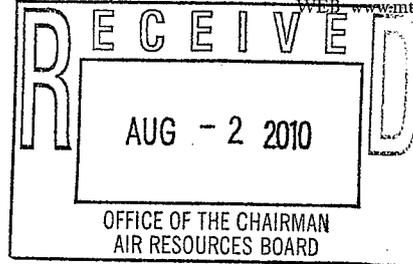




METROPOLITAN
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July 29, 2010



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Ms. Mary Nichols, Chair
Air Resources Board
P.O. Box 2815
Sacramento, CA 95812-2815

Dear Ms. Nichols:

I am pleased to submit for your consideration "Bay Area Principles for Establishing Regional Greenhouse Gas (GHG) Reduction Targets" as adopted by the Metropolitan Transportation Commission (MTC) on July 28, 2010 (see attached MTC Resolution No. 3970). The principles are intended to inform and assist the Air Resources Board (ARB) in its deliberations in setting the GHG targets for the Bay Area. It is our understanding that ARB staff will be releasing proposed final targets on August 9, 2010 and that the final targets will be adopted at your September 23, 2010 board meeting.

I think ARB and others will acknowledge that the Bay Area already has embarked on a fairly aggressive focused growth and GHG reduction strategy as evidenced by several of its long-standing and newer innovative plans and programs, including: MTC's Transportation for Livable Communities and Climate Initiative programs, as well as our transit-oriented development policy governing capital expansion projects; and ABAG's infill/transit oriented Projections series and FOCUS/Priority Development Area initiative.

Embodied in MTC Resolution No. 3970 is the Commission's recognition of the challenges ahead, including the impacts of accommodating more than 2 million additional residents in the Bay Area by 2035. As such, the Commission understands that we can't rest on any laurels and that we clearly need to do more in order to ensure the Bay Area remains a vibrant, healthy and desirable place to live.

In closing, we have been pleased to work in partnership with you and your staff, and the other metropolitan planning organizations on the target-setting process. We look forward to continued collaboration through development of our respective Sustainable Community Strategies.

If you or your staff should have any questions regarding these comments or any of the scenario analyses we have conducted, please feel free to contact me, or Doug Kimsey, MTC's Planning Director, at 510.817.5790 or dkimsey@mtc.ca.gov.

Sincerely,

Steve Heminger
Executive Director

Attachment

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Date: July 28, 2010
Referred by: Planning

ABSTRACT
Resolution No. 3970

This resolution approves the "Bay Area Principles for Establishing Regional Greenhouse Gas Reduction Targets."

Discussion of this resolution is contained in the Executive Director's Memorandum to the Planning Committee dated June 29, 2010.

Date: July 28, 2010
Referred by: Planning

Re: Bay Area Principles for Establishing Regional Greenhouse Gas Reduction Targets

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 3970

WHEREAS, pursuant to Government Code Section 66500 *et seq.*, the Metropolitan Transportation Commission ("MTC") is the regional transportation planning agency for the San Francisco Bay Area; and

WHEREAS, SB 375, Chapter 728, Statutes of 2008, amended Sections 65080, 65400, 65583, 65584.01, 65584.02, 65584.04, 65587, and 65588 of, and added Sections 14522.1, 14522.2, and 65080.01 to, the Government Code, and amended Section 21061.3 of, to add Section 21159.28 to, and to add Chapter 4.2 (commencing with Section 21155) to Division 13 of, the Public Resources Code, relating to environmental quality

WHEREAS, SB 375 requires MTC and Association of Bay Area Governments ("ABAG") to adopt a Sustainable Communities Strategy, which integrates MTC's Regional Transportation Plan (RTP) and the Projections and Regional Housing Needs Allocation process; and

WHEREAS, SB 375 specifies how MTC and the ABAG) are to collaborate in the preparation of the SCS; and

WHEREAS, SB 375 requires the SCS to achieve Greenhouse Gas emission reduction targets that are established by the California Air Resources Board ("CARB"); and

