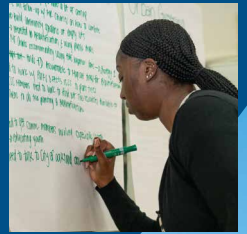
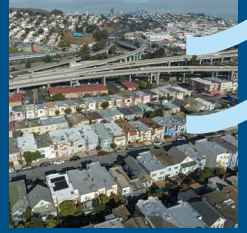


FY 2026–2027

Proposed Budget

June 3, 2026





Executive Officer Message

DEAR MEMBERS OF THE AIR DISTRICT COMMUNITY,

I am pleased to present the Fiscal Year (FY) 2026–27 Proposed Budget totaling \$480 million. This budget has been thoughtfully developed to align with the Air District's 2024–2029 Strategic Plan and to advance the priorities of the Air District, our Board of Directors, and the communities we serve.

While the region faces mixed economic indicators and continued uncertainty in the state's fiscal outlook, this budget reflects a balanced and responsible approach that remains firmly grounded in our core mission and commitments. It makes targeted, prudent investments that further advance our goals to improve air quality, enhance public health, and strengthen community partnerships, consistent with the Air District's Strategic Plan. Additionally, the Air District continues to maintain healthy reserves to help mitigate potential future impacts related to state funding and other economic uncertainties.

While the balanced budget has no new staffing, it does include using operating surplus and reserves to continue investments in limited term contract employees (LTCE) and to support additional staffing needed for the Permit Backlog Reduction Plan approved by the Board of Directors in September 2025.

In order to effectively implement programs and policies that promote fiscal transparency and responsibility, the Air District is conducting assessments on two important topics related to permit fees: (1) cost recovery and containment, and (2) socioeconomic review of rules, including Regulation 3: Fees. These important studies will enable informed and thoughtful adjustments to Air District permit fees and cost recovery strategies.

The FY 2026–2027 budget continues to strengthen alignment with the 2024–2029 Strategic Plan. Building on the foundation established in FY 2025–2026, this budget further connects resources to our four strategic goals:

1. Achieve Impact – Strengthen enforcement, modernize regulations, and reduce health impacts from air pollution.
2. Advance Environmental Justice – Prioritize resources for overburdened communities, increase community-driven investments and partnerships, and improve air monitoring at local scales.
3. Foster Cohesion and Inclusion – Build a diverse workforce, enhance internal collaboration, and expand training to embed environmental justice into all aspects of our work.



4. Be Effective, Accountable and Customer-Oriented – Improve permitting and enforcement processes, increase transparency, and ensure fiscal responsibility.

To further align operations with Strategic Plan goals, the Air District's organizational structure has been refined into eight service areas, each playing a critical role in advancing the agency's mission. These service areas include Engineering and Compliance, Equity and Community Programs, Finance and Administration, General Counsel, Public Affairs, Information Management, and the newly restructured Science and Policy functions, which have been separated into two distinct service areas, each led by a Deputy Executive Officer.

KEY BUDGET RECOMMENDATIONS AND INVESTMENTS

The proposed FY 2026–2027 budget includes \$274 million from the General Fund and \$206 million from the Special Fund, for a combined total of \$480 million. This budget also provides \$116 million for new community grants under the Bay Reinvesting Penalties for Air Improvement and Resilience Program (Bay REPAIR). The Bay REPAIR program will reinvest penalty funds directly into communities most impacted by air pollution.

This year's budget strategically invests in limited-term staffing resources, infrastructure, and program enhancements to support the Air District's evolving role in protecting public health and addressing environmental disparities. Key recommendations include:

Environmental Justice and Community Engagement


- Direct investment in environmental justice initiatives, ensuring that overburdened communities receive targeted resources to address air pollution disparities.
- Expansion of community-driven funding programs, including penalty reinvestment strategies, so that fines from air quality violations directly benefit impacted communities.
- Enhanced transparency and accountability, ensuring that communities have clear access to air monitoring data, permitting and enforcement actions, and regulatory development.

Infrastructure and Capital Investments

- Allocation of \$6 million for one-time investments to modernize operations by upgrading IT and monitoring systems, improving governance, expanding online access, and enhancing support to boost efficiency, transparency, and data quality.

Sustainable Revenue Strategies and Fiscal Responsibility


- Implementation of fee increases consistent with the Cost Recovery Policy, ensuring sustainable funding for Air District operations.
- General wage adjustment to help mitigate economic inflation and support workforce retention.

- 
- Provision for an average 10% vacancy savings to accommodate recruitment timelines and attrition due to retirements.
 - Commitment to pre-funding pension and Other Post-Employment Benefit (OPEB) includes \$5 million in ongoing discretionary contributions to proactively reduce unfunded liabilities, supporting the Air District strategy of reaching 90% funding target.

A TRANSPARENT AND ACCOUNTABLE BUDGET

This year's budget advances alignment between the Strategic Plan and fiscal decision-making by connecting program budgets to the Strategic Plan strategies and goals, thereby strengthening accountability and transparency. This approach ensures that every dollar invested advances the Air District's commitment to environmental stewardship, public trust, and equity.

As we move forward, I encourage you to review the Budget in Brief to better understand how each service area contributes to implementing these priorities. Your continued support and engagement are essential as we work together to create a future with cleaner air, healthier communities, and a stronger, more inclusive Air District.



Sincerely,



DR. PHILLIP M. FINE

EXECUTIVE OFFICER/AIR POLLUTION CONTROL OFFICER



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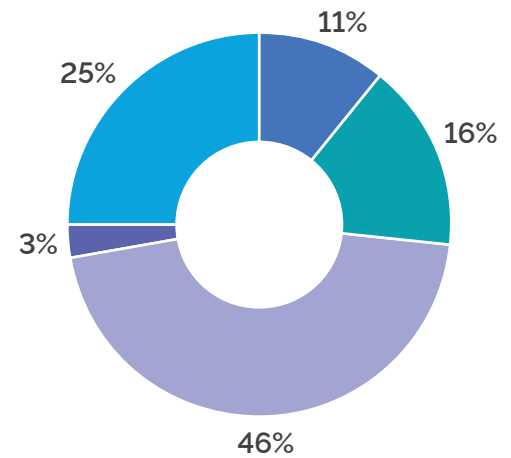




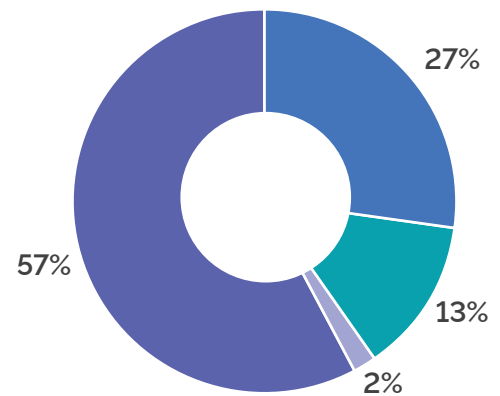
All Fund Revenue and Expenditure by Type

FY 2026-27 REVENUE AND EXPENDITURE (\$ MILLIONS)

Revenue	(\$ Millions)	
Property Taxes	\$51.3	11%
Permits/Fees	\$75.6	16%
Grants	\$219.3	46%
Other Revenue	\$12.0	3%
Transfer From Reserves	\$121.9	25%
Total Revenue	\$480.1	



