



November 13, 2015

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

RE: Comments on the Cap-and-Trade Auction Proceeds Second Investment Plan

Dear Chair Nichols,

On behalf of the California Association of Resource Conservation Districts (CARCD), I am pleased to submit the following comments on the California Air Resources Board's Draft Second Investment Plan for Cap-and-Trade Auction Proceeds (Investment Plan). CARCD supports many of the strategies the Investment Plan identifies as critical to realizing the state's long-term climate goals.

CARCD represents 96 Resource Conservation Districts (RCDs) statewide. RCDs are special districts that provide a wide range of conservation services at the local level. To date many RCDs have been involved in the cap-and-trade programs administered by CALFIRE, the Strategic Growth Council, and the Department of Fish and Wildlife. RCDs work with public and private landowners, which makes them strategically positioned to implement all types of conservation projects throughout the state.

As you finalize the Investment Plan, we would like to discuss the following investment concepts:

1. Expanding Investment Tools for Natural and Working Lands Conservation

The Investment Plan recognizes that the state should prioritize investments in carbon storage in *all land types* by protecting existing lands threatened by conversion and strategically managing lands to increase their carbon storage capacity and reduce GHG emissions. This includes protecting all types of working lands, which can provide a critical buffer between sprawling cities and natural lands. Working lands, in addition to other types of natural lands and open space, can provide important co-benefits beyond carbon sequestration, such as habitat and other ecosystem benefits.

Furthermore, the Investment Plan underscores the use of conservation easements as a primary tool to prevent conversion of natural and working lands to more carbon intensive uses. CARCD supports this strategy, as it is a critical tool to our conservation objectives. However, **we suggest the inclusion of fee title land acquisition as an additional tool to be eligible for cap-and-trade funding**, as it can also help avoid GHG emissions associated with urban development.

2. Increasing Investment Opportunities for Rural Communities

The Investment Plan notes that rural communities also have a critical role to play in achieving the state's climate goals, as they are home to agricultural lands, rangelands, grasslands, and forested lands.

We would like to thank staff for their inclusion of rural communities in the Investment Plan, and **we are especially supportive of the Strategic Growth Council's consideration to target 10 percent of its 2015-16 funds for rural areas. We also believe that there should be dedicated funding for rural communities beyond just the SGC.** RCDs are important local agencies that work directly with rural communities across California and CARCD agrees that rural communities should have a greater focus in the next Investment Plan. Rural communities, like disadvantaged communities, often lack the resources of urban areas and therefore have trouble competing for statewide programs. Despite these areas' low household income, they do not qualify as disadvantaged communities under the CalEnviroScreen tool and are therefore excluded from portions of cap-and-trade funding.

3. Using an Integrated, Landscape-Level Approach to Planning

We support the comprehensive and holistic approach to resource protection and management outlined in the Investment Plan. We also support the use of landscape-level planning, especially where it brings together a broad range of partners. Many of the projects we implement can protect or restore multiple natural resources at the same time and an integrated approach recognizes these high-value projects. RCDs have a successful history of working on a regional scale to conduct resource and land use planning.

4. Increasing Investment in Urban Forestry and Community Greening Projects

The Investment Plan recognizes that forests located in urban areas will yield multiple benefits in addition to emissions reductions, including air filtration, community cooling, improved active transportation and recreation conditions, improved storm-water runoff, and water retention. CARCD agrees with the Investment Plan's assessment of urban forestry's many benefits, and we strongly support increased investment in urban forestry and other urban greening projects. California residents rely on urban greening projects to deliver GHG emission reductions while also providing key health, safety, economic, and environmental co-benefits.

Thank you for the opportunity to provide these comments. Overall, CARCD supports the direction of the natural and working lands component for the Cap-and-Trade Auction Proceeds Draft Second Investment Plan. California's natural and working lands are a critical component to the overall reduction of GHGs in the state. We would like to thank agency staff for the

inclusion of several of the investment concepts outlined above, as they are critical strategies to our work on the ground.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Buhr". The signature is fluid and cursive, with a long horizontal stroke at the end of the name.

Karen Buhr
Executive Director