Cleanup in Vulnerable Communities Initiative (CVCI) Analysis 2024
Annual Report to the Legislature

BOARD OF
Environmental
Safety

Prepared by the
Board of Environmental
Safety

August 2024

Table of Contents

1. **Executive Summary**

The Board of Environmental Safety (BES) is required to conduct an analysis of the expenditure of funds authorized by Section 106 of Senate Bill 158 (2021), known as the Cleanup in Vulnerable Communities Initiative (CVCI or the "Initiative"); identify the subsequent uses of sites that have undergone investigation or cleanup; and evaluate the public health benefits that those investigations or cleanups have created for the communities in which the sites are located in order to make recommendations to the Legislature on future expenditures of state funds for cleanup. This report includes that analysis, which describes the Legislative history of the Initiative through the passage of SB 158 and the first three years of its implementation through June 30, 2024.

CVCI represents a historic investment in disadvantaged communities in California, entrusting the Department of Toxic Substances Control ("DTSC" or the "Department") with $500 million dollars of General Fund dollars. The largest amount of funding, $270 million, was allocated to DTSC's Office of Brownfields to administer a grant program known as Equitable Community Revitalization Grant (ECRG). During the first three years of the Initiative, DTSC awarded a total of approximately $126,000,000 to 89 grantees in two rounds of funding. Grant funds have been used by cities, counties, nonprofits and tribal entities for 32 site specific cleanup activities, 37 site specific investigations, and 14 community-wide assessments.

The second largest component of CVCI is the Discovery and Enforcement (D&E) Program, which DTSC has used to focus on the investigation and cleanup of former and current dry-cleaning sites that may be contaminated with chemicals such as perchloroethylene (PCE). DTSC identified over 7,500 former dry cleaners throughout the state and used CalEnviroScreen (CES) to prioritize the cleanup of former dry-cleaning sites in communities with high cumulative environmental burdens. During the first three years of the Initiative, DTSC identified approximately 400 sites for investigation, with the highest priority (Year 1 sites) assigned to 112 sites located within fifty feet (50') of a sensitive receptor (residence, school, daycare, hospital, etc.).

2. **Introduction**

With its adoption of SB 158 in 2021, the Legislature identified four (4) core objectives for the Initiative: (1) The discovery, cleanup, and investigation of contaminated properties with a priority on sites that are in communities with high cumulative environmental burdens and proximity to sensitive receptors; (2) A grant program, modeled after US EPA's Brownfield Cleanup Grants, to fund cleanup activities at brownfield sites; (3) A job development training program prioritizing local hires to promote public health and community engagement, promote equity and environmental justice, and support the local economy; and (4) A program to provide technical assistance grants to groups of individuals in communities impacted by a release or a potential release of a hazardous material, with the goal of providing community members with technical information to understand and contribute to response actions that comply with applicable laws.

The Legislature allocated a total of $500 million to DTSC for CVCI, which was initially allocated over three fiscal years (2021-22 through 2023-24). In 2023, this funding was reallocated to DTSC over six fiscal years (ending in 2026-27).

3. **Background, Intent, and Legislative History**

Brownfields are real property of which the expansion, redevelopment or reuse may be complicated by the presence of one or more hazardous substances, pollutants, or contaminants, usually as a result of prior industrial or commercial use. According to DTSC, there are roughly 15,000 known contaminated sites across California. However, the number of brownfields in the state is much higher given the challenges associated with identifying properties that are underutilized due to suspected contamination. Research estimates that California may contain between 150,000 to 200,000 brownfield sites that have yet to be identified (Center for Creative Land Recycling, 2007). Studies have shown that brownfield sites are disproportionately located in neighborhoods that have lower average incomes and more people of color. *(Ibid*.) Brownfield sites may pose a risk to nearby populations and people who may use the sites in the future if they are not properly remediated.

The $500 million for CVCI prioritizes the investigation and cleanup of hazardous waste sites in communities that suffer from multiple sources of contamination. CVCI is designed to expedite the cleanup and beneficial reuse of properties that might be contaminated. It also addresses environmental inequities by prioritizing properties in historically vulnerable and disadvantaged communities. CVCI allocates funds to ensure that vulnerable communities are engaged in CVCI programs through outreach efforts and by offering grants to communities to acquire technical expertise and perform confirmation sampling at remediation sites.

Initial draft language in SB 158 provided one-time General Fund spending to assess, investigate and clean up brownfields across the state, with a special focus on remediating sites to develop new housing. In response to the initial draft language, the Legislative Analyst's Office recommended that the Legislature consider how the proposal aligns with its priorities, including which it viewed as the more important objective for cleaning up brownfields—addressing serious environmental risks or remediating parcels to develop for new housing.

In a letter submitted to the Legislature on June 8, 2021, environmental justice organizations requested the removal of language that prioritized brownfield funding for new housing development, citing concerns about using funding for housing in environmental justice areas where residents may be especially vulnerable to residual contamination, dissatisfaction with past remediation efforts, and frequent reliance on remedies such as soil caps that allow hazardous material to remain onsite.[1] The letter also requested that no funds be used for housing proposals that relied on a soil cap as a remedy to prevent exposure.

The final language of SB 158 removed the initiative's focus on housing development as a priority for land reuse.

4. **Equitable Community Revitalization Grants (ECRG)**

California is burdened by hundreds of thousands of idled and potentially contaminated lands that require significant investment and resources to resolve environmental uncertainties so they may be returned to safe and beneficial reuse. The majority of these lands, also known as brownfields, exist in the most historically underserved and disadvantaged areas of the state.

[1] Letter submitted by coalition of environmental organizations regarding SB 158 DTSC Trailer Bill Language – Support if Amended. June 8, 2021.

