

Meeting Minutes – Draft
Governing Board of the Green Empowerment Zone (GEZ)

Supervisor John Gioia, Chair
Assemblymember Lori Wilson, Vice Chair
Chuck Leonard, Vice Chair

Friday, October 18, 2024 **9:30 AM** **1025 Escobar St. Conference Room A/B/C,**
Martinez, CA 94553

ZOOM:

<https://cccouny-us.zoom.us/j/88323737930>

(888) 278-0254

Conference Code: 841892

1. The public may attend this meeting in person at the above location. The public may also attend this meeting remotely via Zoom or call-in.
2. Agenda Items: Items may be taken out of order based on the business of the day and preference of the Governing Board.

1. Call to Order and Roll Call.

Chair John Gioia called the meeting to order.

2. Public comment on items not on agenda
3. Review and Approve the Meeting Record from the September 20, 2024, Meeting.

There was no quorum to review and approve the Meeting Record from September 20, 2024.

4. Receive Information presentation on the Contra Costa Refinery Transition Partnership (Josh Sonnenfeld, BlueGreen Alliance).

The BlueGreen Alliance presented their findings of the implications of Contra Costa transitioning away from the oil manufacturing industry. The Alliance was commissioned to research

- a. *Economic impacts of Petroleum refining industry in Contra Costa and Solano counties*
- b. *Bay Area refinery transition analysis*
- c. *Fossil fuel layoff: The economic and employment effects of a refinery closure on workers in the Bay Area*
- d. *High road economic development strategy *includes refinery worker crosswalk analysis**

e. Refinery decommissioning and Clean-Up analysis

Key Findings of Marathon Martinez Study

- f. 26% of workers were still unemployed 1 year following layoff*
- g. 24% average wage cut for workers who secured new employment*
- h. 81% of workers affected were homeowners. 82% chose not to relocate*
- i. Just 28% of workers stayed in fossil fuels. The primary industries refinery workers moved into were utilities, chemical treatment, manufacturing*
- j. 1/3 of workers reported falling behind financially following layoff*
- k. 32% of workers took early retirement withdrawals. Many spend down savings, selling cars, and cutting back on expenses like children's sports*
- l. 91% of workers were willing to enroll in a training program, but they would like to see those programs subsidized with a clean pathway to new employment at the end*

California is considered an island regarding the petroleum refining market. The in-state refineries typically supply for in-state consumption. CARB and other factors are the reasons for higher product prices. Contra Costa County is the refining hub for northern California and northern Nevada.

Bay Area 2045 Potential Outcome: BlueGreen Alliance stated that of the five current refineries, the transition could transform the petroleum refinery industry into 1 major refinery and 2 smaller ones. This would lead to increased imports and decreased exports. Potential to ramp up hydrogen production.

Refineries' Job Impacts: Refinery industry employs approximal 3,000 direct jobs and 15,000 jobs are indirectly related to the sector. Top refinery positions can pay upwards of \$50/hr plus benefits. Jobs with comparable education requirements outside the refineries typically earn under \$20/hr. Manufacturing jobs outside the refinery earn approximately \$25/hr.

Refineries' Tax Impacts: BlueGreen stated that 44% of total economic output for Contra Costa County and 36% of Contra Costa County tax revenue; 32% of Special Districts tax revenue. These percentages equate to \$1B in cumulative local tax revenue. In 2022, refinery property tax revenue went mainly to fire services.

Refineries' Pollution and Public Health Impacts: The most impacted communities are the areas where the refineries are situated.

Income Inequality in the County: Lowest median household income also tends to be in the same areas as the refineries. This can be concerning since the transition from these refineries may further increase income inequality and hurt households who are already struggling.

Decommissioning & Clean-Up: Refinery lands all have significant contamination. The soil, soil vapor, surface water, and groundwater systems all contain pollutants. As rising sea levels occur these environmental factors will be exacerbated and potentially lead to greater effect on the area.

There are real public health impacts of unabated contamination with studies identifying risks related to respiratory illnesses, cardiovascular diseases, cancer, immunity system damage, negative birth outcomes, and other negative health impacts.

There are existing state and federal laws around clean-up of industrial brownfields.

- *Resource Conservation and Recovery Act (RCRA)*
- *California Hazardous Waste Control Act*
- *California Porter Cologne Act*
- *SB 1082, puts Water Board as lead agency during refinery clean-up*

There are numerous agencies with overlapping jurisdictions. San Francisco Bay Area Regional Water Quality Control Board and CA Department of Toxic Substances Control play the most significant roles. DTSC oversees the clean-up hazardous waste sites, and the Water Board oversees the rest.

Summary of Policy Recommendations were stated by presenters. The recommendations and explanation for each can be found in the presentation. The finalized report should be publicly available in Winter 2025.

Q: Where does the refinery workforce live?

A: Workforce typically needs to reside within 2 hours of location due to required. Many live throughout the Bay Area and Northern California.

Q: Why is gasoline demand for the transportation sector decreasing?

A: Electric drivetrains offer more efficient output compared to ICE vehicles.

Q: What control do we have over the cleanup process?

A: Right now, there are no set standards of what a refinery cleanup process is. The LA refinery closure will allow us to gauge how to move forward with expectations and process. Last year, legislation mandated that businesses were responsible for costs of plugging idle oil wells.

Chair Gioia would like to discuss the property tax data with the BlueGreen Alliance, with the County Economic Development Manager in attendance.

5. Adjourn.

The date and time for the next meeting of the Governing Board of the Green Empowerment Zone will be Friday, December 20, 2024, at 9:30 AM.

Vice Chair Chuck Leonard adjourned the meeting.