



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Ward and Members of the City Council

THROUGH: Richard Thompson, Interim City Manager

FROM: Sona Kalapura, Environmental Programs Manager

DATE: June 01, 2010

SUBJECT: Consideration of a Resolution Supporting the Implementation of Assembly Bill 32, California's Global Warming Solutions Act

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 6255 in order to support implementation of California's landmark climate change legislation, Assembly Bill 32.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action.

BACKGROUND:

Assembly Bill 32 (AB 32), Global Warming Solutions Act of California

The United States is one of the world's largest emitters of greenhouse gases, contributing nearly five times the global average of carbon emissions. Because of California's massive economy, the State is the 12th largest emitter of greenhouse gases in the world despite leading the nation in energy efficiency standards and environmental protection. To combat this problem, Governor Schwarzenegger signed AB 32 in 2006, establishing a comprehensive program of regulatory and market mechanisms to achieve quantifiable, cost-effective reductions of GHG emissions.

Climate Change and City of Manhattan Beach Actions to Date

The City of Manhattan Beach recognized the importance of taking action against climate change before its impacts become too dangerous to manage, and signed on to the U.S. Mayors Climate Protections Agreement in late 2006. The City has since enacted several policies recommended by its Environmental Task Force to begin reducing GHG emissions, such as its Sustainable Building Standards and Climate Action Plan. The City also engages its community members in climate change activities and provides information on solutions that individuals and businesses can implement to reduce their impact on the environment. Successful community outreach on climate change education has been achieved through the City's participation in the 350 International Day of Climate Action, Earth Hour, and National Energy Awareness Month.

Initiative to Suspend AB 32, California's Landmark Climate Legislation

The "California Jobs Initiative" is a campaign to place an initiative on the November 2010 ballot that would suspend the provisions of AB 32 until the State unemployment rate drops to 5.5% and remains there for at least one year. The petroleum industry is funding this movement in an attempt to halt California's landmark air pollution and climate change policies due to economic and unemployment concerns. The oil companies that are in favor of suspending AB 32 have contributed \$2 million to signature gathering efforts, and the group submitted 800,000 signatures in early May 2010 in order to place their initiative on the ballot.

DISCUSSION:

Support for the Implementation of AB 32

Implementation of AB 32 will have several positive impacts for the State of California, including:

- support for solar, wind and other renewable power,
- reducing the carbon intensity of gasoline,
- promoting electric cars,
- discouraging sprawl, and
- inclusion of energy-saving measures into home-building, manufacturing and other sectors of the economy.

The movement of the "California Jobs Initiative" to suspend AB 32, California's Global Warming Solutions Act, is misleading because it claims concern over unemployment in the State and economic hardship for businesses. The initiative proposes to suspend provisions of AB 32 until unemployment levels drop to 5.5%, but this is a target that the State has only reached 3 times in the past thirty years.

Earlier this year, the California Air Resources Board (ARB) issued a study showing that AB 32 will not have a dire impact on the economy, and will actually increase jobs by 2020.¹ And while California is leading the nation in reducing greenhouse gas emissions, it is also attracting economic investment—and the resulting jobs—from the green technology industry.² The California ARB also stated that any anticipated increases in energy prices resulting from AB 32 would be offset by increased efficiencies in technology. If the opposition to AB 32 is successful in repealing the legislation, it will stall efforts to promote climate and clean air protections not only in California, but in other states and nations as well.

To support the implementation of AB32, the City can endorse the activities of the "Californians for Clean Energy and Jobs," an organization committed to promoting the economic and environmental benefits of AB 32. By adopting Resolution 6255, the City of Manhattan Beach will make a statement about its support for sustainable energy and the implementation of AB 32. The City will also join several other cities and organizations that are in support of AB 32, and oppose the ballot

¹ The study's economic modeling was vetted by an expert panel, chaired by a Stanford economist.

² The 2009 Pew Trust study, "The Clean Energy Economy," lists California as the nation's leading state in clean energy businesses. California companies receive approximately 60% of total U.S. clean technology ventures, resulting in tens of thousands of jobs, because AB 32 is in place.

initiative to delay its implementation.

CONCLUSION:

Businesses, labor, environmental, clean technology and health organizations all throughout the State oppose the suspension of AB 32. The California Teamsters have given their support to AB 32, and the Chairman of the California Teamsters Public Affairs Council stated:

"We must reject efforts to move backwards on protection of the environment. Our members are citizens and neighbors as well as workers. We breathe the same air, drink the same water and live on the same planet with every other human being. ...There is no inconsistency between protecting our environment and building a strong and vibrant economy."

Staff recommends that the City Council adopt Resolution No. 6255 to declare support for the scheduled implementation of AB32, California's Global Warming Solutions Act.

Attachment A: Draft Resolution No. 6255

cc: Liza Tamura, City Clerk

RESOLUTION NO. 6255

RESOLUTION TO SUPPORT THE IMPLEMENTATION OF
ASSEMBLY BILL 32, CALIFORNIA'S GLOBAL WARMING
SOLUTIONS ACT

WHEREAS, on September 27, 2006, Governor Arnold Schwarzenegger signed Assembly Bill 32 (AB 32), the Global Warming Solutions Act of 2006; and,

WHEREAS, AB 32 requires a reduction of greenhouse gas (GHG) emissions to 1990 levels by 2020; and,

WHEREAS, the City of Manhattan Beach has taken a proactive approach toward environmental sustainability, and prides itself on being a leader in the region; and,

WHEREAS, the City of Manhattan Beach is a signatory to the U.S. Mayor's Climate Protection Agreement, which now commits 1,026 cities nationwide, representing 87 million Americans, to reduce GHG emissions in their communities; and,

WHEREAS, the City of Manhattan Beach has adopted a municipal Climate Action Plan and is working to effectively achieve the emissions reduction targets established by AB 32; and,

WHEREAS, there is a recent push by the California Jobs Initiative to eliminate or delay the implementation of AB 32 because of the potential economic costs of implementation by all sectors and enforcement by regulatory agencies; and

WHEREAS, the City of Manhattan Beach desires to officially oppose the California Jobs Initiatives that would delay the implementation of AB 32 until the unemployment rate drops below 5.5% for four consecutive calendar quarters; and

WHEREAS, the City of Manhattan Beach believes the California Jobs initiative will have an adverse effect on California's economy by stalling the emerging clean energy job sector that has flourished as a result of the implementation of AB 32; and

WHEREAS, AB 32 has launched California to the forefront of the clean technology economy and will generate more jobs and stimulate the economy if implementation continues as scheduled, and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, DOES HEREBY DECLARE, FIND, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council of the City of Manhattan Beach hereby makes the following findings:

1. That the above recitations are true and correct.
2. That the City of Manhattan Beach expresses its continued support for AB 32 and its implementation as scheduled.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and thenceforth and thereafter the same shall be in full force and effect.

PASSED, APPROVED and ADOPTED this 1st day of June, 2010.

AYES:
NOES:
ABSTAIN:
ABSENT:

Mayor, City of Manhattan Beach, California

ATTEST:

City Clerk