

# Transportation Solutions Defense and Education Fund

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By E-Mail

## Comments on CARB Draft Scoping Plan

### Transportation Section

The Transportation Solutions Defense and Education Fund, TRANSDEF, has actively advocated for the regional planning of land use, transportation and air quality for the past 15 years. With mobile sources being the biggest emissions category in the State's GHG inventory, we recognize that modifying transportation policy is absolutely crucial to the success of the Scoping Plan. But the Plan has little to offer in this area.

### Transportation Policy

We participated in the LUSCAT process as well as the California Transportation Commission's Working Group on climate change additions to the Regional Transportation Plan Guidelines. These processes determined that a central part of the implementation of AB 32 must be a reduction in Vehicle Miles Travelled (VMT). The Bay Area's Joint Policy Committee adopted a Climate Change Plan in which "Reducing Driving" was a central strategy. We are disappointed that the otherwise excellent Draft Scoping Plan is largely silent on this focus.

The concern, of course, is that the Business As Usual trend for statewide VMT will overwhelm any successful efforts at GHG reductions. Changing that trend will require a profound shift in how Californians get around. TRANSDEF recognizes that change of this magnitude is politically challenging. What is not clear from the text of the Plan is whether its authors have made the delicate political decision to not broach these issues at this time. If that is the case, we think the political calculus deserves a public airing. Implying that Californians can get through the challenges of climate change by retrofitting a few CFLs does them a disservice. Very difficult choices face our State, and the sooner we start changing how our billions of dollars of infrastructure funds are spent, the sooner we will have viable lower-carbon alternatives to driving.

California needs to dramatically change its priorities in transportation funding. We need to stop building highway capacity to accommodate growth in demand for single-occupant driving. Instead, we need to start pricing highways to provide appropriate economic incentives to discourage single-occupant driving, and to encourage carpooling, walking, biking and using transit. We need to invest the savings from ending highway construction, as well as the proceeds of congestion pricing, in cost-effective transit networks, including a system of subsidies to enable

low-income people to maintain mobility.

The problem is that the State's transportation policy is focused on reducing traffic congestion. As a result, many billions of dollars are programmed to widen highways. These projects will result in easier driving conditions (although the construction impacts will make driving harder temporarily), which will result in increased VMT. Before the State can achieve any significant long-term reductions in GHGs, it will need to revisit the mission of the Department of Transportation, and completely revamp its focus. The day-in day-out efforts of Caltrans consistently result in more VMT and more GHGs. Until Caltrans is formally assigned a new mission, its ongoing operations will keep making the State's emissions worse.

Instead of widening highways, an entirely different policy direction is possible--one which makes transit readily available and creates economic incentives to use it. Our website, [www.transdef.org](http://www.transdef.org) contains an extensive discussion of the Smart Growth Alternative we created, which was modelled in the EIR for the Bay Area's 2005 Regional Transportation Plan. Having struggled with the issue of highway vs. transit orientation for the past 15 years, we are extremely well aware of the resistance of local government, not to mention regional government, to dropping already-programmed "improvement" projects. However, given the State's financial constraints, it should be obvious to anyone that the State cannot afford to keep widening highways if it wants to build up the capacity of transit to become a significant part of the State's transport system.

If the State wanted to make a maximum effort to reduce GHGs, it would re-program the STIP and Proposition 1B Bond proceeds currently assigned to highway projects over to the capital needs of improved transit. It would create new climate change fees and offsets, which will create major new sources for transit operations funding, the shortage of which is consistently the biggest obstacle to expanding transit service. Obviously, change of this magnitude would require the creation of a strong political consensus around the need for such comprehensive solutions. We raise these comments to stress the point that the problem in achieving substantial long-term GHG reductions in the transportation sector is primarily a political one, rather than a technical one.

### High Speed Rail

TRANSDEF is a strong supporter of High Speed Rail for California, but is troubled by the inability of the High Speed Rail Authority to produce a credible environmental document and business plan. We are part of an environmental coalition that will soon file suit to challenge the FEIR for access to the Bay Area. We are concerned that HSR planning to date has served development interests and not the goal of achieving optimal GHG emissions reductions.

The State needs to support High-Speed Rail as the future armature tying together its regions. This system needs to become the default mode of choice for interregional travel. It will also provide the infrastructure for extensive networks for intraregional travel. The development of High-Speed Rail needs to impose minimum density zoning guidelines as the requirement for station siting, to catalyze a densification of

future growth around station areas, and a development focus on urban cores.

#### Other Measures Under Evaluation

We strongly believe the Transportation Measures Under Evaluation to be essential to the creation of a more sustainable transportation system--one that provides strong economic signals to both encourage lower-carbon approaches and discourage Business As Usual. We find the emissions reduction entries on Table 22 for these measures to be extremely conservative. This is where much of the 35 MMT of Additional Emissions Reductions from Capped Sectors could come from. We urge CARB to bring these measures forward in the Final Scoping Plan as appropriate for implementation.

