

**POTENTIAL AMENITIES AVAILABLE FOR CARB STAFF & FAMILIES
AT THE UNIVERSITY OF CALIFORNIA, RIVERSIDE**

For staff choosing to remain in El Monte, to help with the commute:

- UCR vanpool and carpool matching programs
- New Metrolink stop with bus service to campus

For staff choosing to relocate to Riverside:

- House hunting assistance
- Job referral assistance for spouses (UCR, in conjunction with the City & County)

For all CARB employees:

- UCR identification card, providing access to library, access to and/or discounts for athletics events, etc.
- Access to the Student Rec Center at the same rate as UCR employees (SRC is not open to the general public)
- Participation in UCR Wellness Program
- Access to courses or certificate programs for University Extension
- Engagement with Bourns College of Engineering/CE-CERT, College of Natural and Agricultural Sciences, School of Medicine, and School of Public Policy through research seminars, collaborations, policy round tables, etc.
- Adjunct teaching opportunities for CARB scientists

For children of CARB employees:

- Access to UCR Child Development Center (priority over general community)
- UCR Expanding Horizons – summer STEM programs and Model UN for elementary and middle school students
- UCR Summer Academy for high school students to complete A-G requirements
- Hands-on research experience for high school student with UCR faculty
- Participation in UCR summer sports camps

For CARB Programs:

- Use of University Extension facilities at UCR rate
- Use of UCR Palm Desert Center at UCR rate



March 17, 2016

Dear Chair Nichols and Honorable Board Members:

On behalf of the Riverside California Air Resources Board Relocation Committee, we respectfully request that the Board set aside the staff recommendation for the relocation to Pomona and make a finding that the Riverside site is in the best interests of the organization in the long term. The ARB and Department of General Services staff did a fair amount of data collection across many months, but it appears the recommendation based on that data is focused solely on the short-term proximity needs of the current staff. We agree that your staff is essential to what makes ARB the world-class research institution it is today. But we also believe, from working with you and staff, that this effort is about the needs of a growing organization for decades into the future. To base a decision as significant as this on an ever-changing staffing landscape would not be in the best interest of the organization or the citizenry of California.

As the enclosed analysis of your criteria shows, Riverside routinely rises to the top of these criteria defined as important to the success of the project and future advancement of the ARB. These criteria include fiscal analysis, proximity to stakeholders, and opportunities for collaboration. We also address the impacts to your current staff. As the leaders of large multi-faceted organizations, we understand that selecting Riverside may cause some hardship to your current staff during the anticipated five-year transition period; in the spirit of continued collaboration and support, we offer alternatives for the Board to consider during that time including a phased approach to closing the El Monte facility.

For almost half a century, ARB has set the standard by which progress for a better tomorrow has been secured through fulfillment of its mission to promote and protect the health, welfare and ecological resources of the State through the effective and efficient reduction of air pollutants while recognizing and considering the effects on our economy. More so than any other state entity, ARB is focused on the future and is driven toward real and long-lasting change. The work of your Board has become the model by which all others are measured.

In the end, we feel you will agree that the location that best meets your future needs and goals, has the same or even less of a financial footprint than other relocations, and provides quality customer service to all ARB stakeholders, is the site at the University of California, Riverside (UCR).

THE UNIVERSITY OF CALIFORNIA, RIVERSIDE

Moving the Air Resources Board to UCR allows ARB to take advantage of synergies between ARB's scientific and technical mission, and the academic and scientific resources of the University of California. UCR's engineering school is in the top ranked in the United States, and the Center for Environmental and Engineering Research and Technology (CE-CERT) has contributed important research and technology development in the air quality and clean energy fields. The new UCR Medical School could provide an important link to research on health effects and the relationship of air pollution to pulmonary heart disease and asthma. In addition, UCR has stellar life and physical science departments and a new School of Public Policy, all of which fit with the mission, needs and challenges facing ARB in the coming years. This opportunity is dismissed in the staff report and being close to a university was deemed "not critical," which is astounding given the nature of ARB's work. To satisfy the obvious need for collaboration with research institutions, the staff report indicates that ARB will continue to contract with those universities and entities that can provide the best value to the State, regardless of the physical location of ARB's facilities (in this scenario, proximity apparently is less important).

