

SECTION VI:

DAIRY CONFORMANCE QUALITY ASSURANCE PROGRAM

To ensure that the dairy industry remains healthy and does not adversely affect other sectors of the Kings County community, ~~it is the goal of Kings County to bring~~ encourages all dairies into voluntary conformance with current operational standards by the end of 2006. This will also provide an opportunity for dairies that were legally existing prior to this policy change and were not required to have zoning permits, to demonstrate they are operating in compliance with current standards. However, this program will be voluntary and will not require legally established dairies to submit to a full site plan review process. Dairies that existed prior to the implementation of regulations in the Zoning Ordinance were "grandfathered" as legal uses, and are allowed to continue operation without a zoning permit (Section 1709, Kings County Zoning Ordinance). However, expansions of those previously existing dairies require formal issuance of a site plan review to operate in environmentally sound ways. Kings County encourages, but does not require, dairies to work toward certification by the California Dairy Quality Assurance Program. For further information about the California Dairy Quality Assurance Program contact the U.C. Cooperative Extension.

This Dairy Conformance Program will accomplish three objectives. First, it will demonstrate that the industry is not polluting the environment with uncontrolled discharges of dairy process water, manure, and other potential pollutants from the older non-permit holding dairies. Second, it will protect the value of existing dairies by demonstrating that they meet current standards. Third, it will provide a checklist of necessary changes to bring existing dairies into compliance with current standards.

GOAL DE 8: Bring all existing non-permit holding dairies in Kings County into voluntary conformance with specific policies for existing dairies by the end of 2006.

Objective DE 8.1: Reduce the effect on the environment caused by existing dairies which have been in operation since before dairies were regulated, and develop a program by which existing dairy operations can earn a certificate certifying that it is being operated in compliance with the policies of the Dairy Element of the Kings County General Plan.

Policy DE 8.1a: Implement a Dairy Conformance Program for existing dairies. The program will review, evaluate, and certify existing dairies as being operated in a manner that is consistent with current General Plan standards, or provide the operators with a checklist of items necessary to bring the dairy into conformance.

Policy DE 8.1b: Work with the Legislature, industry programs, and individual dairy operators to develop programs and funding to assist dairies to meet current operating standards.

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Policy DE 8.1e: ~~Nothing in this Dairy Element shall be construed as a guarantee that a dairy which does not meet current standards will be able to make the necessary changes to come into conformance.~~

(Mitigation for Impact 4.3-7)

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SECTION VII:

**ECONOMIC ANALYSIS OF THE DAIRY INDUSTRY
IN KINGS COUNTY**

This Section considers the economic impact and job creation potential of the dairy industry, including the multiplier effect attributable to the creation of "spin off" industries that will occur as a result of a strong dairy industry.

The dairy industry is a significant contributor to the Kings County economy. Although dairy production and processing jobs are only 4.5% of private sector employment, this industry has very high multiplier effects. Total direct and indirect jobs related to milk production, processing, transportation and services represent 19% of total county employment. Dairy farm production is 13% of total output, with dairy processors adding another 6%, but total output associated with support industries and local ~~servicing~~ businesses serving dairy employees increase the total contribution of the industry to about 30 percent.

The potential for rapid dairy growth over the next several years portends an even greater future contribution to the Kings County economy. Over the long term, it is estimated that the milk cow herd size and associated employment will grow at an average annual rate of 2.3 percent per year. ~~This~~ The growth of the dairy herd would mean that over 20 years, the industry can be expected to show an employment increase of nearly 60 percent and achieve full buildout under Kings County land capacity parameters in less than 50 years.

Full dairy build-out of triple the current herd size would mean a total of:

- 369,000 milk cows -- 245,000 new;
- 4,600 dairy jobs -- 3,100 new;
- 9,800 related jobs -- 7,400 new;
- 14,400 total jobs -- 10,500 new;
- \$434 million in dairy worker payrolls -- \$370 million new;
- \$616 million in total payroll -- \$510 million new;
- \$2.4 billion in dairy output -- \$2.1 billion new;

Dairies purchase most of their supplies from outside the county, but processors purchase 57% of their commodities locally, including milk. Milk processing (fluid products, cheese, ice cream, yogurt, etc.) is lower in Kings County because the City of Tulare has a large concentration of processors. However, Leprino's announced expansion in Lemoore could ultimately absorb almost half the future growth in county milk production.