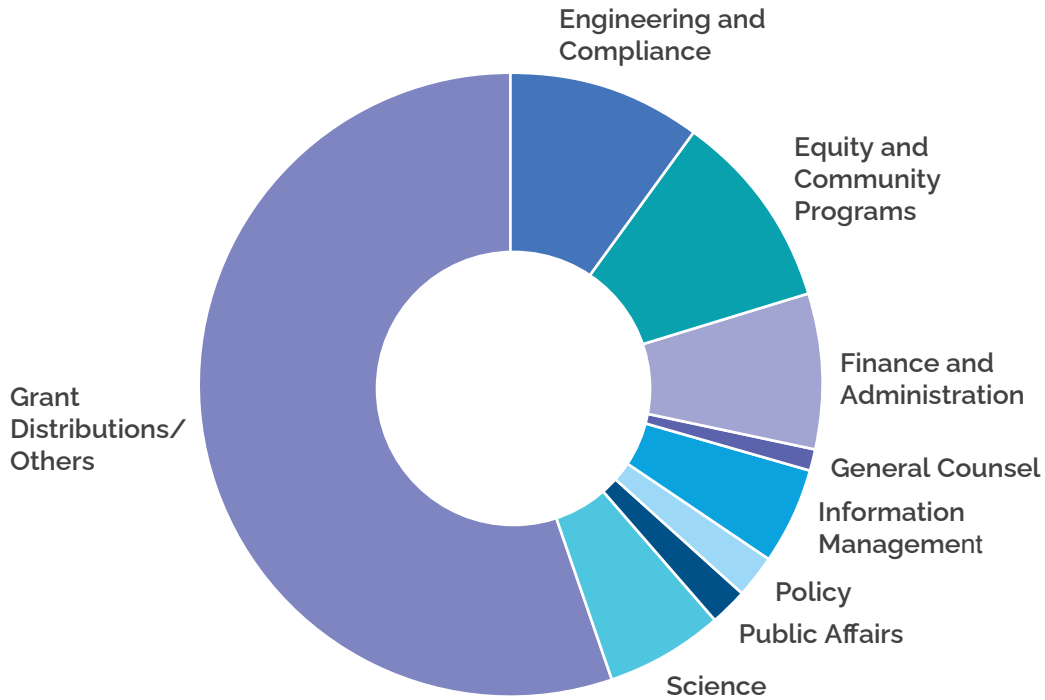
Expenditure		
Salaries and Benefits	\$130.5	27%
Services and Supplies	\$63.0	13%
Capital	\$11.0	2%
Distributions and Transfers	\$275.5	57%
Total Expenditure	\$480.1	





All Fund Expenditure by Service Area

FY 2026-27 EXPENDITURE (\$ MILLIONS)



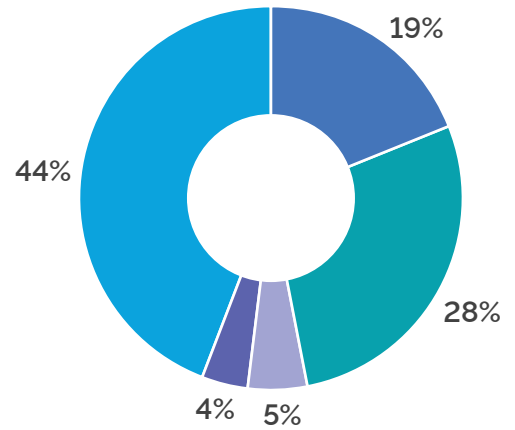
Expenditure	(\$ Millions)	
Engineering and Compliance	\$50.4	10%
Equity and Community Programs	\$49.2	10%
Finance and Administration	\$38.8	8%
General Counsel	\$7.0	1%
Information Management	\$24.5	5%
Policy	\$10.7	2%
Public Affairs	\$11.8	2%
Science	\$26.9	6%
Grant Distributions/Others	\$260.8	54%
Total Expenditure	\$480.1	



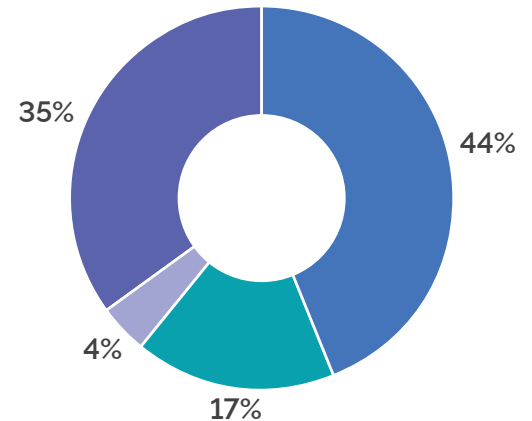
General Fund Revenue and Expenditure by Type

FY 2026-27 REVENUE AND EXPENDITURE (\$ MILLIONS)

Revenue	(\$ Millions)	
Property Taxes	\$51.3	19%
Permits/Fees	\$75.6	28%
Grants	\$13.4	5%
Other Revenue	\$12.0	4%
Transfer From Reserves	\$121.9	44%
Total Revenue	\$274.2	



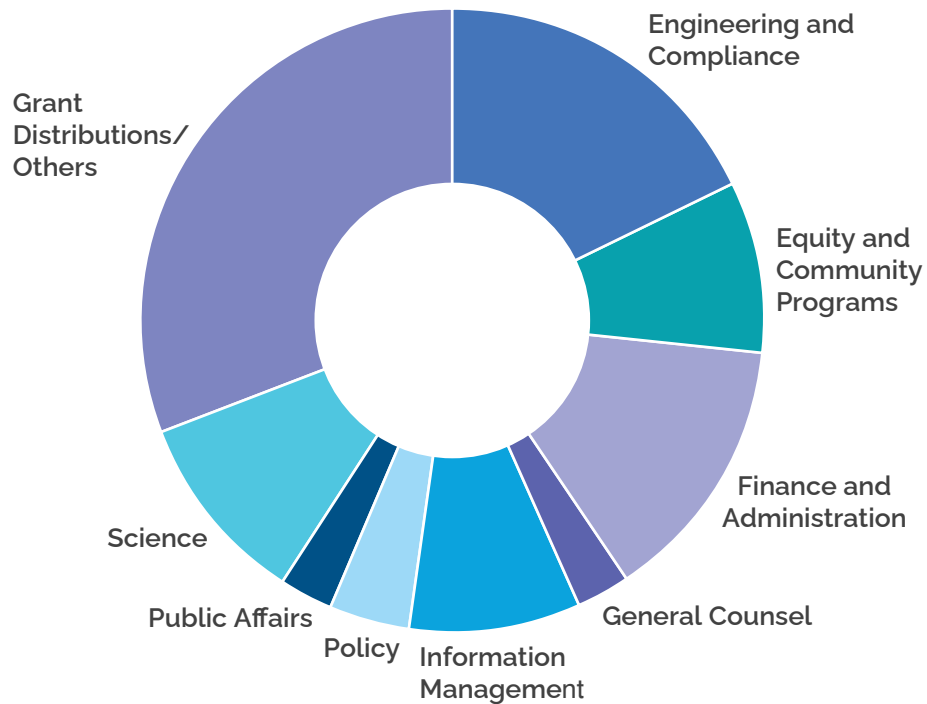
Expenditure		
Salaries and Benefits	\$120.6	44%
Services and Supplies	\$45.7	17%
Capital	\$10.7	4%
Distributions and Transfers	\$97.3	35%
Total Expenditure	\$274.2	





