

California Council for Environmental and Economic Balance

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March 14, 2013

City Council of the City of Los Angeles
Planning and Land Use Management (PLUM) Committee
200 North Spring Street
Los Angeles, CA 90012

Mr. Alan Bell
Deputy Director of Planning, Department of City Planning
200 North Spring Street, Room 525
Los Angeles, CA 90012

RE: Report on Clean Up Green Up Policy
Council File 11-0112, 11-0112-SI (Huizar, Alarcon)

Honorable Members of the PLUM Committee and Deputy Director Bell,

On behalf of the members of the California Council for Environmental and Economic Balance (CCEEB), we wish to provide you with comments on the December 3, 2012 memo from Deputy Director Bell to the PLUM Committee regarding development of the *Clean Up Green Up* (CUGU) policy proposal. CCEEB is a non-profit, non-partisan association of business, labor and public leaders, which advances balanced policies for a strong economy and a healthy environment. CCEEB members operate a number of facilities and businesses in the South Coast Air Basin, and CCEEB is an active stakeholder at the South Coast Air Quality Management District (SCAQMD). Since 2008, CCEEB has been a member of the SCAQMD Clean Communities Plan (CCP) Working Group; through this effort, CCEEB has been a participant in the SCAQMD Boyle Heights CCP Pilot Project.

Broadly speaking, CCEEB supports the goals, as stated in the December memo, "to address the problem of cumulative environmental impacts through land-use policy and

localized economic revitalization.”¹ However, we also recognize the potential tension between policies meant to reduce emissions and discharges from local sources and policies that seek to revitalize the local economy. For this reason, we are concerned with elements in the proposal that seek to impose mandatory performance standards and permit conditions on certain projects and operations—going above and beyond current rules and regulations that are enforced by statutorily responsible regulatory agencies and which are among the most stringent in the world. Rather than spurring the desired “green” development, such policies could increase uncertainty, which in turn discourages new projects and investments. More importantly, new layers of regulation could prevent existing businesses from opening up permits for the purposes of facility modernization and energy or process efficiency. Such retrofit projects typically result in net environmental benefits and are consistent with statewide efforts to conserve energy and reduce greenhouse gases (GHG).

Unlike standard environmental rulemaking, the CUGU proposal at the City Council lacks the benefit of data and information usually made available from legally required risk assessment, cost effectiveness analysis, and cost-benefit analysis. For this reason, CCEEB asks the City Council to (1) make it a stated goal that the City will seek environmental and economic balance in implementing this program; (2) develop safeguards that would prevent or minimize adverse and unintended economic impacts that could hurt local and regional businesses; and (3) expand Phase 1 investigation activities to test policy assumptions and better inform the design and development of the pilots.

CCEEB also strongly recommends that the City Council convene a working group, including developers and affected businesses among others, to provide feedback on existing performance standards and dialogue on possible new standards. If changes to building standards were made part of the proposal, then including structural engineers and architects would be important as well. Additionally, these stakeholders will be able to help City staff quickly inventory and understand all current regulatory requirements and point to streamlining efforts at other agencies.

What follows are more detailed comments that highlight key policy assumptions embedded in the CUGU proposal, and suggestions on ways the City Council should enhance its research and analysis in Phase 1 activities.

¹ December 3, 2012 Bell memo to PLUM Committee, page 1.

- I. **CUGU assumes that “unacceptable” cancer-risk levels will persist despite extraordinary efforts underway at air quality agencies and other public agencies:** “Cancer-risk levels are projected to drop dramatically on a regional level with adoption of pending rules from SCAQMD, however certain locales, including the three community target areas, will still maintain unacceptable risk-levels due to cumulative impacts.” [Bell memo, page 2.]

To test this assumption, the City Council should engage the SCAQMD, the Southern California Association of Governments (SCAG), and the Air Resources Board (ARB) and make use of their modeling expertise and data to analyze future year emissions and risk reduction trends. (For example, the City Council could seek to leverage work on the SCAQMD’s Multiple Air Toxics Exposure Study IV.) This analysis can serve as a baseline by which CUGU achievements are measured.

