



March 8, 2013

Ms. Shelby Livingston
 Chief, Climate Change Program Planning and Management Branch
 California Air Resources Board
 Sacramento, CA 95814

Re: Working Lands Coalition - Comments on the Development of an Investment Plan for the Cap and Trade Program Auction Proceeds

The undersigned organizations urge you to include a comprehensive agriculture and open space protection program as a complementary element to the funding for sustainable communities proposed in the Governor's budget. Together, these programs will effectively address both the greenhouse gas (GHG) reduction goals of AB 32 (Chapter 488, Statutes of 2006), and the land use and transportation planning objectives of SB 375 (Chapter 728, Statutes of 2008).

As the Governor's FY 2013-2014 Budget Summary states, "Transportation is the single largest contributor to GHGs in California (38 percent), and reducing transportation emissions should be a top priority (including mass transit, high speed rail, electrification of heavy duty and light duty vehicles, sustainable communities, and electrification and energy projects that complement high speed rail)." The Governor has recognized that reducing transportation-related GHG emissions is fundamentally linked to land use policies and the progress California is making to implement Sustainable Communities Strategies (SCS) pursuant to SB 375.

The key to attaining our SB 375 objectives is to shift development closer to existing urban areas and encourage more compact, higher density communities. SB 375 provides regulatory and financial incentive tools to support this shift. AB 1532 (Chapter 807, Statutes of 2012) and the Governor's Budget recognize the need for funding to support these efforts.

What California has not done, and what was not addressed in SB 375, is the inclusion of an effective strategy to protect the productive agricultural and open space¹ lands around urban areas to reduce the potential for sprawl and thereby encourage infill. As we pull out of the recession, in every region of the state we are seeing “business as usual” development pressures and trends that threaten the goals of more compact urban growth scenarios. Without a strategy to protect these lands surrounding our developed areas, the pressures for sprawl will grow and will make it difficult, if not impossible, to meet our sustainable communities objectives.

California has effective techniques and existing programs for protecting agricultural and open space lands that can be repurposed to support our SB 375 goals and SCSs in a cost-effective manner. We ask that you provide funding for three interrelated programs to create an overarching linkage to SB 375 in order to reduce conversion of agricultural and open space lands, and help reinforce the urban limits established in the SCSs:

- **Funding for the Williamson Act subvention program.** The Williamson Act slows conversion of agricultural land through rolling 10 and 20 year “no-development” contracts between landowners and counties. The state’s investment of nearly \$1 billion since 1972 has provided ongoing protection for more than 16 million acres of productive agricultural and open space land by helping to finance the property tax relief provided to participating landowners. Continuing a modest annual investment leverages the state’s historic investment and local funds to help keep farmland from fragmenting in ways that lead to low density development, and eventually suburbanization. State subventions have not been paid since 2009 and counties are now beginning to pull out of the program, or are struggling to meet their administrative responsibilities under the Act. Keeping this program going provides a highly cost effective way to slow development of agricultural and open space lands.
- **Link Subvention incentives for counties and planning money for cities and counties to the adoption of strong agricultural and open space protection programs that support the regional Sustainable Communities Strategies.** A few counties have strong protection for agriculture and open space built into their general plans, but most do not. Establishing incentives for the adoption of strong policies to reduce conversion of agricultural lands at the local government level supports the state’s SCS goals at a very small cost. Our coalition of agricultural and environmental organizations proposes a modified two tiered subvention program that will provide counties a higher percentage of property tax

¹ There are several definitions of “open space” in state law. We are including the reference to open space lands in our letter to ensure consistency with the term’s use in the Williamson Act and the Open Space Easement Act of 1974.

backfill if they meet specific criteria to enhance the protection of agricultural, open space and watershed areas.

- **Funding for existing conservation easement and farmland mapping programs—the California Farmland Conservancy Program, the Rangeland, Grazing Land and Grassland Protection Program and the California Farmland Mapping and Monitoring Program—can directly guide the path of development toward the compact scenarios.** Local planning is an important part of the SB 375 process, but every region experiences strong pressures for sprawl in directions that are not consistent with the SCS. Purchase of voluntary easements to protect lands on the periphery of existing urban or developed areas can permanently reinforce urban limits and thereby shift development in the preferred direction, while providing protection to important farm and resource lands. In addition, the California Farmland Mapping and Monitoring Program produces maps and statistical data used for analyzing impacts on California’s agricultural resources. Providing sufficient funding to this program will allow California to adequately monitor compliance and progress with SCS land conservation strategies.

Funding for these three interrelated programs will:

- Help avoid or reduce transportation emissions from “business-as-usual” development patterns
- Result in significant climate change benefits
- Provide a cost-effective addition to our efforts to implement the goals of AB 32 and SB 375
- Provide important co-benefits connected with land conservation strategies
- Continue the historic and laudable goals of preserving soil productivity and food security.

