



## GATEWAY CITIES

COUNCIL OF GOVERNMENTS

March 8, 2013

Artesia

Avalon

Bell

Bellflower

Bell Gardens

Cerritos

Commerce

Compton

Cudahy

Downey

Hawaiian Gardens

Huntington Park

La Habra Heights

La Mirada

Lakewood

Long Beach

Lynwood

Maywood

Montebello

Norwalk

Paramount

Pico Rivera

Santa Fe Springs

Signal Hill

South Gate

Vernon

Whittier

County of Los Angeles

Port of Long Beach

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

### Comments on Cap-and-Trade Investment Program

The Gateway Cities Council of Governments (GCCOG) is pleased to submit the following comments on the investment plans for greenhouse gas (GHG) cap-and-trade auction revenues. We agree with the intent of SB 535 that a certain portion of the cap-and-trade revenue needs to be prioritized to “disadvantaged communities.” CARB should consider streamlined grant guidelines and allow for direct applications for environmentally and economically challenged communities and Councils of Governments.

The GCCOG’s service area in Southeast Los Angeles County has suffered from decades of chronic high unemployment rates, housing overcrowding, persons living in poverty, low education levels and high levels of persons with no English language skills. The area has significant air quality challenges, plus industrial and brownfield issues. We are requesting that the grant guidelines permit sub-regions characterized with significant environmental and socio-economic factors to directly apply for the cap-and-trade funds, instead of working through MPO’s or larger planning entities.

The Gateway Cities COG is a joint powers authority representing 27 cities in Southeast Los Angeles County, as well as unincorporated communities of Los Angeles County. Our diverse communities total about 2 million residents, including many minority and low-income residents. The COG’s mandate on behalf of its members includes improving transportation, air quality, housing, and economic development. The GCCOG recently completed a series of socio-economic studies with California State University, Long Beach. These studies support the need for CARB to allow depressed sub-regions direct access to the cap-and-trade grant fund process.

<u>Socioeconomic Characteristic</u>	<u>GCCOG</u>	<u>State</u>
Persons living in poverty	16.4%	13.7%
Persons living in rental units	46.7%	39.5%
Renters living in overcrowded units	23.5%	13.2%
Persons age 18-64 years with “no English”	10%	4.1%

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The GCCOG's communities have suffered from chronic high unemployment. Since 1988 the area's unemployment rates have been higher than Los Angeles County, State of California and the national levels, in some years ranging by more than 2% to 5%.

As of December 2012, the cities of Commerce, Compton, Bell Gardens, Lynwood, Huntington Park, Maywood, Paramount, Cudahy, and Bell, as well as several of the region's unincorporated communities, still had unemployment rates over 13.5%, with the highest hovering around 20% unemployment.

In 2011 the Gateway Cities prepared and adopted their own sub-regional Sustainable Communities Strategy (SCS) under Senate Bill (SB) 375. This strategy includes a wide range of GHG reduction efforts which, taken together, will exceed the regional GHG percentage reduction targets set by the Air Resources Board for the SCAG region. In recognition of this planning initiative taken by our local jurisdictions, we believe the cap-and-trade funds should be made directly available to the GCCOG and other COG's in Southern California that prepared SCS's. We hope that CARB's rules will allow application for grants from public agencies that have prepared and approved SCS's.

We understand that SB 535 directs a certain proportion of the cap-and-trade revenues to "disadvantaged communities." As mentioned above, the Gateway Cities are home to many such communities. We suggest that the Air Resources Board consider allocating cap-and-trade funds using a formula, such as a "per capita" amount based on the presence of low income residents in accordance with the state criteria for disadvantaged communities.

Finally, we remain convinced that the best solution for improving the economy in the Gateway Cities is to encourage local economic development programs that create good, clean jobs in our communities. It is important that CARB place a higher priority on funding local economic development projects that reduce GHG. Prioritizing the funds in this way will help create gains for both the economy and the environment in California and the Gateway Cities region.