It cannot be ignored that UCR has had a long-standing research and education mission in the field of air pollution and climate change. ARB must not ignore or disregard the pioneering work of Dr. Jim Pitts, Arthur Winer, Alan Lloyd, Barbara Finlayson-Pitts, Bill Carter and others at the Statewide Air Pollution Research Center. Their extraordinary work and their independence, integrity, and courage in the face of well-funded attacks from polluting industries is one of the great untold stories of California's fight for clean air. The early work of UCR biologists gave us the first understanding of the damage that photochemical oxidants inflicted on forests and agricultural crops, and helped create public support for regulatory action on reducing air pollution. That connection alone makes Riverside a great choice for ARB.

UCR has been educating both undergraduate and graduate students entering the workforce on the emerging issues and newest research related to air quality and climate change, topics that are directly related to the mission of the ARB. Specific examples of these topics include emissions and air quality, health impacts of air pollution, climate change impacts and air quality co-benefits, sustainable transportation, and policy implications of emissions regulation. If ARB relocates its Southern California facilities to the UCR campus, there are a number of educational scenarios that could result in a long-term cost benefit ARB. To highlight just a few:

- Once ARB is fully established on the UCR campus, it is expected that our undergraduate and graduate students will have unique internship opportunities directly working at the ARB facilities. It is estimated that every year, approximately 5 of these well-trained students will go on to directly work at ARB, armed with the knowledge and skills to meet your needs. This direct pipeline of employees will reduce the need for on-the-job training, with an estimated cost avoidance of \$30,000 per employee. Net result is \$150,000 cost benefit per year.
- Current ARB staff will have the opportunity to take graduate level coursework in a variety of air quality and climate change classes at UCR as part of their life-long

learning experience. The \$1 million SCAQMD endowment pledged to UCR (contingent on CARB relocating to a site near the campus) along with matching funds will provide staff fellowships, where approximately 10 fellowships will be offered to ARB per year at a value of \$25,000 per fellowship. Net result is \$250,000 cost benefit per year.

- ARB staff will also have the opportunity to attend UCR's weekly seminars on air quality and climate change. With ARB located directly on UCR's campus, staff members could simply walk to these seminars from their work location, rather than drive in from other locations.

UCR is looking to expand an already strong relationship with the recent addition of the School of Medicine and School of Public Policy. One of the immediate ways for partnership is through the new BREATHE Center. BREATHE (Bridging Regional Ecology and Aerosolized Toxins to understand Health Effects) aims to develop studies bridging regional ecology and aerosolized toxins to understand health effects. This network of UCR researchers and community organizations is developing multidisciplinary research projects to study the health impacts of air quality changes, such as those resulting from chronic drought, climate change, and resulting ecological change. Health impacts of interest include pulmonary diseases such as asthma, and the systemic effects on neurodevelopmental and neurodegenerative diseases. While these studies can model effects in many different regions, there is also a remarkable opportunity to use the Coachella Valley, including the rapidly changing Salton Sea ecosystem, as a living laboratory to follow the dynamic changes occurring in a complex ecology that includes agricultural, rural desert, and urban areas, as well as an ethnically and economically diverse community.

The University of California has long been ARB's greatest partner. There is tremendous long-term value that would result from strengthening that relationship even more by co-locating on the UCR campus. But, without question, the benefit of such an arrangement in the long term is worth significantly more than relocation costs in the short term.

PROXIMITY

The staff recommendation based on proximity is reflective of the ARB as it exists today, as it appears to focus and define proximity relative to the Los Angeles Basin and does not factor in the greater Southern California region, including San Diego County, or what Southern California will look like in the future. Riverside County remains one of the fastest growing regions in the nation. How will this impact the world of tomorrow? Where will your stakeholders be located in 2020 or 2050? Where will the bulk of your enforcement activities occur in 2040? How many of the current employees will still be with ARB in 2030, or even 2020? Where will the best opportunities for the spouses and partners of your future staff be? Where will your future employees be educated? How will the co-location of your new state-of-the-art facility and its employees benefit from proximity to one of the world's top research institutions that offers doctoral and masters programs in many of the fields relevant to your work?

