



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

**AGENDA: 4**

# **Community Advisory Council Work Plan**

**Community Advisory Council Meeting**

**March 21, 2024**

**William Goodwin, Community Advisory Council Member**

**Rio Molina, Community Advisory Council Member**

**Ken Szutu, Community Advisory Council Co-Chair**

# Presentation Outcome



- The Community Advisory Council (CAC) will:
  - Vote on the adoption of the updated Community Advisory Council (CAC) 2024-2025 Work Plan

# Presentation Outline



## A. Introduction and Groundwork

- i. Initial Work Plan
- ii. Revised Work Plan - March 2023 CAC Meeting
- iii. Developing an Updated Work Plan
- iv. CAC Retreat - September 2023
- v. Current CAC Work Plan - December 2023
- vi. Recap Work Completed during CAC Retreat

## B. Questions

## C. Vote

# Requested Action



- Vote to adopt the updated Community Advisory Council (CAC) 2024-2025 Work Plan

# Initial Work Plan



- The Work Plan Ad Hoc Committee created the initial draft of the Work Plan by gathering agenda items from community, Air District Staff, and the CAC
- The Ad Hoc concurrently created a Priority Rating Matrix to assist in rating the agenda items, which focused on prioritizing action items
- Each meeting agenda consisted of two main agenda items with each item taking approximately one hour for discussion

# Revised Work Plan - March 2023 CAC Meeting



- During the March 16, 2023, CAC Meeting, the CAC asked the Work Plan Ad Hoc Committee to include the following with each agenda item:
  - Goal
  - Benefiting counties
  - Specific benefits to the community
  - Other pertinent information (ex. Frequency, etc.)
- Since the March 16, 2023, CAC Meeting, the Work Plan Ad Hoc Committee has provided updates to the CAC
- The Work Plan Ad Hoc Committee continues to meet on a bi-weekly basis to complete the requested edits

# Developing an Updated Work Plan



- Work Plan Ad Hoc Committee opted to hire a consultant to support the development of the work plan
- Work Plan Ad Hoc Committee recommended to the Co-Chairs hiring Lyons-Newman Consulting Services
- The CAC Co-Chairs approved the Work Plan Ad Hoc Committee recommendation.

# CAC Retreat - September 2023



- Lyons-Newman Consulting worked with the Work Plan Ad Hoc Committee before, during and after the CAC retreat.
- During the CAC Retreat, Lyons-Newman Consulting Services led a 2-hour activity to:
  - Identify the CAC's overarching goals
  - Capture potential agenda items to accomplish the goals.



# Current CAC Work Plan - December 2023



- The Work Plan Ad Hoc Committee finalized the 2024-2025 work plan and overall design.
- The work plan increases flexibility by eliminating a set schedule.
- The updated work plan reflects the goals identified by the CAC.
- The agenda items in the work plan reflect member priorities.



# PUBLIC COMMENT



# QUESTIONS?



# **COUNCIL VOTE**

**Vote to adopt the updated 2024-  
2025 Community Advisory Council  
(CAC) Work Plan**



# RESULTS



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AGENDA: 5

# Funding Community Benefits from Penalty Funds

Community Advisory Council Meeting  
March 21, 2024

Greg Nudd  
Deputy Executive Officer, Science and Policy  
[gnudd@baaqmd.gov](mailto:gnudd@baaqmd.gov)

# Potential Presentation Outcomes



- Vote to make a recommendation to the Air District Board of Directors regarding a policy for penalty funds to be set aside for community benefits.

# Proposal



Develop a policy to automatically set aside a portion of penalty funds for community benefits. If approved by the Board, we would be the first Air District to implement this as a routine policy.

Policy could be retroactive to the beginning of this fiscal year.



