

**MTC Planning Committee with the ABAG Administrative Committee
and the Joint Policy Committee – 9/10/10**

- Jim Spering: I'd like to call the MTC Planning Committee to order. We will be convening the ABAG Administrative Committee and the Joint Policy Committee. We just have a little bit of business for the planning committee to do first and we'll get to Item #3 where all three committees will participate. First is the Consent Calendar. Steve, I think you have some comments.
- Steve: I do have one brief comment to fellow commissioners as a question as well as to Steve as a comment. Our Congestion Management Agency in Marin County has consistently found the CMP to be an unhelpful document, not a useful document in planning. This report calls it out as a building block, a primary building block of our transportation system so I have a real disconnect with that characterization. I think that what we're finding is that all of our grandfathered projects, you can't touch them because if you do you've got to do so much that it's not there. So I just wanted to bring that out. I know this is just a pro forma update of our congestion management, but that's part of the problem is we've just allowed this thing to roll along even though I don't really believe it serves. Now I don't know about the other counties but I would encourage Steve and the staff to check in with the CMA directors. I can tell you that in our county it has consistently been viewed as an unhelpful document. Thank you.
- M: I don't know if the chairman of our transportation commission wants to comment on it. I was going to say we just had that exact same discussion yesterday at our meeting and we were assured by our new executive director Art Dow that in fact we are going to do our level best to make this a building block. I think we would agree with you at this point that it has been a relatively useless document.
- Steve: It doesn't work multimodally either which as we're trying to get these other things going and integrate our thinking and the land use component – none of these things can get reflected in the plans.
- Jim: Did you want to comment on this subject?
- M: Sure I would, quickly. I would not – I think every county is different. In Alameda County I would not consider it to be a useless document presently, or for that matter in the past and I certainly don't think it will be in the future either so I will not join the Marin chorus line on that one. I think that actually in our case we've used it successfully and will continue to do so.

M: Steve, do you think a review, or come back to the committee to talk about?

Steve: Look, I'd be happy to. Doug and I were looking at each other with puzzled looks on our face because...

Jim: I saw that.

Steve: ...we generally do not view this as a major item of business. It's a Federal mandate so we've got to do it and we try to do it in a way that minimizes extra effort and trouble for the CMAs. I mean what we do with the CMAs goes well beyond this – someone called a pro forma. It more of less is attempting just to encapsulate the work we do with the congestion management agencies. That's what we've tried to fashion it as. If it's not performing to that purpose we're happy to review it.

Jim: What I was thinking, instead of taking the time here is to – maybe Steve has some issues that really are worthy of discussion. So I would like to see if we could bring it back and just...

Steve: Happy to do so.

Jim: ...and just maybe have an overview. And if one of the two of you can contact Steve and kind of maybe get a little more detail so when it does come to us we have a better understanding of what he's referring to.

Steve: Sure

Jim: Thank you. We have this item on consent. Is there a motion to approve consent? We have a motion and second. Any dissent? Hearing none that motion passes unanimously. We'll now move on Item 3, this is the MTC Planning Committee/ABAG Administrative Committee/Joint Policy Committee Discussion: Implementing SB 375 and its Sustainable Community Strategy.

M: We have to call the Administrative Committee to order.

Jim: Oh, okay.

Mark: I'll take a brief roll call. Supervisor Adams (here), Supervisor Avalos (here), Supervisor Cortese (here), Supervisor Gioia (here), I am here, Supervisor Haggerty (here), Supervisor Gibson (present), Councilmember Licardo, Supervisor Luce, Councilmember Pierce (here), and Supervisor Sprerig (present). We do have a quorum.

Jim: You know Mark, I would like to go around the table real quick and have everybody introduce themselves and who they represent.

Tom: (?) with Housing American Development

Steve Kinsey: Marin County Cities and County

Dave Cortese: Representing ABAG.

