

Voit
Development Company

One of The Voit Companies

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December 9, 2008

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

ORIGINAL
Copies:

CO 12-143
Record Clerk
Executive Officer
Chair

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.

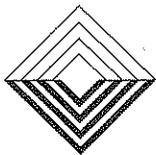
Since 1971 when Robert D. Voit formed the Voit Companies, Voit Development Company has been active in commercial development and acquisition of investment properties throughout California, Arizona and Nevada. This activity includes investment in and development of quality industrial, retail, office and mixed-use properties. Voit Development Company currently manages approximately 1.5 million square feet of long term hold properties and 3.1 million square feet of value-add/development projects. These properties include industrial parks, retail properties and mid to low-rise office buildings.

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 rosy 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 and the State of California.

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,

VOIT DEVELOPMENT COMPANY

A handwritten signature in black ink, appearing to read "James V. Camp".

James V. Camp
Senior Vice President

cc: Rob Evans, Talley and Associates, Inc.
Vickie Talley, Talley & Associates, Inc.