Consistent with the National Surface Transportation Policy and Revenue Study Commission's recommendations, we support the tolling of interstate highways in congested metropolitan areas. This would both open a new revenue source, to replace shrinking gas tax revenues, and provide incentives to peak period drivers to shift to transit, carpooling and off-peak auto travel, thus reducing peak period traffic congestion and GHG emissions. (See pages 5-24 through 5-28 of: [http://www.transportationfortomorrow.org/final\\_report/pdf/volume\\_2\\_chapter\\_5.pdf](http://www.transportationfortomorrow.org/final_report/pdf/volume_2_chapter_5.pdf) )

We are enthusiastic about the potential for Pay as You Drive auto insurance to reduce VMT. Feebates will be excellent incentives to steer purchasers towards lower-carbon emitting vehicles.

We believe 'Public Education and Programs to Reduce Vehicle Travel' to be worthwhile, but very weak in comparison to the billions of dollars the State spends annually to make driving easier. Such a program would need much higher visibility than it received in the Draft Plan to have any effect at all. If such a program were made the centerpiece of the transportation sector program, it would help call attention to its inherent conflict with where the State spends its transportation money.

For years, we have been advocating that Indirect Source Rules, including Mitigation Fees, are needed to correct a tremendous failure of market economics: greenfield development is much more profitable than infill development, yet creates vastly more environmental impacts. If the economic playing field were levelled through ISR mitigation fees, sprawling subdivisions would not be attractive to developers, and new investment would pour into downtown areas with transit, where the impacts will be much less.

#### TRANSDEF's Own Strategies

TRANSDEF has come before the Air Resources Board several times to ask the agency to adopt a list of Transportation Control Measures that it finds to be Reasonably Available. Unfortunately, VMT reduction was not seen back then as an area CARB felt comfortable in. The recognition of human-caused global warming, and the accompanying need to reduce VMT, should change that.

Because the California Clean Air Act requires non-attainment areas to adopt all feasible control measures, TRANSDEF believes this to be the most direct regulatory route to an effective VMT reduction program. Once CARB adopts a list of

reasonably available TCMs, air districts will then be required to implement them in their air quality plans. We would be pleased to discuss innovative TCM concepts in detail with CARB.

Here is one: Adoption of mitigations for increases in trip generation and GHG emissions as part of the conditions of local project approval. These should include best management practices in parking, including parking pricing, parking cash-out, ecopasses, car sharing, unbundling of parking from leases and real estate purchases, and committed funding for shuttles.

Here is another: The single most effective VMT reduction measure in California has been the Employee Trip Reduction Ordinance. Unfortunately, the Legislature rescinded the authority of air pollution control districts to impose such ordinances when it adopted Health & Safety Code Section 40717.9, enacted as SB 437. To implement effective strategies to reduce employee commute trips, the Scoping Plan needs to ask the Legislature to revisit this issue.

TRANSDEF recommends shifting as much goods movement as possible to rail, as a means of reducing GHG emissions. This could be encouraged by offering State funding for capital improvements through GHG offset programs and regional transportation plans.

#### Land Use and Local Government

The Transportation Solutions Defense and Education Fund, TRANSDEF, has actively advocated for the regional planning of land use, transportation and air quality for the past 15 years. With mobile sources being the biggest emissions category in the State's GHG inventory, we recognize that modifying the land use context in which transportation occurs is absolutely crucial to the success of the Scoping Plan. But the Plan has little to offer in this area.

#### Regional Targets

The Draft Scoping Plan fails to acknowledge how deeply entrenched in Business As Usual the system of General Plans, Congestion Management Plans and Regional Transportation Plans is. These plans have massive momentum which results in ever-increasing VMT. Changing the direction of land use and transportation planning is a very major task. While there are bright spots, such as SACOG's Blueprint process, the coordination of transportation and land use will only occur if the State steps in with mandates.

Having closely observed the Bay Area's regional transportation planning process for the past 15 years, it is abundantly clear that "recommending" the setting of regional GHG emissions reduction targets will not work. Local governments' satisfaction with what has worked in the past has resulted in enormous inertia. Even with all the scientific evidence of global warming available in 2008, an agency like MTC has proven itself utterly resistant to reconsidering its past commitments to transportation projects, despite the obvious negative impacts of those projects on GHGs.

Unless CARB mandates regional targets, agencies like MTC will remain deeply stuck in Business As Usual, incapable of making the necessary and difficult decisions to reduce emissions, such as cancelling politically popular highway programs that increase VMT and GHGs. As evidence of its stuckness, MTC refused TRANSDEF's

request to include in its RTP EIR a Maximum Emissions Reduction Alternative, which proposed a lower-carbon transportation system that would require reprogramming resources previously committed.

TRANSDEF strongly supports regional targets, and urges CARB to mandate a specific reduction target for each region, based on a per capita reduction for existing residents and a higher per capita reduction for future residents (who would be expected to adopt a lower-carbon lifestyle as a result of improved community design). We believe a mandate is needed to create the political space in which fresh thinking can occur. Our experience is that local government planning moves in an evolutionary and incremental manner--an arc that does not work when a profound challenge like global warming requires drastic change. With mandated regional targets, the local jurisdictions within each region will then be encouraged to negotiate with each other to create a consensus plan to achieve their regional target in the most mutually acceptable fashion possible. This kind of process will encourage the kind of 'blank sheet of paper' thinking that is needed when coming up with comprehensive creative solutions.