The ECRG program focuses on these areas and offers grants for assessment, investigation, and cleanup of brownfields so they can be beneficially reused. ECRG has a total budget of $270.5 million for grants to public entities, nonprofits, and tribal entities. ECRG also includes special provisions for meaningful community engagement. To emphasize the importance of effective communication in underserved neighborhoods, ECRG mandates that grantees conduct engagement activities incorporating community feedback related to their projects. In Round 2 of ECRG, DTSC enhanced community engagement requirements. Notably, ECRG required applicants seeking cleanup grants to meet higher engagement levels compared to those applying for investigation or assessment grants, thereby fostering greater community involvement in these projects. The stringent community engagement criteria set for ECRG applicants were intentionally rigorous to advance environmental justice goals. This unprecedented investment in one of California's most precious resources—its land—is intended to create safer, more economically viable and inclusive communities, begin the process of mending historic environmental injustices, and set a new path for land use that will have immediate and lasting benefits.

The mission of ECRG is to "EnCouRaGe" beneficial reuse of land through assessment, investigation, and cleanup, while advancing environmental justice goals through concerted support and investment in vulnerable and underserved communities. ECRG seeks to transform brownfields into vibrant community spaces where people live, work, play, and learn in harmony with their built environment. ECRG awards three types of grants: (1) Community-Wide Assessments, (2) Environmental Investigations, and (3) Environmental Cleanups.

4.1 *Types of Grants*

Community-Wide Assessments are available in fixed amounts of $350,000 each, which may include up to $50,000 for assessment activities conducted by the grantee. These grants fund the first steps in the cleanup process—the early stages of environmental assessment—to gain information about environmental conditions of at least three sites in a defined area where reuse is being planned. Activities may include Phase I Environmental Site Assessments,[2] Phase II Environmental Site Assessments,[3] or Preliminary Endangerment Assessments,[4] and may also include community engagement for sites being assessed/investigated. In addition to assessment or investigation, activities may also include developing an inventory of brownfield sites, including geographic information systems (GIS) mapping, community engagement, and other activities that will facilitate reuse planning.

[2] Phase I Environmental Site Assessment means a preliminary assessment of a property to determine whether there may have been a release of a hazardous substance based on reasonably available information such as a review of public and private records and current or historical property uses. Sampling and testing is not required as part of a Phase I ESA. Health and Safety Code 25403.

[3] Phase II environmental assessment means an intrusive study where actual physical environmental samples are collected and analyzed to characterize the type and distribution of hazardous material in the environment. Health & Safety Code 25403.

[4] Preliminary Endangerment Assessment means an activity which is performed to determine whether current or past waste management practices have resulted in the release or threatened release of hazardous substances which pose a threat to public health or the environment. Health & Safety Code 25319.5.

Site-specific Investigation Grants are available in amounts of $150,000 to $7,000,000 for investigations or cleanup planning activities such as All Appropriate Inquiries (AAI)[5] or Phase I Environmental Site Assessments, Phase II Environmental Site Assessments, Preliminary Endangerment Assessments (PEA), supplemental or other necessary site investigations, health and ecological risk assessments, work to evaluate different cleanup methods, pilot tests to assess a potential remedial technology, and preparation of a cleanup plan.

Site-specific Cleanup Grants provide $300,000 to $10,000,000 in funding for planning, implementation, and reporting costs for cleanup, including pilot tests and sampling to design the cleanup, public engagement, and regulatory compliance work (including preparation of California Environmental Quality Act (CEQA) documentation), such as the completion of a removal action workplan or remedial action plan.

[5] All Appropriate Inquiries, or AAI, is the process of evaluating a property's environmental conditions and assessing potential liability for any contamination. The objective of the standard is to conduct inquiries into past uses and ownerships of a property and visually inspect the property to identify conditions indicative of releases and threatened releases of hazardous substances on, at, in, or to the subject property.