Mark Green: Mayor of Union City, President of ABAG

Julie Pierce: City of Clayton and ABAG Admin

Rose Jacobs
Gibson: San Mateo County Board of Supervisors and representing ABAG Executive Board

Jean Roggenkamp: Bay Area Air Quality Management District

Jane Brunner: President of Oakland City Council, representing ABAG

John Gioia: Contra Costa County Supervisor on ABAG, Air Board – I think I’m wearing the ABAG hat today.

Susan Adams: Marin County Board of Supervisors, Vice President of ABAG and just to note, it’s minor, but in the minutes it said Susan Adam, not Susan Adams

John Avalos: San Francisco Board of Supervisor – ABAG Executive Committee and Admin Committee

Pam Torliatt: Mayor of the City of Petaluma and Director for the Bay Area Air Quality Management District

Doug Kinsey: MTC staff

Adrienne Weil: MTC General Counsel

Steve Heminger: MCT Executive Director

Ezra Rapport: ABAG Executive Director

Ken Moy: ABAG Legal Counsel

Chris Daly: From San Francisco, here with the Air District

Dorene Giacomini: USDOT representative to MTC

Tom Bates: Mayor of the City of Berkeley, Air District, BCDC

Ann Halsted: Representing BCDC and MTC and also MJPC

John Rubin: Representing the Mayor of San Francisco on MTC

Amy Worth: Representing Contra Costa cities on MTC

Scott Haggerty: Alameda County Supervisor, Air Board Member, ABAG Member, MTC Chair

Ash Kalra: City of San Jose Councilmember and also on ABAG and BAAQMD

Jim: Thank all of you for attending. One thing before we get into the next item which Doug I guess you're kicking off is that I would encourage everybody, as you hear information here, you take it back to your respective agencies, share it with your colleagues, make sure that our sphere of information is broadened, other than just this committee. As we embark on the SCS one of the important points of being successful is how well we get information out in the Bay Area among the elected officials and policy makers. So with that said, Doug...

Doug: Yes, I'll handle the first item. This is a review of the California Air Resources Board's staff recommendation for setting greenhouse gas emission targets. This was released August 9th of this year and it's included in your packet with a brief summary from your executive director. You'll recall in July MTC adopted greenhouse gas emission reduction targets of 7% in 2020 and 15% in 2035 compared to 2005 and the CARB staff recommendation is to accept those targets. So that's what they're recommending to their board which is going to meet September 23, 2010. One thing that the CARB staff is not recommending at this time is uniform targets. That was one of the principals included that was adopted by the commission that we were recommending that CARB consider having statewide uniform targets for both 2020 and 2035 and it doesn't seem to be that's going to be the case with the CARB recommendation. However, given the CARB recommendation and recent developments in Southern California we think that we're in a pretty good position and so we're recommending really that the staff not make any – or the commission not take any action at this time. We're going to present the principals to CARB – Steve will be doing that on September 23rd where we will support the recommendation for the targets - the consistency with the targets between what you adopt and what they're recommending and we'll also recommend, although it's unlikely that CARB will go along with this statewide uniform targets. So that's my summary. I'd be happy to answer any questions you might have.

Jim: I would like Steve to kind of expand on the process that's going to go before CARB and with the other regions.

