

June 9, 2010

Mary Nichols, Chairman California Air Resources Board 1001 "I" Street Sacramento, CA 95814

Re: MPO Scenarios and SB 375 targets

Dear Chairman Nichols,

The undersigned organizations greatly appreciate the extensive work that CARB has done to implement SB 375 and to support the role of the Regional Targets Advisory Committee (RTAC). We also strongly commend the MPOs for their work to quickly develop planning scenarios per the RTAC recommendations. We are pleased that these scenarios offer a wide range of approaches to improved land use and transportation planning that could be employed throughout the state to support sustainable communities. We believe that CARB's work to partner with regional and local governments in sustainable community planning will have tremendous benefits in improving air quality, public health and housing and transportation choices in California.

As CARB moves forward to review and assess the MPO planning scenarios and draft regional GHG targets by the end of June, we urge you to ensure that each region moves away from business as usual and adopts truly ambitious targets. While we have found many good examples of planning tools in the MPO scenarios that will accelerate new transit —oriented development, improve air quality and public health, we also believe that each region can do more.

1. CARB should not rely solely upon the presented MPO scenarios to define the range of ambitious targets. Ambitious land use would encourage more housing growth in urbanized infill areas that have a -proportionally high percentage of jobs and a shortage of nearby housing affordable to employees. An ambitious transportation network would encourage more transit and highway investments after 2020 in urbanized areas to accommodate additional growth in infill locations and fund improvements in bicycling and walking infrastructure. Ambitious pricing proposals would test modest pricing ideas such as HOT lanes before 2020, and encourage more aggressive pricing measures beyond 2020, with some of the revenues going to better transit services.

The scenarios presented thus far do not meet this full definition of ambitious. For example, not a single scenario submitted by any of the MPOs envisions a highway and road network that is different from adopted Regional Transportation Plans – all the way through 2035. While it may be unrealistic to expect MPOs to reconsider road expansion projects that are already approved, to assume absolutely no change in priorities all the way through 2035 is far too "achievable" and not nearly "ambitious" enough.

At the recent RTAC meeting, several MPOs expressed a willingness to explore more ambitious scenarios to inform the target-setting process. We applaud those MPOs that are continuing to develop

additional scenarios and urge CARB to continue working with the MPOs on additional scenarios, to the extent that time allows.

- 2. CARB should not heavily favor achievability over ambitiousness based on the scenarios presented. The political climate has evolved considerably since the 1990s, and there is no reason to assume it won't continue to evolve to 2020 and beyond. Compact and mixed use development has moved further than plans thought possible just five years ago, driven by housing stock, housing market, and demographics. Gasoline prices rose from \$1.50 to nearly \$4.00 per gallon, with behavioral changes starting to show up at the high end, and we can expect even higher gasoline prices by 2020. Southern California has six toll roads or HOT lanes today, and they have become acceptable. By the 2020s these trends all lead toward more favorable conditions for walking, bicycling, and transit. What is achievable today may reasonably predict what is achievable for 2020, but achievable scenarios should look significantly more ambitious during 2020-2035.
- 3. CARB should carefully evaluate the MPO travel models and ensure that all the GHG benefits of the scenarios are fully accounted for. Even in the cases where the scenarios include reasonably ambitious policies, the MPO travel models often underestimate the GHG benefits that these policies could provide. For example, with the exception of SACOG, all of the MPOs are using models that aren't sophisticated enough to capture the GHG benefits of non-motorized travel (walking and biking).
- **4. CARB must ensure that scenarios and draft targets address social equity, public health, natural resources and other key performance measures.** The MPO scenarios fall short of meeting the RTAC's recommendation to address social equity factors, public health and environmental considerations and co-benefits in the target setting process. The scenarios and targets should be presented and compared on metrics that reflect their real impacts on the lives of California residents. Especially in this time of economic hardship, strategies that could reduce GHG emissions while achieving economic benefits for working families, such as increasing jobs-housing fit and expanding low-cost transportation choices, should be prioritized. The RTAC stated in its final report that "the methodologies utilized by the ARB and MPOs should analyze social equity factors to determine their greenhouse gas reduction benefits."

The RTAC also recommended that CARB "make the advancement of co-benefits a key goal in ARB's process for setting regional targets." ² Many of the standard model outputs provide useful information that will allow CARB and stakeholders to assess the co-benefits – such as cleaner air and water savings – associated with recommended targets. CARB should urge the MPOs to make this information public, and CARB should ensure that its own target recommendations include this data.

While we recognize the challenges presented by the legislation's short timeframe, this should not be an excuse to avoid quantifying the very tangible impacts of this legislation on Californians and investing in strategies that can achieve multiple benefits. We urge CARB and the MPOs to take tangible steps to fulfill these recommendations.

