



401 B Street, Suite 800
San Diego, CA 92101-4231
(619) 699-1900
Fax (619) 699-1905
sandag.org

December 6, 2016

File Number 7300400

Ms. Mary D. Nichols, Chair
California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95812-2815

MEMBER AGENCIES

- Cities of
- Carlsbad
- Chula Vista
- Coronado
- Del Mar
- El Cajon
- Encinitas
- Escondido
- Imperial Beach
- La Mesa
- Lemon Grove
- National City
- Oceanside
- Poway
- San Diego
- San Marcos
- Santee
- Solana Beach
- Vista
- and
- County of San Diego

ADVISORY MEMBERS

- Imperial County
- California Department of Transportation
- Metropolitan Transit System
- North County Transit District
- United States Department of Defense
- San Diego Unified Port District
- San Diego County Water Authority
- Southern California Tribal Chairmen's Association
- Mexico

Dear Chair Nichols:

SUBJECT: Funding Guidelines Supplement for FY 2016-2017 Funds: Cap-and-Trade Auction Proceeds

The San Diego Association of Governments (SANDAG) appreciates the opportunity to comment on the Funding Guidelines Supplement for FY 2016-2017 Funds: Cap-and-Trade Auction Proceeds.

As the Metropolitan Planning Organization for the San Diego region, SANDAG is responsible for preparing a Sustainable Communities Strategy (SCS) that integrates the region's land use and transportation plans to show how future investments will reduce greenhouse gas (GHG) emissions. The California Climate Investments Program is an important source of funding for implementation of the SCS and a critical component of the State's efforts to achieve GHG emissions reductions and other important co-benefits for California, including benefits to disadvantaged communities.

With this in mind, SANDAG would like to comment on the following components of the Funding Guidelines Supplement.

Benefits Defined by Project Type Versus Program

SANDAG supports the approach introduced by the California Air Resources Board (ARB) through this Funding Guidelines Supplement to utilize criteria tables based on project type rather than individual cap-and-trade programs and encourages ARB to apply this method to the existing criteria tables as well. In particular, SANDAG requests that ARB clarify that the Affordable Housing and Sustainable Communities (AHSC) Program table is to be used for housing projects, with other eligible AHSC project types falling under the Transit table and the Active Transportation table, respectively. This approach will provide the flexibility needed to enable a more accurate quantification of project benefits through the cap-and-trade program.

Defining Transportation Benefits

SANDAG encourages ARB to adjust its transportation-related criteria tables to focus on the access provided rather than the location of the actual project. The objective of transportation projects is to provide enhanced mobility between key destinations; solely geographic-based criteria does not allow for these access and connectivity benefits to be accurately recognized.

This is particularly relevant as it relates to ARB's proposal to require that 100 percent of Transformative Climate Community Program funds be spent within state-designated disadvantaged communities. As shown in Attachment 1, many residents in San Diego's state-designated disadvantaged communities commute outside of their neighborhoods for work. Limiting projects to those based entirely within a state-designated census tract could preclude more impactful and sustainable transportation projects that connect disadvantaged communities to education and employment centers in other parts of the region.

Alternatively, ARB may consider reducing the 100 percent "Minimum Disadvantaged Community Benefit" threshold established as part of this Funding Guidelines Supplement so that other projects that provide improved access for community residents and employees to areas outside state-designated disadvantaged communities may be considered for funding.

Disadvantaged Community Designations

SANDAG encourages ARB to modify its Funding Guidelines so that any updates to disadvantaged community designations apply to solicitations initiated following this designation, rather than waiting for subsequent fiscal year appropriations. CalEnviroScreen 3.0, which includes significant data improvements for the San Diego region, is expected to be finalized in early 2017. As it currently stands, applicants would not be able to use this improved version until FY 2017-2018 funds become available, thereby potentially missing an entire round of cap-and-trade program funding opportunities.

