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Ex Officio
JIM WUNDERMAN
President & CEO, Bay Area Council

*Nonline

BAY AREA COUNCIL

June 23, 2010

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

Re: Support for Implementation of SB 375

Dear Chairwoman Nichols:

Thank you for the extensive work that your agency has done to implement SB 375. The Bay Area Council is a united voice for more than 275 of the largest employers in the Bay Area region, who together employ one of every six private sector employees in the region. In our view, the success of SB 375 is of critical importance to the Bay Area's economic future. We applaud the MPOs and CARB for their hard work, vision, and leadership in putting together scenarios and convening important conversations to bring us to this point.

In examining the Bay Area's submissions to CARB, we do have some concerns that they may underestimate the region's true potential. The targets should be set based upon regional scenarios that fully reflect the market forces and the many smart local and regional decisions that are already making our region stronger. The targets should also give proper credit to the benefits of those actions, even while the modeling software continues to improve. We hope these issues can be resolved before the targets are finalized and appreciate CARB's attention to this matter.

As CARB and MTC approach the final phase of the target-setting process, we wish to express our support for a forward-looking approach in the Bay Area. Despite the current market slowdown, we believe we must set ambitious targets that will encourage us to continue working to successfully implement SB 375 and build a region that will remain healthy and economically strong into the future.

SB 375 Reduces Traffic – a Major Concern in the Bay Area

Bay Area residents, on average, lose 55 hours each year due to traffic congestion and waste \$3.7 billion of fuel (5th and 8th worst in the nation).¹ This time and fuel loss is on top of the cost of the travel itself; it reflects the impact of just the traffic slowdown.

Traffic congestion is one of the top concerns employers have about employee attraction, retention, and productivity. Conversations among Bay Area Council members and the Bay Area Council annual survey reflect the conclusions of the Silicon Valley Leadership Group's 2010 CEO Survey, which listed traffic congestion in their top three concerns about employee cost of living. Traffic also reduces productivity by creating stress on workers and by increasing the time and uncertainty associated with business travel.

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.

Jim Wunderman
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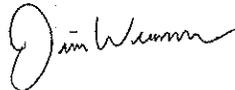
Ambitious Targets show that the Bay Area is a Leader

Over the next two decades, the Bay Area will grow by over 2 million new residents, and more than a million new jobs. If this growth is well-planned, the region can become even more of a wonderful place to live, work, and do business. As we are on the verge of making big infrastructure investments based on the expectations we set for ourselves, now is the time to set ambitious targets. Such ambitious goals will provide leadership and focus our region's efforts.

An ambitious effort can also show that the Bay Area and other regions in the State of California are ready to lead. As grants become available through state and federal sources, such as California's Strategic Growth Council and the federal Sustainable Communities Initiative, the Bay Area needs to be ready with a strong plan. We cannot wait to become more ambitious; like a business plan, ambitious targets and a strong Sustainable Communities Strategy are the way for us to attract investments and then use them to succeed. To be competitive and use the funds well, we need to make a strong plan now.

Those of us in the business and development communities with an eye toward the future want strong targets for the Bay Area region so that we can pursue growth, development, and job-creation opportunities that will be sustainable and put the Bay Area on a path toward long-term financial and governmental responsibility. We can not turn our backs on the future. Please stay the course on SB 375 implementation. Thank you for your attention and for all of your efforts.

Sincerely,

A handwritten signature in black ink that reads "Jim Wunderman". The signature is written in a cursive style with a large initial "J" and "W".

Jim Wunderman
President and CEO
Bay Area Council