5. CARB should ensure that 2035 targets are a step forward, not backward. Most of the MPO scenarios predict lower levels of GHG savings in 2035 than 2020 despite the fact that most empirical evidence says just the opposite: GHG savings should increase over time as land use and transportation changes accumulate benefits over the years. This puzzling and contradictory outcome is likely the result of problems with both the models and the scenarios. CARB should look carefully at the models and the VMT data in the scenarios to correct this problem and ensure that 2035 targets are a step forward from 2020, rather than a step back.

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¹ Recommendations of the Regional Targets Advisory Committee (RTAC) Pursuant to SB 375, Sept. 2009. p. 28

² Ibid, p. 43

- **6. Recommendations:** We suggest that CARB take a balanced approach to setting targets that draws upon the best of the MPO submissions while correcting for shortcomings and incorporating additional information. Specifically, CARB should:
 - Time permitting, work with the MPOs to develop additional scenarios using all land use and transportation policies to the maximum extent feasible within each MPO scenario to establish a more ambitious upper bound for the range of possible reductions;
 - Work with the MPOs to identify and correct problems with the models;
 - Compare MPO scenario outcomes to those predicted by empirical evidence;
 - Consider developing and modeling an 'all-star' scenario that draws from all of the MPOs' submissions, highlighting the best of each and applying those all-star policies/practices across regions;
 - Make maps and other spatial data available and assess whether land use changes and transportation investments are effectively coordinated to maximize efficiency;
 - Identify a set of performance indicators that address social equity, jobs-housing fit, public health, land consumption and other important outcomes, and ensure that CARB's draft targets include that information;
 - Encourage the MPOs to also utilize these performance measures and make that information public.

We recognize that California's regions and municipalities face many challenges. Transit funding cuts, lower local government revenues, and the housing market downturn are all barriers to immediate success. The draft targets must be responsive to these challenges, particularly in the near-term.

However, establishing targets that meet CARB's definition of ambitious and achievable – especially for the 2035 timeframe – will provide the strong signal that is needed to motivate local and regional governments to actively work together to develop a shared blueprint for the future. The legislation provides for CARB to reassess the targets every four or eight years, so there will be opportunities to revisit targets and, if needed, ratchet them downward to account for changing economic, political and social factors. Such an approach will put California on the path to a healthier and stronger future.

Again, we thank you for the extensive work you have done and look forward to our continued work together.

Sincerely,

Autumn Bernstein Director ClimatePlan

Jeremy Cantor
Program Manager
Prevention Institute

Stuart Cohen Executive Director TransForm

Judy Corbett
Executive Director
Local Government Commission

Amanda Eaken
Policy Analyst
Natural Resources Defense Council

Jonathan Ellison, Transportation, Air Quality and Climate Change Committee.Co-Chair Environmental Council of Sacramento

Joel Ervice Associate Director Regional Asthma Management & Prevention

Michael Fitts Staff Attorney Endangered Habitats League Steve Frisch President and CEO Sierra Business Council

Connie Galambos Malloy Director of Programs Urban Habitat

Anne Geraghty
Executive Director
WALKSacramento

Ken Grimes Executive Director Walk San Diego

Ezequiel Gutierrez, Jr.
Housing & Community Development Attorney
Public Law Center

Deb Hubsmith
Director
Safe Routes to School National Partnership

Bonnie Holmes-Gen Senior Director, Policy and Air Quality American Lung Association in California

Andy Katz
Government Affairs Director
Breathe California

Kathy Keehan
Executive Director
San Diego County Bicycle Coalition

Elyse Lowe Executive Director Move San Diego

Jeremy Madsen Executive Director Greenbelt Alliance

Marty Martinez
Policy Director
California Pan-Ethnic Health Network

Richard Marcantonio, Managing Attorney and Parisa Fatehi, Equal Justice Works Fellow Public Advocates Inc. Matthew Marsom Director of Public Policy Public Health Institute

Rich McIntyre Climate Campaigns Director Sierra Nevada Alliance

Elizabeth O'Donoghue
Director of Infrastructure and Land Use
The Nature Conservancy

Shamus Roller Executive Director Sacramento Housing Alliance

Robin Salsburg Senior Staff Attorney Public Health Law and Policy

Julie Snyder Policy Director Housing California

Erin Steva Transportation Advocate California Public Interest Research Group (CALPIRG)

Ed Thompson
California Director
American Farmland Trust

Mike Wells Environmental Health Program Fresno Metro Ministry

Denny Zane Executive Director Move LA

Paul Zimmerman Executive Director Southern California Association of Non-Profit Housing