November 13, 2015

Mary D. Nichols, Chair

California Air Resources Board

1001 I Street

Sacramento, CA 95814

RE: Cap-and-Trade Auction Revenue Proceeds Second Investment Plan

Dear Chair Nichols,

On behalf of the Center for Climate Change and Health and the Public Health Institute we are pleased to submit the following comments to the California Air Resources Board for the Cap-and-Trade Auction Proceeds Draft Second Investment Plan (Investment Plan).

We applaud the longer-term vision outlined in the Plan, particularly the emphasis on integrated and cross-cutting approaches and strategies for greenhouse gas emissions reductions that also offer opportunities for adaptation and other co-benefits. We also strongly support greater investment in rural communities, increasing investment in urban forestry, and developing a more comprehensive approach to resource protection and carbon sequestration.

We believe that the Investment Plan could be strengthened in several areas, and urge your consideration of the comments below as you finalize the Investment Plan. These comments supplement our prior comments on the Concept Paper.

**Health and Health Equity Impacts of Greenhouse Gas Emission Reduction Strategies**

We strongly support your commitment to maximizing co-benefits to public health, the environment, and the economy, and encourage prioritization of strategies with maximal health and health equity benefits. We are concerned that the scope, definition, assessment, quantification, and evaluation of health co-benefits have yet to be developed. We urge you to work with government, NGO, and community-based health experts to determine what the full scope of potential health and health equity benefits may be, and how they may be quantified and evaluated. We are concerned that without such evaluation, investment decisions cannot adequately prioritize programs or projects that maximize public health and health equity co-benefits, and projects with potentially adverse health consequences may be funded.

For example, while many GHGE reduction strategies yield significant air pollution benefits, the strategy with the likely greatest population health benefits is active transportation. Active transportation is inadequately prioritized in expenditures to date, or in the Plan, perhaps due to a lack of appreciation of its huge health co-benefits relative to other investments. On the other hand, the Plan proposes methane reduction strategies (e.g. digesters) without mention of the potentially adverse impacts to the disadvantaged communities in which they are likely to be implemented.Similarly, int eh case of weatherization/ energy retrofit projects, the plan makes no provision for the improvement of indoor air quality and occupant health.

We urge that a standardized approach to assessing health and health equity co-benefits and potential adverse health consequences be integrated into the evaluation and prioritization of GGRF investment proposals, and that the development and implementation of such evaluations be transparent to and inclusive of the communities likely to be impacted.

**Local Climate Action in Disadvantaged Communities**

We strongly endorse the need to support “local transformation through climate action in disadvantaged communities.” Achieving this laudable vision will require elimination of existing barriers for accessing funds, linkage to workforce capacity development and healthy living wage jobs, and improving the identification of disadvantaged communities. We also strongly endorse the emphasis on expansion of opportunities, participation, and climate investments in rural communities.  
(a) Greater technical assistance should be provided to enhance the ability of local government and community based organizations in disadvantaged communities to fully participate in the development and implementation of GGRF-funded applications and projects.   
(b) The Plan should more intentionally align project development with job creation and job training. Funding should require demonstration that job training and employment for low-income residents is incorporated into project implementation wherever feasible.  
(c) There is a vital need to define, and establish measures and evaluation methods for, what constitutes “benefit” for disadvantaged communities.  
(d) Many very disadvantaged communities are not identified through CalEnviroScreen. It is critical that all communities with high levels of health and economic disadvantage be eligible for GGRF support. We strongly urge consideration of the use of additional metrics in the determination of DAC.  
(e) We suggest that CARB consider contracting with local health departments to incorporate identification of community needs for GGRF investment purposes to the existing Community Health Needs Assessments processes that occur routinely in every local health jurisdiction

**Integrated Projects**

We fully support the Plan’s recognition that there is a need to break down silos across agencies and sectors. Such integration will allow communities to optimize greenhouse gas emission reductions with multiple co-benefits and maximize feasibility and efficiency of implementation. We believe the Plan should strengthen an integrated approach by:  
(a) Encouraging integration in all communities, not solely in disadvantaged communities;  
(b) Providing a mechanism for communities to submit a single streamlined application for integrated projects, including potential pooling of funding from multiple State agencies for integrated projects.  
(c) Prioritizing funding of integrated projects that address multiple strategies (e.g. pairing of active transportation infrastructure with affordable housing, integration of urban heat island reduction strategies in building energy efficiency).  
(d) Support and prioritize projects that both reduce GHGE and promote climate resilience, for example through the use of green infrastructure and nature-based solutions.

**Transportation & Sustainable Communities**

We remain concerned that active transportation is inadequately prioritized and highlighted within the Plan, particularly in light of the very substantial health and health equity co-benefits we believe can accrue from increased active transportation.   
(a) Specific targets for reduction in vehicle miles traveled and increases in mode share for walking and biking should be established within the Investment Plan.  
 (b) In addition to funding of bicycle and pedestrian infrastructure, programs that support and promote the use of active transportation should be included, for example youth bus passes, streetscape improvements such as lighting and drought-tolerant shading, and bike parking and bus stop facilities.  
(c) We endorse the comments of the Coalition for Active Transportation Leadership.

Inclusion of funding for strategies to minimize displacement of current residents as these investments increase neighborhood property values is critical.

**Clean Energy & Energy Efficiency**

1. Funding for energy retrofits and weatherization of existing buildings should be sufficient to ensure positive indoor air quality impacts for residents, including over the life of the investment.
2. Local governments and state agencies should develop mechanisms that provide for automatic enrollment of income-eligible households in all applicable programs that support energy efficiency and weatherization.

**Natural Resources and Waste Diversion**

We strongly support efforts to protect open space, natural lands, farmlands and ranchlands.   
(a) We urge significant expansion of investments in the Urban Forestry program, and that it include expanded and targeted funding for urban agriculture, including land acquisition and development of urban agriculture spaces.   
(b) Urban school grounds should be prioritized for urban greening and green infrastructure funding, both to provide enhanced heat and flood resilience and in light of the multiple co-benefits that have been documented when children have access to natural spaces..

Thank you for considering these comments.



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