## Office of the City Council

CO 11-112

November 19, 2008

ORIGINAL Copies:

Board Clerk Executive Officer Chair

Mary Nichols, Chair California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95814

SUBJECT: AIR RESOURCES BOARD PROPOSED SCOPING PLAN

Dear Chair Nichols:

Thank you for the opportunity to provide comments on the Proposed Climate Change Scoping Plan prepared by the California Air Resources Board (ARB) pursuant to Assembly Bill 32.

As stated in its executive summary, the Proposed Scoping Plan proposes "a comprehensive set of actions designed to reduce overall greenhouse gas emissions in California, improve our environment, reduce our dependence on oil, diversify our energy sources, save energy, create new jobs, and enhance public health." We are concerned about how these objectives are proposed to be achieved without adequate funding.

For example, the Proposed Scoping Plan calls for a voluntary 15% reduction goal in greenhouse gas (GHG) emissions generated by municipal operations to match the State's reduction target. However, the funding sources needed to achieve the reduction in GHG emissions have not been identified or committed, and recent declines in local property tax, sales tax, and other revenue sources have eroded city budgets.

Furthermore, the state's recent raid of \$350 million in local redevelopment dollars makes it more difficult for local governments to facilitate compact infill development and provide infrastructure upgrades in redevelopment areas, which could support increased transit usage and reduced GHG emissions.

As the state and local governments face critical budget shortages, additional costs to heavily invest in GHG emission reduction technologies will become more burdensome. The development community is also facing unfavorable economic conditions. Therefore, significant incentives and funding mechanisms would need to be offered to local governments and developers to encourage development which will contribute to reductions in GHG emissions. In fact, Assembly Bill 32 requires that reductions in GHG emissions must be technologically feasible and cost-effective and that the ARB "consider the cost-effectiveness of these regulations." (HSC §38560)

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On behalf of the City of Tustin, I urge the ARB to consider the financial constraints associated with the implementation of Assembly Bill 32 in the development of the Scoping Plan and postpone the adoption of the Scoping Plan to allow the fiscal implications of Assembly Bill 32 to be more fully vetted.

Thank you again for the opportunity to comment at this time. If you have any questions regarding these comments, please contact me at (714) 573-3010 or Elizabeth Binsack, Community Development Director, at (714) 573-3031.

Singerely,

Jerry Amante

Mayor

Lacy Kelly, League of California Cities - Orange County Division

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**Tustin City Council** 

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