



Public Hearing to Consider Adoption of Proposed Amendments to Air District Regulation 3: Fees – Schedules S and V

Board of Directors Meeting

July 2, 2025

Mark Gage

Principal Air Quality Engineer, Engineering Division

Recommended Action

Adopt Proposed Amendments to Regulation 3 that affect only Schedules S and V

Amendments would become effective July 2, 2025

Presentation Outline

- Rule Development Schedule
- Proposed Fee Amendments
- Overview of Public Comments
- Resolution and Recommendation

Budget & Fee Regulation Schedule

Description	Date
Finance and Administration Committee briefing – Cost Recovery Strategy	December 18, 2024
Public workshop for Fee Regulation amendments	February 14, 2025
Written workshop comments on Fee Regulation due	March 17, 2025
Finance and Administration Committee briefing	March 19, 2025
Community Workshop on the Budget and Fee Regulation	April 10, 2025
Public hearing on budget & Fee Regulation to receive testimony	May 7, 2025
Written public hearing comments on proposed Fee Regulation due	May 16, 2025
Public hearing to adopt budget and amendments to 16 fee schedules	June 4, 2025
Budget and fee amendments to 16 fee schedules effective	July 1, 2025
Public hearing to consider adoption of amendments to 2 fee schedules, which will become effective the same day	July 2, 2025

Budget & Fee Regulation Schedule (Cont.)

- California Health and Safety Code Section 41512.5 requires that, for some fee types*, a public hearing be held at least 30 days prior to the adoption hearing
- The public hearing was held on May 7, 2025, and therefore proposed amendments to such fees cannot be adopted until after June 6, 2025
- The next available Board meeting is July 2, 2025

**"...fees applicable to emission sources not included within a permit system..."*

Proposed Fee Regulation Amendments

Fee Schedules with 15% increase

Schedule S: Naturally Occurring Asbestos Operations

~13.5% Cost Recovery

Schedule V: Open Burning – Marsh Management Fees only

~25% Cost Recovery

Fee Schedules with 0% increase

Schedule V: Open Burning – Except Marsh Management Fees

All other fees and fee schedules

Proposed Amendments: Impact

- Proposed amendments are dictated by the Board-approved Cost Recovery strategy
- Estimated budget increase is \$52,000 compared to projected Fiscal Year End (FYE) 2025 revenues

Summary of Public Comments

- Comments were accepted on all proposed amendments until May 26, 2025
- No additional comments were received since the June 4, 2025 Board meeting
- No comments were received that were specific to Schedules S or V

Recommended Action

Adopt Proposed Amendments to Regulation 3 that affect only Schedules S and V

Amendments would become effective July 2, 2025

Questions & Discussion

For more information:

Mark Gage | Principal Air Quality Engineer | mgage@baaqmd.gov



Consideration of State Legislation

Board of Directors Meeting

July 2, 2025

Alan Abbs

Legislative Officer

Legislative and Government Affairs

Recommended Action

Adopt the following position on current State Legislation:

- Oppose SB 34 (Richardson) – Air pollution: South Coast Air Quality Management District: mobile sources: public seaports

The Policy, Grants, and Technology Committee voted to recommend approval of this item at its meeting on June 18, 2025.

Abbreviation: Senate Bill (SB)

Legislative Dates & Deadlines

July 18, 2025	Last day for policy committees to meet and report bills. Summer recess begins upon adjournment of session provided Budget Bill has been passed.
August 18, 2025	Legislature reconvenes from Summer Recess.
August 29, 2025	Last day for fiscal committees to meet and report bills to the Floor.
September 5, 2025	Last day to amend on the Floor.
September 12, 2025	Last day for each house to pass bills. Interim Study Recess begins at end of this day's session.
October 12, 2025	Last day for the Governor to sign or veto bills passed by the Legislature before September 12 and in the Governor's possession on or after September 12.
January 1, 2026	Statutes take effect.

