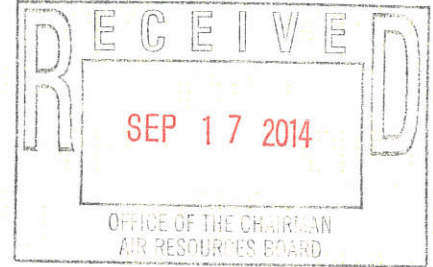




September 15, 2014

Mr. Matthew Rodriquez
Secretary, California Environmental Protection Agency (CalEPA)
1001 I Street
P.O. Box 2815
Sacramento, CA 95812-2815



Ms. Mary D. Nichols
Chair, California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95812-2815

Re: Comments on Approaches to Identifying Disadvantaged Communities for SB 535 Implementation

Dear Secretary Rodriquez and Chair Nichols:

Thank you for the opportunity to provide comments on the Approaches to Identifying Disadvantaged Communities ("Approaches Document"). We applaud the equity intent of SB 535 to identify disadvantaged communities and ensure monies from the Greenhouse Gas Reduction Fund are allocated for projects that benefit these impacted communities. This approach is consistent with the City of Richmond's priorities to build a more sustainable and healthy city, exemplified through our innovative Richmond General Plan 2030 and Health in All Policies (HiAP) Strategy that prioritize working towards health equity, building economic prosperity and eliminating health disparities within our city.

The City of Richmond requests the California Environmental Protection Agency (CalEPA) and California Air Resources Board (CARB) adopt a different method than what is currently being proposed in the Approaches Document. All the methods, including Method 1, identified in the document do not appear to **explicitly identify fenceline communities located near cap-and-trade sources** that host pollution burdens and population characteristics that should be prioritized per SB 535. A neighborhood's proximity to cap-and-trade sources and the size of the source should be a main criterion of the final identification method. The intent of SB 535 is to direct resources to the state's most impacted and disadvantaged communities to ensure activities taken pursuant to AB 32 will provide environmental, economic and health benefits to these communities, and by not considering a neighborhood's proximity and the size of that source as an indicator, the identification method results in the misclassification of fenceline communities suffering from a disproportionate share of pollution burden and resulting poor health outcomes.

The presence of high emitting GHG facilities within our community places Richmond at an economic disadvantage. **Hosting such facilities discourages investment and depresses property values**, hampering the city's potential for sustainable growth. Utilizing the ½ mile

buffer zone noted in the Interim Guidance to Agencies Administering Greenhouse Gas Reduction Fund Appendix is necessary in order for the City to access funds for multiple areas west of the I-580 freeway. This includes a Priority Development Area (PDA) being planned by the City under our South Shoreline Specific Plan (SSSP) to accompany the future UC Berkeley Richmond Bay Campus. The UC Board of Regents recently approved a Long Range Development Plan for the Richmond Bay Campus, and the City needs access to resources to properly prepare for the campus' future. This area also features multiple other toxic sites and brownfields that are in need of critical support. SB 535 funding will be a critical tool for stimulating economic development in these areas. **Relegating the ½ mile buffer tool to the Appendix will impede the ability of Richmond and other disadvantaged communities to prioritize funding in established infill opportunity sites.**

Hosting large cap-and-trade sources as well as major freeways and a port creates a burden of excess air pollution and toxic environments not fully captured by current methods. This problem is exacerbated by upset conditions and the presence of facilities with numerous compliance issues (e.g. 15,000 residents were hospitalized following the Chevron Refinery fire in August 2012). **Historically underserved populations represent a majority of Richmond's demographics.** Richmond residents experience disproportionately high rates of asthma as well as disproportionate unemployment rates and median incomes compared to the rest of the region. Yet, currently our city is not fairly represented to reflect these burdens, undermining the intent and goals of SB 535.

The City of Richmond would like to provide the following comments for your consideration to more accurately identify disadvantaged communities. Local governments have first-hand experience and expertise "on the ground" that needs to be considered as we are actively working with and for disadvantaged communities on a daily basis.