Analysis should take into account the following concurrent risk reduction efforts:

- a. The SCAQMD 2012 Air Quality Management Plan
 - b. The SCAG Regional Transportation Plan and Sustainable Communities Strategy.
 - c. The San Pedro Ports’ Clean Air Action Plans.
 - d. The ARB Diesel Risk Reduction Program and Sustainable Freight Program.
 - e. SB 535-directed GHG reduction projects in disadvantaged communities.
- II. **CUGU assumes that addressing perceived regulatory gaps for stationary sources would help solve cumulative impact problems, even though the proposal acknowledges that problems largely stem from legacy land use decisions that brought sensitive receptors and sources in close proximity.**

To test this assumption, the City Council should convene a working group of developers and affected businesses and ask this group to help inventory all existing regulations, rules and requirements. Equal attention should be paid to duplicative or contradictory regulations, not just gaps. The City should also develop air emissions inventories to understand the proportional contribution from stationary as opposed to mobile sources.

- III. **CUGU assumes that all measures in the proposal will be health beneficial yet fails to estimate or even describe what these benefits would be.**

To test this assumption, the City Council should analyze and, to the extent possible, quantify the expected public health benefits of each measure within the proposal. This information can then help prioritize measures and justify resource allocation. If possible, the City Council should also conduct socioeconomic analysis to determine the potential economic impacts to the local economy and employment, particularly for measures that require mitigations by or other costs from businesses.

Furthermore, the City Council should analyze permits in the three target communities, looking at both total volumes of proposed new projects as well as project types. To the extent feasible, the City should use this information to help estimate the public health benefits directly associated with enforcing more stringent permit conditions.

Finally, the City Council should estimate the number of unpermitted and/or illegal businesses in these communities, and consider how the proposal will address impacts from these operations (e.g., it might raise the relative importance of inspection and enforcement measures as opposed to measures that target legal and compliant businesses).

IV. CUGU assumes that businesses will respond positively by utilizing “greening” incentives and accepting more stringent permit conditions rather than shifting investments to other areas.

To test this assumption, the City Council should work with the proposed CUGU working group as well as local and region business groups to conduct an anonymous survey that gauges likely responses by business to the CUGU policy. This information can then be used to refine incentives and test assumptions about layering on additional permit conditions and performance standards.

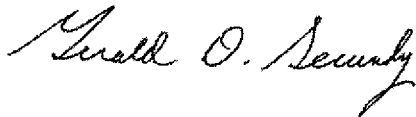
Finally, we recommend that the City Council expand its outreach to sister agencies to include additional responsible agencies that are missing from the current list. These include (a) the Los Angeles County Fire Department, which acts as the Certified Unified Program Agency in the City of Los Angeles; (b) Caltrans, which is the lead agency for major transportation and highway projects; (c) SCAG, which serves as the metropolitan planning organization and oversees development of the Regional Transportation Plan/Sustainable Communities Plan, and the Clean Cities Program; (d) the San Pedro Bay Ports, which are implementing their groundbreaking Clean Air Action Plan; and (e) the

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Air Resources Board, which is developing a sustainable freight program. We note that (b)(c)(d) and (e) include agencies that actively use land use and transportation planning to address the identified problem of "above-average diesel particulate matter (DPM) exposure due to the convergence of multiple freeways and a high level of freight transport activity," in Boyle Heights and Wilmington.²

Thank you for this opportunity to comment. We hope our comments help strengthen and support the successful development of the CUGU policy proposal. Should you, City Council staff or Planning Department staff wish to discuss these recommendations further, please contact Janet Whittick of CCEEB at (415) 512-7890 ext. 111 or janetw@cceeb.org.

