

Villaraigosa, de León, and Mason: Power Politics

<https://www.climateone.org/audio/villaraigosa-de-leon-and-mason-power-politics>

Recorded on October 6, 2016



Greg Dalton: From the Commonwealth Club of California, this is Climate One, leading the conversation about America's energy, economy and environment. I'm Greg Dalton. Presidential candidate Donald Trump has said climate change is a hoax. And if elected, he would remove the United States from the Paris Climate Accord. Hillary Clinton would uphold the Paris deal and her clean energy plan calls for half a billion new solar panels in the next five years and \$60 billion for cities and states to construct green buildings and new transit.

In California there's a different power story. Republican former Governor Arnold Schwarzenegger and Democratic Governor Jerry Brown recently threw a party together to celebrate the 10th anniversary of the state's main climate law, which Schwarzenegger signed and Brown recently extended with the help of a Republican vote. On the show today, we'll discuss what California is doing this election year to green its economy despite gridlock in Washington. The fuel fight is often not on the top of mind for voters, but it is playing a central role in at least one southern California assembly race. And several new laws come into effect next year that will impact the electricity that runs our toys and the food that comes to our kitchen tables.

Over the next hour we'll discuss electric cars, transit, housing, jobs, water and other issues affected by our changing climate. We're joined now by three guests. Kevin de León is President pro-tem of the California State Senate. He's the first Latino to hold that position in 130 years. He was a community organizer in Los Angeles before being elected to the state assembly 10 years ago. Melanie Mason is a political reporter in Sacramento for the Los Angeles Times. She previously covered the 2012 U.S. election from Washington DC and is now covering national and state politics. Antonio Villaraigosa was former mayor of Los Angeles. He was the first Latino to hold that position in over 100 years. He also served as speaker of the California State Assembly and has been active on the national political stage. He co-chaired the 2012 Democratic National Convention and was co-chair of Hillary Clinton's 2008 presidential campaign. Please welcome them to Climate One.

[Applause]

Thank you all for being here. I should note that we invited several Republican legislators and elected officials in California. Some wanted to come, couldn't make this date and we will have them at another time. Welcome to you all. I'd like to start with Senator de León. How can California support a growing population and grow its economy and tackle climate change. Can it do all of those things at the same time?

Kevin de León: I think we're doing it right now as we speak. I think we have successfully delinked and decoupled GDP from carbon, which means that we are less carbon intensive. And today, we're not the sixth largest economy in the world I just found out early this morning; California in fact is the fifth largest economy in the world. To put that in context obviously the United States of America as a whole in the aggregate has the largest GDP on planet Earth. Then it's China, Japan, Germany, and now it seems like we've surpassed United Kingdom as well as France. We've done so with intentionality and a sense of purpose with regards to our carbon targets that we've laid out.

We've sent very clear market signals to venture capitalists because we have received over 60% of the venture capital, is coming to California in the clean energy space. We have a very ambitious renewable portfolio standard which is 50% by the year 2030. I think it's very ambitious but I believe that the IOUs as well as the MOUs will meet that target way before 2030. And as a result, we created more than 500,000 jobs. Now these are jobs that are real, that are tangible, that you can verify. They're not jobs that you can outsource to another state or offshore to Guangzhou, China or elsewhere. They are in the clean energy space. And it hasn't been by happenstance and letting the market forces whether they're regional, national or global create these jobs.

We actually have done it by the policies that we have moved forward in the state capital. And again we have delinked and decoupled carbon from GDP because the last point I want to make on this, is understandably that if you wanted to raise a family, buy house, send your kid off to college, then the narrative was that you'd have to grow the economy by burning fossil fuels. And largely we have become the largest GDP on the planet by burning fossil fuels. But we know that narrative is old now; we've debunked that. And we've proven that you can decouple delinked carbon and grow the economy at the same time. And we've done so quite successfully in California.

Greg Dalton: Mayor Villaraigosa, climate change seems to be often a remote issue for people in California. Think of melting glaciers, polar bears, how do you make it relevant to people who think climate, well maybe there are storms in Florida, but how do you make it relevant as a concern to people in California?

Antonio Villaraigosa: Jobs. You know, and economic development. In 1994, when I first got elected maybe 30%, 25% to 30% of Democrats were taking on the AQMD the Air Quality Management District. Basically buying into the business argument to clean up the air had the effect of undermining the business community and particularly manufacturing in L.A. And Hilda Solis and I, back in 1994, led the effort to say hold it. We don't buy this jobs blackmail argument; that in fact you can create jobs and build a clean tech environment, develop the technologies in California; at the time I was talking about L.A., that you can export and create jobs around the world. And that, you know, has been the framework for Fabian Núñez 10 years ago now with AB 32. Kevin de León this year is extending it.

I think for a long time now there are many of us here in California who have understood that we can grow the economy and clean up our environment. So I think jobs are critical. And in that vein let me just say this. I've been an environmentalist, the number one American city in the eight years I was mayor in reducing carbon emissions we signed onto Kyoto in 2005. Kyoto says you reduce carbon emissions by 7% in 1990 levels; by 2012 we were 28%. Only London, Copenhagen number one at 40, Berlin at 36, Toronto at 34, L.A. at 28. Went from 30% renewables to 20%. But we were always focused on a clean tech sector. We always understood that we had to create jobs too so that we didn't, and we always understood that we had to focus on environmental justice.

