



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
EXECUTIVE COMMITTEE MEETING

COMMITTEE MEMBERS

ROD SINKS – CHAIR
JOHN BAUTERS
SCOTT HAGGERTY
TYRONE JUE
KATIE RICE
BRAD WAGENKNECHT

CINDY CHAVEZ – VICE CHAIR
JOHN GIOIA
DAVE HUDSON
KAREN MITCHOFF
JIM SPERING

**THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY
EXECUTIVE ORDER N-29-20 ISSUED BY
GOVERNOR GAVIN NEWSOM**

- **THE PUBLIC MAY OBSERVE THIS MEETING THROUGH THE WEBCAST BY CLICKING THE LINK AVAILABLE ON THE AIR DISTRICT'S AGENDA WEBPAGE AVAILABLE AT**

www.baaqmd.gov/bodagendas

- **THE PUBLIC MAY PARTICIPATE REMOTELY VIA ZOOM AT THE FOLLOWING LINK OR BY PHONE**

<https://bayareametro.zoom.us/j/95915939970>

877 853 5247 (Toll Free) or 888 788 0099 (Toll Free)

WEBINAR ID: 959 1593 9970

- **THOSE PARTICIPATING BY PHONE WHO WOULD LIKE TO MAKE A COMMENT CAN USE THE “RAISE HAND” FEATURE BY DIALING “*9”. IN ORDER TO RECEIVE THE FULL ZOOM EXPERIENCE, PLEASE MAKE SURE YOUR APPLICATION IS UP TO DATE**

- **COMMENTS MAY ALSO BE SUBMITTED VIA EMAIL AT**

Comments@baaqmd.gov

**WEDNESDAY
JULY 29, 2020
12:30 P.M.**

AGENDA

1. CALL TO ORDER - ROLL CALL

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

This meeting will be webcast. To see the webcast, please visit www.baaqmd.gov/bodagendas at the time of the meeting. Closed captioning may contain errors and omissions and are not certified for their content or form.

Email Comment on Agenda Items: *The public may comment on each item on the agenda. Email Comments for items on the agenda must be submitted to Comments@baaqmd.gov prior to the Committee taking up the particular item and indicate the agenda item to which the comment relates. Emailed comments will be considered as the agenda item is taken up by the Committee. Emailed comments containing 250 words or less will be read aloud by staff. Emailed comments exceeding 250 words may be summarized during the meeting, if feasible.*

Staff/Phone (415) 749-

2. APPROVAL OF THE MINUTES OF APRIL 1, 2020

Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Executive Committee meeting of April 1, 2020.

3. HEARING BOARD QUARTERLY REPORT: JANUARY 2020 – MARCH 2020

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive the Hearing Board Quarterly Report for the period of January 2020 through March 2020.

4. HEARING BOARD QUARTERLY REPORT: APRIL 2020 – JUNE 2020

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive the Hearing Board Quarterly Report for the period of April 2020 through June 2020.

5. **BAY AREA REGIONAL COLLABORATIVE (BARC) UPDATE**

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee will receive an update by BARC Program Coordinator, Lucian Go, on the activities of the Bay Area Regional Collaborative.

6. **AIR DISTRICT EFFORTS TO ENCOURAGE REMOTE WORK UPDATE**

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will provide an update on the Spare the Air advertising and outreach campaign, Employer Program developments, online remote work clearinghouse, and proposed updates to the Commuter Benefits Program.

7. **WILDFIRE PROGRAM UPDATE**

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will provide the Committee with an update on the Air District's wildfire strategies and highlight wildfire initiatives for this year.

8. **CLIMATE TECH FINANCE PROGRAM UPDATE**

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will provide an update on Climate Tech Finance, the Air District's first loan program for emerging technologies that reduce greenhouse gases, including details of the first loan guarantee issued through the program.

9. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

Emailed comments indicating the comment pertains to non-agenda matters will be considered under this item. Emailed comments containing 250 words or less will be read aloud by staff. Emailed comments exceeding 250 words may be summarized during the meeting, if feasible.

10. **COMMITTEE MEMBER COMMENTS / OTHER BUSINESS**

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

11. **TIME AND PLACE OF NEXT MEETING**

At the Call of the Chair.

12. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at rsanders@baaqmd.gov

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SAN FRANCISCO, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE:

MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

JULY 2020

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Stationary Source Committee	Wednesday	29	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Executive Committee	Wednesday	29	12:30 p.m.	Webcast only pursuant to Executive Order N-29-20
Advisory Council Meeting	Friday	31	9:00 a.m.	Webcast only pursuant to Executive Order N-29-20

AUGUST 2020

NO MEETINGS SCHEDULED

SEPTEMBER 2020

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting -CANCELLED	Wednesday	2	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Community & Public Health Committee	Thursday	3	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Regular Meeting	Wednesday	16	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Ad Hoc Committee on Equity, Access, & Inclusion	Thursday	17	10:00 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Mobile Source Committee	Thursday	24	11:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Climate Protection Committee	Wednesday	30	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Legislative Committee	Wednesday	30	11:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Budget & Finance Committee	Wednesday	30	1:30 p.m.	Webcast only pursuant to Executive Order N-29-20

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 23, 2020

Re: Approval of the Minutes of April 1, 2020

RECOMMENDED ACTION

Approve the attached draft minutes of the Executive Committee (Committee) meeting of April 1, 2020.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of April 1, 2020.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 2A: Draft Minutes of the Committee Meeting of April 1, 2020

AGENDA 2A – ATTACHMENT

Draft Minutes – Executive Committee Meeting of April 1, 2020

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105
(415) 749-5073

DRAFT MINUTES

Summary of Board of Directors
Executive Committee Meeting
Wednesday, April 1, 2020

This meeting was conducted under procedures authorized by executive order N-29-20 issued by Governor Gavin Newsom. Members of the committee participated by teleconference.

1. CALL TO ORDER – ROLL CALL

Executive Committee (Committee) Chairperson, Rod Sinks, called the meeting to order at 9:32 a.m.

Roll Call:

Present: Committee Chairperson Rod Sinks; Committee Vice Chair Cindy Chavez; and Directors John Bauters, John Gioia, Scott Haggerty, David Hudson, Tyrone Jue, Karen Mitchoff, Katie Rice, Jim Spering, Brad Wagenknecht.

Absent: None.

Also Present: None.

2. APPROVAL OF THE MINUTES OF NOVEMBER 6, 2019

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Rice made a motion, seconded by Chair Sinks, to **approve** the minutes of November 6, 2019; and the motion carried by the following vote of the Committee:

AYES: Bauters, Gioia, Haggerty, Jue, Mitchoff, Rice, Sinks.
NOES: None.
ABSTAIN: None.
ABSENT: Chavez, Hudson, Spering, Wagenknecht.

3. **HEARING BOARD QUARTERLY REPORT: OCTOBER 2019 – DECEMBER 2019**

Brian Bunger, District Counsel, presented this report. He noted that Shore Terminals LLC applied for two separate variances, regarding the facility’s vapor recovery system, which was affected by the NuStar Fire that occurred on October 15, 2019.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

None; receive and file.

4. **BAY AREA REGIONAL COLLABORATIVE (BARC) UPDATE**

Allison Brooks, Executive Director of BARC, and Lucian Go, BARC Program Coordinator, gave the presentation *BARC Work Plan Update*, including: BARC Work Plan updates; climate resiliency; state legislative engagement; Assembly Bill (AB) 617: West Oakland Community Action Plan; building electrification: and community climate compass.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

None; receive and file.

5. **CONTRACT AMENDMENTS FOR THE PRODUCTION SYSTEM OFFICE**

Damian Breen, Deputy Air Pollution Control Officer of Technology, gave the staff presentation *Production System Office Status Update*, including: My Air Online status overview; conceptual shift: feature migration; permitting and compliance system: current production features; legacy systems: migration status; remaining legacy features: permits and applications and Compliance/Enforcement; website demonstration; website design refresh: homepage; public data center: landing page and description pop-up; dynamic web maps; air quality forecast and facilities; website usage metrics; schedule overview: legacy transition; Request for Quotations results; and recommended actions.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the anticipated delivery date of the Air District’s website’s Public Data Center and dynamic web maps; and whether previous Board concerns about the website’s functionality will be addressed.