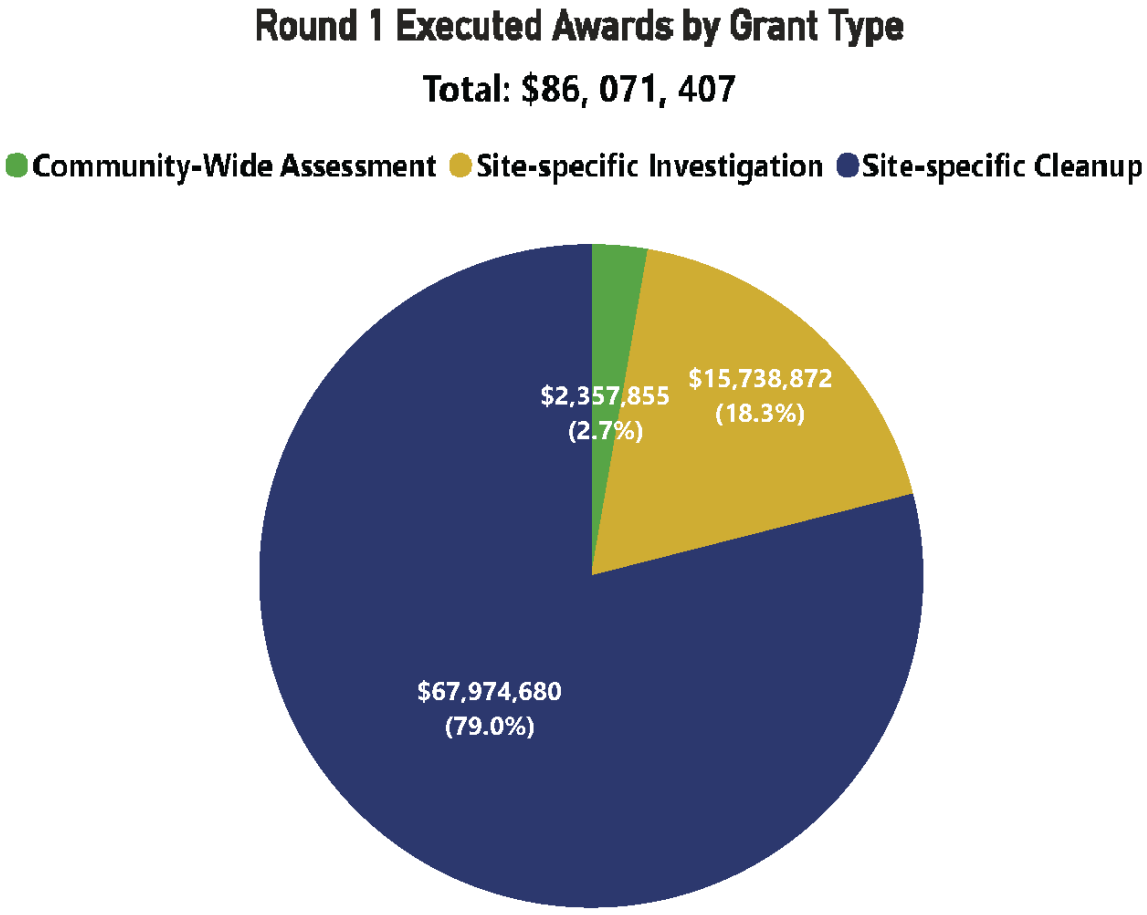

Figure 1 Graphic prepared by DTSC's ECRG Program.

4.2 *Rounds of Funding*

Round 1 of the ECRG closed April 2022 and awardees were announced June 2022. About $86 million was awarded in the first round of grants.

The 58 Round 1 grantees are using ECRG funding to reduce environmental uncertainties, conduct meaningful community engagement, work under a regulatory oversight agency, conduct pre-purchase due diligence investigations, plan and implement regulatorily approved cleanup plans, and pay for project management staff time. This foundational funding is designed to make land safer for subsequently planned reuse. The largest number of first round ECRG grants involved housing development projects. Other planned beneficial land reuse includes schools, parks, community services, transportation access, and commercial/retail facilities, the development of which are anticipated to increase public benefits and services and/or encourage economic development.

In Round 1 of ECRG, 24 site-specific cleanup grants were awarded. Of these sites, 12 cleanups are being overseen by directly DTSC, 11 are with a local agency or water board, and 1 is on tribal land. Out of these 24 cleanups, 7 have completed or are very close to completing their

deliverables. Of these 7, 5 projects have requested a total of $5,034,453.54 in additional funds, and 2 have only requested additional time.

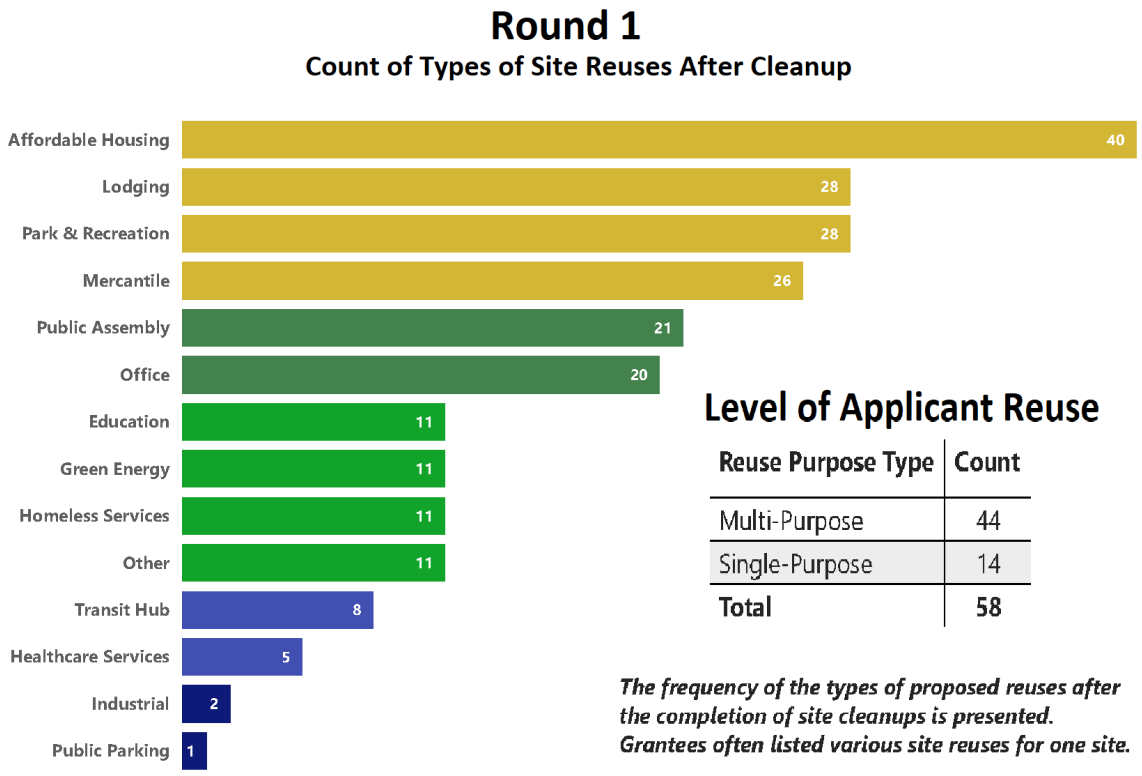

Figure 2 Graphic prepared by DTSC's ECRG Program.

