



June 29th, 2015

California Air Resources Board
Climate Investments Branch
1001 I Street
Sacramento, CA 95814

RE: Funding Guidelines Discussion Draft for Agencies that Administer California Climate Investments

On behalf of California ReLeaf and the California Urban Forests Council – two statewide non-profits that support community groups and practitioners committed to greening our golden state through urban forestry -- we are writing to provide comments on CARB's June 16th discussion draft of the Funding Guidelines for Agencies that Administer California Climate Investments.

The guidance provided in this hefty document will set the stage for one of the most important governing tools CARB will ever produce related to AB 32 implementation: a methodology for clearly demonstrating how cap-and-trade auction revenue investments will meet and exceed the goals of AB 32 and related statutes that include AB 1532 and SB 535.

With respect to how this document addresses the role of urban forestry in the overall process of GHG reductions and benefits to disadvantaged communities, there is much to applaud in this discussion draft. CARB's acknowledgement in Volume II that all projects come with administrative costs takes a reality-based approach to what is required to make the overall program successful. CARB's guidance in Volume I and II that encourages agencies to "seek opportunities to work together to provide multiple benefits" represents progressive thinking that is critically needed if California is to truly embrace the goals of SB 375 and adopt meaningful Sustainable Communities Strategies. CARB's direction throughout the first two volumes regarding early engagement and outreach is critical if these projects are to succeed and sustain. There are valuable directives in Volume III as well related to Phase 2 data collection and reporting options.

Our comments on suggested improvements to the Guidelines focus either on points of clarification as they relate specifically to urban forestry or requested additions which we believe would provide more meaningful projects and benefits.

Points of Clarification

- 1. Carbon sequestration example through urban forestry (Volume I, Appendix 1.A-10).** CARB notes “Planting trees will sequester carbon over a period of about [?] years, with sequestration starting in [year] and net GHG reductions expected to begin in [year]. The reductions will be maintained for at least 50 years through conservation easements on the property that restrict harvesting for that period.” This statement appears to be an unintentional combination of the Urban and Community Forestry Program (which will focus largely on tree planting) and the Forest Legacy Program, which uses conservation easements to restrict harvesting. Urban forestry generally does not utilize conservation easements to achieve program objectives. These two points, both relevant to CAL FIRE programs, should be clearly delineated to avoid confusion.
- 2. Estimated Minimums to Benefit DACs (Volume II, Table 2-1, page 8).** Last year, CARB adopted Interim Guidelines that directed 100% of urban forestry funding to be used for projects meeting SB 535 goals and objectives per CalEnviroScreen. We applaud CARB for taking a more flexible approach to this issue in the estimated minimums proposed for Fiscal Year 15-16 (based on the Governor’s Budget and May Revise). Making a reasonable assumption that the Urban and Community Forestry Program will be the primary vehicle for delivering SB 535 projects through CAL FIRE, the 15-16 table suggests \$23 million of all urban forestry funds should be used to meet 535 goals, with 100% of those dollars going directly into DACs. Given that the Administration’s proposed allocation for urban forestry in fiscal year 15-16 is \$37.8 million, this equates to roughly 61% of all urban forestry funds going to projects located in DACs, with the remaining 39% presumably available for statewide competition. In contrast, CAL FIRE’s BCP for the May Revise clearly designates “50 percent of the \$20 million for urban forestry funding to be targeted for disadvantaged communities.” This additional \$10 million, when coupled with the \$17.8 million proposed in January 2015 (all of which is intended for DACs) equates to \$27.8 million in urban forestry funding for 535 goals and objectives, and \$10 million for statewide competition. Consequently, we would encourage CARB to augment the “Benefiting” column for CAL FIRE to 30%, which equals \$27.6 million – nearly identical to the May Revise. This adjustment not only reflects priorities for urban forestry funding as agreed upon by statewide stakeholders and the 535 Quad, but also adds relevance to the “provide benefits for” category in SB 535 for urban forestry by directing a portion of funds for that purpose.
- 3. Illustrative Examples of Common DAC Needs (Volume II, Table 2-2, page 13).** We applaud CARB for including this Table which was created based on feedback directly from DACs. Urban forestry is one of the very few investments that can speak to all three categories, including economics. In fact, urban forestry is very much connected to reducing energy costs, but is not highlighted with solar and weatherization. Specific inclusion of urban forestry as a third example here can help stakeholders and agencies “seek opportunities to work together to provide multiple benefits” by broadening the scope of urban forestry to reflect such benefits.

