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MANAGEMENT
DISTRICT**

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Jack P. Broadbent
EXECUTIVE OFFICER/APCO

September 9, 2014

Honorable Matt Rodriquez
Secretary, Cal EPA
California Environmental Protection Agency
1001 I Street
Sacramento, CA 95814

Mary Nichols
Chairman, California Air Resources Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Secretary Rodriquez and Chairman Nichols:

I am writing to provide comments on the California Environmental Protection Agency's (CalEPA's) identification of disadvantaged communities for priority investments of Cap-and-Trade auction proceeds and on the California Air Resources Board's (CARB's) interim guidance for State agencies to maximize benefits in disadvantaged communities, including criteria to determine which projects benefit disadvantaged communities as prescribed by Senate Bill 535 (SB 535; De León 2012).

I would first like to thank you and your staff for holding public workshops to hear comments related to the allocation of Cap-and-Trade funds within the State's disadvantaged communities. At these workshops your staff conveyed their concerns for ensuring that disadvantaged communities throughout the State are identified. I would also like to thank both you and your staff for working with staff at the Bay Area Air Quality Management District (Air District) to understand our concerns and recommendations.

Bay Area Air District Concerns

The Air District strongly supports prioritizing funding to disadvantaged communities. In fact, the Air District has identified disadvantaged areas within its Community Air Risk Evaluation (CARE) program and for the past six years has been prioritizing funding within these areas.

Overlooked Communities

While we strongly support the goals of SB 535 and CalEnviroScreen, we are very concerned that the current proposed methods significantly understate the number of disadvantaged communities in the Bay Area. CalEnviroScreen Methods 1–5 fail to identify many communities known to be disadvantaged. Communities with some of the highest poverty rates and greatest health burdens are not identified. For example, current approaches for scoring CalEnviroScreen indicators fail to identify:

- Bay View/Hunter’s Point in San Francisco,
- Portions of West Oakland adjacent to the Port of Oakland,
- Portions of Richmond and Rodeo, and
- Portions of San Jose.

CalEnviroScreen Method 1 using a 20% threshold identifies fewer than 3% of Bay Area census tracts as disadvantaged. Increasing the threshold to 25% would still only identify 5% of Bay Area census tracts as disadvantaged.

CARB’s proposal to map zip code areas adjacent to identified census tracts as areas “benefitting” disadvantaged communities does expand the number of Bay Area communities that would be prioritized for funding, but still fails to include some of the region’s most disadvantaged communities, such as the Bay View/Hunter’s Point community. Moreover, this expansion would only apply to projects “benefitting” disadvantaged communities, not to projects that would directly benefit residents “within” impacted communities.

Scoring Approach

As we discussed with your staff at the September 3rd Workshop on Investment of Cap-and-Trade Auction Proceeds to Benefit Disadvantaged Communities, the Air District has identified a method of scoring CalEnviroScreen indicators that has been used within the scientific community for scoring ranked lists of large data sets and that we find to be more consistent with the goals of SB 535 than current scoring methods (Methods 1-5). We have provided to your staff a written description of this alternate scoring method (Method 6) that multiplies indicators rather than summing them within the Pollution Burden and Population Characteristics groups.

Method 6 ensures that communities with top ranks in a few indicators will be represented, consistent with the SB 535’s identifying disadvantaged communities as those with top scores in *either* pollution burdens *or* economic/health burdens.

Weighting of Indicators and Missing Data

In addition to concerns related to the scoring methods proposed for CalEnviroScreen, the Air District has also identified issues related to the weighting of indicators and missing data within some of the indicators:

- Methods 1–5 weight the Environmental Effects indicators by a factor of ½. However, there is no scientific justification for weighting the Environmental Effects indicators and not weighting other indicators where information exists to guide the selection of relative weights. For example, many health studies have determined that exposure to diesel PM and proximity to traffic have much greater health impacts than exposure to ozone, yet these Exposure indicators all receive the same weight.
- The Poverty indicator within CalEnviroScreen does not account for significant regional differences in cost of living. Failing to take housing costs and costs of other essentials into consideration biases scores against low-income residents in regions with high living costs. SB 535 specifically mentions rent burden as a factor to consider, yet current indicators do not represent this burden.
- The Pesticide Use indicator only includes agricultural pesticide use. We know from scientific studies that urban residents—especially in poor, inner-city housing developments—can be exposed to pesticides at levels that can match the highest of those for rural residents. Yet urban areas receive a Pesticide Use score of zero because this indicator is missing data on urban pesticide use.

Air District Proposed Changes to CalEnviroScreen

Proposed Ranking Method

The Air District recommends using Method 6 for scoring CalEnviroScreen indicators.

Other Near-Term Recommendations

- Increase relative weights for Diesel PM Emissions indicators and Traffic Density indicators or remove ½ weights from Environmental Effects indicators.
- Supplement the Poverty indicator with a cost-of-living adjustment, and/or include a Housing Affordability indicator to take into account substantial cost-of-living differences with respect to housing affordability, namely the

share of “rent burdened households,” which the Census Bureau defines as the percent of households that spend over 50% of their income on rent.

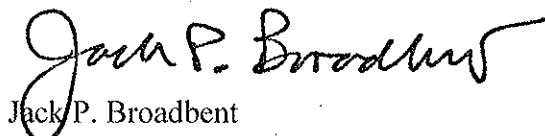
- Supplement the Pesticide Use indicator with urban pesticide exposure data, or drop the Pesticide Use indicator altogether.
- Set the threshold for determining disadvantage at the top 30%, rather than the top 20% or 25%. This will reduce the risk of overlooking disadvantaged communities.
- State agencies should form regional Investment Boards with representation from disadvantaged community members to help prioritize projects within their communities.

Longer-Term Recommendations

- To improve the allocation of Cap-and-Trade funding within disadvantaged communities in future years, it will be crucial for CalEPA to develop a formal process and a schedule for making improvements to CalEnviroScreen.
- The review process should include explicit comparisons between CalEnviroScreen and measures of public health disadvantage.

Thank you for your time and attention to this important issue.

Sincerely,



Jack P. Broadbent
Executive Officer/APCO, Bay Area AQMD