Committee Action

Director Hudson made a motion, seconded by Director Bauters, to **authorize** the Executive Officer/Air Pollution Control Officer to execute contract amendments with nine vendors in the total amount of \$2,429,258 for the My Air Online program for the 2019-2020 fiscal year; and the motion carried by the following vote of the Committee:

AYES: Bauters, Gioia, Haggerty, Hudson, Jue, Mitchoff, Rice, Sinks, Spring.
NOES: None.
ABSTAIN: None.
ABSENT: Chavez, Wagenknecht.

6. REMOTE MEETING PROTOCOL FOR SITUATIONS AFFECTING ACCESS TO AIR DISTRICT FACILITIES UPDATE

Mr. Bunger explained that this item was agendized prior to the COVID-19 pandemic, and that the proposed amendments to the Board’s policy on remote meetings for emergency situations were drafted prior to the Governor’s Executive Order N-29-20. After summarizing the current policy, Mr. Bunger said that the proposed amendments to the policy would apply only to public Board committee meetings that occur during situations deemed by the Air District’s Executive Officer/Air Pollution Control Officer and the Board Chairperson as emergencies. If a situation that affects a critically needed meeting arises and the Air District regular public meeting facilities are not accessible, remote participation by both phone and video conferencing would be allowed, while adhering to all applicable Brown Act requirements. (Currently, Brown Act requirements are suspended under the Governor’s Executive Order.)

Public Comments

Public comments were given by Jed Holzman, 350 Bay Area.

Committee Comments

The Committee and staff discussed whether action is required for this item; the need to protect and enhance the public’s engagement at public meetings, and the request to flesh out the remote access language so that it is equitable and provides a high-quality experience for the public; ways in which the public can contact Air District staff if they need assistance during public meetings; whether the Air District anticipates identifying physical remote participation locations in each Bay Area county and how public comments from those locations would be handled; potential staffing and technological needs at remote locations; the request for stakeholder (public) input on this issue, rather than prioritizing the Board members’ convenience; and how to define what is “critical”. The Committee requested that staff flesh out the proposed modifications and bring them back to the Committee.

Committee Action

None; receive and file.

7. **BOARD OF DIRECTORS COMMITTEE MEETING SCHEDULE**

Jack P. Broadbent, Executive Officer/Air Pollution Control Officer, stated that at the March 4, 2020 Board meeting, a discussion regarding back-to-back (stacked) meetings took place. He asked Vanessa Johnson, Manager of Executive Operations, to read aloud the proposed meeting schedule for April 2020.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the anticipated duration of the proposed April 15, 2020 Board meeting; the suggestion of designating several Board members (perhaps as an ad hoc committee) to work with Air District staff on streamlining meetings; potential short-term (interim) solutions to ensure meetings are conducted efficiently for members of the Board and public; and the request that any subsequent actions or policy decisions relative to meetings be made to advantage public participation.

NOTED PRESENT: Committee Vice Chair Chavez was noted present at 10:45 a.m.

Committee Action

None; receive and file.

8. **WILDFIRE STRATEGIES**

Mr. Broadbent introduced Wayne Kino, Deputy Air Pollution Control Officer of Operations, who gave the staff presentation *Wildfire Strategies*, including; major wildfires impacting the Bay Area; Wildfire Air Quality Response Program; 2019 Wildfire program accomplishments; and 2020 Wildfire program objectives.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed how the Air District is the first agency to be granted *region-wide* posting access on Nextdoor, a social networking service for the exchange of helpful information, goods, and services; whether the Air District's Wildfire Prevention Chipping Pilot program will be expanded; whether the Air District may utilize current or leverage additional monitoring conducted by Nextdoor; best uses of the anticipated, limited funding the Air District will receive for clean air shelters (Assembly Bill 836), when that funding would become available; criteria for facilities that could be designated as clean air centers, and which entities the Air District would like to see as recipients of that funding; and the need to develop priority locations for clean air shelters.

Committee Action

None; receive and file.

9. PUBLIC COMMENT ON NON-AGENDA MATTERS

Public comments were given by Josie James, Marinwood resident; Brooke Haver; Giuseppe Ettienne, Noe Valley resident; and Jed Holtzman.

In response to public comments, Mr. Broadbent said the following:

- Air District staff will follow up with the individuals who raised specific incidents in their neighborhoods.
- The Board members will be briefed at the May 6, 2020 Board meeting as to the status of the Air District’s rulemaking efforts.
- Several weeks ago, the Air District gave 20,000 respirators (masks) to the Association of Bay Area Health Officers and another 2,000 to Oakland first responders, which practically exhausted the Air District’s supply.

10. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS

- Director Bauters acknowledged Santa Clara County for its exemplary leadership during the COVID-19 pandemic.
- Mr. Broadbent said that he issued a statement in response to the Trump administration’s proposal to retain the National Ambient Air Quality Standard for particulate matter and that the Air District will be taking legal action to counter this.

11. TIME AND PLACE OF NEXT MEETING

At the conclusion of the meeting, it was announced that the next meeting would take place at the Call of the Chair. After the meeting adjourned, the next meeting was scheduled for Wednesday, July 29, 2020, at 12:30 p.m., via webcast, pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newsom.

12. ADJOURNMENT

The meeting adjourned at 11:20 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Executive Committee

From: Chairperson Valerie J. Armento, Esq., and
Members of the Hearing Board

Date: July 23, 2020

Re: Hearing Board Quarterly Report: January 2020 – March 2020

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

This report covers the first calendar quarter (January - March) of 2020.

- Held no hearings;
- Processed a total of three orders; and
- Collected a total of \$4,557.00 in variance application filing fees.

Below is a detail of Hearing Board activity during the same period:

Location: Contra Costa County; Crockett

Docket: 3719 – Shore Terminals LLC – *Request for Interim and Short-Term Variances*

Regulation(s): Regulation 2, Rule 6, Section 307 (Permits, Major Facility Review, Non-Compliance); Regulation 8, Rule 5, Section 306 (Organic Compounds, Storage of Organic Liquids, Requirements for Approved Emission Control Systems); and Permit Condition #6185, parts 1, 14, 20, and 22.

Synopsis: Applicant operates Selby Terminal, a transportation and storage facility for receiving, storing, and shipping liquid petroleum and biofuel products. On October 15, 2019, a fire unexpectedly occurred at the facility and caused the collapse of two tanks and the loss of vapor controls for several other tanks. The tanks store liquid petroleum and ethanol products. Because of the fire, the tanks' lines to the facility's Vapor Recovery Units were inoperable. Applicant maintained that there were no prior indications of issues that would lead to this type of incident. Applicant sought, and was granted, emergency variance relief from the Air District's Permit's requirements that the tanks continuously vent to the Vapor Recovery Units (Docket N0. 3716) from October 16, 2019 to November 14, 2019. On November 8, 2019, Applicant called Clerk of the Hearing Board to indicate the Applicant's intent to apply for an interim/short-term variance

application, as the Applicant felt they needed to seek relief **beyond** the time period requested (and granted) in their emergency variance application several weeks prior.

Status: Application filed on November 14, 2019; interim variance and short-term variance hearings both originally scheduled for December 3, 2019; on November 26, 2019, Applicant requested to change both hearing dates to December 10, 2019 (which the Hearing Board approved); at the hearing held on December 10, 2019, both parties agreed to accept consideration of solely a Short-Term Variance, as they differed on the legal interpretation of the interim variance, and the Hearing Board proceeded to review the request for a short-term variance; Order Granting Short-Term Variance filed on December 30, 2019; on January 29, 2020, applicant submitted revised excess emissions calculations, and the Clerk asked the Air District's Engineering Division to corroborate the applicant's calculations and generate an invoice, if necessary.