SB 34 (Richardson)

Air pollution: South Coast Air Quality Management District: mobile sources: public seaports

This bill would, until January 1, 2036, prohibit the South Coast Air Quality Management District from adopting, considering adopting, or requiring that any local agency or city enforce any regulation or indirect source rule to address pollution from any mobile source that is already subject to regulation by the state board and that is associated with an operation at any public seaport or marine terminal facility at a public seaport.

Status: Passed the Senate. Double-referred to the Assembly Natural Resources Committee and the Assembly Transportation Committee – hearing dates pending.

SB 34 (Richardson) (cont.)

Current Position: Watch (Approved by the Board on May 7, 2025)

Staff Note: At the June 18, 2025, Policy, Grants, and Technology Committee meeting, the Committee discussed and considered the updated staff recommendation, and the Committee voted to recommend the Board adopt an “Oppose” position.

Updated Committee Recommendation: Oppose

Recommended Action

Adopt the following position on current State Legislation:

- Oppose SB 34 (Richardson) – Air pollution: South Coast Air Quality Management District: mobile sources: public seaports

The Policy, Grants, and Technology Committee voted to recommend approval of this item at its meeting on June 18, 2025.

Questions & Discussion

For more information:

Alan Abbs | Legislative Officer | aabbs@baaqmd.gov



AGENDA: 25

Community Investments Update

Board of Directors Meeting

July 2, 2025

Miriam Torres, Acting Officer, Community Investments Office

Areana Flores, Senior Staff Specialist

Technology Implementation Office / Community Investments Office

Outline

- Background
- Community Investments Office Goals
- Engagement
- Survey Results
- Fund Goals
- Phased Approach
- Overview of Available Funds
- Local Community Benefits Fund
- Timeline

Background

- The Air District collects penalties from entities that violate our regulations
- In May 2024, the Board 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

April – June Engagement



Meetings with Community - 60+ Organizations:

Refineries Communities

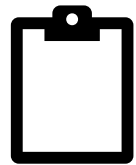
James Cary Smith Grantees

Richmond/ North Richmond/ San Pablo Steering Committee

Community Advisory Council

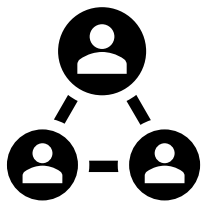
City of Benicia Sustainability Commission

Richmond City Council



Survey

860+ respondents (6/12/25)



Events

Community Investments Webinar

5 Earth Day Events



Survey Overview

Goal: An anonymous survey was designed to gather input and ideas from the Bay Area community for allocation of funds from enforcement actions. Feedback received from the survey will help shape the Community Investments Office's strategy to ensure equitable investments that address local and regional priorities.

Outreach Methods: A survey was distributed via email in six languages — English, Spanish, Korean, Mandarin, Tagalog, and Vietnamese. The survey was also distributed through a webinar, in-person tabling at five Earth Day events throughout the Bay, stakeholder meetings with community groups, and targeted social media campaigns.