# Previous Community Advisory Council Vote:



- Recommend that the Air District Board of Directors create a policy in collaboration with the Community Advisory Council that automatically sets aside a portion of penalties for regional and local benefits
- Recommend that the Air District Board of Directors have the Community Advisory Council conduct an annual periodic review of the program after one year to ensure that the policy is effective and equitable
- Recommend that the Air District Board of Directors ensure, with the collaboration of the Community Advisory Council, that there is the creation of a plan for community outreach and oversight of any local or regional benefit fund spending programs

# Remaining Question:



- What is an equitable allocation of penalty funds among these needs?
  1. Fund projects in the community impacted by the violations (Local Fund)
  2. Fund projects in other communities in the region (Regional Fund)

# Community Benefit Project Examples



Examples of projects that were identified for possible funding from penalty money from Richmond-North Richmond-San Pablo Community Emissions Reduction Plan:

- Reduce particulate matter and other toxic air pollution from food cooking operations
- Urban greening projects
- Expand accessibility to programs like Black Infant Health and CalAIM
- Expand asthma programs in schools
- Home retrofits for asthma patients

# Background



- The Air District collects penalties from facilities that violate our regulations.
- In the past five years, these funds have varied from \$700k to \$4.2M per year.
- Penalty collections for this fiscal year are almost \$22M.
- In the current fiscal year, \$3M of penalty funds are budgeted to partially fund our enforcement program consisting of 77 full time employees with a total direct costs of roughly \$16M per year.

# About the Penalties



- Most individual penalties are between \$10-\$50k (58%).
- But most of the penalty dollars collected are from a few large penalty agreements exceeding \$1M.
- Penalties > \$1M are paid primarily by petroleum refineries and related industry. Over 90% of the penalties collected in recent years are from this sector.