Steve: Mr. Chairman, happy to – in your packet on Agenda Item 3a. you can see the targets for what they've been calling the Big Four metropolitan organizations that the staff of the Air Resources Board has proposed. You'll see that they have an asterisk for the targets in Los Angeles which is under the jurisdiction of the Southern California Association of Governments. The other three targets in the Bay Area, Sacramento and San Diego, as a result of board actions in those areas that recommended target levels, the staff is essentially copying back those recommendations. In the case of SCAG, the staff report had to be released before the SCAG board acted. The SCAG board acted after it was released and requested lower targets of 6% in 2020 and 8% in 2035. They did so in a deeply divided vote. SCAG's board is like bigger than anything you've ever seen so it was like a 29 to 21 vote and the question now before the Air Resources Board is three of the regions sort of made it easy on them by asking for targets that they thought were appropriate. Now there is a disagreement for the target for the largest metropolitan area in the state. The other thing that the CARB staff did – it's not shown in that table – is they identified targets for the Central Valley of 5% in 2020 and 10% in 2035. So significantly lower than the targets for the other four large metropolitan areas. One reason that is troubling is that the growth that the Central Valley is expected to experience over the next 25 years is about equal to the combined growth of the Bay Area, Sacramento and San Diego. They are going to grow really fast and I think one of the things that motivated us to recommend, and the Commission to endorse the notion of uniform targets is that we're all in this together and we certainly shouldn't be having the fastest growing area of the state shooting for a lower target than the rest of us. And when you look at the targets for 3 of the 4 large metropolitan areas they are so close that there's really no good reason why they shouldn't be the same. As Doug said though, I think we've probably lost that argument already and I think the discussion at the Air Resources Board at the end of the month is not going to be about putting these numbers together, but probably about trying to keep rebellions from breaking out in Los Angeles and the Central Valley. So I think it is likely that we will wind up with separate customized targets. I think for 3 of the 4 metropolitan areas they will probably be more or less the same, not identical. I think one key question is whether they will stick with their staff recommendation for L.A. or go with something lower that L.A. has requested. And I think in the case of the Central Valley, at least our understanding is that some folks in the Valley think 5 and 10 is still too high and may be asking for something even lower than that. So that's the state at play as we understand it and as Doug indicated I plan on being there on trying to encourage them in the direction of uniformity, but probably going to end up falling a bit short on that.

In terms of our own interest, just selfishly here in the region – I think we had a long discussion about it regionally, this committee as well as the commission and the staff is recommending what we ask for. So I think we're in pretty good shape in that respect and I would not expect the targets for the Bay Area, Sacramento and San Diego to change from what is shown here. I think since we asked for them and the staff is recommending them, I think the Board is likely to approve them.

M: Doesn't the Valley that has the most growth potential have the most opportunities to deal with this?

Steve: Absolutely. I know most of you are familiar with the situation in the Central Valley and it's not pretty. Their economic condition is far worse than anywhere else in the state - their levels of poverty, long standing issues, their levels of air pollution for that matter, and as the climate warms it's going to get hotter and hotter out there. So I think there is, on behalf of the staff of the Air Resources Board, a concern of not dropping the hammer down too hard on the Central Valley, but in my opinion the Central Valley is the acid test of whether this statute is going to work. The fact that the Bay Area, Sacramento and San Diego asked for relatively high targets I think is an indication that most of you want to do this stuff anyway and many of our policies have reflected this direction for years. So I don't think we're the hard case and I don't think we need a state law to tell us to do a lot of this stuff. I think the Central Valley does and if the target undershoots I think we really are running the risk of underperforming on reducing climate emissions.

Scott: I guess in relationship to the Central Valley, to me it's kind of like this is what we're trying to get at. If you want to grow you have to show how you can do it and not harm the environment which would say to me that they need to put together very good transit programs before they start figuring out how to just build houses. I think they're not really understanding the whole intent of what it is we're trying to do here.

Secondly, has there been any discussion Steve amongst the four MPOs, your peers anyways, to try to say look we're the big dogs in the house, let's have the same figure? I realize now that Los Angeles has kind of gone sideways, but to me it doesn't seem right to me, or even intuitive, to have the major MPOs anyways to have all these different goals. It seems like I believe the state should have their goal. I believe there should be one goal. Has there been a discussion amongst the four to try to say look, let's take the lead in this?

Steve: Oh, lots of it.

Scott: But you just can't get there?