A keen focus on the future has always driven ARB and is one reason so many agencies, domestic and international, look to you as a replicable model. Riverside is the location where ARB can further this effort by making a statement embracing the existing diversity that makes California so strong while acknowledging the universal truth that if the state is to grow, that growth will occur in Inland California, not at the coast, where costs are much higher and land more scarce.

One key partner in ARB's mission-driven effort highlighted in the staff report was proximity to the South Coast Air Quality Management District (SCAQMD). In an effort to encourage ARB to make the best long-term decision for the organization and the people it serves, the SCAQMD created a \$1 million endowment to the College of Engineering's Center for Environmental Research and Technology (CE-CERT) at UCR to develop and train the researchers of tomorrow and to ensure a pipeline of quality employees for both institutions. It is clear from this effort that the SCAQMD supports a move to Riverside.

The most significant effect of the ARB relocation is the impact on current staff, which is an important factor. But this consideration is the beginning of the analysis, not the end, because the employees of today are the beneficiaries of the tomorrow you are working so diligently to create.

No employee ever wants to face employer-mandated change, in any aspect of their lives. Without dismissing the concerns of your staff, we ask that you consider a number of questions.

- Do poll responses accurately reflect actual individual employee impacts? Probably not.
- Do the responses represent consideration of impacts on the organization? Probably not.
- Should current employee preferences be the determining factor in a decision that will impact ARB for the next 50 years? Probably not.
- Has consideration of the needs for ARB employees of tomorrow, the Millennials and what demographers are now calling Generation Z, iGen, the post-Millennials, or the Founders – take your pick – been taken into account? Probably not.

Like many governmental agencies, if ARB assumes a conservative turnover rate of 8% annually, in five years (when it can be assumed the new facility will be ready for occupancy), 40% of the employees polled will no longer be working for ARB. Of the remaining 60%, how many of those will be living within what can be deemed an acceptable commute distance to Riverside? Of those that fall outside this category, we ask that you consider their future as well as the following unique options to the Riverside region:

- The Inland Empire offers a wide variety of affordable housing. It is likely that if ARB employees choose to relocate, they would find that they could replace their current home, with a new home of similar or better quality, while pocketing the difference in price.
- Employees 55 or older can transfer their Proposition 13 tax rate between cooperating counties.

- Traffic congestion in the Riverside area is considerably less than the areas of Los Angeles County. Employees who choose to commute to Riverside from their existing homes would generally be going “against traffic.” As a result, a longer commute in terms of distance might actually be significantly shorter in time.

The potential for a rewarding work/life balance in Riverside is significant, as is evidenced by the numerous awards which have been given to the City in recent years, including ‘Coolest California City’ by ARB. Other awards include: Emerald City from the State of California Department of Conservation, Bicycle Friendly City Award from the League of American Bicyclists, the #6 Happiest Place in the Nation for Young Professionals from a leading national business magazine, and the #1 U.S. City for Small Business from Inc. Magazine.

General Population of Southern California

The staff report indicates that “there are more people closer” to the Pomona site than the Riverside site. This is described as “significant” to the extent that the new facility is to become a focal point for events, symposia, and workshops, as well as educational opportunities. Locating closer to more people would “tend to provide more diverse opportunities for interactions.”

While a noble and valid consideration, the closer to “more people” is misleading. As you know, the Southern California region is very large. Population centers in Southern California are broken into four geographic subzones representing the mass of population in the region and those four zones include cities in Los Angeles, Riverside, San Bernardino, Orange, and San Diego Counties. Accordingly, the population center of Southern California, if we are concerned about proximity to the mass population of the entire region, would be in North Orange County or Southwestern Riverside County - both of which are closer to the Riverside location. See Appendix A.