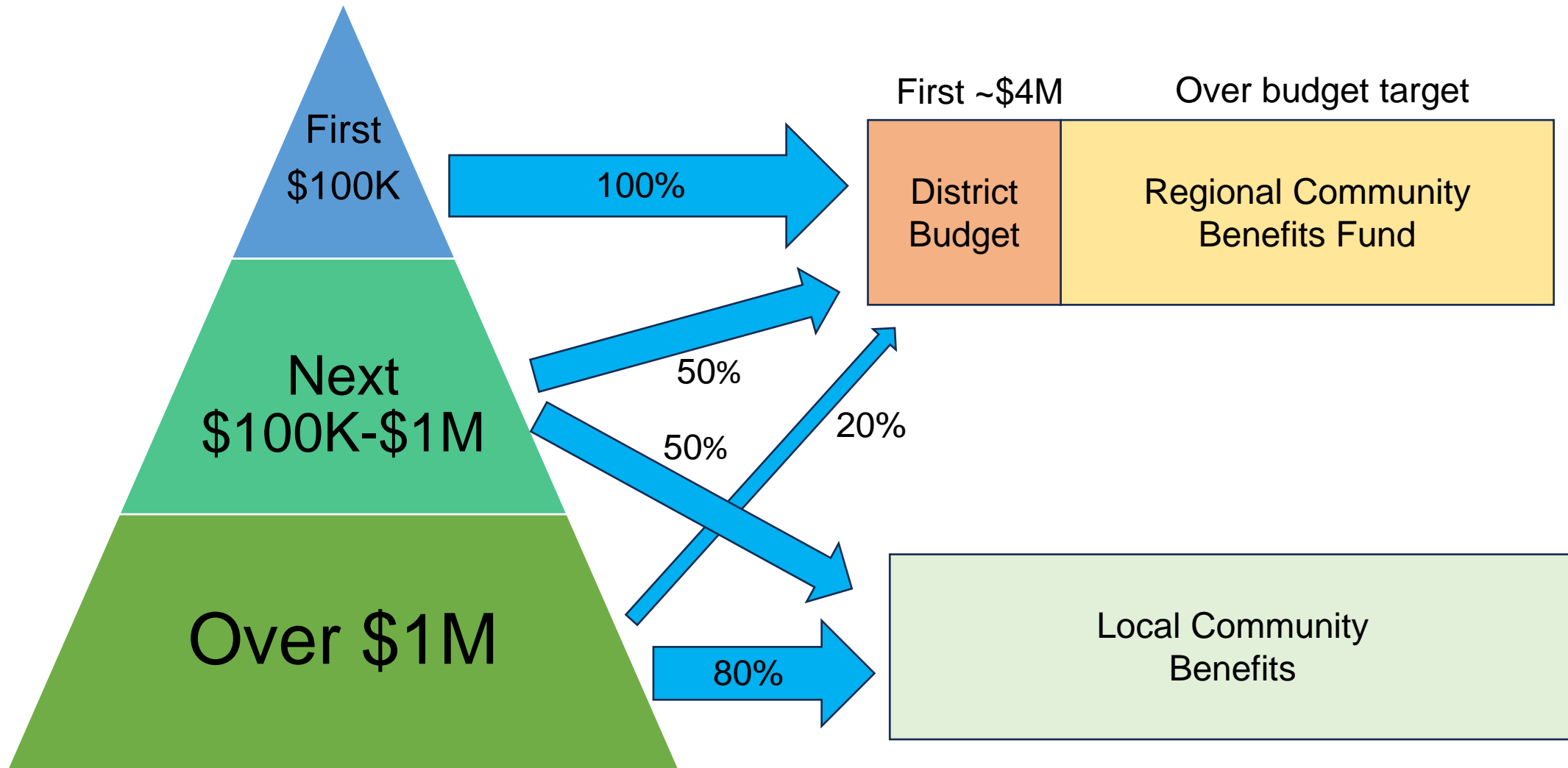
# Penalty Allocation Option 1: 80-20



Lower Break Point	Upper Break Point	% to Local Benefit Fund	% to Air District or Regional Benefit Fund
\$0	\$100,000		100%
\$100,000	\$1,000,000	50%	50%
\$1,000,000		80%	20%

- The first \$100,000 of each penalty payment would go to offset the Air District's expenses in enforcing regulations. **After the budget target is met those funds would go into a regional benefit fund.**
- Between \$100,000 and \$1,000,000, 50% of the penalties would go to a fund to benefit the community impacted by the violation. The balance would go either to the Air District or the regional benefit fund (depending if budget target has been met).
- Above \$1,000,000, 80% of the penalties would be reserved for local benefits programs, with 20% to the Air District/Regional Fund (depending if budget target has been met).

# Allocation Option 1: 80-20 (cont'd)



# Option 1: 80-20 Results



- Using penalty data from fiscal year ending 2022, Option 1 would have had the following results:
  - Local benefit fund for Martinez area: \$1,598,100
  - Local benefit fund for Benicia area: \$168,250
  - Regional Benefit fund: \$0 (budget target was not met)
- For the fiscal year ending 2024 including the \$20M Chevron penalty, the Option 1 would have the following results:
  - Air District budget target met
  - Local benefit fund for Richmond area: \$16,250,000
  - Regional benefit fund: \$2,658,650
  - Local benefit fund for Pleasanton: \$64,000



# Other Allocation Options



## Option 2: 70-30

Lower Break Point	Upper Break Point	% to Local Benefit Fund	% to Air District or Regional Benefit Fund
\$0	\$100,000		100%
\$100,000	\$1,000,000	50%	50%
\$1,000,000		70%	30%

## Option 2: 60-40

Lower Break Point	Upper Break Point	% to Local Benefit Fund	% to Air District or Regional Benefit Fund
\$0	\$100,000		100%
\$100,000	\$1,000,000	50%	50%
\$1,000,000		60%	40%

# Allocation Results – FY 24



Results	Option 1: 80-20	Option 2: 70-30	Option 3: 60-40
Local Funds	Richmond: \$16.2M Pleasanton: \$30K	Richmond: \$13.8M Pleasanton: \$30k	Richmond: \$12.3M Pleasanton: \$30k
Regional Fund	\$2.6M	\$4.6M	\$6.5M



# Questions?



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**AGENDA: 6**

# **Strategic Planning Update**

**Community Advisory Council Meeting  
March 21, 2024**

**Philip M. Fine, Ph.D., Executive Officer/APCO  
Latasha Washington, CAC Co-Chair**

# Presentation Outcome

The Community Advisory Council (CAC) will:

- Receive a presentation on draft Strategic Planning framework and provide input.
- Review how Environmental Justice (EJ) Priorities fit into framework and inform strategy development.

