October 5, 2016

Mary Nichols, Chair

California Air Resources Board

1001 I Street

Sacramento, CA 95814

Re: Comments on the Vibrant Communities and Landscape Document

Dear Chair Nichols,

In 2006, the Bay Area Council was the first major state business organization to support AB 32, The Global Warming Solutions Act (Pavley). We were also early and enthusiastic supporters of SB 375 (Steinberg) and we remain committed to the central premise of both pieces of legislation; that unless we take all reasonable and necessary steps to reduce our greenhouse gas production, the consequences will be dire for our State and the world.

One of the principal objections to AB 32, which remains to this day, is that the people of California are giving way too much power to a secretive, unelected, largely unaccountable body; the California Air Resources Board (CARB). Let me be clear, we do not agree with this viewpoint, however, it is very difficult for supporters of AB 32 and SB 375 like the Bay Area Council to respond and push back against such criticism when CARB introduces a sweeping policy document like "Vibrant Communities and Landscapes - A Vision for California in 2050 Draft for Comment & Discussion" and the accompanying VMT paper, with apparently zero stakeholder participation in the drafting process and an incredibly compressed timeline to review its contents and respond with any degree of authority. Needless to say, the process by which CARB and the other agencies drafted and released the publication raises serious concerns.

Without appropriate time to analyze the long term impacts of the policies being proposed, I will keep my comments general and hope that in due course additional time will be allowed for all the key stakeholders involved to thoroughly vet the contents and consequences of what is contained in the Vibrant Communities document.

We applaud any effort to break down silos and bring different agencies together behind a single vision for planning and development. That is progress. However, when those agencies have no real world experience in the business and economics of development, and they create plans without any input from the people expected to implement them, problems can and do occur.

In the Bay Area we are currently in the process of updating our Sustainable Communities Strategy; Plan Bay Area, and what we are discovering is that we are missing our infill development targets by wide margins and that suburban sprawl continues to grow. This is happening in large part because the original plan assumed that "if you plan it they will come". Millions of dollars have been spent on land use plans to encourage more infill, yet housing growth continues to significantly lag job growth in infill locations and housing growth continues to expand in the exurbs. One reason is that state and local plans

lacked any real foundation in the economics of development or the realities of the local approvals process where actual projects are delayed and reduced in scale or laden with such a load of community benefits that they have become in many infill locations infeasible. Merely zoning a parcel for mid or high rise housing will not make it happen unless the city council and the economics allow for it. We are very concerned that many of the ideas being put forward in Vibrant Communities look good on paper, but may not work in the real world; such as:

*\* New development and infrastructure are built primarily in locations with existing infrastructure, services, and amenities (i.e., previously-developed locations).*

This looks like a reasonable statement of policy, but in the real world it remains eminently more difficult and expensive to build housing in urban sites as opposed to greenfield sites. This reality needs to be recognized and addressed.

The VMT white paper raises questions about what our real goals are; to reduce GHGs or merely to reduce driving? With rapid advances in clean vehicle technology, autonomous vehicles, smart freeways, and car sharing services our clean transportation future might very well be auto focused. In our efforts to reduce GHGs in the transportation sector we should not rush down a road towards a car free society only to see a solar or hydrogen powered autonomous vehicle with 6 occupants pass us by in the HOV lane. This is doubly true when you look at how poorly we are performing in our efforts to build transit oriented infill development and how we continue to fail to appropriately fund public transportation. We may need those roads more than we currently realize.

We look forward to continuing this dialog and working with you to address this most urgent of challenges in an open, constructive and most importantly productive manner.

Sincerely



Matt Regan

Senior Vice President

Bay Area Council