

JOINT MEETING
STATE OF CALIFORNIA
CALIFORNIA AIR RESOURCES BOARD
AND
CALIFORNIA TRANSPORTATION COMMISSION

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Mr. John Eisenhut

Supervisor John Gioia

Ms. Judy Mitchell

Senator Bill Monning

Mrs. Barbara Riordan

Supervisor Phil Serna

Dr. Alex Sherriffs

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Mr. Bob Alvarado

Ms. Yvonne Burke

Ms. Tamika Butler

Ms. Lucy Dunn

Mr. Carl Guardino

Ms. Christine Kehoe

Ms. Hilary Norton

Mr. Joseph Tavaglione

A P P E A R A N C E S C O N T I N U E D

CALIFORNIA TRANSPORTATION AGENCY:

Mr. David Kim, Agency Secretary

Mr. Darwin Moosavi, Deputy Secretary

CARB STAFF:

Mr. Richard Corey, Executive Officer

Ms. Edie Chang, Deputy Executive Officer

Mr. Steve Cliff, Deputy Executive Officer

Mr. Kurt Karperos, Deputy Executive Officer

Ms. Ellen Peter, Chief Counsel

Ms. Veronica Eady, Assistant Executive Officer

Ms. Jen Gress, Chief, Sustainable Transportation and
Communities Division

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Mr. Craig Segall, Assistant Chief Counsel

Ms. Maggie Witt, State Air Pollution Specialist

Mr. Stanley Young, Director of Communications

CTC STAFF:

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Mr. Mitch Weiss, Chief Deputy Director

Mr. Garth Hopkins, Deputy Director

Mrs. Laura Pennebaker, Associate Deputy Director

Mrs. Teresa Favila, Associate Deputy Director

A P P E A R A N C E S C O N T I N U E D

CTC STAFF:

Mrs. Laurie Waters, Associate Deputy Director

Mrs. Dawn Cheser, Associate Deputy Director

Ms. Brigitte Driller, Assistant Deputy Director

Mr. Matthew Yosgott, Associate Deputy Director

Mrs. Christine Gordon, Assistant Deputy Director

Ms. Amy Macpherson, Public Information Officer

Mr. Doug Remedios, Associate Governmental Program Analyst

SPECIAL GUESTS:

Ms. Kristine Cai, Deputy Director, Fresno Council of Governments

Mr. Andrew Chesley, Executive Director, San Joaquin Council of Governments

Mr. Vito Chiesa, Stanislaus County Supervisor

Ms. Kate Gordon, State of California, Director, Office of Planning and Research

Mr. Ahron Hakimi, Executive Director, Kern Council of Governments

Ms. Terri King, Executive Director, Kings County Association of Governments

Mr. Zachary Olmstead, Deputy Director, Department of Housing and Community Development

Ms. Rosa Park, Executive Director, San Joaquin Council of Governments

Mr. Ted Smalley, Executive Director, Tulare Council of Governments

A P P E A R A N C E S C O N T I N U E D

SPECIAL GUESTS:

Ms. Patricia Taylor, Executive Director, Madera County
Transportation Commission

Ms. Tanisha Taylor, California Association of Councils of
Government

ALSO PRESENT:

Mr. Will Barrett, American Lung Association

Mr. Sean Edgar, CleanFleets.org

Ms. Chanell Fletcher, ClimatePlan

Ms. Elaine Gorman

Mr. Kevin Hamilton, Central California Asthma
Collaborative

Ms. Julia Jordan, Leadership Counsel for Justice and
Accountability

Ms. Linda Khamoushian, California Bicycle Coalition

Mr. Ryan Kenny, Clean Energy

Mr. Bill Magavern, Coalition for Clean Air

Ms. Esther Rivera, California Walks

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P R O C E E D I N G S

CTC VICE CHAIR VAN KONYNENBURG: I'll call this meeting to order. Good morning. My name is Paul Van Konynenburg.

Doug Remedios, will you call the roll for the Transportation Commissioners?

CTC CLERK REMEDIOS: Good morning, Mr. Vice Chair. Thank you very much.

Commissioner Alvarado?

CTC COMMISSIONER ALVARADO: Yes, sir.

CTC CLERK REMEDIOS: Commissioner Burke?

CTC COMMISSIONER BURKE: Here.

CTC CLERK REMEDIOS: Commissioner Butler?

CTC COMMISSIONER BUTLER: Here.

CTC CLERK REMEDIOS: Commissioner Dunn?

CTC COMMISSIONER DUNN: Here.

CTC CLERK REMEDIOS: Commissioner Ghielmetti?
Commissioner Guardino?

CTC COMMISSIONER GUARDINO: Present.

CTC CLERK REMEDIOS: Commissioner Kehoe?

CTC COMMISSIONER KEHOE: Here.

CTC CLERK REMEDIOS: Commissioner Norton?

CTC COMMISSIONER NORTON: Present.

CTC CLERK REMEDIOS: Commissioner Tavaglione?

CTC COMMISSIONER TAVAGLIONE: Present.

1 CTC CLERK REMEDIOS: Vice Chair Van Konynenburg?

2 CTC VICE CHAIR VAN KONYNENBURG: Here.

3 CTC CLERK REMEDIOS: Chair Inman?

4 Senator Beall?

5 Assembly Member Frazier?

6 Mr. Vice Chair, we have quorum.

7 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

8 Would the CARB Clerk please call the roll of CARB
9 Board members, please?

10 ARB BOARD CLERK CARLOS: Dr. Balmes?

11 BOARD MEMBER BALMES: Here.

12 ARB BOARD CLERK CARLOS: Mr. De La Torre?

13 ARB BOARD MEMBER DE LA TORRE: Here.

14 ARB BOARD CLERK CARLOS: Mr. Eisenhut?

15 BOARD MEMBER EISENHUT: Here.

16 ARB BOARD CLERK CARLOS: Supervisor Fletcher?

17 Senator Flores?

18 Assembly Member Garcia?

19 Supervisor Gioia?

20 ARB BOARD MEMBER GIOIA: Here.

21 ARB BOARD CLERK CARLOS: Ms. Mitchell?

22 ARB BOARD MEMBER MITCHELL: Here.

23 ARB BOARD CLERK CARLOS: Senator Monning?

24 SENATOR MONNING: Here.

25 ARB BOARD CLERK CARLOS: Mrs. Riordan?

1 ARB BOARD MEMBER RIORDAN: Here.

2 ARB BOARD CLERK CARLOS: Supervisor Serna?

3 ARB BOARD MEMBER SERNA: Here.

4 ARB BOARD CLERK CARLOS: Dr. Sherriffs?

5 ARB BOARD MEMBER SHERRIFFS: Here.

6 ARB BOARD CLERK CARLOS: Professor Sperling?

7 Ms. Takvorian?

8 Vice Chair Berg?

9 Chair Nichols?

10 ARB CHAIR NICHOLS: Here.

11 ARB BOARD CLERK CARLOS: Madam Chair, we have a
12 quorum.

13 CTC VICE CHAIR VAN KONYNENBURG: Thank you,
14 everyone, for attending this morning and welcome to
15 Modesto. And as we like to say everything you liked in
16 your youth came from Stanislaus County. Your candy bar
17 was made here. Your favorite movie was conceived here.

18 This is the second of two annual joint meetings
19 this year. The first meeting was in 20 -- of 2019 was
20 held in Sacramento back in April. This is a very
21 important meeting today. In the past month, the Governor
22 has issued an Executive Order directing State agencies to
23 take further action in climate change. He has signed
24 Assembly Bill 185, which requires a representative from
25 the Department of Housing and Community Development to be

1 included in our joint meetings starting next year. And he
2 has appointed two new Commissioners, Tamika Butler -
3 Tamika, if you would raise your hand - and Hilary Norton.
4 Welcome, Tamika and Hilary.

5 CTC VICE CHAIR VAN KONYNENBURG: We have a new
6 Secretary of California Transportation Agency, Secretary
7 David Kim. I don't believe he has joined us yet this
8 morning. He had some phone calls. This is his first
9 joint meeting.

10 The Governor has also announced the appointment
11 of a new Director of CalTrans, Toks Omishakin, who will
12 begin later this month. We look forward to meeting him.

13 Commissioner Lucy Dunn is fond of saying, "Homes
14 are where jobs go to sleep at night". And the closer
15 people live to where they work, the less time and effort
16 they spend on their commute. AB 185 expands the focus of
17 these joint meetings to coordinate the implementation of
18 policies that jointly affect transportation, air quality,
19 and housing. While this change is not effective until
20 next year, we are excited to begin including the housing
21 sector into our conversations.

22 Zachary Olmstead, Deputy Director of Housing
23 Policy for HCD is at the meeting today. Zachary, please
24 raise your hand.

25 Hi, Zach. And we'll provide a presentation on

1 the State's housing requirements. I would like to take a
2 moment to mention the following -- the following
3 finalization of the Safer Affordable Efficient Vehicle
4 Rule, the SAFE Rule.

5 On September 19th, the Commission will -- is
6 looking at hosting a public workshop in the future to
7 discuss the potential impacts to transportation deliver --
8 project delivery. I am looking forward to the
9 presentations we have today, including an update on the
10 SAFE Vehicles Rule, an overview of Governor Newsom's
11 recent Executive Order, and a panel discussion on
12 sustainable transportation planning and project imple --
13 project implementation in the San Joaquin Valley.

14 I will now introduce Chair Nichols and thank
15 Chair Nichols for the meeting we had at the beginning of
16 June here in Modesto where a lot of -- we had some
17 successful outcomes on dealing with sustainable
18 transportation planning here in the valley. So thank you,
19 Chair Nichols, for all of your help.

20 ARB CHAIR NICHOLS: Thank you also.

21 I guess this is on, right?

22 Excuse me.

23 Well, first of all, I also would like to welcome
24 the two new Commissioners, both fellow Southern
25 Californians. It's great to see you here. And I'm

1 looking forward to working with you to achieve the State's
2 vision of a future where all Californians have access to a
3 range of affordable transportation and housing options
4 that increase access to economic opportunity, reduce
5 greenhouse gas emissions, and promote community
6 resiliency.

7 The meetings that we've had to date between our
8 two boards have, I think, improved coordination and
9 communication between our two agencies, as was evidenced
10 by our workshop back in May on the federal government's
11 rollback of national emission standards by sharing
12 information and common concerns in that venue and the
13 ongoing conversations. Since then, we've made
14 California's position on that matter stronger and
15 certainly improved our voice -- made our voice heard more
16 successfully at the national level.

17 On that topic, I do want to update folks on our
18 ongoing battles against the Trump administration's effort
19 to dismantle programs that protect public health and cut
20 air pollution, while increasing consumer choice and
21 reducing fuel costs.

22 In mid-September, the Trump administration
23 finalized the SAFE Vehicle Rule as it's called. And in
24 doing so, they withdrew, or purported to withdraw,
25 California's Clean Air Act waiver for our greenhouse gas

1 and zero-emission vehicle standards. These standards so
2 far have been in effect -- in the years that they've been
3 effect -- in effect have not only improved air quality,
4 but they've also driven innovation and prevented some
5 serious pollution-related public health impacts.
6 Furthermore, the benefits extend beyond California to 13
7 other states and the District of Columbia that have
8 adopted California's standards.

9 The reasons that the administration has cited for
10 taking this action defy reality. They claim that cutting
11 the standards will reduce vehicle prices, which is wrong.
12 The EPA's own analysis shows that consumers will save
13 money under the current existing standards. They also say
14 that revoking the waiver will make cars safer. And this
15 is just nonsense. We don't need to make cars more
16 polluting to make them safer. We need to make them safer.
17 And their legal preemption arguments aren't any better.

18 I don't want to spend more time debating the
19 merits of the case, but just to say that there's really
20 been no change in terms of the stance that the
21 administration is taking unfortunately, and therefore,
22 there are consequences for us, and for the CTC, and for
23 the Metropolitan Planning Organizations, and other
24 stakeholders who may be here or tuning in today.

25 We will be required to take action. And I'm

1 confident that we can and will confront the challenge
2 particularly related to air quality conformity. While the
3 federal action does not identify any immediate issues
4 about conformity - they just don't say anything about it -
5 we recognize that there are serious issues here. And as
6 such, we've established an interagency coordination group
7 and we will be reaching out to transportation agencies and
8 other stakeholders to identify near- and longer-term
9 issues. We're confident that we can work together to
10 address them and we will be able to identify solutions,
11 but it's going to take some work.

12 Now, I also want to say a word about our host
13 region. I'm really glad that we're having today's meeting
14 here in the San Joaquin Valley. Because while this region
15 faces some unique and difficult air quality and
16 transportation challenges, the Air District, and other
17 agencies, and levels of government have really worked hard
18 to continually produce air quality improvements over the
19 last 15 years. And I think it's important that we
20 recognize that fact, that while we have a ways to go --
21 quite a ways to go to meet standards, we have continually
22 made progress at whittling away at this problem, despite
23 many challenges, including growth in vehicle miles
24 traveled.

25 CARB and the local air district are collaborating

1 closely to implement the current particulate matter
2 standards for the valley that were adopted last January.
3 Our efforts are focusing on ensuring that we're making
4 progress continually. Implementation is underway, but we
5 have a lot of work to do, as we've said. We're working on
6 strengthening rules, funding incentive programs, which
7 everybody recognizes must be funded, and accelerating
8 transportation, planning, and implementation to advance
9 air quality and climate goals.

10 So to that end, I'm looking forward to hearing
11 from the valley MPOs about some of the transformative and
12 innovative projects that they're implementing as part of
13 their Sustainable Communities Strategies pursuant to SB
14 375. And again, these are projects that have multiple
15 benefits associated with them. So it's really good that
16 we're able to recognize the framework that was established
17 in 375 with CARB setting targets, but then the strategies
18 allowing and encouraging MPOs and local governments to
19 define their own destiny choosing the strategies that get
20 them to their target in the way that makes most sense for
21 their local region and also help to illuminate their goals
22 and visions for their communities.

23 Finally, I want to acknowledge Governor Newsom's
24 recent landmark Executive Order, which will help the State
25 continue to lead on climate, as well as deliver further

1 reductions from the transportation sector. This order
2 addresses one of the key opportunity areas that were
3 recognized in our recent report that we filed under Senate
4 Bill 150, which is to align our transportation and housing
5 policies and investments to support climate, air quality,
6 health, equity, and economic goals. So this is all about
7 implementation, whereas the Governor said in New York,
8 when he spoke at climate week in front of nations of the
9 world, we are building on all of the goals and targets
10 that we've set, and all of the policies, but now this is
11 about implementation.

12 So looking forward to the discussion and to the
13 whole agenda. Thank you very much. And now I'll pass the
14 baton back.

15 CTC VICE CHAIR VAN KONYNENBURG: Thank you, Chair
16 Nichols. So the CTC exists to make transportation
17 planning, funding, and policy more understandable and
18 accountable. We welcome comments from the public. The
19 public comment agenda item is scheduled for 1:00 p.m.
20 However, that could come forward or move back. Those who
21 wish to make public comments, we ask that they fill out a
22 speaker card and give it to Doug Remedios. Doug, could
23 you raise your hand?

24 Please do your best to be concise with your
25 comments. Since we often have many speakers, we may limit

1 your comment period to anywhere from one to three minutes
2 depending on how many speakers we have.

3 Doug, would you please give us a brief safety
4 briefing.

5 CTC CLERK REMEDIOS: Thank you, Mr. Chair.

6 Ladies and gentlemen, if there is any emergency,
7 there are exit doors on either side of there, over here.
8 Please exit the building out to the green area out in
9 front of the community center and await further
10 instructions. If you have a medical emergency, please
11 bring it to our attention. We will call 911 and have
12 emergency responders come to you where you're at.

13 If you have any questions, please let me know.

14 CTC VICE CHAIR VAN KONYNENBURG: That you, Doug.

15 I'd like to acknowledge Secretary Kim has now
16 joined the meeting. Thank you, Secretary Kim. If anyone
17 hasn't met him, that's who he is.

18 (Laughter.)

19 CTC VICE CHAIR VAN KONYNENBURG: I'd now like to
20 ask Director Susan Bransen of the California
21 Transportation Commission to offer comments.

22 CTC EXECUTIVE DIRECTOR BRANSEN: Well, I'm going
23 to keep my comments rather brief. I wanted to give you
24 all an update on the Commission's effort to develop
25 guidelines for the next round of funding for the

1 Commission's discretionary programs, the Active
2 Transportation Program, the Congested Corridors Program,
3 the Local Partnership Program and the Solutions for
4 Congested Corridors Program.

5 These -- we have made a decision to move out the
6 date for adopting guidelines to ensure that our guidelines
7 will align with the Transportation Agency's Freight
8 Mobility Plan. And so in doing that, we are in the
9 process of writing guidelines where the plan is that the
10 Congested Corridors Program Guidelines would be adopted in
11 January of 2020, and all the other competitive program
12 guidelines would be adopted in March 2020.

13 And this is a very important time for all of us
14 to work together as we put those guidelines in place and
15 bring those to the Commission for adoption, because those
16 are the guidelines that will help us in achieving the
17 State's goals and objectives with regards to climate
18 change, housing, but also mobility safety, our -- just our
19 overall environmental goals, and our economy, and so much
20 more. So we have been holding public workshops. And we
21 just encourage all of you to participate in those and help
22 us inform and get those guidelines right.

23 I also wanted to just take the opportunity to
24 thank our respective staffs that put together this meeting
25 that we're having today. A lot of work goes into these

1 meetings. And I just want to thank all of you that have
2 helped us bring forward a good -- a good program today, a
3 good -- a good meeting. And also our presenters, I just
4 want to thank you for preparing and for being here today,
5 and also to the valley for hosting us.

6 So with that, Mr. Chair, I'll pass it back.

7 CTC VICE CHAIR VAN KONYNENBURG: Thank you,
8 Director Bransen. Now, I'll call on California Air
9 Resources Board Executive Officer Richard Corey.

10 ARB EXECUTIVE OFFICER COREY: Yes, thanks, Vice
11 Chair.

12 And as noted, we're pleased to be here. And I
13 really look forward to hearing from today's speakers about
14 the transportation, housing, and the air quality
15 challenges we face, and how we're partnering to identify
16 solutions.

17 Chair Nichols highlighted the Trump
18 administration's attack on California's authority. But
19 the attacks didn't end with the SAFE Rule. We received a
20 letter a few weeks ago from U.S. EPA Administrator Wheeler
21 suggesting that EPA would impose federal highway funding
22 sanctions outlined in the Clean Air Act for what Mr.
23 Wheeler described as California's failure to carry out its
24 air quality responsibilities under the Act.

25 As evidence of this claim, the EPA Administrator

1 looks to EPAs backlog of California's State Implementation
2 Plans, or SIPs - a backlog created by EPA's failure to act
3 on SIP submissions. Administrator Wheeler's letter
4 appeared only days after EPA attacked our State's
5 authority on car emissions, and as Chair Nichols noted, an
6 act that will increase air pollution while also limiting
7 our ability to reduce it.

8 The letter from U.S. EPA contains multiple
9 inaccuracies, omissions, and misstatements. EPA failed to
10 act on these submittals for years and is now threatening
11 California regarding paperwork issues of its own creation.
12 We've been working in a very methodical manner with staff
13 at EPA to reduce their backlog and will continue to do so.
14 But EPA also needs to do its job and protect air quality.
15 California and other states had to go to court repeatedly
16 to get the EPA to implement that strict smog standards it
17 claims to be worried about.

18 Regarding the federal highway sanctions referred
19 to in EPA's letter and provided for in the Clean Air Act,
20 these sanctions govern all our work on SIP submittals and
21 implementation of those SIPs. This is nothing new. As I
22 mentioned, we'll continue to work with EPA to reduce the
23 backlog and to achieve approval of the California SIPs
24 before them.

25 California has met federal air quality standards

1 in the past, and we're working hard to meet the current
2 ones. But we cannot get there until federal government
3 addresses emissions of federally regulated mobile sources
4 including heavy-duty trucks, locomotives, planes, and
5 ships. The proportion of emissions from these sources
6 will increase in the future as emissions from sources
7 under California's authority continues to drop.

8 With all that said, I'd like to focus briefly on
9 how CARB is working with its partners to improve air
10 quality and protect public health, particularly here in
11 the valley, which has a unique set of air quality and
12 transportation challenges.

13 We at CARB are committed to helping this region
14 overcome these challenges through incentives, regulations,
15 and key strategic partnerships. The remainder of my
16 remarks this morning will highlight some of the ways that
17 we're working to help the valley reduce emissions and
18 improve air quality, while also contributing to healthy
19 and sustainable communities.

20 To date, the valley has received hundreds of
21 millions of dollars through CARB's broad portfolio of
22 incentive programs. These programs advance the
23 zero-emission light-duty vehicle market, clean
24 transportation equity projects, clean heavy-duty vehicles
25 and off-road equipment, and cutting-edge demonstration

1 technologies. They also influence the many sectors that
2 are important to the economy and to the character of the
3 valley, including freight, the agricultural industry, and
4 transportation.

5 A few projects and programs worth mentioning
6 include one right here in Modesto, where 15 million in
7 Cap-and-Trade dollars are funding heavy-duty battery,
8 electric trucks, as well as low NOx trucks that will run
9 on renewable natural gas. The Prop 1B Program has also
10 delivered \$188 million to the valley funding cleaner
11 trucks, locomotives, and transportation refrigeration
12 units.

13 In the agricultural sector, the FARMER Program
14 funds cleaner vehicles and equipment used in agricultural
15 operations like tractors, trucks, and pumps. The
16 Community Air Protection Incentive Program funds clean air
17 projects in the most impacted communities in the valley.
18 Over 60 percent of the \$80 million appropriated so far has
19 been committed to projects funding off-road agricultural
20 equipment, locomotives, and school buses, including 22
21 zero-emission school buses.

22 As CARB looks for ways to help clean up the
23 valley air, it also considers new regulations to
24 facilitate advancements in zero and near zero-emission
25 emission technologies and to encourage turnover of dirty

1 buses and trucks.

2 For example, we have an Advanced Truck Regulation
3 that will come before our Board in December. And the
4 Board already adopted the Innovative Clean Transit
5 Regulation last December. Both rules will spur
6 development of zero-emission trucks and buses.

7 We know that we can't do this work alone. We
8 rely on key strategic partnerships to be successful. Our
9 incentive programs especially depend on partnerships with
10 the air districts, community-based organizations, as well
11 as other state, regional, and local agencies like those
12 here today. Working together is essential to ensure that
13 these programs provide meaningful benefits in the
14 communities we serve.

15 This underscores the importance of these joint
16 meetings. By getting together a couple times a year,
17 we're far better able to learn from partner -- and partner
18 with one another and support one another as well. And
19 it's worth noting these joint ventures are not only taking
20 place between our two agencies. Last week, I was in the
21 valley for a joint Senate Bill 100 scoping workshop with
22 the Public Utilities Commission and the Energy Commission.

23 While we have a lot of work to do to clean up the
24 air here in the valley, there's clearly great work
25 underway. And we're pleased to be a partner in the effort

1 to reduce emissions, improve air quality and public
2 health, and enhance resilient and sustainable communities.
3 We're striving to create additional opportunities to clean
4 the air and advance sustainable transportation in the
5 valley and throughout the state.

6 With that, I end my remarks.

7 Thank you.

8 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

9 We'll now move to our next topic. It's an update
10 on the SAFE Vehicle Rule. Craig Segall with the
11 California Air Resources Board -- raise your hand, Craig,
12 so everyone knows who you are - and Darwin Moosavi from
13 the California State Transportation Agency - raise your
14 hand. There you go - and Tanisha Taylor from the
15 California Association of Councils of Government are here
16 and going to give us an update.

17 So Craig we'll start with you. And I will just
18 ask that Commissioners and Board members we'll hold your
19 questions till the end. Write them down. And then we'll
20 have a question and answer period at the end of their
21 present -- all three of their presentations.

22 Thank you. Go ahead, Craig.

23 (Thereupon an overhead presentation was
24 presented as follows.)

25 ARB ASSISTANT CHIEF COUNSEL SEGALL: All right.

1 Well, good morning, everyone. I'm Craig Holt Segall. I'm
2 Assistant Chief Counsel of the California Air Resources
3 Board. And I'm glad to be here with Darwin and Tanisha.
4 Sitting here at the same table indicates how closely we're
5 already working together to deal with these issues and
6 we'll continue to do so.

7 So my role today is to begin this update on the
8 ongoing litigation around the federal attacks on our
9 vehicle emission standards and some of their implications
10 for transportation. Because this is early stages, this
11 will be a high level briefing. The very high level is
12 it's illegal and we're doing our best to handle it.

13 (Laughter.)

14 --o0o--

15 ARB ASSISTANT CHIEF COUNSEL SEGALL: So where do
16 we start?

17 The Trump administration has continued to move
18 forward in two phases to finalize its rollback of vehicle
19 emission standards and to attack our own. The first of
20 those phases was finalized a few weeks back, which as the
21 proposed -- which revokes California's waiver for its GHG
22 and ZEV programs and determines those programs to be
23 preempted by the federal fuel economy statute.

24 The second phase of that rollback, which is not
25 yet final, proposes to flat line federal greenhouse gas

1 emission standards for cars and pick-up trucks at 2020
2 levels through model year 2026. Although, it considered a
3 range of slightly less extreme rollbacks.

4 That second proposal was opposed by 17 auto
5 companies, the UAW, consumer reports, and most of the
6 states, and has not yet been finalized, but we expect to
7 see it finalized sometime later this year.

8 CARB submitted extensive comments on both of
9 these actions, which we believe to be illegal and contrary
10 to the factual record. We will proceed and are already
11 proceeding with litigation on these attacks as
12 appropriate.

13 --o0o--

14 ARB ASSISTANT CHIEF COUNSEL SEGALL: So we are
15 already litigating to defend Californians. At the end of
16 September, as I mentioned, the first phase of the rollback
17 was finalized. The next day, we filed suit in the federal
18 district court for Washington D.C. to challenge the rule
19 issued by the U.S. Department of Transportation's National
20 Highway Transportation Safety Administration, or NHTSA.
21 That again was the rule purporting to preempt our vehicle
22 emission standards.

23 We were joined at the time by 22 other states,
24 including -- and then plus California, Washington D.C.,
25 and the cities of Los Angeles and New York. That was

1 accurate as of yesterday. San Francisco, the City and
2 County have joined that litigation as well.

3 We also have ongoing litigation regarding and
4 earlier federal decision to scrap the Obama era standards.
5 And we'll continue to file appropriate litigation
6 including, in the near future, against U.S. EPA's legally
7 separate attempt to revoke California's waiver for its GHG
8 and zero-emission vehicle programs.

9 --o0o--

10 ARB ASSISTANT CHIEF COUNSEL SEGALL: CARB is
11 fighting this hard, because these rollbacks have very
12 large negative consequences for all of us. The rollback
13 would allow vehicle greenhouse gas emissions to increase
14 by tens of millions of tons over time, as well as
15 increasing emissions that form smog and soot at the very
16 moment when we most need to keep cutting them.

17 The result would be increased pollution burdens
18 even as we need these deep pollution cuts to meet these
19 federal ambient air quality standards, as Mr. Corey
20 discussed a moment ago. Large parts of California have
21 the worst air quality in the nation and we need strong
22 vehicle standards, including the greenhouse gas and
23 zero-emission vehicle standards to help meet State
24 Implementation Plan, or SIP is the term, federal air
25 quality commitments.

1 We risk increased asthma, heart disease, and
2 other health threats to Californians, as well as harm to
3 our efforts to address climate change. So this is both a
4 public health issue and a climate issue.

5 Importantly for this group, dirtier cars mean the
6 transportation projects that increase the use of cars will
7 also be more polluting. This has near-term implications,
8 as those impacts do need to be disclosed and addressed
9 properly in transportation planning. It can also have
10 long-term implications if the Trump administration actions
11 are not reversed, as dirty cars make it hard for us to
12 attain air quality standards in the long term, as well as
13 our state climate goals.

14 --o0o--

15 ARB ASSISTANT CHIEF COUNSEL SEGALL: Recognizing
16 this link between emission standards compliance and
17 successful transportation planning, CARB, working with our
18 partners, is taking a hard look at the recent federal
19 actions and our own tools to address them here in
20 California.

21 CARB's EMFAC, which stands for emissions factor
22 model, which is used for conformity, assumes continued
23 operation of our zero-emission vehicle standard, which as
24 I've noted the feds have purported to preempt. If that
25 program remains preempted, we'll need to consider ways to

1 reflect the effects of that decision in conformity
2 analysis. We also need to continue our joint work to help
3 to keep cleaning up the air and reducing vehicle miles
4 traveled.

5 The federal government has, thus far, not stated
6 any position at all on transportation conformity for
7 California projects. It has not indicated that we need to
8 revisit conformity, a process usually initiated by stating
9 that we are in a conformity lapse or freeze. Instead, its
10 rulemaking documents indicate that the federal
11 administration expects states to address any relevant
12 changed circumstances themselves.