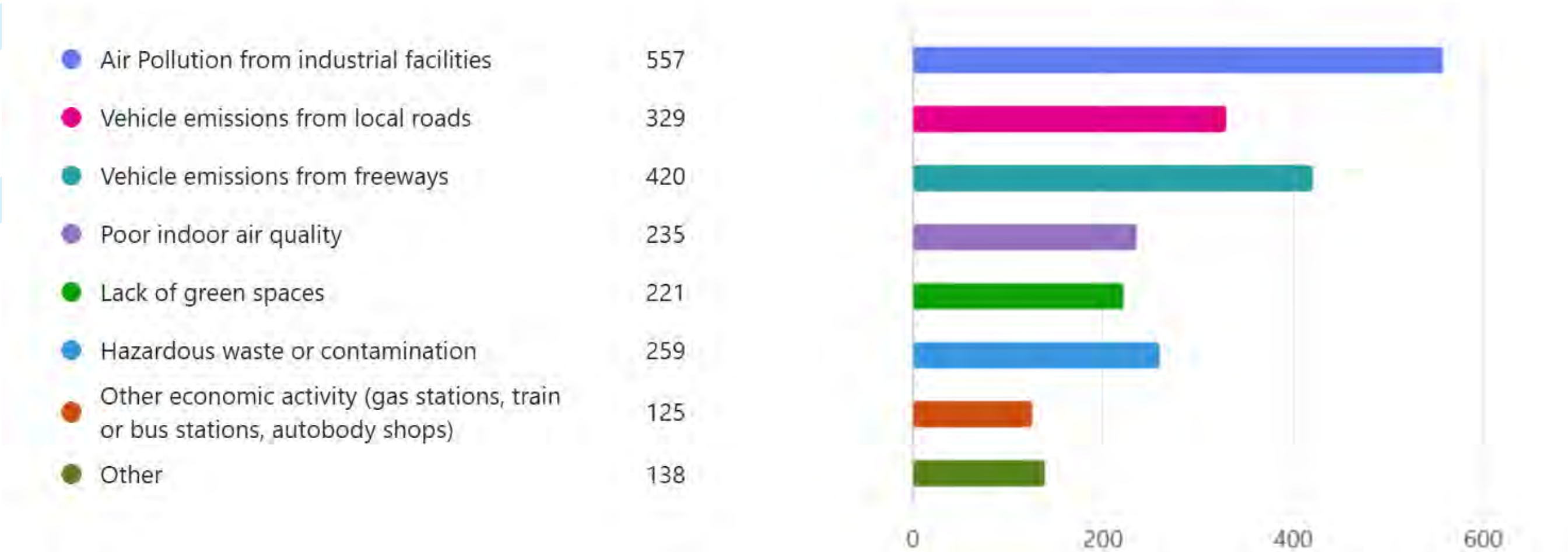
Survey Period: March 24, 2025 to June 30, 2025

Total Responses: 860+ as of 6/15/25

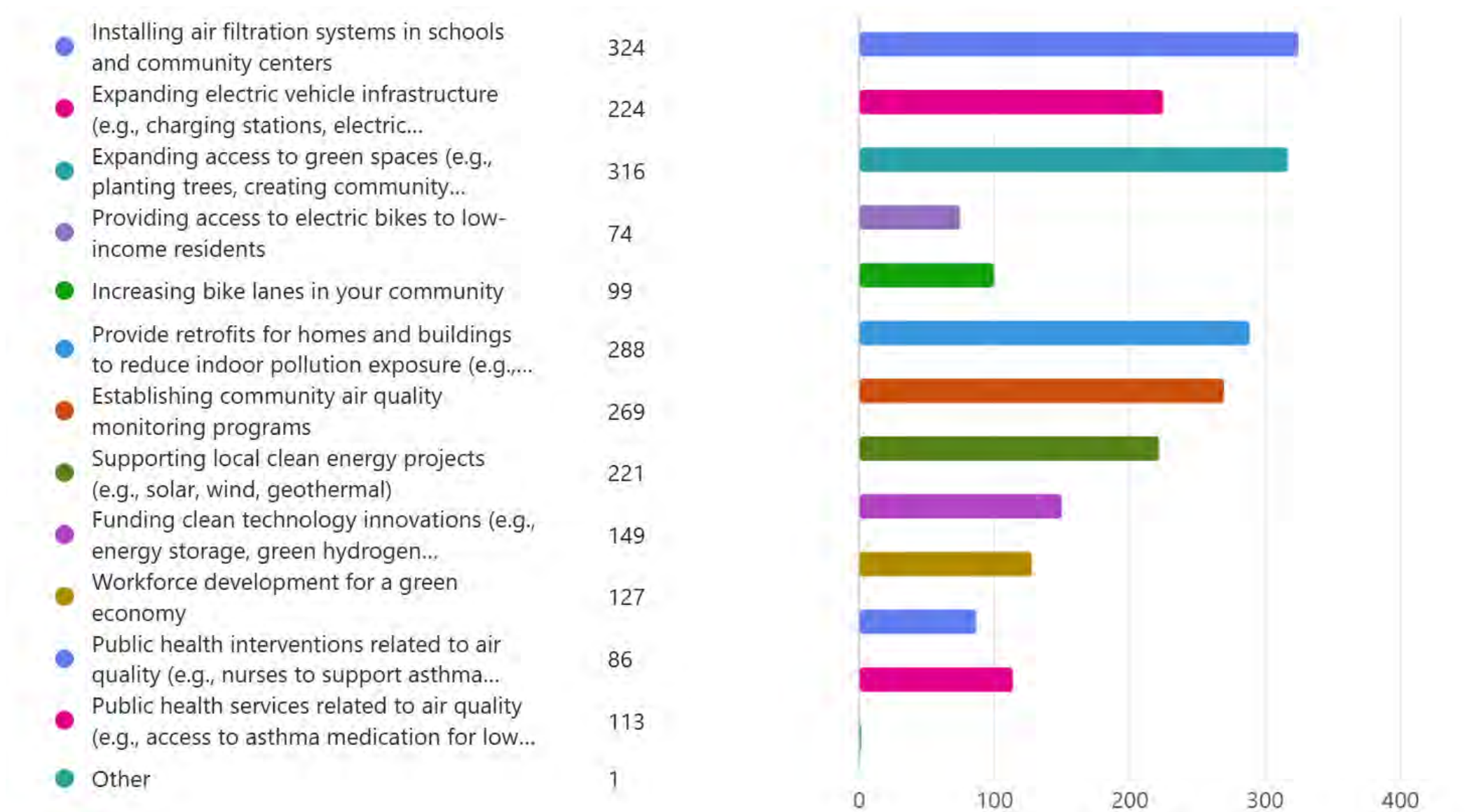
Geographic Focus: The nine counties of the San Francisco Bay Area — Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