The problem with the environmental movement and it's been true for a very long time is they focus a lot on the abstract and not enough on the concrete. And the people who disproportionately suffer from the effects of climate change are poor people, people of color. We saw that at the Port of Los

Angeles where we reduced truck emissions by more than 90%. The people that were dying of respiratory diseases in that area were, you know, poor people, people of color who lived around these areas. So if you don't connect this to jobs and to environmental justice, you're missing the real point of why we have to address climate change.

And both Kevin de León and Fabian Núñez understood that with AB 32 and its extension. I did the Carl Moyer Act, which was the largest expansion of enforcing the Clear Air Act until AB 32. And the efforts we did were always focused around jobs and environmental justice.

Greg Dalton: AB 32 being California's landmark climate law that's 10 years old right now. Senator de León, a lot of critics though of that law say that it doesn't do enough for communities of color. There's been a lot of environmental justice critics of cap and trade the mechanism it put in place saying it allows people, companies to buy clean up other places and not really, the Richmonds and Martinas and El Segundos of the state.

Kevin de León: Well, there's some truth to it, no doubt. I mean there's two ways of going about it. Either carbon tax and if you can secure two-thirds vote which means you need Republican support on both sides of both chambers or a market mechanism, such as cap and trade. And as you just alluded to, it gives polluters the opportunity to pay for their pollution and purchase the credits necessary and therefore the auction revenues. But what we have done with Senate Bill 535 the measure that I authored is we take a minimum baseline of 25% of all the auction revenue. So we're talking now hundreds of millions of dollars. And what we've done, as Mayor Villaraigosa just mentioned a few moments ago, we've invested these dollars in communities that are disproportionately impacted by both co-pollutants in other words GHG carbon CO2 as well as other criteria pollutants such as knocks, socks, particulate matter 2.5 where our children breathe into the lungs every single day. And the number one reason for absenteeism in our public school system is due to asthma. So what are the programs specifically? Rooftop solar, distributive generation, rebates that you can bundle together to purchase electric vehicle, energy efficiency, parks and green space as well as tree planting particularly in urban areas where you have heat islands where the temperature rises incredibly.

So when you focus on those communities, in other words, when you democratize your climate change policies. And this is a very unusual concept for the rest of the country even progresses on the East Coast, and even enlightened nations in Scandinavia, whether it's Denmark or Sweden or Germany or elsewhere. When you democratize your climate change policies with intentionality and a sense of purpose, what you're doing is you're making sure that those who are most vulnerable to criteria pollutants and to the catastrophic impacts of climate change that they become much more resilient. And what you do too is distributive generation rooftop or electric vehicle. Now I like to always ask how many folks drive electric vehicle. Because if only those who have the financial wherewithal have access to the latest and greatest technologies and therefore you're an early adopter because you have the money to adopt early irrespective of the price point, we'll actually never reach our macro global targets.

In other words, if you live in Marin, if you live in Pacific Heights or Palo Alto, Menlo Park or in Santa Monica or Malibu, Pacific Palisades or Brentwood or La Jolla in Southern California. That you have to incorporate communities of color in the Central Valley, in Los Angeles in Richmond in East Oakland and East San Jose because of the emissions that are committed. And if you don't, it becomes very boutique-ish and you have to normalize the medium. If not, again, that means only those who have the financial wherewithal and high educational attainment, are conscientious with regards to their decision-making in purchasing electric vehicle. Whether it's a Tesla or any other type, I want distributed generation or I have the resources retrofit and upgrade my, you know, palatious house, you know, next to Golden Gate Park or Fort Mason, whatever, et cetera. You know, we're not gonna

reach our target goal, so it behooves all of us irrespective of income level to make sure we democratize our climate change policies.

Greg Dalton: Melanie Mason, you came in from Ohio today. You've been covering the national political campaign you've worked for a Texas newspaper. We hear two elected officials here in California talking about clean energy as a winning political strategy. How does that compare to what you're seeing in Ohio and other swing states during this election campaign?

Melanie Mason: Oh it's whiplash, I mean entirely. I mean, the difference is, is that in California politicians can't stop talking about climate change. And elsewhere no one wants to talk about climate change, it's pretty stunning. I think the difference in terms of the rhetoric and the sort of action that you're seeing on the state level as opposed to national. And there are couple exceptions I think, of course, national Democrats are embracing climate policies much more so than their Republican counterparts.

One interesting thing that I saw recently is Tom Steyer's group the environmental activist, they are now advertising directly to millennials, saying if you're thinking about going over to Gary Johnson, for example, for a third-party vote, you should know about what his stance on climate change. Because he does not exactly have the most progressive policy proposals on climate change. Sort of using the climate change issue to directly target millennials who might be moving away from Hillary Clinton. But that's very niche, I mean it is so different from out here in California where climate's sort of seeped into so many different political issues. Out on the campaign trail I hear about it basically never.

Greg Dalton: Really. Let's talk about the voting bloc. The Latino voting bloc there's been a lot written about that, Mayor Villaraigosa, you've said that that they feel these issues because they're close to it, they're breathing it, et cetera. But does that mean that they will then consider that when they go to the ballot box? Because the conventional wisdom is people don't vote on energy climate issues. They vote on maybe healthcare, pocketbook issues.

Antonio Villaraigosa: That's why I think you have to connect it to jobs and job creation and the jobs that there's a pipeline for that community to be able to attain. So as an example, you know, everything we did around climate change we connected to developing a clean tech community. We got USC, UCLA, Caltech, but also Trade-Tech and the community colleges to help with solar installation and other clean tech jobs that don't require a four-year education. So we were always focused around job creation because that's the issue that frankly transcends all communities. People want a job, they want economic development. So we, because I had been doing this for a few years now since '94 because we always understood that the biggest argument about doing all of the things around cleaning up the air and the water and moving to was this fact that we were losing jobs in the old economy.