13 This means that though we do face complex issues,
14 we have some time and space to work out how to address
15 them here in California, and that is what we are doing.

16 --o0o--

17 ARB ASSISTANT CHIEF COUNSEL SEGALL: So even as
18 litigation continues, we are addressing these changed
19 circumstances as best as we can deliberately and quickly.
20 The rollbacks have created real problems. To address
21 them, there's a joint CARB/CalSTA/Caltrans working group
22 already established to explore near- and long-term impacts
23 on conformity and on transportation planning. That
24 working group will be reaching out to planning bodies
25 throughout the state as needed. And I know some of those

1 meetings are already happening.

2 We are working to assess the emissions impact of
3 the federal rule, develop an adjustment factor for
4 conformity models that can be implemented quickly, and
5 then analyze the effects of that conformity challenge for
6 each MPO and project. So we're gathering those facts and
7 building that analysis.

8 This analysis in turn will inform our options as
9 we determine how to mitigate the impacts of the rule in a
10 manner that protects public health and allows key
11 transportation plans and projects to move forward with
12 minimal disruption.

13 Of course, in the medium to long term, California
14 needs to continue to invest in a range of affordable
15 housing and transportation options, further reduce VMT,
16 accelerate the transition to zero-emission future in order
17 to improve air quality and to continue to support our
18 communities.

19 The federal rollback intensifies this need, which
20 already existed, because it makes cars dirtier.
21 Therefore, we need to continue and deepen our work. We
22 need to collaborate, address the issues as or when they
23 arise, deal with the near-term challenges, and continue to
24 move forward together. We look forward to this joint
25 work.

1 Thank you.

2 CTC VICE CHAIR VAN KONYNENBURG: Darwin Moosavi.

3 MR. MOOSAVI: Thank you Craig for that
4 introduction to the issue. My name is Darwin Moosavi.
5 Despite what my placard says, I actually work for the
6 California State Transportation Agency as the Deputy
7 Secretary for Environmental Policy and Housing. So sorry
8 for the confusion. I saw some looks analyzing my placard
9 from across the room.

10 I wanted to expand a little bit on Craig's
11 remarks and talk a little bit about the coordination work
12 that we're all doing between agencies. So first off, I on
13 behalf of CalSTA, I want to assure all of you, as was
14 mentioned by CARB, that this issue is at the center of our
15 attention. We're fully aware of -- and sensitive to the
16 issue faced by many MPOs, RTPAs, and other transportation
17 partners whose plans and projects face uncertainty due to
18 the potential air emissions modeling challenges posed by
19 the final rule.

20 While this is a complicated issue, we're mindful
21 of the potential consequences on project delivery, as well
22 as funding if transportation conformity requirements are
23 not met, which is why we're taking actions to better
24 understand the issues in order to address them in a way
25 that minimizes negative impacts.

1 As was mentioned by CARB, we've already formed an
2 internal State agency coordination group consisting of
3 CalSTA, CARB, and Caltrans to do technical analysis and
4 identify potential near-term options and solutions. Over
5 the next several months, this technical coordination group
6 will be working diligently to understand the impacts of
7 the SAFE Rule on transportation projects.

8 And the goal of this group is three-fold. First
9 off, the group will coordinate work occurring across the
10 three agencies to defend against the SAFE Rule and
11 understand its impacts to make sure all the agencies have
12 up-to-date information.

13 Secondly, we'll coordinate, communicate, and
14 outreach to affected stakeholders, including our regional
15 transportation agencies and other key transportation
16 partners, as well as this body, and the CTC in particular,
17 to outreach -- sorry, on project and planning implications
18 of the SAFE Rule. This outreach will be led by CalSTA and
19 CARB as part of the work group. Communication will be
20 ongoing and has already begun. We actually had a meeting
21 with SACOG last week and we'll be continuing those
22 conversations and reaching out to our MPO partners over
23 the coming weeks.

24 The third part of this coordination is once we
25 better understand the impacts, this group will discuss

1 policy responses to address impacts in a manner that
2 mitigates the emissions impact of the rule, while also
3 allowing key projects to proceed. Again, we'll engage our
4 transportation delivery partners through this process as
5 it unfolds and ensure that the solutions we're putting
6 forward are ones that we all agree to.

7 We're confident we'll be able to address these
8 issues together and identify a good path forward. To that
9 end, I commit to you that we're in close communication and
10 will continue to be in close communication with all of you
11 over the coming months and I will turn it over to Tanisha.

12 Thank you.

13 MS. TAYLOR: Thank you. Tanisha Taylor. And
14 you'll have to forgive me, I'm a little under the weather,
15 so hopefully you can hear me and you can understand me.

16 (Thereupon an overhead presentation was
17 presented as follows.)

18 MS. TAYLOR: Thank you again for the opportunity
19 to be here today - welcome to the new Commissioners - to
20 talk about the SAFE Vehicle Rule and the Transportation
21 impacts. And we -- as we've all articulated, we've all
22 been working very closely together. We were even joking
23 that Craig started with the words, I'll finish with the
24 pictures, so that we cover the gamut of our learners
25 throughout the room today.

1 --o0o--

2 MS. TAYLOR: So a couple of things. Just to go
3 back to our May workshop and remind everyone of what we're
4 talking about in detail is this -- that the SAFE Rule
5 affects approximately 93 percent of the State's population
6 when we talk about criteria pollutant emissions. And so
7 we're not talking about something small here, as Craig and
8 Chair Nichols and Vice Chair Van Konynenburg have
9 articulated as well.

10 --o0o--

11 MS. TAYLOR: It revokes CARB's authority to
12 implement the ZEV and GHG mandates as Craig has mentioned
13 already, but it also threatens our ability to meet our
14 goals. And we're not just talking small goals. We're
15 talking very significant goals and how the State moves
16 forward to protect our residents both economically, in
17 health, as well as air quality.

18 --o0o--

19 MS. TAYLOR: Bad news, we've talked about this,
20 and again I'm the visual one.

21 --o0o--

22 MS. TAYLOR: The final rule is here and it's
23 effective November 26th, 2019.

24 --o0o--

25 MS. TAYLOR: So we have projects at risk, as

1 you've heard. And I'll talk about why these projects are
2 at risk as we kind of go through. But I want to remind
3 everybody, because I continue to hear this notion that
4 maybe there's a silver lining to this thing. There is no
5 silver lining.

6 --o0o--

7 MS. TAYLOR: This includes transit projects. It
8 includes our large scale rail project. It include our new
9 corridors for light rail as well as heavy rail. So there
10 is no silver lining. There is no this may be better in
11 someday. It's just not.

12 So we've heard California sues, but what does
13 that mean?

14 --o0o--

15 MS. TAYLOR: When Craig talks about California
16 and the State have sued, when we talk about the
17 transportation agencies and how this -- this impacts us,
18 there are a couple of things that the litigation means to
19 us in particular. And so there's this question of
20 injunctive relief and what does that mean?

21 And so the State has requested permanent
22 injunctive relief, which means that at the end of the
23 court case when the court rules, that is when the impacts
24 to transportation potentially stop depending on where you
25 are on that scale of impacts. And in some cases, there

1 may be no impacts. In some cases, there may be a lot of
2 impacts, but the impacts will vary across the regions.
3 And that's what we're working out through this working
4 group.

5 --o0o--

6 MS. TAYLOR: But it's important to recognize that
7 the rule will be implemented in the transportation sector
8 and throughout the state as CARB fights its legal battle.

9 --o0o--

10 MS. TAYLOR: So what does this mean for
11 transportation. And in the chart, you can see the green
12 and yellow. The green represents Metropolitan Planning
13 Organizations, the yellow represents the Regional
14 Transportation Planning Agencies. And again to reiterate,
15 when we talk about nonattainment areas in state, there are
16 14 MPO regions and eight rural counties. So this is not
17 an urban issue only. This is a rural issue in the state
18 as well for transportation.

19 --o0o--

20 MS. TAYLOR: It places local transportation
21 projects at risk. And I'm not going to get into a lot of
22 detail. But if you do go to the CALCOG website, we do
23 have a SAFE Rule summary that highlights what
24 transportation products will be at risk.

25 --o0o--

1 MS. TAYLOR: It also limits nonattainment areas'
2 abilities to amend the Regional Transportation Plan and
3 the Federal Transportation Improvement Program. And for
4 those documents, the Regional Transportation Plan covers a
5 span of 20 years, the Federal Transportation Improvement
6 Program covers a span of four years. But that's
7 effectively how we deliver the transportation system in
8 the state of California. And those are crucial documents
9 in that process.

10 And so there's varying degrees. So these
11 projects are -- these are projects that are -- that are --
12 at the Clean Air Act is applicable to and transportation
13 conformity is not exempt from.

14 --o0o--

15 MS. TAYLOR: It limits nonattainment areas'
16 abilities to adopt new Regional Transportation Plans and
17 Federal Transportation Improvement Programs. And that too
18 is important, because that's where we add new projects,
19 that's where we meet that state's ambitious GHG reduction
20 goals. So it really does again hit all of our goals and
21 really hamper and threaten our ability to meet those goals
22 as we're moving forward.

23 --o0o--

24 MS. TAYLOR: The impacts will be different by
25 region. One of the reasons the impacts will be different

1 by region, it really depends on where you are in project
2 delivery. So there are individual project impacts, but it
3 also depends on where you are in the delivery of your
4 Regional Transportation Plan. So each of the state's 18
5 MPOs delivers its Regional Transportation Plan on a
6 different schedule. Some are earlier, as early as
7 February of next year. Some will deliver it in 2022.

8 As we work through and we analyze the potential
9 impacts of the rule with CARB and CalSTA, those schedules
10 will matter, because the impacts will vary based on those
11 schedules, and the schedule of where you are in the
12 project delivery process, whether you're studying your
13 environmental impacts or you're acquiring right of way, or
14 developing for construction. That all has a different
15 impact as to how the rule will be felt as you deliver your
16 project.

17 --o0o--

18 MS. TAYLOR: We've heard from Mr. Corey that the
19 Trump administration has threatened us with highway
20 sanctions. Everything that Mr. Corey has said is true.
21 The only thing that I will add to what Mr. Corey has said,
22 as CARB works through those things, to allay some of the
23 fear, it's a nice headline. It's a big bold word.
24 Sanctions are a horrible thing.

25 But the way highway sanctions work in the Clean

1 Air Act is that EPA has to publish a notice in the Federal
2 Register first. Once that notice is published in the
3 federal register, highway sanctions don't take effect for
4 24 months. I have faith in CARB that they will move
5 forward and get this process resolved before 24 months.

6 And obviously, if we're coming closer to 24
7 months, we'll all report the status of where we are in the
8 process moving forward, but I don't think we'll have to do
9 that. So even though it's a big headline and he's
10 threatening our money, we have time to work through those
11 issues, and we have quite a bit of time. So let us work
12 through those issues. Let us coordinate with CARB. And
13 we have faith that we'll get from. And if for some
14 unforeseen reason we can't, we'll come back and we'll
15 report to that and what that means.

16 --o0o--

17 MS. TAYLOR: So specific project questions.
18 Clearly today, it's a very high-level presentation. But I
19 want to give some resources where the regions can go,
20 where our local agencies can go. So I encourage you to
21 contact your local MPOs, your county transportation
22 commissions, your Regional Transportation Planning
23 agencies, all of those agencies that my members are used
24 to coordinating with, as well as Caltrans, on the project
25 delivery side for our rural agencies.

1 --o0o--

2 MS. TAYLOR: And so what's next?

3 --o0o--

4 MS. TAYLOR: We're going to continue to support
5 the State's fight for clean air and public health. We're
6 going to work collaboratively across State, regional, and
7 local agencies to minimize negative impacts of the final
8 rule; continue to track the status of the SAFE Rule part
9 2, as well as continue to reach out to U.S. EPA and FHWA
10 so that we continue to understand the impacts of the rule.

11 FHWA, Federal Highway Administration, has
12 indicated there is no guidance currently. There is a
13 question of how long it will take to have guidance so that
14 they will know how to proceed. And so we'll be following
15 that and providing updates as well.

16 --o0o--

17 MS. TAYLOR: Additional resources. This is the
18 website link that we provided here for our CALCOG policy
19 tracker. That gives you a little more detail on the types
20 of transportation impacts. And with that, we'll be happy
21 to take any questions.

22 CTC VICE CHAIR VAN KONYNENBURG: All right. Now,
23 is the time to ask questions. I would start with -- if
24 you want to ask a question, please put your name plate on
25 an angle, so that I can recognize you.

1 All right. I'll start with Chair Nichols and
2 then I'll go over here and --

3 ARB CHAIR NICHOLS: Oh, mine isn't a question.
4 It's really a comment. I just want to thank Tanisha and
5 the MPOs for having helped us communicate about what's
6 going on --

7 MS. TAYLOR: Thank you.

8 ARB CHAIR NICHOLS: -- and understand the
9 potential impacts, and make sure that we're working
10 together closely, because you're absolutely right, it's a
11 -- nothing has actually happened, but the potential and
12 the process are important. And so it's one of those
13 situations where you have to raise enough of a level of
14 alarm so that people understand that we really are going
15 to need to do something, but not get people panicked into
16 thinking that they're about to lose their projects. And
17 so I think you're doing a terrific job. I just want to
18 thank you for that.

19 MS. TAYLOR: Thank you.

20 CTC VICE CHAIR VAN KONYNENBURG: Over here.
21 Forgive me, I --

22 CTC COMMISSIONER KEHOE: Senator Monning.

23 CTC VICE CHAIR VAN KONYNENBURG: Senator Monning.

24 SENATOR MONNING: Thank you, Senator Bill
25 Monning. I don't know if it's for the panel or counsel,

1 but is there any timetable on the injunctive relief that
2 California is seeking with other states?

3 ARB ASSISTANT CHIEF COUNSEL SEGALL: Senator, not
4 at this time. We filed our complaint and our amended
5 complaint over the last couple weeks, so it will go in
6 early phase briefing.

7 Typically, the D.C. District Court operates
8 relatively expeditiously. But, you know, it will be next
9 near year we'll hear.

10 SENATOR MONNING: Thank you.

11 ARB CHAIR NICHOLS: Lucy Dunn.

12 CTC COMMISSIONER DUNN: Thank you, Mr. Chair.

13 I don't know if this is on.

14 Okay. I love that we have some time and that we
15 can rely on Air Resources Board to be a strong leader in
16 the litigation on this. In the meantime, we also know
17 everything is connected in this State, housing and
18 transportation both. And those Sustainable Communities
19 Strategies that are out there under review, can you talk a
20 little bit about are we just going to recognize we've got
21 code red going on here, but we also have to continue our
22 processes and expedite those Sustainable Communities
23 Strategies, get them out, so that, you know, we can kind
24 of stay the course while the battle ranges? Can you talk
25 a little bit about your strategy there?

1 ARB ASSISTANT CHIEF COUNSEL SEGALL: Sure. And
2 this is really an area of developing strategy. Part of
3 what we're doing is having exactly that conversation. So
4 it's true just on timing is that the federal sort of
5 preemption actions are effective at the end of November.
6 So right now, nothing has legally formally changed. And
7 people are making different choices during that sort of
8 pre-effective date period.

9 And then the task obviously is to understand that
10 something real has changed here in terms of increased
11 emissions, how does one manage that? And there's both a
12 near-term task, which is understanding the degree of
13 change, and then a longer-term task which is figuring out
14 how to fit that properly into strategies. But in terms of
15 particular strategies, I think that's an ongoing
16 conversation, just as we need to understand exactly how
17 this is all affected.

18 CTC COMMISSIONER DUNN: When do you think you'll
19 have that? Because we need some --

20 ARB ASSISTANT CHIEF COUNSEL SEGALL: Oh,
21 absolutely.

22 CTC COMMISSIONER DUNNE: -- definitive planning.

23 ARB ASSISTANT CHIEF COUNSEL SEGALL: We've talked
24 about working over just the next couple months to get to a
25 first phase understanding.

1 MS. TAYLOR: And I can add. So Tanisha Taylor
2 with CalCOG. One of the things that the regions are
3 doing, and have been working on, is there's a question of
4 can they accelerate their processes, if they're really
5 close to the finish line. And some regions are looking at
6 whether they can accelerate their process to gain federal
7 approval before November 26th, which would allow them to
8 continue through.

9 Some regions are not at that point. And so what
10 some regions have done to try to mitigate some of the
11 impacts is they have actually taken a good look at their
12 Regional Transportation Plan to see which projects aren't
13 consistent. Maybe the schedule has been delayed a little
14 bit. The scope and stuff are still the same, but need to
15 amend the Regional Transportation Plans.

16 And so over the last couple of months, the
17 regions have been amending their Regional Transportation
18 Plans to mitigate some of these transportation impacts.

19 For some of the individual project impacts, they
20 are unknown, and so we're going to continue to work
21 through those. For some of the Regional Transportation
22 Plans, they're too far out to accelerate quickly and up,
23 and so that -- those are the schedules that we're
24 identifying with CARB and CalSTA to help as CARB is
25 developing the technical tools to use to continue to move

1 forward, and so that we can prioritize how we deal with
2 each region's needs, so that we're meet -- we're ensuring
3 we're minimizing to the extent feasible those impacts that
4 we might feel.

5 CTC COMMISSIONER DUNN: Thank you, Tanisha.

6 So, I'm sorry, Mr. Chair, one more. So I'm
7 presuming, of course, that we go back to normal processes
8 if we can get that preliminary injunction. And then --
9 and everyone is back on a -- the regular paying field and
10 we can get these things going.

11 ARB ASSISTANT CHIEF COUNSEL SEGALL: Yeah, just
12 for this -- a permanent injunction formally, but, yes --

13 CTC COMMISSIONER DUNN: Permanent and
14 preliminary.

15 ARB ASSISTANT CHIEF COUNSEL SEGALL: But, yeah,
16 so if we win this case, we're back where we should be.

17 CTC COMMISSIONER DUNN: Right. Got it.

18 ARB ASSISTANT CHIEF COUNSEL SEGALL: And in the
19 mean time, I just want to say we want to be fast and we
20 want to be right. So we're trying to hit both of those
21 goals.

22 CTC VICE CHAIR VAN KONYNENBURG: Board Member
23 Mitchell.

24 ARB BOARD MEMBER MITCHELL: Thank you. Thank you
25 for your reports. I assume this is on. I need to put it

1 up a little closer.

2 A couple of questions. One thing that happened
3 in the letter that Andrew Wheeler sent to our Chair, Mary
4 Nichols, was a request that we withdraw all of our
5 submittals by today, October 10, and resubmit. So my
6 question is are we doing anything? What are we doing
7 about that ludicrous request?

8 ARB ASSISTANT CHIEF COUNSEL SEGALL: So what is
9 -- what is actually going on there, as Mr. Corey
10 discussed, is a long-running process that we were already
11 collaborating with EPA on over the last couple years. I
12 think, at some point, there were several hundreds SIPs
13 they hadn't processed. It's now down to around 130.

14 Of those, staff have reviewed them all and are
15 working it through. But it's a fact-specific process. So
16 there's not really a reason to withdraw SIPs EPA has not
17 identified anything wrong with.

18 But there is a need, and I think we said this in
19 our response letter, that we're going to go right in and
20 meet with them and talk through if there's anything they
21 can identify that actually should be withdrawn, happy to
22 look at that. But so far, they just haven't.

23 ARB BOARD MEMBER MITCHELL: Okay. And the other
24 thing that is a bit complicated is the timing and
25 processing of the litigation, and as it relates to ambient

1 air quality deadlines, ozone deadlines for the various
2 regions, and how that can be worked through.

3 The permanent injunction would play into that if
4 we get a permanent injunction. But obviously, we want to
5 avoid sanctions and the federal government taking over our
6 implementation plans. But have we talked about or thought
7 about how we get these two things coordinated?

8 ARB ASSISTANT CHIEF COUNSEL SEGALL: Yes. So one
9 thing I should say that may be not obvious is these two
10 issues are pretty distinct. The SIP threat letter
11 essentially involves U.S. EPA pressuring us to do their
12 homework. So all those rules are already in effect and
13 are doing their job to reduce air quality. It's just have
14 they been reviewed by U.S. EPA?

15 The second issue, which is the issue you're
16 raising, is the fact that the attack on our emission
17 standards obviously weakens our ability to comply with
18 federal ambient air quality standards. And so there's a
19 real irony in U.S. EPA on a Thursday telling us that we
20 lacked authority to implement critical standards and then
21 on the next, I think it was, Tuesday saying that we had to
22 do a better job implementing federal ambient air quality
23 standards, which -- so, yes, it's a problem.

24 Inherently, if we can't get those tons through
25 the efficient, effective standards we now have, we have to

1 look at other measures to get them. And one of the things
2 that I said in my talk, which is critical, is that this
3 is -- it's not a new challenge that thinking about how
4 transportation and air go together to help reduce
5 emissions, and protect the public, and deliver everything
6 else we need to deliver is an urgent challenge. And one
7 of the things that this federal action does is intensify
8 the need to address that challenge.

9 So, yes, we see the connections. They are
10 thorny. And we are dealing with the sort of bitter irony
11 that we are trying to do our best while they try to take
12 our tools.

13 ARB BOARD MEMBER MITCHELL: And do you expect the
14 case to go to the Supreme Court?

15 ARB ASSISTANT CHIEF COUNSEL SEGALL: You know,
16 it's unclear at this juncture. Obviously, it's an
17 important case. There are many states involved. On the
18 other hand, we have won aspects of this case before. The
19 Supreme Court ruled in 2007 that these two programs were
20 properly harmonized. We won in two different federal
21 courts as to the preemption issue also in that time
22 period.

23 So the issues in some ways are stale and decided
24 in our favor and the facts are very much in our favor, so
25 we'll see. We'll go through the district court. We'll be

1 in appellate court. We'll see what the timing of all that
2 is. It could happen. It could not happen. And it will
3 turn a bit on what the next administration decides to do.

4 ARB BOARD MEMBER MITCHELL: Thank you.

5 CTC VICE CHAIR VAN KONYNENBURG: Commissioner
6 Butler.

7 CTC COMMISSIONER BUTLER: First I -- is this on?
8 Yeah.

9 First, I just want to thank the three of you.
10 That was extremely helpful. Thank you. And, you know,
11 Darwin, as folks in the transportation world, I'm used to
12 hearing how brilliant the Agency staff is. Tanisha and
13 Craig that was -- that was great.

14 Tanisha my sister's name is Tanisha, so I'm just
15 trying to not like look at you and think you're going to
16 tell me to clean my room.

17 (Laughter.)

18 CTC COMMISSIONER BUTLER: But I appreciate --
19 it's clean. Don't worry. I appreciate --

20 (Laughter.)

21 CTC COMMISSIONER BUTLER: I appreciate the
22 pictures. And Craig and -- Craig and I went to law school
23 together and we didn't interact as much in law school.
24 You were always passionate about environmental work and I
25 was always passionate about throwing parties.

1 (Laughter.)

2 CTC COMMISSIONER BUTLER: So it's good to
3 interact now. But I think my question for you, Craig,
4 specifically is this is a lawsuit where 23 other states --

5 ARB ASSISTANT CHIEF COUNSEL SEGALL: Yeah.

6 CTC COMMISSIONER BUTLER: -- are involved. And
7 we're getting a lot of the news obviously as a large
8 state. But what are some of the other states doing? And
9 while I appreciate that, you know, we're coordinating
10 internally within the state, how are we working with other
11 states? Are we really the leaders on this? Are there --
12 you know, can you -- can you talk a little bit more about
13 what more of the national landscape is and how we're
14 fitting into that?

15 ARB ASSISTANT CHIEF COUNSEL SEGALL: Sure. So
16 when the Trump administration came into office, we formed
17 what's functionally an ongoing collaboration with many
18 other state air agencies and with other states' attorneys
19 general, and that's continuing.

20 In this case, our Attorney General working really
21 closely with CARB, the Governor's office, all our partners
22 is leading all of this litigation. We are in more than
23 weekly contact with all the other AGs and all the other
24 agencies working this through at every level. So that's
25 been well coordinated and we're driving that charge.

1 That's not just a legal response though.

2 The policy response, this past summer, I think it
3 was 24 states signed on to the Nation's Clean Car Promise,
4 which was focused on taking policy actions across the
5 gamut of legal and policy space to deal with these issues,
6 recognizing that the threat on new vehicle standards,
7 although acute, isn't the only thing folks can be doing.

8 So just in the past couple weeks, for instance,
9 both New Mexico and Minnesota indicated that, if this
10 litigation results favorably, they would be joining
11 California's standards, which is great news. And many
12 offer states have begun issuing executive orders, taking
13 action, looking at ways do they join our standards, do
14 they take other actions? And that's an ongoing
15 collaboration. So there's a lot of joint work there that
16 I think is really positive that I think we'll continue and
17 intensify.

18 CTC VICE CHAIR VAN KONYNENBURG: All right. One
19 last question. Darwin, you mentioned that there's -- the
20 Department, and Caltrans, and CARB are working together.
21 Who's the point person on that? Are you the point person
22 that pulls that all together?

23 MR. MOOSAVI: Yes. I'm working closely with Jen
24 Gress of the California Air Resources Board and then
25 Marlon Flournoy of Caltrans. The three of us are the

1 leads for each of the three agencies.

2 CTC VICE CHAIR VAN KONYNENBURG: Okay. But you
3 get the glory when it's all done -- said and done, right?

4 MR. MOOSAVI: We'll take the glory together.

5 (Laughter.)

6 CTC VICE CHAIR VAN KONYNENBURG: Okay. All
7 right.

8 MR. MOOSAVI: But CalSTA is going to be the lead
9 in terms of reaching out to MPOs and coordinating the
10 meetings and whatnot.

11 CTC VICE CHAIR VAN KONYNENBURG: Okay. So if --
12 so you would be the point person?

13 MR. MOOSAVI: Yep.

14 CTC VICE CHAIR VAN KONYNENBURG: If staff needs
15 to coordinate anything, you're the guy?

16 MR. MOOSAVI: Yep come to me.

17 CTC VICE CHAIR VAN KONYNENBURG: That's what I
18 like to hear.

19 MR. MOOSAVI: Thank you.

20 CTC VICE CHAIR VAN KONYNENBURG: Okay. Thank you
21 very much for your panel. I'll now dismiss you and call
22 on our next panel to come forward.

23 Our next panel is going to be on housing and
24 transportation linkages. And it's also going to review
25 the Governor's recent Executive Order.

1 Kate Gordon is the -- from the Governor's Office
2 of Planning and Research. Kate, if you'll raise your
3 hand? It's kind of obvious that you're here.

4 (Laughter.)

5 CTC VICE CHAIR VAN KONYNENBURG: And then Zach
6 who also -- who already we saw is also here. And I'm just
7 going to -- Chair Nichols has to take a phone call. It
8 doesn't mean that she's unhappy or anything. She just has
9 to take a phone call and has to come back.

10 (Laughter.)

11 CTC VICE CHAIR VAN KONYNENBURG: So she's not
12 ignoring you.

13 All right. Have you guys decided who is going to
14 start?

15 MS. GORDON: Yeah, I think I'll go first.

16 CTC VICE CHAIR VAN KONYNENBURG: Okay. Director
17 Gordon.

18 MS. GORDON: This is on, I think. Thank you so
19 much for inviting me to speak. And congratulations and
20 welcome to the two new commissioners. It's great to see
21 you here, and to see many, many folks that we've talked to
22 before.

23 My name is Kate Gordon. I am the Director of the
24 Governor's Office of Planning and Research, which is, as
25 you know, the sort of long-range planning think tank

1 within the Governor's office. I'm also the Governor's
2 Senior Advisor on Climate Change. And both of those roles
3 have been very centrally involved with the development of
4 the Executive Order and now with the implementation of the
5 Executive Order. So very honored to have been invited to
6 come and speak with you about that today.

7 (Thereupon an overhead presentation was
8 presented as follows.)

9 MS. GORDON: I'm going to give an overview of
10 what's in the Executive Order, a little bit of background,
11 just a little, on why the Governor felt this was such an
12 important moment and an important time to put this
13 forward, a little bit on next steps. But I really want to
14 leave room for questions, because I'm sure there will be
15 many.

16 One question for you, Vice Chair, is whether you
17 want us to do questions at the end of both presentations?

18 CTC VICE CHAIR VAN KONYNENBURG: We're going to
19 do the questions at the end of both presentations.

20 MS. GORDON: Thank you so much.

21 So I think you heard this morning from Chair
22 Nichols about the -- a little bit about the Executive
23 Order. And I know yesterday Secretary Tim -- Kim talked
24 about -- excuse me Secretary Kim talked a little bit about
25 the Executive Order. One of the things Secretary Kim said

1 yesterday that I just want to emphasize, even before I
2 start is, that the Executive Order in no way supersedes
3 State law. It, in fact, really is intended to build on
4 State law and to help us implement State law in a variety
5 of areas in a more coherent and integrated way.