Survey Results as of June 12, 2025

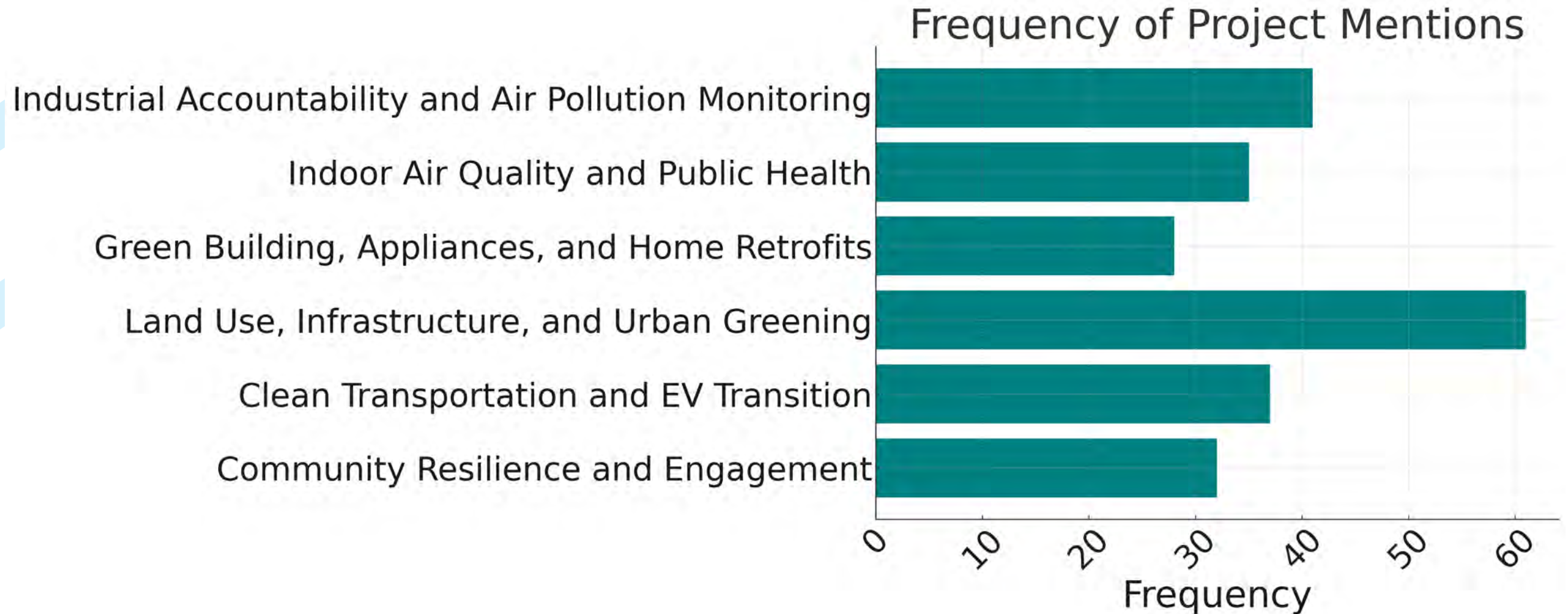
1. What are the most pressing air quality challenges in your community? (Select all that apply)



