January 23, 2013

Office of Environmental Health Hazard Assessment
Attn: Dr. John Faust
Chief, Community Assessment and Research Section
1515 Clay Street, Suite 1600
Oakland, CA 94612

Re: Business Concerns with California Communities Environmental Health Screening Tool

Mr. Faust,

On behalf of BizFed, Los Angeles County Business Federation – representing more than 100 business organizations with over 250,000 business owners across our region – we are writing to express our concerns with the current Draft California Communities Environmental Health Screening Tool developed by the Office of Environmental Health Hazard Assessment (OEHHA).

BizFed is a clear and longstanding proponent of the co-equal goals of environmental and economic quality, sustainability and equity, and we commend OEHHA for its efforts to more effectively focus resources and programs in critical environmental justice areas.

But BizFed is strongly concerned with several elements of this current draft tool including some key aspects of its methodology and data inputs; the lack of clarity on how this tool will be used by the public; and the very real potential consequence that the “ranking” mechanism used in this tool could create significant, negative economic impact in communities already suffering disproportionately.

In working toward a solution, BizFed – with its representation of thousands of diverse communities and industries across Southern California – would look forward to engaging directly with OEHHA to work through some of our critical concerns including:

- **Economic Impact on Communities.** This proposed tool will be used to score levels of socio-economic status and “environmental vulnerability” across California, threatening to red line communities that are seen as particularly “vulnerable.” But comparing areas of the state against others creates a relative ranking of the most environmentally and economically depressed regions in the state, and creates a perverse incentive that would essentially “redline” communities – discouraging investment in low socio-economic status communities. If vital community investors view some communities as “environmentally burdened,” it could cause property values to drop and push businesses out of our region - and potentially the State - at a time when economic growth is imperative.

- **Public Use of This Tool.** To date, Cal/EPA and OEHHA have not committed to ensuring the tool is not used inappropriately at the local or project-level for permitting or regulatory decisions. This is particularly alarming as, if this tool is applied to the California Environmental Quality Act, this would likely require any project in a high-ranked community to undergo a full EIR. It also increases a project exposure to spurious litigation. BizFed believes that this and any screening tool – as “screening tools” are simply a first step - must not be used for permitting or regulatory purposes.

- **Methodology and Data Inputs.** The methodology in this tool does not distinguish between health outcomes driven by socio-economic status and those caused by chemical pollution exposure. This is a scientifically unjustified approach that could, among other things, result in under- or over-estimation of human exposure to pollutants.
• This tool identifies potential for greater health issues, but lacks nexus needed to identify responsible parties and solutions.

• This tool currently includes multiplicative methodology on relative pollution burdens and population characteristics of a ZIP code that OEHHA has not justified.

• Modeling at the ZIP code level, as this tool does, can create scientifically flawed community-assessment/ranking results as ZIP codes are much bigger than communities. A ZIP code can include a wide variety of neighborhoods, with enormously different burdens and socioeconomic factors.

• The use of percentile scores for indicators, rather than normalized actual values, contributes to the perverse outcomes of the tool, and warps the relative importance of certain indicators.

We thank you for your consideration of our concerns on this important issue and urge your immediate work to further improve, correct, develop and clarify usage of this tool to best address our communities’ environmental assessment needs while also protecting them, as well as our businesses and state.

BizFed – and all of our member business associations - stand ready to work with your office.

Sincerely,

LaDonna DiCamillo  David Fleming  Tracy Rafter
BizFed Chair  BizFed Founding Chair  BizFed CEO
Long Beach Area Chamber  Latham & Watkins LLP  IMPOWER, Inc.