6 So it's very, very important just at the outset
7 to say this Executive Order does not supersede State law
8 nor could it legally. So I wanted to put that out first.

9 So the Executive Order -- I know many of you are
10 very focused on that second point, but really is an
11 important kind of overview integrated order that makes --
12 does a couple of things. And let me talk a little bit
13 about the goals and then a little bit about what's in it.

14 And again, this Executive Order was signed, just
15 as a reminder, just before - it was about three weeks ago.
16 Just before the Governor went to New York for Climate
17 Week, it was in development in separate pieces for quite a
18 long time before that through several interagency
19 processes, and sort of was the culmination of those.

20 What the overall goal of the order is is really
21 to acknowledge key -- acknowledge, as Chair Nichols said,
22 that we need to move from ambition to action, when it
23 comes to our state's, not only climate goals, but the
24 statutes and laws that govern what we have to do as a
25 state to address climate change.

1 We -- one of the things I did when I first
2 started is this role was to look at all of the existing
3 goals that we have as a state in statute on climate change
4 and look at where our gaps are. And one of the things the
5 Executive Order is really intended to do is to acknowledge
6 and start to address some of those important gaps,
7 particularly around transportation, but also in other
8 areas.

9 --o0o--

10 MS. GORDON: The goal of the order is also to
11 take a more integrated approach to climate. We've done a
12 lot in this state that's been incredibly proactive and
13 we've have been leaders on climate change in various
14 areas, a lot on technology, a lot on renewable energy and
15 efficiency. Vehicle technology obviously has been a big
16 area.

17 We haven't always integrated all of those pieces.
18 And so you'll hear from both us the need to integrate
19 particularly the housing and transportation pieces and
20 start to try to tackle this very difficult issue of our
21 land use and how it impacts our climate, both in terms of
22 mitigating climate emissions and in terms of how we deal
23 with the risks from physical climate change is a big goal
24 of the order.

25 The order is also intended to try to start

1 mainstreaming how we think about climate change, again
2 both physical impacts and mitigating climate emissions,
3 how we start to mainstream that into the planning, and
4 financing, and decision-making at the State level,
5 particularly when we're making multi-decadal investments
6 and we're using taxpayer funds to do that. So how do we
7 start thinking proactively and in a more integrated way
8 about how we make those investments, and what the climate
9 impacts have to do with those investment.

10 And finally, the order acknowledges that we're in
11 a time of transition. This is a new moment frankly, both
12 in terms of climate impacts -- I mean, I think we see that
13 every day. We're in the middle of another set of
14 blackouts right now, because of climate impacts and the
15 economic impacts of those on our state.

16 But to acknowledge the time of transition both in
17 terms of physical impacts, also in terms of our need to
18 dramatically scale up our actions on mitigation, if we're
19 going to meet our goals that are again in statute, and
20 also, as you all know, a time of transition in technology
21 in the transportation sector.

22 So there are four issues -- I say all that to say
23 that each piece of the order relates to each other piece.

24 --o0o--

25 MS. GORDON: There are four big pieces of the

1 order. The first asks for the State, the Department of
2 Finance, and my office, Office of Planning and Research to
3 work the CalPERS, and CalSTRS, and Cal retirement systems
4 to leverage our investment portfolio of about \$7 billion
5 to actually advance our climate goals. And again, that's
6 to look at both impacts from physical climate change and
7 also to look at where the opportunities are frankly as the
8 world shifts toward a more carbon-neutral and carbon-free
9 economy.

10 The second big area is to leverage the state's
11 transportation spending to reverse the trend of increased
12 fuel consumption and reduce GHGs associated with the
13 transportation sector. This piece goes directly at
14 something that was raised in CARB's SB 150 report last
15 year making the point about land use being an important
16 and key contributor to our transportation emissions, that
17 just switching out all of those vehicles for electric
18 vehicles will not actually get us to a solution on that
19 problem. We could do ten times the number of EVs and
20 still need 25 percent reduction in our VMT to meet our
21 goals.

22 The third section is about leveraging the
23 State's -- working with the Department of General Services
24 to leverage our owned and leased assets, again to minimize
25 our carbon footprint, acknowledge physical climate risk,

1 and look at carbon mitigation. I would put sort of the
2 investment and the asset pieces a little bit together.
3 And I'll talk a bit more about that.

4 And then finally, a piece that really directs
5 CARB to frankly scale up and figure out new ways to get to
6 that EV goal, because we do, in fact, need to address the
7 engine and vehicle side of this.

8 I'm going to talk for just a couple minutes
9 about -- you already know all this, because we've done
10 other presentations, but the why here.

11 --o0o--

12 MS. GORDON: As you know and have seen, and this
13 is from the ARB report last year, one of the areas in
14 which we are not meeting our goals, and in fact are going
15 up in emissions, continues to be our VMT per capita. That
16 is in large part related to our housing affordability
17 crisis and people moving further and further away from
18 their jobs. And that's something Zach will talk about I'm
19 sure. But this is where housing and transportation really
20 come together in the state when it comes to climate. And
21 I think this is animated.

22 Ooh, there we go.

23 Animations. This is all Chris Ganson from my
24 office. There we go. Oops. Animations.

25 So you can see we are not on track to meet our

1 statutorily required targets in this space. We need to
2 take some pretty significant action, and think creatively
3 and strategically about these land-use decisions to make
4 our targets. And I just want to emphasize that this isn't
5 just about sort of a esoteric set of targets that are up
6 there about climate change.

7 --o0o--

8 MS. GORDON: This is about the reality of what it
9 is to be on the roads in California today. And we all
10 experience this reality. I spend a lot of my time in the
11 work I do for the Governor in inland California. Have
12 spent an enormous amount of time in the last six weeks in
13 the Central Valley, Inland Empire up in the north state.
14 This is the first thing that's raised in every single part
15 of the state at this point, how far people are driving to
16 get to their jobs, how long their commutes are, how
17 difficult their commutes are, and the need for
18 alternatives and options to reduce that.

19 There's an air quality impact to this as we've
20 talked about. There's a quality of life impact to this.
21 People aren't seeing their kids. People aren't getting
22 exercise. There are huge impacts that go beyond this --
23 the sort of numbers on carbon emissions and I just wanted
24 to raise that.

25 --o0o--

1 MS. GORDON: The second thing I wanted to
2 raise -- and this is from a Caltrans report. I think
3 you've seen some of the vulnerability Caltrans has done.
4 One of the things we're trying to do in the Executive
5 Order across the board is to think not just about carbon
6 mitigation and reducing emissions, but to think about
7 reducing impacts from physical climate risk.

8 Caltrans has seen enormous impacts from -- here
9 is a picture from that report from -- or from a news story
10 about that report from Bakersfield impacts from mud
11 slides, impacts from sea level rise, road failures,
12 impacts last year snow removal budget went over, I mean,
13 impacts from climate change, impacts from extreme heat on
14 concrete and cement. And these are things that need to be
15 taken into account as we're thinking ahead about these
16 investments.

17 One of the big reasons we need to do that is
18 because everybody else is doing it. The people from whom
19 we borrow money are doing it, the people who insure us are
20 doing it. If there's one thing that has been consistent
21 in my time in the state, it's been the sheer number of
22 people from bond rater, issuer -- the bond rater and
23 issuer communities, from the investment, from the pension
24 community, endowments, insurers, reinsurers coming in and
25 saying we are now - and BlackRock is a great example - we

1 are evaluating our assets individually for climate risk
2 and for climate mitigation. We are starting to evaluate
3 our portfolios based on this. We are starting to look at
4 bond ratings based on this. We're starting to lend at
5 different rates based on this. This is something that the
6 market is doing and we, as a state, in order to shepherd
7 taxpayer dollars, need to do as well.

8 --o0o--

9 MS. GORDON: So I'll just -- I'll just say a
10 couple last words, which is to say that the Executive
11 Order is really new. Again, what it does is try to take
12 into account a huge amount of work that had been done in
13 the past on what do our impacts look like? We have a lot
14 of work that's been done through Cal-Adapt and other
15 systems on what the state is going to face in terms of
16 physical impact. A huge amount of goals and particularly
17 work at CARB on how do we reduce our carbon footprint and
18 get to mitigation.

19 Getting to those strategies is where the -- as
20 Chair Nichols said, is where the Executive Order is
21 centered. We did -- the Governor did just sign it and so
22 we're now in a process of figuring out the implementation
23 strategy and putting timelines on each of those pieces.

24 I just wanted to say a few last words. Again,
25 the State goals and values here are very clear. We have

1 very strong legal requirements both on transportation
2 infrastructure and on climate change. Our goals and our
3 values are clear in statute, but these will play out
4 differently in different parts of the state.

5 We need to have a regional conversation, a
6 stakeholder conversation about how this is going to work
7 in operation. We need to be -- we're starting the process
8 now across CalSTA, across DGS, across the pension funds to
9 have that conversation. We're including a lot of outside
10 folks. We're doing a lot of regional discussions. And at
11 the end of the day, implementation will, of course,
12 respect our current statutes and legal boundaries, and it
13 will not affect already-committed funds, which is
14 something I know Secretary Kim talked about yesterday, but
15 I think that's a really, really important piece as we move
16 forward here.

17 So I'm going to leave it there. I'm sure there
18 will be questions later.

19 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

20 Zach.

21 MR. OLMSTEAD: Well, thank you. Zach Olmstead.

22 --o0o--

23 MR. OLMSTEAD: I am, as was said, the Deputy
24 Director for Housing Policy at HCD.

25 I'm going to start with a little bit of just

1 baseline understanding of what is required from the State,
2 mostly the local governments, from a housing perspective
3 before I get into more specifics around what we've been
4 doing around housing and transportation linkages.

5 --o0o--

6 MR. OLMSTEAD: The first is housing element law.
7 So it is the one of seven mandatory elements in every
8 local jurisdiction's general plan and is the only one that
9 requires State approval. Each and every county has to
10 prepare a housing element, has to have consistency with
11 other aspects of the general plan. It's updated, for the
12 most part, every eight years, some jurisdiction every five
13 years. It does require significant public outreach. It
14 is adopted by the local government.

15 We do at HCD and the folks in my division certify
16 each and every jurisdiction's housing element. And it has
17 very important components of having to identify what sites
18 are available for development based on what we get --
19 which I'll get into a little bit later what is the housing
20 need in that community.

21 And increasingly compliance with housing element
22 law, as well as the reports that are required on an annual
23 basis up to us on how jurisdictions are doing about
24 meeting their housing need are beginning to be required
25 especially for many of our housing related programs. And

1 we'll get into a little about housing and transportation
2 as well for that.

3 --o0o--

4 MR. OLMSTEAD: So this is a little bit of a busy
5 slide if you have it in front of you, but it gives a
6 little bit of a picture of the many things that go into
7 that analysis that we do, that local jurisdictions have to
8 engage in. Essentially, the jurisdiction has to identify
9 their housing needs, including those for many vulnerable
10 populations; identify a sites inventory in order to meet
11 developable sites that can accommodate new housing; talk
12 about their programs by which they will get there; talk
13 about their constraints potentially to get there; and, as
14 well as engage significant public participation in that
15 process.

16 So when we -- we engage in a really iterative
17 process back and forth with local governments in -- and
18 they typically adopt a draft. We give them feedback on
19 that draft and then they adopt a formal element. All
20 throughout that process, there's public comment. We take
21 into consideration certainly any public comment that is
22 given. And then we want to see specific programs, right,
23 that help them meet their individual local jurisdiction's
24 needs, right?

25 As was mentioned, we have a very diverse state,

1 many different types of housing needs, many different
2 types of ways to get there, right? So we look at specific
3 programs. We'll see at the bottom there in terms of how
4 they're going to get there, how they're going to
5 accommodate, for example, a specific ordinance that may be
6 implementing how they address -- I'll just use it, because
7 it's fresh in the mind -- an accessory dwelling unit
8 policy, for example, right? How are they going to
9 implement that in order to, you know, help bolster their
10 housing stock and meet their housing needs?

11 --o0o--

12 MR. OLMSTEAD: So it used to be no one really
13 paid much attention to this concept of what's called RHNA,
14 the Regional Housing Need Allocation, but you may have
15 seen a little bit about it in the news lately. And this
16 is an assessment that we do leading up to that housing
17 element process before each planning period, which is an
18 assessment of how many new housing units will be needed in
19 each region to accommodate projected household growth.

20 So -- and it also is segmented by income levels.
21 I should have mentioned the housing element. It's
22 extremely crucial. They have to identify in their zoning,
23 or planned zoning how to accommodate housing needed at all
24 income levels, so including affordable -- affordability.

25 And so each local jurisdiction is assigned a

1 share of that regional housing need. We provide the
2 larger need to the region, which is then at the council of
3 government level attributed down to each and every
4 locality. And then it leads to that housing element, that
5 accommodated need, and we review each locale -- locality's
6 housing element to certify that it accommodates the share
7 that has been given.

8 --o0o--

9 MR. OLMSTEAD: These are some of the statutory
10 objectives of the Regional Housing Need Allocation in
11 terms of increasing housing supply, mix of housing types,
12 reaching affordability, infill development, et cetera.
13 It's very important that recent changes in law have really
14 focused on jobs -- the jobs/housing balance relationship,
15 and as well as trying to create more equity within that
16 process, and obviously, balance of disproportionate
17 household income distributions.

18 --o0o--

19 MR. OLMSTEAD: I think this is helpful for us to
20 sometimes say the RHNA is a planning requirement and a
21 housing goal. It is a projection of housing need.
22 Obviously, we cannot build until -- we cannot build the
23 housing we need unless it's appropriately zoned for,
24 right? Good planning and good zoning leads to the types
25 of housing that we, I think, all want to see in our shared

1 organizations in terms of proximity to jobs, access to
2 resources and transit, those sorts of things. If you
3 don't have adequate zoning, it's very difficult to get
4 there. It takes longer to get things done.

5 But it is not a prediction of building,
6 permitting. It is not a quota. It's not even a
7 prescription. But it does require that adequate planning,
8 so you can show that when the demand is there, and
9 certainly it is there in quite a few of our jurisdictions
10 throughout the state, that there's appropriate zoning in
11 order to meet there and to accelerate that process.

12 --o0o--

13 MR. OLMSTEAD: And this is a little bit of a
14 pictorial about all the various roles of various
15 organizations in this process. I don't think I'll -- I
16 need to spell them out or read them through in person, but
17 there is, you know, quite a bit of layered involvement,
18 right? We have the State Legislature that sets those laws
19 and goals. We certainly are -- at HCD are determining the
20 regional housing needs and actually reviewing and
21 approving housing elements. Council of governments are
22 very critical in not only providing support to local
23 jurisdictions, but helping -- they're involved in that
24 RHNA process and helping to provide resources and tools to
25 get there.

1 The local governments themselves, of course, have
2 to identify their specific needs and do that planning.
3 And, of course, stakeholders provide not only comments,
4 but, you know, I think in many cases help strengthen the
5 housing plans or hold -- hold local government's feet to
6 the fire, as well as we do, but certainly at the local
7 level in helping to meet those goals.

8 --o0o--

9 MR. OLMSTEAD: A little bit on just what we --
10 the things that we look at, beginning to talk about the
11 housing and transportation linkage work that we've been
12 doing with our partner agencies. You know, I think -- we
13 think it's important. Often in our housing world, we talk
14 about the housing affordability and the cost of that.

15 But what we like to do in our statewide housing
16 assessment begin to report is, hey, it's a shared cost
17 burden between housing and transportation. And you look
18 at -- I'm sorry if that's not very large, but, you know,
19 you look at that shared cost burden, the blue is the
20 housing cost, the green is the transportation cost.

21 And any time you get over 50 percent on any of
22 that, that's really critical. And you can see a snapshot
23 of what the burden is in many of our counties. People are
24 paying significant percentages of their household income
25 on shared housing and transportation costs, not to mention

1 obviously the other byproducts of, you know, heavy commute
2 times and other types of things that can have on a
3 household.

4 --o0o--

5 MR. OLMSTEAD: So what we have been doing over
6 the past couple years, and certainly strengthened over
7 this past year, is there is a Housing and Transportation
8 Coordination Workgroup at the State level. You see this
9 first slide is the actual steering committee that meets.

10 --o0o--

11 MR. OLMSTEAD: The next slide is the various
12 departments that are part of our working group. Everyone
13 here -- a lot of folks here have been involved in that
14 work.

15 --o0o--

16 MR. OLMSTEAD: And then I'm going to talk a
17 little bit about what was happened over the past year.
18 These are the workgroup goals that we set for 2019.

19 And, in fact, there was even a subgroup
20 identified to work on linkages between housing and
21 transportation programs. I'm going to focus a little bit
22 of my comments on those pieces.

23 But until we really engage one another on, you
24 know, possible improvements in our various funding
25 programs, how can we make sure they're lined up to meet

1 our mutual goals; identifying, even down to the
2 nitty-gritty, of what are the threshold requirements and
3 scoring criteria, so we can make sure housing programs
4 have, you know, references to transportation,
5 transportation programs with references to housing and
6 vice versa, so we can not only make the connection for one
7 other, but truthfully for our applicants so they're
8 actually focusing on those pieces when they put together
9 applications for our programs.

10 And certainly, obviously get more, you know,
11 conversant in our various languages and how we talk about
12 things so we can more universally communicate, right, to
13 all our stakeholders, many of which overlap as they pursue
14 our programmatic funding.

15 --o0o--

16 MR. OLMSTEAD: So -- and specifically, we have
17 been working together, the research kind of that working
18 group, of that sub -- of that subworking group on linkages
19 thought that the first two kind of areas were transit and
20 intercity Rail Capital Program and the Solutions for
21 Congested Corridors Program made the most sense for the
22 initial kind of collaboration. So we've been working
23 together in kind of strengthening the program
24 requirements, and scoring criteria, and other sorts of
25 things for those programs.

1 In addition, we do kind of joint review a number
2 of our programs that overlap and link, right? So you see
3 a list there. You know, so that I think is very effective
4 in having our staffs actually looking at those things.
5 We're looking at it with different lenses, right, to flag
6 certain things, to highlight certain things, to make sure
7 what we're seeing in those applications adequately is
8 representing, you know, a good project that creates
9 housing near transportation, creates transportation that
10 can be accessed for folks near their housing, et cetera.

11 And I want to talk a little bit about recent
12 developments specific to what we are doing at HCD. The
13 most recently enacted budget puts 250 million to our
14 Department, and my division within the Department, to
15 provide for planning grants to local jurisdictions to help
16 meet their housing goals and their planning, goals, right?

17 --o0o--

18 MR. OLMSTEAD: We are, for the most part,
19 entering a new planning cycle. We're assigning those
20 regional needs. There's housing needs allocations. And
21 these grants provide -- or split 125 million directly to
22 each and every city and county can access grants. We're
23 calling them Early Action Planning Grants to begin to work
24 on those housing strategies, that planning for this next
25 cycle that will identify adequate zoning. Hopefully, as

1 I'll get into a second, work on, what we consider, kind of
2 prohousing policies.

3 And then the other half will go directly to
4 council of governments and kind of more regional entities
5 to help facilitate and bolster kind of what may be the
6 specific and regional needs, right, to really hammer on
7 the strategies that may be unique to each and every region
8 and to help support those goals.

9 --o0o--

10 MR. OLMSTEAD: So it all -- the budget also
11 tasked us at HCD with coming up with what is called a
12 Prohousing Designation for local governments. So the idea
13 there is if local governments are enacting policies,
14 passing ordinances working hard to make themselves a more
15 fertile ground for not only housing development, but the
16 right kind of housing development, right, or that we would
17 consider to be good housing development according to the
18 prohousing policies, that there would be some benefit in
19 the long term in terms of competitiveness for some of our
20 programs.

21 So it gives us a little bit of a horizon in terms
22 of developing. We'll have to go through the regulatory
23 process by which we outline how a city would be designated
24 prohousing. But given the infusion of that \$250 million
25 that we're going to make available, we wanted to

1 accelerate and signal what those prohousing policies are
2 to jurisdictions.

3 We've already been doing that a little bit in
4 some of our programs to local jurisdictions. We are in
5 the process of already awarding a different planning grant
6 program through the passage of Senate Bill 2 from a couple
7 years ago as apart of the housing package that provided
8 grants to local governments, very similar type of grants
9 to promote housing development.

10 So we have a good fertile ground to build with on
11 what those kind of prohousing policies are in terms of,
12 you, know increased density near transit, accelerating the
13 processing of permitting, you know, doing specific plans
14 that do the kind of environmental analysis up front for
15 communities on all the parcels within that dis -- that
16 plan area, you know, by-right zoning, once you kind of
17 meet some of those -- some of this -- some of those
18 criteria.

19 And so we have a good fertile ground. But very
20 soon, we will be issuing for public comment what those
21 initial kind of round of prohousing policies are for
22 public feedback. And the idea here is it's a menu of
23 activities that we want to encourage communities to focus
24 on with these planning grants, right? They're not
25 required to, but we think, hey, these -- this prohousing

1 designation is coming. It's not a punitive designation.
2 It's something that will help you. And if you engage in
3 these types of activities, which will be a much more -- a
4 pretty expensive menu of things, we will then articulate
5 obviously over the next year or two how you get -- how you
6 get designated there. But if -- you begin the planning
7 activities now, right, you have these -- this is the time
8 when you have those resources to focus on good planning,
9 if you engage in those sorts of activities, now you're
10 going to be better off as we moved towards the future

11 --o0o--

12 MR. OLMSTEAD: So it's a little bit of our
13 anticipated deadline. We're -- we are hoping that all of
14 these resources will be out by the beginning of the year.
15 And all -- in fact, all local governments need to at least
16 apply for and be awarded by the end of this fiscal year
17 essentially. And then the regions have a little bit
18 longer. And we are obviously going to be doing a
19 significant amount of outreach once we release that notice
20 of funding availability to communities, because we want to
21 make sure each and every city and county takes advantage
22 of these funds. It's not often that we've had this level
23 of infusion for planning.

24 And while not the only reason, you know, one of
25 the reasons we have probably not adequately met our

1 housing needs is because we haven't invested as much in
2 the planning at the community level that we could, in
3 terms of doing all the coordinating of local ordinances,
4 local stakeholder engagement, zoning, et cetera that, you
5 know, leads to good planning and good housing outcomes.

6 So I will stop there, because I know there might
7 be a lot of questions for Kate and I.

8 CTC VICE CHAIR VAN KONYNENBURG: Thank you. I
9 now ask for questions from Commissioners and Board
10 members, if you'd please raise your -- so I'll start with
11 Gioia.

12 Board Member Gioia.

13 ARB BOARD MEMBER GIOIA: This is John Gioia. I
14 am the Bay Area Air Quality Management District rep on the
15 Air Resources Board.

16 First, I wanted to say thank you for this really
17 strong Executive Order. It's great. So really two
18 questions. First, you've got members of two State
19 agencies here. I think there's an opportunity for our
20 various commissions to work together with regard to
21 helping leverage the transportation investments to reduce
22 greenhouse gas reductions, and also, frankly, to help
23 achieve the state's housing goals.

24 So give us your thoughts. I may have my own, but
25 I'd like to hear your thoughts about how our two agencies

1 can work together to achieve both the housing production
2 goal in terms of the investments and the greenhouse gas
3 reduction goals.

4 And then the second comment is I also wear a hat
5 on the Contra Costa Board of Supervisors, so we're a
6 land-use agency. And frankly I think local governments,
7 cities, and counties are not doing the best job from land
8 use policy perspectives to either reduce -- I mean some
9 are doing better jobs than others, but both to -- for
10 housing production and for greenhouse gas reduction.

11 So your thoughts about I think opportunities to
12 link state transportation investments to communities that
13 are actually putting in place land-use policies to both
14 increase housing production and reduce GHGs. I think that
15 incentive actually can help get local jurisdictions to do
16 the right thing.

17 So one is how we work together, second sort of
18 this -- this relationship with local government.

19 MS. GORDON: You want me to start?

20 MR. OLMSTEAD: Yeah, you can start first.

21 MS. GORDON: Thank you so much for the question.
22 It's an -- an easy one. No, I'm just kidding. It's a
23 tricky set of questions. But you know in terms of the two
24 Board -- the Board and Commission working together, I
25 mean, one of the really valuable things is just being in

1 the same room, to be honest.

2 One of the things that we've really come to
3 recognize I think in both the transportation sector and in
4 working on climate more generally is just how integrated
5 these issues are. You can't really think about any of
6 these things in a vacuum at this point. I mean, climate
7 change is, I often say, sort of a macroeconomic trend like
8 globalization and automation. It will affect every
9 sector. It will affect every decision. It's a very big
10 set of things that we need to grapple with and
11 transportation is one of those -- one of the biggest
12 honestly.

13 It's not just 40 percent of the emissions, but
14 it's also a major piece of our State investment portfolio,
15 and the decisions we make in the state about long-term
16 infrastructure. So the fact of being here together is
17 incredibly important and starting to think about both of
18 those things a little less siloed.

19 Climate isn't just about sort of environmental
20 impact and counting emissions, although it is certainly
21 about that. Transportation isn't just about kind of
22 building and maintaining roads, though it is certainly
23 about that. There are multiple ways to look at both of
24 those things and they have to be integrated.

25 I think that's hard, because we're used to

1 working in silos.

2 ARB BOARD MEMBER GIOIA: Um-hmm.

3 MS. GORDON: Our budgets are often in silos.

4 ARB BOARD MEMBER GIOIA: Um-hmm.

5 MS. GORDON: Our decision-making processes are
6 often in silos. There are obviously statutory
7 requirements on both sides of that -- of that puzzle, but
8 where are the places where we can work together to get to
9 common goals? The State has a set of very clear goals and
10 we're all working under those goals. And so what are the
11 places that we can do that?

12 And one of them is probably the other piece you
13 asked about, which is what kinds of incentives, and this
14 is something Zach may be able to get to more, can -- and
15 we're talking about a lot, in terms of housing, what
16 incentives can we -- you know, can we get to the local
17 level? Many of you are from local jurisdictions and are
18 much closer to this than we are at the state.

19 What are you actually hearing about the barriers
20 to some of these actions? What are you hearing about
21 frustration? What are you hearing about what could be
22 made easier? Could we do more to streamline funding
23 requirements, to make those more integrated and a little
24 easier for people to access? Could we do more to provide
25 incentives for, you know, pro in -- like the prohousing

1 designation for sort of integrated approaches on the
2 ground.

3 I'm lucky. I get to chair the Strategic Grown
4 Council. And that's one thing that the affordable housing
5 development -- community strategies and the transformative
6 climate communities programs try to do is to integrate
7 this stuff on the ground. We've learned a lot from that.
8 What can we do -- take from that, from the learnings there
9 on the ground and really kind of bring those up into State
10 requirements, if possible, because I think there's also a
11 disconnect a lot of times in those two things.

12 ARB BOARD MEMBER GIOIA: You know, and this may
13 sound blunt, but I think having been on our board of
14 supervisor --

15 MS. GORDON: Yeah.

16 ARB BOARD MEMBER GIOIA: -- for 21 years, I
17 think, in many jurisdictions, there's a lack of political
18 will --

19 MS. GORDON: Um-hmm.

20 ARB BOARD MEMBER GIOIA: -- to approve the types
21 of land-use changes to increase density where it's
22 appropriate to increase density, and where it makes sense
23 to increase density, and therefore -- and approve more
24 housing. So sometimes what gets local officials more
25 incentivized to do that is extra dollars --

1 MS. GORDON: Yep.

2 ARB BOARD MEMBER GIOIA: -- linked to good
3 actions.

4 MS. GORDON: Yep.

5 ARB BOARD MEMBER GIOIA: So I'm just --

6 MS. GORDON: That's a great point.

7 MR. OLMSTEAD: You stole a little bit what I was
8 going to say. But yeah, I mean, that -- is this on? That
9 is the thesis a little bit on the prohousing designation,
10 right? Increasingly, we are going to build into more
11 programs the -- essentially a bonus for -- if you're -- if
12 you're doing those right things.

13 And if I may, you know, I think you hit the nail
14 on the head. I think in terms of working together, we all
15 need to drive home the message that density is not a bad
16 word. And while --

17 ARB BOARD MEMBER GIOIA: Density in the right
18 place and that's the way to say it, right, yeah.

19 MR. OLMSTEAD: That -- no, that's -- absolutely
20 right. But typically, right, it is over time the actions
21 at local government that makes a 200-unit project on the
22 same land footprint a 150-unit project, to a 100 project,
23 to a 75 unit project, right? And so over time, that has
24 added up significantly over the decades, right, the
25 resistance at the community level to increase density or

1 more people near me, you know, has proven -- has proven
2 problematic.

3 And I think what we've done over the last couple
4 years certainly have -- I think will begin to change the
5 conversation there. Many aspects of our State legislation
6 over the last couple years have actually made it harder
7 for that to happen by making certain types of development
8 by right, meaning, non-discretionary and, you know, if it
9 conforms with the zoning, then you build it with
10 certain -- certain -- I'm not saying its -- it absolves
11 local involvement, but it's a beginning to
12 acknowledgement, right, of the delays that occur there.