So we argued we need to create jobs in the new economy, make sure that there's a pipeline for all communities. And particularly the communities who have been most impacted and usually are at the end of the line when it comes to job distribution. So, you know, we were focused on that and that's how we kind of got a broader community behind these issues. When we first started doing this, this is 2016, I mean everybody in this town is for it. When we were doing this in '94, like I'm telling you there was a sizable group of Democrats that bought in to the notion that this was a job killer, a sizable group at 30%, 25% to 30% group of Democrats that were very much against it and oftentimes led by communities of color.

So, you know, as an example when they did the parks bond. Largest parks bond in U.S. history \$2 billion bond was, \$2.1 billion bond. The agreement with the environmental community who before

that bond all of the parks went to suburban areas. And I said hold it, we're gonna put parks where people are. I'll give you your \$2 billion bond but you're giving me, you know, urban parks. So all of this was always around connecting, let's sell this as, you know, based on, you know, addressing equity issues, but also sell it as the president pro-tem just said by building a broader coalition and a bigger majority for it. So that's the way we dealt with it.

And, you know, by the way, I mean I want to be really clear as much as I, we've acknowledged the legislature and certainly the role of both speaker Nunez and president pro-tem, you know, de Leon, L.A. didn't wait. And neither did San Francisco by the way, on Sacramento, you know, we were moving this. I went from 3% to 20% renewables, dirtiest public utility in the United States before AB 32. We were moving, we weren't gonna wait on the legislature. Obviously once they did it, it provided a broader, you know, regulatory environment for us and, you know, political support. But, you know, San Francisco has been doing this for a while last time I looked and, you know, L.A. is, you know, a country in the sense that it's so big and then got a big Republican and a big business community that was oppositional. But we sold them on this was good for business.

Greg Dalton: Antonio Villaraigosa is a former mayor of Los Angeles. Our other guests today are Kevin de León, president of the California State Senate and political reporter Melanie Mason from the Los Angeles Times. I'm Greg Dalton.

Senator de León, Mayor Villaraigosa just mentioned Democratic opposition. There's a race right now for the assembly in San Bernardino where there is an African-American woman and the incumbent who blocked Governor Brown's climate agenda, is being challenged by another Democrat, a Latina. \$2.3 million is already been pumped into this race. Chevron put in a million dollars. Cheryl Brown is called Chevron Cheryl. Tell us, what does that mean about the politics of energy in the state, first of all \$2.5 million on an assembly seat and two Democrats going after each other largely around energy and climate.

Kevin de León: Well obviously, you know, for the reformers it's a byproduct of the top two primary system where now instead of having a Republican versus a Democrat you have a Dem on Dem, in this case, what is perceived to be a more progressive Dem versus a more moderate to conservative Democrat. I think that when it comes to energy when it comes to climate change and clean air and clean water. I do believe strongly except seeing the empirical evidence it's not just anecdotal but I've seen the data poll after poll that communities of color in fact score the highest. And then when you throw a second test at them and I mean you throw the kitchen sink at them. If you support climate change policies, the economy will be destroyed.

Your utility rates will go through the roof; you will lose your job as a result. When you test them on the second round they stay strong and steady. They don't equivocate. It is white males who are the ones who started going south very, very quickly. And I've seen the empirical evidence and the data on various polls and instruments. So committees of color, Latinas especially Asian-Americans and African-Americans stay very strong. And it runs contrary to the old narrative that communities of color really don't believe in climate change or this is an issue that's the Bill McKibbens of the world or if you read Mother Jones, you know, and, you know, sort of kind of that domain.

And this is what Antonio just mentioned which is really critical because it's actually expanding and opening up your coalition and being inclusive and more diverse because for some folks, the environment begins and ends at the beach. And that's simply not the reality for a lot of other folks. And so what you've seen being played out in the Inland Empire in San Bernardino are two very strong, you know, Democrats, a highly competitive seat. It is what is perceived a progressive clean energy person versus a more conservative moderate Democrat who's supported by the fossil fuel industry. We'll see how it plays itself out. But I don't think this will be the last that you'll see in the

state of California either in Southern California, Central Valley or in the Bay Area.

Greg Dalton: Melanie Mason, usually races don't turn on energy this sort of thing. What do you make of that race in the Inland Empire, what is it portend and you're covering national politics now but you know about this, right?

Melanie Mason: Yeah, well, I'll be a little bit of a Debbie Downer up here. Because I think when we're talking about this there's a lot of understandable pride about the progress that's been made. But if you are listening to this you would think the Democrats all were on board and maybe some recalcitrant Republicans. And that's not the case, I mean, the case out here and we saw this last year one of major piece of energy legislation that the senator had sponsored ended up having to get gutted in some sense with regards to the oil, oil reduction provision. There are lots of other important parts of that bill. But the oil reduction provision they were gonna slash oil use in the state by 50%. That ended up having to be taken out of the bill and it wasn't Republicans that were blocking this. It was Democrats. And what sort of known in capital parlance as the mods, the moderate Democrats. These are Democrats that are tend to be seen as close to the business interest, closer to maybe oil or agriculture.