Requested Period of Variance: (Originally) November 14, 2019 to February 12, 2020; (Amended Request at the December 10, 2019 hearing) November 14, 2019 to November 23, 2019.

Estimated Excess Emissions: 0.021 lb. of VOC (gasoline and ethanol) for each of the three tanks after mitigation.

Variance-related fees collected this quarter: \$0.

Location: Napa County; Yountville

Docket: 3721 – Veterans Home of California – Request for Emergency Variance

Regulation(s): Regulation 2, Rule 1, Sections 301 and 302 (Permits, General Requirements, Authority to Construct, and Permit to Operate).

Synopsis: Applicant is the largest veterans' home in the United States, offering residential, recreational, and therapeutic accommodations for 800 veterans. A stationary steam boiler for local heating has been maintained, according to the manufacturer's recommendations over the life of the installation (~30 years). On January 30, 2020, an inspection found irreparable internal damage. Applicant planned to permanently replace the boiler. This project required the installation of a portable, temporary boiler to operate during the interim of the construction phase. The temporary boiler needed to be online before the old boilers were decommissioned. To go without heat would have caused a detriment to the facility's mission to care for the veterans' health. As a result of installing and operating the temporary boiler, the facility could not maintain building heat and complete the existing boiler replacement project without operating in violation of Air District Regulation 2-1.

Status: Application filed on February 5, 2020; Air District Compliance & Enforcement Division's and Hearing Board's responses, both recommending the emergency variance be granted, filed on February 11 and 13, 2020, respectively; Order Granting Emergency Variance filed on February 13, 2020.

Requested Period of Variance: February 6, 2020 to March 6, 2020.

Estimated Excess Emissions: Applicant did not anticipate any excess emissions.

Variance-related fees collected this quarter: \$1,519.00 (application filing fee).

Location: Santa Clara County; Cupertino

Docket: 3722 – Lehigh Southwest Cement Company – Request for Emergency Variance

Regulation(s): Regulation 2, Rule 1, Section 302.3 (Permits, General Requirements, Permit to Operate, Temporary Operation).

Synopsis: Applicant operates a Portland Cement manufacturing facility. On January 30, 2020, a belt conveyor at the facility was unexpectedly taken out of service, due to unexpected structural damage, which halted the facility's cement production capability. Per phone conversations between Lehigh and the Air District, Lehigh submitted an emergency variance Application for relief from Rule 2-1-302.3 while a compliance agreement was drafted to cover operations for three months *and* a Permit to Operate application was processed for temporary conveyor system (Permit to Operate application submitted February 6, 2020).

Status: Application filed on February 7, 2020; Air District Compliance & Enforcement Division's and Hearing Board's responses, both recommending the emergency variance be granted, filed on February 19 and 24, 2020, respectively; Order Granting Emergency Variance filed on February 25, 2020.

Requested Period of Variance: February 12, 2020 to March 13, 2020.

Estimated Excess Emissions: Applicant did not anticipate any excess emissions.

Variance-related fees collected this quarter: \$1,519.00 (application filing fee).

Location: Alameda County; Dublin

Docket: 3723 – Carl Zeiss Meditec, Inc. – Request for Emergency Variance

Regulation(s): Regulation 2, Rule 1, Section 307 (Permits, General Requirements, Failure to Meet Permit Conditions); Permit Condition #22820 (limits non-emergency use of an emergency backup generator to 20 hours per year)

Synopsis: Applicant develops, designs, manufactures, distributes, and services ophthalmic medical devices. Applicant facility lost power on June 20, 2019, when an electrical busway failed. At that time, a temporary repair was made to restore power to the facility with the intention to make a permanent replacement at a later date. The installation of the new busway was scheduled to take place on February 29, 2020, and was expected to take approximately 30 hours to complete. The project required severing the electrical connection to the facility from PG&E for installation of the new busway. The facility houses computer servers that operate their worldwide network, and to go without power would have caused a detriment to the ongoing operations of the

corporation. As a result of installing the new busway, the facility could not operate their computer servers without operating their emergency backup generator in violation of Air District Regulation 2, Rule 1, Section 307 (Failure to Meet Permit Condition) as permit condition #22820 limits non-emergency use of the generator to 20 hours per year.

Status: Application filed on March 2, 2020; Air District Compliance & Enforcement Division’s and Hearing Board’s responses, both recommending the emergency variance be granted, filed on March 9 and 10, 2020, respectively; Order Granting Emergency Variance filed on March 11, 2020.

Requested Period of Variance: February 29, 2020 to March 1, 2020.

Estimated Excess Emissions: (see below)

SUMMARY OF TOTAL EXCESS EMISSIONS:

Pollutant	Estimated Emission Variance (total lbs)
Arsenic (all)	3.28767E-06
Benzene	0.003846575
Beryllium (all) Pollutant	2.19178E-06
Cadmium	8.21918E-06
Chromium (hexavalent)	0
Diesel Engine Exhaust articulate	0.036962192
Formaldehyde	0.000318356
Lead All) pollutant	7.12329E-06
Manganese	1.09589E-05
Mercury (all) pollutant	2.19178E-06
Nickel pollutant	0.001353425
Particulate	0.04
Organics	0.18
NOx	2.7
CO	0.58
CO2	116.8789041
CH4	0.004383562
N2O	0.00109589
Total	120.4268981

Variance-related fees collected this quarter: \$1,519.00 (application filing fee).

Respectfully submitted,

Valerie J. Armento, Esq.
Chair, Hearing Board

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Executive Committee

From: Chairperson Valerie J. Armento, Esq., and
Members of the Hearing Board

Date: July 23, 2020

Re: Hearing Board Quarterly Report: April 2020 – June 2020

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

This report covers the second calendar quarter (April - June) of 2020.

- Held no hearings;
- Processed no orders; and
- Collected a total of \$14,577.12 in excess emissions fees.

Below is a detail of Hearing Board activity during the same period:

Location: Contra Costa County; Crockett

Docket: 3716 – Shore Terminals LLC – Request for Emergency Variance

Regulation(s): Regulation 2, Rule 6, Section 307 (Permits, Major Facility Review, Non-Compliance); and Permit Condition #6185, parts 1, 14, 20, and 22.

Synopsis: Applicant operates Selby Terminal, a transportation and storage facility for receiving, storing, and shipping liquid petroleum and biofuel products. On October 15, 2019, a fire unexpectedly occurred at the facility and caused the collapse of two tanks and the loss of vapor controls for several other tanks. The tanks stored liquid petroleum and ethanol products. Because of the fire, the tanks' lines to the facility's Vapor Recovery Units were inoperable. Applicant sought variance relief from the Air District's Permit's requirements that the tanks continuously vent to the Vapor Recovery Units. The Applicant maintains that there were no prior indications of issues that would lead to this type of incident.

Status: Application filed on October 16, 2019; Air District Compliance & Enforcement Division and Hearing Board responses submitted to the Clerk on October 18, 2019, both recommending that the emergency variance be granted; Order Granting Emergency Variance filed on October 25,

2019; on December 13, 2019, applicant submitted revised excess emissions calculations, and the Clerk asked the Air District's Engineering Division to corroborate the applicant's calculations and generate an invoice, if necessary; on April 4, 2020, Air District Engineering Division produced excess emissions fee invoice, which Clerk sent to applicant; on April 28, 2020, applicant sent payment for excess emissions fee.

Requested Period of Variance: October 15, 2019 to November 14, 2019.

Estimated Excess Emissions: Unknown at the time the application was submitted; Applicant submitted the following calculations on December 13, 2019:

VOC: 1,558 lbs (total for entire variance period)

Benzene: 0.4 lbs

Ethyl Benzene: 2 lbs

Toluene: 10 lbs

Xylenes (mixed): 3 lbs

Variance-related fees collected this quarter: \$9,347.50 (excess emissions fee).