13 The suite of bills signed yesterday on accessory
14 dwelling units, for example, you know, some people are
15 saying, oh, well, it's the end of single-family zoning in
16 California. I mean, it's maybe not that drastic, but it
17 is significant, right?

18 So when you talk about the specific needs of
19 communities and on the same land footprint, right,
20 allowing people to put additional living space on their
21 property, for like an age in place, so they can maybe rent
22 it out for -- in the community, so they can have their
23 children who maybe not able to forward yet anywhere else.

24 So, I mean, I think there are a lot -- a number
25 of things that maybe are less scary from a density

1 perspective, but that when combined will be helpful and
2 maybe more, hopefully, received with all of our
3 collaboration at the community level.

4 ARB BOARD MEMBER GIOIA: And just finally, I
5 mean, you -- I know you didn't get into too much detail on
6 how we could work together. You said, you know, being in
7 the same room is a start. But what I find is that we can
8 be at these meetings, and talk about things, and have some
9 general agreement. But when we leave these meetings, that
10 sometimes the cooperation may not be as robust.

11 So it seems that in having some type of organized
12 work group with the staffs or some direction to do that,
13 because, you know, these -- both our agencies have
14 different cultures. And as you say, this is really -- we
15 need an integrated approach, so maybe more incentive to
16 really come back with some specific deliverables about
17 what we can do together, other than just being here a few
18 times a year in the same room.

19 MS. GORDON: And I think this slide and Zach
20 talking about the Housing and Transportation Workgroup is
21 a really important step toward that at the Sacramento
22 level. I would also --

23 ARB BOARD MEMBER GIOIA: For GHGs too.

24 MS. GORDON: For GH -- for housing and
25 transportation --

1 ARB BOARD MEMBER GIOIA: Right.

2 MS. GORDON: -- and GHGs, the whole overlay. I
3 would also say though that again on the regional point,
4 we've been doing a fair amount of work in my office
5 talking to the Caltrans district directors for instance
6 about many of these overlapping policies, and there are --
7 there are conversations that should also be happening at
8 the regional level among people who are working at that
9 level, because I think that's a -- sometimes the
10 Sacramento piece doesn't filter down or filters down not
11 all that effectively and there can be, I think, a lot more
12 there too. So I'll leave it to you on structure --

13 ARB BOARD MEMBER GIOIA: Yeah.

14 MS. GORDON: -- but I think that would be
15 helpful.

16 ARB BOARD MEMBER GIOIA: Thank you.

17 CTC VICE CHAIR VAN KONYNENBURG: Board Member
18 Balmes.

19 BOARD MEMBER BALMES: Thank you. I wanted to
20 thank Kate and Zach for really good presentations. And
21 I'm just going to piggyback on what Supervisor Gioia said,
22 but maybe through a different lens.

23 I was glad to see that Zach mentioned equity a
24 bit, but I think we need to emphasize it a lot more,
25 because the folks that are having to drive the longest to

1 get to their jobs -- I'm not telling -- I'm not saying
2 anything that we all don't know, but it needs to be
3 hammered home. The people that are driving the longest
4 are the people that have low-wage jobs in inner cities,
5 and they have to -- to even get close to something
6 affordable, they have to be way out.

7 John and I actually saw that. We drove from the
8 East Bay and the traffic was backed up all the way to the
9 Altamont Pass. And so -- and they're also probably
10 driving older vehicles that are less clean, so there --
11 and I think, in part, good intentioned Sustainable
12 Communities Strategies have contributed to this. Because
13 when dense -- more dense housing is built in inner cities,
14 it's often -- it's actually gentrifying neighborhoods and
15 pushing people out.

16 We have to be very careful. I mean, density in
17 the right places and density that's affordable. And, you
18 know, I don't have any magic answer to this. But this is
19 a huge problem that kind of gets buried, I think, a little
20 too much. There's a huge social equity and environmental
21 justice issue here.

22 MR. OLMSTEAD: Yeah, I mean -- while I didn't --
23 I wasn't able to show the whole menu of things that will
24 be a part of our prohousing designation, anti-displacement
25 strategies that are at the local level are a key part of

1 that in that menu. So there's a whole kind of category
2 focusing on policies that assist with that.

3 And, of course, that can be a number of different
4 things, right. So when that new housing is built
5 requiring levels of affordability, certainly some of our
6 programs, Affordable Housing Sustainable Communities
7 Program, right, we're trying to increase the stock of
8 affordable housing within -- within jurisdictions.

9 I think an area of focus that we certainly focus
10 a lot on at the Department, but that hasn't gotten as much
11 attention at the State level, but I think will, is
12 preservation of existing -- not only existing housing, but
13 existing affordable housing, right? We typically have
14 covenants of affordability on housing. And then when
15 those expire, they just become market rate. And we don't
16 do enough to handle that.

17 So, you know, there's a number of ways we can
18 approach that. And certainly our prohousing policies are
19 seeking to not only be about zoning for production, but
20 about the policies at a local level that deal with those
21 equity concerns. Because we have a mandate and typically
22 our focus typically is dealing with the neediest and most
23 low income Californian's housing needs.

24 MS. GORDON: And just very briefly - I know
25 there's a lot of questions - to say that one of the

1 important things about this sort of housing
2 transportation, in some ways that's not the full story.
3 One of the things the Governor is very focused on is the
4 connection between housing, transportation, and jobs, and
5 not just jobs, but what's in the Executive Order. And
6 he's made very -- a strong pitch for also in the budget is
7 high road jobs. So that's a shorthand for family
8 supporting career ladders -- jobs that actually allow
9 somebody to not have three or four jobs in order to live
10 and kind of meet some of those costs that Zach put up
11 there.

12 So we need to think about jobs near housing and
13 transportation, not just people still going two hours, but
14 maybe it's in a slightly better mode, right? And so those
15 all sort of are very integrated into -- into the high
16 level on the Executive Order, and I think really critical
17 certainly to the Governor and the administration.

18 CTC VICE CHAIR VAN KONYNENBURG: Okay. We're
19 going to move to another question. I just want a point of
20 clarification for two things that came up. When the
21 guidelines for all the different discretionary programs
22 are developed at the Commission, currently staffs are
23 working together from CARB, HCD, and the CTC. So we are
24 working together on making sure we develop those
25 guidelines and coordination.

1 I'm going to go to Commissioner Norton, probably
2 cursing the camera man who has to back over --

3 (Laughter.)

4 CTC VICE CHAIR VAN KONYNENBURG: -- but we'll do
5 a couple on this side and then we'll come back.

6 CTC COMMISSIONER NORTON: Well, thank you very
7 much. I'm so excited about the Executive Order and
8 Secretary Kim yesterday was talking about it as well,
9 because really this is such a great expression of the
10 Governor's vision. And I think your point about going
11 from ambition to action and with policy alignment is very,
12 very exciting.

13 What I wanted to know is how we support you from
14 the private sector with the opportunity to align this with
15 economic growth? And I think that's all underlying every
16 part of this vision, but I think -- and plan. But how can
17 we bring the private sector in that are so excited about
18 this, as not just housing and opportunity, but when you
19 talk about high-road jobs, especially preventing the brain
20 drain of all of our students that are graduating from
21 world class institutions in California and can't afford to
22 live in the state. It just seems to me like there's an
23 opportunity to align this as well with the economy, and
24 how can we go out around the state to talk about what this
25 means in terms of a new economic moment and the economic

1 resiliency you're building in.

2 And then I wanted to ask a little bit about in
3 the RHNA numbers about how areas like the SCAG region with
4 some new RHNA numbers are going to have some opportunities
5 for alignment of benefits for adding new goals, and what
6 that's going to mean for the opportunities to have new
7 transportation, new housing, new job funds to support the
8 new housing opportunity numbers as presented in the new
9 RHNA numbers.

10 MS. GORDON: Thank you so much, Commissioner
11 Norton. Great questions. Big questions. You know,
12 I'll -- I can obviously say more and love to connect with
13 you on this. But in terms of the big vision, I think
14 these things -- I appreciate you saying that they are very
15 integrated. And there's a couple places where this sort
16 larger vision is playing out. I mean, I think the
17 Governor, and the administration, and the Legislature
18 understand that we are in a moment of transition in a
19 number of ways.

20 CTC COMMISSIONER NORTON: Um-hmm.

21 MS. GORDON: Cities are growing differently than
22 they did. The economy is changing, in terms of the types
23 of industries that -- the place-based nature of those
24 industries. There is an overlay not just from our own
25 very ambitious climate goals and agenda, but the world is

1 adopting climate goals and agendas that are changing
2 markets throughout the world, and are changing pricing,
3 and changing, you know, availability of certain
4 technologies.

5 And we're seeing changes in the transportation
6 sector that are sort of a revolution, right? Dan Sperling
7 is not here, but I'll quote him and say, "It's a
8 revolution".

9 (Laughter.)

10 MS. GORDON: And all those things are leading to
11 a different sort of way of planning. And so I think the
12 Administration is trying to think that through in a number
13 of ways, some of which have very specific private sector
14 engagement - the Future of Work Commission is a place that
15 I would point to and get involved with - where that
16 conversation is playing out at a pretty high level, both
17 in the public and private sector.

18 In the implementation of the Executive Order,
19 particularly around the investment side, we are pulling
20 together a number of sort of more informal advisors from
21 the investment and bond communities, because they are
22 actually watching these impacts. And we are seeing our
23 own bond ratings change as a result of some of these
24 climate impacts and we need to get ahead of that. So
25 we're trying to pull in that perspective, because that's

1 ultimately the world in which we're planning.

2 And I just want to say, at the end of that, that
3 I -- what I just said sounds very threatening and scary,
4 but actually there's all kinds of opportunities when it
5 comes to transition. Transition opens up massive
6 opportunities for planning, for technology, for jobs, for
7 a new way of building and developing that are actually
8 quite exciting. And so I think there is a moment to kind
9 of think through that opportunity side as well, and what
10 that means for California for our industries. We're kind
11 of world leaders on some of these transportation industry
12 technologies. And we are -- we can be world leaders on
13 some of these planning technologies too.

14 CTC COMMISSIONER NORTON: That's great.

15 And I also wanted to thank you on the ADU side.
16 My kids can't wait to move me into the garage.

17 (Laughter.)

18 CTC COMMISSIONER NORTON: And so this is -- this
19 is a very exciting moment, because I do think it's about
20 family stability, as well as keeping neighborhoods growing
21 in --

22 MS. GORDON: My kids are teenagers, so they want
23 to move into the garage.

24 (Laughter.)

25 MR. OLMSTEAD: Real quick. I'll try to be --

1 I'll try to be succinct.

2 I think on the first piece, one thing that
3 whenever I am able to, in my capacity, is whenever we are
4 making investments around infrastructure or that lead to
5 significant job growth, I often -- I think historically
6 we've often seen housing as part of the phase two of that.
7 Oh, we're going to bring all these folks in and then we'll
8 build the housing.

9 Well, I've been saying quite a bit you have to
10 have that be part of your phase one. You can't be, all of
11 a sudden, saying we're going to create all these jobs in
12 this area and then do nothing about your housing needs or
13 else all you're doing is exacerbating our transport -- our
14 bad transportation patterns, right?

15 CTC COMMISSIONER NORTON: That's right.

16 MR. OLMSTEAD: And so I think that's the
17 important thing that I would love people to carry forward
18 on this is housing needs to be an integrated part of that
19 phase one, when we're doing those investments that lead to
20 significant job growth.

21 The other piece, which is a quite complicated
22 question, but I think the important thing that we will
23 look at, our role at the State, is looking at the region's
24 methodology for how they look at their dispersement of
25 housing need and jobs needs to be a significant component

1 of that. It needs to be by State law. But we will be
2 obviously looking significantly at that aspect of it when
3 we see those methodologies.

4 CTC COMMISSIONER NORTON: Thank you. Very
5 exciting.

6 CTC VICE CHAIR VAN KONYENBURG: Commissioner
7 Dunn.

8 CTC COMMISSIONER DUNN: Thank you, both, for your
9 presentations. Thank you very much.

10 Zach, if you could -- what I love about our
11 Governor is he's given us moonshot goals, right? We've
12 got 3.5 million homes we've got to figure out how to
13 build. We've got major electric vehicles, zero-emission
14 vehicles, we have to achieve. We have greenhouse gas
15 reductions. And I love when CARB presents the first slide
16 that they present shows us where we are on -- in the
17 track, right?

18 I would -- I would ask that we always, in
19 housing, remind folks what the baseline is. We need about
20 200,000 housing units a year just to meet current
21 population and jobs growth. And in 2018, we built
22 114,000. We haven't even started to address the 3.5,
23 which is what about 500,000 a year, 400,000 a year that
24 the Governor wants us to address. We haven't even started
25 on that.

1 2019, good news, we're already out about 120,000
2 units, so we're making some progress, but not even at the
3 overage. And it's all about supply in housing, supply,
4 choices, and affordability. And so I link arms with CARB
5 and say we're going to be right there together when we
6 increase our housing supply choices and affordability, and
7 then we can, as well at the same time, reduce our
8 greenhouse gas emissions, because we know it's going to be
9 built in the right places, both edge development and
10 building up in the right places within our cities.

11 So I would ask you to always give us the
12 beginning, those benchmarks, so we know where we are
13 today. And don't be afraid, we're not even -- we haven't
14 even touched the Governor's goal yet, but the goal -- the
15 good news is at least we're ticking up in 2019.

16 And so for all of the meetings and all of the
17 policies, if we don't connect it to actually physical
18 improvements and trajectory toward our goal, it's just
19 talk, right? It's just talk.

20 So that would be my challenge to you. Thank you
21 very much.

22 MR. OLMSTEAD: Yeah, absolutely. You've given us
23 a good thing to bring to when we're --

24 CTC COMMISSIONER DUNN: Please. Please.

25 MR. OLMSTEAD: -- official members beginning next

1 year.

2 CTC COMMISSIONER DUNN: Always start with the
3 numbers.

4 MR. OLMSTEAD: And those numbers that you
5 referenced -- my apologies, you know, short time -- short
6 mandate in terms of what to talk about -- you know, began
7 when we did our statewide housing assessment --

8 CTC COMMISSIONER DUNN: Of course.

9 MR. OLMSTEAD: -- a couple years ago.

10 CTC COMMISSIONER DUNN: Of course.

11 MR. OLMSTEAD: And so we certainly are just like
12 you tracking on those numbers.

13 CTC COMMISSIONER DUNN: Great.

14 MR. OLMSTEAD: And so happy to, if it works, you
15 know, try to -- try to bring those certainly to our
16 working group meetings, but if it makes sense to do it at
17 these meetings.

18 CTC COMMISSIONER DUNN: That would be great.

19 And then the other thing, Kate, I just am so
20 fascinated by your discussion on CalPERS investment in
21 California. It's been one of those most interesting
22 things for me as a life-long learner to learn about
23 CalPERS not -- it's just not connected to my day job. But
24 most folks don't realize they're the second largest
25 investment house in the nation, second only to the federal

1 government, and yet 90 percent of our government workers'
2 money is invested outside the state of California in other
3 states, and other countries, and other businesses that
4 don't have our greenhouse gas reduction rules.

5 Sort of leading me to think that we're not a good
6 investment here. And don't get me wrong, I don't think we
7 should mandate. I think we should get good returns on
8 investments for our government workers' pensions, so that
9 they -- I mean, they're struggling enough, right?

10 But I love that you're talking about CalPERS.
11 And I've actually even mentioned this to Fiona Ma as well,
12 how can we make the state, with all our great goals, a
13 better investment for our own workers that are here? And
14 if you could look at that in your planning. When you said
15 that I went, oh, I am so with you, girlfriend, whatever I
16 can do --

17 (Laughter.)

18 CTC COMMISSIONER DUNN: -- to help you on that
19 one.

20 MS. GORDON: That's fantastic.

21 CTC COMMISSIONER DUNN: Because I would love them
22 to invest more so that we can really showcase we're not
23 doing leakage to other states, right? We're not sending
24 all these young people we're educating in California to
25 other states. We're actually keeping our young people

1 here and keeping our investment here, because this is a
2 great place, because our goals are outstanding, and the
3 way our world should go.

4 Any thoughts on that one?

5 MS. GORDON: Just really briefly. I really
6 appreciate the comment. And I think that one of the kind
7 of good exciting things about this work is that because
8 California has set up this framework of really ambitious
9 policy goals that have driven the market here in the state
10 frankly for a lot of interesting technology, both in terms
11 of carbon mitigation, but -- so electric vehicles,
12 renewable energy, efficiency, but also increasingly in
13 resilience, we're starting to see -- have really
14 interesting technologies in converting methane and CO2
15 into alternative plastics, into water recycling and reuse,
16 like, all these interesting things.

17 We have a huge number of the world's patents
18 actually on clean tech and resilient technologies. We
19 have set a policy framework that gives the market a lot of
20 consistency and certainty about where we're going, and --
21 by setting these moonshot goals. And we're starting to
22 put this framework around resiliency as well.

23 So I -- what we're actually seeing from the
24 private sector is that we are -- we're getting
25 increasingly to be a good investment, because we've gotten

1 ahead of a lot of these issues.

2 CTC COMMISSIONER DUNN: Right. Right.

3 MS. GORDON: And I think one of the interesting
4 places to watch, and it goes to some of the work we talked
5 about on transportation infrastructure, is in this
6 resilient space. One of the things Treasurer Ma has done
7 a lot of work on is looking at the fact that bonds are
8 actually being offered at lower rates to places that are
9 investing proactively in resilience. The insurance
10 industry is also a major investor and they're doing a lot
11 of investment there as well. If we're investing in
12 resilient systems, it lowers the insurer's rate of fire
13 risk for instance.

14 CTC COMMISSIONER DUNN: Yeah.

15 MS. GORDON: So there's all kinds of connections
16 being made there. I actually think we're going to trend
17 toward those kinds of investments and that's what we're
18 looking at.

19 CTC COMMISSIONER DUNN: Right. And so I'm -- my
20 benchmark is get CalPERS to invest --

21 MS. GORDON: Yeah.

22 CTC COMMISSIONER DUNN: -- 12 percent in
23 California.

24 MS. GORDON: That's a great point.

25 CTC COMMISSIONER DUNN: When it moves from that

1 10 percent, I'm kind of pushing like Zach --

2 MR. GORDON: Yep.

3 CTC COMMISSIONER DUNN: -- just give me the tail
4 of the tape --

5 MS. GORDON: Yep.

6 CTC COMMISSIONER DUNN: -- and so I can -- I can
7 see that we're on the right track.

8 MS. GORDON: That's a great point. Thank you so
9 much for bringing it up.

10 CTC COMMISSIONER DUNN: Thank you. Thank you.

11 CTC VICE CHAIR VAN KONYNENBURG: Commissioner
12 Burke and then we'll come back over here.

13 CTC COMMISSIONER BURKE: First, Zach, in full
14 disclosure, I'm also on the Board of Century Housing.

15 But I am so delighted to see that 375 is going to
16 be part of this whole approach and concept, because hard
17 fought. I was on SCAG board when the fight was going on,
18 because no one wanted to accept the idea that
19 transportation and housing had to be coordinated, because
20 they were so concerned who would get on some of those
21 trains and buses, and where they would go, and end up, and
22 also in terms of employment.

23 So I really want to commend you for using this
24 coordinated approach of bringing housing/transportation
25 together in terms of goals and achieving some of those

1 long sought-after goals.

2 My question is where will housing credits be in
3 this whole plan?

4 MR. OLMSTEAD: When you say housing credits, what
5 do you mean? Do you mean like credit -- where do you get
6 credit for housing within meeting your RHNA numbers?

7 CTC COMMISSIONER BURKE: The use of housing
8 credits in terms of the financing.

9 MR. OLMSTEAD: Tax -- like tax credits,
10 affordable housing tax -- low-income housing tax credit?

11 CTC COMMISSIONER BURKE: As tax credits, right.

12 MR. OLMSTEAD: So obviously -- so just for
13 everyone's benefit, the low-income housing tax credit is
14 pretty much the foundation of each and every affordable
15 housing development deal. We have significantly increased
16 the State's share within some of the recent budget
17 actions.

18 HCD sits on the Tax Credit Allocation Committee
19 in the Treasurer's office. They're run through the
20 Treasurer's office. And so we -- what we've been doing is
21 trying to increase that resource knowing that they are the
22 foundation. The other thing that we've been doing is --
23 gosh, apologies for getting into the minutia. There are
24 two types of credits, both four percent and nine percent
25 credits.

1 CTC COMMISSIONER BURKE: Correct.

2 MR. OLMSTEAD: Nine percents are more valuable
3 and thus competitive. Four percent is usually paired with
4 private activity bond debt and typically not competitive.
5 Although, we're doing -- we've been doing so much in a
6 good way that we may actually hit our ceiling at some
7 point soon. But what we have done from our programmatic
8 perspective is we have really incentivized developers,
9 especially doing affordable housing, to pursue four
10 percent credits. And we've done that by increasing our
11 loan limits on our programs, because it can be -- if you
12 can access them, access them faster, because -- with the
13 State -- with the nine percent credits, there's two
14 funding rounds per year, so you might be waiting to get
15 your financing in place.

16 So, it's a public policy goal, right, to get the
17 housing built faster and get it financed in a better way.
18 And we have come in with essentially higher loan limits
19 per unit on some of our affordable programs. That's one
20 of the ways we've done that. And so we work really
21 collaboratively with -- with the Treasurer's office that
22 does the tax credits. We sit on that Board, the
23 California Housing Finance Agency sits on that -- on that
24 committee as voting members.

25 And so -- so we are able to have that lens when

1 those things come in about meeting our goals. And so the
2 example I even gave around -- and this was more with the
3 Debt Limit Allocation Committee also out of the
4 Treasurer's office, was actually funding a big
5 transportation project in the state. And what the
6 presentation was like oh, yeah, and housing will come.
7 After the jobs come, then we'll build the housing.

8 So my public comments were, well, actually,
9 that's not acceptable to me. Like, you're actually
10 exacerbate our climate challenges if that's what you're
11 doing. You're exacerbating our housing challenges if
12 that's what you're doing. So our representation on those
13 boards, I think, is helping as is the Governor's certainly
14 attention to the issue and making sure that when we make
15 those investments through tax credits or through that --
16 through that bond activity that we're connected as best we
17 can.

18 CTC COMMISSIONER BURKE: You see so little
19 housing -- low-income housing --

20 MR. OLMSTEAD: Sure.

21 CTC COMMISSIONER BURKE: -- or moderate income
22 housing that is developed unless they have access to
23 credits.

24 MR. OLMSTEAD: Right. And we have increased it
25 significantly. This year was a \$500 million increase to

1 the State credit for example. And so we hope that that
2 will be something that we can continue.

3 CTC COMMISSIONER BURKE: Thank you.

4 CTC VICE CHAIR VAN KONYNENBURG: All right.
5 Board Member Mitchell.

6 ARB BOARD MEMBER MITCHELL: Thank you. I have
7 just a couple of issues. One is that all over the state,
8 and even in other parts of the nation, we're seeing
9 disastrous homelessness. And this probably doesn't really
10 fall right into the bailiwick of HCD, but it does fall
11 into the laps of local government.

12 And one of the things that I think HCD might be
13 looking at is that what kind of housing is needed for
14 homeless people. And we know that substantial percentages
15 of them are either addicted or mentally ill. And are we
16 looking at types of housing that would serve those
17 interests? And that could be in the technical help that
18 you give to local government when we consider new housing
19 units.

20 MR. OLMSTEAD: Yeah. So we actually have a
21 number of programs that we target towards homelessness at
22 the State level. The No Place Like Home Program passed by
23 voters just a year ago is a couple billion dollars over
24 time. So we've been putting out in \$400 million
25 installments down to counties and developers to build

1 permanent supportive housing for people who are both
2 homeless and have experienced mental illness. We have a
3 supportive housing component within our multi-family
4 housing program. We have a specific program also approved
5 by voters several years ago that deals with homeless
6 veterans.

7 And so all told, on an annual basis, we're
8 probably putting out over a billion -- maybe close to a
9 billion dollars around actual production of new housing,
10 permanent supportive housing. So that's affordable
11 housing, just like you and I. You have a lease, but
12 you're building in the services within it.

13 And then on the actual engagement at the local
14 government level, each and every local government is
15 required to cite not only for that affordability in
16 serving all the special needs populations, including those
17 people who are homeless, but they also have to cite for
18 emergency shelters. So that's not permanent housing, but
19 they are required by State law to cite for emergency
20 shelters.

21 And that is often -- or it has been for many
22 communities a sticking point in getting to compliance and
23 their lack of desire to do that. But now that compliance
24 has a little bit more consequence, it's helped, I think,
25 some of those recalcitrant cities that didn't want to do

1 that, get into compliance on that piece.

2 ARB BOARD MEMBER MITCHELL: And then I have
3 another question for Kate Gordon. I think the idea of
4 leveraging our \$7 billion in investments to address
5 climate change is a good one. But also speaking for a
6 number of local governments, and PERS in general, a lot of
7 governments have unfunded liabilities because of PERS
8 investments. They haven't realized the return on
9 investment that was expected.

10 And so I'm just going to ask you what is the
11 government going to do so that they don't sacrifice return
12 on investment for a gain in climate investment leveraging.

13 MS. GORDON: Yeah, that's a great question. And
14 I think it goes back to kind of this fundamental tenet of
15 sort of the entire Executive Order which is that none of
16 it supersedes existing sort of law, and rules, and
17 regulations. There is no -- we can't go to PERS and
18 STRS -- I mean, we can't direct them anyway, but this is a
19 collaborative effort. We can't go to PERS and STRS and
20 say, you know, we would like you to direct your
21 investments these ways and throw, you know, returns out
22 the window. They cannot do that, given their
23 responsibility to the investors. They shouldn't do that,
24 given fiscal responsibility.

25 I think what's important is that we are seeing a

1 change in how the rest of the market is valuing these
2 types of investments. And so, in fact, if CalPERS and
3 CalSTRS don't take the changing conditions both in terms
4 of physical climate -- there's sort of the -- if they
5 don't do a risk analysis in terms of physical climate
6 risk, and also what they call transition risk, which is
7 risk of like stranded assets from changes in policy or
8 risk from technology changes -- you know, you put all your
9 money in the combustion engine bucket and don't think
10 about electric vehicles as an example.

11 A classic example is coal investments, which were
12 disrupted pretty dramatically in the last 10 to 15 years.
13 If you don't pay attention to those things, you're
14 actually not taking account material risks, and so you're
15 doing a disservice to your investors.

16 So what we're really saying is let's look at best
17 practice, in terms of investments, strategy, and where the
18 market is going and where our -- we are -- what we're --
19 where we're being pushed by our sort of bond holders and
20 where we're being pushed by insurers and see where we
21 should be going, given that reality.

22 So it really is a pretty hardheaded fiscal
23 analysis. But again, one that really takes our climate
24 goals into account, and where the market is going into
25 account. So I just wanted to reassure you no one is

1 saying throw out the return on investment theory. This is
2 one of those fundamental tenets that is there, but we are
3 saying, you know, increasingly where the market is going
4 and where investors are going is having to take these
5 things into account as material risks. So this is where
6 -- where we're going.

7 ARB BOARD MEMBER MITCHELL: Thank you.

8 CTC VICE CHAIR VAN KONYNENBURG: Commissioner
9 Guardino.

10 CTC COMMISSIONER GUARDINO: Thank you, Vice
11 Chair. Kate and Zachary, thanks for joining us today and
12 thanks for all that you professionally do to strengthen
13 our state.

14 Kate, I'm going to take you back to the first
15 comment that I think you made that we need to strengthen
16 ambition to action. Could not agree more. I often hear
17 from my team at the Silicon Valley Leadership Group how
18 much they value working with you, not only because you
19 respond so quickly, but that you proactively reach out as
20 well.

21 And we -- my day job, we represent primarily the
22 innovation economy that's driving California, but who we
23 don't represent are the folks who build homes that our
24 families and our workers need to be successful.

25 I assume both of you do the same type of reactive

1 responsiveness and proactive outreach to home builders, as
2 we look at these joined issues around transportation,
3 housing, air quality, as you do, Kate, with the innovation
4 economy. Are you at liberty to share at all how you do
5 that, how the success is? Because what we often hear --
6 and again we don't represent home builders, so -- but what
7 we often hear is, yes, the city will zone as if they are
8 meeting RHNA goals, but then they will put so many fees
9 and regulations around what they've zoned, that from a
10 practical standpoint, you just can't stay in business by
11 acting in those jurisdictions, or again as we hear from
12 many people in the equity and justice community, that the
13 lawsuits against more affordable homes near transit, using
14 a great law like CEQA, are primarily around
15 transit-oriented development.

16 So how is that outreach going to the folks that
17 actually are in the business of building either affordable
18 or market rate homes so that we can meet any of these
19 collective goals.