#### The Future Role of CMAs

TRANSDEF urges CARB to raise with the Legislature the issue of the future role for Congestion Management Agencies. These legislatively created agencies are mandated to reduce congestion. They have become the institutional driving force for highway widening projects within California. These projects and the development they facilitate, however, are central to the State's trend of ever-increasing VMT. In a letter last year to MTC, Bay Area CMAs declared that climate change should not be considered in regional transportation planning. The subtext was that they should be left alone to work on their highway projects. CMAs as institutions are inherently hostile to assisting with the implementation of AB 32. They do not see themselves as having a mandate to "partner with regional planning agencies to create a sustainable vision for the future that accommodates population growth in a carbon-efficient way." (Scoping Plan, page 32). We believe that legislatively changing the mission of CMAs will be crucial in shifting the politics of regional transportation planning agencies to support reducing mobile source GHGs.

#### High-Speed Rail

High-Speed Rail could serve as the future armature tying together the State's far-flung regions. Its routing serves as a de facto land use plan of where the State will grow in the future. As such, the High-Speed Rail project needs State-enacted land use controls, to make sure that development in future High-Speed Rail station areas helps the state achieve its goals for compact growth. Otherwise, the tremendous expense of the project will provide less than optimal benefits in shaping future growth. The needed controls would impose minimum density zoning guidelines as a requirement for station siting, to catalyze a densification of future growth around station areas, and a development focus on urban cores. These controls are needed because the High-Speed Rail FEIRs did not impose meaningful mitigations for growth inducement, or for the sprawl contained in current land use plans.

#### CEQA

The CEQA Guidelines need to identify what constitutes a significant impact. We suggest that emissions of additional GHGs be considered a significant impact. Add

the following to the Air Quality section of the Checklist: “Result in greenhouse gas emissions that delay the attainment of AB 32 targets?”

We believe the ARB will need to create an extensive CEQA Mitigation Bank, which will enable small projects to pay a mitigation fee to be able to receive a Mitigated Negative Declaration. Such an approach would avoid CAPCOA’s CEQA meltdown scenario, in which no projects would be able to get through CEQA without an EIR.

We see fees received from small land use projects being invested in renewable energy projects, solar generation plants, energy efficiency projects, and public transit capital projects. Both the fee itself, as well as the modelling process to determine the level of mitigation needed, as well as the investments of the mitigation bank itself will need to be carefully written into regulation, so as to achieve reliable GHG reductions. We see a Mitigation Bank possibly functioning as part of a future Cap and Trade program.

#### Funding for Urban and Infill Schools

A major impediment to Smart Growth is the perception of poor quality urban schools. Attracting families into cities will require good schools. Part of the solution will be additional funding from the State. Please note: The Education Code requirements for playing fields tend to prevent new schools from being sited in infill locations, and push them instead to greenfield locations far from students’ neighborhoods. This needs to be fixed.

#### Market-Priced Parking

We need to stop using public funds to subsidize parking. Requiring parking to pay its own way will have a VMT reduction effect, and will result in more economic use of scarce land resources.

#### LAFCOs and Infill Determination of Need

LAFCOs need to be instruments of State policy, restricting the annexation of vacant lands so as to push development into infill locations.

#### AB 32 Program Design Comments

While I am not an economist, I have been very struck by the website, [carbontax.org](http://carbontax.org) which contains the writings of Charles Komanoff. Rather than offering a series of links to articles and publications there, I urge CARB to thoroughly explore the site. I see several very large advantages to carbon taxes, as compared to cap and trade programs:

Cap and trade will require the creation of new institutions and expertise, which will be very costly. The thousands of lawyers and investment bankers that will be needed to make it work will add tremendous cost to the emissions reduction process.

Conferences currently being offered on the business opportunities that will be created by cap and trade suggest that vast sums that otherwise could go back to the public or into emissions reduction projects will be siphoned off by entrepreneurs. A carbon tax will be simple and inexpensive to administer and will not require an army of lawyers. The proceeds of the tax could be used to create cost-effective transit systems, as well as other low-carbon mitigations. Another possibility is to return the entire proceeds to taxpayers, to offset the increased cost of consumer goods.

Another tremendous problem with cap and trade is the potential for sophisticated gaming. (Think of how Enron manipulated the California energy market.) A carbon tax, on the other hand, is very straightforward. It should be easy to catch bad actors.

The chief benefit cited for cap and trade is the certainty that the target will be achieved. This is dubious: if the system is itself flawed, as was Europe's, or if it is gamed, it won't achieve its goal. On the other hand, a carbon tax can be adjusted in response to observations of energy consumption levels. This isn't rocket science!

I urge CARB to conduct a full public evaluation of the potential benefits of a carbon tax before being stampeded by the business community into adopting cap and trade. The very popularity of cap and trade with the business community should be enough to cause CARB to stop and evaluate whether implementing it would truly be in the public interest.