



Central Coast Coalition
Moving California's Economy

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XC: Board Members 13-5-4
Chairman Binder 4/25/2013
EO Binder
JG

April 24, 2013

Mary Nichols, Chair
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

Re: Cap and Trade Investment Plan – April 16 Release

Dear Chair Nichols and Boardmembers:

The Central Coast Coalition represents the regional transportation and metropolitan planning agencies in the counties of Monterey, Santa Barbara, Santa Cruz, San Luis Obispo and San Benito Counties. We are writing to assure that your Cap and Trade Investment plan includes funding that will benefit the residents of and visitors to our region, all of whom will be contributing funds under the program. The Central Coast Coalition endorses the proposal for Cap and Trade investments submitted by the Transportation Coalition for Livable Communities.

We strongly support the plan's recommendation to dedicate a majority of Cap and Trade funds to transportation, since transportation sources are the largest contributor to greenhouse gas emissions. Below are our comments on the plan to assure that you create the most equitable plan to benefits all of the travelers in California:

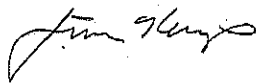
- **Broaden Disadvantaged Communities Designations.** The current designations are overly focused on southern California and the Central Valley, to the neglect of the less populated coastal regions. We ask that you revise the CalEPA EnviroScreen designation of disadvantaged communities to assure that the low income/high unemployment and high minority population areas of the Central Coast region (including Salinas, south Monterey County, Watsonville, San Benito County, Santa Maria and Guadalupe) are represented. Our region also has high exposure to fertilizers and pesticides that are a feature of our agriculturally-focused economy. Our poorer regions are no doubt part of the areas envisioned in the legislation as eligible for disadvantaged area funds.
- **Distribute All Transportation Funding to Regional Agencies.** We believe that the most cost-effective and sustainable method for distributing the transportation share of Cap and Trade funds is via formula to the existing regional transportation planning agencies. As the agencies responsible for long-range plans and programming other funding sources, we are the best suited to assure that projects that receive Cap and Trade funds are delivered in a timely manner. We are also the agencies who can assure that the funding is used consistent with the sustainable communities' strategies in our Regional Transportation Plans. Our fear is that smaller agencies such as ours will be less able to compete statewide for funding, and yet may be the neediest in terms of alternative transportation projects. Our proposal is for regional agencies to receive a county by county formula share, prepare a plan for the use of funds consistent with our transportation plans, and receive approval from state agencies, such as the California Transportation Commission, as to the eligibility and feasibility of our program. This proposal is also consistent with your recommendation to enhance existing funding programs to match funds towards projects that can be implemented sooner.
- **Assure that All Regions with Passenger Rail Needs Receive Rail Funds.** We support the plan's focus on funding public transit, rail service, bicycle and pedestrian facilities. Our goal is

that the "rail modernization" funds would also be allocated for new rail service. This goal could be best met by allocating funds directly to the regional transportation planning agencies rather than existing rail operators and state agencies. Our coalition has actively supported adding new rail service to the Central Coast via a new Coast Daylight, in coordination with Caltrans Division of Rail. Our individual members have proposed adding new or additional rail frequencies with service to Santa Barbara and Salinas, and adding new light rail along the Monterey Peninsula, connecting rail service to Santa Cruz. But these projects need additional funding to move forward. Our concern is that without a direct source of regional rail funds, the monies will all be utilized to pay for existing projects rather than new projects that can have an even more air quality beneficial effect.

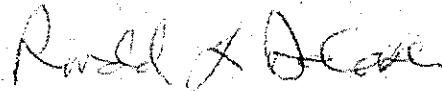
- **Distribute Low Carbon Freight – Zero Emission Passenger Transportation Vehicle Funding via Regional Air Districts.** We believe that distribution of this portion of funding via the regional air districts will result in the greatest penetration of low-emission/zero-emission vehicles statewide. Our region depends heavily on the movement of freight to market, and our agricultural industry would derive important economic benefits from receiving a share of these low emission funds. Eligible projects should be expanded to include marine vessel operations. Such funds could be used for a Vessel Speed Reduction Incentive Program along the California Coast. Similar programs have been successfully implemented at the Ports of Los Angeles and Long Beach. Significant GHG emission reductions could be achieved within the three-year plan horizon through this program.

Thank you very much for your consideration of the Central Coast region in your Cap and Trade investment plan.

Sincerely,



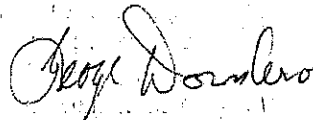
Jim Kemp, Executive Director
Santa Barbara Association of Governments



Ron DeCarli, Executive Director
San Luis Obispo Council of Governments



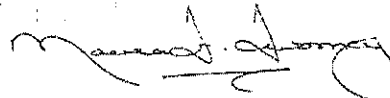
Debra L. Hale, Executive Director
Transportation Agency for Monterey County



George Dondero, Executive Director
Santa Cruz Co. Regional Transportation Commission



Lisa Rheinheimer, Executive Director
San Benito Council of Governments



Maura Twomey, Executive Director
Association of Monterey Bay Area Governments