



September 21, 2010

California Air Resources Board
1001 I Street
Sacramento, California 95814

RE: SB 375 Proposed Final Targets

Dear Chairwoman Nichols and Members of the California Air Resources Board,

On behalf of developers from around the state who support infill development, we are writing to express our support for the staff-recommended targets for SB 375, with the exception of positive targets in certain regions. The California Infill Builders Association educates industry and civic leaders, government policy-makers, and the public about the economic, environmental, and social benefits that distinguish well-planned and well-designed infill development. We support AB 32 and SB 375, and their successful implementation.

We understand some groups are calling for lower targets and using economic arguments against the implementation of SB 375. In fact, a significant amount of infill development has occurred in many of California's cities—despite the recession. Most infill is not only "SB375-friendly," it is selling and holding value better than greenfield development or "sprawl" in direct response to market preferences. Many of California's cities and counties have already adopted land use policies that meet or exceed requirements under SB 375. These cities will thrive over the coming decades because they recognize that people want the kind of development SB 375 and related policies encourage. Cities and counties that feature neighborhoods that are sustainable will attract the best and brightest, which translates into superior long-term property values.

As the Air Resources Board (ARB) considers the adoption of final regional greenhouse gas emission reduction targets pursuant to SB 375, we offer the following comments and input to the process:

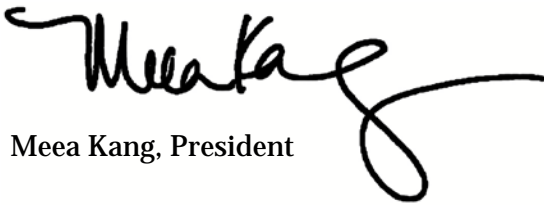
- Reinforce California's leadership. The successful implementation of SB 375 will require ARB to adopt ambitious and achievable regional targets, including in small and/or rural regions. California has a long history of leading the nation when it comes to developing new technologies, and we can apply this innovation to the way we plan and develop our communities. Land use planning and transportation systems can be approached in a way that dramatically reduces vehicles miles traveled and greenhouse gas emissions – and restores our economy.
- Ambitious targets make economic sense. As developers, we pay close attention to market demand. Californians want more energy-efficient homes in walkable neighborhoods that allow them to cut back on gasoline and energy bills. Strong targets would promote this kind of "infill" development. Infill development promises significant cost savings for the state and region too. A recent Calthorpe Associates statewide analysis finds that by 2050, through better planning and development, California households could save \$6,400 annually on auto and utility costs; cities and counties could save \$4.3 billion annually on infrastructure costs; and Californians would cut the number of miles we drive by

3.7 trillion miles. This is equivalent to taking ALL cars off the roads for 12 years.

- Consider co-benefits. Consistent with RTAC recommendations and stakeholder input, we urge ARB to identify performance measures for the “co benefits” of SB 375 implementation, which include public health, environmental, and economic benefits. This will enable the best plans with the most comprehensive set of benefits to be developed and implemented.
- Revisit the targets with better technology. We believe that with time and more sophisticated models, we will be able to achieve even more ambitious reductions through land use choices, and we encourage ARB to reconsider these targets as more information becomes available.
- Targets are not CEQA Thresholds. Short-term emissions targets only make sense when applied to cars and light trucks themselves, not to the town plans that cause vehicle emissions to be higher or lower. The placement of new growth should be subject to the 2050 targets at the very minimum, and we request that you clarify that the proposed targets are unrelated to the CEQA requirements.

We appreciate ARB’s efforts towards setting targets pursuant to SB 375 through this process, and we look forward to continuing to work with ARB, regional and local governments, and other stakeholders as this process moves forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Meea Kang", with a long, sweeping horizontal line extending to the right.

Meea Kang, President