

Improving Our Communities: Vision and Guidance for Distributing Community Benefit Funds from Two Renewable Fuels Projects

Martinez Renewable Fuels Project and Phillips 66 Rodeo Renewed
Project Community Benefits Agreements

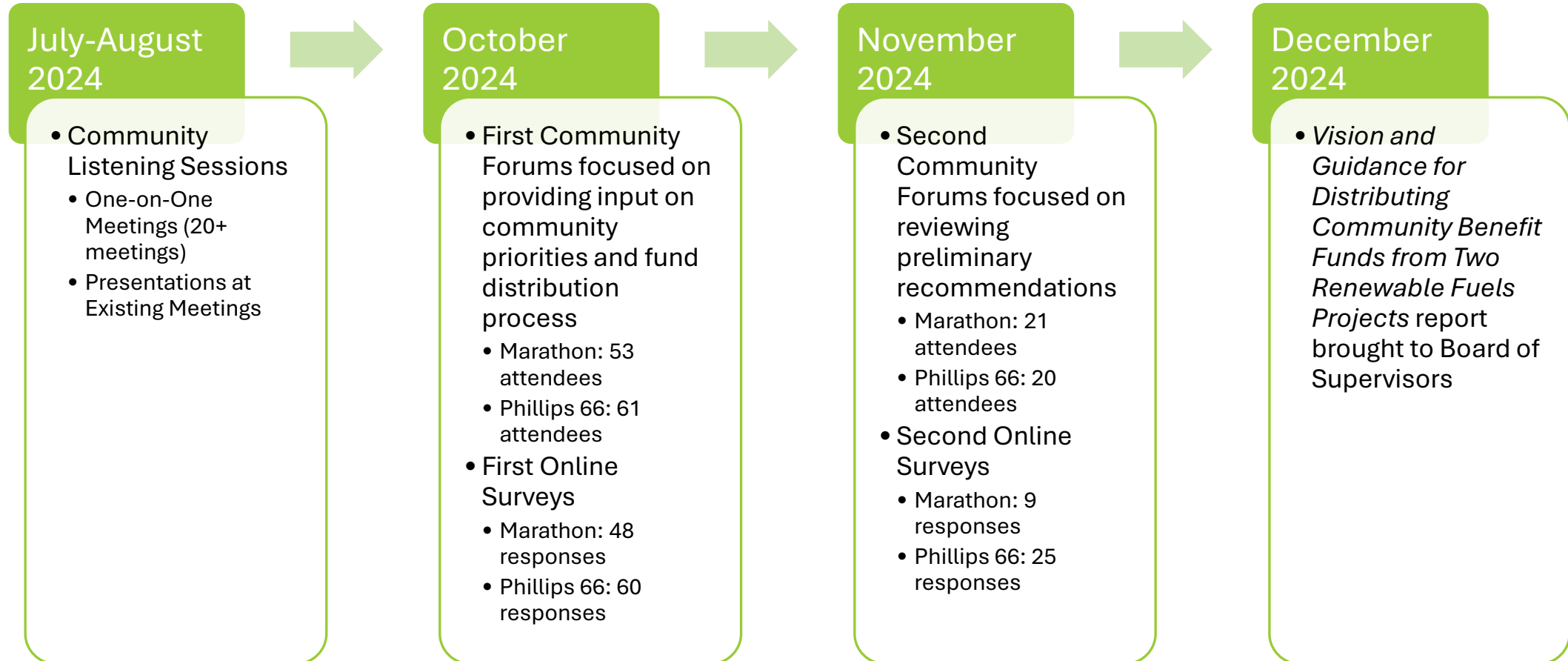
December 17, 2024



Background on the Community Benefits Agreements

- In 2022, the Board of Supervisors approved the Martinez Renewable Fuels Project (Marathon Project) and the Phillips 66 Rodeo Renewed Project (Phillips 66 Project).
- The approvals required Marathon and Phillips 66 to enter into Community Benefits Agreements (CBA) with the County.
 - Marathon Project: **\$10 million over 10 years to benefit communities near the refinery**
 - Phillips 66 Project: **\$10 million over 13 years to benefit communities near the refinery**
- District 5 Supervisor Glover and the Department of Conservation and Development (DCD) worked together to establish a community engagement process to provide ideas and input on how the CBA funds are spent.

Community Engagement Process



Recommendation: Community Priorities

- Based on input gathered during the first community forums and online surveys, the guiding principles, priorities, and project types were divided into tiers based on the amount of community support.
- The review panel will prioritize selection of projects according to the guiding principles, priorities, and project types.

Recommendation: Community Priorities

Guiding Principles

Communities to Be Benefitted by **Marathon Project** CBA Funds

- Tier 1
 - Improve public health
- Tier 2
 - Make our community safer and more welcoming
 - Increase sense of community and connection among residents
 - Make our communities more beautiful
 - Increase community resilience to climate change
 - Improve quality of life and cultural vibrancy
 - Make our community more economically healthy.