# Presentation Requested Action

- None; informational presentation

# Presentation Outline

- EJ Action Plan Development Overview
- EJ Priorities & Examples
- Strategic Plan Overview & Early Input
- Draft Strategic Plan Framework
- Strategy Development & Examples
- EJ Action Plan and Strategic Plan Integration & Timelines
- Next Steps

# EJ Action Plan Development

Importance of a shared-learning phase and an Environmental Justice process in developing the EJ Action Plan.

- ***September 2022:*** The Metropolitan Group presented to Community Advisory Council (CAC); CAC voted to create EJ Policy Ad Hoc Committee
- ***Winter & Spring 2023:*** EJ Policy Ad Hoc Committee discussed potential EJ solutions and built capacity for socialization of EJ Action Plan with District
- ***Summer 2023:*** Conducted interviews with District staff and a Theory of Change activity with EJ Policy Ad Hoc Committee, focusing on outcome of “Desired Impacts of an EJ Action Plan.”



# EJ Action Plan Development (cont.)

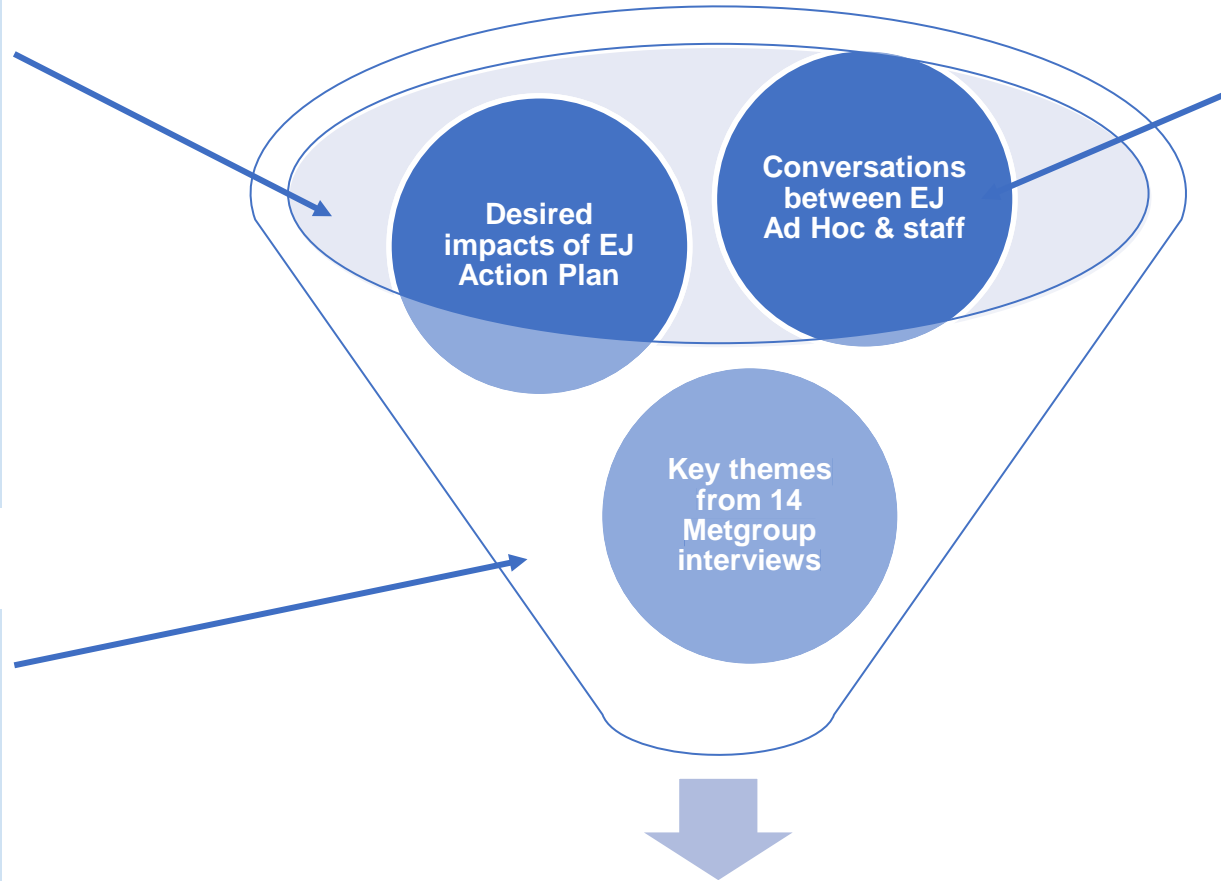
- ***September 2023:*** Conducted team-building exercise at CAC Retreat to include input from all Council Members on prioritizing “Desired Impacts of an EJ Action Plan”
- ***October 2023:*** EJ Policy Ad Hoc Committee met with Division Directors and staff to discuss EJ solutions regarding permitting, compliance, and enforcement procedures
- ***January 2024:*** CAC develops 9 EJ Priorities to guide EJ Action Plan and Strategic Plan and presents EJ Priorities to the Board of Directors
- ***Winter & Spring 2024:*** Meetings between EJ Policy Ad Hoc and District Divisions continue to develop EJ Strategies for the EJ Action Plan and Strategic Plan