We understand that Governor's Office and the Legislature are providing additional ideas on the uses of the cap-and-trade funds. The CARB should factor into the process that the cities lost a major source of funding to implement GHG reductions with the dissolution of local redevelopment agencies. Although cap-and-trade revenues cannot make up for this entire shortfall, a major portion of the funds should be prioritized to communities disadvantaged from a socio-economic and environmental standpoint.

Thank you again for the opportunity to comment on this important program. We look forward to working with you on revisions to the program.

Sincerely,

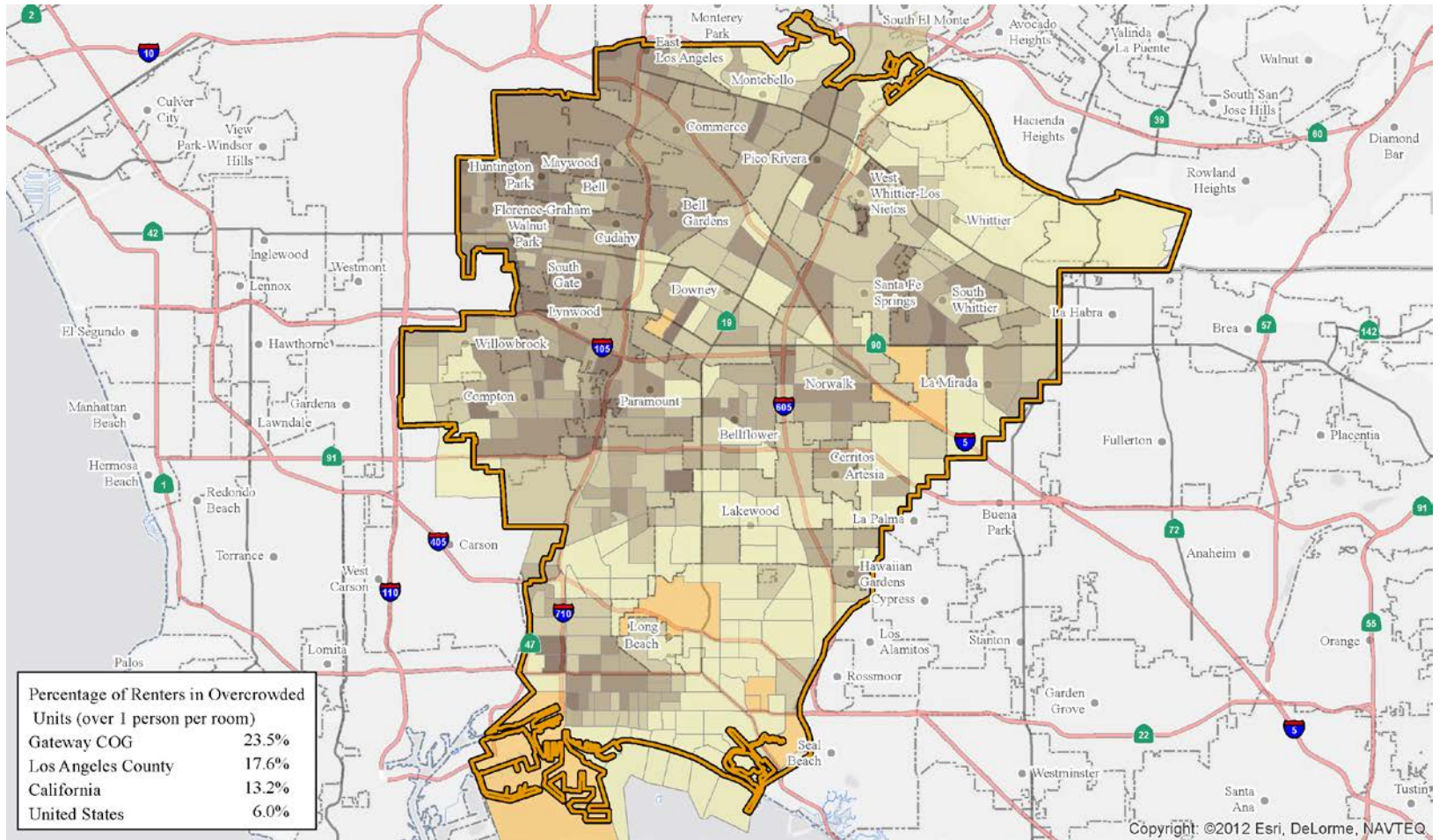


Richard Powers  
Executive Director

Attachments

**Unemployment Rates**  
**December 2012**  
**(Data Not Seasonally Adjusted)**  
**Source: Economic Development Department**

