



ERIC GARCETTI
MAYOR

September 12, 2014

The Honorable Matt Rodriguez
California Environmental Protection Agency
P.O. Box 2815
1001 I Street
Sacramento, CA 95812-2815

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

Re: Investments to Disadvantaged Communities in Cap-and-Trade Auction Proceeds

Dear Secretary Rodriguez and Chairman Nichols,

Thank you for your guidance in the implementation of AB 32 and SB 535. Because of your efforts, California is at the forefront of climate change policy, and is at the precipice of making record investments to reduce its carbon footprint.

Los Angeles has led the way on fighting climate change and is on pace to exceed state-imposed mandates. With the state's assistance the City can reduce greenhouse gas (GHG) emissions to 35% below 1990 levels by 2030.

As the California Environmental Protection Agency (CalEPA) and the Air Resources Board (ARB) craft the guidelines to identify disadvantaged communities, I urge you to take into account the following recommendations:

- Abide by the intent of SB 535 and AB 32 in identifying disadvantaged communities. To do so, I urge the selection of CalEnviroScreen 2.0 (also known as Method One) to identify such communities. CalEnviroScreen will serve as an established and effective tool in identifying communities most in need of cap and trade funding.

Mr. Matt Rodriguez and Ms. Mary D. Nichols

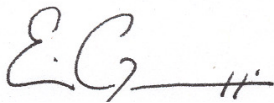
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- Designate of only the highest scoring 20% of parcels identified by CalEnviroScreen 2.0 as a disadvantaged community.
- Give preference to those projects in which the lead applicant is a local government capable of providing a local match.

Accurately identifying disadvantaged communities is critical to ensuring the most effective allocation of state cap-and-trade funds and the reduction of carbon emissions. Adding these recommendations to the guidelines will ensure an accurate assessment of such communities and better prepare the state for future cap-and-trade investments.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Garcetti", with a horizontal line extending to the right.

ERIC GARCETTI

Mayor