.

Utilizing the JEDI model, a 100-MW utility scale solar PV project was used as an example to generate economic data. The results of this example are provided in Table 4.16-6. This example is not meant to be used as a benchmark, but only as a sample of output information generated by the JEDI model (by varying assumptions the output could vary). This example model run utilizes the default JEDI model input values for California to show a sample of the predicted economic data outputs available through JEDI. The project example JEDI model outputs do not provide estimates for property tax generated because only certain components of a solar PV installation are currently subject to property tax; project specific details would be required to determine those outputs. The JEDI model can estimate property tax generation when specifics are known.

<b>Criterion</b>	<b>Output Value<sup>1</sup></b>
Project Construction and Installation Cost	591,549,298
Local Spending	329,549,298
Construction Sales Tax (Materials and Equipment Purchases)	21,615,000
Total Construction Employment	1,776
Construction and Installation Labor	682
Construction and Installation Related Services	1,094

<b>Criterion</b>	<b>Output Value<sup>1</sup></b>
Indirect employment from construction (module and supply chain)	1,584
Induced employment from construction	864
Total annual operational expenses	68,171,148
Direct operating and maintenance costs	1,993,000
Local spending	1,833,560
Operational annual sales tax (materials and equipment purchases)	65,769
Operations employment	19
Indirect employment from operations (local revenue and supply chain)	5
Induced employment from operations	4

Source: Aspen 2014

JEDI = Jobs and Economic Development Impact

<sup>1</sup> Values in 2010 dollars

Depending on the number of distributed generation facilities and the amount of power generated, population growth and economic benefits would vary. Community distributed generation facilities, such as rooftop solar, would have less potential for long term population and economic stimulus given the scale of development. In addition, because the overall population of the County is low, development of community-scale facilities designed to provide power to a specific use would likely be a business or community decision, and the overall location within the County would be difficult to predict. However, because of the size, they would also have less potential for long term population and economic stimulus. For individual distributed generation projects greater than 1 MW, the County can utilize the JEDI model to estimate the number of jobs and economic impacts to the affected local area. The JEDI model recommends a minimum project size of 1 MW, which would require between 7 to 10 acres of land. Rooftop solar and other small distributed generation facilities would help stimulate a relatively small local business development market within the County, such as small companies specializing in residential and commercial rooftop solar installation and maintenance.

#### **4.16.3.2 Population In-Migration**

##### **Construction**

Construction of future utility-scale solar energy (thermal and PV) and transmission projects would bring workers into the County. The temporary in migration of construction workers has the greatest potential for adverse effects because construction of utility scale renewable energy and transmission projects typically requires large numbers of temporary workers, many of whom have specialized skills. These specialized workers may not usually reside proximate to the project site and may choose to temporarily relocate to the area. As shown in Table 4.16-6, JEDI predicts 1,776 construction employees for a hypothetical 100MW solar PV project (although the maximum workers on site at any given time would likely be much fewer). While not all workers would be needed onsite at once, when compared to the construction workforce available within the County (Table 4.16-2) and regional Eastern Sierra MSA (Table 4.16-3), it can be assumed a

substantial number of workers would come from outside of the area and temporarily relocate for some duration during construction of utility scale projects.

Adverse effects occur when the influx of temporary workers exceeds the amount of available housing, public services levels, and results in overall social disruption. Additionally, the County short term housing supply accommodates recreationists and tourists, a vital part of the County's economy. The potential for negative effects related to a diminished short term housing supply is increased within the County due to the rural nature of the County and its small clusters of communities.

### **Operations and Maintenance**

Operations and maintenance of renewable energy facilities and transmission lines typically require relatively few workers (when compared to the size of the construction workforce). Many maintenance workers can be trained from the local workforce; therefore, the operation of these facilities normally does not result in large scale in-migration of workers into local communities. As discussed in more detail below, all new renewable energy facilities would require interconnection into the electric grid (i.e., transmission or distribution interconnections). Helicopters and transient crews often conduct maintenance of transmission line facilities. Due to the length of transmission lines operated by utilities, these workers typically only require residence near a service region. Therefore, in-migration of transmission maintenance workers into the County is expected to be nominal.

While operation of future renewable and transmission projects may not substantially increase the population in the vicinity at an individual level, cumulative renewable energy project development is expected to generate some level of permanent population in-migration to the County. As shown in Table 4.16-2 and Table 4.16-3, both the County and the overall Eastern Sierra MSA contain an existing workforce skilled in utility operations. However, it is unknown how many workers would be needed for future renewable energy facilities and how the local workforce could provide for such a demand. In the long term, operational worker in-migration to the County as a result of utility scale renewable energy project development would likely be a small portion of the overall projected population growth for the County (Table 4.16-1).

