



Managing Community Investments

Path to Clean Air (PTCA) Community Steering Committee (CSC) Meeting

June 23, 2025

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Outline

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- Community Investments Office Goals
- Funds Overview
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- Penalty Allocation Breakdown
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Background

- The Air District collects penalties from entities that violate our regulations
- In May 2024, the Board of Directors approved the Community Benefits Penalty Funds Policy to direct resources back to the communities where violations occurred and communities most impacted by air pollution
- In December 2024, the Board approved staff positions for a new Community Investments Office to develop and manage tailored programs for funding streams generated by enforcement actions

Community Investments Office Goals

- Direct funding to projects that improve air quality and public health in areas disproportionately impacted by air pollution
- Increase equitable access to resources, projects, and programs
- Collaborate with impacted communities to identify and prioritize air quality related needs and solutions
- Ensure investments are aligned with community needs by engaging local leaders, community-based organizations, businesses, and community members
- Provide timely, clear, and accessible public information regarding penalty assessments and fund availability

Funds Overview

- The Air District fines entities that violate our regulations and collects penalties
- Most individual penalty packages are between \$10-\$50k (58%)
- Most of the penalty dollars collected are from a few large penalty packages exceeding \$1 million
- Penalties over \$1 million are paid primarily by petroleum refineries and related industry
- Over 90% of the penalties collected in recent years are from this sector
- The Community Benefits Penalty Funds Policy and related settlement funds have generated over \$124 million

Policy Definitions

Fiscal Year Penalty Budget Assumption: The amount of assumed general fund revenue derived from penalties in a fiscal year's adopted budget.

Fiscal Year Penalty Budget Cap: The amount needed to meet the Fiscal Year Penalty Budget Assumption for the current fiscal year, plus any shortfalls from the previous two years. A shortfall occurs when actual penalties collected in a fiscal year are less than the Fiscal Year Budget Assumption for that Fiscal Year. Once the Fiscal Year Penalty Budget Cap has been met, any additional penalties collected will be designated for regional community benefits.

Definitions

Regional Community Benefits Fund - This fund is designated to:

- Reduce air pollution or mitigate air pollution impacts in overburdened communities.
- Improve health outcomes in communities impacted by air pollution

Local Community Benefits Fund - This fund is designated to:

- Reduce air pollution or mitigate air pollution impacts in overburdened communities.
- Improve health outcomes in the specific community affected by the air quality violations that led to the penalty.



Definitions (cont'd)

