



8 November 2024

Government Audit & Oversight Committee

San Francisco Board of Supervisors

Submitted via email to [Monique.Crayton@sfgov.org](mailto:Monique.Crayton@sfgov.org), [dean.preston@sfgov.org](mailto:dean.preston@sfgov.org), [connie.chan@sfgov.org](mailto:connie.chan@sfgov.org),  
[Catherine.Stefani@sfgov.org](mailto:Catherine.Stefani@sfgov.org)

**Re: REJECT Settlement of Unlitigated Claims - Chevron U.S.A. Holdings Inc. and Chevron U.S.A. Inc. - Kern County Property**

Dear Supervisors Preston, Chan and Stefani,

On behalf of Jobs with Justice San Francisco, a long term, multiracial alliance of 30 labor unions, worker centers and community organizations in San Francisco representing workers across many sectors committed to achieving livable wages and climate justice, **we respectfully urge you to reject the proposed settlement agreement that would transfer the City's property in Kern County to Chevron.**

This settlement is inconsistent with ordinance [#236-16](#) that prohibits the City from entering into or extending leases for the extraction of fossil fuel from City-owned land, and requires the Director of Property, the Department of the Environment and the San Francisco Public Utilities Commission to create a "Just Transition Plan" that evaluates "possible constructive future uses for such property, including renewable electricity generation, recreation, and habitat protection and restoration. The Just Transition Plan shall also assess adverse impacts to workers from the termination of the lease and identify mechanisms to minimize or eliminate those impacts, including potential job creation from the possible constructive future uses."

***We urge the City to pioneer a true "Just Transition" initiative that aligns with San Francisco's climate values: a pilot program that would train workers to transition from oil field work to capping these wells and ensuring the land is responsibly remediated.***

**Transferring the land to Chevron puts community health, air quality and groundwater at risk**

Idle wells are a significant environmental justice hazard, causing disproportionate risk to low income communities and communities of color living near the wells. One report estimates that  $\frac{2}{3}$  of unplugged oil wells in California leak methane, a greenhouse gas that has 80 times the global warming potential as carbon dioxide in the short term. Methane exposure can cause lung disease, asthma attacks, increased incidence of preterm birth and other health issues. Idle wells can also

cause exposure to other air and groundwater pollutants including benzene, barium, chloride and arsenic.

The City benefited from oil production on this property for decades and has an obligation to ensure proper capping of these wells. Handing the land and wells over to Chevron—the company responsible for the greatest number of idle, uncapped wells across California, according to a [2023 report](#)—would undermine ordinance #236-16 and repeat patterns of environmental neglect.

Further, transferring this polluted property to Chevron is a stark contradiction to the City’s current laudable lawsuit against Chevron and other major oil companies, seeking to hold them accountable for their role in climate impacts on San Francisco. ([People of the State of California v. BP P.L.C. et al., San Francisco Superior Court Case No. CGC 17-561370](#))

**San Francisco has the opportunity to pilot a precedent-setting worker-led oil well capping project**

Jobs with Justice San Francisco has partnered with the United Steelworkers union for more than four years on groundbreaking programs to support oil and gas workers amidst industry shifts, including securing \$40 million for a statewide pilot project to provide safety nets to displaced oil and gas workers. With at least 35,000 idle wells across California that need capping, there is a significant opportunity to create good, union jobs in oil well capping for both local community members and oil field workers. United Steelworkers represents oil well drilling and capping workers in Kern County and across California, and is interested in exploring the possibility of running a pilot oil well capping training project on this land in partnership with the City. There are funding opportunities available for such projects, including from California’s High Road Training Partnership program, federal Infrastructure Investment and Jobs Act, and CalGEM’s well remediation fund.

Given the opportunity the City has to explore implementing an innovative worker-led oil well capping and remediation project as well as possible future renewable energy projects—and the potential environmental risks of transferring the City’s property in Kern County to Chevron—maintaining City ownership of the land is imperative to comply with ordinance #236-16. We urge you to reject the proposed settlement agreement with Chevron in order to consider other options that are consistent with the intent of City law.

