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November 13, 2015

Mary Nichols  
Chair, California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

**RE: Comments on Draft Cap-and-Trade Auction Proceeds Second Investment Plan**

Chair Nichols:

On behalf of the City of Davis, thank you for the opportunity to comment on the Draft Cap-and Trade Auction Proceeds Second Investment Plan. After reviewing the draft plan, the City respectfully requests your consideration of the following comments:

- The City of Davis supports a program wherein the State funds the completion of a community level green house gas emissions inventory for every City and County in California using a State approved protocol. Using that inventory (or a previously completed local Climate Action Plan), fund a “top 3” local GHG reduction program in every City and County in California that chooses to participate. We would suggest that the “top 3” program have one local GHG reduction action in each of three sectors: (1) transportation, (2) energy, and (3) waste/consumption reduction. This investment approach would position every willing community in California on a path to succeed in a changing climate and create a statewide foundation for future action and investment.
- The City of Davis supports the recommendation for a program addressing “Zero emission vehicles and equipment, plus charging and fueling infrastructure” (pg. ES-5). We look forward to the funding opportunities for Alternative Fuels and Infrastructure referenced on page 33 of the Plan. We strongly suggest this future program also include an opportunity to install Zero-Emission Vehicle infrastructure in local government buildings. This development would serve as a positive example for the surrounding community and encourage citizens to adopt alternative mobility options.
- The City of Davis supports the recommendation for “Public transit (e.g., rail, bus, ferry), affordable housing, active transportation, and sustainable communities...” (pg. ES-5). We are interested in pursuing funding to “support sustainable communities strategies, including expansion of public transit and active transportation infrastructure, bicycle utilization, infill



development and agricultural land conservation, and transit-oriented affordable housing” (pg. 33). As Davis is known for its expansive bicycle paths, we highly recommend a program through which funding is available for active transportation infrastructure maintenance. Sustaining citizens’ bicycle use as a primary mode of transportation will ensure carbon emissions remain low. As more and more communities invest in bicycle infrastructure, local governments need to work with regional transportation agencies and the state to identify sustainable means of maintaining and improving these routes. If the systems are not maintained, it will impact future GHG numbers. We would also request that you acknowledge existing transportation infrastructures as an opportunity for investment to support additional transportation improvements and to site in-fill development and affordable housing. While Davis has a successful bus transit and bike path system, receiving cap and trade funds to help us maintain existing infrastructure and improve upon it, along with funds to develop affordable housing units and sustainable communities at strategic locations served by transportation alternatives to car use, is integral to the city’s ability to do these types of projects.

- The City of Davis supports the recommendation of “Planting trees in urban areas and greening the built environment to sequester carbon” (pg. ES-5). We look forward to the funding opportunities seeking to “increase urban tree canopy and expand green infrastructure to sequester carbon and increase energy efficiency of the built environment” (pg. 45). We support providing funding to the existing Urban Greening Grant Program at the Strategic Growth Council, which is currently inactive because of a lack of funding. In addition to funding new greening efforts, we encourage the inclusion of diseased and dead tree removal as an eligible project. Due to the harsh conditions of the drought, many Davis trees are in need of treatment or removal. Projects of this kind must be completed prior to planting new trees and are therefore a critical first step in greening the Davis environment.
- The City supports the continued investment of greenhouse gas reduction funding in the conservation of natural and working lands (p. 43). The City further suggests expanding the existing focus on agricultural lands and forests to include other natural lands that sequester carbon or otherwise contribute to greenhouse gas emission reduction. The citizens of Davis approved a tax on residences to support the conservation of open space around Davis, including the acquisition of open space easements in the vicinity of Davis and habitat on Putah Creek. The City is also a member of the Yolo Habitat Conservancy, working to complete a countywide Habitat Conservation Plan/Natural Community Conservation Plan by 2017. Continued investment in the conservation of agricultural lands and other natural lands that sequester carbon will reduce greenhouse gas emissions and result in numerous co-benefits. The City suggests providing ongoing revenue to the Strategic Growth Council’s Sustainable Agricultural Land Conservation Program, the Wildlife Conservation Board’s Rangeland, Grazing Land, and Grasslands Protection Program, and the Wildlife Conservation Board’s Oak Woodlands Conservation Program, as well as researching the need for new programs to conserve other natural lands that reduce greenhouse gas emissions.

- The City of Davis encourages the State to create a program funded by General Fund to incentivize local planning efforts. These efforts may include updating the local Core Area Specific Plan and/or General Plan if these plans emphasize infill development policies, densification, and encouragement of GHG reduction. This program could also provide funding for the planning and engineering for comprehensive transportation corridor planning with emphasis on “complete streets” and greenhouse gas reductions.
- The City of Davis recommends funding be available for the implementation of broadband infrastructure that demonstrates a reduction of greenhouse gas emissions, as such projects would help with business retention and infill business development.
- The City of Davis supports the investment in the study and analysis of Community Choice Aggregation (CCA) programs. It is the City’s experience that the single most important short-term GHG reduction strategy at the local level is the increase of consumer use of electricity generated from low carbon and renewable sources. The mechanism for advancing this market transformation is local CCA programs which can be seeded through investment in the due diligence studies local jurisdictions must complete. In addition, to advance the development of local renewable energy supplies close to load that CCA programs enable, the City encourages the establishment of a low interest loan program (similar to current CEC loan programs), that would enable local jurisdictions to partner with energy developers to accelerate development of these local systems.
- The City of Davis encourages consideration of investment to assist local jurisdictions in preparing for climate effects. As the State has identified, critical infrastructure and community systems are vulnerable to the shifts in climate that are already beginning to occur – and to those that are predicted to increase in severity. We suggest the State establish a climate adaptation infrastructure grant/revolving loan program to allow local jurisdictions to act on local adaptation plans that have identified critical infrastructure and community systems that are vulnerable to climate change. These adaptation efforts can often be coupled with greenhouse gas reduction programs to achieve co-benefits.

Thank you for taking our comments into consideration as you finalize the Cap-and-Trade Auction Proceeds Second Investment Plan. We look forward to the release of the final plan and the development of subsequent funding programs targeting California’s climate goals. If you have any questions regarding these comments, please contact me at (530) 757-5602.

Sincerely,



**Dirk Brazil**  
City Manager  
City of Davis