In addition to consideration of your workforce, ARB expressed an interest in becoming a focal point for events, symposia, workshops and educational opportunities. There must be some recognition that Riverside (the City, the County and UCR) hosts frequent events that compliment this effort. This includes regular visits from delegations representing foreign governments and economic interests. Through the City’s “Sister City” program and the County’s “Office of Foreign Trade” (located at a County government office within the City), Riverside has become a destination of choice for forward-thinking entities, public and private, domestic and international. In fact, many ARB visitors tour the El Monte facility and, on the same visit, also tour UCR/CE-CERT. What a unique opportunity to highlight two world-renowned research institutions.

FISCAL ANALYSIS

Without question, if Riverside is selected as the future site of ARB’s Southern California consolidated operations, there will be some cost associated with relocating employees. As the staff report notes, it is difficult to estimate what those costs will be, but as documented here, we believe they will be dramatically less than the highest range provided in the staff report. For example, we do not believe the assumption that 80% of the staff will relocate is likely. Moreover, the possible relocation costs are not the end of the analysis of the total

fiscal impact of the new site. A side-by-side comparison of associated costs shows that a move to Riverside, even with employee relocation factored in, is still the most cost effective option for ARB. It should be noted that this fiscal review is for the initial short-term impact and does not factor the long-term benefits ARB would receive by locating in Riverside. See Appendix B.

Relocation Cost Analysis

Like many governmental agencies, if ARB assumes a conservative turnover rate of 8% annually, in five years (when it can be assumed the new facility will be ready for occupancy), 40% of the employees polled will no longer be working for ARB. Of the remaining 60%, how many of those will be living within what can be deemed an acceptable commute distance to Riverside or that would require relocation assistance?

For the subset of the 60% that would require relocation, we would like to offer alternatives for employees where relocation is not feasible for any number of reasons including other familial obligations. These include remote access, work-from-home, videoconferencing, or mobile workstation options. Additionally, ARB could engage in a phased closing of the current facility and opening of the new facility. Allowing certain employees or teams to remain in El Monte during a transition period, could result in additional savings stemming from natural attrition. Therefore, a more reasonable relocation analysis would be along the lines of 40%, cutting the staff relocation estimate in half.

Finally, there are some long-term policy benefits to be had by a move that encourages employees to relocate, regardless of the short-term costs. Covering the cost of moves to Riverside could encourage employees to move much closer to their worksite. Not covering costs makes it less likely that anyone will move. As a result, moving to a site within the 35 mile radius actually has the negative impact of reinforcing the long commutes of single passenger vehicles. If Riverside is selected, employees would be more willing to consider relocating, use public transportation, drive more efficient vehicles, or car/van pool. A move to Riverside would support the long term goals of ARB and send a message about ARB practicing what it preaches. Rejecting a move to Riverside would undercut the ARB's ability to encourage Californians to embrace those same changes.

Utility Costs

It is important to note two points we believe to be inaccurate within the report. In Table 22 on page 53 of the staff report, the cost of "Utility Development" for a site in Riverside is listed as approximately \$4.3 million. Additionally, the "Utility Connection/Activation Fees" line item was listed as approximately \$1.2 million. In reviewing those numbers with City personnel, it was determined that a more realistic estimate on the utility development and connection fees to be approximately \$1.5 million. This results in more than \$4 million dollars in savings to the project.

Additionally, there are costs related to the potential mitigation of environmental concerns that are not contemplated in the report. In Riverside, a Phase 1 environmental site assessment (ESA) identified the presence of two pesticides. Although they were significantly less than the U.S. Environmental Protection Agency screening levels, there will be some follow-up necessary. Little to no financial impact, outside of required report acknowledgement, will be required to mitigate.

Pollution Sources

It is difficult to estimate the costs associated with further consideration of and possible remediation of these issues. When required mitigation measures and the resulting remediation are properly accounted for, there exists a potential significant fiscal impact to ARB as well as a delay to the project completion timeline. Without a complete environmental analysis of the issues raised in the staff report leaves great uncertainty which could result in a large expense and project delays for ARB. This is a risk the Board should consider before a site is selected.