Sincerely,



Gerald D. Secundy
CCEEB President



Bill Quinn
CCEEB Vice President

cc: The Honorable Herb Wesson, Jr., president, Los Angeles City Council
The Honorable Joe Buscaino, Los Angeles City Council, District 15
Martin Schlageter, Office of Councilmember Huizar
Elizabeth Blaney, Union de Vecinos
Susan Nakamura, SCAQMD



Etta Armstrong <etta.armstrong@lacity.org>

11-0112 Clean Up Green Up

1 message

Sharon Gin <sharon.gin@lacity.org>
 To: Etta Armstrong <etta.armstrong@lacity.org>

Tue, Apr 16, 2013 at 9:19 AM

----- Forwarded message -----

From: **Janet Whittick** <janetw@cceeb.org>
 Date: Tue, Apr 16, 2013 at 9:12 AM
 Subject: Fwd: CCEEB comments on Clean Up Green Up
 To: "Sharon.Gin@lacity.org" <Sharon.Gin@lacity.org>
 Cc: Martin Schlageter <martin.schlageter@lacity.org>

Dear Ms. Gin,

Please find below and attached comments from CCEEB in regards to the the Clean Up Green Up proposal under consideration by the PLUM Committee. My apologies for omitting you in the original transmission. We hope that our letter can still be made part of the official record of proceedings.

Thank you,

Janet Whittick
CCEEB
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Begin forwarded message:

From: Janet Whittick <janetw@cceeb.org>
Date: March 14, 2013 1:29:42 PM PDT
To: "councilmember.reyes@lacity.org" <councilmember.reyes@lacity.org>,
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Subject: CCEEB comments on Clean Up Green Up

Dear Honorable Members of the PLUM Committee and Deputy Director Bell,

On behalf of our members, the California Council for Environmental and Economic Balance (CCEEB) wishes to offer you our comments on the proposed *Clean Up Green Up* (CUGU) policy, which is currently under consideration by your committee.

CCEEB is an active member in the Boyle Heights Clean Communities Plan Pilot, managed by the South Coast Air Quality Management District, and we have several members who operate businesses in or near the three target communities of Boyle Heights, Pacoima and Wilmington.

Through our work, we have been pleased to engage with community leaders and city council staff who support the CUGU proposal. Our comments stem from these discussions as well as our review of CUGU written materials. We hope that you will find our perspective of value.

Should you or your staffs have any questions, please do not hesitate to contact us. Also, we would be grateful if we could be kept apprised of any hearing of this proposal at the PLUM Committee and the City Council. Thank you for your time and consideration.

Sincerely,

Janet Whittick, Policy Director

CCEEB

100 Spear Street, Suite 805

San Francisco, California 94105

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CUGU_comments to PLUM_final.pdf

161K

Sumi Parekh

Los Angeles

Business Council

SUMI PAREKH

Policy and Programs Advisor

Items 2 and 3

- Hello, my name is Sumi Parekh and I am here on behalf of the Los Angeles Business Council, which represents over 350 businesses from a wide array of industry sectors throughout the Los Angeles region.
- The proposed Clean Up Green Up motion is significant to us due to its focus on the environment, a key issue area for our organization.
- We support ^{this} ~~the Clean Up Green Up~~ policy because of its ability to combine economic incentives with traditional planning tools and promote collaboration between government agencies, residents and business as a means to address over pollution ~~near homes, schools, parks and other sensitive uses~~ in the three pilot communities of Boyle Heights, Pacoima and Wilmington
- The Clean Up Green Up policy incorporates favorable business tax treatment, business assistance loans and grants to underwrite improvements, along with streamlined permitting and elimination of code conflicts; all crucial steps toward encouraging businesses to stay and grow in Los Angeles, while supporting their efforts to reduce emissions and attract new, green, businesses to the area.
- While we support this motion, we strongly recommend that this program involve the local business community in the policy development phase of the work plan, which should be carefully designed to provide continuous support to the local businesses and ensure that the Clean Up Green Up program does not unduly increase their long-term costs.
- The LA Business Council urges the PLUM Committee to approve the Clean Up Green Up work plan with the previously suggested amendments. We strongly believe that this pilot program provides an important opportunity for positive, proactive collaboration while simultaneously reducing pollution and promoting economic growth for communities.

Elva Junez

323-347-1554

CD 14 - Hilda Carrillo

PLUM

Room 350

City Hall

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