



SFMTA
Municipal
Transportation
Agency

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October 21, 2016

The Honorable Matthew Rodriguez
Secretary, California Environmental Protection Agency
1001 I Street
P.O. Box 2815
Sacramento, CA 95812-2815

Dr. Lauren Zeise, Acting Director
Office of Environmental Health Hazard Assessment (OEHHA)
P.O. Box 4010
Sacramento, CA 95812-2815

Dear Secretary Rodriguez and Director Zeise,

On behalf of the San Francisco Municipal Transportation Agency, I am writing with regard to the Office of Environmental Health Hazard Assessment's proposed update to CalEnviroScreen (CES), known as CES3.0. While we appreciate the improvements that have gone into CES3.0, including the inclusion of rent burden into the calculation of socio-economic disadvantage, we have concerns with how CES3.0 may affect the eligibility of transportation projects that directly address the needs of low-income residents.

The proposed update will overlook many communities known to face particular challenges. Based on the final CES3.0 scores, only seven census tracts in San Francisco would be considered as Disadvantaged Communities (DACs) even though 19 score in the top 75th percentile in the combined "population-characteristics" variable used by the tool to assess socio-economic disadvantage. It is understandable that a tool that assesses the exposure to environmental hazards would emphasize certain pollutants over socio-economic disadvantage. However, the dedication of California's Cap and Trade funds to affordable housing and clean transportation suggests that CES3.0 may not be the right tool for directing affordable housing and transit improvement funds towards communities that need them the most.

Public health officials and Bay Area legislators have expressed concern that CES3.0 will overlook areas that score "high" on some factors, but not high enough on others. In particular, 70 percent of San Francisco's census tracts score within the top 5 percent for exposure to diesel particulate matter, and many of these face the highest rent burden. But only seven census tracts are designated as DACs because many other environmental variables are not relevant within San Francisco. Diesel particulate emissions are a particularly important environmental variable for Cap and Trade funding, especially in low-income communities, as 60 percent of Cap and Trade funds are dedicated to affordable housing and clean transportation.

The recent passage of AB 1550 (Gomez) makes this CES update especially important. Under AB 1550, the DAC requirement was tightened so that 25 percent of Cap and Trade funds must be invested *within* DACs, instead of requiring that 25 percent of funds *benefit* DACs. This change limits the affordable housing and transit improvement projects that can compete for funding under the Affordable Housing

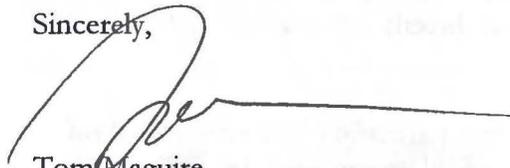
and Sustainable Communities Program (AHSC) and the Transit and Intercity Rail Capital Program (TIRCP). This poses special challenges for SFMTA because the most congested points on our bus and rail routes that serve DACs are typically located elsewhere on the transit line. Thus the most significant benefits for residents in DACs can often be attained by investing in other areas within SFMTA's service area.

CES3.0 would also constrain how our agency can spend Low Carbon Transit Operations Program (LCTOP) funds. These funds are distributed to transit operators by formula, but for every operator that has a DAC in its service area, 50 percent of its LCTOP funds must be spent to benefit a DAC, steering investments to projects and services in areas that might not necessarily benefit low-income residents with the greatest need.

While your agencies don't administrate Cap and Trade funds, the state's reliance on CES3.0 will have important implications on directing these funds where they are most needed. We recommend a broader definition of DACs that includes all socioeconomically disadvantaged areas. To further target funds to maximize environmental benefits, applications for specific programs could be weighted according to particular pollutants relevant to the funding program. We appreciate the significant work that has been dedicated towards the proposed update of CalEnviroScreen and we look forward to working with you and your staff on this effort in the future.

Thank you for consideration of these comments.

Sincerely,



Tom Maguire
Director of Sustainable Streets

CC: Mary Nichols
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

CC: Brian Kelly, Secretary
California State Transportation Agency
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