General Fund Expenditure by Service Area

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	(\$ Millions)	
Engineering and Compliance	\$50.4	18%
Equity and Community Programs	\$24.0	9%
Finance and Administration	\$38.8	14%
General Counsel	\$7.0	3%
Information Management	\$24.5	9%
Policy	\$10.7	4%
Public Affairs	\$7.5	3%
Science	\$26.9	10%
Grant Distributions/Others	\$84.5	31%
Total Expenditure	\$274.2	





Year to Year Comparison

FYE 2026 AND FYE 2027 REVENUE AND EXPENDITURE (\$ MILLIONS)

	FYE 2026	FYE 2027	\$ Δ	% Δ
All Fund Revenue by Type	\$312.3	\$480.1	\$167.8	54%
Property Taxes	\$47.6	\$51.3	\$3.7	8%
Permits/Fees	\$68.7	\$75.6	\$6.9	10%
Grants	\$165.7	\$219.3	\$53.6	32%
Other Revenue	\$11.8	\$12.0	\$0.3	2%
Transfer From Reserves	\$18.5	\$121.9	\$103.3	558%

All Fund Expenditure by Type	\$312.3	\$480.1	\$167.8	54%
Salaries and Benefits	\$120.7	\$130.5	\$9.8	8%
Services and Supplies	\$60.4	\$63.0	\$2.5	4%
Capital	\$6.9	\$11.0	\$4.1	60%
Distributions and Transfers	\$124.2	\$275.5	\$151.3	122%

	FYE 2026	FYE 2027	\$ Δ	% Δ
General Fund Revenue by Type	\$165.0	\$274.2	\$109.2	66%
Property Taxes	\$47.6	\$51.3	\$3.7	8%
Permits/Fees	\$68.7	\$75.6	\$6.9	10%
Grants	\$18.5	\$13.4	(\$5.1)	-28%
Other Revenue	\$11.8	\$12.0	\$0.2	2%
Transfer From Reserves	\$18.5	\$121.9	\$103.3	558%

General Fund Expenditure by Type	\$165.0	\$274.2	\$109.2	66%
Salaries and Benefits	\$110.3	\$120.6	\$10.3	9%
Services and Supplies	\$45.2	\$45.7	\$0.5	1%
Capital	\$6.5	\$10.7	\$4.2	64%
Distributions and Transfers	\$3.0	\$97.3	\$94.3	3,153%





Engineering and Compliance

INTRODUCTION

SERVICE AREA OVERVIEW

Engineering and Compliance oversees regulatory compliance and pollution control measures to safeguard air quality for all Bay Area residents. This service area is primarily responsible for implementing regulations, permitting industrial processes, and enforcing air quality rules to minimize the impacts from a variety of air pollution sources in the Bay Area. Engineering and Compliance staff conduct rigorous inspections, investigations, and permit reviews, and also promote best practices and technological advancements to achieve regulatory compliance, reduce health risks, promote environmental justice, and protect the environment.

DIVISIONS

Compliance and Enforcement

The Compliance and Enforcement Division ensures the Air District will achieve emission reductions by ensuring the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO are properly implemented. Compliance with Air District, state, and federal regulations is achieved through a robust Compliance Assurance and Enforcement


Program. The program includes comprehensive inspections and investigations and a complementary Compliance Assistance Program that supports compliance objectives of the division by maintaining operations, and assisting industry with air quality regulations and requirements.

Engineering

The Engineering Division reviews and processes permit applications and renewals for approximately 10,000 facilities with over 23,000 permitted devices and operations. It also manages Title V (Major Facility Review) permits for 75 facilities. In addition to permitting, the division oversees programs to assess and reduce risks from toxic air contaminants through Regulation 11, Rule 18; the State Air Toxics Hot Spots Program; and Regulation 2, Rule 5. The division also provides technical support across the agency, including rule development, emissions inventories, compliance and enforcement, planning, and community emission reduction plans.

Source Test

The Source Test Section conducts Air District source testing and provides oversight of facility source testing and continuous emissions monitoring in order to ensure that sources of air pollution report accurate emissions. Compliance with rules and permits is often determined using source test data and information. The Source Test Section also provides subject matter expertise to develop defensible emissions data to support permit actions, rule development, emissions inventories, and policy decisions.





Engineering and Compliance

SERVICE AREA BUDGET SUMMARY

WORK PLAN HIGHLIGHTS

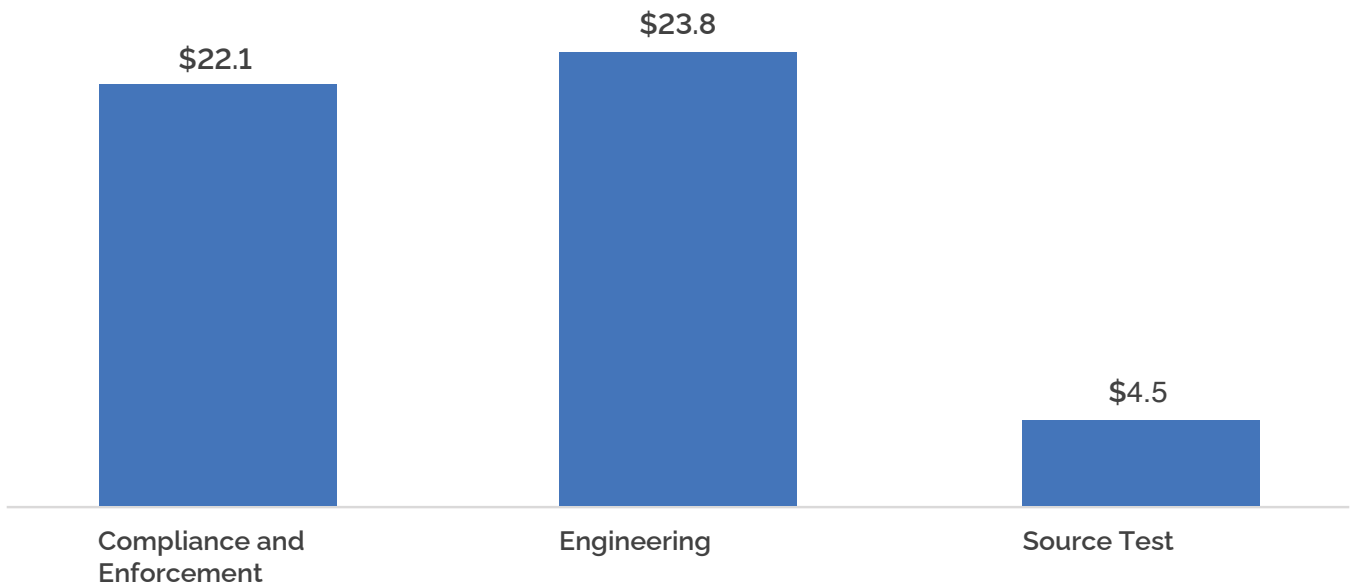
- Enhance compliance and enforcement policies to prioritize high-impact inspections in communities overburdened by air pollution. (Strategy 1.5)
- Strengthen enforcement investigations and accountability measures to ensure industries comply with air quality regulations. (Strategy 1.6)
- Improve accessibility and transparency of the air quality complaint process to better respond to community concerns. (Strategy 2.5)
- Reduce permitting delays and ensure equitable permit processing while addressing regulatory bottlenecks. (Strategies 4.1 and 4.2)
- Implement Board-approved strategic staffing adjustments for the Engineering Division to improve timeliness, consistency, and transparency in permitting. (Strategies 4.1, 4.2, and 4.3)
- Advance environmental justice principles in permitting decisions by integrating community input and health impact considerations. (Strategy 2.7)
- Increase transparency and public access to permit data and compliance actions to build trust and accountability. (Strategy 4.3)
- Prioritize Air District source tests for the facilities and communities with the greatest impacts. (Strategy 4.5)
- Develop improved emission factors and streamline source test reviews to increase timely action on permits. (Strategy 4.1)