- Steve: One of the ticklish things, and just as the Central Valley is growing faster than the rest of us, one of us is growing faster than the other three and that's Sacramento. As Commission Sperring indicated, really the faster you grow the more capability you have for change.
- F: Exactly
- Steve: And so the difficulty we had is a slower growing region like ours versus Sacramento, we were trying to find the happy medium. I think we got pretty close. The numbers are identical in 2020, with the exception of SCAG. And I think over time we might be able to pull off a uniform 2035 target. Remember this is just CARB's first pass through this action. They're required by law to revisit these targets every few years and so we may lose the argument on uniformity this time, but I think we might be able to win it later on.
- Pam: With the other counterparts have you put together some sort of presentation or something that looks at how they could actually do better? You put it together for us basically, but when we're looking at the state as a whole, is CARB putting that kind of a presentation together to look at where people really have the ability as was being stated, to in the fastest growing region, to actually reduce their impacts? I would think some sort of chart would make it really clear of why we're doing this – not because we want to, but because we really need to.
- Steve: You have seen the work that we've done here. You've had to sit through it. And my counterparts at the other three Big Four agencies have done the same thing to quite a level of detail and I think one of the most valuable things about this process is that it has caused us to do this work together and it's required us to harmonize a lot of our assumptions. Up until now we all had a different price of gasoline in 2035. Now one thing we're probably sure of is we're all wrong, but we should all be wrong together instead of one guy thinking it's \$7 and one thinking it's \$5 because that obviously has some affect on how you think people are going to travel. So we have learned a lot of lessons in this work and one thing I do want to do and you're reminding me is that when we go through this for real now - and we're about to kick off the process in the Bay Area for real – I do want to bring some of the lessons that we've learned from the other metropolitan areas to bear here because we don't know it all. We think we do sometimes, but we don't know it all and we can learn a lot from what Sacramento and San Diego and even Los Angeles, what they're doing.
- Pam: I guess my point is have you put it together cumulatively to show the stark difference of what could be done in these other areas.

Steve: Yeah, we have.

Pam: And CARB just is not...

Steve: Well again, CARB's got their hands full right now. As you know they've got a couple of ballot measures pending – one especially that would throttle their overall climate change program. So I think there is a bit of thinking up there that they would like to do this without ruffling a lot of feathers. And so when you do have three different big metropolitan areas saying here, we're willing to have this target, and if it's high enough for CARB they're going to say you've got it and that's what they've done.

Pam: I'm concerned about the Central Valley target. That's what I'm saying.

Steve: What I've heard, again most from the staff on an informal basis – I think we'll hear more of it formally at the board meeting – is it's almost at a level of pity, if I can use that word, for the Central Valley. Like those guys are in such bad shape we really can't run them through the wringer here. And I don't think that's the right approach. It's almost patronizing to me. But that seems to be the attitude that we really can't ask them to do as much as other regions in the state when in fact I think we should be doing precisely that.

Jim: Amy and then Sue.

Amy: I just had a couple of questions, coming back to the Bay Area. I guess these are questions that I've continued to have, but I guess as we grapple with this I'm still struggling with it. First of all we've identified some targets, but I think part of the debate is we haven't agreed on how we're going to get there. So I think that's where the Los Angeles fight is coming out because those folks, those cities know that their people are going to be impacted by the cost of this. So I guess my question is at what point do we have an open, public discussion about some of the issues that staff brought last time in terms of say if we're going to require people to live in different places, if we're going to tax people for driving, what are those costs going to be, and at what point does that become part of the public debate? Because I think that's part of the discussion here, probably in all the areas. And representing a county where my constituents are going to be paying a lot if we move in that direction, I'd just like to know – I think it's important that we know how we're going to do it and what those costs are going to be? And again, engage the public really in understanding this.

And I guess the third question I have is what's going to happen if we set these targets and then we understand that the way we're going to have to do it is by measures that this region isn't prepared to take on, then what

happens to the region when we have these targets and we're not achieving them?

Steve: The short answer is we're going to be starting that for real in a couple of months. I think we tried to emphasize to you when we showed you those very broad planning scenarios about land use changes and road pricing and transportation demand management that they were just that – they were planning scenarios. They had no more constituency than me and Doug. That was it. We dreamed them up. We put them on the table. We were trying to just inform your process of picking a target and Commissioner, you're right. I think everybody is looking at targets without really knowing how we're going to get there. So that's a big nerve wracking. Now, CARB will establish the targets this month one way or the other and then in a couple of months after we will have to start the scenario planning process for real and that's a process where we want to engage you and your citizens and your local staff in developing those scenarios. That's not just going to be me and Doug. That's going to be everybody and it has to be for real because we've got a plan here that we've got to adopt that under Federal law has to be realistic demographically and financially. We just can't make it up.