WHEREAS, SB 375 requires MTC and ABAG to quantify the reduction in greenhouse gas emissions projected to be achieved by the SCS and set forth the difference, if any, between the amount of that reduction and the target for the region established by CARB; and

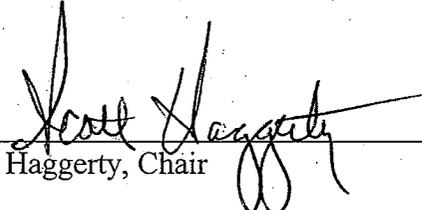
WHEREAS, SB 375 requires that, if an SCS is unable to reach the CARB target, the MPO prepare an Alternative Planning Strategy (APS) to the SCS, as a separate document from the RTP, showing how those greenhouse gas emission targets would be achieved through

alternative development patterns, infrastructure, or additional transportation measures or policies, as specified; and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, outlines "Bay Area Principles for Establishing Regional Greenhouse Gas Reduction Targets" to inform and guide CARB in setting these targets for the Bay Area; and now, therefore, be it

RESOLVED, that MTC approves the principle set forth in Attachment A to this resolution.

METROPOLITAN TRANSPORTATION COMMISSION



Scott Haggerty, Chair

The above resolution was approved by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on July 28, 2010.

Date: July 28, 2010
Referred by: Planning

Attachment A
Resolution No. 3970
Page 1 of 2

BAY AREA PRINCIPLES FOR ESTABLISHING REGIONAL GREENHOUSE GAS REDUCTION TARGETS – JULY 2010

1. The Bay Area's adopted long-range transportation plan (Transportation 2035) is extremely climate friendly by devoting over 80% of all available resources to operation and maintenance of the existing transportation network which will support the region's in-fill development strategy; 14% of remaining resources to a public transit expansion program subject to a transit-oriented development policy; and only 3% to road expansion featuring congestion pricing for single occupant auto access to almost all new highway capacity that will be constructed.
2. The Transportation 2035 Plan is expected to achieve a 3% per capita greenhouse gas (GHG) emission reduction by 2020 and a 2% per capita GHG reduction by 2035. The lower per capita reduction in 2035 likely is due to the forecast growth in vehicle travel and its impact in worsening congested highway speeds and their associated GHG emissions.
3. The strategies that the Bay Area is pursuing to reduce GHG emissions have significant co-benefits in improving mobility and access to vital destinations, reducing emissions of criteria pollutants, and creating more livable communities throughout the nine-county region.
4. The Metropolitan Transportation Commission (MTC) is nearing completion of an upgrade of its travel demand models from a trip-based to activity-based orientation. While this is expected to improve the accuracy of our models in predicting future travel behavior by all modes, it is unlikely to produce dramatic changes in the scenario planning results that MTC already has submitted to ARB.
5. Repeated MTC analyses dating back to our 1994 Regional Transportation Plan have consistently shown that the two most powerful strategies for altering travel behavior are changes in land development patterns and the price of auto travel. Implementing these strategies at a systematic scale will require significant local consensus-building and, in many cases, authorization by the State Legislature and United States Congress.
6. The Regional Targets Advisory Committee recommended that the California Air Resources Board (ARB) adopt a single statewide target for per capita GHG emission reductions in the state's metropolitan areas. If this is not achievable, ARB should only adopt different targets for different metropolitan areas based on sound planning practice and meaningful demographic differences, not arbitrary geographical classifications.
7. Based on the scenario planning conducted by MTC and federal requirements that regional transportation plans be grounded in realistic forecasts for available revenue and future growth, ARB should not establish a GHG target for the Bay Area that exceeds a 7% per capita reduction for 2020 or a 15% per capita reduction for 2035.

8. ARB should work with other executive agencies and the State Legislature to identify financial, regulatory, and other incentives that could be provided to help regions achieve and, if possible, exceed their per capita GHG reduction targets.
 9. As required by Senate Bill 375, ARB should regularly review the GHG targets established in 2010 and consider revisions based on changing economic and demographic conditions as well as the actual results achieved in the implementation of the Sustainable Communities Strategies.
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