Area Name	Labor Force	Employ- ment	Unemployment Number	Rate
Artesia	8,100	7,600	600	7.4%
Avalon	1,900	1,800	100	4.8%
Bell	15,800	13,700	2,100	13.5%
Bell Gardens	17,300	14,500	2,800	16.3%
Bellflower	36,400	32,600	3,800	10.3%
Cerritos	28,700	27,100	1,600	5.5%
Commerce	5,500	4,500	1,100	19.3%
Compton	36,400	30,100	6,300	17.4%
Cudahy	9,800	8,400	1,400	14.2%
Downey	53,400	49,000	4,400	8.2%
East Compton unincorporated	3,700	3,000	700	18.4%
East La Mirada unincorporated	5,300	4,900	400	7.6%
East Los Angeles unincorporated	50,100	42,900	7,200	14.4%
Florence Graham unincorporated	22,300	17,800	4,600	20.4%
Hawaiian Gardens	6,400	5,700	700	11.5%
Huntington Park	26,600	22,600	4,100	15.2%
La Habra Heights	2,900	2,800	100	4.2%
La Mirada	24,200	22,700	1,500	6.2%
Lakewood	44,400	41,500	2,900	6.6%
Long Beach	235,700	209,200	26,500	11.2%
Lynwood	27,700	23,300	4,500	16.1%
Maywood	12,200	10,400	1,800	14.9%
Montebello	28,700	25,400	3,300	11.4%
Norwalk	48,800	43,600	5,300	10.8%
Paramount	24,600	20,900	3,700	14.9%
Pico Rivera	28,900	26,100	2,700	9.5%
Santa Fe Springs	7,800	7,100	700	8.5%
Signal Hill	5,700	5,300	500	8.1%
South Gate	41,200	35,800	5,400	13.0%
South Whittier unincorporated	27,600	25,100	2,500	9.0%
Vernon	0	0	0	0.0%
Walnut Park unincorporated	6,500	5,600	900	13.5%
West Compton unincorporated	2,400	2,000	400	16.7%
West Whittier Los Nietos unincorporated	12,400	11,000	1,400	11.6%
Whittier	43,300	40,100	3,100	7.3%
Willowbrook unincorporated	12,800	10,700	2,200	16.9%
<b>Gateway Cities Total</b>	<b>965,500</b>	<b>854,800</b>	<b>111,300</b>	<b>11.5%</b>
Los Angeles County	4,863,400	4,367,400	496,000	10.2%
State of California Total	18,489,600	16,689,200	1,800,400	9.7%
United States Total Percentage				7.8%