# Inputs for Development of EJ Priorities

## CAC's Desired Impacts of an EJ Action Plan

1. EJ Ad Hoc's discussions
2. CAC Retreat's prioritization activity (Sept 2023)

Key themes from 14 interviews by Met Group with DEOs, Directors and Staff



EJ solution conversations between EJ Ad Hoc and Division Directors and Staff (Oct 2023)

## Draft EJ Priorities

# Examples of EJ Priorities: #1

1. To advance Environmental Justice effectively over the long-term, the Air District must practice restorative justice by creating agency-wide policies, practices, procedures, and norms that both recognize the trauma and adverse health impacts caused by environmental racism and honor the emotional work and investment of time that is required for staff and community leaders to work together effectively in advancing Environmental Justice.

# Examples of EJ Priorities: #1 (cont.)

1. (a) The Air District must value the voices, lived experience, and leadership of Environmental Justice communities, develop respectful relationships and partnerships with these communities, hire from these communities, view these communities as a resource, provide compensation for their time and expertise, gather their input, use that input to directly inform decision-making, and establish formal participatory processes for addressing and implementing community input and increasing agency accountability to communities.

# Examples of EJ Priorities: #1 (cont.)

1. (b) The field of Environmental Justice is inherently intersectional and interdisciplinary. Therefore, the Air District must dismantle internal silos by reorganizing and restructuring to build an agency structure and culture that supports cross-divisional work.

(c) For staff to better enact Environmental Justice, the Air District must cultivate a culture of innovation, embrace learning by doing, and adopt clear definitions for Environmental Justice and Equity (and related terms) that are grounded in community input.

# Examples of EJ Priorities: #6

6. The Air District must invest in growing the capacity of staff and Board members to integrate Environmental Justice into their day-to-day roles and responsibilities, developing buy-in at the middle management level on new policies, practices, and procedures, establishing Environmental Justice as a core competency for staff, prioritizing hiring, retention and promotion of staff with lived experience living in and/or working in frontline EJ communities, and ensuring that staff and leadership at all levels of the agency reflect the diversity of the communities the agency serves.

# Developing EJ Strategies: January 2024 to Present

- Conversations with Divisions and EJ Policy Ad Hoc: Prioritized themes for EJ strategy development:
  - **January 22:** Data collection, usage, and community engagement
  - **February 5:** Analysis of data inputs; prioritizing EJ themes
  - **March 4:** Permitting
  - **March 18:** Enforcement

# Strategic Plan

- Strategic planning process began in Fall 2023
- Sets agency priorities for next 5 years, while providing framework for updates
- Centers environmental justice as guiding principle of Air District's work
- Helps align budget with priorities
- Holds the Air District accountable