Location: Contra Costa County; Crockett

Docket: 3719 – Shore Terminals LLC – *Request for Interim and Short-Term Variances*

Regulation(s): Regulation 2, Rule 6, Section 307 (Permits, Major Facility Review, Non-Compliance); Regulation 8, Rule 5, Section 306 (Organic Compounds, Storage of Organic Liquids, Requirements for Approved Emission Control Systems); and Permit Condition #6185, parts 1, 14, 20, and 22.

Synopsis: Applicant operates Selby Terminal, a transportation and storage facility for receiving, storing, and shipping liquid petroleum and biofuel products. On October 15, 2019, a fire unexpectedly occurred at the facility and caused the collapse of two tanks and the loss of vapor controls for several other tanks. The tanks store liquid petroleum and ethanol products. Because of the fire, the tanks' lines to the facility's Vapor Recovery Units were inoperable. Applicant maintained that there were no prior indications of issues that would lead to this type of incident. Applicant sought, and was granted, emergency variance relief from the Air District's Permit's requirements that the tanks continuously vent to the Vapor Recovery Units (Docket N0. 3716) from October 16, 2019 to November 14, 2019. On November 8, 2019, Applicant called Clerk of the Hearing Board to indicate the Applicant's intent to apply for an interim/short-term variance application, as the Applicant felt they needed to seek relief **beyond** the time period requested (and granted) in their emergency variance application several weeks prior.

Status: Application filed on November 14, 2019; interim variance and short-term variance hearings both originally scheduled for December 3, 2019; on November 26, 2019, Applicant requested to change both hearing dates to December 10, 2019 (which the Hearing Board approved); at the hearing held on December 10, 2019, both parties agreed to accept consideration of *solely* a Short-Term Variance, as they differed on the legal interpretation of the interim variance, and the Hearing Board proceeded to review the request for a short-term variance; Order Granting

Short-Term Variance filed on December 30, 2019; on January 29, 2020, applicant submitted excess emissions calculations, and the Clerk asked the Air District's Engineering Division to corroborate the applicant's calculations and generate an invoice, if necessary; on April 4, 2020, Air District Engineering Division produced excess emissions fee invoice, which Clerk sent to applicant; on April 28, 2020, applicant sent payment for excess emissions fee.

Requested Period of Variance: (Originally) November 14, 2019 to February 12, 2020; (Amended Request at the December 10, 2019 hearing) November 14, 2019 to November 23, 2019.

Estimated Excess Emissions: 0.021 lb. of VOC (gasoline and ethanol) for each of the three tanks after mitigation.

Variance-related fees collected this quarter: \$9.38 (excess emission fee).

Location: Napa County; Yountville

Docket: 3721 – Veterans Home of California – Request for Emergency Variance

Regulation(s): Regulation 2, Rule 1, Sections 301 and 302 (Permits, General Requirements, Authority to Construct, and Permit to Operate).

Synopsis: Applicant is the largest veterans' home in the United States, offering residential, recreational, and therapeutic accommodations for 800 veterans. A stationary steam boiler for local heating has been maintained, according to the manufacturer's recommendations over the life of the installation (~30 years). On January 30, 2020, an inspection found irreparable internal damage. Applicant planned to permanently replace the boiler. This project required the installation of a portable, temporary boiler to operate during the interim of the construction phase. The temporary boiler needed to be online before the old boilers were decommissioned. To go without heat would have caused a detriment to the facility's mission to care for the veterans' health. As a result of installing and operating the temporary boiler, the facility could not maintain building heat and complete the existing boiler replacement project without operating in violation of Air District Regulation 2-1.

Status: Application filed on February 5, 2020; Air District Compliance & Enforcement Division's and Hearing Board's responses, both recommending the emergency variance be granted, filed on February 11 and 13, 2020, respectively; Order Granting Emergency Variance filed on February 13, 2020; on April 3, 2020, Air District Engineering Division produced excess emissions fee invoice, which Clerk sent to applicant; on June 3, 2020, applicant sent payment for excess emissions fee.

Requested Period of Variance: February 6, 2020 to March 6, 2020.

Estimated Excess Emissions: Applicant did not anticipate any excess emissions, but the Air District calculated a total of 674.40 lbs of Criteria Air Pollutants (NO_x, CO, POC, PM, SO₂) and 1.51 lbs of Toxic Air Contaminants (benzene and formaldehyde).

Variance-related fees collected this quarter: \$3,976.00 (excess emissions fee).

Location: Santa Clara County; Cupertino

Docket: 3722 – Lehigh Southwest Cement Company – Request for Emergency Variance

Regulation(s): Regulation 2, Rule 1, Section 302.3 (Permits, General Requirements, Permit to Operate, Temporary Operation).

Synopsis: Applicant operates a Portland Cement manufacturing facility. On January 30, 2020, a belt conveyor at the facility was taken out of service, due to unexpected structural damage, which halted the facility's cement production capability. Per phone conversations between Lehigh and the Air District, Lehigh submitted an emergency variance application for relief from Rule 2-1-302.3 while a compliance agreement was drafted to cover operations for three months *and* a Permit to Operate application was processed for temporary conveyor system (Permit to Operate application submitted February 6, 2020).

Status: Application filed on February 7, 2020; Air District Compliance & Enforcement Division's and Hearing Board's responses, both recommending the emergency variance be granted, filed on February 19 and 24 respectively; Order Granting Emergency Variance filed on February 25, 2020; Temporary Permit to Operate for the temporary conveyor system issued on April 13, 2020.

Requested Period of Variance: February 12, 2020 to March 13, 2020.

Estimated Excess Emissions: None; emissions occurring from the variance were estimated and accounted for as part of Application 30343.

Variance-related fees collected this quarter: None; fees for emissions occurring from the variance were collected as part of Application 30343 as well as part of a penalty collected for a Notice of Violation.

Location: Alameda County; Dublin

Docket: 3723 – Carl Zeiss Meditec, Inc. – Request for Emergency Variance

Regulation(s): Regulation 2, Rule 1, Section 307 (Permits, General Requirements, Failure to Meet Permit Conditions); Permit Condition #22820 (limits non-emergency use of an emergency backup generator to 20 hours per year)

Synopsis: Applicant develops, designs, manufactures, distributes, and services ophthalmic medical devices. Applicant facility lost power on June 20, 2019, when an electrical busway failed. At that time, a temporary repair was made to restore power to the facility with the intention to make a permanent replacement at a later date. The installation of the new busway was scheduled to take place on February 29, 2020, and was expected to take approximately 30 hours to complete. The project required severing the electrical connection to the facility from PG&E for installation of the new busway. The facility houses computer servers that operate their worldwide network, and to go without power would have caused a detriment to the ongoing operations of the corporation. As a result of installing the new busway, the facility could not operate their computer

servers without operating their emergency backup generator in violation of Air District Regulation 2, Rule 1, Section 307 (Failure to Meet Permit Condition) as permit condition #22820 limits non-emergency use of the generator to 20 hours per year.

Status: Application filed on March 2, 2020; Air District Compliance & Enforcement Division's and Hearing Board's responses, both recommending the emergency variance be granted, filed on March 9 and 10, 2020, respectively; Order Granting Emergency Variance filed on March 11, 2020; on April 9, 2020, Air District Engineering Division produced excess emissions fee invoice, which Clerk sent to applicant; on April 13, 2020, applicant sent payment for excess emissions fee.

Requested Period of Variance: February 29, 2020 to March 1, 2020.

Estimated Excess Emissions: (see below)

SUMMARY OF TOTAL EXCESS EMISSIONS:

Pollutant	Estimated Emission Variance (total lbs)
Arsenic (all)	3.28767E-06
Benzene	0.003846575
Beryllium (all) Pollutant	2.19178E-06
Cadmium	8.21918E-06
Chromium (hexavalent)	0
Diesel Engine Exhaust articulate	0.036962192
Formaldehyde	0.000318356
Lead All) pollutant	7.12329E-06
Manganese	1.09589E-05
Mercury (all) pollutant	2.19178E-06
Nickel pollutant	0.001353425
Particulate	0.04
Organics	0.18
NOx	2.7
CO	0.58
CO2	116.8789041
CH4	0.004383562
N2O	0.00109589
Total	120.4268981

Variance-related fees collected this quarter: \$1,244.24 (excess emissions fee).