20 MR. OLMSTEAD: So one of the nice things that has
21 happened the last couple of years that I didn't get the
22 opportunity to talk about was in 2017 in the housing
23 package, there was -- one of the components of that gave
24 us increased essentially enforcement authority at HCD.

25 For many, many years, an advocates would always

1 say it, the housing element would have no teeth, right?
2 You know, you had to plan for this and developers
3 experienced that. And there was very little that could be
4 done. Third-party lawsuits certainly could occur, but
5 that's of great expense at the local level.

6 But with the passage of Senate Bill 72, we now
7 can refer cases to the Attorney General. Obviously, you
8 know, you probably saw earlier in the year Huntington
9 Beach was sued. And so that has helped significantly get
10 us to better outcomes to your point, Carl. Now, that
11 folks know that we have a story, we now have a growing
12 unit of folks that we can do investigations and hopefully
13 get to better outcome, before it even gets to some of the
14 things you've identified, in terms of providing that
15 technical assistance or that notification to the city,
16 that, hey, what you're doing may be putting you in
17 violation of the State Housing Accountability Act. And,
18 by the way, if you're doing that, then, you know, you may
19 be liable to a lawsuit from the State.

20 So that's one kind of on the enforcement side.
21 And we do hear now quite a bit from developers directly
22 who are now very pleased that we are -- can be an ally in
23 helping the good planning occur.

24 The other piece is in housing element, you have
25 to identify constraints to housing. And things like very

1 high fees or some of the things you identified would be
2 constraints. And now that it is -- that housing element
3 compliance is tied to our enforcement authority, we can
4 get a little more -- bit more aggressive in -- if those
5 constraints are not being addressed.

6 MS. GORDON: And just quickly on that, thanks for
7 the question, Carl. One of the things I love about my job
8 actually is that doing -- being at OPR, and the Strategic
9 Growth Council, and the Governor's advisor on climate
10 change, I basically get to talk to everybody about
11 everything all the time, because everything is impacted by
12 those things.

13 (Laughter.)

14 MS. GORDON: So I get to spend a lot of time
15 across many communities. And a big part of what I am
16 doing besides being very responsive - and it's nice to
17 hear people think that I try - is that I'm spending a lot
18 of time actually talking to home builders and developers
19 about these very specific questions of where are the
20 barriers that you're actually experiencing on the ground
21 and how do they differ in different regions.

22 And we're doing a lot of discussion about how do
23 we actually address those as an administration and really
24 get at them instead of sort of -- there's a lot of talking
25 points about what the barriers are, and some of them are

1 true and some aren't, and trying to really get down to the
2 project level and see what people's experience are. We
3 also have a -- I have a good relationship with the
4 building trades, so I spend a lot of time there, as well.

5 And then one of the, I think, most exciting
6 things that we're doing in this administration, you may
7 remember the Governor, in the State of the State, made a
8 really strong point about focusing not just on the coasts
9 and the big cities of the state, but really this idea that
10 all regions rise together in the State, and that every
11 part of the state is interconnected and interlinked.

12 And so the Regions Rise Project, what that's
13 become, is a project Lenny Mendonca from GO-Biz and I run.
14 And we have, as part of that project, done listening
15 sessions, full day, and usually more than a day listening
16 sessions across California. In the last six weeks, San
17 Bernardino and Merced, I just came from Redding this week,
18 Bakersfield, Riverside.

19 I mean, we've been sort of a lot of places.
20 Fresno. And in all of those conversations, I'll tell you
21 what's great about them is that at the regional level, we
22 have a lot of this discussion. There are always
23 developers in the room and there are always folks from
24 Caltrans, district directors -- districts in the room, and
25 there are always people from the community foundations,

1 and the EJ community, and the equity community in the
2 room. And so it's a place where that conversation is
3 coming together, which is incredibly interesting, and has
4 actually contributed a lot to our thinking, in general,
5 around some of these.

6 MR. OLMSTEAD: And if I may interject one more
7 thing. We're only less than two years into some of the
8 new laws that were passed beginning a couple years ago
9 that do give a lot of more leverage to developers in some
10 cases.

11 But what we are hearing quite a bit from them is
12 an unwillingness sometimes to hold local governments to
13 those laws, because like we have to continue to work with
14 them, for example. Like, we don't want to damage our
15 relationship. And so I think over time as this whole
16 suite of things that are essentially progressing cities
17 more by-right approval - Senate Bill 35 is one example -
18 you include a piece of affordability in your project and
19 you meet the criteria around -- around the environmental
20 standards and other things. Then it's a -- it's a
21 non-discretionary approval for example. But we're still
22 seeing that, of course, litigated a little bit on a
23 case-by-case basis.

24 But as -- our hope is as that and the suite of
25 other things that have been passed over the last couple

1 years become more second nature, and worked through, and
2 accepted more holistically that we'll see some of that
3 hesitancy by developers in terms of, you know, pushing
4 that button of utilizing some of those authorities become
5 more -- you know, become easier to do, right, and not be
6 as worried about what they might perceive as future
7 punitive action in order to allow themselves to use those
8 State laws.

9 So I think it is -- it does take some time
10 unfortunately for those things to become more second
11 nature and part and parcel to the development process.

12 CTC COMMISSIONER GUARDINO: Thank you.

13 CTC VICE CHAIR VAN KONYNENBURG: Commissioner
14 Butler and then Commissioner Alvarado.

15 CTC COMMISSIONER BUTLER: So thank you so much
16 again for coming and sharing with all of us. Really
17 appreciate it. I, too, am a fan of the Executive Order
18 and the promise of what it's going to bring. And I think
19 we're just in such a different place where we are trying
20 to have these conversations and break out of those silos,
21 and where we're having more people talk about and having
22 more people realize that this isn't just a transportation
23 problem or just, you know, a climate problem or an air
24 problem, that all of these issues are interconnected.

25 And especially for those of us who come at this

1 work from this frame of mobility knowing how important
2 that being mobile and being able to get where you want to
3 go is also tied to economic mobility, and also tied to
4 having a life that is full, and that allows you to spend
5 time with your family, and is healthy.

6 And so I really -- I like the direction. I like
7 the narrative that it's going. And I think what's a
8 struggle for me, and what I'm really struggling with is
9 even in this conversation, like it seems really great, but
10 it also seems really highbrow. And it seems like part of
11 what's happening is it's not necessarily resonating with
12 everyone.

13 And so, Kate, I so appreciate you talking about
14 the fact for there to actually need to be action, and for
15 us to actually see the fruits of our labors, and having a
16 great vision, how do we make that vision a reality?

17 And I think my only other thought, the thing that
18 has stuck out to me the most, my colleague in our first
19 comment, Member Balmes said, you know, there are so many
20 issues that get buried. And we talked about equity. And
21 I think that's true. I think -- I think these -- I think
22 these things often get buried. And so I think my ask to
23 you, Zach, is that when we start having these
24 conversations, it can't just say, like, well, when I have
25 a longer conversation, then that's when equity comes up,

1 and that's when we talk about things like preservation,
2 and that's when we -- like those have to be key. Those
3 have to be, you know, on the early slides. Those have to
4 be coming up in all of our conversations, because I do
5 think they get buried.

6 I also think that's not true. I don't think they
7 get buried. I don't think they get buried by low-income
8 people and people of color. And so it's not a surprise to
9 us that there is a lot of traffic as people are getting
10 pushed further out and have to drive further to their
11 jobs, because that's the life we live all the time.

12 What's actually happening is now we're in a state
13 where as the disparities continue to grow, people who
14 don't look like me are starting to be impacted by some of
15 these problems and now they want everybody to care. And
16 that's how it feels to low-income people of color. And
17 whether or not that's true, that's how it feels.

18 And so I think my question, because I know I'm
19 just talking. I'm not asking a questions. But my
20 question is how do we -- I don't think that it's just that
21 density is a bad word, which I totally agree with Zach. I
22 think we have to figure out how to just be honest and
23 confront the narrative.

24 I think it's also about like we don't like to
25 talk about racism. And we don't like to talk about these

1 hard issues, and like we've -- we've all talked around
2 race in our comments, but like that's a lot of -- you
3 know, we don't like to talk about what, you know, people
4 who have things what it means to be surrounded by people
5 who don't, and that are poor, and that look different than
6 them.

7 And so how are we investing our resources not
8 just in these visions, but in the actual technical
9 support, when there isn't that will for folks to do it.
10 And they will -- there will be many reasons they say
11 there's not the will, they don't want to push back on, you
12 know, cities. It's more expensive. It's harder.

13 But like also, let's be honest, like our country
14 is based on racism. And there are just some things that
15 like we don't like certain people and we don't want to be
16 by certain people. And so how do we provide financial
17 resources to help people tackle these issues? Because too
18 often, we all get excited, and I think we live in a great
19 State where I firmly believe in my heart that people want
20 to do the right thing and they care and they just don't
21 know how, in many cases.

22 And so how do we help those folks who want to do
23 equity or do justice, how do we help them realize that you
24 can't just do it if you don't even know how to do it, and
25 provide, you know, not just the mechanisms where we can

1 enforce, or not just the mechanisms where we can start to
2 look at funding differently, but actually the mechanisms
3 to help people understand how to do it differently, and to
4 make it easy for the community-based organizations, the
5 community members who know how to do it, but aren't viewed
6 as experts, how do we allow them to also be part of the
7 system of helping us make that change?

8 And, sorry, I know that's a big question.

9 MS. GORDON: Yeah, that's not a little issue
10 there --

11 CTC COMMISSIONER BUTLER: But I've been sitting
12 here for a little while so, you know --

13 MS. GORDON: -- Commissioner Butler.

14 No, that's a obviously critically important
15 question. And there's no way that I can answer it fully,
16 except to say a couple of things, because you asked for
17 sort of how do we operationalize this is sort of how I'm
18 hearing you.

19 And one thing I think is really important, and
20 you're absolutely right about, is that the patterns that
21 we're seeing in the state in terms of affordability, and
22 driving, and peoples commutes are affecting people really
23 differently than they used to. And it's both affecting
24 more people. And so I think you're right that we're
25 getting more attention.

1 It's interesting. It's like the fires have
2 always been in really rural areas. And then suddenly the
3 air quality got bad in the cities and everyone paid
4 attention. I mean, we do see that dynamic a lot,
5 similarly with commute patterns.

6 Also though, you know, I think it's forcing an
7 interesting conversation about some of the these you
8 talked, about race in particular, that isn't an
9 urban/rural split as much as it has been in the past, that
10 we're having an actual sort of much larger geographic
11 conversation about these impacts. And I think that's good
12 actually.

13 So getting beyond sort of how do we designate
14 this community as this thing, and how do we think about,
15 you know, urban poverty in this way, and really saying,
16 look, what does this actually look like? Let's go back to
17 the numbers and see what's actually happening here in this
18 state. And that is having a much larger and more
19 distributed impact. And I think the big challenge that we
20 have, and that's why the anti-displacement policies have
21 been one of the metrics that's been central, and one of
22 the operationalizing things that's been central to the
23 housing conversation is how do we not just have a whole
24 planning conversation that then exacerbates all the same
25 things we've exacerbated in the past? How do we actually

1 kind of build it in from the beginning?

2 Anti-displacement policies are a piece of that.

3 The Governor -- I would say the Governor's High Road

4 Economic Development strategy that was in the budget is a

5 piece of that, in that what it -- what it recognizes - and

6 this is more on the climate side, but it also goes to

7 transportation - most of the dollars that we spend on our

8 climate policies in the state, the types of jobs they

9 create are construction jobs. And that policy creates a

10 high road construction career ladder that actually

11 includes a pre-apprenticeship program and is very

12 intentionally about having a more diverse construction

13 workforce, and having the pre-apprenticeship piece of

14 that, and paying people to get trained instead of asking

15 people to get trained on their own dime, right?

16 So that's a big program that's now got a huge

17 infusion of money in the budget and is very looking across

18 regions. And particularly, we found our construction

19 workforce is also moving out of the cities, right, because

20 they also can't afford to live in cities. And so that is

21 a big piece of it is sort of how do we think about the

22 impact on actual workers, and how do we think about

23 getting people into that workforce, which is a pretty good

24 workforce -- high road workforce, and again, how do we

25 think about getting jobs to the places people actually

1 live, instead of asking everybody to move around for hours
2 and hours at a time.

3 The last thing I'll say is that I'm really proud
4 that the Strategic Growth Council, which includes the
5 Department of Transportation and many other departments,
6 has actually proactively adopted a strategy to look
7 specifically at race across all of our programs. And
8 it's -- it's called GARE, the under -- which I can never
9 remember that it stands for, so you probably know. You
10 can tell us. I can never remember.

11 MR. OLMSTEAD: Governor's Alliance for Race and
12 Equity.

13 MS. GORDON: Thank you. Thank you.

14 So GARE is run out of the Health in All Policies
15 Program at the State. And it's a pro -- it really is sort
16 of -- essentially puts this front and center and says
17 you've got to think about these issues. Like, you have to
18 talk about them. You have to think about them. We have
19 to think about how to operationalize them across our
20 agencies. And that can't just be through how we do HR,
21 which is the usual way in, but through actual policy
22 implementation and policy impact.

23 So all I can say is that there's a lot of --
24 we're thinking through this and struggling with it and
25 would really, really appreciate ideas about how to get

1 from theory to operation in this phase. We -- unlike with
2 say carbon emissions or road project dollars, we don't
3 have a lot of metrics in the equity space. And so we're
4 working with the ones we have, which are the
5 CalEnviroScreen honestly and the anti-displacement
6 policies. But we need more and we need to think it
7 through more strategically.

8 MR. OLMSTEAD: So I real am glad you brought this
9 up, because when I do do longer presentations, sometimes I
10 lead with what our strategic planning is at HCD. And one
11 the four tenets of our policy objectives it's increasing
12 supply at all levels, it's climate change, it's
13 homelessness, and fourth one we call increasing access to
14 opportunity. And it does stem from some of our work that
15 we've done at the Department with our GARE work.

16 But what that means is we have begun to embed in
17 all of our programs and in the guidelines, the
18 investments -- at least a rewarding -- rewarding
19 investments that come in high resource communities,
20 meaning since we're funding affordable housing, that we
21 are trying to integrate that -- those -- that new housing
22 in places that are near resources, right?

23 And without getting into the weeds, we have
24 collaborated with lot of our academic institutions, and,
25 to the early point about tax credits, begun to work with

1 the Treasurer's office in actually mapping where those
2 high resource communities are, so we can track where the
3 investments are happening, so that when we are awarding
4 tax credits, when we are scoring our applications, you are
5 rewarded if you are doing investment there. So we're not
6 just only building affordable housing in some areas, and
7 we're actually going the other way and saying we want them
8 built in high resource areas.

9 And so that's how we've taken the actual GARE
10 principles, which certainly we do all the internal stuff
11 as well, but we've tried to make them into action within
12 our programmatic investments, and highlight them, not only
13 for our stakeholders that are accessing the programs, but
14 we've done a number of internal trainings for our staff
15 around what does -- you know, we found -- it was hard, as
16 we went with the Treasurer's office around these increased
17 access to opportunity maps what the means, right?

18 So it allows us to get into the research that
19 shows, from an equity standpoint, how people's lives are
20 improved when they live in certain zip codes, those sorts
21 of things, right?

22 And we still have work to do certainly, but it
23 has been helpful to even educate our own staff of what
24 that -- how important embedding those policies are, not
25 even just in our internal practices as a department, but

1 actually walking the walk and putting it into our
2 programs, right?

3 And I will say, it doesn't always get universally
4 agreed with by our stakeholders. But we have held the
5 line and included those in our programmatic updates
6 because we think it's a very important policy objective.

7 CTC COMMISSIONER BUTLER: Thank you.

8 ARB CHAIR NICHOLS: Commissioner Alvarado.

9 CTC COMMISSIONER ALVARADO: Thank you, Mr. Chair.

10 And thank you for coming today and not only giving an
11 excellent report but generating quite a conversation
12 around the tables here.

13 This must be socialist corner right here --

14 (Laughter.)

15 CTC COMMISSIONER ALVARADO: -- and I'm going to
16 jump right in the middle of it.

17 (Laughter.)

18 CTC COMMISSIONER ALVARADO: You know, there's
19 not -- I'm not only a builder, but I'm an investor. And,
20 you know, inner-city high-density development or any
21 high-density developed around a transit hub is the most
22 expensive front door you could build. And so when you
23 look at, you know, the for-profit developer side -- like I
24 say, not only am I a builder, I'm an investor. I run a
25 pension fund. We come in with a prospectus with an 18 to

1 28 internal rate of return. So, you know, it's risky.
2 It's expensive. Long-time approval process.

3 And then on the other side, because we're a
4 pension plan, we made a decision to do some social
5 investing. So we will give up a point or two in that
6 internal rate of return and work with the nonprofit side.

7 And when you look at those two dynamics, they are
8 both competing for the same land. They're both competing
9 for the same workers. They're both competing for --
10 through the same approval process. I think the government
11 needs to make a real hard decision and maybe give a leg up
12 for three, or four, or five years on the nonprofit side.
13 Because even if you build -- you get a development
14 through -- the affordability component is maybe 11 to 13
15 percent. And when you factor in all those other, you
16 know, make it pencil out, return to your investors and
17 make a profit, now, you're talking about, even an
18 affordable unit, that a trades person can't afford, like
19 you had mentioned.

20 So we need to really look at serious government
21 investment in housing. And, you know, I'm -- they don't
22 like to call them projects, but they're communities. I'm
23 a product of the projects. It's not -- it's not a hurdle
24 that you can't -- I mean, it's not a label that you
25 can't -- that's derogatory. But we need to make serious

1 government investment in housing to make sure that
2 everybody can have a roof over their head.

3 And if you look at -- at when we talked about
4 PERS, there's a different -- there's a different mindset.
5 They have a different set of problems. They have a
6 different set of investment guidelines. But there is a
7 place and we were -- it was called a social investment.
8 And the different conferences that we go to try to
9 portrait it as illegal, because you're -- you're not
10 getting the best investment for your participants.

11 But it comes with -- with -- it come with strings
12 obviously. You know, you have to use apprentices. You
13 have to use community workers, all of that that goes with
14 developing a community. And a lot of kids that come in
15 through pre-apprenticeship programs that work on these
16 projects, you know, they got a job on these projects, then
17 the qualify to live in these -- on these projects.

18 So it's going to take a different mindset. You
19 know, you cannot continue to push for an 18 to 28 percent
20 internal rate of return and expect to make any difference,
21 because then you end up with a situation like the good
22 doctor mentioned, where you're displacing people, and
23 you're going to drive to where you qualify.

24 So, you know, the second part of that is you need
25 to make it affordable. It's going to take some steps.

1 Nothing is going to happen overnight. But in the
2 meantime, we need to rethink the way that we do public
3 transit.

4 Public transit doesn't work. It's -- you know,
5 you can put a train from Sacramento to San Francisco.
6 That doesn't help the plumber. It doesn't help the
7 carpenter. It doesn't help the hotel worker. It doesn't
8 help the people who really need to get that commute
9 shortened. You need to make -- you need to make it -- you
10 need to make public transit work. And we need to figure
11 out a way to -- I live in Pinole. In Contra Costa County
12 we have three, four different transit agencies?

13 ARB BOARD MEMBER GIOIA: Even more.

14 CTC COMMISSIONER ALVARADO: Even more.

15 Why do we have that?

16 I mean, there's -- right outside my front door on
17 the side of my driveway, there's a bus stop. A block away
18 from my office in Oakland, there's another bus stop.
19 That's a three and a half hour commute. Nobody is going
20 to do it not for 37 miles, which is what my front door to
21 my offers door is. Three and a half hours for 37 miles is
22 a failure of the public transit system.

23 So whether it's -- whether it's -- you know, one
24 of the -- one of the segments of public transportation
25 that works is the on-demand, you know, the ride share. We

1 have that at WestCat, that little ride share for senior
2 citizens to get to the market and their appointments.
3 Maybe that should become more of a portion of our public
4 transportation system.

5 But we've got to somehow think that -- come up
6 with a mindset that says, okay, it's going to come in
7 steps, and not everybody is going to go at the same pace,
8 so maybe we need to put housing first. In the meantime,
9 we still need to put capacity on our roads, because we do
10 have a commute problem. And until we can start shifting
11 that population back to where the job centers are, you
12 know, that's what's going to have to happen, and take it
13 from there.

14 I mean, it's a -- it's not an easy problem to
15 solve. I admire you guys for putting the work into this.
16 But I think until we solve the housing problem, nothing
17 else -- we can do anything we want and it's going to be
18 very difficult, because, like the good doctor said, those
19 folks that travel the longest don't really have the most
20 efficient cleanest modes of transportation. And it's --
21 we should be able to provide at least a portion of it in a
22 safe, economical, and timely manner.

23 Thank you.

24 CTC VICE CHAIR VAN KONYNENBURG: Chair Nichols.

25 ARB CHAIR NICHOLS: Thank you. Yes.

1 Are there more questions here.

2 CTC COMMISSIONER KEHOE: Do you mind if I make
3 a --

4 CTC VICE CHAIR VAN KONYNENBURG: Sorry.

5 ARB CHAIR NICHOLS: Yes, please.

6 CTC VICE CHAIR VAN KONYNENBURG: Sorry,
7 Commissioner Kehoe.

8 CTC COMMISSIONER KEHOE: No problem.

9 CTC VICE CHAIR VAN KONYNENBURG: I didn't see
10 you.

11 CTC COMMISSIONER KEHOE: No problem. Thanks.

12 It has been a fascinating and complicated
13 discussion on -- from the panelists and from the Board
14 members and the Commission members. This -- what we're
15 trying to do has so many tentacles, so many tentacles that
16 it's -- it is, you know, I guess I want to say mind
17 blowing, because it is.

18 So I just want to inject a little note of
19 political practicality. Because when we talk about these
20 forward-looking policies that we are -- some are already
21 on the books and we're going to be doing more in the next
22 few years, the implementation at the local level, at the
23 city and county level, is necessarily -- or not
24 necessarily, but it's fraught with, I think, some
25 contention.

1 For the resident that sees a neighborhood
2 improvement, another one may see gentrification. For the
3 people who want to put in an accessory dwelling unit on
4 their property, that's a great step forward for some or
5 maybe it's an Airbnb rental that will be vacant most of
6 the time.

7 And we don't even have basic numbers on things
8 like that in San Diego. There's still some discussion
9 about whether it's five or even ten thousand units that
10 are off the market on, you know, a semi-permanent basis,
11 because of short-term vacation rentals.

12 So there's a lot of different aspects of this.
13 And I think we need to persuade Californians about what we
14 perceive as the benefits, whether it's going to be better
15 housing for the next generation or right now, whether it's
16 home ownership or rental units, whether we're going to
17 have more diverse communities, whether we are going to be
18 able to get around without cars, or with much cleaner
19 cars. We haven't really done a successful sales job. We
20 need -- we need better marketing and I'm sure you know
21 that.

22 We really need to, I think, look at some of the
23 housing policies we're implementing right now with higher
24 density development along transit corridors. We're
25 actually pushing people out of existing homes that are

1 there. They may be older, less appealing rental units on
2 little court yards one- and two-story apartment buildings,
3 but people live there and they're being pushed out, and in
4 some case, actually the next step is homelessness. So
5 we're putting people in the homeless pipeline while we're
6 attempting to take them out at the other end.

7 So I think we need to -- and I think you have the
8 resources, Kate, when you look at OPR's purview, the
9 agencies that you have that you can call on for advice are
10 right there, but we really need to give more detailed
11 thought to what the practical application is of these high
12 level discussions. So I just want to put that on the
13 table before we wrap-up.

14 MS. GORDON: Thank you. I appreciate that.

15 CTC COMMISSIONER KEHOE: Thank you.

16 CTC VICE CHAIR VAN KONYNENBURG: Okay. Now,
17 Chair Nichols

18 ARB CHAIR NICHOLS: Thank you. I think this is a
19 question and a comment both. So what we're learning I
20 think in part from trying to actually implement these
21 policies is how difficult it is to keep everybody else's
22 priorities in mind at the same time when you're carrying
23 out what your own agency's primary mission is.

24 And so I guess one of the questions I would just
25 ask of our colleague from HCD is whether you feel that you

1 are able to apply, or to utilize a climate lens, or a
2 climate filter as you develop the policies that you're now
3 working on, and whether there's additional tools that
4 would be good to have, if you're -- you know, as you're
5 trying to do this?

6 MR. OLMSTEAD: I mean, yes, I do. I'm not sure
7 if you were in the room when I said, you know, climate is
8 one of our four tenets of the things we were trying to
9 achieve in terms of effectuating the State's climate
10 goals.

11 And so many of our programs obviously seek to do
12 that directly. When it comes to the planning aspects of
13 things, you know, we want to push, and now have greater
14 tools to do so within our authority, we want to push local
15 communities to do better kind of planning and development
16 that are climate centered.

17 In the past, before we -- you know, I mentioned
18 there was this belief and probably truth that the housing
19 element law didn't have very much teeth, because there
20 wasn't much consequence. You know, they give us a site
21 inventory and we kind of have to accept what it might be,
22 right. There's a little bit more of an iterative process
23 that we're now able to go through.

24 And so what we've been -- especially this past
25 year, but it proceeds us. It's -- certainly, the Housing

1 and Transportation Working Group has been helpful. I
2 think tools to our disposal, for example, I'll give a
3 very -- very specific example, right? We may get a
4 community that says, you know, we can't plan for any
5 housing, because we don't have any access to water, or we
6 can't do any sort of water improvements.

7 Well, you know, it's hard for our analysts who
8 are not maybe well versed in that to -- to know if that's
9 true or not, because definitely there's times when that's
10 not true when that's said to us, you know, because it may
11 just be a way a community doesn't want to have to
12 accommodate housing needs.

13 So we have begun conversations, for example, with
14 partners on our water -- on the waterside, so we can
15 validate those questions when they come up. So I think we
16 need more of that. I mean, that's just one example. But
17 certainly, when you speak to tools, being able to have
18 conduits that are at our partner agencies for when local
19 governments are telling us things that we can validate, so
20 we just don't accept what they're saying as a fact, oh, we
21 have to plan for here because of X, Y, and Z. We can't
22 plan here where you're telling us to plan, because of X,
23 Y, and Z.

24 So as we have the tools in our disposal to push
25 them towards those better planning outcomes, we can tap

1 into, for example, the expertise of our partners. And I
2 think being a part of this group will certainly help that.
3 It's already borne fruit with our collaborations at the
4 working group levels.

5 But as they come up, I think that may be the
6 request you may be asking, not only the folks that are
7 around this room, but other State partners when we have
8 specific cases at the local level where we need to or we
9 may be doing investigation now with our new enforcement
10 authority where something is being alleged to maybe
11 receptivity to our asking our State partners for advice
12 and getting it, yeah. Does that -- does that answer your
13 question?

14 ARB CHAIR NICHOLS: Yes. Yes, I think so.

15 Perhaps, the underlying issue here, it was on my
16 mind, was that when we were in Los Angeles for our
17 meeting, we were addressed by an attorney on behalf of a
18 group that is alleging that our entire scoping plan is a
19 violation of civil rights and environmental justice
20 policies, because we are in, their view, making it more
21 difficult for people to achieve homeownership as a result
22 of everything that we do basically.

23 And so it's kind of a direct attack on the
24 policies and the premises behind the scoping plan. So I
25 think we -- we're just looking for what the correct way to

1 respond to this is, because this is not our area of -- we
2 think that we do a lot of the area of environmental
3 justice and that we do not violate civil rights laws. So
4 I'm not suggesting that we are in agreement with the
5 lawsuit, but we are interested in making sure that we know
6 how, in a proactive way, we can address those kinds of
7 concerns.

8 So thank you.

9 MS. GORDON: Just really quickly on that. Thank
10 you, Chair Nichols.

11 I think that the recognition that housing is a
12 climate issue is daunting to a lot of folks. It has
13 previously been -- as you know well, we've thought a lot
14 about green buildings, and the individual building
15 envelope, and how efficient is it, and does it have solar
16 on it?

17 And we're now really starting to see this
18 integration of -- and the -- of -- with the land-use issue
19 as a really significant climate issue, not just in
20 California, but around the world. So that recognition is
21 slow to dawn in the environmental community, as well as in
22 other communities. And that's work that you've done a lot
23 on. And I think everyone is kind of -- is pushing for is
24 partly educational.

25 But the other piece, and I would really point to

1 one of Zach's slides as really important, is housing is
2 not affordable if the transportation costs make it
3 unaffordable. So affordable housing is also -- has to
4 integrate the idea of what the transportation costs are
5 associated with that housing. It is not affordable to
6 live two and a half hours away from a job that pays you
7 the same amount as if you lived two minutes away from that
8 job. It's a -- not a sustainable situation. And I think
9 the more we all can incorporate that idea into the concept
10 of affordability and access, the better.