After the first-round awards, in 2023, DTSC collected feedback to improve the program. DTSC held four “ECRGathering” open meetings, solicited dialogue through an ECRGathering form, and convened three day-long retreats with environmental justice stakeholders. DTSC contracted with the Othering and Belonging Institute at UC Berkeley to advise on the implementation of equitable reuse principles and other matters relating to diversity, equity and inclusion.

The ECRG program was paused for six months while DTSC worked to update grant guidelines and requirements. Feedback from stakeholders informed changes to the grant program that were implemented in Round 2. The updated guidelines made certain land reuses ineligible for EGRG including warehouse or distribution centers, other uses that have the potential to increase pollution, 100% market rate housing, and mixed housing that does not meet required low-income housing benchmarks; required sensitive land-uses such as housing, schools, and hospitals to clean-up to standards that do not require on-going land-use restrictions and maintenance; and required a demonstration that the ECRG grant would not contribute to residential displacement, among several other provisions.

Round 2 of the ECRG closed October 2023 and awardees were announced February 2024. Of the approximately $86 million available for Round 2, close to $39 million was awarded. The

largest number of second round ECRG grants continues to involve housing development projects. Other planned beneficial land reuse includes an indigenous community garden, parks, community services, transportation access, and commercial/retail facilities.

ECRG funding will contribute to improved public health through the reduction of environmental uncertainties. Some types of beneficial land reuse may also benefit public health to the extent they increase recreational opportunities or provide community health services. Beneficial land reuse may also have a revitalizing impact that comes from equitable development after the investigations and cleanups are completed. Without ECRG funding, these brownfields would likely remain fallow and underutilized because the uncertainty of potential contamination presents financial barriers to land reuse for cities, municipalities, nonprofits, and tribes.

Since the award of the first round of ECRG, the grantees have made progress towards their assessment and remediation activities. Out of the $86,071,407 awarded, about $24,010,926.77 has been reimbursed, with this amount growing every week. The amount reimbursed to the grantees in the first three years of the Initiative reflects the pace of environmental investigation and cleanup, particularly when performed by under-resourced organizations. DTSC's Office of Brownfields has assigned each grantee a Portfolio Manager who helps them navigate technical aspects of the core ECRG funded work, and also supports compliance with the ECRG agreements, including community engagement, community benefit commitments and plans for reuse. The Portfolio Manager helps the grantee to keep track of regulatory requirements from the Water Boards and local agencies.

5. **Discovery & Enforcement**

The Discovery and Enforcement (D&E) Program is charged with safeguarding the public health of communities through the investigation and cleanup of potentially contaminated properties. There are five (5) specific objectives for the D&E Program: (1) Increase the number of contaminated sites that are evaluated; (2) Increase the number of enforcement orders issued for contaminated sites; (3) Reduce contamination from sites located in vulnerable communities; (4) Improve DTSC's process so that it is efficient and expedient; and (5) Improve the public health of vulnerable communities by removing hazardous substances.