Engineering and Compliance Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Deputy Executive Officer					1
Compliance and Enforcement	\$17.1	\$21.0	\$21.1	\$22.1	99
Engineering	\$14.0	\$18.6	\$19.4	\$23.8	88
Source Test	\$3.7	\$4.5	\$4.5	\$4.5	16
Service Area Total	\$34.8	\$44.1	\$45.0	\$50.4	204





Equity and Community Programs

INTRODUCTION

SERVICE AREA OVERVIEW

Equity and Community Programs is dedicated to addressing environmental disparities and promoting community engagement within the Bay Area. Through targeted initiatives and partnerships, this service area aims to reduce pollution burdens in disproportionately impacted communities, improve public health outcomes, and foster environmental justice. Key initiatives include funding programs for emission reduction projects, incentivizing the adoption of clean technologies, and collaborating with community stakeholders to ensure equitable access to clean air and resources.

DIVISIONS

Community Investments Office

The Air District established the Community Benefits Penalty Funds Policy to directly support communities disproportionately impacted by air pollution. The Community Investments Office administers the Community Benefits Penalty Funds Policy and other funds from enforcement actions to direct resources back into the

communities where violations occurred to improve community health and air quality.

Office of Civil Rights

The Air District established a new Office of Civil Rights to ensure compliance with key civil rights laws, including Title VI of the Civil Rights Act of 1964 and California Government Code Section 11135. This office will proactively assess and address potential disproportionate impacts on communities based on race, ethnicity, national origin, and other protected characteristics. Its primary focus will be on reviewing public-facing programs, conducting compliance audits, providing staff training, and managing civil rights complaints through a transparent and accessible process.

Environmental Justice

The Environmental Justice Division supports the agency's mission by collaborating with impacted communities and partners across the Bay Area to advance public health, equity, and environmental justice. The office works with community members and partners to increase awareness and transparency of air quality issues, build capacity, expand opportunities for impacted communities to participate in Air District decision-making, and support implementation of community-identified solutions. Key programs include the AB 617 Community Health Protection Program, the Community Advisory Council, the development of the agency's Environmental Justice Policy, and the James Cary Smith Community Grant Program,



Diversity, Equity and Inclusion Office



The Air District's Diversity, Equity and Inclusion Office is responsible for developing initiatives and applying an equity lens to programs, policies, practices, and procedures. Responsibilities include capacity building related to staffing, recruitment, promotions, inclusive practices in the workplace, contracting for capital projects and services, and equity training. The office recognizes the contributions of all employees and community members and works to sustain an environment where everyone is valued, respected, and included.

Strategic Incentives

The Strategic Incentives Division manages Special Revenue funds to accelerate voluntary emissions reductions, advance zero-emission technologies, and reduce community exposure to air pollution. Primarily targeting mobile sources and select stationary sources, the division incentivizes replacing older, high-emission equipment with cleaner alternatives. Programs are designed to deliver cost-effective benefits to the Bay Area while meeting strict legislative and oversight requirements, and to help businesses and agencies transition to cleaner fleets while supporting adoption of emerging technologies across sectors.

Technology Implementation Office

The Technology Implementation Office's mission is to advance emerging, cost-effective solutions to achieve greenhouse gas emissions reductions for the transportation and industrial source sectors. The office connects climate technologies and customers by providing financial incentives through grants for light-duty vehicles, electric vehicle infrastructure, and loans for various emerging climate solutions, as well as technical and match-making support. By supporting the scale-up of climate technologies, the office can help achieve state and regional greenhouse gas emissions targets and reduce emissions in impacted communities, while also making technologies cost effective.





Equity and Community Programs

SERVICE AREA BUDGET SUMMARY

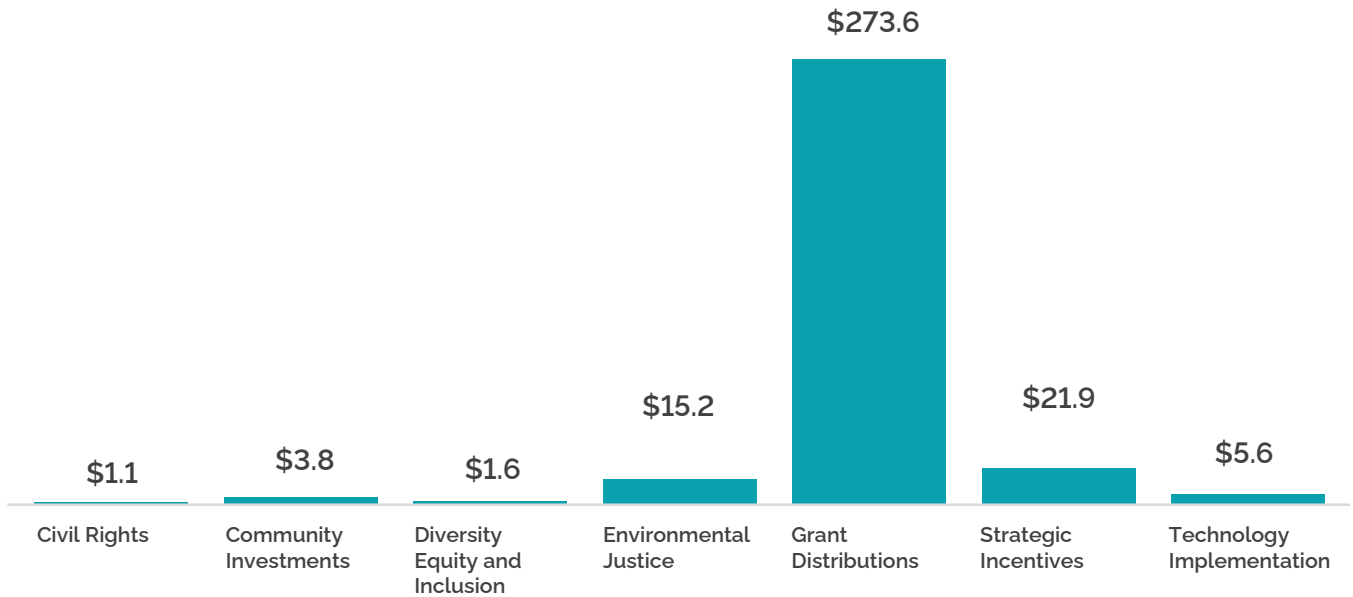
WORK PLAN HIGHLIGHTS

- Expand clean energy and zero-emission infrastructure investments to support climate resilience in frontline communities. (Strategy 1.7)
- Launch the Local Community Benefits Fund to reinvest penalty funds back into the communities where air quality violations occurred. (Strategy 2.10)
- Modernize the grant application system to improve transparency and efficiency for funding clean air initiatives. (Strategy 4.12)
- Align grant guidelines with best practices for the community grant fund to inform the Peoples Air Grant. (Strategy 2.8)
- Advance equitable state incentive programs that directly benefit communities overburdened by pollution. (Strategy 2.4)
- Implement the Clean HEET Program to reduce wintertime wood smoke pollution and improve air quality in highly-impacted areas. (Strategy 1.1)
- Strengthen community engagement through the Environmental Justice Navigator Program to build relationships and trust. (Strategy 2.1)
- Expand access to environmental career pathways through the Environmental Justice and Diversity Scholars Program. (Strategy 3.6)