11 ARB CHAIR NICHOLS: Thank you.

12 CTC VICE CHAIR VAN KONYNENBURG: Okay. I did
13 have questions, but we are really going over time.

14 MR. GORDON: We can be here all day.

15 CTC VICE CHAIR VAN KONYNENBURG: I'm going to
16 make two points and we can talk offline.

17 Director Gordon on your last slide, you had two
18 points that I thought were very critical. Stakeholder
19 engagement will be key throughout the process. And I
20 would just say that there are two cultures in this state.
21 There's the culture of laying out something and trying to
22 push it down. And there's a culture of laying out a big
23 goal and then it's going to the bottom and engaging and
24 saying, okay, let's rise up to the conclusion to meet that
25 big goal. So I would -- I would just really encourage --

1 the Transportation Commission has always followed the
2 latter and that's an important part of our culture.

3 The second thing is implementation will respect
4 legal boundaries and will not affect already committed
5 funds. Keep in mind that's -- there's an enormous
6 sensitivity to that --

7 MS. GORDON: I know.

8 CTC VICE CHAIR VAN KONYNENBURG: -- within our
9 culture as well. And sometimes people might say, well,
10 that's -- what you believe is not committed, it may be
11 perceived in our local partners as being a committed fund.

12 So those are the two things. I'd love to get
13 into them, if you're around. We can, but we have to move
14 on.

15 MS. GORDON: Great. Thank you for those points.

16 CTC VICE CHAIR VAN KONYNENBURG: Thank you very,
17 very much.

18 MS. GORDON: Thank you.

19 CTC VICE CHAIR VAN KONYNENBURG: Obviously, you
20 were very popular, so you really engaged the Commission
21 and the Board.

22 So I am going to do a Chair's prerogative. We
23 are running very long. If you must get up to go to the
24 restroom, no one will judge you for going to the restroom.

25 (Laughter.)

1 CTC VICE CHAIR VAN KONYNENBURG: However, we are
2 going to move right to the next panel.

3 So if I could have the next panel come up right
4 now and set up, I would appreciate it, because I'm being
5 told that I am not managing this meeting well --

6 (Laughter.)

7 CTC VICE CHAIR VAN KONYNENBURG: -- and I felt
8 like everyone is nervous that we're way over time.

9 So I need to -- we need to make up time.

10 CTC COMMISSIONER GUARDINO: Mr. Vice Chair, it
11 depends on which time zone that we're in, so you could be
12 right on time.

13 CTC VICE CHAIR VAN KONYNENBURG: That's right.
14 That's right. We're doing great for the Hawaiian time
15 zone right now.

16 (Pause in proceedings.)

17 CTC VICE CHAIR VAN KONYNENBURG: All right.
18 Thank you.

19 Our next panel is a very important panel. It's a
20 discussion on the sustainable transportation planning and
21 project implementation with the -- within the San Joaquin
22 Valley.

23 Our moderator today will be Stanislaus County
24 Supervisor for District 2 Vito Chiesa. Our panelists with
25 be Kristine Cai.

1 Kristine?

2 You've got to wave bigger. Thank you. There you
3 go.

4 Ahron Hakimi from Kern County, Terri King from
5 Kings County, Trish Taylor from Madera County, Andy
6 Chesley from San Joaquin County, Rosa Park from Stanislaus
7 County, and Pastor Ted from Tulare County.

8 (Laughter.)

9 CTC VICE CHAIR VAN KONYNENBURG: All right. I
10 will not turn it over to our moderator for this panel Vita
11 Chiesa.

12 MR. CHIESA: You disappeared like the two boards.

13 Well, thank you very much, Paul. It is great
14 that you have chosen the CTC and the Air Board to come to
15 Modesto, so I welcome you. I know you've been welcomed
16 many times today. But thank you very much for coming down
17 here. We will try and keep this short to get you back on
18 time.

19 It is always a pleasure to see Supervisor Serna
20 and Supervisor Gioia. I know he's around. We've been in
21 many battles together through CSAC, and our very own John
22 Eisenhut, Member Eisenhut from Turlock.

23 So quickly, you introduced everyone. We're going
24 to get right into the questions. And I'll kind of try and
25 prompt each one of the speakers, if I could, and if you

1 keep your answers pretty concise. I know that time is of
2 the essence.

3 The first question I wanted to ask -- or I wanted
4 to talk about is the valley is working on some interesting
5 concepts utilizing climate funds. Tell us about some
6 current innovations that support the use of electric
7 vehicles?

8 I'm going to start with Kern County
9 representative Ahron Hakimi.

10 MR. HAKIMI: Thank you, Vito. Good afternoon,
11 everyone. Thank you for inviting us to speak here.

12 So the eight valley COGs got together about six
13 years ago and invested about half a million dollars in
14 grant funds in studying Interstate 5 and Interstate 99.
15 One of the things that came out of that study was the need
16 to look into much further the ability to move freight in
17 the Central Valley emissions free.

18 So we are about to start with an investment of
19 about \$200,000 from all the counties together, mostly from
20 Kings County - Thank you, Terri - in partnership with the
21 Air Resources Board, the San Joaquin Valley Air Pollution
22 Control District, and hopefully Caltrans also will be
23 participating in this study.

24 What we're specifically going to study is the
25 viability of heavy trucks traveling the roughly 225 miles

1 from the base of the grapevine on the Kern County side all
2 the way up to the 580 turnoff. That's about 225 miles.
3 We're going to study the ability to do that emissions
4 free, with either electric vehicles, hydrogen-powered
5 vehicles, or the shuttling of vehicles. So imagine a
6 vehicle that could come from the Port of Long Beach drop
7 off a 40-foot container on the Kern County side. And that
8 trip could be done with zero emissions. And then have
9 that container travel another 225 miles up through the
10 Central Valley, one of the most polluted area in the
11 country, completely emission free and then be delivered on
12 its last leg in the Bay Area emissions free.

13 We believe that that is viable today, and this
14 study is going to explore the commercial viability of
15 that, not just with say delivering potato chips. As you
16 may have read about, Frito-Lay is heavily investing in
17 zero-emission vehicles. But we want to be able to do it
18 with full 80,000 pound loads. We look forward to a
19 successful partnership and thank you to the Air Resources
20 Board for being a partner and to the San Joaquin Valley
21 Air Pollution Control District. And I look forward to
22 Caltrans also partnering with us.

23 MR. CHIESA: That's great. Ted, maybe you can
24 talk a little bit about Miocar, your experience with
25 Miocar and how you see it playing out in the future, maybe

1 what the public perception is.

2 MR. SMALLEY: Well, Miocar, just you -- so we can
3 be brief. There's a write-up in your pamphlet. It's a
4 car sharing partnership that we've started. You can look.
5 There were partnerships with ARB, a partnership with our
6 air -- our own pollution control district, Kern County,
7 and ourselves and UC Davis. And it just got started, but
8 we already have a over 100 active members. We've had 300
9 reservations since coming to Tulare County. And this is
10 an increase from the 82 active members and 50 reservations
11 from just a month ago.

12 So we are very excited. Although, it's in the
13 infancy, this is a new way to help folks out. Keep in
14 mind we're rural. Some of the suggestions about, you
15 know, car demand companies don't exactly work in other
16 areas, but car sharing is a great opportunity for us to
17 help people out, and we look forward to this continuing to
18 be successful.

19 MR. CHIESA: That's good.

20 Terri, from Kinds County. CalVans, I think
21 that's something that's important that -- that's primarily
22 used as an agricultural -- for agricultural workers. But
23 do you see that expanding? How has it worked in your
24 county?

25 MS. KING: Well, actually it didn't start out as

1 a farm worker vanpool program. It started out with our
2 local transit agency. We have some large employers within
3 our country. Three state prisons alone in Kings County,
4 as well as a Naval air station. So their employee were
5 looking for transit. So we started a regular vanpool
6 program.

7 And then those vans were used -- particularly for
8 the prisons, they have like three shifts. So that -- vans
9 are running 24 hours a day. So there's a lot of turnover
10 in the vans. So those vans were turned over to start up a
11 farm worker program, and that just expanded quite a bit.

12 And so with the help of the Air Resources grants,
13 they are receiving for the farm worker vanpool program
14 electric vehicles to expand that program. Currently, it
15 operates -- it got so big. So in 2012, they established
16 their own entity. So there are 18 counties that are
17 members of this entity. And there's over 18 -- 800 vans
18 in total overall.

19 And just within the San Joaquin Valley, there's
20 376, and just within little old Kings County there are 66
21 vans. That includes both the regular vanpool and the farm
22 worker vanpool.

23 So in terms that the benefits that we're
24 receiving from that, in fiscal year 18-19 last reported,
25 there were about 11 million miles carrying three million

1 passengers. And then from the latest data we have
2 regarding emission reductions from 16-17 shows a reduction
3 of 52.5 metric tons of emission reductions as a result of
4 CalVans use.

5 And so with the additional use expanding that
6 will only increase the emission reductions. So just
7 within San Joaquin valley alone, vanpools traveled seven
8 million miles with over two million passengers. And in
9 just little old Kings County, we had 1.3 million miles
10 with about 400 passenger -- 400,000 passengers. So that
11 was about 5.8 metric tons of emission reductions just
12 within Kings County alone.

13 So we really heavily on those programs to meet
14 our SB 375 goals and the State's goals for emission
15 reductions within Kings County and the whole valley.

16 MR. CHIESA: Is it funded solely by the Air
17 Board?

18 MS. KING: No. The regular vanpool program is
19 funded by rider fares. They also receive vouchers for
20 their employers and from the air districts. So it's quite
21 an incentive to use a vanpool program. But they receive
22 funds through the farm worker -- the farm that they go to
23 work to. So being in the valley with the agriculture,
24 there's quite a few vans running around, include going
25 over to the central coast. So all the ag areas within the

1 State are operating CalVans.

2 MR. CHIESA: Perfect.

3 Mr. Smalley, tell us about one low carbon project
4 in the valley transit project?

5 MR. SMALLEY: Sure. We, right now, have a
6 shuttle service that gets our college students up to the
7 four-year college in Fresno. It actually was built off of
8 what we did eight years ago, which is to work with the
9 community college in a partnership to where the students
10 just show their ASB card anywhere in our county or our
11 sister county, Kings County, and they get to ride any bus.
12 They just show their card. And since then, we've had 2.4
13 million riders in our two counties having access to
14 community college.

15 The City of Visalia had a vision of how do we now
16 help our kids get to the four-year university. And that's
17 where the LCTOP money came in. And it was a great use of
18 the money. And now we have a shuttle that's been going on
19 for three years that not only goes to the college, but
20 also goes to the international airport up in Fresno. And
21 our ridership is up to 3,000 students now. And so we're
22 excited about the ability to continue to help kids, have
23 access, and grow in education.

24 MR. CHIESA: Perfect.

25 Next question. We talk about the availability of

1 land, cheaper labor over in the San Joaquin Valley.

2 We've -- it's spurred tremendous growth, especially in the
3 distribution area. How are we accommodating this growth
4 for goods movement and how are we going to mitigate all of
5 the truck traffic, growth in VMTs, and such?

6 I'm going to start with Andy Chesley who probably
7 is the most impacted here from San Joaquin County.

8 MR. CHESLEY: Sure. You know from the beginning
9 back in the gold rush days, San Joaquin County at the
10 northern part of the San Joaquin Valley has always been a
11 logistics center, whether it be to -- for gold rush
12 participants to add to the mountains, and it continues to
13 be that way today.

14 I've mentioned here in front of both the
15 Commission and in front of the Board that six years ago
16 Amazon had no employees in San Joaquin County. Today,
17 they're our largest employer. Distribution is making a
18 big impact in San Joaquin County. Wayfair just opened up
19 a \$1.1 million warehouse facility, and are 700
20 construction in San Joaquin County. That will bring 70
21 trucks an hour are being deposited on the Highway 120 from
22 Wayfair.

23 At the Port of Stockton, which is the fourth
24 largest port in the State of California, and admittedly
25 there's a bit of a difference between the Port of Oakland

1 and the Port of Stockton, in terms of tonnage. But we are
2 doing several things with the help of the Commission and
3 the delivery of Caltrans. We've been able to move trucks
4 out of a social justice community, out of that and to have
5 a big impact in betterment of that particular community.

6 We are moving more movement of goods onto rail
7 with rail improvements on both the site as well as offsite
8 from the Port of Stockton. And we have had an effort,
9 which is not always -- has not been totally successful,
10 which is to move truck traffic from off the Altamont Pass
11 onto barges coming from the Port of Oakland to the Port of
12 Stockton. The operating cost of that has been way too
13 high and we have had to suspend that, but we are looking
14 for ways to put that back into effect here hopefully in
15 the near future.

16 MR. CHIESA: And I might also point out, UC
17 Merced is not here because we didn't have enough chairs
18 for Merced, so they're out in the hallway.

19 (Laughter.)

20 MR. CHIESA: But they're trying to do an inland
21 port to take containers down to the Port of L.A. And I
22 know it's been tried in Stanislaus to try and get a
23 shortcut over to the Port of Oakland for container ships
24 to take people off of the Altamont, so there's a lot of
25 things happening.

1 Trisha, from Madera, can you please talk about
2 the need to complete the SR911 widening through the San
3 Joaquin Valley?

4 MS. TAYLOR: Good morning. Thank you for this
5 opportunity. The San Joaquin -- the State Route 99 is the
6 good movements workhorse of California. And I know I
7 don't need to share that with all of you. You're all well
8 aware of all the goods that are transported from the farm
9 to market.

10 But it is of crucial importance that we ensure
11 safe mobility and efficient mobility on the State highway,
12 both local and regional travelers who share the facility
13 with constant freight transportation. So we need to be
14 aware of all the local travel as well as the freight
15 movement on State Route 99.

16 The intent behind this State Prop 1B funds was to
17 relieve the system of forecasted congestion and
18 consequences that congestion brings, which is pollution,
19 public health, travel times, the economy, and -- but
20 today, we are experiencing gaps. And so the State Route
21 99 still needs to be completed. The gaps have created --
22 have created traffic congestion along the highway. And in
23 Madera -- I can speak specific to Madera, and I know that
24 we see this up and down the State Route 99, is that it's
25 continuing to get worse.

1 And on an annual basis, the rate of collisions
2 has been increasing. Travel times increased, leading to
3 slowed and often stopped vehicles on the state highway.
4 And all these factors continue to create worse emission
5 outputs.

6 Additionally, we are more often to observe an
7 influx of traffic off of State Route 99. I experienced
8 this yesterday. I did it myself. We were going. We're
9 leaving State Route 99 due to traffic congestion and going
10 onto our local streets and roads, which is causing safety
11 issues for our communities.

12 Having said that, we know of and we strive to
13 find many solutions to address our ambitious goals in our
14 urban and rural communities. And so we'll be working, and
15 I know you've heard from my colleagues here that there are
16 a lot of other alternatives that we are looking at to
17 address getting either trucks off the roads or any kind of
18 alternative modes of transportation.

19 State Route 99 is the transport artery capturing
20 everything from local to national travel. And completing
21 what is needed on State Route 99 is an important piece of
22 that big picture that we are trying to address to meet all
23 of our goals. And so the need to complete State Route 99
24 is of great importance to us, in order for us to also
25 address some of the other needs along the state highway.

1 MR. CHIESA: Perfect. Thank you. So the eight
2 of us is -- make up part of the Regional Policy Council
3 made up of the eight valley counties. We do a D.C.
4 lobbying trip every year. And one of the main topics
5 and -- from Tulare COG is that there's a real issue going
6 on with trucks using local roads. And Tulare has -- I
7 guess I'll ask you, Ted. What are you doing about that to
8 get to dairies, to get to almond haulers, processing
9 plants?

10 MR. SMALLEY: Well, two things. One, I think we
11 are trying to educate at the federal level when we talked
12 about goods movement, the need of truly farm to market or
13 farm to processing, that most transportation funds are
14 divvied up by population based and not based on the amount
15 of miles.

16 And we need to look at especially farming areas
17 like ours which is so critical to the country. We produce
18 so much milk comes out of -- the amount of cheese and
19 things that we produce is astronomical. And yet, it takes
20 a lot of roads to have those dairies. It takes a lot of
21 roads to provide the citrus.

22 The San Joaquin Valley is the largest
23 agricultural area in the whole country and it's not even
24 close. And it's not just large by volume. It's large by
25 quality. The quality of what's produced in here is second

1 to none in the world. People all over the world want the
2 produce, want the milk. And I think that's pretty famous
3 about China wanting the milk, because it's safe and what's
4 happened to deaths in their country.

5 But it takes a lot. And so, one, is lobbying the
6 federal government to look at ways that in the next
7 transportation bill a pilot program could occur that would
8 have additional funding based on the amount of pure truck
9 traffic that is on rural roads.

10 In addition to that, we are prioritizing our
11 funds based on truck traffic that is on roads. To give
12 you an example, one filled up milk container equals 16 to
13 18 thousand cars, as far as its wear and tear on the road.
14 So when we have roads that have 600 truck trips a day,
15 it's hard to imagine, but it's the equivalent of having
16 millions of cars a day on that road beating it up.

17 So I think, one, is you certainly have to
18 prioritize the funds you have, but two, it's time for us
19 to look at the full picture of what farm-to-market is,
20 which starts where the food is produced, where the milk is
21 produced, and help be able to have funding to take care of
22 those roads.

23 MR. CHIESA: Thank you very much.

24 So the valley faces some unique challenges, more
25 than -- especially in the north valley, more than 80,000

1 people leave our area to go to the Bay Area for their
2 employment. How does this impact our land-use decisions,
3 transportation decisions, and what are you doing to
4 address it?

5 I'm going to start with Rosa. Maybe you can talk
6 about the commute shed, what it's doing in regard to
7 housing production and what our COG is doing to help out.

8 MS. PARK: Thank you.

9 Yes. Obviously, the Central Valley remains one
10 of your fastest growing areas in California. And for
11 our -- particularly in the Stanislaus region, we are
12 looking at other ways to try to help some of our
13 commuters. ACE extension rail coming to our area is going
14 to -- we hope that it's going to help us get some of those
15 commuters on our rail, but also our transit stations.
16 We're making improvements on our transit stations to
17 improve and be ready for our rail service to get here.

18 Also, with -- we're very optimistic with the new
19 AB 185 with the housing and having those conversations
20 with the COGs as we work together with these -- with, you
21 know, getting improvements.

22 Also, with AB 101, we're very happy to know that
23 with our COG and our regions here to work together with
24 our RHNA process. And I feel that collectively we will
25 improve these commute patterns.

1 MR. CHIESA: Okay. Kristine, you're from the
2 Fresno Cog, pretty much the same question, and how we're
3 going to address the GHG reductions.

4 MS. CAI: That's right. Thank you.

5 So suburban greenfield development is still the
6 primary type of development in the valley and still
7 outnumbers, outgrows infill and redevelopment. There's a
8 couple of underlying reasons for that. First, greenfield
9 development is cheaper. And since the redevelopment money
10 went away, it has been hard for the redevelopment to
11 pencil out, especially in the urban -- existing urban core
12 downtown areas.

13 And secondly, in the valley we have a younger
14 population. Our household size is bigger. While the
15 entire state is experiencing a decline of household size,
16 the valley actually, our household size is growing. So
17 with a family of three or four kids, such family will be
18 looking for spaces. So those are the couple of reasons.

19 There is an impact to that kind of suburban
20 greenfield development, because it will be hard for us to
21 achieve density, which will be hard for transit to work in
22 our regions. So that's why, you know, majority are -- of
23 our residents are still -- are still relying on their own
24 private cars.

25 And, you know, the transit mode share in the

1 valley is, you know, around two percentage. So the
2 land-use pattern, you know, doesn't help with the transit
3 ridership. But the valley, we are working really hard to
4 try to address that, both from transportation and land-use
5 strategies.

6 So at Fresno COG, we have a TOD program funded by
7 our local sales measure. It provides funding to actually
8 offset the impact fees for housing developments, along the
9 transportation BRT corridors in downtown area, of course,
10 at the required density close to transit. The local
11 government level, like City of Fresno, they have actually
12 streamlined their planning process -- permitting process
13 for housing development to go along the BRT corridor in
14 the downtown Fresno.

15 And City of Fresno, they have a tiny home program
16 for their old town, actually, you know, to encourage
17 homeowners in their old town to build accessory dwelling
18 units, either for rental or for their family members. And
19 the designs have been paid for by the city and the
20 permitting process has been streamlined.

21 So while we're working really hard on encouraging
22 development to go into the BRT corridors in downtown area,
23 we do recognize that the land-use development that --
24 pattern in the valley cannot be changed overnight, so we
25 are also working on different transportation strategies to

1 address GHG impact. Like Terri mentioned, we -- all of us
2 are active participants on the CalVan programs.

3 And Fresno COG and I believe many of valley COGs
4 we're all actively working on our EV charger programs to
5 look at valley-wide or county-wide deployment of EV
6 chargers. We do believe that long term when many people
7 drive EVs, then the GHG impact could be mitigated for --
8 even for suburban growth.

9 MR. CHIESA: Thank you.

10 Andy, you have the ACE train, which I know is big
11 point. And there's the potential expansion in the future.
12 Maybe you could talk about how that's working.

13 MR. CHESLEY: Sure. The Altamont Corridor
14 Express may be the best example of the exacerbated jobs
15 housing imbalance in the state of California. I want to
16 thank Commissioner Guardino who was one of the early
17 advocates for the ACE train service back in the 1990s.

18 Today, it carries over 1.5 million passenger
19 trips and is growing at a rate of about five to eight
20 percent per year in terms of ridership. One of the great
21 challenges that we face in San Joaquin County in terms of
22 providing for the operating cost around this is that for
23 the ACE rider, their household median income is a little
24 over \$100,000. For our regional bus transit, the median
25 household income is a little over \$30,000 a year.

1 But ridership on the regional transit system is
2 dropping, as opposed to the increase that are -- we are
3 experiencing on the ACE service. The challenge here in
4 terms of both social equity issues of being able to
5 provide enough funding to keep ACE operations going, but
6 at the same time not stealing away from the bus ridership
7 is a challenge. In fact, our board a couple weeks ago
8 adopted a policy to shift about \$5 million of road and
9 street funding a year over to public transit to both help
10 along with the ACE service, as well as to make sure we're
11 supporting our local regional transit district service.

12 These are -- people on the ACE service are hearty
13 people. You may be -- if you get on the first train out
14 of Stockton it's at 4:20 a.m. in the morning. And it's
15 not unusual for folks to actually commute from Stockton to
16 Palo Alto, for instance. And that's -- while you may
17 spend two hours on the train, you are actually spending
18 over three hours in your commute to do that.

19 There was a New York Times article of a woman who
20 commutes to San Francisco to work at the Federal Reserve,
21 her commute is it totals about 14 hours a day. And so you
22 can see the kind of challenges that people are willing to
23 take on for lower housing costs. And that's a true
24 challenge in terms of the jobs/housing imbalance that
25 we're facing in California. In San Joaquin County, we are

1 effectively the epicenter of that challenge.

2 MR. CHIESA: Yeah. So I guess in the south
3 valley, Ahron, you have the exact opposite problem.
4 They're going south rather than north. What is Kern doing
5 to -- Kern County doing to address that?

6 MR. HAKIMI: First of all, Supervisor, the
7 numbers going out of county are much, much smaller in Kern
8 County than they are in San Joaquin County. But since our
9 county is so big, over 8,000 square miles, about the size
10 of Connecticut, we have significant commutes within the
11 county.

12 As an example, my former Board Chairman commutes
13 every day from Wasco to Tehachapi. That's 70 miles. We
14 regularly have people commuting from Tehachapi, which is
15 Eastern Kern into Bakersfield. That's about a 50-mile
16 commute. There are commutes from Eastern Kern to
17 Bakersfield, which is over 100-mile commute.

18 To give you an idea, that there are five State
19 prisons. Those are major employers in Kern Country. One
20 federal prison. We have Edwards Air Force Base in Eastern
21 Kern, China Lake Naval Base.

22 So to answer your question, what are we doing
23 about it? I employ someone full time on my COG staff to
24 do nothing but awareness about carpooling, vanpooling.
25 She visits -- she visits the Air Force base, the prisons,

1 major employers in the -- Terri already mentioned in the
2 San Joaquin Valley portion of Kern County, CalVans is a
3 great deal. If you're a federal employee or a State
4 employee, like someone who works at the prison or one of
5 these bases, your commute is covered, 100 percent. You
6 can commute for free if you're willing to share a van with
7 your co-workers. Sometimes that becomes a challenge and
8 that's the biggest reason why people leave vanpools, at
9 least in Kern County is because they can't get along with
10 their fellow employers. It's not cost.

11 (Laughter.)

12 MR. HAKIMI: Literally, we -- with the
13 incentives, they can commute for free. Their commute
14 costs are free.

15 And on a person -- personal note, we also have a
16 program that matches carpools and vanpools, but the
17 commercial companies and private companies are getting
18 into that. I use Google Maps regularly. I get a notice
19 every morning on my phone how long my commute will be
20 expected to take. I also use Waze when I travel in Los
21 Angeles. It's a little creepy, but Waze sends me
22 notice -- notices that, hey, there's someone else that
23 lives in your neighborhood that has a very similar
24 commute. Do you want to start carpooling with them?

25 Both Lyft and Uber have carpooling apps now that

1 we let people know about. There are definitely privacy
2 issues. That's why, you know, I sort of wondered why I
3 was getting this random text about someone else in my
4 neighborhood commuting, but it has the potential to -- it
5 has the potential for many, many more people to carpool or
6 vanpool.

7 MR. CHIESA: Perfect. And I want to just ask the
8 rural counties really quick, either Trisha or Terri,
9 either one, how is this affecting you in a rural county?
10 Does it affect you? Do you think there's any place for
11 active transportation type planning also in rural -- more
12 rural counties?

13 MS. KING: Well, I'll start out. I think Kings
14 County has a bubble around it. We don't really have that
15 issue with interregional travel. Most of our ours is
16 intraregional travel. Just within Kings County, the
17 prisons are located in the south part of the rural part of
18 the county. Whereas, the City of Hanford and the County
19 seat is in the north part.

20 So people who need to get to county facilities
21 must go a long distance. So we do have transit service
22 that does what it can. But as Andy mentioned, ridership
23 is down. What we have done is try to modify schedules and
24 routes. One thing we did institute was called a flex
25 route. At the end of the day, when ridership is down,

1 instead of having one passenger who wants to go from here
2 to there, instead of going to 10 stops to where he wants
3 to go, he just on his phone say I'm at this top. I want
4 to go here. So it's like taxi service almost. So it's a
5 much shorter trip, much more efficient. You don't have
6 empty buses running around. So it's a cost savings as
7 well.

8 Also, our transit operator also has a phone app,
9 so they know exactly where the bus is, when it's going to
10 get there, if there's any issues. So we're making transit
11 more efficient, which is key to getting passengers on
12 buses.

13 So just need to do more, find out where they need
14 to go, where they need to go, where they're coming from,
15 what the purpose is, and I think we can do a lot better.

16 But we do have transit service that goes to, in
17 the morning, from Kings County goes over to Tulare County
18 for educational -- some of the colleges there and business
19 schools, as well as medical service to Fresno County. So
20 those are kind of specialized trips. We do provide
21 interregional service just within our small transit
22 service.

23 And then we did just recently update or prepare
24 our active transportation plans. So we're already
25 implementing that. City of Hanford spent almost a million

1 dollars in Safe Routes to School type projects. I've seen
2 pictures in urban areas where they receive grants for
3 sidewalks, where they already have sidewalks, where we
4 don't have sidewalks. And so we want to put in sidewalks.
5 So it's a little bit different in the rural areas how to
6 meet our needs, but that's how we do it.

7 MR. CHIESA: Perfect. I'm going to stop the
8 questioning there, because I promised I was going to get
9 you back on time. I did make a couple of notes really
10 quick that I just -- I always do this as people are
11 talking.

12 You see we're all the same, but we're all very
13 different, the eight valley counties. We're in a
14 difficult air shed. Everyone knows that. But it is a
15 priority by what you've heard from each of the COG
16 directors today, whether it's through CalVans, whether
17 it's through the San Joaquin joint powers authority, the
18 Amtrak system, or ACE train. And 99 is obviously a
19 priority. I think you heard that too, and I don't have to
20 tell you.

21 And there's a lot of pass-through pollution that
22 comes from trucks. The partner -- we consider the San
23 Joaquin Valley Air Pollution Control District a great
24 partner. I think we've reduced about 90 percent, if I
25 remember the number right, and we have to reduce another

1 90 percent to reach attainment. So it's still a challenge
2 and mobile sources are not under their control.

3 But again, we are partners. Look at us as
4 partners and trying to do better. And we continue to look
5 forward to partnering with -- both with the CTC and the
6 California Air Resources Board on a go-forward basis.

7 Again, thank you very much. It is harvest time
8 for me. Paul knows that, the Chairman. So you can ask
9 questions of these folks and I'm going to head back out to
10 the field.