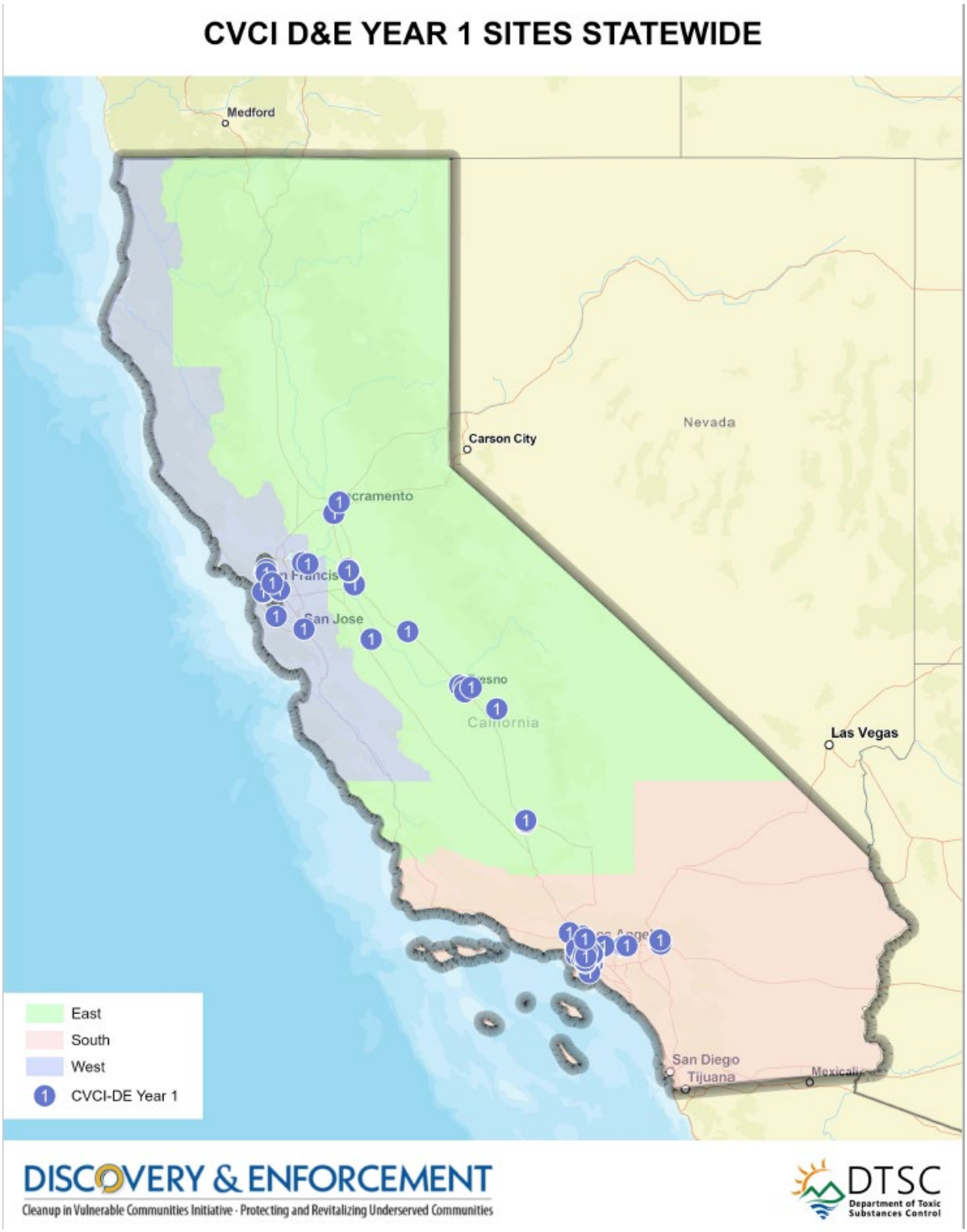

Figure 3 Graphic prepared by DTSC's Discovery and Enforcement Program. Interactive map can be found here: https://dtsc.ca.gov/discovery-and-enforcement/

DTSC selected dry cleaners as the focus for the D&E Program due to the vast number of facilities in the state and the public health threat posed by perchloroethylene (PERC or PCE), a chemical historically used in dry cleaning operations. There are approximately 7,500 known active and inactive dry-cleaning sites in California. Perchloroethylene poses a significant risk to public health and the environment. Once PCE is released into the subsurface, it can form vapors that travel through the soil, reach under buildings, and contaminate indoor air. Vapors can migrate into buildings located above or in the vicinity of the release through cracks in foundations, utility pipes and sewer lines. If groundwater is contaminated, it can spread and affect buildings and homes a significant distance from the source site.

5.1 *Site Discovery*

For Year 1 of the Program, DTSC identified 112 target dry cleaner sites based on the site's location within fifty feet (50') of a sensitive receptor (residence, schools, registered daycares, hospitals, etc.) in a census tract with a high CalEnviroScreen (CES) score. The D&E program used the following CalEnviroScreen 3.0 score ranges for each region for Year 1 to ensure geographic representation across the state:

- Southern California (South Region) – 95-100%
- Central Valley (East Region) – 90-100%
- Bay Area and North Coast (West Region) – 80-100%

Each of the selected 112 sites has undergone a Phase I Environmental Site Assessment.

A Phase I Environmental Site Assessment involves the collection and review of records of past and present land uses and industrial activities to produce evidence of activities that may have caused releases of PCE and other hazardous substances. When DTSC suspects that there may have been a release, the D&E program moves these sites to the next phase, known as a limited discovery investigation, which includes sampling for subsurface soil vapor, indoor air, and outdoor air sampling.

DTSC found evidence of potential contamination in approximately 73% of the Year 1 sites. DTSC is currently working on the discovery investigation process for 76 sites while 6 sites are currently in the enforcement process. The D&E Program has spent about $13 million of its allocated funds thus far and plans to use more funds as discovery work ramps up.

For Year 2, DTSC screened 291 sites for investigation and cleanup based on the screening criteria of a CES score at or above the 75th percentile and being located within 150 feet of a sensitive receptor. To initiate work on these sites, DTSC has drafted 50 contracts that are currently being reviewed and in the process of being finalized. The contracts are needed to begin Phase 1 environmental site assessments. About $50 million is budgeted for the investigation of the 291 Year 2 sites, but this amount is subject to change in response to the budget cuts.

Aside from the sites identified in Year 1 and Year 2, through review of the records generated in Year 1 environmental site assessments for 112 sites, DTSC discovered an additional 147 sites that were not previously identified in DTSC's Hazardous Waste Manifests. The original list of dry-cleaner sites that was developed for D&E was based on standard industrial classification codes and state hazardous waste tracking system. As the initiative has proceeded, additional

sites have been discovered, which shows that the universe of dry-cleaner sites that may pose public health risks is significantly larger than originally anticipated. DTSC is determining how to approach these newly found sites. In addition to former and current dry-cleaning sites, there may be other industries of concern such as auto repair shops or chrome plating facilities that have high potential for PCE release.

5.2 *Program Building*

During the first two years of the initiative, the Program hired 19 program staff and established workflows and procedures to outline the process a D&E site follows to get to enforcement and then cleanup. As an example of the training conducted by the Program, in collaboration with DTSC's Human and Ecological Risk Office, Geological Services Branch, Office of Legal Counsel, and Office of Environmental Equity (OEE), the D&E Program rolled out a series of modules geared towards training and onboarding staff, known as D&E Bootcamp. The Program is generating related guidance materials such as the Proposition 65 Project Manager's Memo, the enforcement process flowchart, the Enforcement Process Policy Memo, and several other program-wide materials.

5.3 *Petition Process*

The D&E Program has developed a petition application process for members of the public who may want to refer sites to the program for evaluation. The D&E Petition Application allows the public to make site recommendations to the D&E program that may meet the program's criteria, but that have not been selected for evaluation during year 1 of the program. Sites that are selected will be eligible for evaluation starting Year 2 given the availability of funds.

While the D&E program encourages the public to submit dry cleaners of concern to them that are not on the list of the 112 dry-cleaning sites for evaluation in Year 1, the petition process is not limited to dry cleaner sites. Sites submitted to the D&E program should be located in areas where the CalEnviroScreen 3.0 percentile score is at or above 75%.

In the Spring of 2024, DTSC hosted an informational webinar describing and informing the communities it serves about the D&E Program. The Public Participation team in collaboration with D&E have been working on the Program Engagement Plan, which aims to better inform and engage the public regarding the D&E Program. The team has developed a Standard Operating Procedure for Ttribal engagement activities and has templated language for communications that go to Tribes who are interested in being involved in specific sites. DTSC anticipates that the D&E Program's public outreach efforts will increase public engagement and the number of petitions submitted.