Equity and Community Programs Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Deputy Executive Officer					1
Civil Rights	-	\$0.6	\$0.6	\$1.1	3
Community Investments	\$0.1	\$3.3	\$3.3	\$3.8	5
Diversity Equity and Inclusion	\$0.9	\$1.5	\$1.6	\$1.6	4
Environmental Justice	\$12.8	\$18.3	\$21.0	\$15.2	23
Grant Distributions	\$72.5	\$122.1	\$136.1	\$273.6	-
Strategic Incentives	\$9.2	\$21.7	\$23.5	\$21.9	35
Technology Implementation	\$3.7	\$5.6	\$6.4	\$5.6	11
Service Area Total	\$99.1	\$173.2	\$192.5	\$322.8	82



Finance and Administration

INTRODUCTION

SERVICE AREA OVERVIEW

Finance and Administration manages the financial, administrative, and operational functions of the Air District. This service area is tasked with budgeting, financial planning, procurement, human resources management, and facilities maintenance to support the organization's mission. By ensuring sound fiscal management and operational efficiency, Finance and Administration enables the Air District to fulfill its responsibilities and deliver essential services to the community.

DIVISIONS

Board of Directors

The Air District's Board of Directors is a governing body comprised of 24 locally elected representatives selected from the nine counties across the Bay Area region. These representatives bring a diverse range of perspectives and experiences to the table, reflecting the unique needs and concerns of their respective communities. As stewards of the region's air quality and environmental health, the Board plays a pivotal role in setting policies, guiding strategic initiatives, and overseeing the implementation of programs

aimed at improving air quality, protecting public health, and addressing climate change challenges.

Executive Office

The Executive Office of the Air District serves as the central administrative hub, overseeing the strategic direction, coordination, and management of the organization. It provides leadership, guidance, and support to all service areas and departments within the Air District. The Executive Office is responsible for setting organizational goals, developing policies, and ensuring effective implementation of initiatives to improve air quality, protect public health, and address environmental challenges in the Bay Area.

Administrative Resources

The Administrative Resources Division provides administrative and operational support for the Air District. The Business Office handles contracts, purchasing, risk management, the mailroom, and office support services. The Fleet Office oversees vehicle acquisition, maintenance, accident management, and procurement. The Facilities Office manages planning, maintenance, construction oversight, and operations for all Air District facilities, including security and safety measures.

Finance Office

The Finance Office ensures fiscal stewardship and financial accountability for the Air District. Responsibilities include accounting, financial audits, reporting, vendor payments, permit fee processing, asset management, and

maintaining the financial system. The office also develops the annual budget, conducts cost recovery analysis and manages financial reporting for federal and state grants.

Human Resources Office

The Human Resources Office is responsible for personnel matters, including payroll and benefits, labor and employee relations, recruitment and testing, employee engagement, processing personnel actions, employee performance appraisal and recognition programs, organizational development and training, health and safety compliance, workers compensation and special events coordination.



Finance and Administration

SERVICE AREA BUDGET SUMMARY

WORK PLAN HIGHLIGHTS

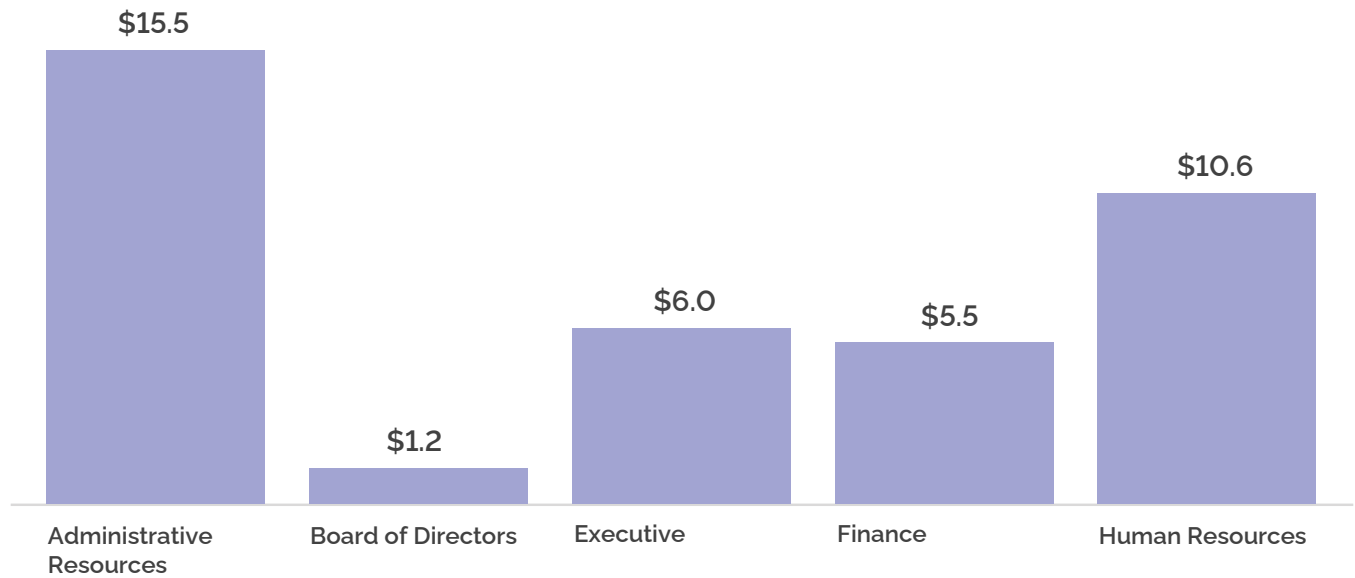
- Expand targeted recruitment programs to increase workforce diversity and ensure Air District staff reflect impacted communities. (Strategy 3.1)
- Implement a comprehensive professional training plan encompassing onboarding, ongoing skills development, and environmental justice, leadership, and regulatory compliance training. (Strategy 3.6)
- Enhance budget transparency, fiscal stewardship, and strategic resource allocation through improved budget tools, reporting, and long-range planning. (Strategy 4.12)
- Advance asset planning to support mission delivery by ensuring facilities and fleet assets are aligned with long-term operational needs, workforce flexibility, and fiscal sustainability. (Strategy 4.11)
- Improve procurement and contract management practices to increase efficiency, transparency, and alignment with Air District priorities. (Strategy 4.12)





