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STARPOINTE  
VENTURES**

1012-162

December 8, 2008

ORIGINAL:  
Copies:

Board Clerk  
Executive Officer  
Chair

Ms. Mary Nichols  
Chair, California Air Resources Board  
1001 I Street  
Sacramento, CA 95812

Dear Ms. Nichols:

Our organization supports a balanced, cost-effective plan to reduce greenhouse gas emissions, but we are very concerned about the cost of the Board's proposed AB 32 scoping plan.

Starpointe Ventures has over sixty years of experience in commercial real estate development and consulting. As both a traditional equity developer as well as a fee-based consulting developer, Starpointe Ventures has processed all kinds of projects through the public sector, including office, industrial, multi-family, hotel, and retail land uses.

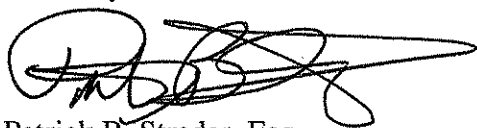
Currently, California is suffering an economic downturn with high mortgage foreclosures, rising business costs and thousands of lost jobs. In addition, the Legislature and the Governor are contemplating additional tax measures that will raise fuel costs and further burden our economy. Our industry simply cannot afford additional costs for the companies that do business here and the families that live here.

We are not comforted by your staff's conclusion that the AB 32 scoping plan -- the most ambitious regulatory plan ever proposed -- won't cost a penny to implement. We have been briefed about the increased energy and fuel costs that the proposed AB 32 scoping plan will impose. In particular we are concerned about the higher taxes and fees, higher electricity and natural gas costs, higher fuel costs, higher building and home costs, and higher vehicle costs the AB 32 plan will impose. Make no mistake, these increased costs will make a very bad situation much worse for our industry.

We believe it is vitally important that the Board understand and acknowledge the true costs of the Scoping Plan. For this reason, we are requesting a more accurate assessment of the potential costs of the Scoping Plan to support the Board's decision-making now and into the future. In addition, we urge your agency to use lower cost strategies to pursue greenhouse gas emission reductions. Specifically, CARB should place higher priority on evaluating the relative cost of alternative approaches to achieving AB 32 emission reduction targets. In particular, research should focus on quantifying how more reliance on cap-and-trade and offset programs could reduce the costs of implementing AB 32.

If you have any questions or need further information, please feel free to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. B. Strader', with a large, sweeping flourish extending to the right.

Patrick B. Strader, Esq.  
Executive Vice President