Respectfully submitted,

Valerie J. Armento, Esq.
Chair, Hearing Board

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 23, 2020

Re: Bay Area Regional Collaborative (BARC) Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Bay Area Regional Collaborative (BARC) consists of Board/Commission representatives of the four regional agencies and provides a forum for discussing issues of regional importance.

DISCUSSION

At the upcoming Executive Committee meeting, the BARC Program Coordinator, Lucian Go, will provide an update on the activities of the BARC.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Justine Buenaflo
Reviewed by: Vanessa Johnson

Attachment 5A: BARC Climate Resilience Legislative Recommendations



To: BARC Governing Board
From: Allison Brooks, BARC Executive Director
Date: July 17, 2020
Re: *BARC Recommendations for Legislative Approach for Climate Adaptation and Resiliency*

BARC, through its member agencies the Metropolitan Transportation Commission, the Association of Bay Area Governments (MTC/ABAG), the San Francisco Bay Conservation and Development Commission (BCDC) and the Bay Area Air Quality Management District (BAAQMD), has worked collaboratively to establish the Bay Area as a leader in preparing for the impacts of climate change, including hazards such as increased flooding, sea level rise, wildfires and extreme heat.¹ This year, California state legislators have put forward an array of bills focused on building capacity to manage climate adaptation and resiliency across California. In this document, we highlight these efforts and make recommendations, based on extensive experience in the Bay Area², for how we can build a cohesive statewide approach to climate adaptation and resiliency.

The Need for Climate Adaptation Planning and Investment Remains

While California focuses on responding to and recovering from the immediate and unprecedented public health crisis of COVID-19, it remains important that policy makers at all levels of government continue to focus on the planning and investments necessary to make our communities more resilient to the impacts of climate change. The next two years present a critical opportunity to establish a coherent statewide approach to climate adaptation for multiple hazards, with clear roles and responsibilities outlined for stakeholders at the local, regional and state levels. Recognizing that new funding to implement the programs, activities and investments will likely be deferred to future years, there is still value in the Legislature acting **this year** to put in place a statewide strategy and framework for effective local and regional climate adaptation planning and prioritization.

Background: Current Legislative Efforts on Climate Resiliency and Adaptation

BARC and its member agencies applaud the attention that the state has given to climate adaptation and resiliency in this legislative session, including large-scale resilience bonds that would address multiple climate hazards that were proposed in both the California State Senate and the State

¹ The Bay Area Regional Collaborative (BARC) – also known as the Joint Policy Committee (JPC) - was created through state statute to help in the coordination of the San Francisco Bay Area’s regional agencies on issues of regional significance. The BARC Governing Board is comprised of representatives from the Boards/Commissions of the Association of Bay Area Governments, the Bay Area Air Quality Management District, the Bay Conservation and Development Commission and the Metropolitan Transportation Commission. BARC also includes the Executive Leadership three non-voting member organizations including Caltrans District 4, the California State Coastal Conservancy and the San Francisco Bay Water Quality Control Board.

² See Appendix B for a summary of current and past climate adaptation and resiliency initiatives undertaken by BARC and its member agencies.

Assembly as well as in the Governor's FY 2021-21 State Budget.³ Additionally, a number of bills were proposed to enhance climate adaptation capacity across the state through a variety of mechanisms. Many were focused on outlining the role of state, regional and local governments in managing this issue. Below is a list of key bills introduced this year, most of which are no longer active:

- AB 2148 (Quirk) required the Strategic Growth Council to establish guidelines for the formation of regional climate adaptation planning groups and criteria for the development of regional climate adaptation plans; *inactive*
- SB 1100 (Atkins) - would require state and regional agencies to identify and assess opportunities to minimize the impacts of sea level rise, and form a statewide collaborative to support local and regional land use planning and implementation related to sea level rise; *inactive*
- AB 1992 (Friedman) - would establish a new program to fund climate adaptation planning for transportation impacts, and require the asset management plan and regional transportation plans to take into account the impacts of climate change on transportation infrastructure; *inactive*
- AB 2619 (Stone) – would establish the Program for Coastal Resilience, Adaptation, and Access to help the state address sea level rise and coastal climate change, and create a related fund that specified state agencies could use to support these actions; *inactive*
- AB 2371 (Friedman) – would require the Office of Planning and Research to convene a climate scientific advisory team to advise on climate planning and adaptation efforts in the state to provide input on climate adaptation and hazard mitigation planning across state agencies; *active*
- AB 2621 (Mullin) – sets forth the membership of regional climate adaptation networks and requires the Office of Planning and Research to establish guidelines for the development of regional climate adaptation action plans by such regional networks; *active*.

While most of these proposals have been deferred, the Legislature can still make progress this year by helping to put in place a framework for regional climate adaptation planning, as proposed by AB 2621 (Mullin), recognizing that funding to support planning and implementation efforts at the regional and local levels will likely await action in subsequent years.

Creating a Framework: Establishing Roles and Responsibilities for State, Regional and Local Government

As mentioned above, critical to establishing a successful framework for managing multi-hazard adaptation and resilience is understanding the specific roles and responsibilities of different stakeholders at the state, regional and local levels. Each level of government operates from a particular vantage point where a specific set of engagement strategies, expertise and decision-making can best be deployed to achieve shared outcomes. In a world of constrained resources, we must optimize the

³ As of June 23, Senate Bill 45 (Allen) proposed over \$5.51 billion to fund a wide range of wildfire prevention and other climate resilience and natural resource protection-related activities. Another resilience bond bill, AB 3256 (Garcia), proposes a \$6.98 billion package including a \$1.6 billion program aimed at regional adaptation efforts to be administered by the Strategic Growth Council with at least 60 percent distributed to regional climate networks on the basis of population. Both bills are technically still alive but not expected to move this year. . While the Governor initially proposed a nearly \$5 billion climate resilience bond in the FY 2020-21 State Budget, he rescinded this proposal as part of the May Revise.

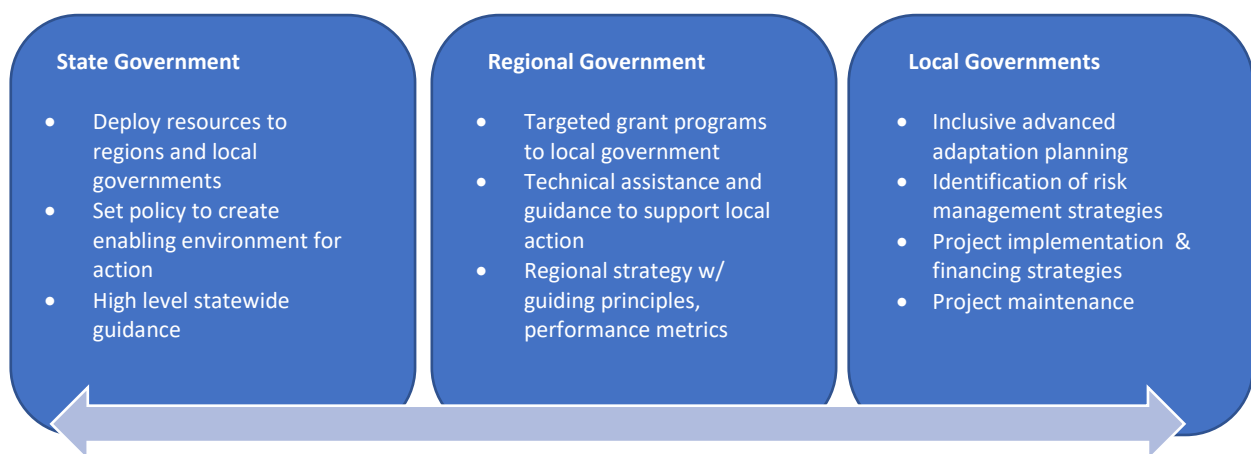
needed expertise at each level of government as best we can, finding ways meet objectives as efficiently as possible. For example:

- State agencies and stakeholders can institutionalize legislative directives, provide high-level guidance and appropriately-scaled resources to help the diverse regions across the state help operate from a reliable set of shared data and latest science, while planning and implementing effective adaptation strategies.
- Regional agencies and stakeholders are best positioned to work in partnership with local governments and stakeholders to develop measurable goals and performance measures. They are also best positioned to provide targeted grants and resources to meet local needs while ensuring individual investments and activities add up to regional resilience.
- Cities and counties are best positioned to engage in inclusive, community-based planning and problem solving that leads to decisions about which adaptation projects will work best to address local hazards, vulnerabilities, needs and priorities.

