

September 15, 2014

Mary Nichols, Chairman
California Air Resources Board (ARB)
1001 I Street
P.O. Box 2815
Sacramento, CA 95812

Subject: ARB Interim Guidelines on Identifying Benefit to Disadvantaged Communities

Dear Chairman Nichols:

Thank you for the opportunity to provide comments on the Interim Guidance proposed by ARB for state agencies administering Greenhouse Gas Reduction Fund monies. The San Francisco County Transportation Authority (Transportation Authority) serves as the Congestion Management Agency for San Francisco, is responsible for long-range transportation planning for the City, and administers over \$100 million in grant funding every year. We respectfully submit the following comments for your consideration.

First, given the magnitude of the impact these guidelines will have on the distribution of cap and trade dollars, **we request the postponement of this decision until ARB can adequately digest and respond to the comments ARB receives.** Currently ARB is proposing to adopt the guidance on September 18 – a mere three days after comments are due. It is not clear why these decisions need to be made so quickly, especially given the precedent-setting significance of these decisions. We strongly encourage ARB to take time to work with concerned stakeholders to address their concerns.

With respect to the guidance itself, we feel the proposed two-step process is reasonable and will establish a logical way for state agencies to evaluate potential projects for their impact on DACs. We also suggest that **ARB give consideration to projects that benefit disadvantaged populations, not just those located in or near the specific DACs identified by CalEPA.** ARB has stated that it intends to provide guidance that focuses investment in DACs. However, ARB should also acknowledge that disadvantaged individuals live throughout the state and would benefit from investment. This could be accomplished by using the CalEPA DAC definition to meet the legal minimums but **allowing applicants to self-identify their project as serving disadvantaged population, as long as they provide sufficient data to back up their claims** such as percentage of students receiving subsidized lunches, immediate proximity to a port, refinery, or major highway, or areas of high rent burden.

In general we would also like to see **a broader definition of what projects benefit DACs. And let the applicant make a logical case for how their project benefits DACs** rather than provide inflexible guidance that may not achieve the best results. Transit projects in particular can provide benefits through corridor or system-wide improvements that would not be captured in the current proposal. For example, vehicle replacement projects can provide the single biggest improvement to DACs. Furthermore, rather than locating affordable housing within a DAC it makes more sense to locate it in opportunity zones that already have good environmental and social indicators. Affordable housing by definition benefits disadvantaged populations and any affordable housing project near a robust transit



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system would reduce vehicle miles traveled, meeting the stated goals of SB 535 (DeLeon).

With respect to evaluating a project's physical impact on DACs, ARB should **expand the geographic capture area from 1/2-mile to 1 mile**, which better corresponds to the distance a community member is willing to walk to a project or service.

Finally, for the Affordable Housing and Sustainable Communities category we propose that ARB provide more detail about what would meet the requirement that the project be designed to avoid displacement of DAC residents and businesses. This is a worthwhile goal, but practically difficult to demonstrate on a project by project basis. The guidelines should specify that **this requirement is met if the applicant jurisdiction has adopted anti-displacement policies** that would apply to the housing development, transit project, or active transportation project in question. This definition was successfully used in Plan Bay Area, the Bay Area's Sustainable Communities Strategy.

Thank you for your consideration. Please feel free to have your staff contact Amber Crabbe, Principal Planner, at 415.522.4801 with any questions. Sincerely,



Tilly Chang
Executive Director

cc: Com. Avalos, Campos, Wiener
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