When all of the associated costs included in the staff report (employee relocation, site development, environmental, etc.) are assembled and the electric, utility and economic development incentives offered by Riverside (totaling more than \$2 million) are factored in, it becomes clear that in two of three relocation scenarios, a move to Riverside is more cost effective in the short term. The only scenario presented in which Riverside is not the most economical choice is if it is assumed that almost 80% of the current employees are with ARB at the time of the move and seek full relocation cost recovery, which is an unreasonable assumption.

RIVERSIDE, A LEADER IN EFFECTING POSITIVE CHANGE

Locating ARB in Riverside would show the agency understands and appreciates the historic contributions of Riverside's civic community to California's success in discovering and understanding the causes, impacts and atmospheric reactions that create air pollution. Few remember that it was Riverside Mayor Ben Lewis, responding to the sudden wave of heavy smog that had engulfed Riverside and the Inland Empire, who in 1973 filed the first lawsuit under the Clean Air Act, to force EPA to prepare a Federal Implementation Plan because Southern California had failed to attain the federal ambient air quality standards. This lawsuit resulted in the first ever action by US EPA to impose an Implementation Plan on a non-attainment area, and led to the first serious air quality management plan for the South Coast Air Basin. This is history that cannot be ignored and deserves to be embraced by ARB.

Local and state elected officials from Riverside were at the forefront of negotiations which led to the creation and later strengthening of the South Coast Air Quality Management District, including Norton Younglove, Jerry Lewis, Walter Ingalls, and Bob Presley. Without their sustained leadership and vision, and the strong support of the Riverside community, it is unlikely Southern California would have made the progress we've made in the past 40 years. Most recently, former Riverside Mayor Ron Loveridge, serving on both the SCAQMD and Air Resources Board, played a significant role in the build-out of EV and alternative fuel infrastructure, and in the development of VMT-reducing integrated transportation and land use plans. Other recent highlights include:

- In 2001, the City's "Tree Power Program" is established; more than 160,000 trees have been planted in the City since.
- In 2002, the City adopted a Strategic Action Plan to become a Model Clean Air City within the South Coast Air Quality Management District.

- In 2004, the City wins the Clean Air Award for Model Community Achievement by the South Coast Air Quality Management District.
- In 2005, the City establishes its Clean & Green Task Force.
- In 2006, the City establishes its first Hydrogen station.
- In 2007, the City adopts General Plan 2025, which includes an Air Quality Element, and establishes the Sustainability Policy Statement.
- Also in 2007, the City establishes the City Pass Program with the Riverside Transit Agency, allowing all City employees to ride public transportation without cost
- In 2009, the City is designated the State of California's first Emerald City by the Department of Conservation
- In 2012, the City is designated the Greenest Fleet in North America by 100 Best Fleets.
- In 2014, the City is designated as the Coolest California City by the California Air Resources Board.


We are taught that the best indicator of future behavior is past behavior. The Riverside community has proven time and time again the value we place on effecting positive change.

CONCLUSION

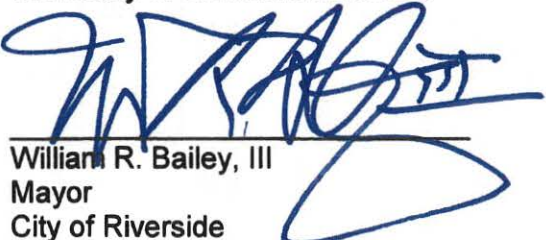
According to the Executive Summary of the Staff Report, in consolidating Southern California operations, the Air Resources Board desires to “construct and operate a world-class emissions testing and research facility to support California’s air quality and climate change mandates and goals through at least 2050.” In addition to continuing the tradition and history of the development of rigorous approaches to testing and certification of emission control systems on virtually every kind of engine used in California, the new facility would also provide a national and international destination for policy and technical assessments of air pollution and climate change.

By any honest analysis, locating the facility at UCR offers the ARB the best opportunity for continued success.