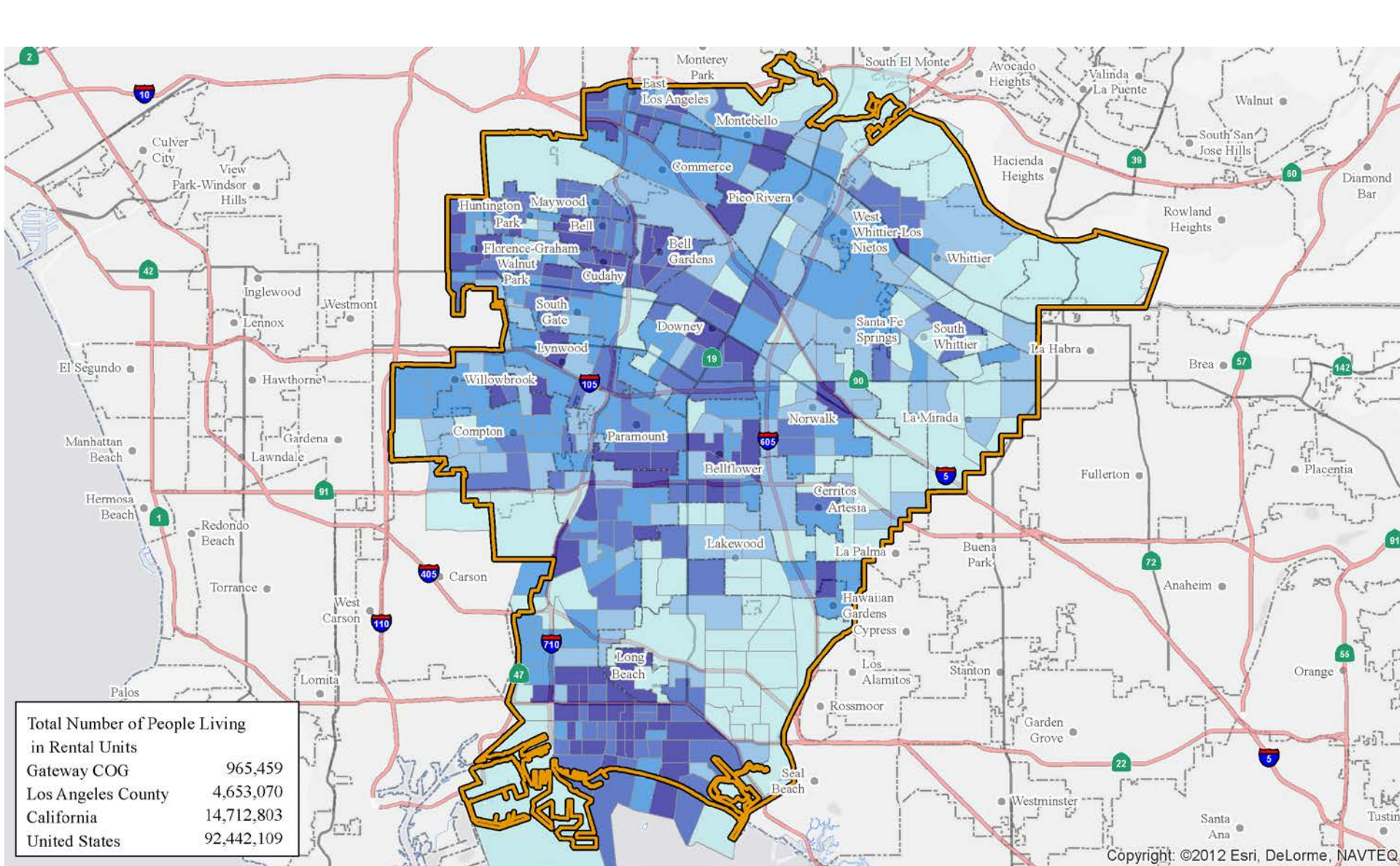
**LEGEND**

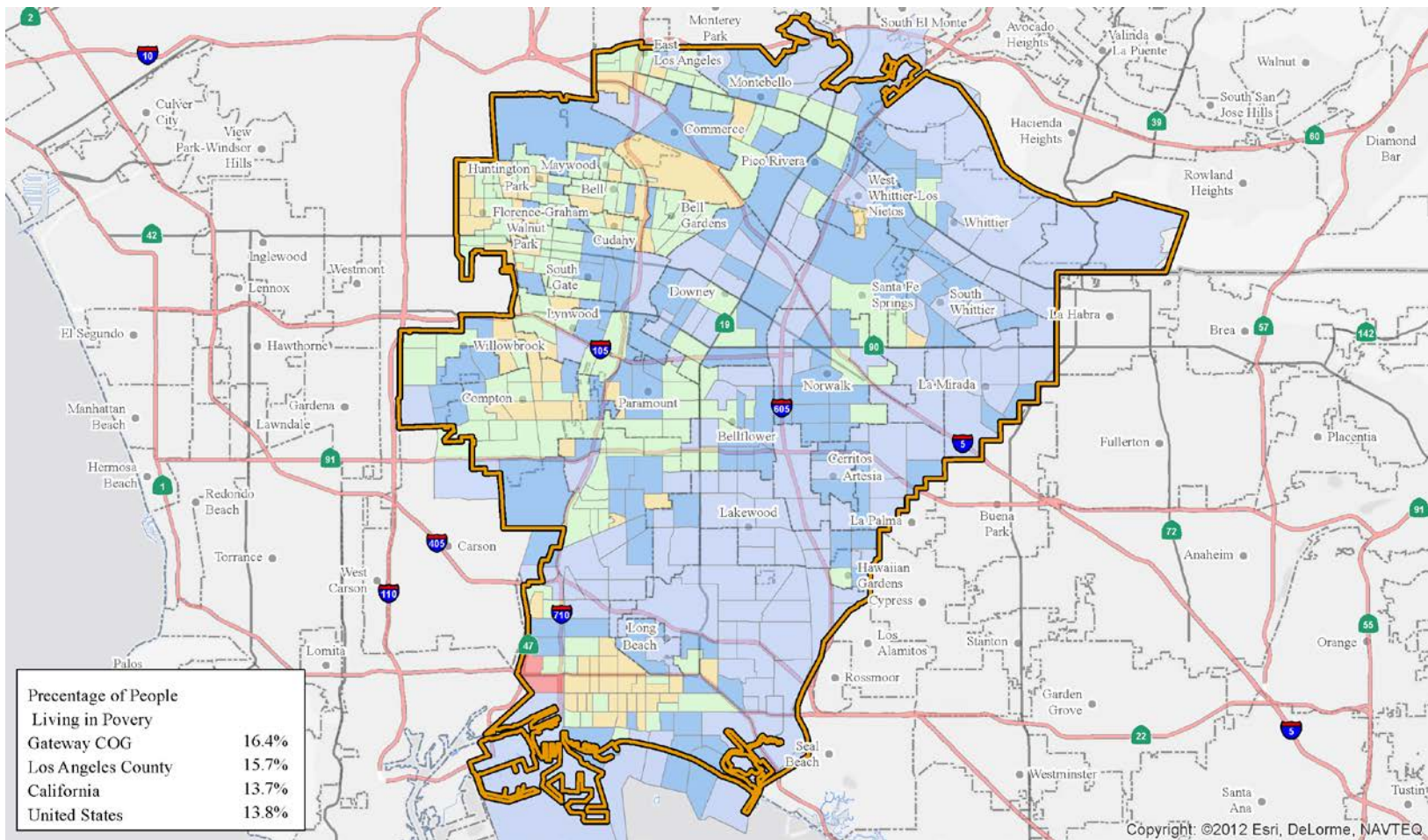
Gateway Cities  
COG Boundary

Renters Living in Overcrowded Units  
(over 1 persons per room)  
Percent Overcrowded