11 CTC VICE CHAIR VAN KONYNENBURG: You can go. I
12 know that the walnut trailer is ready to go into Blue
13 Diamond -- go to Diamond walnut right now and it's what
14 you're Dad is like tapping his watch.

15 MR. CHIESA: So the -- the saying is I only work
16 30 days out of the year on the farm, and this would be one
17 of the 30 days. So I don't want to be disowned.

18 Thank you very much.

19 CTC VICE CHAIR VAN KONYNENBURG: All right.
20 Thank you, Vito.

21 Okay. We'll go to questions now. And I know I
22 have quite a few.

23 ARB BOARD MEMBER GIOIA: Before the Supervisor
24 leaves can we thank him for his --

25 CTC VICE CHAIR VAN KONYNENBURG: But I'll start

1 with Carl Guardino.

2 ARB BOARD MEMBER GIOIA: Oh.

3 CTC COMMISSIONER GUARDINO: You go ahead, Mr.
4 Gioia.

5 ARB BOARD MEMBER GIOIA: I think we just -- we
6 thank the Supervisor before he leaves. I know many of us
7 know him in his work statewide, as well as locally and
8 regionally, and your efforts to really try to look for
9 regional solutions working with these partners here and
10 other. So I just wanted to acknowledge that, Vito.

11 CTC VICE CHAIR VAN KONYNENBURG: Okay. Now,
12 Carl.

13 CTC COMMISSIONER GUARDINO: Thank you, Vice Chair
14 Van Konynenburg.

15 This has been excellent and appreciate all of
16 your service and for speaking with us so directly today.
17 I was taken right at the beginning with what you shared
18 with us about 80,000 valley residents commuting to jobs in
19 the Bay Area each week day. And we all see that on 580
20 and other -- and other access points like Pacheco Pass as
21 well.

22 So, one, I wasn't sure if you were solely
23 referring to 580 or if you were also taking into account
24 152. And if it's -- if it wasn't what are the numbers if
25 we look at both of those corridors or any other corridors,

1 and then I had a more substantive question after that.

2 MR. CHESLEY: Sure. It's 86,000 and it does
3 include both corridors, through the Pacheco Pass as well
4 as through the Altamont. Of course, the Altamont takes
5 the giant share of that, but it's 86,000 from Merced, San
6 Joaquin and Stanislaus.

7 CTC COMMISSIONER GUARDINO: Great. Andy, thank
8 you.

9 MR. CHESLEY: Yes.

10 CTC COMMISSIONER GUARDINO: So the next question,
11 and it's one that our California Transportation Commission
12 staff knows a real passion of mine as a Commissioner, and
13 that is how do we continue to work together for the
14 Altamont Pass route to advance the efforts of the Altamont
15 Commuter Express to extend service from the current
16 Lathrop station first to Ceres and then onto Merced? How
17 do we champion that from a State perspective as well as a
18 subregional and regional perspective?

19 MR. CHESLEY: Well, I'll go ahead and jump in on
20 that one, since it's specifically my region. You know,
21 great thanks to the State of California. It's invested
22 about 400,000 -- \$400 million from SB 1 to get ACE service
23 down to eventually Merced, and then \$500 million from the
24 TIRCP program primarily to get service up to Sacramento.

25 So it's \$900 million of expanded capital

1 investment to expand rail service in the northern part of
2 the San Joaquin Valley and into Sacramento.

3 There's still a challenge in terms of being able
4 to address goods movement issues across the Altamont Pass,
5 which are real. Distribution centers are going up on a
6 regular basis, and like manufacturing in the San Joaquin
7 Valley, in large part due to the differences in cost for
8 land and labor between the Bay Area and the northern San
9 Joaquin Valley. And that's not slowing down. That is
10 actually growing in terms of its increase on that.

11 And we need to figure out better ways to move
12 trucks across the Altamont Pass through truck climbing
13 lanes in the westbound direction, as well as to address
14 the potential for things like a valley linked rail service
15 for commuters to get them off of their to provide more
16 room for what's real true economic development,
17 transportation services across the Altamont Pass.

18 We are in the process of -- with the help of the
19 Commission in terms of starting the environmental document
20 for managed lanes on Interstate 205, on the San Joaquin
21 side of this. And I do want to give a heads up to our
22 friends from MTC, as well as SACOG, as we struggle in
23 terms of trying to address the larger transportation
24 issues across the mega region, as we team together among
25 our three MPOs.

1 CTC VICE CHAIR VAN KONYNENBURG: Okay. I'll ask
2 for other questions?

3 Okay. I have a few. So, Director Hakimi, you
4 talked about the pilot program for the self-driving truck
5 pilot local program, lift truck.

6 MR. HAKIMI: Yes, Commissioner.

7 CTC VICE CHAIR VAN KONYNENBURG: Okay.
8 And have -- so -- and you've talked to -- so how can
9 Caltrans get involved in maybe having this be a pilot
10 program that they participate in and maybe get data out
11 of?

12 MR. HAKIMI: Well, first of all, the -- I fully
13 expect Caltrans to get on board the way Air Resources
14 Board and the air district has gotten on board. First of
15 all, they are letting us conduct the study and
16 demonstration on their route. And the amount of match
17 that we're asking them for is a very minor amount. And I
18 expect them to eventually get on board.

19 What I did fail to mention - thank you for
20 mentioning it though - is we are partnering with UC Davis,
21 who we've partnered with before on several other studies
22 to conduct this demonstration and study.

23 CTC VICE CHAIR VAN KONYNENBURG: Okay. Next
24 question, this chart here, who did this chart? This one
25 here with the outbound/inbound freight? Who was -- who

1 was ultimately -- what research department did that come
2 out of?

3 MR. HAKIMI: So that was our goods movement study
4 in 2013 that I mentioned at the beginning of our remarks,
5 where we studied mostly north/south movement in the
6 Central Valley.

7 CTC VICE CHAIR VAN KONYNENBURG: Okay. Did you
8 do a correlation study on the economic multiplier of the
9 outbound versus the inbound freight in that study as well?

10 MR. HAKIMI: No, I do not believe we have done
11 that.

12 CTC VICE CHAIR VAN KONYNENBURG: Okay. Who
13 helped -- who helped develop this study? What institute?

14 MR. HAKIMI: It was Cambridge Systematics was
15 our -- was our consultant.

16 CTC VICE CHAIR VAN KONYNENBURG: Okay. I'd be
17 very curious, and I've challenged Caltrans to look at the
18 economic multiplier as they put together the freight
19 mobility plan of the economic multiplier of outbound and
20 inbound freight and how that benefits the overall GDP
21 growth of the state.

22 So I'd -- if there's anyway you can coordinate on
23 that, I'd appreciate that. You all mentioned
24 the commuting patterns. And this is an old sheet that was
25 done by the University of Pacific, but it's been updated.

1 And as Director Chesley mentioned, it's now up to 86,000
2 trips a day into the greater Bay Area.

3 So there's two solutions -- well, there's -- the
4 solution path we're on is doing a multi-modal Solutions
5 for Congested Corridors Program. And that study is
6 underway. And this -- you know the Altamont corridor
7 vision phase one is part of that. You guys have discussed
8 that.

9 The downside to this one, which it's a great
10 idea. The downside is it's not fully implemented until
11 2027. So there's two other ideas that are -- that we've
12 had discussions about. And that is we somehow build a
13 large scale amount of housing units in the -- near the job
14 centers in the Bay Area that are affordable for employees
15 or we work with those industries that are in the Bay Area
16 to do satellite locations in the valley.

17 So I'm now going to do something that's probably
18 going to make Carl Guardino uncomfortable. Carl?

19 CTC COMMISSIONER GUARDINO: Yes.

20 CTC VICE CHAIR VAN KONYNENBURG: How do we start
21 that dialogue in a meaningful way in this state? You
22 know, we had the dialogue this morning about building more
23 housing units up in -- near the job centers and the
24 challenges to do that. How do we start the dialogue of
25 the alternative, which is how do we put satellite

1 locations for the industries that are in the Bay Area near
2 the housing units, so we can take these people off the
3 road?

4 Because as many of you know, it's not just the
5 air pollution and the greenhouse gases that happen here.
6 Those 86,000 people, they're not involved in their
7 community. Those 86,000 people they're not involved in
8 their kid's school. Those 86,000 people aren't there when
9 their kids come home from school. This is leading to some
10 really long-term social issues in our society. This is
11 not good for our society as a whole.

12 So just saying, okay, we're going to make the
13 commute cleaner still leaves us with a commute that still
14 has those other social issues coming to our communities,
15 which is a lack of involvement by these people who are
16 commuting.

17 So you don't have to have an easy -- but I want
18 us -- we need to start that dialogue as well, Carl.

19 CTC COMMISSIONER GUARDINO: Sure. So thank you.
20 If you'd like me to speak truth to power --

21 CTC VICE CHAIR VAN KONYNENBURG: Yeah.
22 (Laughter.)

23 CTC COMMISSIONER GUARDINO: -- since I'm looking
24 up to you in your powerful position.

25 (Laughter.)

1 CTC VICE CHAIR VAN KONYNENBURG: Yeah. Yeah.
2 Speak the truth, man. Speak the truth.

3 CTC COMMISSIONER GUARDINO: I try to live by an
4 expression to be candid, but kind. So Mr. Vice Chair, if
5 you want an honest answer, but a candid, but kind answer,
6 I will provide it to you.

7 We are pricing middle class, and aspirational
8 middle class, and upper middle class jobs out of
9 California by the decisions that we make from a policy
10 perspective. Those are the jobs that we're losing,
11 especially innovation economy jobs that are not industries
12 in place and can go elsewhere in order for those employees
13 to be competitive and survive.

14 So the truth of the matter is, a lot of the jobs
15 that you're referencing that can be placed in other
16 locations go outside of California but to other states in
17 the United States where they can still be competitive.

18 I'll give you one example since you mentioned
19 housing. The median priced home for a home in the Bay
20 Area is -- last year was 1.25 million. You can buy four
21 times that home for a fourth of the price in Austin at
22 249,000 or you can buy an even bigger home in Seattle for
23 496,000 and they'll throw in the umbrella for free.

24 (Laughter.)

25 CTC COMMISSIONER GUARDINO: That is the case in

1 most innovation economy regions in our country. So we're
2 pricing out the jobs that we say we want for people
3 aspiring to the middle class.

4 And so why aren't they staying in California?
5 Because the same policies that price out those jobs apply
6 to all of California. So it's not a case of, well, why
7 don't you just go to the Central Valley, because the same
8 State policies apply that make it challenging to do
9 business here, whether you're innovation economy or an
10 industry in place.

11 So it's a much longer conversation that I'll have
12 within anyone over a root beer, since I don't drink, to
13 talk about how do we have policies that meet all of our
14 goals, but also the goals of having jobs for hard working
15 Californians and people who aspire to work in California.

16 I often say when we're talking about these
17 solutions, most of us and certainly through my day job,
18 don't expect or want the Central Valley to be the bedroom
19 to Silicon Valley. That has never been our solution. We
20 championed, as Andy mentioned, in 1998 as the only private
21 sector organization to partner with the public sector to
22 champion ACE's establishment in 1998, because it was
23 already a reality of people suffering through that
24 commute, so how do you respond to that existing reality?
25 We were proud to champion it then. We're proud to

1 champion its expansion now, but that is not the ideal.

2 Bay Area communities need to much better step up
3 to a three decade old housing neglect need that we've had
4 in all of California, not just the Bay Area. But that's
5 why we have the pricing challenges for all California
6 families is because we've neglected as a state to build
7 homes.

8 It's been since 1989, as Hector knows from his
9 days in the Legislature, that California has consistently
10 met its annual housing goals just to keep up with our
11 current population each year. And then we wonder why we
12 have a housing crisis and why we're pricing people out,
13 especially out of our urban areas.

14 And I call it the Texas Two Step. In the Bay
15 Area, they first look for a less expensive place in the
16 Bay Area or in the Central Valley, and then they step
17 right out of California.

18 So open to buying lots of root beers for anyone
19 who wants to have this conversation, but we've got to stop
20 pointing fingers and joining arms, if we're going to be
21 serious about addressing these issues. And so far, a lot
22 of serious people with good intents aren't coming together
23 to address these issues.

24 CTC VICE CHAIR VAN KONYNENBURG: You always meet
25 my expectations.

1 (Laughter.)

2 CTC COMMISSIONER GUARDINO: You're very gracious.

3 CTC VICE CHAIR VAN KONYNENBURG: All right.

4 Secretary Kim.

5 CALSTA SECRETARY KIM: Thank you, Mr. Chairman.
6 Appreciate the panel coming together. I had some -- I
7 heard some great insights from all of you. I'd love your
8 thoughts -- this is for any or all of you. I'd love your
9 thoughts on mobility on-demand transit services in rural
10 settings.

11 I met recently with Moses Stites head of Fresno
12 County Rural Transit Authority and heard some really
13 promising ideas in terms of what's happening around the
14 rural parts of Fresno County. How do you see this
15 applying in your areas, if it applies at all? What's the
16 future of mobility on-demand transit services?

17 And then the second question, not transit
18 related, 99 and 5. I think everybody recognizes the role
19 of 99 in the Central Valley as the backbone, as the major
20 arterial. Can you talk about I-5 as well. I know that's
21 to the west of you. But what are the similarities and
22 differences in terms of freight traffic on 5 versus 99?
23 I'd love your thoughts on both questions.

24 Thanks.

25 MR. HAKIMI: Let me start with I-5 and then I'd

1 be glad to also talk about the mobility on-demand too.
2 But Interstate 5 was built in the early 1970s in the
3 Central Valley. It's -- like I said previously, it's
4 about 225 miles from where it touches down in Kern County
5 after going over the mountains and the grapevine and up to
6 where it turns off to 580.

7 It was built in the early 70s as two lanes and
8 it's still two lanes today in each direction. You all
9 know that our population has grown dramatically since the
10 1970s. You also all know, because I believe most of you
11 drive, that freight traffic has grown exponentially. All
12 of us as directors or employees of MPOs have to consider
13 the growth rates in our county, the traffic counts. We're
14 all heavily involved with projecting what will happen in
15 the future. And we all know that Interstate 5 in the next
16 20 years will become what Interstate 5 has become in Los
17 Angeles. It will literally become gridlocked, unless we
18 do something very, very soon. And you all know how long
19 it takes to implement transportation projects.

20 Interstate 5 was always envisioned to be widened
21 into the median. There's enough room, without any new
22 right-of-way acquisition, to widen I-5, but we don't have
23 the resources to do it on our own. Interstate 5 carries
24 traffic of national significance. It's the same as
25 Interstate 95 on the east coast. Yet, we're dealing with

1 a route that we know will fail shortly.

2 I'll give you a good example. If you drive
3 Interstate 5 on a holiday weekend, like Thanksgiving or
4 Christmas, you'll see how what engineers call level of
5 services. You may be moving, but you're moving very
6 slowly. You have limited mobility. We know, if we do
7 nothing on I-5, that's what it will be like every day and
8 we -- we want to do something about it, work with you,
9 work with others.

10 Literally, it will be at least a two to three
11 billion dollar investment to complete Interstate 5. Does
12 that answer your questions?

13 MR. CHESLEY: I'd like to add in about Mobility
14 on-demand. The San Joaquin Regional Transit District for
15 the last eight months has been operating their Van Go
16 program. Is that really kind of clever? They have the
17 vehicles wrapped in art from Vango. And it's -- there's
18 right now eight vehicles out there that are providing
19 service. It generally takes about an hour to actually get
20 out to the location, because the demand is so high for
21 this service, but it's operating much better than your
22 traditional dial-a-ride service, which generally took 24
23 hours to get there.

24 We're -- there's still some judgments going on
25 about the program. It certainly has been meeting the

1 demand of most of the riders out there. But the cost and
2 the -- also issues associated with accessibility are still
3 things that need to be assessed around this one.

4 But I give a lot of credit to the San Joaquin
5 Regional Transit District for actually putting out
6 there -- they have those eight vehicles. They respond
7 very quickly to requests for rides. And up to this
8 particular point, from a customer perspective, it's been
9 well received.

10 MS. PARK: Thank you. I would like to add that
11 in Stanislaus Council of Governments in our area, we have
12 a program called MOVE that is helping our people with
13 disabilities and mobility options that cannot use
14 traditional dial-a-ride services. And that program has
15 expanded.

16 As a matter of fact, when we were passing our
17 measure, or working on our expenditure plan, this was
18 something that the residents in this Stanis -- in this
19 county wanted the program. And it's been extremely
20 successful. Another program that we're working on, it's
21 the Miocar, which is a lot program for -- that is going to
22 be targeting underserved communities to try to help people
23 with mobility options in -- throughout the county. So we
24 have some new programs that are coming underway.

25 MR. HAKIMI: Let me jump in on that Miocar. So

1 in Mio -- in Kern County, it grew from a grant we received
2 through I believe the Air Resources Board and we partnered
3 with UC Davis. So in Kern County, we've bought used
4 electric vehicles, about two-year old vehicles, and we're
5 implementing service in Wasco, Arvin, and Lamont, some of
6 our most disadvantaged communities. And I believe it's \$4
7 an hour, which is very affordable for someone to rent a
8 car for an hour.

9 And so far, it is working well. The -- our goal,
10 at least in Kern County, is to hopefully be able to
11 replace some fixed route transit systems that are not
12 working well, frankly, with on-demand transit.

13 MS. CAI: Secretary --

14 CTC VICE CHAIR VAN KONYNENBURG: Okay. At this
15 time, we are going --

16 MS. CAI: I'm sorry.

17 CTC VICE CHAIR VAN KONYNENBURG: Kristine, sorry.

18 MS. CAI: Okay. So, Secretary Kim, I heard from
19 Moses about your conversation with him. He's actually
20 Fresno COG funded a study about, you know, the program
21 that he's going to -- looking to in the rural areas,
22 looking at mobility on-demand. But in the entire Fresno
23 we have a go -- grant parent program. Actually, it's that
24 we use the -- our local sales measure to fund to --
25 actually, to subsidize our seniors for their rides. They

1 can -- it's actually using Uber and Lyft. They can
2 actually use the app or they have a 1-800 number to call.
3 And they can get the ride. And their ride gets -- 75
4 percent of their ride gets subsidized by our local
5 transportation sales dollars.

6 CTC VICE CHAIR VAN KONYNENBURG: Okay. All
7 right. So, now is the time of our program we're going to
8 break for lunch. For Commissioners and Board members, you
9 will be going to the San Jose room. For the rest of the
10 general public, there are one block from here on either
11 10th or 11th Street, there are several quick serve
12 restaurants. And we will back here -- can we back here at
13 12:35, please. 12:35.

14 Thank you.

15 (Off record: 12:07 p.m.)

16 (Thereupon a lunch break was taken.)
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1 A F T E R N O O N S E S S I O N

2 (On record: 12:56 p.m.)

3 CTC VICE CHAIR VAN KONYNENBURG: All right.

4 We're going to bring the meeting to order. Order. Order.

5 Could I have Commissioners and Board members
6 please come take their seats. All right. At this time,
7 I'm going to open the meeting to comments from Board
8 members and Commissioners. And if you would like to
9 speak, please put your placard on its edge and I will call
10 on you.

11 ARB BOARD MEMBER GIOIA: I don't want to be the
12 first one, but I'll be the second one. How is that?

13 CTC VICE CHAIR VAN KONYNENBURG: Okay.
14 Commissioner Kehoe.

15 CTC COMMISSIONER KEHOE: All right. Thank you,
16 Mr. Chairman. Delighted to be called on first. Thank
17 you, Mr. Supervisor.

18 Really, I -- that last panel was excellent. And
19 I know we're always under a time crunch at these meetings.
20 And I certainly wanted to get over, because I wanted lunch
21 too. But it would have been nicer to hear a little more
22 depth on those programs, because there was such a variety
23 and it's such a huge geographic area. So, you know, food
24 for thought or maybe when we're doing a workshop at the
25 CTC, we could look at some of those issues a little -- in

1 a little deeper way.

2 Thank you.

3 CTC VICE CHAIR VAN KONYNENBURG: Supervisor.

4 ARB BOARD MEMBER GIOIA: First, I've got to get
5 it close. Can you hear me?

6 Okay. First, I want to express appreciation to
7 everyone who spoke on all the panels. I think this was
8 really informative, educational. I'm looking forward to
9 HCD being -- sitting up here with us, because it is
10 important having housing at the next meeting.

11 And I mean my observation as someone who wears
12 three hats, a State -- a Board hat, a regional hat with
13 the Bay Area Air Quality Management District, and then a
14 local government hat, I mean, really action is needed at
15 all three levels. And that's what's so complicated and
16 complex about this.

17 And one level of government is not going to --
18 just like one agency is not going to solve the
19 transportation, climate change, and housing issue. It's
20 going to take effort at all three levels. And I do think
21 it's going to take some strong leadership at the State
22 level, you know, that has unique differences for different
23 parts of the State, because we are -- the State is
24 different. It has regions that approach things
25 differently, so we have to consider that.

1 But I do think stronger State leadership will be
2 helpful for both the regional and local levels. And I
3 realize there's always tension when the State provides
4 greater direction to regional or local government, but --
5 so we need to be conscious about how we do this in a way
6 that has -- that maximizes the chances of success. And
7 oftentimes, with incentive dollars, I think, you know, you
8 either have the carrot or the stick. And I think you
9 probably need a little of both, some carrot and some
10 stick.

11 And finding that right balance is going to be the
12 key to success, how much carrot and how much stick. And I
13 do think changing the -- you know, our cultures of our
14 different agencies are very different. And so as several
15 speakers mentioned the importance of really integration of
16 our cultures and a greater message that we have that
17 builds greater public support.

18 The public doesn't really care as much about
19 which agency is solving their problem or which level of
20 government is solving their problem. They just want the
21 problem solved. And so I think we need to think about how
22 we frame all of this in ways that appeal broadly. And
23 health is a major component, you know, shorter commutes,
24 more time with your family, you know, more affordable
25 housing, better health. How we figure this out in a

1 roadmap. So it's a start. Obviously, there was not a
2 conclusion to things today, but I -- but I'm looking
3 forward to continuing this discussion and action.

4 CTC VICE CHAIR VAN KONYNENBURG: Senator Monning.

5 SENATOR MONNING: Yes. Thank you. And I want to
6 thank the City of Modesto for hosting us and the
7 Transportation Commission for including us. I think this
8 is a valuable coming together of the different -- the
9 Board and the Commission.

10 This last panel representing the Central Valley
11 communities I would have also enjoyed the chance to
12 exchange a little more with them. And I know we ran out
13 of time. But it was raised earlier by Tamika Butler the
14 question of race as one of the determinants of challenges,
15 whether it's affordable housing or access to jobs. My
16 district, the 17th Senate District, it's central coast.
17 And our leading employer is agriculture. Our second is
18 hospitality/tourism, and our third is higher education.

19 The first two are driven by immigrant workforce,
20 many of whom can't afford housing at minimum wage jobs.
21 And the farm workers by definition are traveling huge
22 distances often in their own cars, sometimes in farm labor
23 contractor buses. And just a question to put out there,
24 not for anyone to answer now. The panel is gone. But the
25 vanpools seems to be serving prison employees, other

1 government agencies or large employers, but whether
2 there's any thought or work going into for farm labor
3 contractors converting fuel burning buses to electric
4 generation buses in the future. The housing issue of
5 getting all workforce closer.

6 When I come over the Pacheco Pass on Monday
7 mornings coming from west to east from the Salinas Valley
8 over to the Central Valley, the westbound traffic at 7:00
9 a.m. it's gridlock coming over Pacheco Pass. And it's
10 people who have bought homes, or live in Santa Nella, Los
11 Banos, Patterson, and they're making that commute every
12 day over the hill, and they're sitting in gridlock idling
13 next to big 18-wheelers because the road doesn't have the
14 capacity to handle the number of vehicles that are
15 dependent on it.

16 That's an example where high-speed rail, if that
17 link is ever built between Gilroy and the Central Valley,
18 a lot of that workforce would be going through tunnels
19 through the Pacheco Pass working on their laptops or
20 catching up on their sleep, instead of sitting in idling
21 traffic.

22 So these issues are tough. They're
23 multifactorial. But when you look at the composition of
24 our workforce, particularly in agriculture, which is the
25 leading industry employer in the Central Valley, as well

1 in this valley, we have to factor in the housing and the
2 transportation component directly as it affects the
3 farmworker community, the dairy community, et cetera. And
4 I know there's attention to that. I would have liked to
5 have -- or as we move forward, I will look forward to
6 learning more about some of the initiatives or efforts
7 that are addressing that critical component of our local
8 economies.

9 So thank you.

10 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

11 At this time, we'll move to the public comment
12 period. I don't have a -- oh, I'm sorry. I didn't see
13 your tag up.

14 Dr. Sherriffs.

15 ARB BOARD MEMBER SHERRIFFS: Thank you. And,
16 yes, thanks to the panel for great information, to staff
17 for putting today together.

18 I hope we will have more discussion, not
19 necessarily today, but in the future thinking about how we
20 can move more from information to collective action, you
21 know, including the housing department, where this really
22 help the goal to focus how to align transit, housing, to
23 support climate goals. And that's really our mandate.

24 I think we have a good example of action that's
25 arisen from our working together, in terms of our response

1 to the federal administration efforts to really limit
2 California's authority to implement agreed on mileage
3 standards, greenhouse gas reduction work.

4 So clearly, there's a good precedent. The
5 information has been wonderful and I look forward to our
6 thinking deeper about how to use that collectively to move
7 forward on these issues.

8 CTC VICE CHAIR VAN KONYNENBURG: Senator, do you
9 have something else?

10 SENATOR MONNING: Oh, I'm sorry. I just didn't
11 put it down. Thank you.

12 CTC VICE CHAIR VAN KONYNENBURG: Sorry about
13 that.

14 All right. Now, we will move to public comment
15 period. I would ask that as you make your public
16 comments, you limit your comments to three minutes or
17 less, depending on the number -- and if I -- we have a
18 whole bunch more speaker cards come up, I might have to
19 dial that back a little bit.

20 If you have -- a lot of you are saying the same
21 things, I would ask that you choose a single spokesperson
22 to relay your collective thoughts, so that we can make
23 sure that everybody gets heard.

24 Alrighty, so we're going to start with Chanell, I
25 want to say, Fletcher, but that's not right. Chanell

1 Fletcher, okay, followed by Esther Rivera.

2 So Chanell, if you would come to the podium and
3 then Esther, if you'd get right behind her.

4 Okay. If Chanell is not here, I'll go to Esther.

5 Where did Esther go?

6 She's always Johnny on the spot.

7 Okay. We will go to Will Barrett followed by
8 Bill Magavern. We'll come back around. To those who
9 weren't here, if they're still hanging out, we'll come
10 back to them. So Will Barrett followed by Bill Magavern.

11 MR. BARRETT: Thank you very much. I am Will
12 Barrett with the American Lung Association. And I know
13 that several of my colleagues in the Climate Plan
14 Coalition are here and they will be coming along to make
15 their comments, so Chanell, and Esther, and Bill as well.

16 So, first off, I wanted to say thank you for the
17 conversation today. I think there were a lot of great
18 ideas raised, a lot of good spirit of cooperation and
19 coordination that we know is needed, all of our State
20 agencies rowing the same direction to make sure our
21 challenges are met.

22 We can't operate in silos. And I think the
23 Executive Order, for example, really kind of helps to tie
24 together the ideas of increasing public health benefits,
25 reducing harmful pollutants, and really making sure that

1 as our State grows that it's growing in a healthier way.

2 And one of the things that in the Executive Order
3 we took most note about was the tying of VMT to public
4 health benefits, and public health improvement. We know
5 that that will come in the form of alternatives to
6 driving. So a reduction in transportation pollution that
7 drives California to the top of the list for most polluted
8 in the United States. It has the significant impact on
9 our climate challenges that are actually making the job of
10 cleaning up our air that much more difficult.

11 Our State of the Air Report that we release every
12 year showed widespread increases in ozone pollution due to
13 extreme heat burdens and widespread particle pollution due
14 to the wildfires.

15 So we know that the challenge that we're all
16 facing in transportation pollution. We know that we need
17 to convert as much as possible to zero-emission
18 technologies for the passenger fleet, transit buses,
19 school buses, the freight sector. But we also know that
20 the VMT element of this equation really has to be at the
21 forefront.

22 So within the Executive Order, we really do see
23 that as a critical piece, that focus on public health,
24 improving public health through VMT reduction, will help
25 with chronic diseases, obesity, diabetes, heart disease,

1 asthma rates. All of those are impacted by our dependence
2 on the automobile. And so everything we can do to align
3 State funding and State agency missions with pollution
4 reduction is only going to help all of us get healthier
5 communities that we're all working for.