Now, to your last question – what happens if we go through all that and we don't get to 15%? Well Senate Bill 375 actually does have a trap door that says if you can't make it you're allowed to do something else called an alternative planning scenario. CARB has to agree that you can't make it, that you're not sort of fiddling with the numbers to make it look like you can't make it. But if they do you're allowed to do this alternative scenario which theoretically at least, we haven't been through this yet, but at least as it looks in the law, allows you to adopt the plan and not meet the target. So there does seem to be a reasonable path through this that if the target turns out to be too high that you're not able or willing to really put the strategies together to get there, you've got an out.

Jim: Before I go to Sue, just follow-up Steve. As we go through that analysis are we going to be looking at what projects help us get there and which ones don't? Is there going to be a "this is a project we probably shouldn't be doing and this is one that we should be doing?"

Steve: My sense of it is Commissioner that we'll probably be looking at 5 broad categories of things and you've already seen 3 of them. One is land use changes. A second is road pricing – always a popular subject. A third is transportation demand management – what employers and others can do. A fourth is infrastructure – what projects are in the plan? Are they pulling in the right direction? A fifth that we've given very little attention to is what I would call smart driving and that has to do with the fact that emissions for greenhouse gases are on a u-curve and if you're going too slow you've

got too many emissions. If you're going too fast you've got too many emissions. There's a little goldilocks spot where you want to be and so strategies that reduce speed in some cases or increase speed in others are also ways to reduce greenhouse gas emissions. So I think at least those 5 broad categories, there may be more, we will be examining and trying to put together sort of a menu of what really gets us to the target in a way that we can all stand by.

Jim: Sue and then Dave.

Sue: I'm just going to add to the discussion that we're kind of all in this together and what happens in the Central Valley really impacts our area - their truck traffic coming through part of the area. And I think the success of this really rests on political leadership and I think that's why the Bay Area has been so successful in doing this. Along those lines, I was curious, does the League of California Cities, are they involved in playing a role because I think they actually speak for - they have a very vocal membership from the Central Valley and maybe that's a way to get at it. At a previous MTC legislative meeting we had a discussion on Proposition 23 which would undo a lot of this and if you look at the cities who are supporting this many of them are Central Valley, Southern California cities. You don't see any cities from the Bay Area. I think we really need to bring the League into this discussion. I don't know if they play a role, but I think they would be a very important education viaduct to maybe getting to some of these cities because they have so many other problems. They're more concerned about jobs and the climate and the environment is not high on their agenda. It's not going to happen unless you change the political leadership education in that area.

Jim: Dave and then Julie.

Dave: Kind of a process question, but it seems to me if I'm reading and understanding this right that some of the attention is obviously trying to get everybody on or very, very close to the same target in all these congestion management areas basically, or these COG areas. But all of it is just to inform the statewide target setting basically. It's not going to be binding in and of itself. Does it make sense at this point to accept everybody's kind of thorough, detailed work as autonomous and well thought out, but then try to come up with a blended analysis, a blended number? I don't know why - I think it's because of years of serving on pension boards - all of a sudden I'm looking at this saying you're not going to be able to pull all of this diversity together in one number, but what you could do, almost as an actuary would do, is take all this now and analyze it collectively and see what does it really mean in terms of what I would call a blended number or a leveled number and once that's done then it seems to me you can work the alternatives off that blended number because if Santa Clara County

stops growing dramatically in terms of housing it probably means – I’m just throwing this out there as an example, it may not be sound – but maybe it means that Central Valley all of a sudden does pick up and starts to change more dramatically. We saw that happen in the 90’s. I don’t know what those alternatives might look like, but it seems to me that once we could get at least something that everyone could agree is a statistically valid blended number then you can get to the next level and start working on alternatives to submit to CARB that might allow some flexibility down the road. The question on that is, is that possible? Am I distorting the process, or what?

