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July 12, 2012

Joseph T. Edmiston
Executive Officer
Mountains Recreation & Conservation Authority
Via email: joseph.edmiston@mrca.ca.gov

Dear Mr. Edmiston:

On behalf of the Planning and Conservation League Foundation (PCLF), a 501(c)(3) nonprofit organization that utilizes a broad array of strategies to educate and engage the public in advocating for stronger environmental protections, I am writing to request \$20,000 from The Mountains Recreation and Conservation Authority (MRCA) to support our efforts to identify opportunities for MRCA to secure cap-and-trade auction revenue funds to implement natural resources protection programs consistent with the agency's land conservation objectives.

Background

In November of this year, the California Air Resources Board (CARB) will oversee the first auction of emissions permits as part of the AB 32 (California's Global Warming Solutions Act) cap-and-trade program. The revenue generated from this auction, which could range in the hundreds of millions to even billions of dollars, will then be invested to reduce greenhouse gas (GHG) emissions. How and to what programs, exactly, these revenues will be invested, however, is still very much an open question. In addition to the overarching requirement that investments must demonstrate quantifiable GHG reductions, other criteria established in AB 32 include advancing the state's clean energy economy and creating related in-state jobs, protecting California's vulnerable and disadvantaged communities, promoting environmental and public health, and reducing the impacts of climate change. Some of the areas in which investments can be made include:

- Promoting sustainable land use and transportation projects (e.g., transit-oriented housing, clean vehicles, transit and freight transportation)
- Advancing renewable energy and energy efficiency technologies, including water efficiency
- Increasing biological carbon sequestration and reducing emissions from natural and working landscapes through restoration and conservation
- Reducing waste while increasing California-based manufacturing associated with low-carbon recycled content goods

While CARB is overseeing the actual auction of emission permits, it is less certain who will be overseeing the distribution and management of revenue proceeds. Legislation is needed to authorize how these revenues will be distributed, and there are competing bills under consideration for how that will occur. If no bills are passed this legislative session (which concludes on August 31), then the California

Department of Finance will be charged with submitting an investment plan to the Legislature to follow when they distribute the revenue.

While there is a great deal of jockeying (among legislators, agency officials, environmental and other nonprofit organizations as well as the business community) for how revenues will be distributed, most of this attention is focused on clean energy programs and the built environment (promoting infill, affordable housing, transit, etc.). Less attention and research is being spent on investment in natural resources protection (including land conservation and restoration; tree planting/reforestation; sustainable agriculture; and water management) as a means to reduce GHG emissions.

Cap-and-trade revenues, which can provide billions of dollars to GHG-reduction programs over the coming years, offer one of our greatest opportunities to reshape California's landscape, combat climate change, and transform the State's economy and communities. PCL Foundation will play a critical role in revenue distribution by researching, identifying and advocating for inclusion of strong natural resource protection programs as part of the cap-and-trade revenue distribution.

Project Description

Phase 1 of PCL Foundation's effort will run through November 14 (the date of the CARB auction) and will focus on identifying opportunities for MRCA to secure auction revenue funds to implement natural resources protection programs consistent with the agency's land conservation objectives outlined in the MRCA Joint Powers Agreement. Specifically, with a \$20,000 grant from MRCA, PCL Foundation will:

- 1) Analyze¹ all proposed legislation, including AB 1532 (Pérez) and SB 1572 (Pavley), with respect to the land conservation objectives of the MRCA as per the MRCA Joint Powers Agreement (<http://www.mrca.ca.gov/11-04%20MRCA%20JPA.pdf>);
- 2) Identify potential funding opportunities for MRCA utilizing the categorical programs identified in AB 1532 and SB 1572;
- 3) Support research efforts to quantify GHG reduction benefits of natural resources protection programs;
- 4) Coordinate with other environmental groups and agencies seeking to promote allocation of cap-and-trade revenues for natural resources protection programs to develop unified message; and
- 5) Advocate for inclusion of natural resources protection programs in CARB's implementation plan for AB 32 prior to cap-and-trade auction.

If Phase 1 is successful, PCL Foundation would be interested in pursuing Phase 2 activities that would focus on the development of a proposed investment plan for cap-and-trade revenues after the November 14 auction, including: additional technical and legal analysis of how such programs are consistent with (can cost-effective ways to implement) AB 32; community outreach and coalition building efforts to support robust funding for natural resource investments; and additional regulatory advocacy for investment in natural resource programs prior to distribution of funds starting in 2013.

