



PolicyLink



February 20, 2017

Richard Corey, Executive Officer
Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on AB 1550 implementation, identification of DACs and low-income households, and 2016-2017 Funding Guidelines

Dear Mr. Corey:

We would like to thank you for the opportunity to comment and provide recommendations on the implementation of AB 1550 (Gomez) and ARB's Funding Guidelines update. The undersigned organizations work alongside disadvantaged communities affected by air pollution and climate change throughout the state of California. These communities have the poorest air-quality in the state and tend to bear most of the burden of climate change. It is, therefore, imperative that policies aimed at alleviating this burden and creating healthy, sustainable communities are implemented efficiently and with the needs and priorities of the most underserved communities in mind.

We offer the following recommendations for the implementation of AB 1550 and its incorporation into the Funding Guidelines in an effort to strengthen the draft and ensure that funds are being directed to the state's most underinvested communities.

I. Identification of Disadvantaged Communities

We urge ARB to keep the CalEnviroScreen cutoff for disadvantaged communities (DACs) at 25%. CalEnviroScreen is the state's most accurate tool for identifying disadvantaged communities. It not only distinguishes communities that suffer from low income levels and other types of socioeconomic and health vulnerability, but identifies those most environmentally harmed. And given our work with communities in the Central and East Coachella Valleys, we believe the 25% cutoff has identified the appropriate number and geographic aggregation of communities most in need.

II. Identification of Low-Income Households and Low-Income Communities

California Department of Housing and Community Development's definition of low-income is 50 to 80% of local area median income (AMI) or 0-80% of AMI. This definition is more expansive, and strays from the purpose of Greenhouse Gas Reduction Fund investments and programs. These funds should go towards those communities who experience the most harm from pollution. CalEnviroScreen is the state's most accurate tool for identifying these communities; not only do these communities suffer from low income levels and other types of socioeconomic vulnerability, they are also the most environmentally harmed communities. Therefore, this tool should be used to determine where GGRF funds for our state's disadvantaged communities should be allocated.

In defining low-income communities, we suggest that the statewide median household income be used as it is a much better measure of relative income across the state than the HCD definition or both definitions combined. As illustrated at the AB 1550 workshop in Fresno, the combination of both definitions encompasses almost half of the state. This renders meaningless any attempt by the legislature to target funds at a certain group in the state, and dilutes the amount of funding directed at neighborhoods and communities who are severely in need of investment. Additionally, the HCD measure is not appropriate to use in this instance because it measures incomes as they relate to other incomes within the county, not throughout the state. Since AB 1550 seeks to target the most economically disadvantaged residents in the whole state, not in each county, this is not an appropriate measure to use for this initiative.

III. ARB Funding Guidelines

A. Community Benefits

In a letter submitted on December 6, 2016 regarding ARB's Funding Guidelines Supplement FY 2016-2017, we recommended that in order to determine community needs, agencies must be *required* to use CalEnviroScreen, community input, and refer to Table 2-2 for

basic community needs. As of now, these are simply suggestions in the Funding Guidelines. The requirement of all three methods results in a thorough determination of community needs. Proposed benefits must provide a sustainable solution to these needs or improvements to environmental conditions.

We also provide the following needs be added to Table 2-2:

- ‘Economic’ #4: Improve housing infrastructure for existing homes in disadvantaged communities
- ‘Economic’ #5: Improve and expand bicycle and pedestrian infrastructure
- ‘Environmental’ #2: Improve existing infrastructure in disadvantaged communities to be able to support charging stations for zero-emission vehicles

In addition, we propose that community benefits are analyzed differently for each type of project. For ease of analysis we propose the following categories for GGRF investment programs: Household-specific projects, stationery projects, and transportation projects.

Household-specific projects would include Low-Income Weatherization Program, and Woodsmoke Reduction Program.

Stationery projects would include Urban Greening, Wetlands and Watershed Restoration, Forest Health, Urban and Community Forestry, Waste Diversion, Healthy Soils, Dairy Methane Programs, and State Water Efficiency and Enhancement Program.

Transportation projects would include High Speed Rail, Transit and Intercity Rail Capital Program, Low Carbon Transit Operations Program, Active Transportation Program, Low Carbon Transportation, and Affordable Housing and Sustainable Communities.

We propose the following measures of “community benefit” for each category:

For household-specific programs, we recommend that benefits are analyzed according to whether the project improves the value of the house, decreases utility costs, diminishes waste, or improves the efficiency and sustainability of the household.