Steve:

I think it’s possible. The law does require CARB to set these targets by metropolitan region. That’s the law. Now it doesn’t prohibit them from setting the same one and in fact that’s the advice they got from the advisory committee that I participated in. They don’t seem inclined to do that. The fact is when you sum up the results of these targets you get a number. You get a greenhouse gas emission reduction. That number is fairly close to the number they had put in their initial scoping plan – the scoping plan they adopted under AB32. So despite the disparity and all the numbers moving around, what they produce in terms of greenhouse gas emission reductions is pretty close to what CARB wanted. Now I think largely these different numbers raise questions about equity between region and whether business location decisions and other things might start getting made on the basis of this and I think it’s too soon to know that, but I think that was one of the concerns that our advisory committee had about picking different targets. Now I think within the region Commissioner we will very much be blending and the discussions we’ve had – we were just up in Solano County yesterday – in various counties around the region, some counties are going to do more, some are going to do less and that’s going to be fine as long as we can try to get to the regional objective that we’re trying to reach. I do think once we get past this statewide process - which anything statewide in California just seems to be messy these days – once we’re back in our own sandbox, I think your blended approach is exactly what we’re going to do.

Dave:

I guess from a technical standpoint just one follow-up question. Is it possible to satisfy CARB’s desire to have individual numbers like we have now, and also submit to them something that they’ll take seriously, meaning this blended approach number as well? Not an either or – say here’s your individual numbers, we’re in compliance now, but here’s what we think it looks like when you blend based on actual growth, actual population, on a statewide basis instead of trying to look region by region and give them both to try to help guide them so at least there is some chance the final number comes in close to what we would feel the blend is. I realize that’s costly for someone to do that work and maybe that’s going to be part of the issue.

Steve: But I do think it's conceivable and now that I'm thinking about it as you've been asking the question, the thing we've got to keep in mind is that not necessarily everybody is going to meet the target established, right? You may have some regions that do and some regions that don't and then do an alternative scenario and so they're only going to get so far toward their target. And as you say CARB is going to have to true that up and figure out whether as a state we are still getting as far as we need to go? And I would expect that might mean ultimately adjusting the targets over time, and frankly that's another reason to worry about starting with these kind of disparities because if they're going to set – let's say a 10% target in the Central Valley and what the Central Valley is able to do is 7, well who do you think they're going to ask to do more next time around? So all the more reason again for all of us to be in the boat together and not some of us somewhere else.

Dave: Thank you

Jim: Julie and then John

Julie: Thank you. I appreciate the work that staff has been doing on this and as I went through the League of California Cities resolutions with my City Council the other night and got direction on how to vote I have to tell you this whole process is becoming very troubling. I think in many ways the process, while well intentioned, is backwards. We are setting a target and then figuring out if we can meet it and what is that cost going to be? We don't even know. You've heard me on this over and over and over again, giving the scenario of my cities out in East County of Contra Costa where many of them commute 60 to 70 miles a day each way because many of them commute to the Silicon Valley. They commute to San Jose. They commute to the city. And we don't have mass transit out in East County yet. We're working on it, but we don't have it yet and if the 50 cents a mile, vehicle miles traveled tax was imposed that's a huge financial burden. Will it drive some of them to change the location of where they live? Probably not because the cost of moving in closer isn't going to get cheaper. Will it allow businesses to move to those locations where the folks are? Good question. If it's a lot cheaper to locate in the Central Valley that's where they're going to go. I think we have got this a little bit backwards. We haven't figured out what we can afford to do and then set the targets by what's actually achievable. But that said, I will tell you I have great concerns about what's going to happen with AB32 and the ballot measure in November. Having been a member of the task force committees at the League and going through the discussions about support and lack of support for AB32 over the last several months and the healthy discussion that's taken place at the League about whether to accept the task force recommendations, I see where the Central Valley