What types of projects would be most beneficial to improve air quality and public health in your community? (6/12/25)



Are there other types of projects you would like to see funded?



Survey Results – Funding Preferences

- Fund shovel-ready and existing projects over research and planning
- Ensure projects have ongoing funding support to sustain efforts
- Support directing funds to educational institutions, community-based organizations, and environmental justice groups and government agencies
- 429 narrative responses with ideas for types of projects

"High quality air filtration systems in public schools and public facilities with HEPA filters."

"Biking and e-biking for children... not linked to income."

Survey Results – Community Preferences

“Heat pump and heat pump water heater incentives to support implementation of Rules 9-4 and 9-6.”

“Workforce development for a green economy”

“Free Shuttle like Emeryville for West and East Oakland to 19th Street Bart, West Oakland Bart and Oakland Coliseum Bart.”

“Use some of the money to pay for the goats around town to mitigate fire risks”

“Community air monitoring programs in the most impacted areas.”

“Greater public availability of electric charging stations.”

Survey Results – Top Project Recommendations

1. Expand air filtration systems in schools and community centers
2. Support green infrastructure projects
3. Fund building retrofits for indoor air quality improvements
4. Expand electric vehicle (EV) and bike infrastructure
5. Establish community air monitoring programs
6. Promote clean energy manufacturing and green jobs training



Alignment of Community Investments Survey Results with Frontline Community Input in the Bay Area Regional Climate Action Plan (BARCAP)

BARCAP Community Findings Support Community Investments Survey Results:

- **Urban greening-** widespread support if consideration is given to preserving community's ability to stay in place
- **Active transportation & transit electrification-** enthusiasm for electrifying trains and buses and active transportation with improved bike/pedestrian safety
- **EV charging and adoption-** support for new charging infrastructure in churches and communal spaces, with solutions for potential impact on renters and better information on EV performance

Alignment of Community Investments Survey Results with Frontline Community Input in the Bay Area Regional Climate Action Plan (BARCAP)

