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Therese W. McMillan
Deputy Executive Director, Policy

Ms. Mary D. Nichols
Chair
California Air Resources Board
Sacramento, CA 95814-2719

RE: Recommendations for Improving Draft AB 32 Scoping Plan

Dear Chair Nichols:

The Metropolitan Planning Commission (MTC) is the federally designated Metropolitan Planning Organization (MPO) for the San Francisco Bay Area. Our core responsibility is to plan and finance transportation investments for the nine-county Bay Area. In pursuit of that responsibility, we coordinate our work with that of our sister regional agencies: the Association of Bay Area Governments (ABAG), the Bay Area Air Quality Management District (Air District), and the Bay Conservation and Development Commission (BCDC).

The four agencies are jointly implementing a Climate Protection Program to address issues related to global warming. Our joint program recognizes the critical role that urban development and transportation will have to play in addressing our climate challenges. It is from this perspective that we submit the following four recommendations for improving the Draft Scoping Plan that was released by your agency in June.

1. Separate Measure #13 “Local Government Actions and Regional GHG Targets” into two distinct measures with separate emissions reduction targets.

Measure #13 as presently structured mixes soup and nuts in a manner which makes responsibility unclear, complicates the tracking of progress, frustrates assertive and coordinated action, and diffuses accountability for results. We recommend, instead, that two distinct measures be created in the scoping plan.

A “Transportation and Land Use” measure should focus on coordinated regional/local planning of land use and transportation development so as to reduce the region’s carbon footprint. This is a multi-faceted effort involving (a) the regional “blueprint” processes, (b) local cities and counties as the entities with specific land-use authority, and (c) regional, county-level and local transportation projects. In administering this measure, it is essential that an emissions target be set at the regional level. Most vehicular travel occurs within the metropolitan region, frequently crossing local-government

boundaries, and “vehicle miles traveled” reduction goals are not appropriate to set, measure, or monitor at less than the regional “commuter shed.”

A “Local Government Actions” measure should focus on community energy, waste, recycling, water and other non-transportation/land use actions that are appropriate at a city/county scale for planning and implementation. As the draft plan states, these types of actions can be expected to provide significant GHG reductions in addition to those achieved through transportation and land-use planning. A separate emissions target should be set for these important local government actions.

2. Enhance the 2 MMT emissions reduction target currently set for Measure #13.

A more ambitious target is definitely needed for the strategy overall—we should not sell its potential short. In addition, some areas, like the San Francisco Bay Area, have a head start in thinking about the connection between better integrated land use/transportation strategies. These regions should be encouraged to do more/faster.

Most importantly, we need to start making significant changes now if we are to achieve the very large emissions reductions required by 2050. While AB 32 mandates a reduction from the current 14 tons/person to 10 tons/person by 2020, the 2050 target established by the Governor’s Executive Order pushes us down to 1.5 tons/person! The significant land use changes and VMT reduction that will be needed for that “California makeover,” must begin today. Land use changes take time. Therefore it is critical that we lay the foundation between now and 2020. This time period is also important for producing great development projects that can show the way and become our “learning laboratories.”

Therefore, we recommend a “tiered” approach to GHG reduction targets for these strategies:

- A “basic” target that represents a regulatory floor. We assume some “penalty” would be assigned or some supplemental action triggered for areas that did not reach their share of that mark.
- An “aspirational” target would be set based on those areas who are committed and have the capacity to deliver land use/transportation changes more quickly.

To reward and motivate such actions, fiscal incentives would be awarded to those entities pursuing actions at a level commensurate with the higher aspirational target. These incentive could be drawn from existing sources of state infrastructure assistance (e.g. transportation funding through the CTC/Caltrans; housing funds via HCD) OR could be pursued as new funding sources dedicated for this purpose.

3. Move pricing strategies from the “under consideration” list to the Scoping Plan.

While land use will take years to provide large reductions in GHGs, pricing strategies can be implemented in much shorter time frames and can produce significant results by 2020. One only has to look at the last year in California to see how higher gas prices have reduced driving,

increased transit use and spawned a vibrant public dialogue about a series of related topics, including housing development. We believe that HOT lanes, cordon pricing, bridge tolls, parking policies, pay-as-you-drive insurance and other pricing strategies will have an equally powerful impact on VMT and GHGs.

Recognizing that the Air Resources Board is under a tight deadline to complete the final Scoping Plan and not wishing to burden you with excessive correspondence, we have not elaborated our recommendations in great detail. Nevertheless, we would be happy to work with your staff over the next few months if required to refine how these suggestions could be reflected in the final plan.

4. Include an initiative to improve our ability to accurately measure vehicle miles traveled (VMT) and resultant carbon emissions.

Finally, to make this process work, the State and the regional agencies must develop a new, accurate and consistent method of measuring VMT. We currently only estimate VMT very indirectly. We do not actually measure it. A process like AB 32 demands measurement and reporting that is reliable and believable, two qualities seriously lacking in our current VMT estimates. We must be able to talk about transportation VMT with the same confidence that other sectors discuss kilowatt hours, renewable portfolio standards, etc. ARB and the regional agencies should convene a working group as soon as possible to recommend the way forward on this critical technical piece. To the extent that achieving VMT reduction targets are contemplated as part of any AB32 regulation, the application of accurate, consistently applied measuring and monitoring mechanisms for VMT become especially critical.

Sincerely,

A handwritten signature in black ink, appearing to read "Therese McMillan", with a long, sweeping horizontal flourish extending to the right.

Therese McMillan
Deputy Executive Director