In order to document the benefits of our proposed strategy, Calthorpe Associates has been commissioned to develop estimates of the actual GHG emission reduction benefits (and co-benefits) of limiting the conversion of “greenfields.”² Calthorpe has provided detailed analysis of the avoidance or deferral of transportation-related GHG emissions from reducing vehicle miles traveled (VMT), and reducing GHG emissions from building energy usage when development is concentrated within existing urban areas and agricultural and open space lands are not converted to urban or residential uses.

² As defined by the Urban Land Institute, “greenfield” is a term used in urban planning to mean “any parcel of land not previously developed that is characterized by rural or extremely low-density lands, significant natural, cultural or agricultural resources and located outside recognized urban limits.”

Calthorpe's analysis compares two main growth and land development scenarios:

- **Business as Usual:** Growth pattern based on past trends. A significant portion of growth takes place at the edges of urban areas, with a fair amount of large-lot, single-family development. Estimates indicate that we would develop an additional **1.2 million acres** of land, mostly productive agricultural lands, under this scenario to accommodate 50 million people by 2050.
- **Compact Development:** Focuses a majority of growth in and around existing cities and towns and aligns with the housing demand profile presented in recent studies of California regions (details on following page). If we begin implementing compact development practices right away, this scenario would reduce additional development of agricultural and open space land by up to 690,000 acres.

In a comparison of these growth scenarios, Calthorpe's initial findings show that more compact development patterns (the Compact Development scenario) prevent the annual release of **37 million metric tons** of carbon dioxide equivalent in 2050, or 22% less than a "business as usual" future. This is after taking into consideration all the other planned and projected regulatory improvements. The attached graph illustrates the GHG savings over time (2010-2050) from the avoided conversion of hundreds of thousands of acres of "greenfield" lands in California. In addition, the Compact Development scenario, with more walkable, transit-oriented development, reduces annual VMT by 32% (over 140 billion miles) in 2050.

Taking this to a more detailed level, Calthorpe's analysis of the City of Fresno's General Plan alternatives found dramatic differences between implementing a more focused growth pattern (infill/smart growth) and a "business as usual" scenario. The results included:

- Saving over **25 square miles** of productive agricultural lands – much of it prime farmland- from development.
- Reducing passenger vehicle travel at a level equivalent to taking **114,000 cars** off of Fresno roads for a year.
- Reducing greenhouse gas emissions related just to transportation from avoided development by **.45 million metric tons** – equivalent to an offset of 180,000 acres of trees.
- Saving households an average of **\$4,100 a year** from reduced auto fuel and utility bills.
- Reducing energy use enough to power over **48,000 homes**.
- Reducing capital, operating, and maintenance costs for infrastructure by **\$432 million** to 2035.
- Saving **\$37.8 million** in health care costs due to reduced air-pollution related illnesses in 2035.

In Fresno's case, the key to achieving the GHG and other co-benefits is steering development away from the surrounding farmland. Existing land use plans can encourage this outcome, but only a comprehensive effort to protect key parcels through easements and strengthened agricultural protection policies is likely to ensure long term success of the Compact Development scenario.

California can meet its AB 32 and SB 375 GHG reduction goals for the transportation sector, but this can only occur if we change our approach to growth and land use. When agricultural and open space lands are protected over a span of decades through mechanisms such as Williamson Act contracts, when strong land use policies are adopted that result in more efficient growth patterns, and when purchase of strategic agricultural or open space conservation easements near our urban areas bolster land use policies, we have a much more realistic opportunity to achieve the level of compact growth necessary to create and maintain sustainable communities.

We look forward to working with you and the Administration to successfully implement AB 32 and SB 375, and to ensure that protection of agricultural and open space lands, as a necessary complement to sustainable community investments, is included in the AB 32 cap and trade revenue investment plan.

Sincerely,

Ed Thompson
California Director & Senior
Associate
American Farmland Trust

Renata Brillinger
Executive Director
**California Climate and
Agriculture Network**

Karen Buhr
Executive Director
**California Association of
Resource Conservation
Districts**

Meghan Hertel
Associate Director of Public
Policy
Audubon California

Michael Feeney
Executive Director
**Land Trust for Santa Barbara
County**

Jamison Watts
Executive Director
Marin Agricultural Land Trust

Karen Christensen
Executive Director
**Resource Conservation District
of Santa Cruz County**

Walter T. Moore
President
Peninsula Open Space Trust

Bill Keene
General Manager
**Sonoma County Agricultural
Preservation and Open Space
District**

Terry Corwin
Executive Director
**Land Trust of Santa Cruz
County**

Winston Bowen
President
Mendocino Land Trust

Ron Brown
Executive Director
Save Mount Diablo

Steven Frisch
President
Sierra Business Council

Ralph Benson
Executive Director
Sonoma Land Trust