# Early Input on Strategic Plan

- Air District staff – small group meetings
- Board of Directors – surveys, interviews, Jan. 31 meeting
- Community Advisory Council – surveys, interviews, meetings

for EJ Policy Ad Hoc

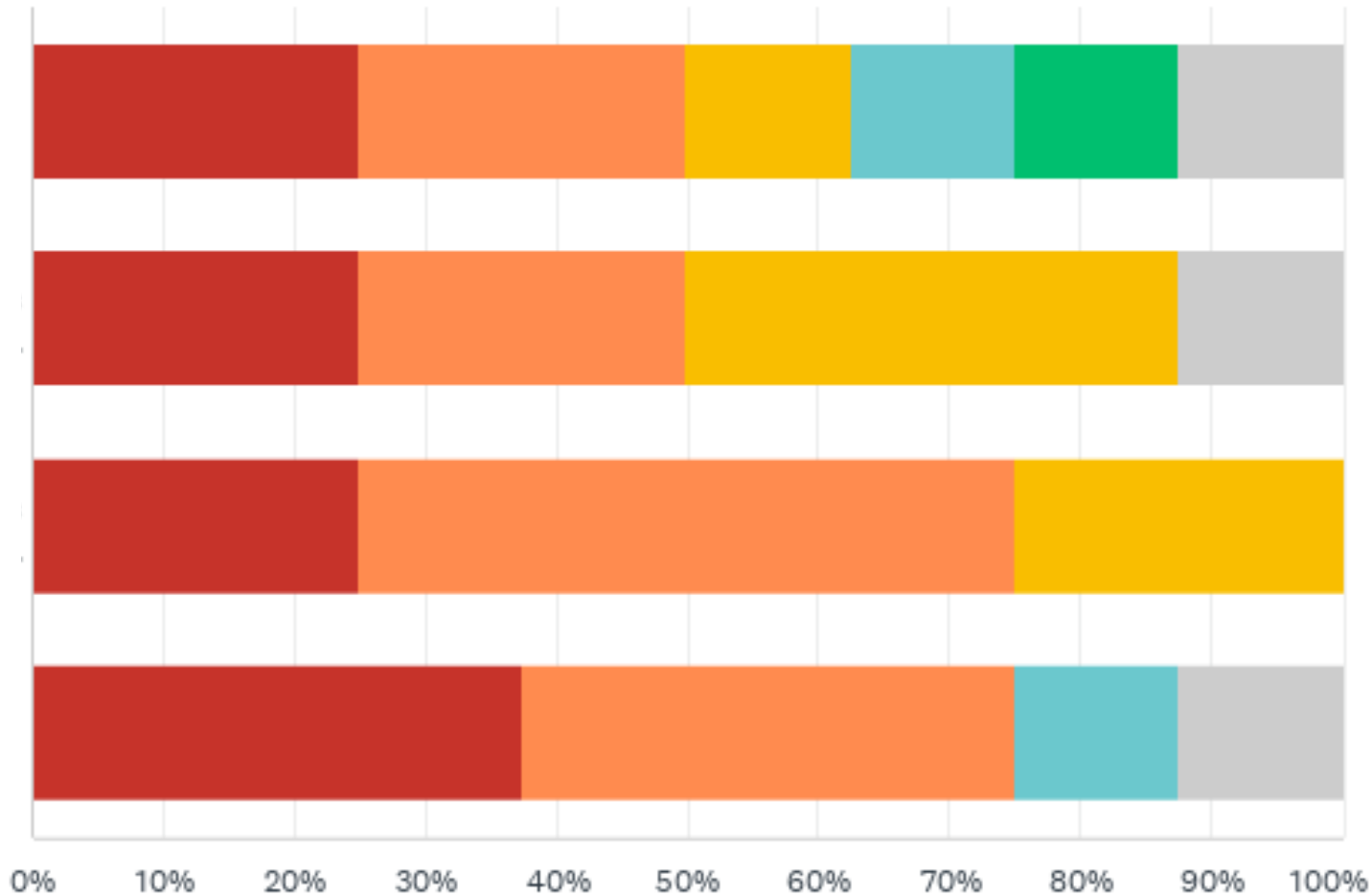
# CAC Input (9 responses) - How satisfied are you with the...

