

September 1, 2015

Chairman Mary D. Nichols and Executive Officer Richard Corey
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Chairman Nichols and Executive Officer Corey:

The Alliance of Regional Collaboratives for Climate Adaptation (ARCCA) welcomes the opportunity to provide comments on the **Cap-and-Trade Auction Proceeds Second Investment Plan Draft Concepts**.

About ARCCA

ARCCA is a network comprised of existing regional collaboratives from across California. ARCCA's members represent leading regional collaboratives that are already coordinating and supporting climate adaptation efforts in their own regions in order to enhance public health, protect natural systems, build economies, and improve quality of life. Through ARCCA, member regional collaboratives have come together to amplify and solidify their individual efforts, as well as to give a stronger voice to regionalism at the state and federal levels. ARCCA members share information among regions on best practices and lessons learned; identify each region's most innovative and successful strategies; and then determine how these strategies could be adapted to another region's particular needs. As a result, ARCCA bolsters the efforts of member regional collaboratives and empowers those interested in forging new regional partnerships.

Current State of Affairs

California has been tremendously successful in developing and executing mitigation strategies to respond to the challenge of climate change. In recent months, the urgency and opportunity of addressing climate change through accelerated mitigation and adaptation activities have become even more clear, as Governor Brown outlined in his recent Executive Order (B-30-15). We are grateful to see the administration's key principles and concepts reflected in the current draft, especially those related to climate impacts and resiliency. We are also very appreciative that the guidelines recognize the importance of coordination with local governments and rural communities. It is clear to us that ARB is listening closely, learning from the experience of the first year of GGRF funding and working to provide guidance that helps the state and local participants realize the full intent of the program.

As you are aware, even the most effective reductions in emissions would not be able to prevent further climate change impacts in the state, given that global changes have already been set in motion. Thus, undertaking climate adaptation strategies will be unavoidable to reduce our risk and increase our capacity to respond to build resilient societies and to foster sustainable

development. Additionally, an unprecedented degree of collaborative action throughout California is critical to respond to climate change quickly, effectively, and equitably. Climate change adaptation and mitigation conversations must occur at scales above city and county footprints to be relevant and most effective as an integrated, landscape-scale approach; engage key stakeholders from all sectors - urban and rural, public and private, from decision-makers to implementers; and bridge the divide between California's regions to fully capture the critical role that rural communities play in advancing climate adaptation and mitigation efforts.

Recommendations

To realize success, we want to see the GGRF program, within the limits allowed, empower local communities and regional entities in all parts of the state - urban and rural - and across sectors to implement investments that strengthen the state's overall economic, environmental, and social resilience. Within this context, we offer a few broad comments that might strengthen the ability of local governments to participate in the program and meet our shared goals. We encourage the ARB to:

- 1. Prioritize adaptation and resilience at the state, regional, and local levels** to accurately convey the imperativeness of pursuing adaptation and resilience strategies in conjunction with mitigation strategies. Climate change is having, and will have, more widespread impacts on California's people, economy, and environment, and steps must be taken to protect against climate impacts that are already occurring. Because uncertainty is a strong factor and climate change adaptation requires an iterative process that needs to be informed on an ongoing basis, it is critical for the state to escalate the importance of adaptation and resilience by providing necessary support and resources. We recommend that the ARB allocate funds for adaptation planning, as well as for initiatives that aim to build resilience at all levels and across all sectors.
- 2. Adopt an inter-regional approach and framework** for climate change adaptation and mitigation that prioritizes collaboration and cross-sectoral partnerships, especially with sectors that are not as engaged but play a critical role in achieving state goals and building California's resiliency, such as the business sector. Climate impacts will vary in severity and nature between regions, as will each region's ability to cope and approach to adapting, making regional efforts more likely to have shared priorities, common goals, and a more holistic impact that addresses the region's specific needs. Communities are already bound together at a landscape-level scale by shared geography and mutual reliance on resources that span across jurisdictions, such as watersheds, forests, agricultural lands, rangelands, and grasslands. We recommend that the ARB prioritize investment in projects that focus on working within regions and across regions that also engage key stakeholders from all sectors.

- 3. Prioritize investments to support rural and underserved communities** to enable a wider population of communities to participate in this program, especially for regions that steward important resources that the state relies upon. The well-being of all Californians is inextricably tied to the goods and services, such as clean water, clean air, carbon storage, and recreation, that are provided by resource-rich, rural areas; thus protecting California's rural areas, particularly the upper watershed, is equally important to urban adaptation strategy and meeting long-term urban sustainability goals. We recommend that the ARB make greater efforts to acknowledge and leverage the value of rural areas in achieving the state's climate goals, and in engaging rural and underserved communities more effectively and regularly to empower action. We encourage the ARB to consider more substantive guidance on technical assistance processes, such as by providing more details on outreach approaches that provide more direct support for participants to develop suitable projects.
- 4. Expedite the development of methodologies for quantifying co-benefits**, since such co-benefits will enable the state to achieve multiple goals with these programmatic dollars. Climate impacts on some projects could directly impact long-term GHG reductions, but may not be strictly considered a co-benefit. In light of this, we recommend that the ARB explore quantification methods for climate impacts where they might directly affect GHG reductions distinctly from quantifications of climate impacts as general co-benefits, such as social and economic co-benefits. Such an approach would represent risk management strategy for ensuring funded reductions are realized and that different types of co-benefits were assessed to ensure consistency of this statewide program with the Governor's direction as outlined in his Executive Order.

We hope these comments are helpful to your efforts, and welcome the opportunity to provide additional clarification or support development of specific language as desired.

Sincerely,



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