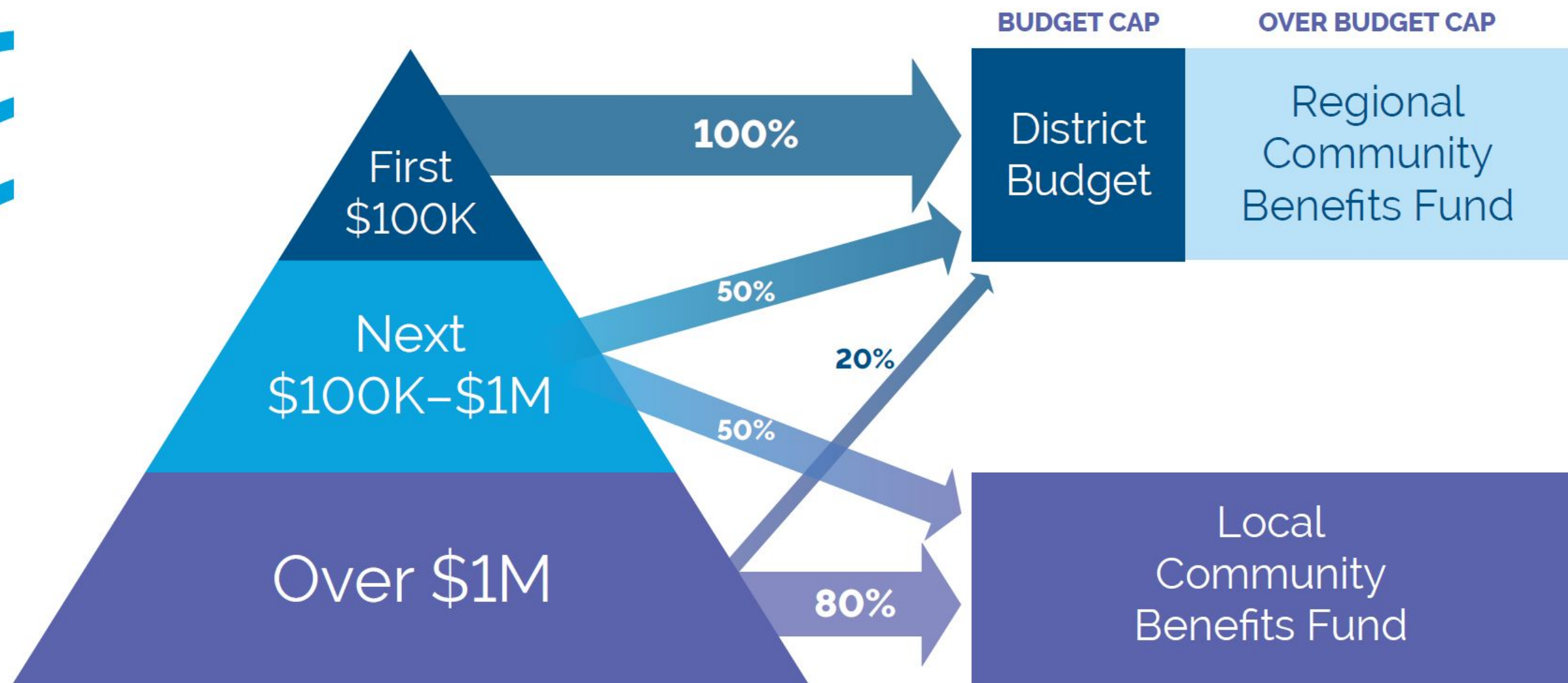
Richmond Air Quality Community Fund

This fund is designated to:

- reduce particulate matter (PM) emissions from other sources in the vicinity of the Richmond Refinery and to reduce PM exposures for members of the community



PENALTY ALLOCATION BREAKDOWN



Overview of Available Funds

AVAILABLE FUNDING SOURCE	AS OF DECEMBER 31, 2024	
Regional Community Benefits Fund	\$	20,331,984
Local Community Benefits Fund	\$	75,447,312
Other funds: Richmond Community Air Quality Fund ¹	\$	20,000,000
Total Project Funds	\$	115,779,297
9% Admin Funds	\$	9,472,678
Total Project & Admin Funding	\$	125,251,974

¹Funding availability is subject to initiation of projects.

Local Community Benefits Fund

(as of December 31, 2024)

*An originating community does not indicate that funds will be limited to a jurisdictional boundary. The geographic boundaries for distribution of funds will be determined based on Board approved criteria.

ORIGINATING COMMUNITY*	PROJECT AMOUNT
Benicia	\$ 58,631,131
Berkeley	\$ 13,680
Martinez	\$ 1,462,091
Oakland	\$ 85,783
Pleasanton	\$ 58,367
Richmond	\$ 15,148,952
San Jose	\$ 19,950
South San Francisco	\$ 22,799
Suisun City	\$ 4,560
Total Funds	\$ 75,447,312

Managing Community Investments Action Plan

Community Investments
Environmental Justice
Human Resources
Finance
Strategic Incentives
Legal
Communications

Divisions Working Together

Managing Community Investments

Action Plan

Assess community funding priorities by **June 2025**.

Develop proposal for Air District Board for a community investment program and strategy by **September 2025**.

Implement pilot community investment initiative by **December 2026**

Sample Actions

Tentative 2025 Timeline*

- April – June: Community Engagement to Identify Community Priorities
- July – August: Staff Develop Guidelines
- September: Draft Program Guidelines Released for Public Comment
- October: 30-day Public Comment Period on Draft Guidelines
- November: Final Program Guidelines Approved by Board
- December: Program Guidelines Released and Applications Open

CSC Priorities through Meeting & Survey

CSC Review & Comment

Kick-off Webinar

Potential Collaboration on Outreach & Communications

*Timeline subject to change depending on timing of hiring and onboarding of Community Investments Office staff.

CSC – Community Steering Committee

Questions/Feedback

For more information:

communityinvestments@baaqmd.gov

Sign up to receive updates on the latest Community Investments Office activities via email notifications.