A statewide climate adaptation and resiliency approach is challenging in a state as large and diverse as California, in which regions face different types of climate hazards, such as wildfires, sea level rise, drought and extreme heat. Regions across California are comprised of small towns, cities and counties with varying levels of capacity to plan for and implement climate adaptation measures. The state’s role needs to be flexible enough to recognize where and how limited resources can be optimally deployed to achieve the best results.

The state can create greater efficiencies by granting resources directly to the large, urbanized regions where regional planning agencies, such as councils of governments and metropolitan planning organizations, already have high capacity to conduct regional planning, work closely with local governments and deploy grants strategically to meet shared goals. Hands-on state-level guidance and technical support would be best utilized in more rural and dispersed areas where staffing capacity is limited, and climate adaptation efforts are nascent or just getting started.

Figure 1: Examples of Government Roles in Climate Resilience at Different Scales



Regional Recommendations for Successful Climate Adaptation and Resilience Legislation

Over the next year, resiliency-related legislation at the state level should be oriented towards creating a coherent approach that reinforces these roles. The following are recommendations for how climate adaptation legislation, including a potential resilience bond, should be structured to best support successful climate adaptation in the Bay Area while deploying scarce resources most efficiently to build upon progress that has already been made:

Recommendation 1: Ensure that the Bay Area's Nine-County Geography is the Basis for the Region's Climate Adaptation Planning Work

In order to support coherent, equitable and effective climate adaptation efforts across the San Francisco Bay Area, BARC and its partners recommend that the Legislature designate the region's nine-county geography as the basis for regional climate adaptation planning. The nine-county geography has been the basis of climate adaptation planning in the Bay Area for years, including work facilitated by BARC and its member agency, the Bay Conservation and Development Commission (BCDC) most recently in the Adapting to Rising Tides Bay Area project (ART Bay Area). Furthermore, the nine-county geography mirrors the development of the sustainable communities strategy (SCS), the state-mandated plan to reduce greenhouse gas emissions from transportation and land use decisions. It stands to reason that our regional climate mitigation and climate adaptation strategies should be based on a shared geography. Additionally, given the strong relationships and communication channels developed over decades between BARC's member agencies and the region's 101 cities and 9 counties, regional adaptation planning at the nine-county level could be developed efficiently and seamlessly.

Recent bills under consideration by the Legislature focused on climate adaptation planning call out "regional climate networks", consisting of one or more counties, as leads for climate adaptation. This approach could produce an insufficient patchwork approach to climate adaptation planning that would undermine nine-county coordination and further disadvantage communities with the least capacity to form a network. Where the state can be most helpful is in setting statewide guidance on climate adaptation, defining the roles and responsibilities of local and regional agencies, and eventually providing resources to help *implement* adaptation strategies at the local and regional levels.

As the state works to further refine the regional role in climate adaptation, BARC is well-positioned as the most comprehensive single forum for coordination and oversight of climate adaptation issues in the Bay Area. BARC is a consortium of regional and regionally-oriented state agencies with planning and regulatory oversight over transportation, housing, air quality, bayfront development, water management, and coastal management. As such, BARC can serve as a central coordinating body that helps identify the lead agencies to tackle key aspects of climate adaptation work, working in partnership with cities, counties, special districts and community-based partners to advance a coordinated regional strategy. The Metropolitan Transportation Commission, a BARC member agency, has the expertise and capacity to serve as the fiscal agent for any state funds flowing to local governments for climate adaptation.

Recommendation 2: Establish a Regional Grant Program to Fund Regional Planning Guidance, Local Advanced Adaptation Planning and Prioritization of a Pipeline of Resilience Projects

*To ensure the state’s major metropolitan areas are prepared to deliver critically needed climate adaptation projects once significant funding for capital improvements becomes available, we recommend the Legislature first appropriate funds to support regional and local agency advanced adaptation planning, with the **majority of funds being distributed to local stakeholders**. A conceptual framework for potential amounts and uses of these funds in the Bay Area is attached as Appendix A. Successful deployment of any future resilience bond funding requires that local governments conduct advanced adaptation planning to establish a pipeline of resilience projects.*

How Would Funds Be Used?

Funds would be used to support local governments evaluate land use decisions through the lens of near and longer-term vulnerability to climate hazards and arrive at a clear set of **actionable strategies** to adapt and become more resilient. These are the type of expenditures not necessarily eligible for bond proceeds but essential to ensuring the best and most effective strategies are deployed through resilience bond resources. MPOs would administer the funds, working closely with local government partners and other stakeholders, including regional climate collaboratives, to develop a grant program that supports consistent approaches across jurisdictions and focuses resources where local capacity is most limited.

MTC/ABAG and other BARC member agencies can facilitate the essential action-oriented planning by working with every city and county in the Bay Area facing climate change impacts and teeing up a pipeline of adaptation projects that are eligible for resilience bond resources. Local adaptation plans can be integrated into the region’s sustainable communities strategy (SCS)—Plan Bay Area—which includes climate adaptation and resilience as a key component. MTC/ABAG and other BARC member agencies can work closely with the appropriate state agency to ensure that adequate resources are supporting the investments identified as critical to strengthening the Bay Area’s adaptive capacity to manage climate change hazards.

Recommendation 3: Leverage any forthcoming funds whether in the form of a state resilience bond, state/federal infrastructure stimulus or some other mechanism to respond to both the impacts of COVID-19 while also advancing climate adaptation and resilience objectives

BARC and its partners recommend that we enlist any future bond or stimulus funds to support the development of infrastructure projects that help rebuild our economy and create jobs, while also meeting climate adaptation objectives. The Bay Area has a diverse range of already-identified projects that - if funded - could greatly accelerate our efforts to adapt to climate change, making our communities healthier and more resilient in the process. These include vulnerable bridge approaches, stretches of highways and aging wastewater treatment and flood protection infrastructure built along the shoreline, and socio-economically vulnerable communities that have developed community-based strategies to manage flooding and sea level rise and other hazards. Of note is that fact that the San Francisco Bay Restoration Authority (SFBRA) has distributed more than \$46 million across the region through Measure AA, a parcel tax approved by over 70 percent of Bay Area voters in 2016 that will raise an estimated \$500 million over 20 years for wetland restoration and multi-benefit flood

protection projects⁴. *State matching funds could accelerate the rate and scale of marsh restoration by three times or more over the next few years.*

These are the types of projects that can help stabilize the construction workforce, which was the hardest-hit sector in the 2009 recession, and only recently reached its pre-recession workforce level in the Bay Area in 2017⁵.

Recommendation 4: Strengthen the Bond’s Support of the Bay Area’s Most Socio-Economically Vulnerable

We recommend that state-designated low-income communities be designated as eligible recipients of funds targeted to both disadvantaged communities and vulnerable populations. ⁶ SB 45 (Allen), as currently written, focuses many of the bond-funded resources toward disadvantaged communities and, in many cases, both disadvantaged communities and vulnerable populations. While we support this approach, we are concerned that the bill does not explicitly define either “disadvantaged communities” or “vulnerable populations.” The narrow definition of disadvantaged communities used for Cap-and-Trade funds has historically underrepresented the Bay Area’s low-income communities.

