



Community Investments Webinar

Miriam Torres, Senior Advanced Projects Advisor

Areana Flores, Senior Staff Specialist

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About the Air District

Who We Are

- Formed in 1955
- Mission to improve air quality to protect public health, reduce historical and current environmental inequities, and mitigate climate change and its impacts
- Nine-county jurisdiction



What We Do

- Monitor, analyze and forecast air quality
- Develop air quality plans and regulations
- Issue air quality permits
- Enforce air quality rules
- Offer air quality and climate grants and incentives



5-Year Strategic Plan Alignment

- **Strategy 2.8 Community-Directed Funds:** We will manage funds to benefit communities in partnership with those communities, including the money that the Air District collects in penalties from air pollution violations that affect communities
- **Strategy 4.11 Align Resources:** We will be intentional about ensuring the Air District's resources and annual budgets are well aligned with organization and community priorities, as identified in the 2024-2029 Strategic Plan



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Community Investments Overview

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
- The policy allocates as much of penalty funds as possible to community benefits, while ensuring the Air District recovers appropriate costs
- 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

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Community Benefits Penalty Funds Policy and Other Funds

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

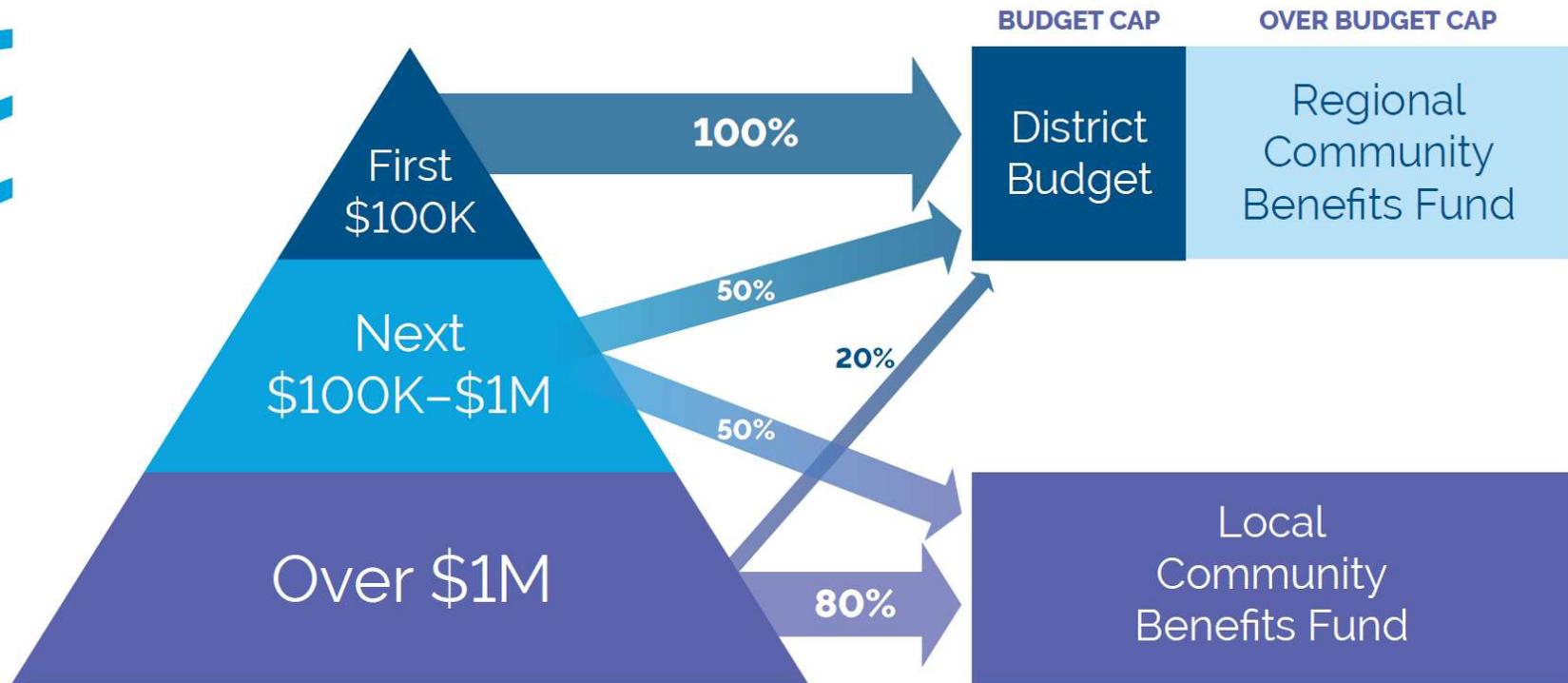
Regional Community Benefits Fund - This fund is designated to:

- 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.

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

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Questions & Answers

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Small Group Discussion

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Next Steps

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[Community Investments Office](#) webpage