#### **4.16.3.3 Economic Effects**

Renewable energy development has the potential to add to the County's economic base. An initial boost to the local economy can happen during construction in the form of an increase in the labor force that requires goods and services, land sales, and the use of local materials. In the long term, it can provide higher property and sales tax revenues, the continued use of local materials, and the provision of some long term jobs that can, in turn, generate a permanent increase in the procurement of local goods and services. The County is also well positioned, with an above average potential to provide solar energy generation within the designated SEDAs. Economic and service disruptions (adverse effects) are also possible and discussed under Section 4.16.4.4.

## Utility Scale and Distributed Generation Renewable Energy Development

Temporary in-migration of construction workers (and possibly their families) into the County would occur primarily during construction of utility scale solar energy projects and transmission infrastructure. Additionally, projects exceeding 20 MW would result in the greatest total capital expenditure. Positive economic and tax base effects would occur during construction from expenditures on worker wages and salaries, as well as from procurement of goods and services required for project construction. Additionally, these workers would temporarily increase the demand for transient housing.

As discussed earlier, the County could use the publicly available JEDI model to estimate the number of jobs and economic impacts that can reasonably be supported by each utility and distributed generation scale renewable energy project application. While JEDI results are intended to be estimates, not precise predictions, it provides jobs, earnings, and output estimates distributed across three categories:

- Project development and onsite labor impacts;
- Local revenue and supply chain impacts; and,
- Induced impacts.

The JEDI output results could then be used along with the County’s REGPA goals, policies, and mitigation strategies to make responsible planning decisions during project pre-application processes, and help developers propose projects with maximized economic benefits and minimized negative economic effects.

Future development of distributed generation throughout the County would add a small cumulative economic benefit over time because these installations slowly stimulate economic growth to contractors and reduce electricity bills to residents and businesses (allowing more local spending). However, due to the relatively limited number of housing units within the County (Table 4.16-4), rooftop solar would have finite effects (i.e., limited to available and feasible rooftops). The County does not contain high numbers of residential or commercial structures when compared to more urbanized areas of California. The County should continue to encourage community-scale and other distributed generation projects that are intended to power (or supplement) larger point source demands such as electricity needs of institutional uses (e.g., government buildings, hospitals, schools, etc.) and municipal utility uses (water pumping stations, etc.).

## Electric Infrastructure Development

All new solar energy facilities would require interconnection into the electric grid (i.e., transmission or distribution). Major transmission upgrades most likely would be limited to the Chicago Valley, Charleston View, Sandy Valley, and Trona SEDAs. The Trona SEDA would require a lower voltage transmission upgrade due to the MW cap on this SEDA. Like renewable energy electrical generation projects, electric infrastructure interconnection projects also would bring economic benefits from construction spending, operation and maintenance capital expenditures, and worker local spending. Furthermore, transmission lines and substations are subject to appraisal and property tax payments to the state, which helps increase funds

distributed to the County. Therefore, from an economic perspective, electric infrastructure development would have beneficial effects for the County.

### **Federal and State Renewable Energy Policies and Incentives**

A number of federal and state incentives and programs are available to renewable energy developers to help offset the cost of constructing and operating utility scale installations. Additionally, both federal, state, and electric utility provider programs are in place to help homeowners offset the cost of distributed generation installations, primarily rooftop solar projects intended to provide power for the onsite use. These federal and state incentive and programs help encourage renewable energy development.

Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation. However, under AB 1099, no appropriation is made for an “active solar energy system” and the state shall not reimburse local agencies for property tax revenues lost to them pursuant to the bill (California 2014 and 2005). California AB 1451 further extended the exclusion to the 2015-2016 fiscal year (California 2008).

Consequently, the involved state agencies have interpreted the law to mean that solar energy projects are required to pay property taxes only on certain components of their project such as administrative offices and maintenance areas. These projects would also be required to pay 25 percent of the cash value of pipes and ducts used to carry energy derived from solar energy. Under the state agencies’ interpretation, the solar energy system itself is excluded from the definition of “new construction” and the assessment of property taxes on that system. This exclusion holds on projects constructed through the 2015-2016 fiscal year. Unless this is extended, projects constructed after 2016 would pay property taxes normally. Additionally, if the facility is sold to a new owner, property taxes are assessed normally and without exclusion. Potential adverse impacts on County revenue from property value exemptions are discussed below under the social disruption impacts to public services.

#### **4.16.3.4 Social Disruption Effects**

##### **Housing Availability**

During construction of utility scale renewable energy facilities and larger distributed generation facilities, the temporary in-migration of construction workers would likely result in an increased demand for transient housing. Because outdoor recreation is a vital part of the County’s economy, a disruption to available transient housing could result in adverse local economic impacts. Because the County is not heavily populated, the potential for this impact is elevated in comparison to more urbanized areas. As construction of larger utility scale renewable energy projects can extend for multiple years, a substantial increase in transient housing demand could have a sustained economic impact if outdoor recreationists and other visitors are unable to find adequate accommodations.