Finance and Administration Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Deputy Executive Officer					1
Administrative Resources	\$10.0	\$15.3	\$16.6	\$15.5	16
Board of Directors	\$0.6	\$0.6	\$0.8	\$1.2	-
Executive	\$7.2	\$6.4	\$7.2	\$6.0	14
Finance	\$4.3	\$5.4	\$5.5	\$5.5	18
Human Resources	\$7.9	\$8.1	\$8.6	\$10.6	12
Service Area Total	\$30.0	\$35.8	\$38.7	\$38.8	61





General Counsel

INTRODUCTION

The General Counsel provides legal counsel, representation, and support to the Air District on matters related to environmental law, regulatory compliance, enforcement actions, and policy development. This service area plays a crucial role in interpreting and implementing laws, regulations, and policies governing air quality and environmental protection. The General Counsel manages the attorneys and non-attorney staff in the Legal Office and outside counsel retained to handle specialized matters. The General Counsel and the attorneys in the Legal Office help the Air District navigate complex legal challenges, uphold regulatory standards, and advance environmental justice objectives.

SERVICE AREA BUDGET SUMMARY

WORK PLAN HIGHLIGHTS

- Adopt a new enforcement policy to hold violators accountable and ensure violations result in meaningful consequences. (Strategy 1.6)
- Develop enhanced investigation protocols to build strong legal cases for effective enforcement. (Strategy 1.5)
- Develop a new “Enforcement Town Hall Meeting” Policy to communicate regularly with affected communities about Air District enforcement activities and enforcement issues of community concern. (Strategy 2.6)
- Develop protocols to formalize how the Air District ensures compliance with civil rights laws in permitting. (Strategy 2.10)
- Expand environmental justice legal training and professional development through implementation of the Environmental Justice Law Fellowship program. (Strategy 3.4)





General Counsel Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Legal	\$5.6	\$6.3	\$7.6	\$7.0	19
Service Area Total	\$5.6	\$6.3	\$7.6	\$7.0	19





Information Management

INTRODUCTION

SERVICE AREA OVERVIEW

Information Management leads the modernization of the Air District's technology infrastructure, improves core business processes, and coordinates strategic cross-functional projects under a governance structure focused on the Air District's five-year Strategic Plan. Together, Enterprise Technology Solutions and Information Services strengthen mission delivery, information security, innovation, and structured project management.

DIVISIONS

Enterprise Technology Solutions

The Enterprise Technology Solutions Division identifies, develops, and implements both custom and off-the-shelf technologies that enhance the Air District's core operations. Key examples include systems, which enable permitting, inspection, and enforcement processes for regulated facilities, grants management tools, the Air District's financial system, and the technology powering the public-facing website. This division works closely with other service areas to streamline

business processes, promote innovation, and ensure that technology solutions effectively meet staff and community needs.

Information Services

Information Services is responsible for designing, implementing, and maintaining the Air District's information technology infrastructure. This includes managing servers and networks, telecommunications, cybersecurity, business continuity, and disaster recovery systems. The division also provides user support to Air District staff and technical assistance to external stakeholders, ensuring seamless and secure access to online services. By focusing on resilience and continuous improvement, Information Services safeguards the Air District's data and systems against evolving threats and disruptions and fosters effective implementation of initiatives to improve air quality, protect public health, and address environmental challenges in the Bay Area.





Information Management

SERVICE AREA BUDGET SUMMARY

WORK PLAN HIGHLIGHTS

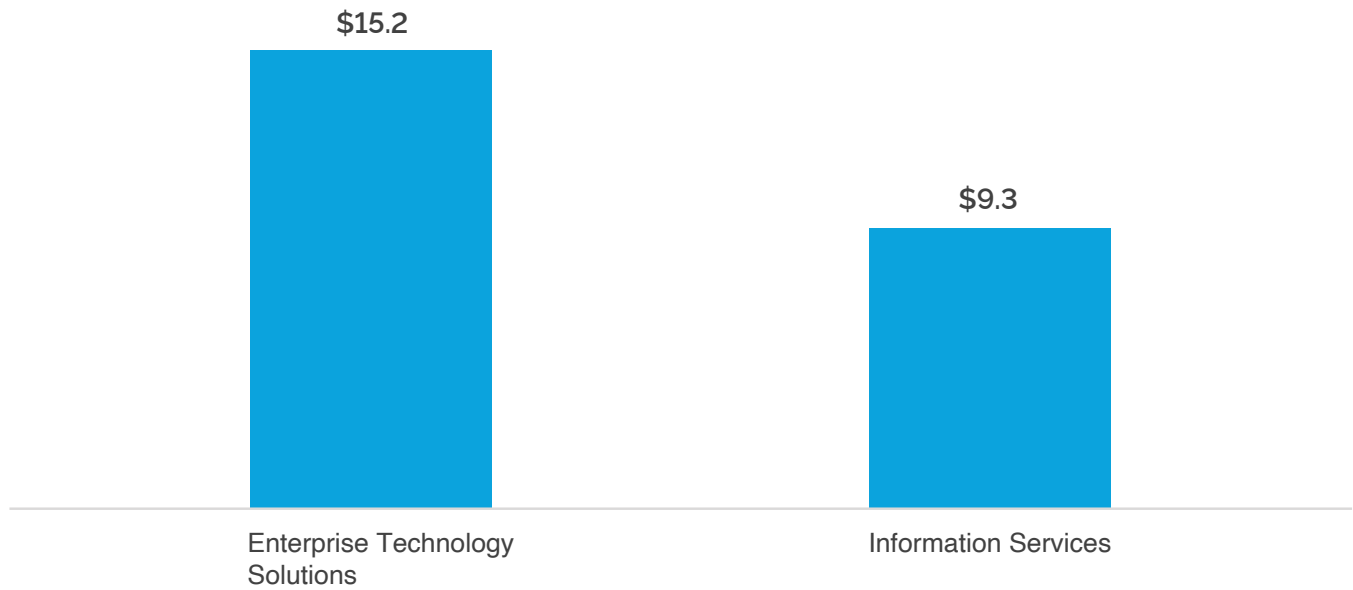
- Enhance the Air District's IT infrastructure to enhance cybersecurity and resilience. (Strategy 4.12)
- Establish governance and portfolio management that will provide reliable upfront implementation and operational planning for Air District initiatives. (Strategy 4.10)
- Create online data portals to provide public access to comprehensive air quality, permitting and compliance data. (Strategy 2.3)
- Streamline permitting and enforcement systems for greater transparency and operational efficiency. (Strategy 4.1)
- Develop improved grants management systems to increase accessibility for frontline communities. (Strategy 2.8)
- Enhance user support and training to improve service delivery. (Strategy 4.7)





Information Management Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Deputy Executive Officer					1
Enterprise Technology Solutions	\$11.2	\$10.6	\$11.8	\$15.2	17
Information Services	\$6.3	\$7.2	\$8.7	\$9.3	16
Service Area Total	\$17.6	\$17.8	\$20.6	\$24.5	34





Policy

INTRODUCTION

SERVICE AREA OVERVIEW

Policy oversees and coordinates local and regional-scale air quality planning and develops and updates the Air District's regulations. The planning processes set goals and priorities for measures that the Air District takes to protect public health and the environment. The regulatory development process uses science and engineering to ensure the Air District's regulations are effective and impactful.