Thus far, DTSC has received ten petitions and accepted one. The remaining petitions were not accepted since the sites either did not meet the criteria for site selection for the D&E program or were under another agency's regulatory oversight. Members of the public are still able to submit petitions via the program's website.

5.4 *Equity in Enforcement*

The large scale of the problem presented by the legacy of dry-cleaner contamination in the state demands an equivalent response from DTSC. While the D&E Program represents a laudable first step toward greater environmental enforcement, much more needs to be done to hold responsible parties accountable for cleanup costs. DTSC has faced challenges in finding the

balance between equity and enforcement for responsible parties that are owners of independent small businesses. Because the objective of the D&E Program is to ensure cleanup of sites through the enforcement process, owners of identified sites, if found to be responsible for contamination, are required to perform and pay for cleanup activities. However, the full cost of a cleanup can often exceed the limited resources of an independent small business, which can result in financial hardship. DTSC must approach property owners with transparency when communicating the requirements and expectations of the Health and Safety Code, which generally demand that responsible parties pay for all expenses associated with the cleanup. The Program has been working closely with the OEE team to enhance and streamline public outreach and stakeholder relationships. With OEE support, the D&E Program has provided translated materials and translation services to community members whose primary language is not English. Some of these languages include Spanish, Armenian, Arabic, Vietnamese, Korean, Hindi, Mandarin, and Punjabi.

5.5 *Orphan Sites*

The CVCI Initiative includes $40 million to accelerate cleanups at 21 existing orphan sites across the state. Orphan sites are properties contaminated by hazardous substances that have no financially viable responsible party. When responsible parties cannot be found or are unable to provide a timely cleanup, DTSC uses California State funding to conduct the appropriate response action. Orphan sites include an array of projects associated with California's industrial past, and as such represent a diverse scale and scope of hazardous substances releases.

DTSC selected the 21 sites based on the following factors:

- There is no known responsible party that is paying for cleanup activities at these sites.
- Sites have cancer-causing chemicals that impact drinking water supplies, indoor air, and/or soil. Some sites have current, ongoing hazardous exposures.
- These sites are close to having a cleanup or interim measure constructed, and additional funding can expedite the completion of the needed work.
- Completing these cleanups or interim measures will protect public health and groundwater resources, and address threats located in or near residential areas.

CVCI funding for the 21 orphan sites supplements existing funding for DTSC's Orphan Site program.

Orphan Sites for FY 2021-22

Dry Cleaner Facility Name	City	County	CES 3.0 Percentile	Description	Envirostor IDs
Modern Cleaners	Red Bluff	Tehama	51-55%	The site is a dry-cleaning facility located in a mixed commercial/residential community. The facility caused solvent contamination in soil and groundwater that the impacted indoor air of adjacent structures.	60001154
Delano PCE Plume	Delano	Kern	66-70%	This is a regional PCE plume from multiple dry	60001327

				cleaners with impacts on drinking water supplies.	
Former National Cleaners	Delano	Kern	66-70%	A former dry cleaner in Delano caused significant solvent contamination that creates threats to breathing indoor air in nearby structures and impacts drinking water supplies.	60002270
Oasis Cleaners	Delano	Kern	66-70%	A dry cleaner in Delano caused significant soil and groundwater contamination that creates dangerous levels of indoor air contamination and has contaminated drinking water supplies.	60002269
Porterville PCE Plume	Porterville	Tulare	81-85%	This regional dry cleaner solvent plume has contaminated drinking water supply wells and indoor air in this environmental justice community.	60001216
Visalia Dry Cleaners	Visalia	Tulare	76-80%	This is a regional dry-cleaning solvent plume that has contaminated indoor air and multiple municipal water supply wells throughout this environmental justice community.	60000403
Madera PCE	Madera	Madera	86-90%	A regional dry-cleaning solvent plume in an environmental justice community requires a system to reduce contaminants in indoor air and to construct a cleanup.	60001450
North Fresno PCE Plume	Fresno	Fresno	81-85%	A regional dry-cleaning solvent plume in an environmental justice community requires a system to reduce contaminants in indoor air and construct a cleanup.	60001424
San Luis Obispo PCE Plume	San Luis Obispo	San Luis Obispo	16-20%	A regional dry cleaner solvent plume has contaminated multiple drinking water supply wells.	60001343

Cal Tech Metal Finishers	Oakland	Alameda	86-90%	The former metal plating operation has significant solvent contamination in a densely populated residential area of an environmental justice community.	01340118
DWA Plume (San Leandro Plume)	San Leandro	Alameda	81-85%	Multiple contaminant sources have caused a two-mile-long, one-mile-wide solvent plume. Soil vapor and shallow groundwater contamination are impacting residential properties in an environmental justice community.	01990002
Electro Forming Richmond	Richmond	Contra Costa	91-95%	The site is a former metal plating and finishing facility contaminated with metals. It is located in a mixed commercial/residential area of an environmental justice community.	01330044
Harris Dry Cleaners	Oakland	Alameda	86-90%	The site is caused by a former dry cleaner located in a mixed use commercial/residential building in a densely populated area of an environmental justice community. Solvents contaminate soil, soil gas, and groundwater.	01720109
Singer Friden	San Leandro	Alameda	51-55%	The former machine manufacturing facility caused significant solvent contamination. The site was redeveloped into a 196-unit residential complex in 1976.	01360094
Lane Metal Finishers	Oakland	Alameda	86-90%	A former metal plating and finishing facility in a densely populated mixed commercial/residential area of an environmental justice community. Solvents have contaminated on and around the site.	60000594
McNamara & Peepe	Arcata	Humboldt	21-25%	The site is a former wood treatment facility that contaminated drinking water supplies with dioxins.	12240115

