Mary Nichols, Chairman California Air Resources Board (CARB) 1001 "I" Street Sacramento. CA 95814

Re: San Diego Regional GhG Reduction Targets

Dear Chairman Nichols:

Thank you for the extensive work that your agency has done to implement SB 375. We are grateful also to the San Diego Association of Governments (SANDAG), which has recently undertaken extensive efforts to start the modeling and target setting process in development of the state's first Sustainable Communities Strategy.

As CARB and SANDAG approach the final phase of the target-setting process, we are writing to express our support for an ambitious and forward-looking approach in San Diego. Although our region and the entire state face challenges, we believe we can and must successfully implement SB 375. We ask CARB to share our confidence and our resolve. We also request CARB's help in ensuring we communicate what success would mean in the daily lives of San Diego residents and in making that success possible.

San Diego Needs Ambitious Targets for 2020 and 2035

We recognize that SANDAG has brought forth potentially the largest percentage overall per capita green house gas (GhG) emission reduction target as compared to any MPO, and for this work, SANDAG deserves credit. However, our region also has the highest GhG emissions per capita and therefore stands to gain the most from implementing SB 375.

San Diego, a recognized hotbed for Clean Technology, is a wonderfully diverse region with a strong economy that continues to attract workers and residents from around the world. At the same time, traffic and smog, exorbitant housing costs, and the lack of feasible transportation options threaten to undermine the region's economic competitiveness and quality of life.

An ambitious approach to SB 375 could reduce these risks and set San Diego on the path to continued and increasing economic prosperity. The law calls upon each region to develop a thoughtful strategy to link transportation investments with the planned construction of a range of homes and job centers. Its successful implementation could provide the following economic, environmental and equity benefits:

- Reduce time wasted in traffic. San Diego residents, on average, lose 52 hours each year due to traffic congestion and waste \$1.8 billion of fuel (9th and 14th in the nation). Traffic unpredictability means people must either arrive early or risk arriving late, translating into lost productivity and lost time with families. Shifting investments to faster, more efficient and reliable public transportation, building homes for all income types closer to jobs, and making it easier and safer to travel by foot and bike could restore this money and time to San Diego businesses and residents.
- Create construction jobs. Congress' Transportation and Infrastructure Committee found that recent federal stimulus spending on transit resulted in almost three times as many jobs

¹ 2009 Annual Urban Mobility Report. 2009. Texas Transportation Institute, Texas A&M University System. Table 1 & 2, p. 22-25. http://tti.tamu.edu/documents/mobility-report-2009-wappx.pdf.

for Californians at half the price of building roads and highways.² Regional analysis under SB 375 could lead to a shift in transportation investments toward transit, ensuring that every transportation dollar spent creates more jobs. Compact and infill development patterns also create more jobs, particularly by promoting the rehabilitation of existing roads and buildings. For instance, a comparison of 155 metropolitan areas found that, over a ten year period, areas with careful growth policies generated nearly \$100,000 more per new resident in construction activity.3

- Provide greater housing choices that fit families' budgets. Almost three quarters of the low income households in San Diego County pay more than 30% of their income on housing.4 High housing and transportation costs not only have a negative impact on workers and families, but they diminish the region's economic competitiveness and attractiveness to major employers. SANDAG's Economic Prosperity Plan identifies housing affordability as a major barrier to regional prosperity. The San Diego Regional Economic Development Corporation and the Regional Chamber of Commerce have recently formed a joint Housing Strategy Work Group to address a central concern of San Diego's business community: housing supply and affordability.
- Keep money in families' wallets and local businesses. After housing, transportation is the largest expense for most households. Within San Diego County, households in neighborhoods lacking transportation options spend on average \$14,400 annually on transportation, while households near public transportation spend only \$8,900⁵. Households that spend more on transportation spend less on housing. Shorter distances traveled to work mean that people will have more disposable income to spend on housing, goods, and services. When gas prices rise again, costs in auto-dependant neighborhoods will rise further, an expense that will be borne not only by families but by employers who must adjust wages upward to fund this higher cost of living.
- Boost retail sales and local government revenues. The ongoing burden of high housing and transportation costs not only causes real distress to families, it also reduces money available for other spending. Keeping money circulating in the local economy that is now wasted on gasoline, building homes near existing businesses rather than in distant locations, and making transit, bicycling, and walking more convenient for residents to patronize local restaurants and stores, could all increase local business sales and local government sales tax revenues.
- Make San Diego more competitive for federal grants. In 2010, HUD received \$150 million for a Sustainable Communities Initiative to improve regional planning efforts that integrate housing and transportation decisions. Approximately \$100 million of these monies will be given out as regional Sustainable Communities Planning Grants. California is fortunate that we have an aggressive tool such as SB 375 which has given the state the opportunity to be a leader in this field. Ambitious targets will now ensure San Diego increases its lead.
- Reduce costs to local governments, leaving more for police, fire, and other services. SB 375 will help cities save money by using energy, water and infrastructure more

² Figures calculated from data provided by the states through October 31st, 2009 and released by the U.S. House of Representatives Transportation and Infrastructure Committee on December 10th 2009 http://transportation.house.gov/News/PRArticle.aspx?NewsID=1079

³ The Jobs are Back in Town: Urban Smart Growth and Construction Employment (Philip Mattera with Greg LeRoy, published by Good Jobs First), 2003. Construction analysis conducted by Prof. Arthur C. Nelson of Virginia Polytechnic University and Prof. Raymond J. Burby of the University of North Carolina.