- 4. Urban Forestry reporting requirements (Volume III, Appendix 3.A-31).** Step 13 in the Project Profile states “Identify the specific criteria in ARB’s ‘Interim SB 535 Guidance’, Appendix A that the project meets.” If the proposed Funding Guidelines do “supersede both of the interim guidance documents”, as noted in Volume I, page 6, how does the Interim SB 535 Guidance interact with Appendix 2.A-14 in the current proposed Guidelines?

Requested Additions

- 1. Criteria to Evaluate Urban Forestry Projects Located in a DAC.** California ReLeaf and the California Urban Forests Council support many components of these criteria as presented in Volume II, Appendix 2.A-14, including CARB’s assertion that trees planted in DACs inherently provide benefits to that DAC. However, we would argue that other types of urban forestry projects located in a DAC also meet the SB 535 and AB 32 criteria, which would extend well beyond tree planting. As an example, support for community gardens fall well within the Urban Forestry Act of 1978, as does other green infrastructure. While the carbon sequestration tools for these types of plants are still in their infancy, GHG reductions can be captured through other means, such as vehicle miles travelled and food miles travelled. In fact, this methodology is currently applied and accepted for projects supported by the Sustainable Agricultural Land Conservation Program at the Strategic Growth Council. Using VMTs as the metric for determining lifetime GHG reductions from conservation easements, SGC recommended projects that ranged 483 to 45,637 metric tons of GHG reductions. These tools could apply to urban agriculture too, and could also incorporate carbon sequestration if tree planting was part of the overall project. For this reason, we encourage CARB to include in Step 1 as item B the following criteria as an eligible urban forestry project located in a DAC:

B. Other urban forestry projects occurring in a publicly accessible area within a disadvantaged community in which tree planting is a component of the overall project and the project terms provide for maintenance of the trees and related vegetation.

- 2. Criteria to Evaluate Urban Forestry Projects that provide benefit to a DAC.** We support components of these Step 2 criteria as presented in Volume II, Appendix 2.A-14, and believe significant additional meaningful benefits can be provided by expanding the scope to include Title I Schools and expand flood risk control beyond “adjacent” DACs.

Title I Schools are federally-supported institutions that ensure all children have a fair, equal, and significant opportunity to obtain a high quality education. Title I schools target support to low-income and at-risk youth through free meal vouchers and other means. While Title I schools may not always be located in a DAC, they serve the children of those DACs. For example, Willow Oaks Elementary, a Title 1 Ravenswood City School District (RCSD) school is located in Census Tract #6081613900 with a CES2 score of 14.45. However, over 95% of Willow Oaks students live in East Palo Alto whose four census tracks’ CES2 scores fall in the 66th to 85th percentiles. At Willow Oaks, 96.4% of students are socioeconomically disadvantaged and receive free or reduced meals. Additionally kids from this community disproportionately suffer from asthma according to county

hospitalization data. A tree-planting project which is providing schoolyard shade, or a community garden which is providing fresh fruit and vegetables to these underserved students is unquestionably providing benefit to DAC residents. For this reason, we strongly encourage CARB to include in Step 2 as item E the following criteria as an eligible urban forestry project that provides benefit to a DAC:

E. Project that provides trees or related vegetation and the project terms provide for maintenance of the trees and related vegetation at Title I schools as defined by Title I, Part A (Title I) of the Elementary and Secondary Education Act.

Finally, we support CARB's inclusion of a project that "significantly reduces flood risk to one or more adjacent disadvantaged communities" in Step 2, but recognize that the "adjacent" component of this criterion limits benefit opportunities in other DACs. For example, Sun Valley Park in Los Angeles is an urban forestry and green infrastructure project that has an infiltration basin under it that captures water from surrounding streets. Because this region of LA has no storm drains, the capture prevents the water from flowing further "downstream" into other vulnerable census tracts also captured in CalEnviroScreen that are not necessarily adjacent to Sun Valley Park. While this particular project is located in a DAC, there may be opportunities to apply this model to other disadvantaged areas in which the flood control occurs in a non-DAC census tract, but is providing important flood control benefit to DAC census tracts that may or may not be immediately adjacent. For this reason, we encourage CARB to remove the word "adjacent" from Item B in step 2 of Appendix 2.A-14.

Concluding Comments

In total, California ReLeaf and the California Urban Forests Council support CARB's vision of how urban forestry integrates into the larger mosaic of cap-and-trade auction proceeds benefiting disadvantaged communities and meeting California climate investment goals. With select important modifications, as suggested in these comments, we believe the scope of eligible projects will integrate well with California's climate investment strategy, and will result in truly transformative investments.

Thank you for the opportunity to provide written comment.

Sincerely,



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