6421 S Broadway	Los Angeles	Los Angeles	96-100%	The site is a former dry cleaner in an environmental justice community with known significant solvent release. The site was redeveloped into a single-family residence with toxic indoor air from the solvent release.	60002974
Alumin Art Plating	Ontario	San Bernardino	96-100%	The site is a former metal finishing facility with significant metals and solvent contamination. The site is in a mixed residential use area of an environmental justice community and its contamination is impacting the current site use and surrounding residences.	60001398
Green's Cleaners	South Gate	Los Angeles	96-100%	This dry-cleaning facility caused solvent releases to contaminate soil and groundwater in a mixed commercial/residential are of an environmental justice community.	60002279
Engineering Plating	Santa Ana	Orange	86-90%	This former metal plating facility has a poor waste management history and is 1/8th mile from residential properties in an environmental justice community.	71003391
Momin Lodge	Torrance	Los Angeles	66-70%	This facility formerly housed aerospace and plating operations and is adjacent to residential properties. The site has soil and groundwater contamination.	60001010

Figure 4 Table was reproduced with data from DTSC's Orphan Site Program for formatting purposes and to improve reader accessibility. Original table can be found here: https://dtsc.ca.gov/wp-content/uploads/sites/31/2022/05/CVCI-DE-Orphan-Sites-for-FY-21-22-2022-05-18.pdf

6. **Community Benefits Agreements**

The Community Benefits Agreement (CBA) effort was funded $800,000 to implement legally enforceable agreements between Responsible Parties of cleanup sites – identified from the D&E Program – and impacted communities. The goal of the CBA effort is to promote benefits beyond the scope of site mitigation and restoration, prioritizing vulnerable communities affected by high cumulative environmental burdens. A long-term vision of this effort is to apply CBAs

more broadly in the future. The CBA Policy team has worked closely with other CVCI Programs to identify synergistic goals and potential implementation routes, strategize on Policy framework approach, and coordinate on public engagement and program schedules. The CBA Policy team has also worked extensively with other DTSC programs and working groups to define the potential scope of the Policy and determine ways the Policy could be expanded beyond the limited scope of the Discovery & Enforcement Program. This required consultation with the Office of Legal Counsel, the Office of Legislation and Regulatory Review, and the Supplemental Environmental Projects working group. The information collected was used to develop briefing documents and analysis that lead to a draft CBA policy document.

6.1 *Pilot*

The CBA Policy team has a draft CBA policy that it intends to pilot at four D&E sites in Contra Costa County. The draft CBA Policy guides the use of community benefits agreements on sites within the D&E Program. The Policy requires Responsible Parties (RPs): (1) to make specified efforts to negotiate and execute a Community Benefits Agreement (CBA) with local community stakeholders; and (2) if an RP does not execute a CBA, to instead provide community benefits from a list of pre-approved benefits developed by DTSC.

Over the next six months, the CBA Policy team shall implement Policy components within the four identified D&E sites in Contra Costa County.

6.2 *Contracts*

The CBA Policy team has executed two external consultant contracts with (1) Sacramento State University for public engagement and stakeholder meeting facilitation, and (2) Estolano Advisors (and subcontractor Law Office of Julian Gross) for their expertise on CBAs to help develop the draft policy and supporting materials.

Outputs: To date, the CBA Policy team has completed the following tasks:

- Held one public workshop to launch the Policy development work and gather input from interested community groups
- Drafted a Policy Framework Document. The document is a landscape analysis of CBA policies that would be appropriate for DTSC to implement given its legal jurisdiction and the legislative authority under SB 158
- Drafted a one-page Policy Summary. The document lists recommended policy options for the CBA Policy framework specific to the Discovery & Enforcement (D&E) program, as well as future considerations for applying CBAs to larger contaminated site (applying CBAs outside the scope of SB 158)
- Drafted a Policy document and proposed language to be incorporated in enforcement orders (both under internal review), and
- Identified pilot sites within the Discovery & Enforcement Program to implement policy components

7. **Workforce Development**

According to SB 158 (2021) legislation, funds are to be used for “a job and development training program prioritizing local hires to promote public health and community engagement, promote equity and environmental justice, and support the local economy.” (Sec. 106, subd. (a)(1)(iii).)

DTSC first established a Workforce for Environmental Restoration in Communities (WERC) workforce development and job training program to train and promote hiring of residents in communities near the former Exide Technologies to advance and expand the cleanup of residential properties, schools, daycare centers, and parks around the former Exide facility in Vernon. SB 158 provided an avenue to expand the program beyond the Exide Cleanup.

However, DTSC has, thus far, moved in a different direction. DTSC has implemented a statewide CVCI Student Internship Program that promotes hiring youth from vulnerable communities across the state with educational backgrounds in public health, community engagement, environmental justice, and related CVCI program fields. The CVCI internships were established in November 2023, and the first cohort of 6 interns completed their internships at the end of June 2024. Interns received firsthand experience in public sector and environmental sector careers, in addition to conducting research projects that align with each student's area of study and respective vulnerable community. Through mentorship, training, and networking opportunities, the program seeks to provide career-readiness opportunities for students.

Student interns showcased their research projects at a department-wide symposium on May 30-31, 2024, virtually via Zoom.

The Workforce Development program funding changed in FY 2024-25, therefore DTSC intends to implement a state-wide Environmental Remediation Training contract in a subsequent funding cycle. The concept of the future program – also dependent on budget availability - will include training to 300-350 residents of vulnerable communities across the state (with a focus on setting up three main locations: Northern, Southern, and Central California) with both field work training and industry specific certifications such as the Hazardous Waste Operations and Emergency Response (HAZWOPER) training to be eligible to work environmental remediation positions (such as Environmental Remediation Technician, Administrative and Community Workers, Consulting positions, and Certified Lead Workers). Through the contract, mentoring would be available in the areas of job search, resume writing, local labor market research, and job search tools to identify employers hiring in their areas.