And they were the ones that were throwing a wrench into what was this very ambitious climate program. And so I think that this race in San Bernardino is kind of a, it's a great sort of proxy war for sort of what is the soul of the Democratic Party going to be on this issue and on other issues. Because you have, you know, Democrats they run the state house. And so the question is that if the mods are going to be a little recalcitrant in some of these ambitious climate policies, what does the Democratic Party do about that? Do they try and oust incumbent mods with more progressive members? And that's what's playing out right now in San Bernardino, that's why you see so much money going in. And I think that the senator is right, we're gonna be seeing these races play out because of the top two system much more. That's the new dynamic. It's not D versus R, it's what type of Democrat are you.

Greg Dalton: So Melanie Mason, what do you think the legislature composition might be in Sacramento after this election? Is it going to be a big difference or just a few seats here and there? What's Jerry Brown going to have in the legislature for his last two years?

Melanie Mason: Well, I think the big question is does he have a super majority in both houses. I mean I think that the assumption is that Democrats will gain especially in the assembly and senator can tell us what sort of outlook is in his chamber. But, you know, it's a presidential year that tends to be a more democratic electorate. So I think that we can anticipate, I've heard -- 54 is what you need in the assembly for two-thirds. I've heard upwards of 58, 59 potential members. So that's two-thirds and then some. And of course, two-thirds as the senator alluded to earlier, that's a magic threshold. Because that's when you can start passing taxes. And so then you have the question of are we talking about a carbon tax now. Are we talking about reauthorizing the cap and trade program to get rid of some legal ambiguity that it's facing right now because there's a question of if it's a tax or not. So I think we'll see after next month if Democrats control a super majority in the state house. Then the question is this sort of how far do they want to run.

Greg Dalton: Senator de León.

Kevin de León: Let me add something. Let me just, and again, this is just my perspective. I've always believed that the two-thirds threshold is highly overrated. And I think it's sort of this incredible Holy Grail if you will for folks; if you receive a two-thirds then that's the panacea to all the economic and social ills that plague the city of California. If in fact there are two-thirds in either chamber and I'll play down the possibilities for the Senate, on the Senate side; I won't speak in

behalf of the assembly. Most likely they're from a very conservative areas, number one. Two, this is a presidential year so obviously there'll be a large, huge turnout. But I don't know if there'll be a lot of Democrats up to "raising taxes" because when up for election every two years like the Congress, the next swing will be during a nonpresidential year. Therefore, do they want to be on the record in terms of raising taxes? Now that's just my own independent objective analysis.

So this two-thirds issue tends to be through my estimation more hyped up. We've had it before and revenues were not raised and I don't believe those individuals who were on the bubble of the two-thirds that made the two-thirds were eager to dive in and raise any type of revenue. But Melanie makes a very salient point. The issue is will we, if we do receive a two-thirds in either chamber, will we move a carbon tax or will we move to remove any legal ambiguity and vagueness with regards to the legal validity of a cap and trade program with regards to an extension of cap and trade. Because of cap and trade we're able to invest in rebates for low-income communities. In fact this year there will be \$80 million, \$80 million that's on the table for low income families to bundle the rebates together to purchase perhaps a Nissan Leaf.

And in fact the Senate Bill 350 what we're doing is we're transforming our whole transportation electric transportation infrastructure system because if you have the money, you have your charging station. But soon charging stations with PG&E up here in the Bay Area with Southern California Edison, Sempra Energy in Southern Cal, as well as the MOU --

Greg Dalton: Municipally owned utility.

Kevin de León: -- yeah, MOU, municipally owned utility, investment-owned utility. They will be building out transportation electrification infrastructure. So charging stations will be ubiquitous just like gas stations. And for the first time in the history of the United States of America, energy companies specifically IOUs and MOUs will be competing for the same market share with the fossil fuel industry. Historically, if I'm Pacific Gas and Electric I'm selling you energy to power your house, your business, your car or not your car so much but your house and your business. Now they will actually be in the same marketplace competing with the fossil fuel industry as they build out transportation electrification.

And when you see a Chevron, a Tesoro, a Valero, Exxon Mobil, what have you, et cetera, you're going to be seeing charging stations all over. That's when you democratize and that's when you start normalizing the medium. And that's when you have a revolutionary balance of change and shift if you will. And that's when you're going to get a lot of electric vehicles on the road in California.

Greg Dalton: Another piece of this Mayor Villaraigosa is transit. Something amazing is happening in Los Angeles the city car Mecca of the world. There's actually a real functioning subway happening there they started with Measure R. What's the ridership numbers like and is it possible that L.A. will be a walkable transit city in our lifetime?

Antonio Villaraigosa: It actually started with my mom. My mom rode a bus her whole life. I was sitting on the RTD board in 1992 --

Greg Dalton: It's the Rapid Transit District.

Antonio Villaraigosa: Right. And right after the civil disturbances argued for \$.50 fare program to build ridership. Because like the civil disturbances of '65 in Watts when they did an analysis of what some of the issues were in these communities, transportation, and affordability were a big part of it. And so it started with my mom because she rode the bus and once I, you know, sat on the MTA board for a brief period, I chaired transportation here. I said that we were going to make, move L.A.

from the single car passenger capital of the world to a place where we're really imagining the city and one where we were addressing the affordability issue.

So Measure R was about reimagining the city about the job housing balance, about connecting every community. About making sure we had a first-class bus system, not just a first-class rail system and about keeping fares low and subsidies high. So the first five years of Measure R which was a \$40 billion initiative over 30-year period of time was keeping the fares right where they were. Again trying to connect the issue of transportation, cleaning up the air with communities that have historically been, you know, left behind. I think that's the difference in leadership that, you know, as California changes, you know, there are community people who've represented communities that have been left behind for so long that we say, hey, if we want to win and I do want to speak to their two-thirds in just a minute. If we want to win, we got to build a broader coalition, which means we have to be more inclusive, which means we've got to be investing in those communities that were left behind.