and Southern California are coming from. That's where this effort came from to overturn AB32. And that's consistent with what they're asking for in targets. They're saying sorry folks we don't want to do it. I hate to tell you but I think there's a lot more Northern California people who believe that too. We in this room may think it's the right thing to do. We may agree with the idea – and believe me, I talked myself blue in the face on Tuesday night trying to convince my Council to oppose this initiative at the League of Cities and I was outvoted 4 to 1. I went down in flames. And they are absolutely adamant so I'm going to have to go and vote opposite the way I personally feel because I've been directed how to vote at the League. But I've got to tell you it's not looking pretty. So I'm a little concerned about yes, I want to be a leader in this state and I think that's the right thing to do, but I have a feeling we're in trouble and I guess my biggest question to staff is what happens if the initiative in November passes? What does that do to this effort? Does it just blow it up, or put on the brakes? What does it do?

Steve: Our understanding is that even if the ballot measure passes that this effort will continue. Senate Bill 375 is an independent statute, enacted separately, not covered by the express terms of the proposition. Now whether or not there will be litigation about that, I would probably bet you money there will. But at least our reading of the law is that this process will continue. At the very least I will tell you our process for adopting a regional transportation plan will continue because that's a long standing obligation. And I think the other point to make is that a lot of the programs and projects and strategies we are discussing here we have been pursuing for years, for other reasons, whether it's public health or mobility or livability and I think that work is going to continue as well. What's new here is this greenhouse gas overlay and a target from the state. That's what's new. But a lot of the guts of this is not and I think is going to continue either way.

John: I was just going to ask Steve, what's the actual date that these targets need to be set?

Steve: September 30th

John: They need to be set by September 30th. So is it your sense that CARB is concerned that pushing too hard on some of these is going to play into the opponents? Clearly there's a political component going on here. Realistically I think that's what's at play.

Steve: Yup

Jim: Pass the mike to Jane.

Jane: I just have a quick comment. In looking at the minutes I think we haven't captured the issue on pricing and I think that it's important that if we spend our time here and we actually make comments – I'm not going to repeat my comments from last time, but I think there's been several people talking about pricing and we should make that clear in the minutes that that's not a full agreement.

Jim: Okay. Scott?

Scott: Steve, in reading the staff report, you mentioned and we had a little bit of discussion about SCAG being deeply divided. Did I hear you say that there's a possibility they may revisit their targets?

Steve: I just talked to their Executive Director this morning. I don't think it's likely in fact that the SCAG board will act again or meet again before the 23rd. In taking the action they did they also sent CARB sort of a list of demands that maybe we'd be willing to go along with your targets if you met the following umptiump conditions and so my sense of it is that the contour of the debate before the CARB board is whether any of those conditions are things that CARB could get behind? For example, we could sure meet these targets easier if you stop stealing our transit money – things like that. Some of which I think you'd probably endorse wholeheartedly.

Scott: That's a novel idea.

Steve: So I think that is probably going to be the context for the debate. Should the board reduce the targets in response to what the elected officials in L.A. want? Or should they keep them where they are but try to respond to some of the, I think very legitimate concerns they have about other state policies that are running counter to this effort?

Scott: The concern that I have is I actually had a CTC commission call me and basically want to know what it is that we're thinking here. You could probably figure out who it was. My thought is on this though is if San Joaquin County for example was able to lower their numbers and then for some reason maybe SCAG shows up at the board meeting and requests lower numbers and gets them, and then as we start moving down the road we don't start hitting our targets because we set higher ones – how does that affect us in relationship to our ability to get transportation projects? I view L.A. (sorry) I view them as a greedy group of people and if they could have every dime of transportation dollars down in L.A. they would be really happy. Actually they probably wouldn't be happy because then they'd want Nevada's money too. But I'm just saying to me I'm concerned that we've set the goals that I think we should set, but yet now we're seeing this splinter group go off and get lower numbers and possibly position themselves, and SCAG will probably realize this, that they positioned

themselves – “look at the Bay Area, they set these high numbers, they’re not going to meet them. They’re going to lose transportation dollars and now we get their money.” And that could be an argument to set lower goals.