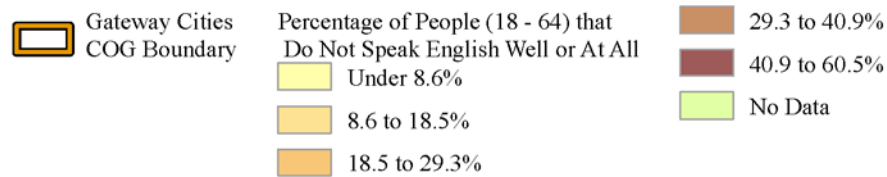
Under 8.6%  
 8.6 to 21.0%

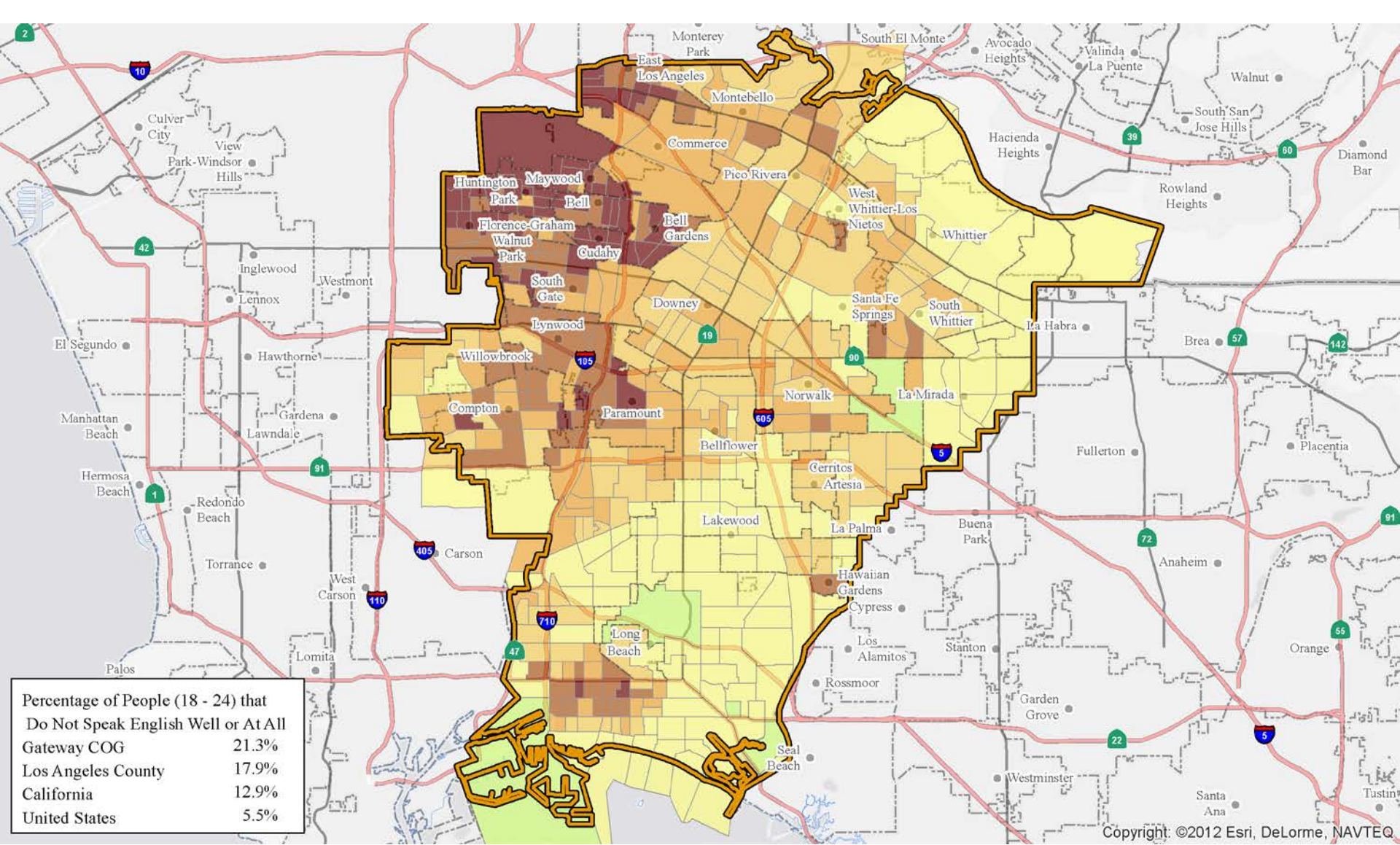
21.0 to 32.7%  
 32.7 to 45.7%  
 45.7 to 67.5%  
 No Data





**LEGEND**





**LEGEND**

- Gateway Cities
- COG Boundary
- Percentage of People (18 - 64) that Do Not Speak English Well or At All Under 8.6%
- 8.6 to 18.5%
- 18.5 to 29.3%
- 29.3 to 40.9%
- 40.9 to 60.5%
- No Data