DIVISIONS

Planning and Climate Protection

The Planning and Climate Protection Division ensures compliance with air quality standards, leads climate initiatives, and coordinates local emissions reduction plans under AB 617. Staff support environmental justice efforts, assist with General Plan Environmental Justice Elements (SB 1000), and promote equity in climate action. They provide model ordinances, technical resources, and best practices to accelerate action. Additionally, they help agencies apply CEQA thresholds and updated guidelines to protect health and mitigate climate impacts.

Regulatory Development

The Regulatory Development Division is responsible for developing regulations to implement Air District plans to attain federal and state air quality standards and protect public health. In addition, staff assist with the preparation of community and regional air quality plans. Other measures are developed under the direction of the Board of Directors to further protect public health and safety and reduce emissions of greenhouse gases. In addition, staff review existing regulations and develop amendments to improve clarity, efficiency, and effectiveness.



SERVICE AREA BUDGET SUMMARY

WORK PLAN HIGHLIGHTS

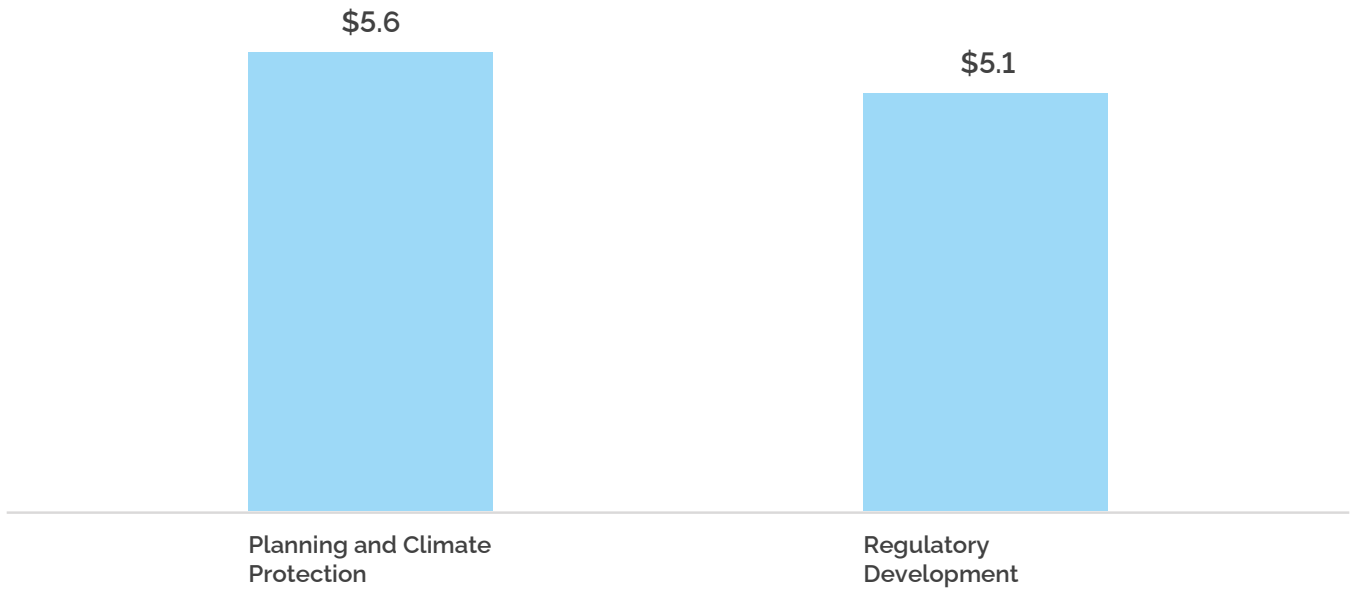
- Strengthen air pollution regulations to reduce emissions from major industrial sources. (Strategy 1.2)
- Minimize flaring. (Strategy 1.3)
- Change approach to air quality. (Strategy 1.1)
- Community Partnerships (Strategy 2.1)
- Advance innovative climate solutions and implement regional climate plans. (Strategy 1.7)





Policy Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Deputy Executive Officer					1
Planning and Climate Protection	\$4.4	\$4.7	\$5.7	\$5.6	21
Regulatory Development	\$2.6	\$4.4	\$5.0	\$5.1	16
Service Area Total	\$7.1	\$9.1	\$10.7	\$10.7	38





Public Affairs

INTRODUCTION

SERVICE AREA OVERVIEW

Public Affairs is responsible for communication, outreach, and public engagement efforts to raise awareness, promote transparency, and foster community involvement in air quality issues. This service area develops and implements communication strategies, public education campaigns, and media relations activities to inform the public, policymakers, and stakeholders about air quality initiatives, health risks, and regulatory developments.

By fostering open dialogue and collaboration, Public Affairs enhances public understanding and support for the Air District's mission. Government Outreach and Special Projects develops policy proposals, guidance, and planning to support internally-facing activities related to executive and administrative functions and partnerships with local government focused on incident response and emergency preparedness.

DIVISIONS

Communications Office


The Air District's Communications Office leads agency-wide internal and external communications to ensure information shared with the public, partners, media, and staff is

accurate, timely, accessible, and aligned with the Air District's mission, policies, and Board direction. The office serves as the central coordination point for communications activities across the agency, providing strategic guidance and oversight to ensure consistency and clarity in Air District messaging.

The Communications Office manages media relations and public information, including proactive outreach, press releases, and responses to media inquiries. The office is responsible for public health and air quality messaging, incident and emergency communications, and crisis response, including coordination with partner agencies during air quality incidents and other time-sensitive events. The office also leads internal communications, ensuring employees receive clear, consistent, and timely information about agency priorities, policies, major initiatives, and operational changes.

In addition, the Communications Office develops and executes print, digital, social media, and video communications; manages agency advertising; and oversees the Air District's social media platforms. The office produces and coordinates videography and multimedia content to support public education, outreach campaigns, internal communications, and the timely sharing of information across digital platforms. The office leads strategy, advertising, and outreach for the Spare the Air program and the Spare the Air Employer Program, including development of regional campaigns, partner toolkits, and public-facing materials. The office also leads advertising and outreach campaigns for major regulatory initiatives, including the Appliance





Rules, developing and implementing multilingual, equity-focused communications to inform residents, businesses, contractors, and other stakeholders.

The Communications Office oversees the Spare the Air website, related microsites, and mobile applications, ensuring content is current, user-friendly, and accessible. Communications staff also represent the Air District at community events throughout the region in support of Spare the Air, Appliance Rules outreach, and broader air quality education and awareness efforts.

External Affairs Office

The External Affairs Office coordinates the administration of the Commuter Benefits Program, in partnership with the Metropolitan Transportation Commission, and in 2026, will direct the Flex Your Commute messaging campaign to encourage greater use of commuter benefits by Bay Area employees. The office directs the Air District's external sponsorship program to ensure transparency, goals, and benefits are met in accordance with the Air District sponsorship policy.

External Affairs will launch the new Stakeholder Directory in 2026, a resource for staff to quickly identify city leaders throughout the nine-county region and track our engagement with the departments to build stronger relationships with our cities and residents. A guide for talking points development as well as a topic library for relevant Air District messaging is currently being created.