Steve: It could be. I think there’s a little bit of reassurance in two respects. One is my understanding is L.A. Metro which is by far the largest transportation agency in that region is probably going to send CARB a letter supporting the targets. So the SCAG action to some extent was unrepresentative because as I understand it most of the L.A. members of the board were absent that day. Secondly, again, there is no requirement in the law that constrains your ability to decide how to meet the target. The state is going to set a target, but the field is pretty clear, wide open about how we go about doing it and it doesn’t necessarily have to involve just infrastructure projects. In fact I think in this region it will involve a lot more besides that because as I think you all are aware we’re spending 80% of our infrastructure money just taking care of the system we’ve built. So it’s not like we’ve got a lot of expansion going on. It’s precious little. And I don’t think anyone is going to suggest we ought to stop maintaining our roads and transit systems. If anything we may have to spend more on it. So I think the debate here about how to meet the target is going to go much beyond a fight over this project versus that project. We’ll have that, I’m sure. That’s a perennial feature of our planning process. But I sure hope that’s not all we do because we’ll be missing the much larger share of the picture.

Jim: David Schonbrunn did you want to speak on this item?

David: Yes – David Schonbrunn, TRANSDEF – I wanted first off to agree very much with MTC’s executive director on the issues of uniform targets for all of the state and in particular the need for a much more significant contribution from the San Joaquin Valley. This is very much heading in the wrong direction. But I wanted to add on to comments that I’ve made in earlier meetings about the absence of context in the previous target setting. What accompanied this staff report, partly as a result of requests that I made to ARB, they’ve produced a spreadsheet that shows the emissions and emissions reductions and as the MTC executive director said, the ARB AB32 scoping plan had initially set a target of 5 million metric tons. What was accomplished by these regional targets is 3.4 million metric tons. So what that’s saying is that the SB375 draft targets don’t meet the plan that was set and that scoping plan had a hole in it of 34 million metric tons where they couldn’t find adequate reductions. The significance of this is that this is by no means aggressive, even though it’s not necessarily easy to accomplish the targets that you’ve already set. Those targets themselves result in increases in overall emissions for the region, both in 2020 and in 2035. It’s essentially a million metric tons in

2020 and then added to that is another million metric tons. So these targets, while challenging, don't actually even balance out the growth that's projected to occur here. I think it's important for you to have that in mind as you go forward that this is fairly weak when it comes to climate. I would respond to the people who are saying sorry folks we don't want to do it – you may be far inland in terms of rising sea levels, but we're seeing wildfires, catastrophes, flash floods – this is just the beginning of what climate change has in store and the people that don't choose to get on board now are going to cause everybody to suffer later.

Jim: Thank you David. I'm going to take one more public comment and then your comment and then I'd like to move on to the next item before we run out of time.

Mark: What's the relationship between the population coming from SCAG and the aid to San Joaquin Valley MPOs? Anybody have that roughly?

Steve: Not off the top of my head. SCAG is what, 40% of the population of the state?

F: Yes

Mark: So the point then is that SCAG is much larger than the 8 San Joaquin Valley MPOs. Is that a true statement?

Steve: Yes

Mark: So if that's true I think all of our hand wringing about the Central Valley is somewhat misplaced. I think Scott was closer to the truth there if we're going to be saying anything at all and that is that SCAG can't be dropping down to 6 and 8. That's the bigger animal out there in the arena – SCAG. That's who we need to be fortifying at CARB, that those figures cannot be going lower. The Central Valley, it's easy to pick on them on and on and on, but in relation to the overall picture that's not that big of a deal. We need to be pounding on SCAG that those numbers can't be going down to 6 and 8. If we're going to be saying anything to CARB that's what we need to be talking about.

Jim: Thank you Mark. Let's move on to the Regional Housing Targets. Paul, are you going to present this item?

Ezra: I'll introduce the item. We have two items on this report. Both of them relate to our ultimate...