**Transparency** of the Air District's operations and decisions?

Air District's **relationship** with other agencies, jurisdictions, and organizations?

Air District's **relationship** to Bay Area communities?

Air District's **overall performance**?



- Not at all satisfied
- Somewhat Satisfied
- Neutral
- Very Satisfied
- Extremely Satisfied
- Not Applicable

# CAC Input: How well do you think the Air District's current work fulfills its mission?

We are all stepping out of our comfort zones for the greater good. Change is hard but inevitable. Especially when what you are fighting for is bigger than you.

Live up to it in words and reality.

2.5★  
average rating



Somewhere in the Mission Statement shouldn't there be a commitment to reducing and preventing air pollution? Which would signify a sincere intention to vigorously investigate polluters and enforce compliance to pertinent laws.

Not enough staff with internal experience, expertise of community wellness and health.

# Consistent Engagement Findings

- Advance and integrate environmental justice and equity
- Increase transparency and accountability
- Enable bold and visionary work
- Commit to strong enforcement program
- Achieve organizational excellence, including:
  - Permitting efficiencies
  - Organizational Culture
  - Siloed Divisions
  - Internal Coordination
  - Outdated Processes and Technology

# Strategic Plan Framework



# Strategic Planning Definitions

## Mission Statement:

A long-term statement of purpose, why the organization exists, and why we do what we do.

## Core Values:

Guiding concepts, beliefs, and principles of the organization.

## Vision:

An aspirational statement that captures the future of the organization and its impact.

# ***Draft Revision: Air District Mission***

## **Current Mission Statement:**

The Air District aims to create a healthy breathing environment for every Bay Area resident, while protecting and improving public health, air quality, and the global climate.

## **Proposed Mission Statement:**

The Air District improves air quality to protect public health, **reduce historical and current environmental inequities**, and mitigate climate change and its impacts.

# ***Draft Revisions: Air District's Core Values***

## **Current Core Values:**

- Collaboration
- Dedication
- Equity
- Excellence
- Leadership

## **Proposed Core Values:**

- Environmental Justice
- Equity
- Partnership
- Transparency
- Integrity
- Trust



# ***Draft: Air District 5-Year Vision***

## **Proposed 5-Year Vision:**

Over the next 5 years, the Air District will transform its workforce, operations, community engagement, and programs to **improve air quality, increase public trust, and demonstrate leadership in equity-centered environmental stewardship.**

# Draft Goal Areas (slide 1 of 2)

**Achieve Impact:** Leverage the Air District's authorities and partnerships to create measurable reductions in emissions that provide benefits to all our communities.

**Advance Environmental Justice:** We will support, partner with, and uplift communities overburdened by pollution to reduce disparities in exposure to air pollution and address longstanding environmental injustices.

# Draft Goal Areas (slide 2 of 2)

**Advance a Cohesive and Equitable Workplace:** We will be an organization characterized by staff and leadership working together with common purpose and clear direction, centered on diversity, equity, inclusion, and belonging.

**Maintain an Effective, Efficient, and Customer-oriented Organization:** We will develop and deploy efficient and effective processes and systems that advance the mission and provide responsive, transparent services to the public and our partners.