The U.S. Department of Housing and Urban Development (HUD) 2009 Comprehensive Housing Affordability Strategy (CHAS) data. http://www.huduser.org/portal/datasets/cp/CHAS/2009CHAS_Resource.html

Windfall for All. 2009. TransForm. http://transformca.org/windfall-for-all, p. 10.

efficiently. Applying efficient smart growth principles can reduce infrastructure costs by 25%. Long-term savings in municipal service costs are also possible, as the initial higher capital costs of supporting infill development are outweighed by the long-term per capita savings in maintenance costs, municipal services, and infrastructure.7

- **Speed construction of homes that consumers want.** Market trends show that people want and are willing to pay more for homes where they can walk or take public transit. A 2007 survey from the National Association of Realtors shows that 83 percent of Americans support building communities where people can walk places and use their cars less. A shift to city-centered growth is already happening in California, and by streamlining the process for approving priority projects. SB 375 could help cities meet the demand while increasing property tax revenues.
- Reduce smog and asthma. San Diego ranks as the 8th smoggiest region in the nation. 8 Air pollution related illnesses are leading to thousands of hospitalizations, emergency room visits, and premature deaths every year in California. The construction of the I-15 freeway through the City Heights neighborhood in San Diego has lead to the highest concentration of child asthma rates in the County. Building better planned, more compact communities enabling less vehicular usage will help reduce air pollution and related health and medical costs.
- Provide safer routes to school, work, and shopping. In the San Diego region, 20.4% of traffic fatalities were pedestrians, more than double the U.S. average of 11.8%.9 If safer routes existed, families could do more of their travel on foot or by bike and traffic on local streets would be lighter on everyone.
- Improve health. Mixed-use communities designed around providing transportation choices including transit, walking and biking allow residents to breathe cleaner air and incorporate physical activity into their daily routines. Diseases such as cancer, asthma, lung and heart disease, obesity, and diabetes are all affected by community design. Individuals who live in walkable neighborhoods have a 35% lower risk of obesity. 10
- Protect the region's air, water, and natural resources. Poorly planned growth impacts the natural resources that underpin the health and quality of life in San Diego. Compact development saves water, because homes with smaller yards use less water than conventional homes, and because shorter pipes develop fewer leaks. Efficient growth patterns could save California 14 million acre feet of water by 2050. 11 SB 375 could encourage the region to focus the majority of new homes (230,000 units by 2030) and iobs in compact communities, and to shift transportation investments away from unnecessary new roads and towards maintenance of our existing transportation network. This could protect local farms and ranchlands, beaches, natural areas, and parks.

Provide the Region with a Real Choice

To ensure that future work on SB 375 achieves the range of benefits desired for the San Diego region, the target-setting process needs to be approached ambitiously, not conservatively. It needs to consider the full range of regional solutions to these pressing transportation, health

Vision California research, personal communication.

⁶ Cost-Effective GHG Reductions through Smart Growth & Improved Transportation Choices. 2009. Center for Clean Air Policy.

⁷ Source: ULI, SB 375 Impact Analysis Report, June 2010

⁸ State of the Air Report. 2010. American Lung Association.

 $^{^9}$ $\it Dangerous$ by Design. 2009. Transportation for America.

¹⁰ American Lung Association.

and quality of life issues. These possible solutions should be presented to the public in the July 21 forum that CARB is preparing to hold in San Diego, and they should be compared on metrics that will reflect their real impacts on the lives of San Diego residents. Traffic, home prices, air quality, being able to walk or take the bus to work, cost of living adjustments, and employment – these are core issues affecting people's everyday lives. Each scenario's impacts need to be translated into indicators that show how it could impact what local residents and businesses care most about and made easily understandable.

Support State Level Policies that Promote Local Success

As it sets these ambitious targets, CARB should make a clear statement of support for the types of policies and investments that California cities and regions will need to successfully meet these goals. The Strategic Growth Council's Planning Grant program is a good start, as it will be providing cities and regions with \$60 million over three years for land use planning. Caltrans' Smart Mobility Framework is also worthy of promotion for its new direction in transportation planning policy. As groups and individuals working in San Diego, we cannot achieve these changes alone. We need secure and adequate funding for faster, more effective public transit, sustained local redevelopment revenues, and the flexibility to generate funds for planning and infrastructure at the local and regional scales.

The region faces many challenges. Transit funding cuts, lower local government revenues, the loss of redevelopment monies, and the housing market downturn are all barriers to immediate success. The 2020 targets may need to reflect these current difficulties, but the 2035 targets should reflect the importance of succeeding at an ambitious approach. We ask that the targets for 2035 go above and beyond the 2020 targets. Setting high targets *now* can be an impetus to begin making the paradigm shifts necessary to meet them – and to create a healthier, stronger San Diego in the twenty-first century.

Again, we thank you for the extensive work you have done and continue to do. We will do our part by building support for the efforts to grow our communities in a smart, healthy and sustainable manner.

Sincerely,

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