6 It was helpful to hear as usual from our friends
7 in the valley, the COGs who are doing innovative things
8 and want to see more of that. We want those innovate
9 projects to really become the norm and not kind of a
10 special panel that they're focused on. And we want to
11 help them. We've been working with them a lot over the
12 last few years trying to identify funding opportunities to
13 help boost those things through grant programs, and really
14 feel like we can -- we can really make a difference as we
15 elevate those great projects and make sure that those
16 become the norm going forward.

17 Finally, on the SAFE Rule, the American Lung
18 Association has been a very outspoken critic of the
19 administration's policy to revoke California's waiver. We
20 think it's far, far out of line with the history of the
21 Clean Air Act that has saved so many lives and improved so
22 much health in so many communities in California and
23 beyond.

24 There are about 90 health organizations across
25 the country -- health organizations across the country,

1 about 90 of them, who have banded together voicing our
2 opposition to that. And we'll continue to fight with you
3 all to preserve California's authority under the Clean Air
4 Act, save lives, and improve our air.

5 So thank you very much.

6 CTC VICE CHAIR VAN KONYNENBURG: Thank You.

7 Bill Magavern. And then if Julia Jordan could
8 right behind.

9 Okay. Julia Jordan. And then if -- I saw Esther
10 come in. So Esther, if you could be right after Julia,
11 please.

12 MS. JORDAN: Okay. Thank you so much. Julia
13 Jordan with Leadership Counsel for Justice and
14 Accountability. And I'll try to be brief.

15 I just mainly want to echo the comments my
16 colleague at ALA just made about supporting the Executive
17 Order, and especially really urging you to take this
18 opportunity as an opening to really work together and
19 advance something bold, and to do it in a way that
20 addresses, as Dr. Balmes and Commissioner Butler, and
21 others mentioned environmental justice and equity as
22 really a central component of that planning, land use, and
23 decisions about where transportation investments go.

24 And I think part of that means really ensuring
25 that there's equitable funding in historically

1 disadvantaged communities. And that includes the low
2 income rural areas, including those in the San Joaquin
3 Valley that we heard about today, but specifically
4 residents -- excuse me -- in some of these areas, like
5 unincorporated areas of the state.

6 And I also want to just echo the comments about
7 that some of the innovative transit and flexible transit
8 we heard about is also really promising. And it would be
9 valuable to see that become more of the norm and something
10 that's -- that's invested in from a variety of funding
11 sources. It really is a long term kind of way of
12 addressing and rethinking public transit.

13 It's also important for us to consider listening
14 to the direct input of marginalized communities and rural
15 low-income communities. And that means really having
16 robust public participation and planning processes at the
17 local and regional level, including in RTPs, and other
18 planning processes, so that those communities who are
19 interested in things like zero emissions, carshare,
20 vanpool can really be part of designing what works for
21 them in their community -- you know, for communities for
22 whom preservation of affordable housing is really
23 critical.

24 We heard a little bit about that today, but I
25 think that needs to be lifted up as well in this

1 conversation, and those who are really living with the
2 threat of eviction and in places where a really basic lack
3 of infrastructure can be kind of the difference between
4 whether or not you're able to take a job, how you even get
5 around your own neighborhood in cases where maybe there's
6 not a sidewalk, for example.

7 So just smart investment, smart planning, in
8 addition to some of the electric vehicle technologies and
9 things likes that is critical. And I'm really looking
10 forward to a strong implementation and meaningful actions
11 from these agencies to address climate, transportation,
12 housing, and land use with a racial justice and equity
13 lens.

14 Thank you.

15 CTC VICE CHAIR VAN KONYNENBURG: Thank you,
16 Julia.

17 Esther.

18 Chair Nichols, do you know why Esther is awesome?

19 ARB CHAIR NICHOLS: No.

20 CTC VICE CHAIR VAN KONYNENBURG: She's from
21 Modesto. Did you know that?

22 ARB CHAIR NICHOLS: Oh, no.

23 CTC VICE CHAIR VAN KONYNENBURG: That makes her
24 awesome.

25 MS. RIVERA: I am from Modesto.

1 Thank you so much. Esther Rivera, Deputy
2 Director for California Walks. Happy to be here with you
3 all today. I'm really encouraged by today's discussion.
4 I just want to highlight a few things and I'll keep it
5 brief.

6 Today, there was discussion on topics that
7 haven't really been breached in this -- you know, in these
8 spaces, homelessness, racism, things that we really need
9 to be discussing as we're talking about advancing our
10 transportation and as we're talking about addressing the
11 goals that we have as a state.

12 I think something to really consider as we're
13 trying to align the Executive Order with our
14 transportation spending and our climate goals is also to
15 keep in mind that what really comes to mind with that is
16 safety. If we're making our roads safer for not only
17 people who are driving, but people who are walking and
18 biking, we're going to get to that, and we're going to
19 make it easier for people to make those choices. So as
20 we're aligning our spending, always keeping in mind the
21 safety component for people who live in these communities.

22 I think, not just today, but over the past two
23 days I've been really encouraged with the conversation
24 that's happened in the spaces at the listening session
25 that was held on Tuesday, at yesterday's Commission

1 meeting, today at the joint meeting. And I'm so happy it
2 happened in Modesto, so that puts us on the map.

3 So I really appreciate the conversation. I
4 really look forward to more of this happening in these
5 spaces, and continuing, and am really excited again just
6 to echo the new Commissioners, and excited to see where
7 these conversations will go.

8 Thank you.

9 CTC VICE CHAIR VAN KONYNENBURG: Thank you,
10 Esther.

11 Kevin Hamilton and if Elaine Gorman can be right
12 behind Kevin.

13 MR. HAMILTON: And Bill Magavern is back in the
14 room as well.

15 Good afternoon, members of the Commission, Board.
16 Thank you for your time today and for continuing this
17 great effort that's necessary to the health and well-being
18 of our State, coordinating transportation and air
19 pollution.

20 Speaking for the San Joaquin Valley as a region,
21 which is where I focus, I have to say that I am frustrated
22 and continue to be by the failure of my valley and the
23 counties in my valley to work more actively together in
24 transportation planning and coordinating that planning.

25 We see other communities, other areas of the

1 State where multi-county entities are able to connect
2 their residents to work, to places to live in a fairly
3 effective fashion drawdown incredible amounts of money
4 from the federal and the State government because of that
5 collaboration.

6 There was a ray of sunshine today in the
7 discussion about the long-term collaboration on Highways
8 99 and I-5. I think about Highway 33 and 132, and, you
9 know, the other State routes that run the length of the
10 valley carry a lot of truck traffic, a lot of truck
11 traffic. Most of that truck traffic is local. It's
12 moving back and forth from farm, to city, to distribution
13 centers with product, and supplies, and waste.

14 And so these are running through our communities
15 everywhere. Yet, that road could be in one county a
16 really beautiful wide road, in some places two lanes on
17 each side, and step into another county and it becomes a
18 smaller, narrower, two-lane road, because it's not
19 considered as important or as worth investment there.
20 We're still undergoing those same kinds of situations in
21 the valley.

22 Air pollution is still hit and miss. We've got a
23 SIP coming now from -- not to let you guys off the hook
24 there Richard and company, and Mary, but that has been
25 committed to. But because of the Governor's budget and

1 other unintended consequences, there won't be money to
2 make sure that SIP is actually able to be carried out.
3 So, you know, we have a lot of concerns and our region
4 needs this coordinated, effective way of planning these
5 two critical pieces and connecting them to our housing.

6 I heard somebody say earlier that people are
7 moving businesses out of the state. I'm sure they are.
8 But just as many are coming in, at least that's been my
9 experience.

10 I work in the health care sector. And because
11 we've got so many health care problems, we've got plenty
12 of people coming here to work, I'll tell you right now.
13 And they're coming to the valley as well, because of the
14 price of housing. They are commuting. My daughter who
15 lives here in Modesto with her family and her husband both
16 commute two days a week to the Bay Area. It is two of the
17 most miserable days of their lives.

18 You know, we don't have the mass transit here to
19 take care of that, because again it's just not coordinated
20 and we're kind of waiting for an uber agency that runs the
21 ACE train to get it down here, when in reality, you know,
22 we should be working together as an eight-county group to
23 be able to bring that asset to bear very quickly and move
24 it forward, not just to Merced but all the way down the
25 valley.

1 We all believe, or many of us do, in the dream of
2 high-speed rail, but we recognize we probably wouldn't see
3 that for another 10 or 15 years either. Meanwhile,
4 everybody has still got to get to work. And I want to
5 tell you right now, we've got tons of communities in the
6 lower counties of the valley who are completely isolated
7 from the economy. They are stuck in unincorporated
8 communities 50 miles from the nearest employment hub,
9 unless they work in farm work. So the horizons for those
10 young people there are also limited. And again, it's
11 because we haven't been able to coordinate all these
12 efforts together. We're doing some nice pilots, but I
13 don't see any sign of how those pilots would be replicated
14 in other communities.

15 CTC VICE CHAIR VAN KONYNENBURG: Thank you, Mr.
16 Hamilton.

17 MR. HAMILTON: So I would just ask you to do
18 better.

19 Thank you.

20 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

21 MR. HAMILTON: As Jeff Jeffers says we can always
22 be better.

23 CTC VICE CHAIR VAN KONYNENBURG: Okay. Elaine
24 Gorman then Ryan Kenny. If -- Ryan Kenny, if you could
25 kind of be on deck so... And then it will be Sean Edgar,

1 if Sean could be ready to go as well.

2 MS. GORMAN: Hi there.

3 CTC VICE CHAIR VAN KONYNENBURG: Hi.

4 MS. GORMAN: My name is Elaine Gorman. And I
5 really appreciate you guys coming down here, because I had
6 a seven-mile drive. It was great. I doubt if I would
7 have driven up to Sacramento, so I appreciate your effort
8 in being here. And I'm sure that you guys noticed the air
9 quality as you were driving down, either today or
10 yesterday. And those of us who live in the valley full
11 time, the air quality has been terrible for lots of
12 reasons, but I'm having a little bit breathing
13 difficulties right now. Anyway.

14 I have lived and worked in Modesto for about 30
15 years. And I'm a retired science teacher. I'm also an
16 active member of the local Yokuts Group of the Sierra
17 Club. The California Air Resources Board has failed to
18 control vehicle emissions in the San Joaquin Valley. Poor
19 air quality is responsible for thousands of deaths and
20 illnesses, such as asthma and other respiratory ailments.
21 CARB has also failed to impale[SIC] the San Joaquin Valley
22 Air Pollution Control District to improve air quality to
23 meet standards of the Clean Air Act.

24 Our State needs vehicle regulations that will
25 provide healthier air for all Californians. Low-emission

1 and zero-emission vehicle standards and clean vehicle
2 incentive programs, such as charging infrastructure, can
3 help to meet clean air goals.

4 California needs additional strategies to reduce
5 driving, such as smart growth and improved public transit.
6 California needs a plan to show how cars and light-duty
7 trucks can hit climate stabilizing targets. With the
8 likelihood of increasing fire activity and accompanying
9 smoke and other pollutants, combined with San Joaquin
10 Valley's agricultural dust, and vehicle emissions, we are
11 living with a toxic air quality situation here.

12 CARB and CTC must do all that is possible to
13 ensure that San Joaquin Valley residents have the cleanest
14 and healthiest possible air quality. I know it's going to
15 be a difficult task. We are relying on you guys to help
16 lead the way.

17 And thank you very much.

18 CTC VICE CHAIR VAN KONYNENBURG: Thank you, Ms.
19 Gorman.

20 Okay. Ryan Kenny followed by Sean Edgar.

21 MR. KENNY: Hi. Good afternoon. I'm Ryan Kenny
22 with Clean Energy. We are the nation's largest provider
23 of renewable natural gas transportation fuel.

24 And this has been obviously a very productive
25 discussion today in having both the Board and the

1 Commission in one place talking about a variety of issues.

2 But I did want to just have a broader discussion
3 and focus on the heavy-duty sector. And we're hearing
4 from other stakeholders today about the impacts of
5 heavy-duty trucks on our road and the need to get rid of
6 diesel.

7 We all saw on the way over here, whether you're
8 local or out of town, the multitude of heavy-duty trucks
9 on the road on the 99, and we talked about the 5 as well.
10 The leading source of NOx emissions are the heavy-duty and
11 medium-duty sectors. They're one to two percent of the
12 vehicle pollution, but they are the largest source of NOx.

13 And, you know, the remedy that our industry
14 really is trying to move forward is the implementation of
15 low-NOx heavy-duty trucks on our highways to displace
16 diesel. And they are at 0.02 NOx optional standard.
17 They're 90 percent certified cleaner than diesel and
18 they're 99 percent in-use cleaner from in-use testing.

19 So as we look at a longer term solution focused
20 on zero emission, I think a lot of -- most of us,
21 including our industry, does support zero-emission
22 technologies, but we do see the gap in the near term for
23 both greenhouse gas emission reductions and NOx. And we'd
24 like to see more policy emphasis on low-NOx trucks to
25 remove diesel on the load.

1 Secretary Kim mentioned last week he had some
2 comments, which aligned both the climate goals and
3 transportation spending. And he did mention the
4 reinforced commitment to reduce greenhouse gas emissions
5 in the transportation sector, citing both AB 32 and SB 32.
6 And he also mentioned that they need a -- they want an
7 approach considering the economy, jobs, and income
8 equality. And I think, you know, the goals of ARB and the
9 Commission align with what he was looking to promote.

10 Just finally, I'll also mention to you, you may
11 have seen this week, Next 10, the organization, released
12 their annual California Green Innovative Index. And it
13 mentioned that California will reach climate targets more
14 than 100 years too late, if current pace of emissions
15 reductions holds.

16 And they go on to say it will happen without
17 major policy and technology breakthroughs to dramatically
18 accelerate emissions decline. So again, we do believe
19 low-NOx trucks are a solution. And we would appreciate
20 both the Commission and ARB, their further consideration
21 to get more trucks on the road.

22 Thank you.

23 CTC VICE CHAIR VAN KONYNENBURG: Thank you, Mr.
24 Kenny.

25 ARB BOARD MEMBER SERNA: Excuse me, Mr. Vice

1 Chair?

2 CTC VICE CHAIR VAN KONYNENBURG: Yes.

3 ARB BOARD MEMBER SERNA: I just wanted to make
4 mention of the fact that Mr. Magavern is back in the
5 audience and you'd call his name earlier.

6 CTC VICE CHAIR VAN KONYNENBURG: Yeah. He's
7 going to come back around. So thank you. Thank you. I
8 appreciate that.

9 Sean Edgar, then Linda Khamoushian.

10 MR. EDGAR: Good afternoon, Commissioners and
11 Board members. I'm Sean Edgar. I'm the Director of Clean
12 Fleets based in Sacramento. Here today on behalf of the
13 valley-operated sanitation companies. You talked about
14 sustainable communities. And sustainable communities and
15 more sustainable housing means more customers that need
16 sustainable and integrated waste management services.

17 So at a high level, I just wanted to touch on the
18 fact that maybe little known to some in the audience,
19 there are over 50 family operated entities here in the San
20 Joaquin Valley from San Joaquin County down through Kern
21 County that operate integrated solid waste management
22 services.

23 It's a diverse group of owners in these
24 family-operated companies. Many of them come from
25 immigrant backgrounds, and they have a diverse workforce,

1 and they have a diverse facility, and they operate diverse
2 types of equipment. And with all of that diversity,
3 there's one thing in common, these folks have made a
4 sustainable business out of protecting the environment.
5 And that's a unique value proposition that the waste
6 industry has to offer. So I'll just touch in a few
7 minutes on a couple high-level views.

8 I think borrowing from Mr. Corey's conversation
9 to paraphrase, we all work better when we work together.
10 So sustainability and integrated are two things that are
11 key to the folks that I have the privilege to work with.
12 And whether it's here in the valley, or from Humboldt all
13 the way down to San Diego, very common issues in the waste
14 industry.

15 First of all, the challenges of clean trucks. We
16 have one of our elderly members who's still active in the
17 waste hauling community and he's down there in Kern
18 County. He has an expression that I like, and he says,
19 when there's a disturbance and you resist, you become the
20 disturbance.

21 The waste industry 20 years ago had a huge
22 challenge from ARB to implement a clean vehicle program.
23 So what did we do, we implemented a clean vehicle program.
24 We figured out how to operate some of the cleanest trucks
25 on the road today. We do so with the understanding that

1 your customers -- you're our customer and you're going to
2 need more containers, because multiple master is not just
3 air quality, water quality, and other pollution prevention
4 programs.

5 So Senate Bill 1383 requires us to manage
6 organics better. So many of you will be putting your food
7 in your green waste barrel. If you don't have a green
8 waste barrel, you may be getting an extra barrel to put
9 your food waste in there. I bring that up just to say
10 that we have mandates to protect the public from pollution
11 as our first line of defense, reduce all the other
12 components of waste, the construction demolition debris
13 when you go out and build sustainable communities. Even
14 if it's a green building, it's still going to have some
15 waste and recycling component.

16 So the bottom line is integrated policy works the
17 best. And I would just add that for today's discussion,
18 you have willing partners in the waste industry. You have
19 folks that I've referred to in front of ARB as the A Team.
20 And these are folks that literally went into a bank to
21 build a business plan, to buy the fleet, to buy the
22 facilities, to pay their workers well, to be able to
23 deliver services every day of the week.

24 We hope to continue that dialogue. And I'm sure
25 for another day we can talk about electric vehicles and

1 the fact that my University of California, Berkeley alma
2 mater shut down today because they don't have electricity.
3 So there are a lot of other things for another day we can
4 talk about, but for today, we're your willing partners.
5 Thank you for the process.

6 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

7 Linda, and then Chanell Fletcher, and then Bill
8 Magavern.

9 MS. KHAMOUSHIAN: Good afternoon. My name is
10 Linda Khamoushian: I'm with the California Bicycle
11 Coalition. We are a statewide advocacy group. We
12 advocate for equitable, inclusive, and prosperous
13 communities where bicycling helps all Californians lead
14 health and joyful lives. So I want to emphasize here that
15 we work at the intersection of so many important issues
16 that have been discussed here today.

17 And so I'm encouraged by the conversation and
18 so -- and as a planner, someone who's been studying this
19 work and asking why are we not doing more, this is the
20 type of space where I see, and the leadership here
21 today and the con -- and the thoughtful conversation.

22 And so I encourage more and more people to tune
23 in, but beyond that to see how far we've come from just
24 last year, from the first engagement here. But even
25 beyond that, why we're even here together is that because

1 there is political will. There are communities who have
2 been working at this intersection for a long time.
3 Advocates at the local level have been working at this a
4 long time, because these have, in a lot of ways, become
5 intractable situations and issues. It's reached crisis
6 not because of an overnight challenge. These are policy
7 decisions that have been made over time that we need to
8 tackle together.

9 And so the political will does come from the
10 local communities and listening to them. And we
11 appreciate the forums that have been brought in to do that
12 at the CTC and at the Air Resources Board. But what I
13 would say is that it also takes decision makers and at
14 your level to listen, and to make informed decisions, and
15 to understand that you can't always do things at the
16 Agency level or the Department level, because they've
17 become systems that have become calcified at times in
18 certain situations, because to -- beyond what they can do.

19 And so legislation as helped to form this forum.
20 It's helped to inform bringing in more diverse voices as
21 Commissioners. Legislation is a very key point to see
22 where the political will is and what communities want,
23 because as many of you who are legislators know, it's not
24 easy to get legislation in place, but it becomes necessary
25 when there is no other option.

1 For example, expanding incentives to electric
2 bikes has been an effort we've pushed forward, because it
3 was not easy to do necessarily through the agency level.
4 So we've had to go the legislative route, but it's
5 definitely becoming more embraced. And as a way that's
6 expanding options to more people to be able to use biking
7 as a method to get around in their communities. But the
8 other is that we have to look at making it safe, as my
9 colleague Esther did mention, safe and accessible for
10 people to do this. We have to look at places where we
11 need to put in the resources for people to walk their
12 children safely to school in the mornings.

13 And beyond the air quality benefits to our
14 health, there's so many more public health indicators of
15 bringing those resources to the community. So I would
16 encourage us to also look at beyond -- the health impacts
17 beyond air quality as well.

18 Thank you.

19 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

20 You said calcified. The older I get, the more
21 calcified I feel.

22 (Laughter.)

23 CTC VICE CHAIR VAN KONYNENBURG: Stiff and sore.
24 Okay. Chanell and then Bill.

25 MS. FLETCHER: I'm not feeling calcified. I do

1 want to apologize for missing my original time. I am
2 exclusive breast feeding a nine-month old, so I did have
3 to pump, so sorry about that guys. You guys very
4 important, but he's important too.

5 Okay. Let my clock start now, please.

6 ARB BOARD MEMBER GIOIA: More important.

7 MS. FLETCHER: Thank you, right? He's super
8 adorable. I love him a lot.

9 (Laughter.)

10 MS. FLETCHER: Okay. So my clock is officially
11 starting now hopefully. So my name is Chanell Fletcher.
12 I am the Executive Director of ClimatePlan. We work on
13 policies and strategies to advance sustainable, equitable
14 communities. There was a lot discussed today. I am going
15 to try to condense this into three things.

16 One is that the SAFE Rule is something that we
17 are very, very interested in. So CalSTA, as you are
18 leading that process, please, please, please loop us in.
19 We would love to kind of be a part of that and really
20 thinking about how we as advocates can continue to support
21 the work that you're doing, and also I think with our MPO
22 partners.

23 In terms of the comments that Commissioner Butler
24 made, where she's no longer here, around equity and race,
25 I think I wanted to say that we are very supportive of

1 calling that out. And so when we're looking at planning
2 and housing, I mean, it's entrenched. So I think we're
3 talking about red-lining, we're talking about segregation,
4 we're talking about racial covenants. And even though all
5 of those things are illegal now, that's what our
6 communities were shaped by, what they were built upon.

7 And so when we're talking about, you know,
8 infill, and density, and housing, we really do also need
9 tools to start anything about how do we address the fact
10 that many of the communities that we're talking about or,
11 you know, predominantly communities of color that you want
12 to densify, how do we think about displacement, and
13 protections, and making sure that we're not pushing out or
14 leaving out communities of color. So that is something
15 that we are very supportive of. And I know HCD is no
16 longer here, but I think we would love to also work on
17 that process with them as well.

18 The final point that I wanted to talk about what
19 was the Executive Order. It was great kind of hearing
20 that presentation. We are super supportive of it and I
21 think believe that it will be really helpful in terms of
22 as we go forward.

23 I think one of the things that I thought I heard
24 Supervisor Gioia mentioned was that it could helpful to
25 have some kind of clear deliverables for this group to

1 work towards. And I just wanted to say I think that's a
2 great idea. I think that when we're talking about
3 aligning transportation funding with our climate goals,
4 this venue actually feels like a really great place to do
5 that, because we have CARB here, we have CTC. One is
6 working on climate. One is working on transportation.
7 There's a clear nexus between that.

8 And so one of the things that I'd be really
9 interested in I think thinking through and potentially
10 hearing more thoughts about is is it possible as
11 implementation happens with the Executive Order to really
12 kind of give some clear deliverables or just guidance for
13 this group to think about like what does that look like in
14 these meetings? How can we start to kind of think a
15 little bit more about that action, and the outcomes, and
16 what we want to see around that.

17 So happy to follow that up with anybody. I'm
18 sure if it the CTC, or ARB, or even CalSTA. But I do
19 think that starting to get more and more towards action
20 and thinking about what we can do together as a joint
21 entity would be really helpful.

22 Thank you so much.

23 CTC VICE CHAIR VAN KONYNENBURG: Thank you,
24 Chanell and congratulations again.

25 MS. FLETCHER: Thank you.

1 CTC VICE CHAIR VAN KONYNENBURG: Babies are
2 awesome.

3 MS. FLETCHER: Oh, my God. He is.

4 Okay. Bill go.

5 (Laughter.)

6 CTC VICE CHAIR VAN KONYNENBURG: Bill.

7 MR. MAGAVERN: Hi. I'm Bill Magavern with the
8 Coalition for Clean Air. And thank you for the second
9 chance. My excuse is not nearly as good as Chanell's.

10 (Laughter.)

11 MR. MAGAVERN: I was having lunch with some
12 agency employees. That was my mistake.

13 (Laughter.)

14 MR. MAGAVERN: So we're not on track to meet our
15 2030 standard for greenhouse gas emissions, which is in,
16 law according to the Next 10 report. We're also,
17 unfortunately, not on track to deliver healthy air to the
18 residents of the San Joaquin Valley or the South Coast
19 region. And the consequences, if we do miss that mark,
20 include a possible loss of transportation dollars, as you
21 heard this morning.

22 The consequences would certainly include elevated
23 levels of illness and premature death from that air
24 pollution. In fact, there are far more people who die
25 from traffic related air pollution than from traffic

1 accidents. And both of those death tolls are unacceptably
2 high.

3 We also know that the people who suffer from the
4 health impacts of this pollution are disproportionately in
5 communities of color. And, of course, the biggest cause
6 of both of our emission problems, those related to climate
7 and to air quality, is transportation. It causes over 80
8 percent of our air pollution and roughly 50 percent of our
9 greenhouse gas pollution when you include the upstream
10 impacts.

11 So to solve these problems, I think we all agree
12 that we need to better align transportation, land use,
13 air, and climate policies. And that's why we so welcome
14 the Governor's Executive Order and thank Governor Newsom
15 and Director Gordon for that. It starts to put us on the
16 right path to aligning those policies, though obviously, a
17 lot of the hard work is ahead in making that happen.

18 So as you look forward to your work together, one
19 area that I would suggest that you focus on is sustainable
20 freight, because you already have the plan. The agencies
21 worked together on it three, four years ago. And a lot of
22 that Sustainable Freight Action Plan still needs to be
23 implemented.

24 So I would strongly recommend that both the
25 Commission, and the Board, and the other relevant agencies

1 who are part of that reconvene with a strong focus on
2 sustainable freight, carrying out everything that was in
3 that plan, and also updating it to meet our future
4 challenges.

5 Thank you.

6 CTC VICE CHAIR VAN KONYNENBURG: Thank you, Bill.

7 Doug, do we have anymore speaker cards?

8 CTC CLERK REMEDIOS: We do not.

9 CTC VICE CHAIR VAN KONYNENBURG: Thank you.

10 So we heard some very insightful presentations
11 today. I want to especially thank the San Joaquin Valley
12 eight counties, seven of which who were on the panel
13 today, and Vito Chiesa. I want to thank them, especially
14 because their time -- given that our previous panels went
15 over, their time was truncated. And I know that there was
16 a lot more detail that they wanted to go in. So my
17 apologies to them for not letting them have -- get more
18 time.

19 If you look at that trifold pamphlet, if I could
20 steal yours for a second, they have lots of things they
21 wanted to talk about of what they're doing on the back and
22 inside. So again to the San Joaquin Valley coalition, I
23 apologize for -- that we didn't get to hear all of it, but
24 it was exciting to hear.

25 Chair Nichols, do you have any final words?

1 ARB CHAIR NICHOLS: Yes. I was going to hold up
2 this brochure myself.

3 CTC VICE CHAIR VAN KONYNENBURG: Okay.

4 ARB CHAIR NICHOLS: So I'll do it again. I think
5 this is an amazingly packed piece of paper here. It's got
6 a lot of really interesting data and charts. I noticed
7 that you asked a question one time about the source of
8 some of the data, and a question whether it was tied to
9 other things that were here. There's a -- it raises
10 questions. Let's put it that way. It raises more good
11 questions, but it's also full of some really interesting
12 and useful information.

13 So I have a request, which is I would like
14 another copy of it, because even though I passed my eye
15 exam with my current glasses, this is in really small
16 print, really tiny print. So it would be really nice if
17 there was a version of it that could be done that was just
18 a little bit larger, maybe it could be a couple pages or
19 something like that.

20 CTC VICE CHAIR VAN KONYNENBURG: We'll make
21 sure -- yeah, we'll make sure we get the blown-up version
22 of it.

23 ARB CHAIR NICHOLS: Yeah, yeah, yeah. But the
24 stuff that's in it is very interesting and useful
25 information. So thank you.

1 CTC VICE CHAIR VAN KONYNENBURG: Anything else?

2 ARB CHAIR NICHOLS: That's it.

3 CTC VICE CHAIR VAN KONYNENBURG: Okay. So we
4 will continue this dialogue between CARB, and CTC, and
5 HCD, which will join us officially on January 1, 2020.
6 The two dates that are currently scheduled for our
7 meetings in 2020 are April 29th in Sacramento, and
8 November 4th in Los Angeles. I want to thank everyone for
9 attending in person and everyone who was listening to --
10 on the webcast, especially Fran Inman. Hope Ron is doing
11 great.

12 And this meeting is adjourned.

13 (Thereupon the California Air Resources Board and
14 California Transportation Commission meeting
15 adjourned at 1:40 p.m.)
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C E R T I F I C A T E O F R E P O R T E R

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing CARB and CTC meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of October, 2019.



JAMES F. PETERS, CSR

Certified Shorthand Reporter

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