December 16, 2009

Economic and Allocation Advisory Committee
California Environmental Protection Agency
1001 I Street
Sacramento, CA 95812


Dear Chairman Gould and EAAC Members:

Thank you for your continued work in developing recommendations to guide ARB’s implementation of the statewide cap-and-trade system called for in AB 32. In a letter submitted jointly with the Association of Bay Area Governments (ABAG) to you last week, we encouraged you to consider expanding the definition of eligible transportation investments beyond public transit to also support non-motorized facilities, acceleration of clean fleets, and implementation of transportation pricing strategies. In reviewing the most recent December 14 version of the report and listening to the discussion at the December 15 meeting, we offer the following additional suggestions.

1. Call out transportation and land use strategies as one type of investment in the recommendations section (in addition to the allocation value section) of the report. This suggestion was discussed at the December 15 meeting, and we believe it is important to make clear that the investments recommended could be for both public and private sector type investments.

2. We recommend that funding for land use planning be framed as “coordinated transportation and land use planning”. It is not just funds to allow for land use planning that is needed, but rather coordinated land use and transportation planning that can demonstrate GHG emissions reductions, as specified in Senate Bill 375.

3. Clarify the discussion of SB 375 and land use planning. On pages 41 and 44, the report refers to “CARB-approved Sustainable Communities Strategies.” However, SB 375 does not require CARB to approve the SCS per se. The SCS must be submitted to CARB for their “acceptance” or “rejection” of whether or not, if implemented, would achieve the region’s greenhouse gas emission reduction target. This does not affect the heart of the report’s discussion, but we believe it is an important distinction to make, considering the level of confusion surrounding SB 375 implementation.
Thank you for your consideration of these additional comments. We hope you will consider the comments provided in our December 9th letter in addition to these as you finalize the report. Please feel free to contact me at 510-817-5790 if you have any questions.

Sincerely,

Doug Kimsey
Planning Director

DK: LB