¹ MRCA funding will be used for analysis of legislation only; no MRCA funding will be used for lobbying activities.

Outcomes/Timelines

Task/Description	Deliverable(s)	Date
1. Legislative analysis	Memorandum outlining analysis of AB 1532 and SB 1572 vis-à-vis MRCA priorities	July 31
2. Funding priorities	Memorandum outlining funding opportunities for MRCA within AB 1532 and SB 1572 criteria	July 31
3. Support research	Release of 'white paper' on GHG benefits of proposed natural resource programs (with other NGO groups)	August 31
4. Coordination with enviros	List of coalition partners promoting investment in natural resource protection; collateral materials on value of natural resource protection investments	August 31
5. CARB (regulatory) advocacy	Inclusion of natural resource protection as part of CARB cap-and-trade revenue plan	November 14

Statement of Qualifications

PCL Foundation was founded in 1972 and is a 501(c)(3) nonprofit organization that seeks to protect California's environment and ensure that California continues to be an attractive, livable, and equitable state by engaging in cutting-edge environmental public policy research, and by educating and empowering local communities to participate in local and state environmental decision-making processes. PCLF works in concert with its sister organization, the Planning & Conservation League (a statewide, 501(c)(4) nonprofit organization) to connect the power of grassroots organizations to state government to promote strong environmental policies.

Managing this effort will be PCL Foundation's Executive Director, **Bruce Reznik**, a California-licensed attorney specializing in environmental law. Prior to joining PCL and PCL Foundation in May 2011, Bruce served as the Executive Director of San Diego Coastkeeper from August 1999 through November 2010. Under his direction, the organization grew into the region's largest clean water advocacy organization, and played a key role in strengthening water quality regulations, and educating and engaging tens of thousands of San Diegans in clean water efforts. After departing Coastkeeper, Bruce briefly led Sustainable San Diego—a collaborative dedicated to ensuring the long-term vitality of the San Diego/Tijuana region's communities, environment, and economy by strengthening and integrating regional planning. Reznik previously worked to promote alternative fuels and clean air projects at a Los Angeles based consulting firm. He holds an undergraduate degree from the UC Berkeley, a law degree from the University of San Diego, and completed environmental law coursework at George Washington University in Washington D.C. He has served on numerous Boards and has been appointed to many local and state commissions, including currently sitting as an Alternate California Coastal Commissioner.

Jena Price, PCL's Legislative Director who has been with the organization since October 2010, will help coordinate this campaign. In addition to her work promoting PCL's legislative agenda, Jena leads the PCL Foundation's research program to identify and develop potential land use and climate change policies. Prior to joining PCL/PCL Foundation, Jena worked for ICLEI-Local Governments for Sustainability, an Oakland based non-profit organization. There she worked closely with the California Director to help California cities create a climate plan within their general plan to take the necessary steps to comply with Assembly Bill 32 (2006, Pavley Nunez), California's landmark global warming bill. She graduated from San Francisco State University in May 2010 with a degree in Political Science. During her time at SFSU, she also worked as an intern in the office of the Honorable Don Mitchell in the San Francisco Superior Court.

Supporting this effort will be **Coral Abbott**, a PCL Foundation intern from Stanford University. Coral is a rising junior pursuing a degree in Earth Systems, with a minor in Comparative Studies in Race and Ethnicity. She has previous research experience at the Martin Luther King Jr., Research and Education Institute doing archival research and document preparation. She is interested in policy work that addresses the intersection between the environment and disadvantaged communities.

Budget

July 20, 2012-November 14, 2012

Category	Amount
Salaries	
Project manager/Executive Director (Bruce Reznik) – 30 hours @ 150/hour (fully burdened)	\$4,500
Project coordinator (Jena Price) – 150 hours @ \$60/hour (fully burdened)	\$9,000
Project support (Coral Abbot) – 120 hours @ \$15/hour	\$1,800
Consultants (research/preparation of materials)	\$4,000
Printing/Supplies	\$700
Total	\$20,000

Thank you for your consideration. Please do not hesitate to contact me should you have any questions or need additional information.

Sincerely,



Bruce Reznik
Executive Director