So, you know, just as you said on climate change the communities that were behind Measure R at the highest rate? Watts, the east side, all the poorer areas of L.A. disproportionately higher. Just like our school bonds just like the climate change that Senate President talks about. This was a strategic deliberative effort on our part to build a broader coalition. As you know we built one bus way, three rail lines and we're in construction on two more, more than any other city during that period more than any other administration in L.A. history. But it was always, it wasn't just about moving people, cleaning up the air. It was about job creation, building jobs. We did project labor agreements where we said 38% of the people that work on this are the people that voted for it.

So we did, it was very deliberative and very focused on building a broader coalition for these things. For cleaning up the air, for addressing the respiratory illness issues which were disproportionately in the poor areas making it affordable for people, building affordable housing along transit lines. It was broader than just building rail.

Greg Dalton: Antonio Villaraigosa is the former mayor of Los Angeles. Other guests today at Climate One are Senate President Kevin de León and Melanie Mason from the Los Angeles Times. I'm Greg Dalton.

And we're going to go to our lightning round where we ask each of our guests a brief series of yes, no, true or false questions. Starting with Mayor Villaraigosa, yes or no, considering what you know about rising temperatures and rising seas. If you suddenly came into millions of dollars you would buy a beachfront house in Malibu?

Antonio Villaraigosa: No.

Greg Dalton: Senator de León, in California, yes or no, rich people breathe cleaner air than poor people?

Kevin de León: Yes. No doubt.

Greg Dalton: Melanie Mason, true or false, many politicians worry privately about the soaring cost of California's high-speed rail project, but they don't dare say so in public for fear of criticizing Governor Jerry Brown's pet project?

Melanie Mason: True.

Greg Dalton: Senator de León, yes or no, you're glad that I didn't ask you that question?

[Laughter]

Kevin de León: Sure.

[Laughter]

Greg Dalton: Mayor Villaraigosa, in your lifetime, rising temperatures will drive some people to move from Southern California to Northern California?

Antonio Villaraigosa: No.

Greg Dalton: Senator de León, in your lifetime, lack of fresh water will force people to move their homes and businesses from parched parts of the state?

Kevin de León: Yes, no doubt.

Greg Dalton: Melanie Mason, Northern California is a better place to live anyways?

[Laughter]

Melanie Mason: False.

[Laughter]

Antonio Villaraigosa: I mean you're talking to three L.A. people by the way, you know. I love the Bay Area everybody.

[Laughter]

Greg Dalton: Senator de León, what grade would you give Arnold Schwarzenegger for his time as governor?

Kevin de León: I didn't serve with, well I did serve a couple years.

[Laughter]

On climate change I would give him an A, no doubt.

Greg Dalton: Mayor Villaraigosa, what grade would you give Arnold Schwarzenegger's films?

[Laughter]

Antonio Villaraigosa: Arnold, I love you, but you know I can't give you -- I'd rather, they make a lot of money, but.

Greg Dalton: Also Mayor Villaraigosa, former San Francisco Mayor Gavin Newsom would be a strong California governor?

[Laughter]

Kevin de León: No.

Antonio Villaraigosa: Was it pass or fail, whatever.

[Laughter]

Greg Dalton: Yes, no, maybe.

Antonio Villaraigosa: Gavin is a talented person and certainly qualified to be governor and so are a lot of other people.

[Laughter]

Greg Dalton: Senator de León, Antonio Villaraigosa would be a strong California governor?

Kevin de León: I think so, very much so. And I think that you want folks who actually have real accomplishments that can be verified and not just articulated in speeches.

Greg Dalton: Also for Senator de León, you --

[Laughter]

-- you and Mayor Villaraigosa both have ambitions of being California's first Latino governor?

Kevin de León: I'm happy in my current role as president of the senate.

Greg Dalton: Melanie Mason, you're enjoying watching these two politicians answer these questions?

[Laughter]

Melanie Mason: Absolutely.

Greg Dalton: Melanie Mason, you predict billionaire Tom Steyer will run for California governor in 2018?

Melanie Mason: I'm actually stumped. Yeah, I'll say yes.

Greg Dalton: Melanie Mason, you predict investor Steve Westly will also run for governor in 2018?

Melanie Mason: Yes.

Greg Dalton: Kevin de León, in 2008 Los Angeles voters approved an increase to sales tax. We've been talking about Measure R, \$40 billion over 30 years for new transit lines and freeways. Mayor Villaraigosa gets too much credit for the passage of that measure, yes or no?

Kevin de León: No. He does not get enough credit.

Greg Dalton: Mayor Villaraigosa, Kevin de León got too much credit for recent passage of a law extending California's fight against global warming?

Antonio Villaraigosa: No. He didn't get enough credit. He battled for that and should've had a lot more people in powerful positions supporting him.

Greg Dalton: Let's give them a round of applause for that lightning round. They got through the gauntlet.

[Applause]

[CLIMATE ONE MINUTE]

Announcer: And now, here's a Climate One Minute.

California may be leading the charge on climate change, but on the national level it's a different story. With congress pretty much split along party lines, how is any progress to be made? U.S. Secretary of Energy Ernest Moniz, who is on the front lines of that battle, says that there are some places where even Democrats and Republicans can agree.