Conclusion

One reality that the global COVID-19 pandemic makes abundantly clear is that advanced planning and coordination at a regional level can save lives. This was demonstrated admirably by the coordinated action of the Bay Area’s county health departments in response to the immediate threat posed by the novel coronavirus. Similarly, we need to prepare at all levels of government for the serious risks posed by climate change. BARC, and its member agencies, recognize the need for multi-hazard climate planning at the regional and local levels to determine the most impactful and appropriate actions and investments to adapt to climate change impacts, leveraging resources provided by the State.

In the San Francisco Bay Area, unique regional circumstances—including our vulnerable geography, extensive regional-level planning efforts, and a robust ecosystem of agencies, organizations and stakeholders—create a thriving environment through which state-led adaptation planning and funding processes can be successfully deployed by local and regional governments. The recommendations in this document lay out a Bay Area-specific framework for regional climate adaptation that builds on the strong foundation we have built and are ready to expand upon. We believe this approach can serve as a model that could be replicated across the state with our partner MPOs in California’s major metropolitan areas.

⁴ Link to FY2018-2019 Annual Report for San Francisco Bay Restoration Authority:
http://sfbayrestore.org/sites/default/files/2020-02/sfbra_annual_report_draft_fy_18_19.pdf

⁵ <http://www.vitalsigns.mtc.ca.gov/jobs-industry>

⁶ “Low-income communities” are defined as census tracts with median household incomes at or below 80 percent of the statewide median income, or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development’s list of state income limits adopted pursuant to Section 50093 of the Health and Safety Code.

BARC staff recommends that the BARC Governing Board support a coordinated effort to advance the recommendations outlined above working with local, regional and state partners over the next two years.

Appendix A: Breakdown of Estimated Resource Needs for Regional Approach to Advanced Adaptation Action Planning (from Recommendation #2)

This \$40 million investment outlined in Recommendation #2 would be applied to the following set of activities:

a. Local Advanced Adaptation Action Planning (one-time): \$25 million

MTC/ABAG would use these funds to administer a grant program to support local adaptation planning, concurrent with the work of Bay Adapt and with assistance from the new Local Government Services Program. This would build upon a similar effort that MTC/ABAG has already undertaken successfully on a smaller scale, deploying SB1 advanced adaptation planning resources from the California State Transportation Agency (CalSTA) to MPOs.

These funds would be used by cities and counties, special districts, asset managers, and community-based organizations to complete comprehensive climate adaptation action planning at the appropriate geographic scale. The process would support informed decision-making to determine a range of local and regional-scale strategies needed to reach an acceptable level of risk to climate hazards.

a. Regional Adaptation Guidance & Technical Assistance (one-time): \$15 million

These funds would support limited-term regional planning staff to integrate climate adaptation into the Sustainable Communities Strategy and administer a new grant program for local jurisdictions. These funds would also provide pass-through grants to partner agencies and organizations for specific roles in supporting local jurisdictions, with a four-year goal to complete local advanced adaptation planning in all critical geographic locations, with frontline disadvantaged communities prioritized.

The new Local Government Services program at MTC would coordinate efforts of staff across multiple agencies, including MTC, BCDC, and the California State Coastal Conservancy's Bay Area Program, to provide data, mapping, best practices and the latest science and research to cities and counties. This would also align with the priorities currently set out in Assembly Bill 2148 (Quirk), calling for a designated regional entity to support adaptation planning at the regional scale.

Related specifically to managing sea level rise and increased flooding, the new Bay Adapt initiative will develop a planning framework and methodology for use across local jurisdictions for the purposes of consistency and continuity, establish performance metrics to be incorporated into the SCS, and develop a collaborative Local Government Services program to support local jurisdictions in completing advanced adaptation plans for sea level rise and flooding. We are confident this approach is transferrable to other climate hazards.

Table 2: Budget for Regional Approach Climate Adaptation and Resiliency

Activity	Budget
Local Advanced Adaptation Planning	
Grants to Cities and Counties ⁷	\$22,000,000
Grants to community-based organizations	\$3,000,000
Sub-total	\$25,000,000
Regional Adaptation Plan, Guidance & Technical Assistance	
MTC/ABAG Limited-Term Staffing (multiple years) ⁸	\$8,000,000
Partner Agency Sub-Contracts ⁹	\$6,000,000
Research Partners ¹⁰	\$1,000,000
Sub-total	\$15,000,000
TOTAL	\$40,000,000

⁷ MTC/ABAG would provide grants to all eligible cities and counties for climate adaptation planning, providing clear criteria and guidance on the planning and risk management approach.

⁸ MTC/ABAG will hire some limited-term staff over the 4-year period outlined in this proposal to develop the grant program for local jurisdictions, administer grants, complete the resilience component of the region’s Sustainable Communities Strategy (SCS), integrate local advanced adaptation plans into the SCS.

⁹ MTC/ABAG would sub-contract with partner agencies that have clear roles and responsibilities in the Bay Adapt Network and in the Local Government Services program, supporting local jurisdictions in completing advanced local adaptation plans, and integrating work into other relevant regional and local plans.

¹⁰ This work would build upon climate research work done by SGC and OPR: <http://www.sgc.ca.gov/programs/climate-research/resources>.

APPENDIX B: List of Bay Area Regional Climate Adaptation and Resiliency Initiatives by BARC and Member Agencies

The Bay Area Regional Collaborative (BARC)¹¹ and its member agencies, which include MTC/ABAG, have laid much of groundwork necessary to develop a coordinated regional adaptation implementation plan within the next four years, in time to be integrated into the next Sustainable Communities Strategy and other regional planning efforts. Our region has undertaken a number of adaptation planning activities, largely related to sea level rise and increased flooding, that have helped create a more enabling environment for the implementation of climate adaptation and resiliency projects around the Bay Area. While the focus thus far has been on managing sea level rise and increased flooding, the approaches and best practices learned are transferable to other hazards. These projects include:

- **Adapting to Rising Tides** - Since 2011, the [Adapting to Rising Tides \(ART\) Program](#), led by BCDC, has worked with cities, counties, and other stakeholders around the Bay Area to understand their vulnerability to sea level rise, how future flooding will affect communities, businesses, infrastructure, and natural systems, and potential strategies for resilience. This includes the ART Portfolio – a collection of guidance, tools and information, including the [Bay Shoreline Flood Explorer](#) –as well as a “Help Desk” function. Most recently, through a Sustainable Communities grant from Caltrans, with matching funds from MTC, BARC and BCDC completed the first regional-scale flooding and sea level rise vulnerability assessment called Adapting to Rising Tides Bay Area (ART Bay Area). This information allows us to understand the interrelated risks across Bay Area systems and prioritize the necessary interventions at different water levels to protect specific assets.
- **Community Engagement** - BARC and its member agencies are working in partnership with the Bay Area Regional Health Inequities Initiative (BARHII) and community-based organizations in the most socio-economically disadvantaged locations in the Bay Area with the goal of engaging directly with the residents to understand local concerns and priorities as they relate directly or indirectly to climate change. This work aligns closely with the State’s focus on starting with the needs and priorities of disadvantaged communities, working alongside community leaders to build shared capacity to manage multiple climate hazards over time.
- **Integrating Sea-Level Rise into the Sustainable Communities Strategy** - For the first time, MTC/ABAG staff are integrating sea-level rise into Plan Bay Area 2050 (e.g. the Bay Area’s Sustainable Communities Strategy) so that the region and localities can make informed decisions about future growth areas, transportation investments and other land use and community development issues in light of the projected risks that could emerge from flooding and sea-level rise if we keep to business-as-usual. This guidance will align with the Ocean Protection Council’s (OPCs) latest projections for sea level rise.¹²

¹² The Ocean Protection Council updated its sea-level rise guidance in 2018, synthesizing the best available science on sea-level rise projections and rates. The report is available here:

http://www.opc.ca.gov/webmaster/ftp/pdf/agenda_items/20180314/Item3_Exhibit-A OPC_SLR_Guidance-rd3.pdf.

