



GREATER SACRAMENTO  
ECONOMIC COUNCIL

May 2018

California Air Resources Board (CARB)

RE: Targeted Investments towards future mobility innovation would spur worthwhile economic impact.

Dear Air Resource Board,

Thank you for accepting comments on the proposed Beneficiary Mitigation Plan (hereinto referred as the Plan). Our comment is on the sentence on page 4 of the Plan, which reads "The proposed funding above provides a balanced approach for fully mitigating the excess NOx by investing in cost-effective project using cleaner combustion technologies, such as low NOx, **and for committing to long-term goals by investing in zero-emission technologies.**" The Greater Sacramento Economic Council<sup>1</sup> asserts that the Plan does not invest in zero-emission technologies, rather, the Plan invests in the consumption of zero-emission technologies. Our comment is that CARB should invest \$11.2 million in a business startup accelerator focused on future mobility sited in the Greater Sacramento region to ensure a true investment in zero-emission technologies.

For CARB to have a positive impact on the workforce and job growth, the funds must be put towards a targeted investment such as a business startup accelerator focused on future mobility. Germany, a global leader in ZEVs, has used this model to create advanced industry jobs and spur innovation. **Implementation of the German future mobility accelerator model in Sacramento is expected to generate \$154 m in direct economic impact (and an indirect economic impact of \$4.86 b), prepare the next generation of auto industry workers, and create a robust economic cluster.**

The suggested model would align well with CARB's current investment Plan to reverse the disproportionate impacts of VW's 10,000 tons of greenhouse gas on vulnerable populations. A center focused on future mobility in Sacramento would offer educational experiences to K-12 students (a vulnerable population), technicians and engineers. Such a center would also provide education and design development support for innovations in the automotive industry and serve as the foundational building block to a future mobility cluster here in Sacramento. The long-term outcome of this investment will fill in the missing link in what is CARB's expected investment impact: it will create inclusive job opportunities for our low, middle and high-skilled labor force through ZEV automobile/component manufacturing and R&D. **The economic impact of implementing this model is expected to result in a total of 4,860 direct and indirect jobs for the Sacramento region.**

Full implementation of this model in Sacramento would need an investment of \$11.2m from the VW Environmental Mitigation Trust, which would be leveraged to gather \$86m in private investment for implementation support. Investments in inclusive job growth will drive sustainable growth in the ZEV industry, and we suggest you start here in Sacramento.

Sincerely,

Barry Broome,

President & CEO of the Greater Sacramento Economic Council

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<sup>1</sup> The Greater Sacramento Economic Council (GSEC) is a non-profit organization whose mission is to drive sustainable, regional economic growth.