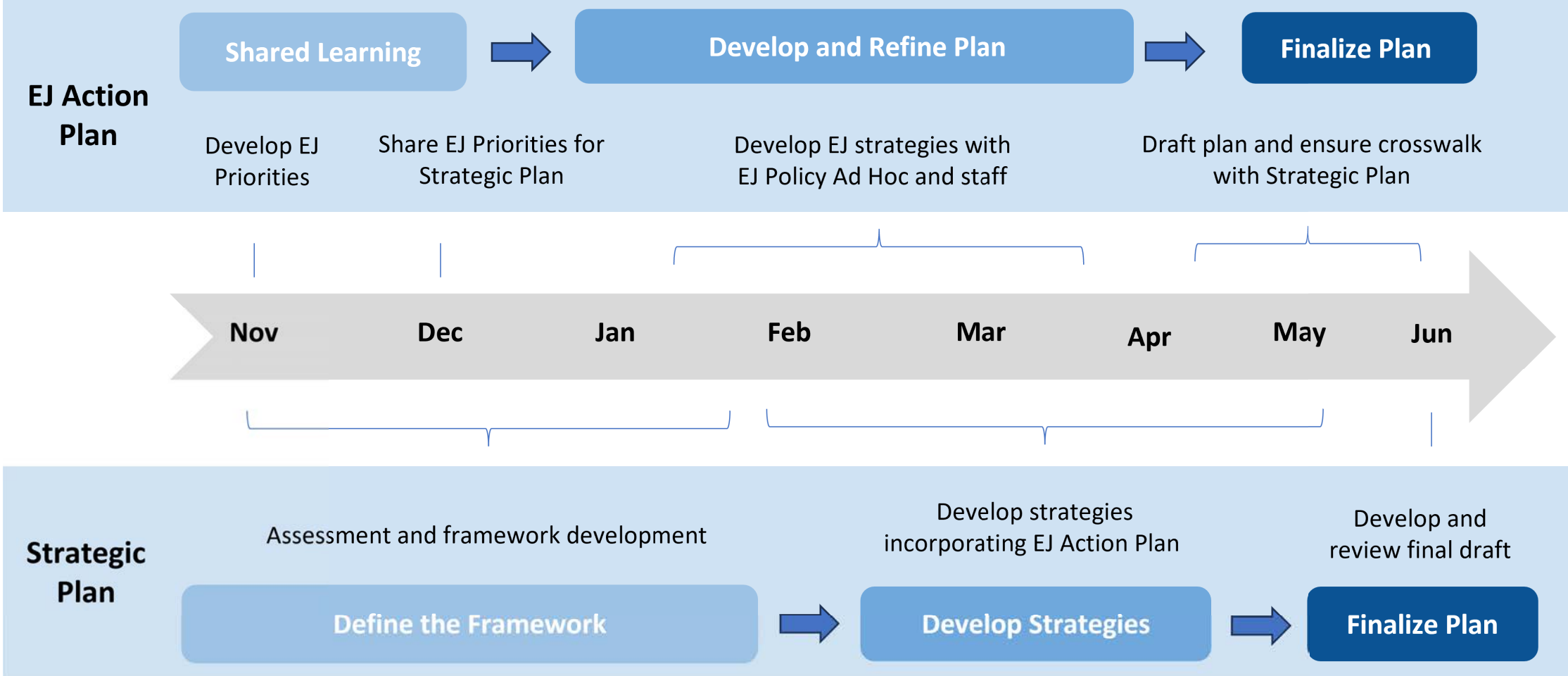
# Draft Strategy Example 1- Permitting

- **Goal 4: Maintain an effective, efficient, and customer-oriented organization.**
- Objective: *Make data and information more understandable, actionable, and available.*
- **Draft strategy example** – in co-creation with CAC EJ Policy Ad Hoc committee:
  - Provide more visibility into permitting, such as website postings of all pending permit applications and status of review.

# Draft Strategy Example 2 - Permitting

- **Goal 2: Advance Environmental Justice.**
- Objective: *Enhance and implement rules, policies, and enforcement actions that recognize and address longstanding disparities in overburdened communities.*
- **Draft strategy example** – in co-creation with CAC EJ Policy Ad Hoc committee:
  - Identify source categories that drive disproportionate exposure and develop plan to mitigate impact.

# Working Timelines



# Next steps

- EJ Policy Ad Hoc Committee works with Divisions on EJ strategies
- Air District staff develop Strategic Plan strategies, incorporating co-created EJ strategies from EJ Policy Ad Hoc and Divisions
- Strategic Plan strategy prioritization, with input from EJ Policy Ad Hoc
- May 16<sup>th</sup> CAC meeting: input on EJ Action Plan and EJ strategies included in Strategic Plan

# Public Comment



# Discussion