While new economic development policy strategies are identified within the REGPA to facilitate local hiring, additional recommendations are provided below in Section 4.16.6 to supplement

proposed REGPA policies and further reduce the potential negative effects to the local transient housing market.

### **Public Service Levels**

The effects of renewable energy development on levels of public service provision are a concern for the County. The majority of the land in the County is held in public ownership (federally managed lands), with less than 2 percent of the County being privately owned lands under County jurisdiction. While federal agencies dedicate fire and police services for their lands, the County is responsible for providing public safety to its own population in addition to its responsibilities on public lands. Renewable energy and electric infrastructure facilities can pose public safety risks, and large scale utility scale projects and associated construction worker population in-migration can result in negative effects to existing public service ratios and response times; this is particularly true if the influx of construction workers exceeds the population levels planned for by the County.

While utility scale solar energy facilities currently receive some level of property tax exemption within the state, transmission and, often some amount of on and off site facilities, are subject to annual property taxation. Utility scale energy facilities constructed by the City of Los Angeles are exempt from property taxation. Property taxes from such facilities would help contribute to state funds provided to the County that can be used for local public safety and school funding. As shown in Table 4.16-5, a large portion of the County General Fund revenue is from other government agencies such as the state. Property taxes collected by the state for utility scale projects would result in an indirect positive economic effect on County general funds. At present, state agencies have interpreted the law as prohibiting property tax assessments on solar component (panels, mirrors, solar boiler, heat exchangers) improvements (Section 73 of the California Taxation and Revenue Code). Additional components included under the exemption include storage devices, power conditioning equipment, transfer equipment, and parts.

Local spending during construction of solar energy projects will help the local economy and increase sales tax revenue to the County. While development at all scales generates some level of local economic stimulus, utility scale and larger distributed generation projects would generate the greatest positive economic effect. In the event any direct operational employees or indirect/induced employees were to permanently relocate to the County, it is assumed that some percentage of this population would purchase homes and contribute to the local community through the payment of property taxes and overall local income spending.

Ultimately, when negative demands on public services and positive economic offsets are compared, the critical concern is overburdening public services (mainly fire and police protection) from the temporary in-migration of construction workers. While new economic development policy strategies are identified within the REGPA to offset County costs (refer to Section 4.16.5), additional recommendations are provided below in Section 4.16.6 to supplement proposed REGPA policies and further mitigate potential negative effects on County public service levels and the demands placed on providers.

#### **4.16.4 Relevant Renewable Energy General Plan Amendment Policies**

Multiple goals, strategies, and policies are identified in the REGPA to help alleviate negative effects from solar energy development. A number of these policies are intended to guide the overall process between the County and developers to ensure adverse effects of future development are analyzed and diminished to the extent feasible. The following identifies policies proposed by the County within the REGPA that directly relate to socioeconomics:

##### **New Land Use Implementation Measure**

3. The County shall consider seeking compensation for the loss of revenues from potential Renewable Energy Solar Facilities that are not developed within the County due to possible impacts on military readiness, special status species, aesthetics, and/or other barriers to development of appropriate Renewable Energy Solar Facilities. Methods of compensation include but are not limited to Payment-in-lieu of Taxes (PILT) or similar programs.

##### **New Economic Development Policies**

- Policy ED-4.4: Offset the Cost to the County for Service Provision. Renewable Energy Solar Facility development shall be required to provide the means to offset the costs to the County, including but not limited to, the cost of infrastructure improvements and County services, and lost economic development potential. Economic impacts from Renewable Energy Solar Facility development identified by the County shall be mitigated or offset.
- Policy ED-4.5: Employ and Train Local Labor. The County shall encourage Renewable Energy Solar Facility developers to employ the local labor force, during development and for long-term facility maintenance and provide educational and training opportunities, as practicable.
- Policy ED-4.6: Compensation to Local Communities. The County shall encourage renewable solar energy developers to provide compensation in the form of reduced rates for communities impacted by development.
- Policy ED-4.7: Provide Transient Housing. The County shall encourage renewable solar energy developers to help provide transient housing during the construction of solar energy facilities to minimize impacts to tourist accommodations.