8. **Technical Assistance Grants**

The Technical Assistance Grant (TAG) program goal is to increase community capacity to engage in the cleanup process through TAG awards. The objective of the TAG program is to improve community group participation in DTSC cleanups, receive twenty submitted applications by the end of 2024, and pilot and learn how to implement a TAG program.

The TAG Application was released to the public with a soft launch on December 20, 2023. Eight TAG applications have been submitted, five TAG applications are currently in progress, and eleven total Letters of Intent have been received from potential recipients. A Letter of Intent informs DTSC that a community group is interested and is intending to apply for a TAG. The applications are in the process of being reviewed and those eligible will receive a grant award.

In addition to standing up the TAG program, several resources have been made available. The resources are to inform the public about the program guidelines, to set parameters on eligibility

and funding requirements, to help clarify the application process, to assist those who wish to learn more about the Program, and to support applicants through the application process.

Prior to the launch of the application, Program staff coordinated with different DTSC programs, external experts and organizations experienced in Technical Assistance Grants, community science or similar programs, and hired a consultant to determine the scope and to draft the guidelines of the DTSC TAG application. The Program also contacted the National and Regional TAG Coordinators for the U.S. Environmental Protection Agency TAG and Technical Assistance Services for Communities (TASC) Programs to learn about best practices for TAG programs. The consultant for the Center for Creative Land Recycling (CCLR) drafted an analysis of TAG and community science programs that exist at the National level to identify grant components that would need to be included in DTSC's TAG program. Aside from agency experts, the Program met with California Environmental Justice Alliance (CEJA) on July 14, 2023, to garner input from Environmental Justice groups.

8.1 *Community Engagement*

The Program has coordinated outreach efforts to gain interest from potential TAG applicants. A TAG Webinar Presentation was hosted on December 6, 2023, and a TAG Fluxx Application Webinar was hosted on February 27, 2024. The Program released the TAG Experience Survey on December 7, 2023, to obtain input from the public regarding TAG. The Office of Environmental Equity (OEE) and the Program's contractor, the Center for Creative Land Use and Recycling (CCLR), have conducted targeted outreach to potential applicants. Interested applicants can also set up a time with CCLR to discuss any questions about TAG and/or the application. CCLR has had 19 technical assistant calls (15 unique prospective applicants) to support them with the application process.

The Program is currently conducting internal outreach with various branches of DTSC's Site Mitigation and Restoration Program (SMRP) to assist in identifying potential applicants that may be interested in TAG.

9. **Conclusion**

DTSC's CVCI programs and activities have made important strides in the remediation and revitalization of contaminated sites in California's disadvantaged communities. The Initiative has helped reduce risk of contamination at dozens of sites throughout California, started the process to reuse property in a way that benefits local communities, and developed new programs that will provide additional economic, workforce, and infrastructure benefits across the state. However, the Initiative has also highlighted the magnitude and risk of site contamination which does not have an adequate response under the state's current funding and regulatory systems.

California contains hundreds of thousands of brownfield sites which are disproportionately located in its disadvantaged communities. Prior to ECRG, the state lacked the necessary mechanisms and resources to properly incentivize clean-up and beneficial reuse of these properties. The ECRG program has been an important resource to reduce risk in disadvantaged communities while providing tangible benefits to the community. DTSC's approach to working with community stakeholders to improve the program between Round 1 and Round 2 of funding resulted in a program better tailored to increase community participation and benefits. However,

as a reimbursement grant, some community groups lack the capacity to take on projects that qualify for reimbursement.

Considering the vast scale of the environmental problem facing vulnerable communities, the state should consider its ongoing and long-term role in brownfield redevelopment given the number of suspected brownfield sites in the state and the scarcity of resources and enforcement mechanisms to remediate sites. It should also evaluate the conditions in which housing is an appropriate beneficial reuse for subsidized brownfield redevelopment in disadvantaged communities, including the level of remediation required, the type of housing, and the compatibility of housing with adjacent land-uses.

The data collected through the first three years of the D&E program highlights the magnitude of PCE contamination associated with current and former dry cleaner sites in California. DTSC's efforts suggest that nearly three-quarters of dry cleaner sites show evidence of contamination. DTSC's investigations also indicate that the state's hazardous waste tracking systems may significantly undercount the number of current and former drycleaning sites by more than 125%. This could mean that the state may have grossly undercounted the number of sites that present a significant risk of PCE contamination to nearby residences, businesses, and other buildings.

Given the limited financial resources of dry-cleaner operators to conduct costly PCE remediation, there are significant shortfalls in funding dry-cleaner remediation despite its high prevalence and high risk to California residents. DTSC and the Legislature should consider long-term funding mechanisms to address PCE contamination in the state.

Finally, DTSC's CVCI programs demonstrate the multiple and overlapping benefits that can stem from site mitigation and brownfield remediation, including workforce and training programs that can increase jobs in the local area; community benefit agreements that can improve local infrastructure and respond to other community priorities; technical assistance and support that can help residents understand and engage in the remediation efforts that impact their communities; and land reuse that responds to community-identified needs such as parks and greenspace, community services, cultural resources, and affordable housing. Given the importance of the CVCI programs to address current regulatory and funding gaps, the magnitude of contamination in the state, the disproportionate impact of contamination on vulnerable and disadvantaged areas, and the multiple benefits that accrue from CVCI programs, the state should identify and develop a permanent and long-term funding stream for CVCI or similar initiatives.