

May 7th, 2026

Lauren Sanchez
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: 15-Day Amendments to Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms – Oppose

Dear Chair Sanchez and Members of the California Air Resources Board,

As Mayors of Los Angeles, San Diego, San Francisco, and Oakland, we write in opposition to the California Air Resources Board's (CARB's) 15-Day Amendments to the "Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms."

We are grateful for CARB's focus on mitigating the impacts of climate change and protecting the public from air pollution. We also appreciate the intent of these proposed amendments to reduce the cost of utilities for customers. As Mayors, we hear time and time again from our constituents that rising prices are a significant burden. We too want to do everything we can to focus on affordability.

However, we have significant concern with CARB's 15-Day Amendments, which would drastically reduce auction proceeds, thereby slashing Greenhouse Gas Reduction Fund (GGRF) investments. Combined with the new GGRF allocation tiers established in SB 840, this would either entirely or almost entirely eliminate critical affordable housing and transportation programs, such as the Affordable Housing and Sustainable Communities (AHSC) Program, Transit and Intercity Rail Capital Program (TIRCP), and Low Carbon Transit Operations Program (LCTOP).

These programs have provided billions of dollars of funding to housing and transit projects across the state, which in turn help achieve our local and state emission reduction goals. A few examples:

- In San Francisco, AHSC has helped finance more than 2,100 new affordable housing units since 2018. Since 2015, the San Francisco Municipal Transportation Agency has received more than \$400 million from TIRCP and \$140 million from LCTOP for projects ranging from train control upgrades to free Muni for qualifying populations.
- AHSC has provided over \$261 million in funding to 13 Oakland-based affordable housing developments, making possible 1,312 affordable apartments to low-income individuals and families.
- Over the past eight years the City of San Diego has worked with a total of 15 developer applicants to identify, program, and when awarded, execute these projects. Applicants have secured \$123.5M for affordable housing projects within the City, bringing 947 units and \$15.2M for the Transportation department for bicycle and pedestrian projects. These projects directly help us achieve our Strategic Plan goals, bringing in external funding

that creates homes for under resourced San Diegans and advances mobility and infrastructure in our neighborhoods.

Eliminating these programs would cripple our ability to build affordable housing and improve transit in our cities.

As such, we write in opposition to CARB's 15-Day Amendments. We cannot forgo critical funding for affordable housing and transit projects. Thank you again for your leadership and your commitment to this important work. We appreciate your consideration.

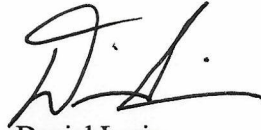
Sincerely,



Karen Bass
Mayor of Los Angeles



Todd Gloria
Mayor of San Diego



Daniel Lurie
Mayor of San Francisco



Barbara Lee
Mayor of Oakland

Cc: Governor Gavin Newsom
Senate President pro Tempore Monique Limón
Speaker of the Assembly Robert Rivas