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November 19, 2008

Mary Nichols
Chair, California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95814
SENT VIA E-mail

**RE: CITY OF SANTA MARIA'S COMMENTS ON AIR RESOURCES BOARD
PROPOSED SCOPING PLAN**

Dear Chair Nichols:

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

Santa Maria is proud of the work its staff has done already toward voluntarily reducing our City's greenhouse gas emissions (GHG emissions). Here are six examples:

- Adoption of a Mixed Use Ordinance, and approval of three neo-traditional, pedestrian oriented residential development projects
- Adoption of a Downtown Specific Plan, which strongly encourages pedestrian orientation and a revitalization of the City's urban core.
- The City has in the past year doubled the number of hybrid vehicles in its fleet.
- Increased ridership to more than 1 million per year on the City's transit system.
- Regional Landfill methane gas formerly burned off in a flare is now piped directly to the local hospital's brand-new cogeneration power plant.
- The City's Recreation and Parks Department is working with the California Climate Action Registry (CCAR) to follow a protocol that provides detailed guidance to ensure that new tree projects meet requirements and produce GHG reductions.

1. At this juncture, City staff supports the Scoping Plan language about reducing methane emissions at landfills and increasing waste diversion, composting and commercial recycling. The City already is partnering in a cogen plant powered by landfill methane, and is expanding its waste diversion and recycling efforts.
2. The City also wishes to comment on the Scoping Plan language about Heavy/Medium-Duty Vehicles. The City is supportive of the reduction of vehicle emissions through increased fuel efficiency, use of appropriate alternative fuel vehicles, and/or low emission vehicles in public agency fleets. The City would be interested in regulations addressing the fuel efficiency and hybridization of heavy and medium-duty trucks that improve fuel efficiency and reduce aerodynamic drag and rolling resistance, provided the regulations are cost effective and are phased in over time.

As you are probably aware, the cost of procurement of retrofitting existing fleets or purchasing alternative fueled vehicles for local governments is very expensive. However, unlike the business community that can pass on the cost to consumers, local governments cannot. The City asks that cost and funding considerations for fleet overhauls be considered in the future, especially given the financial strain on the national and local economy.

3. It is crucial for State policymakers take account for the means that will be needed to achieve the Scoping Plans' 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).

While recognizing the need for immediate actions to mitigate the sources of GHG emissions, the City of Santa Maria is also cognizant of the cost and work it will take to achieve these reductions. It will be necessary to identify additional funding sources if more communities are to follow with additional planning and implementation activities.

With the State's "take" of \$350 million in local redevelopment dollars in the 2008-09 State Budget, along with the decline in local property tax, sales tax and overall revenue to local governments, the City of Santa Maria and other municipalities are worried about its ability of local government to finance the upfront costs of achieving GHG emissions on its own.

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 two to three years will become more burdensome for local governments. There is a lot of concern about what all this will cost. In view of the severe economic downturn and State budget crisis, City staff anticipates that the CARB Board would be reticent to impose mandates.

4. In addition, City staff believes it's important that the Scoping Plan appropriately allow the SB 375 process to develop regional transportation-related GHG targets, through the Regional Transportation Plan process. The City of Santa Maria is a member of the Santa Barbara County Association of Governments, which is responsible for

administering regional transportation projects in the County. There certainly will be regional solutions developed toward GHG reductions.

5. 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 Santa Maria 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 Santa Maria looks forward to working with the ARB in the future.

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Lindsey', with a large, stylized flourish extending to the right.

KIRK E. LINDSEY, DIRECTOR
Community Development Department

Cc: League of California Cities