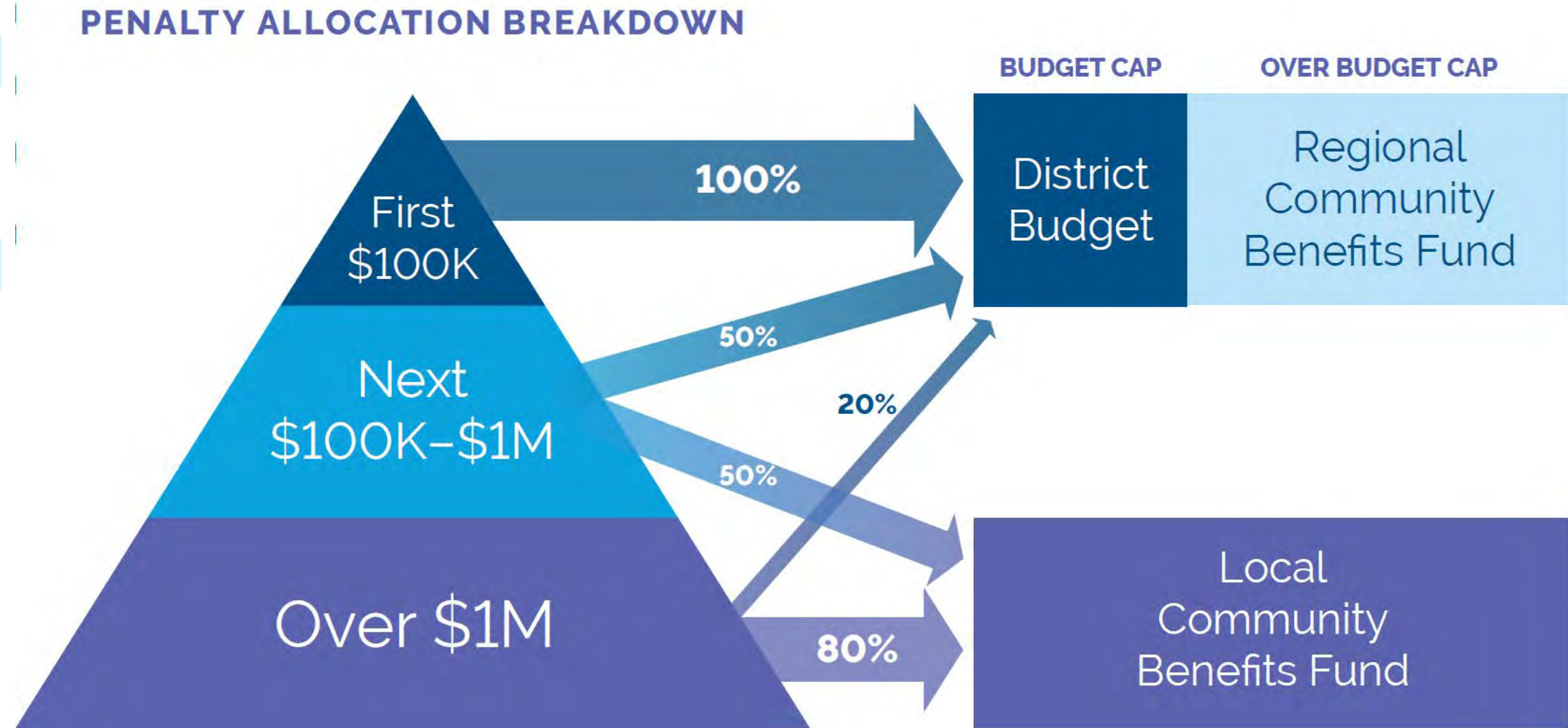
BARCAP Community Findings Support Community Investments Survey Results (continued):

- **Building electrification**- support for electrification, including job training opportunities and health benefits, with consideration for potential impact on renters
- **Renewable energy**- support for renewable energy expansion and increasing grid reliability as long as energy costs are controlled



The BARCAP project team held four multi-lingual frontline community workshops in collaboration with community-based organizations, engaging **168 frontline community members** (45% Spanish speakers; 11% Cantonese speakers)

Penalty Allocation Breakdown



K = Thousand
M = Million

Fund Goals

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 air pollution from the violating facility



Fund Goals (cont.)

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



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.

Phased Approach

- Phase I: Local Community Benefits Fund
- Phase II: Regional Community Benefits Fund
- Phase III: Future Funds

Phase I Funding

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

Managing Community Investments

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

Divisions Working Together

Action Plan

Sample Actions

Tentative 2025 Phase I 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 Ends on 10/3
- November: Final Program Guidelines Approved by Board
- December: Program Guidelines Released and Applications Open

Public Priorities Identified through Meetings & Survey

Public Review & Comment

Public Webinar Kick-off

Outreach & Communications

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

Questions & Discussion

For more information:

communityinvestments@baaqmd.gov