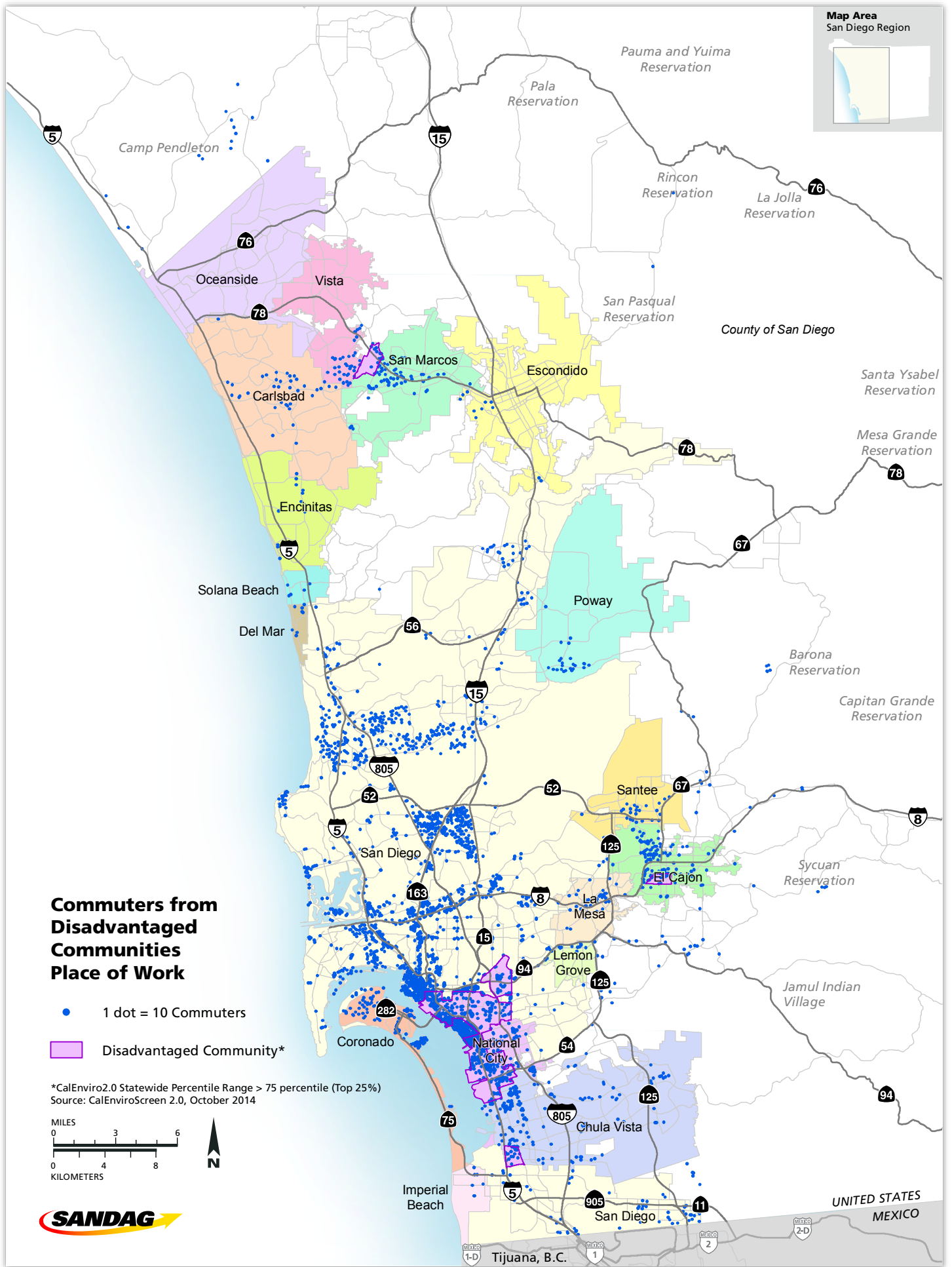
Thank you for the opportunity to comment on the Funding Guidelines Supplement for FY 2016-2017 Funds: Cap-and-Trade Auction Proceeds. If you have any questions, please feel free to contact Robyn Wapner, Senior Legislative Analyst, at (619) 699-1994 or via email at robyn.wapner@sandag.org.

Sincerely,


GARY L. GALLEGOS
Executive Director

GGARWA/hbr

Attachment: 1. Commuters from Disadvantaged Communities Place of Work



Commuters from Disadvantaged Communities Place of Work

- 1 dot = 10 Commuters
- Disadvantaged Community*

*CalEnviro2.0 Statewide Percentile Range > 75 percentile (Top 25%)
Source: CalEnviroScreen 2.0, October 2014



UNITED STATES
MEXICO

Tijuana, B.C. San Diego