Ernest Moniz: *I believe the innovation agenda is really the key. We have had extensive discussions about this in the Congress with both chambers, both parties. And the innovation agenda is one that resonates very, very strongly. It's about also, it's advancing business in addition to advancing our climate goals, our security goals, our economic goals. It's also going to be about building new infrastructure. Labor is all into the innovation and infrastructure agenda. So I think the, look the reality is in Paris certainly no one can dispute the fact that every country in the world basically came forward and said we have to address this. Now, there may be individuals who would like to take a different position, but I have not heard any of them take a different position on innovation; on the fact that the United States has always led in innovation, that it gives us tremendous opportunity economically and I think that's the key.*

This is the bipartisan message. This is the message that will again I think carry us across the finish line in terms of the dramatically increased ambition we will need in the decades ahead.

Announcer: That's U.S. Energy Secretary Ernest Moniz, who spoke to Climate One in January. Now, let's join Greg Dalton and his guests at The Commonwealth Club.

[END CLIMATE ONE MINUTE]

Greg Dalton: We touched on housing earlier and I want to come back to housing, Senator de León, there's a housing crisis in the state. There's talk of a \$3 billion bond for state funding. People, climate change seems pretty remote when you're being priced out of your neighborhood. And what can, and we'll get to the mayor also, be done about the housing crisis that Californians are feeling especially here in the Bay Area?

Kevin de León: Well listen, I used to live in the Bay Area. I used to live right across the street from the Panhandle near Mason between Cole and Stanyan. And my hospital was St. Mary's and my parish was St. Ignatius Church. And I know the housing crisis is unlike any other place in the nation. Obviously, I live and I represent an area that our mayor used to represent Echo Park and Silver Lake the same displacement issue. Senator Jim Beall from the South Bay from San Jose, who is my chair of transportation and housing, has moved forward a \$3 billion bond to help alleviate the housing crisis in California.

I'm hoping to work very closely with the speaker, Anthony Rendon and to convince our Governor Jerry Brown that it is important that we do take on some more debt to deal with this housing crisis. Because of displacement issue of folks having to travel so far away to drive into the city, to drive into Los Angeles the carbon footprint that's increased, how you disrupt families. We really have to at a state, a federal, not so much the federal because the feds have not been that helpful. But it's at the state level and at the local level, the County Board of Supervisors here in San Francisco, City Council members dealing with issue of NIMBYism. We have to collectively really roll up our sleeves and tackle this together because if we allow the NIMBYism voices to be the loudest, well, the problem doesn't go away with regards to housing. And it's not just impacting the lowest economic strata we're talking about middle-class families as well too. So there's a major problem, there's a major crisis and Democrats, Republicans have to unite and come together to deal with this issue. And I'm hoping that we can work out a deal with the assembly. I know assembly member David Chiu

here in San Francisco is a very strong advocate as well as Tony Thurmond across the Bay in Richmond. I think we can put our heads together and I do predict in the year 2017 the issue of housing will be one of the top three issues that the legislature will tackle.

Greg Dalton: Mayor Villaraigosa, if you are statewide, \$3 billion is a lot of money, but it's not a lot of money for California real estate.

Antonio Villaraigosa: If I was statewide what?

Greg Dalton: If you're looking statewide. \$3 billion is a lot of money. It's not for property in California. What's the solution to the house, is it more supply how do you get more supply?

Antonio Villaraigosa: Three things. Jobs, housing, transportation, you gotta connect all three. And you gotta make sure that you have a focus on affordability and that the jobs aren't just for the upper and middle class or upper middle class and up but for working people and people coming from poverty to the middle class. You got to connect, without that it doesn't work. And \$3 billion is not nearly enough. \$3 billion wouldn't be enough in San Francisco when it's not enough in L.A. And actually, you know, what people don't realize about the L.A. San Francisco they're actually very comparable.

San Francisco has higher housing and rental prices than L.A. but we have a bigger gap in terms of affordability because L.A. has a higher poverty rate than the San Francisco area by leaps. I think we're 14th in the country, I don't know if, I mean the reason why I keep on connecting these things and the impact, top 300 cities with high poverty rates, 77 of them are in California. Three of the top five are in the Central Valley. L.A. is 14th, San Bernardino is 9th. I mean, we're the epicenter as well as we're doing I'm a big believer and I know the Senate President as well, you know, we've got, if we're going to thrive in the 21st century we have to thrive together. We can't create the chasms of, you know, of wealth between communities that you see.

And so any housing effort has to be focused on affordability, on homelessness, on making sure that working people can live with the rest of us. And it's, you know, I am not speaking, Democrat or Republican, or if we want a society where we're growing together and we have social cohesion, we can't walk over the homeless every single day and think it's okay and maybe give a few bucks for it. We have to fill it in here.

And so it's got to create jobs, it's gotta connect jobs to housing and transportation. By the way, so that we're really clear. I do support high-speed rail. You know, 16 countries either have it or building it. But we got to be smarter about how we leverage it. We've got to leverage jobs and housing and spread out the jobs. I was just with the Bay Area Council a few minutes ago and we've got to address the fact that in the Central Valley, I've spent 44 days on the listening tour, 22 of them in the Central Valley. They're not growing with the Bay Area or the Westside of Los Angeles. And if we're going to thrive we've got to connect those and I think you can do it through housing, you know, the housing, transportation, and job balance. That's how you leverage, you know, and it's got to be bigger than \$3 billion.

Greg Dalton: Senator de León.