##### **New Mineral and Energy Resources Policies**

- Policy MER-2.6: Avoid, Minimize, or Mitigate Impacts. The County shall work with renewable energy solar developers and other agencies to avoid, minimize, or mitigate impacts to the social, economic, visual, and environmental resources of the County from Renewable Energy Solar Facility development.
- Policy MER-2.8: Reclamation Planning. The County shall work with Renewable Energy Solar Facility developers to provide and implement a reclamation plan to return the site

of each project to pre-project conditions or another appropriate state (i.e., native, reuse, etc.). The reclamation plan shall include financial assurances, such as bonding, for the cost of decommissioning, reclaiming and revegetating (if required) each Renewable Energy Solar Facility including removal of all equipment and accessory structures related to the facility, including but not limited to solar collector arrays, mounting posts, substations, electrical infrastructure, transmission lines, operations and maintenance buildings, appurtenant energy storage facilities and other accessory structures.

### **New Visual Resources or Economic Development Implementation Measure**

1. Work with applicants, economists, and visual resource experts to develop a standardized method to quantify economic impacts from lost visual resources due to renewable energy solar facility development to the County's tourist economy.

#### **4.16.5 Management Measures**

Although the proposed REGPA policies discussed in Section 4.16.5 would help reduce potential adverse socioeconomic effects of solar energy development, further management measures are proposed for solar energy development projects producing more than 20 MW of electricity for off-site use (utility scale) to ensure that potential negative effects are diminished to the extent practicable. As previously mentioned, small scale solar energy projects are considered to result in no impacts under CEQA; however, all individual solar energy facility project applications (including small scale, community scale, and distributed generation) shall be reviewed by the County, and the need for implementation of the following management measures shall be determined based on the professional judgment of a qualified county planner, pursuant to ICC Title 21 and State CEQA Guidelines. For example, community scale solar developments (i.e., roof-top or ground mounted PV panels for a specific community's use) may be determined by a qualified county planner to have no potential adverse effect on socioeconomics and would not require implementation of the management measures listed in this section. In such cases, the County shall document that no adverse effect on socioeconomics will occur and no management measures are necessary.

If a proposed distributed generation or community scale solar development project is determined by the County to have the potential have an adverse effect on socioeconomics, then the following management measures shall be implemented as determined necessary by the qualified county planner. The County will review future solar energy development proposals to determine if they meet the requirements of Section 15162 of the State CEQA Guidelines; projects that do not meet the requirements may require additional CEQA analysis prior to approval. Similar to proposed distributed generation and community scale solar energy projects, small scale solar project applications undergo County review, and implementation of additional CEQA review and/or management measures shall be at the discretion of a qualified county planner. The following economic management strategies are recommended for inclusion within the REGPA:

#### **MM SOC-1: Minimize impacts on transient housing.**

To further offset potential negative effects and increased demand on transient housing, General Plan Policy ED-4.5, Employ and Train Local Labor, shall be supplemented with the following:

- For renewable energy projects where the construction schedule exceeds one-year, community monitoring programs shall be developed that would identify and evaluate transient housing demand and other socioeconomic effects utilizing economic models such as JEDI. Measures developed for monitoring may include the collection of data reflecting the workforce demands and social effects (such as tracking any demonstrable drop in recreational usership) as a result of increased transient housing demand from construction workers at the local and County level.
- Project developers shall work with the County, local chambers of commerce, and/or other applicable local groups to assist transient workers in finding temporary lodging. If temporary lodging is not available, developers of utility-scale projects shall consider the feasibility of providing on-site temporary housing accommodations for all projects.

### **MM SOC-2: Minimize impacts on County public services.**

To further off-set potential negative effects on County public services, General Plan Policy ED-4.4, Offset the Cost to the County for Service Provision, shall be supplemented with the following:

- Cooperative agreements between project applicants and the County shall be secured prior to issuance of a building permit or project-specific entitlement to ensure the following:

Unless property taxation of a renewable energy installation is deemed sufficient by the County, project applicants shall pay a fair-share public service impact fee. A potential method for estimating a fair-share contribution could be calculated by:

[annual service budget] X [estimated number of temporary workers temporarily immigrating ÷ County population served].

The public service fee (and formula used for calculating fair-share) shall be adjusted based on the duration of project construction (e.g., a project only lasting 9 months would utilize 75 percent of the annual budget, one lasting 1.5 years would utilize 150 percent of the annual budget, etc.); and

- Project applicants shall maximize the County's receipt of sales and use taxes paid in connection with construction of the project by methods such as including language in construction contracts identifying jobsites to be located within the County and requiring construction contractors to attribute sales and use taxes to the County in their Board of Equalization filings and permits.

#### **4.16.6 Unavoidable Adverse Effects**

There is a potential that the proposed project could lead to adverse socioeconomic effects; policies were proposed within the REGPA to reduce these potentially adverse socioeconomic effects, and additional strategies are identified in Section 4.16.7 to further minimize the potential for negative effects. With implementation of the proposed REGPA policies, ICC Title 21 and in conjunction with the management measures outlined in Section 4.16.7, it is envisioned that the County would be able to maintain its current economic condition and not realize an adverse fiscal impact from construction and operation of solar energy facilities.

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