Thank you for your commitment to our future,




 Kim Wilcox
 Chancellor
 University of California Riverside



 William R. Bailey, III
 Mayor
 City of Riverside



 John F. Tavaglione
 Vice-Chairman
 Riverside County
 Board of Supervisors



 Robert Stockton
 Principal, Rick Engineering
 Chairman, Greater Riverside
 Chambers of Commerce

Appendix B

CARB Site Cost Comparison

Cost	ARB Staff Estimates		Riverside Estimates			Variance Pomona vs. Riverside
	Pomona	Riverside - Iowa	244 emp relo	85 emp relo	34 emp relo	
Land cost	\$0	\$1	\$1	\$1	\$1	
Relocation	\$0	\$7,301,900	\$7,301,900	\$2,543,700	\$1,017,500	\$2,543,700
Site work	Numbers from staff report; pg 53					
Mobilization/Demobilization	\$843,000	\$935,000	\$935,000	\$935,000	\$935,000	\$92,000
Site Development and Grading	\$900,000	\$623,000	\$623,000	\$623,000	\$623,000	(\$277,000)
Significant Retaining Wall Costs	\$0	\$0	\$0	\$0	\$0	\$0
Pile Foundations	\$966,000	\$0	\$0	\$0	\$0	(\$966,000)
Utility Development	\$3,362,000	\$4,328,000	\$2,025,000	\$2,025,000	\$2,025,000	(\$1,337,000)
Site Finishing	\$1,920,000	\$2,157,000	\$2,157,000	\$2,157,000	\$2,157,000	\$237,000
Site Access Upgrades	\$1,075,000	\$782,000	\$782,000	\$782,000	\$782,000	(\$293,000)
Utility Connection/Activation Fees	\$1,064,000	\$1,266,000	\$0	\$0	\$0	(\$1,064,000)
Review Fees	\$107,000	\$193,000	\$193,000	\$193,000	\$193,000	\$86,000
Contingency	\$1,536,000	\$1,543,000	\$1,543,000	\$1,543,000	\$1,543,000	\$7,000
Mitigation						
Biological - water		\$0	\$0	\$0	\$0	
Biological - nesting birds						
Environmental Hazards:						
Pesticides		\$0	\$0	\$0	\$0	
Groundwater - CPP		\$0	\$0	\$0	\$0	
Groundwater - TITech Foundry		\$0	\$0	\$0	\$0	
Underground storage tanks		\$0	\$0	\$0	\$0	
Former above ground storage tank		\$0	\$0	\$0	\$0	
Abandoned Well		\$0	\$0	\$0	\$0	
Existing Well		\$0	\$0	\$0	\$0	
Sewer lift station		\$0	\$0	\$0	\$0	
Industrial manhole		\$0	\$0	\$0	\$0	
UPRR Tracks		\$0	\$0	\$0	\$0	
San Jose Creek		\$0	\$0	\$0	\$0	
Former Spadra landfill		\$0	\$0	\$0	\$0	
Agricultural Resources	\$0					
Cultural Resources		\$0	\$0	\$0	\$0	
Savings						
Electric	\$0		(\$1,375,000)	(\$1,375,000)	(\$1,375,000)	(\$1,375,000)
Utility rebates	(\$150,000)	(\$335,000)	(\$335,000)	(\$335,000)	(\$335,000)	(\$185,000)
RPU Economic Development Rate	\$0	(\$450,000)	(\$450,000)	(\$450,000)	(\$450,000)	\$450,000
Total	\$11,623,000	\$18,343,901	\$13,399,901	\$8,641,701	\$7,115,501	(\$2,081,300)
Soft Costs/Benefits:						
SCAQMD Endowment	\$0	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Educational/on the job training		(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)
Research Infrastructure supporting CARBs mission	\$0		(\$22,800,000)	(\$22,800,000)	(\$22,800,000)	(\$22,800,000)
Land		(\$8,000,000)	(\$8,000,000)	(\$8,000,000)	(\$8,000,000)	(\$8,000,000)
Grand Cost/Benefit Total:	\$11,623,000	\$9,193,901	(\$18,550,099)	(\$23,308,299)	(\$24,834,499)	(\$34,031,300)