- **Resilient by Design Bay Area Challenge** - BARC led the Resilient by Design Bay Area Challenge, which brought together interdisciplinary design teams of architects, landscape architects, ecologists with community-based organizations and local leaders in nine socio-economically vulnerable frontline communities to identify multi-benefit solutions to address vulnerabilities to climate hazards.
 - Through SB1 advanced adaptation planning resources from Caltrans, with matching funds from MTC, BARC and the San Francisco Estuary Partnership (SFEP) are conducting a deeper analysis in four Resilient by Design locations to develop specific strategies that will address flooding and sea level rise vulnerabilities. The project areas are: South San Francisco, the Dumbarton Bridge West Approach + Adjacent Communities, North Richmond and the communities adjacent to State Route 37 in the North Bay (including areas located in Marin, Napa, Solano and Sonoma counties).
- **Bay Restoration Regulatory Integration Team** - To support integrated permitting of adaptation projects in the Bay Area, the region’s primary permitting agencies created the Bay Restoration Regulatory Integration Team (BRRIT) in 2019, a partnership with the California State Coastal Conservancy, to improve the permitting process for multi-benefit habitat restoration projects and associated flood management and public access infrastructure in the San Francisco Bay and along the shoreline of the nine Bay Area counties, excluding the Delta Primary Zone. MTC is a key supporter of this effort and BCDC is a member of the BRRIT.
- **Measure AA** –Over the past two years, the San Francisco Bay Restoration Authority (SFBRA) has successfully distributed over \$46 million to innovative projects across the region through Measure AA, a parcel tax approved by over 70 percent of Bay Area voters in 2016 that will raise an estimated \$500 million over 20 years for wetland restoration and multi-benefit flood protection projects. The region is primed and ready to scale up the delivery of resources to complete more projects. MTC is a contributor to the operating budget of the SFBRA.
- **Bay Adapt: Regional Strategy for a Rising Bay** – Building on the strong foundation of science, research and planning that exists in the Bay Area, Bay Adapt is a new strategic initiative that aims to establish partnership agreements between regional agencies, local governments, and other stakeholders to address sea level rise. As the first step toward a more comprehensive regional adaptation plan, Bay Adapt strives to build a coalition of Bay Area leaders around a shared set of guiding principles and coordinated regional priorities.

Given the central role in supporting the foundational work completed above and the ongoing work guiding planning and distributing critical resources for housing, land use and transportation, BARC and its partner agencies are extremely well-positioned to coordinate planning at the regional scale and provide guidance and best practices to local leaders to address the complexity of impacts for which the Bay Area region must prepare. With its funding, financing and planning authorities, MTC/ABAG is also well-suited to receive and transmit resources and advance adaptation through the Sustainable Communities Strategy and the Regional Transportation Plan.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 23, 2020

Re: Air District Efforts to Encourage Remote Work Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Local and state officials issued shelter-in-place orders in March 2020, to protect the public from the spread of COVID-19. The orders necessitated a major shift in how Bay Area employers do business and many employees quickly made the adjustment to implement remote work. The Air District is taking this opportunity to continue air quality gains by encouraging employers to incorporate remote work for their organizations moving forward. Remote work will not only help improve air quality and reduce climate impacts, it will enable employers to continue social distancing, save money, and ease the commute burdens and costs for employees moving forward.

On July 13, 2020, the Air District launched the Cut the Commute Pledge, asking Bay Area employers to commit to extend remote work options for their employees and maintain our air quality progress even after shelter-in-place orders are eased. By signing the pledge, employers vow to extend remote work options by at least 25 percent, for employees whose work requirements allow for that flexibility, and to promote alternative commutes for those who can't work remotely. Employers subject to the Commuter Benefits Program may also be able to comply with the rule by offering remote work to their employees.

DISCUSSION

As part of the Air District's efforts to encourage remote work around the Bay Area, staff will provide an update on the Spare the Air advertising and outreach campaign, Employer Program developments, online remote work clearinghouse, and proposed updates to the Commuter Benefits Program.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding is included in the Fiscal Year Ending 2021 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristina Chu
Reviewed by: Kristine Roselius

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Rod Sinks and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 23, 2020

Re: Wildfire Program Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Wildfires continue to threaten air quality across the Bay Area region, the state and globally. Over the last few years, the Air District has taken extensive steps to prepare for, prevent and respond to future wildfires and smoke impacts in the Bay Area through the Wildfire Air Quality Response Program (WAQRP). The program continues to strengthen and evolve as Air District staff work together with local and state partners to create clean air centers to provide improved air filtration systems to those most vulnerable, explore and develop strategies for new regulatory actions, direct funding to implement a new Wildfire Prevention Chipping Pilot Program and continue to advance a robust public messaging plan to raise awareness on the health impacts of wildfire smoke and how to prepare for wildfire smoke impacts during a pandemic.

DISCUSSION

As part of this presentation, staff will provide an update to the ongoing wildfire program efforts and strategies this year.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Tracy Lee
Reviewed by: Wayne Kino

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Rod Sinks and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 23, 2020

Re: Climate Tech Finance Program Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Climate Tech Finance program is the Air District's first incentive program to reduce greenhouse gas emissions at industrial facilities. The program offers two financing vehicles: loan guarantees to improve access to credit for climate technology developers, and direct loans to improve local government access to capital when buying greenhouse gas-lowering technologies. These financial products are offered through a partnership with the California Infrastructure and Economic Development Bank (IBank). The Air District has committed an initial amount of \$4 million for this revolving loan program.

Prior to program launch, the Air District published the Climate Technology Review, an assessment of nearly 200 climate technologies. The evaluation focused on technologies in the early commercialization stage that have demonstrated technical merit, high potential to reduce greenhouse gases, and strong cost effectiveness and return on investment. The report identified specific technologies and sectors that would benefit from accelerated project development if offered appropriate financial incentives.

Based on this assessment, staff conducted targeted outreach to technology developers and potential technology adopters to identify prospective borrowers and climate projects for Climate Tech Finance. For promising climate projects, the Air District provides an engineering evaluation to certify the technical merit of projects and characterize their greenhouse gas impacts. The program also provides technical assistance to borrowers to guide them through the lending process and facilitate discussions with banking partners and potential customers.

DISCUSSION

Through targeted outreach for Climate Tech Finance, staff developed a loan customer database of over 450 Bay Area organizations with potential climate projects. In June 2020, the program executed its first loan guarantee for SW/TCH Maritime, a San Francisco-based company developing a first-of-its-kind, zero-emission fuel cell ferry that will service passengers between San Francisco and Oakland later this year. The Air District has allocated \$250,000 to fund this guarantee, which is supporting a 5-year loan of \$5 million—leveraging the Air District contribution 20 times. The project is estimated to create 63 jobs and reduce 1,190 metric tons of CO₂ equivalent per year once the ferry is fully operational.

In addition, the Climate Tech Finance program has completed engineering evaluations for six more projects and approved them for loan guarantees:

- A company scaling up production of integrated residential battery systems
- An in-road energy recovery system at toll gates
- A company scaling up deployment of battery-boosted electric vehicle chargers
- A project to produce concrete from low-carbon aggregate
- A company scaling up deployment of solar microgrids
- An energy-efficient cooling technology for data centers

These projects are pending final approval from the respective banks originating the loans. If the banks approve the above projects, the total Air District commitment to guarantee the six loans would be approximately \$1 million. By leveraging additional assets through its partnership with IBank, the Air District's \$1 million commitment would be supporting an additional \$17 million in total loan value.

Staff have also had discussions on 35 more specific climate projects in the Bay Area actively seeking financing. In total, the program has identified over \$400 million in demand for climate loans in the Bay Area.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Derrick Tang
Reviewed by: Anthony Fournier