At an average of \$3,000 to \$6,000 per acre of assessed valuation spread over 4,756 acres, year 2000 property tax revenues from dairy operations are \$2.45 million, with \$392,000 going to the county. This additional amount represents about 3.3% of the county's total property tax revenue of \$11.9 million. At a 2.3% assumed growth for new acreage, 7,531 total acres could be in dairies by 2020. This increase

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would raise the county's revenues to \$620,900 per year. This amount is in addition to revenues from new property developed as a result of the multiplier effect.

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SECTION VIII.

PROGRAM ENVIRONMENTAL IMPACT REPORT (PEIR)

A. PEIR Component:

A Program EIR, pursuant to Article 11 (beginning at Section 15168) of the CEQA Guidelines, has been prepared in support of the Dairy Element program. The PEIR ~~has a two-fold function:~~ ~~First, it provides the required environmental assessment for the adoption of the Dairy Element.~~ ~~Second, and the construction of projects that meet the standards established in the PEIR will require no further environmental review.~~ Projects that do not meet the standards in the PEIR and ~~thus require further environmental review will only be subject to focused environmental review,~~ may utilize information in the PEIR to complete the environmental review required under CEQA. This will streamline the permit review process while providing standards with which to evaluate new projects. The PEIR is hereby included by reference in the Dairy Element and made a part hereof.

B. PEIR Format:

A program EIR is an EIR which may be prepared on a series of actions that can be characterized as one large project or are related either:

1. Geographically,
2. As logical parts of a chain of contemplated actions,
3. In connection with the issuance of rules, regulations, plans, or other general ~~criteria~~ standards to govern the conduct of a continuing program, or
4. As individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways.

The advantages of preparing a program EIR are that the PEIR can:

1. Provide an occasion for a more exhaustive consideration of effects and alternatives than would be practical in an EIR on an individual action.
2. Ensure consideration of cumulative impacts that might be overlooked in a case-by-case analysis.
3. Avoid duplicative reconsideration of basic policy considerations.
4. Allow the lead agency to consider broad alternatives and program-wide mitigation measures at an early time when the agency has greater flexibility to deal with basic problems or cumulative impacts.
5. Allow reduction in paperwork.

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Subsequent activities in the program must apply the standards established or identified in the PEIR. If a later activity would have effects that were not examined in the PEIR, a new Initial Study would need to be prepared leading to either an EIR or negative declaration. If the agency finds that no new effects will occur and no new mitigation measures are required, then the agency can approve the activity as within the scope of the project covered by the PEIR, and no new environmental document is required. The agency shall incorporate feasible mitigation measures and alternatives developed in the PEIR into subsequent actions under the program.

Where the subsequent activities involve site-specific operations, the agency should use a written checklist or similar device to document the evaluation of the site and the proposed activities to ensure that the operation is covered in the PEIR. A PEIR will be most helpful in dealing with subsequent activities if it deals with the effects of the program as specifically and comprehensively as possible. With a good and detailed analysis of the program, many subsequent activities could be found to be within the scope of the project described in the PEIR, and no further environmental documents would be required. In the case where a subsequent project is exempt from environmental review, such as site plan reviews, the project shall be compared to the standards and mitigation measures in the PEIR. These standards and mitigation measures shall be incorporated into the project review and subsequent issuance of a site plan review.

A PEIR can be used to simplify the task of preparing environmental documents on later parts of the program, where appropriate. It can:

1. Provide the basis in an initial study for determining whether the later activity may have any significant effects.
2. Be incorporated by reference to deal with regional influences, secondary effects, cumulative impacts, broad alternatives, and other factors that apply to the program as a whole.
3. Focus an EIR on a subsequent project to permit discussion solely of new effects that had not been considered before.

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