For stationary programs, we recommend that a “benefit” only be found if more than 75% of the funds invested in the project are spent on infrastructure located *within* the boundaries of the disadvantaged or low income census tract. We believe that looking at investment is a better measure of whether the community within the census tract is able to enjoy the added value of the project to their community, and avoids constructing projects that benefit more affluent census tracts using funds earmarked for “disadvantaged” or “low income” communities. Those projects can be funded by the other 65% of the GGRF funds in order to allow these 35% of the funds to target particularly vulnerable groups. Additionally, we recommend that ARB perform a “no

harm” analysis for all proposed stationary projects. This analysis will ensure that no significant, long-term, adverse impacts are caused in disadvantaged communities.

Furthermore, we recommend meaningful mitigation processes be considered for any short-term project-related adverse effects. Precedent has been set for such a request. In compliance with SB 859, Section 6, Section 16428 of the California Department of Food and Agriculture’s funding guidelines for dairy digesters state that in order to receive funding, applicants must be “committed to measures to mitigate impacts” following with “a project funded by the Department of Food and Agriculture that results in localized impacts in disadvantaged communities shall not be considered to provide a benefit to disadvantaged communities.” As such, proposed mitigation plans should meaningfully respond to the identified impact and be a collaborative effort between the applicant and local community.

Since transportation projects could span many census tracts in order to provide access to opportunity for disadvantaged census tracts, the percentage of project funds spent inside the census tract need not be as high. We recommend requiring 50% of the funds to be spent inside of the disadvantaged or low income census tract in order to qualify as a “benefit” to that census tract. To ensure that residents from DAC census tracts benefit from transportation projects, we recommend that ARB improve transportation services and infrastructure in transit deficient communities to connect residents to community-identified resources and amenities. In order to guarantee that residents can access projects based on where they live, these services should be frequent, reliable, and affordable. Projects should not be identified as benefits if they do not provide or improve services within disadvantaged communities.

We suggest that projects located within disadvantaged communities be required to provide multiple benefits. A proposed project offering one new job, without an additional public health or environmental benefit, should not be identified as a benefit to the community. This is especially pertinent because, according to the Guidelines, new positions are not required to be filled by a member of the disadvantaged community. By requiring at least two of the three community benefits (public health, economic, and environmental) ARB and the Legislature can be assured that the project is truly benefiting communities most in need. Lastly, we recommend that a community-based workforce development component is incorporated for all projects to support economic growth in disadvantaged communities. For projects and programs that require contract agreements with outside business entities, such as weatherization programs, agencies should first seek agreements with local small businesses that provide that service or product.

B. Community Impacts

The San Joaquin Valley and Eastern Coachella Valley both have very high concentrations of hazardous facilities which contribute to poor air quality and contamination of groundwater and surface water. These facilities are generally placed in low-income, communities of color.

A project's location within a disadvantaged community does not ensure that the community will benefit from that project. For example, composting facilities result in the release of co-pollutants that may be harmful to the health of local communities, but these projects are still considered to be a benefit to that community by the state. We suggest that all applicants for funds must adequately assess potential negative impacts to localized communities, including criteria pollutant emissions. Projects resulting in local, long-term negative impacts should not be considered a benefit to a disadvantaged community.

These recommendations align with the new provisions under SB 859, which require applicants for Greenhouse Gas Reduction Fund programs administered by California Department of Food and Agriculture to conduct outreach and determine potential adverse impacts in order to receive funding. We believe these provisions are a step in the right direction in determining impacts and would like to see other agencies take this same approach.

C. Outreach

The Final Funding Guidelines must include stronger direction for agency outreach to disadvantaged communities. We recommend the following be included as best practices for outreach:

- Community workshops and meetings must be publicized at least 3 weeks in advance using local TV and radio stations as well as postings at bus stops, libraries, clinics, grocery stores, schools, etc.
- All materials (including workshop and meeting notices) must be translated into Spanish, and any other language predominantly spoken by the residents of the region or community. Interpretation services must be provided in Spanish and other threshold languages at all meetings.
- All materials, such as concept papers, maps, guidelines, and other documents must be released *at least* 2 weeks in advance. This gives community members and organizations time to review relevant handouts beforehand and join the meeting better prepared with questions and comments.
- State agencies partner with local community groups and organizations. These groups can provide guidance on outreach, meeting location, time, and other logistics. For example, in our experience, the communities we partner with work during the day and prefer to attend workshops in the evenings after work.
- If workshops are held during the evening, food and childcare must be provided. This ensures that these factors do not hinder the engagement and attendance of parents and those that work for the majority of the day.
- All agencies hosting community workshops should provide mileage reimbursement for residents who are traveling long distances.

Thank you for your consideration of these comments.

Sincerely,

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