



December 3, 2008

Mary Nichols Chair, California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95814 ORIGINAL. poard Clerk
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City Council

Mayor Penny Lilburn

Mayor Pro-Tem Ross B. Jones

Larry McCallon Jody Scott John P. Timmer

City Manager Joseph A. Hughes

RE: City of Highland Comments on Air Resources Board Proposed Scoping Plan

Dear Chair Nichols:

On behalf of the City of Highland, thank you for the opportunity to comment on the California Air Resources Board's (ARB) Proposed Scoping Plan (Scoping Plan).

We are proud of the work we have done already on reducing our City's greenhouse gas emissions (GHG emissions). The City of Highland has just completed construction of a LEEDS certified public library and will be constructing a LEEDS certified police station in the next year. The City Council is also looking at installing solar panels on two public buildings (Community Center and Athletic Center) in the next two years.

The following comments are hereby provided by the City of Highland with regard to the proposed Scoping Plan.

1. It is the city's understanding that the Air Resources Board is considering setting the standard for reductions in Green House Gas through local planning and transportation efforts at five (5) million metric tons or greater. According to ARB staff that is the mid-point of the study prepared by the University of California, Berkley. It is the City's recommendation that any target proposed by the ARB/Scoping plan be determined through the implementation process currently being developed under SB 375 (Steinberg, Chapter 728, Statutes of 2008). Models and programs established by local agencies with their MPO's under SB 375 would achieve greater certainty about realistic Green House Gas (GHG) goals. It is also not clear how funding generated by programs to off-set GHG emissions will be fairly distributed (i.e. to local agencies for retrofitting and upgrading outdated fleets and equipment).

- 2. The City supports the coordination with the California Integrated Waste Management Board to develop a measure to increase commercial recycling rates (assuming the Scoping Plan is referring to diversion rates). Careful consideration should be given to the volatility of the recycling commodities market which has historically impacted local diversion rates. Programs should be considered to incentivize the recycling commodities similar to measures promoting alternative energy resources such as wind and solar.
- 3. The impacts on small and new businesses should not be underestimated. The Plan recognizes that the primary impact on small businesses will be changes in energy expenditure. The City supports the ARB's commitment to developing a small business toolkit or resources, including best practices, case studies of successful money saving projects, and financial resources to help fund efficiency projects.

While the City of Highland is generally supportive of a number of programs and policies outlined in the Scoping Plan, it is crucial for state policymakers take account of the means that will be needed to achieve the goals. AB 32 requires that reductions in GHG emissions must achieve the maximum technologically feasible and cost effective reductions and for the ARB to "consider the cost-effectiveness of these regulations." (HSC §38560) In addition, we believe that the Scoping Plan appropriately allow the SB 375 process to develop regional transportation-related GHG targets. Implementation of the regional planning processes in SB 375 are new and largely untested. The 5 MMT figure, while a place holder, nevertheless sets an appropriate benchmark that helps assure that the state can achieve its overall 2020 goal."

As both the state and local governments are faced with critical budget shortages, additional costs to heavily invest in GHG emission technologies in the next 2 to 3 years will become more burdensome for local governments. While local governments can influence development design to a certain extent, the reality is that developers will only build projects that will be purchased by willing customers and that are profitable. In order to effect the desired change, incentives must be provided to the development community and local agencies in order to encourage more development in areas where the reductions in GHG emissions will be the greatest. The City of Highland strongly encourages the ARB to consider these limitations as it moves forward with the Scoping Plan.

Thank you again for the opportunity to comment. The City of Highland looks forward to working with the ARB in the future.

Sincerely,

John Jaquess

Community Development Director

Cc: League of California Cities, 1400 K Street, Sacramento, CA 95864

Mayor and City Council