In 2026, the office will hire staff to develop a districtwide local government partnership program to expand messaging reach and information sharing with city, county and state agencies, and non-governmental organizations. The office also works with Air District staff to coordinate events and regional conferences to expand messaging for targeted initiatives and further build regional partnerships.

Legislative and Government Affairs Office

The Legislative and Government Affairs Office coordinates and tracks developing positions on state and federal legislation and budget proposals, meets with legislators and legislative staff about policy proposals and updates them on Air District activities. The office represents the Air District at legislative hearings, and interacts with stakeholder groups, state and local agencies, and members of the public. The office disseminates information on current legislative policy and budget proposals that affect Air District programs and policies and develops strategies to further the Air District's legislative priorities.





Public Affairs

SERVICE AREA BUDGET SUMMARY

WORK PLAN HIGHLIGHTS

- Enhance real-time public communication on air quality incidents to ensure accessibility and responsiveness. (Strategy 4.8)
- Strengthen partnerships with local governments and community organizations to amplify messaging and engagement. (Strategy 2.1)
- Expand public notification tools for improved incident response and transparency. (Strategy 4.6)
- Increase digital and social media outreach to support education on rulemaking, enforcement, and climate initiatives. (Strategy 4.7)
- Develop internal and external communication training to improve staff effectiveness. (Strategy 3.3)





Public Affairs Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Deputy Executive Officer					1
Communications	\$5.9	\$7.3	\$8.5	\$8.8	13
External Affairs	\$0.8	\$2.0	\$2.1	\$2.1	5
Legislative and Government Affairs	\$0.6	\$0.9	\$0.9	\$0.9	2
Service Area Total	\$7.3	\$10.3	\$11.5	\$11.8	21





Science

INTRODUCTION

SERVICE AREA OVERVIEW

Science conducts monitoring and modeling research and analysis to inform decision-making and advance air quality goals in the Bay Area. This service area monitors air quality, calculates and tracks emissions, and assesses health impacts to inform policy priorities. Science provides evidence-based recommendations to address air quality challenges, mitigate pollution sources, and protect public health and the environment.

DIVISIONS

Assessment, Inventory and Modeling

The Assessment, Inventory, and Modeling Division develops air pollution inventories and conducts air quality modeling at the regional and community levels. It evaluates equity in pollution exposure and health impacts to support Air District programs. The division improves and reports emissions estimates for criteria pollutants, toxic air contaminants, and climate-forcing pollutants. Staff assess emissions, concentrations, and exposures to pollutants, such as particulate matter and ozone, to support targeted pollution reduction strategies.

Meteorology and Measurements

The Meteorology and Measurements Division provides air quality and meteorological data, chemical analysis, and forecasting to support the Air District's enforcement, permitting, rule development, communications, and community engagement efforts. Staff operate monitoring instruments, conduct testing and analysis, and develop air monitoring and testing plans. They also design and maintain instruments and systems, ensure data quality through rigorous quality assurance and control, and analyze and communicate findings to support air quality management.



SERVICE AREA BUDGET SUMMARY

WORK PLAN HIGHLIGHTS

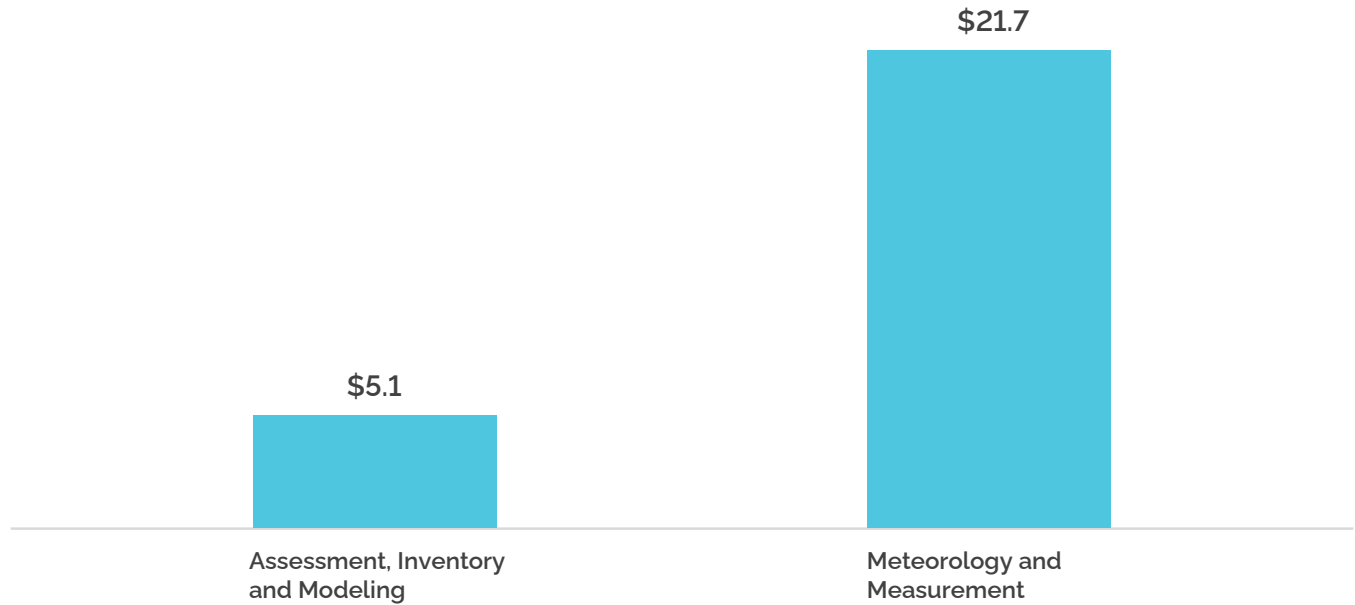
- Routinely update, report, and share the regional emissions inventory and source-specific emissions estimates. (Strategy 1.1 and 2.3)
- Enhance community-driven air quality data collection and public access to information. (Strategy 2.3)
- Conduct local assessments and exposure analysis to better understand the population exposure and health impacts of air pollutants in the Bay Area. (Strategy 2.4)
- Work with communities overburdened by air pollution to conduct air monitoring and develop air dispersion modeling to improve understanding of local air quality, inter-regional emissions transport, and their impacts on the Bay Area's air quality. (Strategy 2.7)
- Upgrade air quality monitoring networks to improve reliability, efficiency, data quality, and accessibility. (Strategy 4.4)





Science Expenditure

FY 2026-27 EXPENDITURE (\$ MILLIONS)



Expenditure	FYE 2025 Audited Actual	FYE 2026 Approved Budget	FYE 2026 Amended Budget	FYE 2027 Proposed Budget	FYE 2027 FTE Headcount
Deputy Executive Officer					1
Assessment, Inventory and Modeling	\$3.8	\$4.2	\$4.4	\$5.1	19
Meteorology and Measurement	\$14.3	\$21.0	\$21.7	\$21.7	59
Service Area Total	\$18.1	\$25.2	\$26.1	\$26.9	79





Some numbers in this report may look slightly different due to rounding or how totals are calculated. Percentages may not add up to exactly 100%, and totals may not match the sum of the displayed rows. These small differences are normal.

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