Kevin de León: That's a very important point that the mayor brings up. And as I stated earlier today, if you let the market forces fend for themselves, the inequities or the chasm the gulf if you will, will only widen in the wealthiest state, in the wealthiest nation in the world. And that's why with the cap and trade dollars with purpose and with intentionality written statutorily so it's codified into law. It's not an executive decision by the governor; it's a law that you have to this a minimum

baseline of the auction revenue dollars in communities that are disproportionately impacted because if we don't, then those who have high educational attainment those who live in the well-to-do areas in the Peninsula, they will be the ones who benefit.

Same thing because you just sort of kind of, you know, triggered -- for the University of California as well as the CSU system. Because affirmative action is illegal in California due to Proposition 209, we found out that 80% of our kids graduate from high school relatively, it's a good number because the trajectory is going up. However, only half of them are actually eligible for admissions because they complete the A-G requirements. So we opened up 20,000 brand-new enrollment slots but also gave high schools this year \$200 million so they can actually have the A-G courses on their campus. So you take an A-G and then you compound that with Honors classes and you get this super hyper weighted GPAs of 4.65, back in our day it used to be 4.0 and you are perfect, you know.

Antonio Villaraigosa: Or mine, 1.4.

[Laughter]

Kevin de León: And then you doubly compound that right with AP classes, advanced placement classes.

And then no wonder who gets into Cal, into UCLA or to Stanford University or MIT or Brown or Caltech or elsewhere, University of Chicago. So it's not innate with regards to ability or lack of ability. But unless you move policies that connect it together and move it with intentionality and purpose with leadership, and you have to burn political capital. Every climate change policy that we've discussed, none of it would have come to fruition unless we used the political capital, and we used it. And so far it's been quite successful.

Greg Dalton: Kevin de León is President of the California State Senate. Other people here at Climate One today are Antonio Villaraigosa, former mayor of Los Angeles. Villaraigosa, did I get that right? And Melanie Mason from the Los Angeles Times. I'm Greg Dalton. We're talking about jobs and the economy at Climate One. Let's go to our audience questions. Welcome.

Male Participant: We've been talking with our Mayor Glenn Hendricks in Sunnyvale about trying to get ahead of AB 32 and now SB 32 the extension. But he has mentioned that it's, he thinks it's an unfunded mandate and there's no, there's nothing that forces the city to do anything. So what about the state policy and the state law now that can press cities to do what they need to do to lead, especially in Silicon Valley to show the way?

Kevin de León: Well I think someone like the mayor it's unfortunate to hear this from a city, a town like Sunnyvale in Santa Clara County. Which is, you know, the birthplace of innovation for the world that this type of thinking which is quite surprising in the Bay Area. It's clear that if he doesn't move forward with the policies that California has set forth, he will set back Sunnyvale without a doubt and therefore it will be a negative economic impact for the city of Sunnyvale. Everyone deserves clean air, clean water. Everyone deserves economic growth and access to a job.

How we recalibrate a new economy of tomorrow by creating the jobs. Be mindful about one thing. With our policies we are actually recalibrating a new economy of tomorrow. Again, let me underscore and emphasize. We're not allowing the market forces either in China, India, the European Union, or policies, or lack thereof out of Washington DC, dictating the economic growth in California. We're actually sending the market signals from the policies extension of our targets of AB 32, manifested in SB 32. It's quite unfortunate, if you like I'll pick up the phone and I'll call the mayor myself personally if you like.

Greg Dalton: Next question. Welcome to Climate One.

Female Participant: Hi, Anna Shaley [ph], I'm a reporter with New American Media. This is a question about threats to the coastline. It's our understanding that the current Coastal Commission is pretty generally pro-development. And so my question is, are you worried about the Coastal Commission and what do you think are the biggest threats to the coast right now?

Greg Dalton: Senator de León.

Kevin de León: Yeah, I think we have an amazing beautiful coast in California. It has been incredibly protected. It's unlike New Jersey or the parts of the country where you're seeing massive overdevelopment at the cost of our environment, at the cost of access to our beautiful beaches in California.

Relatively speaking, they're extremely pristine. There's been a lot of controversy with regards to several votes on the California Coastal Commission. I can say that my appointees on the California Coast Commission I believe have voted the right way on a whole variety of issues. I do not want to see egregious development on our California coast because we need to make sure that it is left for many generations to come. So obviously there will be new appointments coming up. I know that for Marin County and San Francisco County. There will be a new appointment that I'll be making that represents this geographical area probably within the next few months.

Greg Dalton: Let's have our next question. Welcome to Climate One.

Female Participant: Hi, my name is Jessie Rancher with The Nature Conservancy. California is often look as the golden example for our climate progress and deservedly so. Thanks to your great progress. But I want to look briefly beyond our state bounds. So what do you recommend we can do to scale up the success that we have seen in California and replicate it across other geographies and ideally incentivize action at the federal level?

Antonio Villaraigosa: I think cities. When you look around the world and I get to speak around the world. I'll tell you, mayors are leading the way. You were in Paris; I was in Copenhagen before that. The only place where there was real action was with the mayors. Because the national governments were pointing fingers at one another and saying, you know, who could do the least, particularly at Copenhagen more than Paris. And, you know, the mayors were trying to see who could outdo one another.

