

September 15, 2014

Chairwoman Mary D. Nichols and Board Members
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Via ARB online comment submittal portal

Re: Investments to Benefit Disadvantaged Communities: Cap-and-Trade Auction
Proceeds Interim Guidance to Agencies Administering Greenhouse Gas Reduction Fund
Monies

Dear Chairwoman Nichols and Board Members:

Strategic Actions for a Just Economy (SAJE) submits these additional comments to guide the Administration's development of the draft interim guidelines for how cap-and-trade auction proceeds can benefit disadvantaged communities. These comments are in addition to those we made with other Los Angeles area environmental justice organizations and submitted for your consideration.

The following criteria should be included in Appendix 1 for all agencies to truly maximize the benefits to disadvantaged communities:

- We feel that the proposed project work hour target of 25% is insufficient and fails to make a significant impact for residents of disadvantaged communities. We propose that at least 50% of project work hours should be performed by residents of the local disadvantaged communities, with 25% of those hours reserved for disadvantaged workers in those communities defined as a low-income resident who is either a veteran, a single custodial parent, has a history of incarceration, has low education levels, or is chronically under/unemployed.

In addition, we make the following comments to the specific subsections found in Appendix 1:

- 1-1 Low-Carbon Transit Projects
 - Projects that displace residents of disadvantaged communities, either through the acquisition of land or razing of existing housing, should not be counted towards the percentage of funds set aside to benefit disadvantaged communities.
- 1-4 Energy Efficiency and Renewable Energy and 1-5 Water Use Efficiency
 - The State must protect vulnerable populations, especially low-income tenants, from cost increases associated with improvements to existing housing structures in disadvantaged communities. It should also mitigate the cost pass-through to nonprofit organizations and affordable housing developers who are crucial partners in the State's greenhouse gas reduction and public health goals.

- 1-7 Urban Forestry
 - Eliminate the criteria allowing the use of funds for trees within ½ mile of a disadvantaged community to be counted as a benefit to disadvantaged communities.
- 1-8 Waste Diversion and Utilization
 - Projects that incentivize the siting of facilities in or in proximity to disadvantaged communities must require the use of zero-emission trucks from beginning to end of their supply chain to prevent the increase of diesel pollution in already overburdened communities and to maximize real benefits to disadvantaged communities.

Lastly, we urge the Administration to hold the state agencies to strict accountability requirements, especially as it relates to the funding counted as benefitting disadvantaged communities. State agencies should require all applicants to adopt a holistic and all-encompassing view of their impact on disadvantaged communities and any potential harm must be offset before projects are allowed to move forward and funding allocated. In addition, funded projects counted towards the percentage of funds set aside to benefit disadvantaged communities should be required to track and report on their benefit and impact on disadvantaged communities and low-income residents of those communities. Should any negative impacts be found, they should be mitigated within a reasonable timeframe to offset the harm done to already overburdened communities.

Thank you for the opportunity to make these comments. Please feel free to contact us if you have any questions.

Sincerely,

Lizzeth Henao Rosales
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Strategic Actions for a Just Economy (SAJE)