- A community's **distance from cap-and-trade sources and the size of those sources needs to be prioritized** in any proposed methodology.
- The City of Richmond is inadequately underrepresented when utilizing the CalEnviroScreen methodology. It appears that the new version of the CalEnviroScreen 2.0 does not sufficiently acknowledge local conditions that are indicators of environmental health and establishes thresholds that exclude many impacted communities, including impacted fence-line communities within Richmond. The CalEnviroScreen only identifies one census tract within the top 15% of the threshold, with another three census tracts in the top 20% and 25% thresholds. With the presence of the Chevron Richmond Refinery (a major source of greenhouse gas emissions in the state), a large commercial port, rail yards, a former landfill with an active transfer station, numerous manufacturing, assembly and warehousing businesses and three major highways (I-80, I-580 and the Richmond Parkway), the methods proposed utilizing the CalEnviroScreen, without modification, do not sufficiently capture the true vulnerability of Richmond residents.

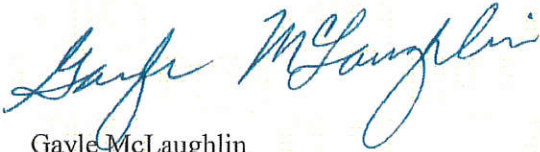
- CalEnviroScreen uses statewide indicators (e.g. poverty values) without taking into consideration regional variations in socioeconomic conditions, such as the extremely high cost of living within the San Francisco Bay Area.
- CalEnviroScreen does not **take into consideration indicators such as foreclosure rates and housing affordability rates, which serve as proxies for regional cost of living, neighborhood stability and quality of the built environment.** In 2010, an estimated 82.4% of low-income renter households and 60.6% of low-income owner households in Richmond paid more than 30% of their income on housing (2008-2010 American Community Survey 3-Year Estimates). According to the U.S. Department of Housing and Urban Development, the generally accepted definition of housing affordability is for a household to pay no more than 30% of its annual income on housing. Households that pay over 30% of their income for housing are considered cost burdened and may have difficulty affording other basic necessities.
- The 4x4 kilometer grids used for diesel particulate matter (DPM) emissions are too large to effectively recognize the impact of the freeways and ports to their adjacent neighborhoods. The larger grids dilute the concentration of DPM in fenceline communities. The Bay Area Air Quality Management District (BAAQMD) uses **1x1 kilometer grids to facilitate more accurate reflections of DPM emissions.**
- The ozone values for Richmond were consistently listed as “0” with a percentile of “0”, even though there is an ozone monitor within 50 km of Richmond.
- The City of Richmond affirms the BAAQMD’s concerns regarding the methods for identifying disadvantaged communities for SB 535 compliance in the Approaches document. We support the BAAQMD proposed “Method 6” for identifying disadvantaged communities as it more accurately depicts the disadvantaged communities in Richmond and in the Bay Area Region. The “ranked product method” proposed by the BAAQMD ensures that the resulting health impacts of all environmental factors are considered rather than being weighted equally.
- ARB’s scheduled adoption of its interim guidance would be best served if rescheduled from its current date of September 18, 2014 to a later date in the calendar year. We would appreciate more time to be set aside for ARB staff to review our comments and properly consider our input.

The City of Richmond recognizes the remarkable opportunity that SB 535 represents for the State of California to ensure that disadvantaged communities are prioritized for investments of Cap-and-Trade auction proceeds. This will provide much needed assistance to fenceline communities that carry a high pollution burden and maintain economic depression and poor health outcomes as a result. By including our proposed modifications to the methods proposed by CalEPA to identify disadvantaged communities, the keys goals of SB 535 will be achieved and disadvantaged communities, including Richmond, will receive the justice they deserve.

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Thank you for considering the City of Richmond's comments and concerns.

Sincerely,



Gayle McLaughlin
Mayor

cc: California Air Resources Board
William A. Lindsay, Richmond City Manager