You know, mayors have been leading the way across the country. Mayor of New York, mayor of L.A., mayor of San Francisco, mayor of Portland, mayor of Chicago, mayor of Miami, all of us. I did the first adaptation, the state -- I don't even know if they've even looked at the issue of an adaptation study. We did the most far-reaching climate adaptation study in the world with UCLA. I didn't have to be told to do it. I did it knowing that the coast, Venice is going to be impacted, you know, all along the coast with climate change we're going to see the impact. So we didn't wait on, you know, the state capital or Washington DC. So I think that's where the action is. Big cities, particularly progressive cities, you know, Austin is another one. There are cities all around the country and the world frankly, that are kind of leading this issue of climate change in a real concrete way.

Kevin de León: Let me add something too because this is important. Because for a state like California with all the different mayors and the different goals and different targets you do need to at a macro level to make sure you have one uniform target above the board that everyone's going to lead towards. Because you can't have one mayor that says 20% RPS, another says 15% RPS; another one says I can only go this far, 25% RPS. That's why we're doing 50% RPS --

Greg Dalton: RPS, clean energy standards.

Kevin de León: Renewable Portfolio Standard which means that the IOUs and MOUs have to generate half of the electricity from either wind, solar or geothermal. And that's why as a subnational, we are not a leader; we are the leader in the entire world. Copenhagen it was kind of disastrous because the things that really --

Antonio Villaraigosa: It was disastrous, are you kidding?

Kevin de León: -- you know, and Paris was, the thing is when we arrived in Paris, when California arrived, you know, when the Senate Assembly and the governor arrived we were retreated like heads of states because this is not theoretical but this is real implementation and execution and verifiable goals. But Antonio, I like Antonio's progressive vision because you don't get a lot of folks, you know, like Antonio or Ed Lee here or Sam Liccardo in San Jose or Libby Schaaf across in the East Bay in Oakland. You do need a unifying, you know, legislation at the state level that drives us. Short of that you just have a hodgepodge quilt and that's not good enough.

Antonio Villaraigosa: He's absolutely right. But when the big cities are laying this out, you create the political climate to show that it can work. And actually the reason why Paris was such a success in comparison to Copenhagen, because Paris and well, I already said London, Copenhagen, Toronto, Berlin, L.A., Mexico City. Big cities around the country were not waiting on their national government. But the president pro-tem is absolutely right, you know, what we need is for everybody to take, you know, follow along. And without the standards that AB 32 and SB 32 have put in place, we wouldn't be able to move as quickly as we did.

Kevin de León: If we could only get like you said the local governments, state governments, at least California and other progressive states, Oregon, Washington -- if we can only get our federal government. We know our president, Barack Obama has tried to the executive, you know, level through unilateral actions, executive actions. But we have a congress right now that's still debating creationism versus evolution.

Antonio Villaraigosa: Don't have passports. 30% of them don't have passports.

Greg Dalton: Let's go to our next question. We're talking about clean energy at Climate One. Let's go to our -- welcome. Real quick, we got three minutes left.

Female Participant: Yes, I'm Deborah Sylvie and I am a CalPERS pensioner and I want to thank you Senator de León for your SB 185. The Coal Divestment Bill that passed last year. It was very meaningful. We would like to know, I would like to know where it goes next. Because actually there are still some companies that the pensions can invest in that are still have holdings in coal. And also I just wonder if you have any plans for following up with other fossil fuels. We would love to see that happen. Thank you.

Greg Dalton: Senator de León.

Kevin de León: I would say that everything is on the table and if you like to speak further, I'm more than happy to because I know I've been approached by many folks up and down the state if we'll take this a step further with regards to other types of fossil fuels. So I'll say I have an open mind.

Greg Dalton: Last question quickly.

Female Participant: Hello my name is Barbora. I'm a volunteer with Citizens' Climate Lobby. And you mentioned you're uncertain about the pass of carbon tax or cap and trade, even if the majority of

both chambers will be taken by Democrats. What about the possibility of revenue neutral carbon fee and where do you stand on it?

Kevin de León: With the revenue carbon neutral fee. I want to say everything is on the table and I have a very open mind. I want to make sure we bring stability and continuity and a sense of certainty to the market. So therefore if as Melanie mentioned if it's the lack of legal it's the legal ambiguity and if we need two-thirds vote to pass to extend cap and trade to get rid of the legal litigation against cap and trade I want to make sure at a tactical level that we don't negotiate against ourselves. And we negotiate such a bad deal that we gut completely and undermine our climate change policies in California and our climate change leadership.

On the issue of a carbon tax as well too, I think everything's on the table. If we actually secure the votes from either conservative Democrats or even Republicans, I'd be open to it. You want to make sure because this is really hard stuff. You want to make sure you don't end up negotiating against yourself or letting the perfect get in the way of the good. You want to leave what your baseline criteria is. We have to reach our targets, they're highly ambitious. I believe with the certain investments in technology, we will reach our goals.

But at the same time we want to make sure we hit our targets and we provide for economic growth. Economic growth is absolutely key because I do believe strongly by linking that together and saying I have a job: energy efficiency retrofits, window fenestration, double pane windows, lighting and sensors. Jobs are labor-intensive, that must be done on site and guess what I got the job because of these policies. If we can put people to work and become less carbon intensive and clean up our air, we've met our goals. And we can export those policies to the rest of the state and around the world. And that's why California is being watched very closely by the world.

Greg Dalton: We have to wrap it up there. Kevin de León is president of the California State Senate. Other guests today at Climate One are Antonio Villaraigosa, former mayor of Los Angeles and Melanie Mason, reporter for the Los Angeles Times. I'm Greg Dalton. I'd like to thank our audience here in the room at the Commonwealth Club and online. You can join us on Twitter using our handle @climateone and listen to podcasts and Climate One at the iTunes Store. Let's thank them for their participation today.