Communities to Be Benefitted by **Phillips 66 Project** CBA Funds

- Tier 1
 - Make our community safer and more welcoming
- Tier 2
 - Increase sense of community and connection among residents
 - Make our community more economically healthy
 - Improve quality of life and cultural vibrancy
 - Make our community more beautiful
- Tier 3
 - Improve public health
 - Increase community resilience to climate change

Recommendation: Community Priorities

Priorities

Communities to Be Benefitted by **Marathon Project** CBA Funds

- Tier 1
 - Park improvements
 - Road improvements and safety
 - Youth programs
 - Community beautification
 - Community facilities – updated or new
- Tier 2
 - Community services
 - Emergency services
 - Recreation opportunities
- Tier 3
 - Workforce development programs
 - Food access

Communities to Be Benefitted by **Phillips 66 Project** CBA Funds

- Tier 1
 - Food access
 - Recreation opportunities
- Tier 2
 - Youth programs
 - Road improvements and safety
 - Park improvements
- Tier 3
 - Community facilities – updated or new
 - Community beautification
 - Community services
 - Emergency services
 - Workforce development programs

Recommendation: Community Priorities

Project Types

Communities to Be Benefitted by **Marathon Project** CBA Funds

- Tier 1
 - Improvements for existing community facilities and infrastructure
 - Ongoing community initiatives
- Tier 2
 - Expanded public services
 - Constructing new community facilities
 - Short-term, one-time projects
 - Support to build out organizational capacity for new or continuing community institutions

Communities to Be Benefitted by **Phillips 66 Project** CBA Funds

- Tier 1
 - Improvements for existing community facilities and infrastructure
- Tier 2
 - Ongoing community initiatives
- Tier 3
 - Constructing new community facilities
 - Support to build out organizational capacity for new or continuing community institutions
 - Expanding public services
- Tier 4
 - Short-term, one-time projects

Recommendation: Eligibility

Entities

- Open to tax-exempt organizations, public agencies, and businesses
- County departments will be eligible to submit applications that align with the identified community priorities to be considered by the review panel

Project Scope

- Minimum grant award size will be \$50,000
- Eligible entities will have the option of bundling projects with other eligible entities or applying for funding for projects spanning two years

Geographic Priorities

- The selection process will prioritize projects that benefit unincorporated communities most proximate to the Marathon and Phillips 66 project areas

Recommendation: Process

There will be separate solicitation processes for the Marathon Project and Phillips 66 Project, though the overall processes will be coordinated and structured similarly. Each year, the solicitation process will take place as follows:

1. Request for proposals issued and publicized
2. Mandatory bidders' conference
3. Interested entities will submit online application with project proposals
 - Upon request, the District 5 Supervisor's Office will provide support to potential applicants.
 - Staff will adopt best practices from existing Board-approved funding application processes, such as the Measure X Innovation Fund process, to create a relatively simple and easily accessible application process as requested by community members.
4. Review panel made up of community members will review and evaluate the applications and make non-binding recommendations to the District 5 Supervisor
5. District 5 Supervisor will review the recommendations and make recommendations for approval by the full Board of Supervisors
 - The District 5 Supervisor may attend one or more meetings of the review panel to hear preliminary input from the panel and provide preliminary feedback.
6. Awardees will enter into contract with County and will be required to report on performance metrics and project's deliverance of broad community benefit
 - Payments will generally be made on a reimbursement basis except in special circumstances when partial advance payment may be considered.

Recommendation: Process

Review Panel

- Seven voting members representing at-large community seats
 - Members will have knowledge of the unincorporated communities most proximate to the Marathon and Phillips 66 project areas, either through living in or doing work that serves one or more of these communities
 - Marathon: 2 individuals from Clyde, 2 individuals from Pacheco, 2 individuals from Vine Hill, and 1 individual who is knowledgeable of the needs of the entire area surrounding the Marathon Project
 - Phillips 66: 3 individuals from Crockett, 3 individuals from Rodeo, and 1 individual who is knowledgeable of the needs of the entire area surrounding the Phillips 66 Project
- Staggered appointments of four-year terms with a two term limit
- Conflict of interest bylaws will be developed
- Will be subject to Brown Act
- District 5 Supervisor's Office will review applications to serve on the review panel and make recommendations on appointments for approval by the full Board
- One District 5 Supervisor's Office representative and one DCD staff representative will be non-voting members

Recommendation: Evaluation Rubric

| Category | Total Points Possible |
|--|-----------------------|
| Clear Project Description, Goals, and Measurable Outcomes | 30 |
| Community Need Based on Guiding Principles and Priorities | 25 |
| Demonstrated Community Support and/or Collaboration for Complementary Projects | 10 |
| Extent to Which Project Equitably Benefits Unincorporated Communities | 5 |
| Organizational Capacity | 15 |
| Budget with Narrative Justification | 15 |
| Total | 100 |

Next Steps

Review Panels

- Developing the application to serve on the community review panels and soliciting applicants;
- District V Supervisor reviews applications for the review panels and formulates a recommendation; and
- Board of Supervisors appoints members to the review panels.

Project Application Process

- Developing, issuing and publicizing a request for proposals for entities interested in receiving funds from the CBAs;
- Organizing and hosting bidders' conference for prospective applicants.

]DCD staff will continue to update the Community Benefits Agreement Forums webpage with information about the solicitation process and will host another forum in collaboration with the District 5 Supervisor's Office a year after the first solicitation to evaluate how the solicitation process is working so far.