Please feel free to contact Tracey Brieger ([tracey@jwjsf.org](mailto:tracey@jwjsf.org)) if you have any questions.

Sincerely,



Tracey Brieger  
Deputy Director



November 20, 2024

Via Email

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San Francisco Board of Supervisors  
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**Re: REJECT Resolution 241013 – Settlement of Unlitigated Claims and Conveyance of Kern County Land to Chevron**

Dear Supervisors Preston, Chan, and Stefani:

We write on behalf of the undersigned organizations to express our concerns with Resolution 241013 and the proposed settlement of unlitigated claims that would convey Kern County land to Chevron U.S.A. Holdings Inc. and Chevron U.S.A., Inc. (“Chevron”). Our organizations work with Kern County residents whose health and safety are directly impacted by oil and gas development, but who also advocate for a just transition that will not leave communities or workers behind. For the reasons detailed below, we respectfully ask the Board to reject Resolution 241013 and the settlement agreement to convey Kern County land to Chevron. Instead, we urge the City of San Francisco to take this opportunity to co-design a program with community and labor to advance a just transition in Kern County.

The Board must consider the public health and economic consequences of its decision, particularly on environmental justice communities. If this property is gifted to Chevron, the company will be permitted to continue the extraction and distribution of oil on this land, resulting in continued harm to nearby communities as well as workers<sup>1</sup>. This is a textbook environmental justice issue, as low-income, Black, Latine, and Asian communities in California are more likely to live in areas with high densities of oil and gas wells. When, inevitably, it

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<sup>1</sup> Oil and gas workers in Kern County have some of the lowest average life expectancies as compared to workers in other industries. See **Attachment A**, “Kern Strategic Workforce Development Report,” University of California Merced, Community and Labor Center (2024), p. 42.

becomes financially infeasible for Chevron to continue oil extraction, the agreement does not guarantee that the approximately 75 oil wells will be promptly and properly sealed and closed. If these wells instead remain idle or are improperly capped, they can become a pathway for hydrocarbons or other contaminants to migrate to the surface or into drinking water.

Approximately 4.2 percent of the Kern County workforce works directly in the oil and gas extraction sector and related industries. As California rightfully transitions from oil and gas, we must implement programs that will ensure that the loss of this industry does not put the livelihoods of Kern families at risk. Kern has already started to see oil companies making significant cuts to their local workforces and there are currently few alternative local industries that offer equivalent salaries and benefits. A 2024 report from the University of Merced Community and Labor Center describes the risk of job displacement for oil and gas workers in Kern in further detail, see **Attachment A**.

The City of San Francisco benefited from the extraction of oil in our communities and used these resources to invest in its libraries and parks. Today Kern residents risk losing funding for those same public resources as we transition from oil and gas. We urge this Board to remain involved to help solve an environmental injustice it benefited from. Rather than transferring this land to Chevron, we ask that the City instead take this opportunity to help pilot a much-needed just transition project to hire displaced oil and gas workers. The project could model just transition principles by prioritizing both the plugging of wells according to stringent environmental and health standards, but also high labor standards that offer sustainable wages and strong benefits. (See **Attachment B**). In doing so, we ask that you consider building from existing resources and partnerships—such as the High Road Training Partnership in Kern County—to develop a Just Transition Plan to help replace well-earning jobs while addressing (and not replicating) harms to public health, environmental justice communities, and the environment from decades of prioritizing fossil fuels over people.

This is consistent with the Planning Department’s Racial and Equity Action Plan, which directs staff to apply the Racial and Social Equity Assessment Tool to guide Department projects, policies and programs. (**Attachment C**). The Plan directs the Department to consider the racial and social equity impacts of their decisions; who will benefit from or be burdened by a decision; and whether there are strategies to mitigate the unintended consequences and/or advance racial and social equity outcomes. As discussed above, the impacts from oil and gas extraction fall inequitably on environmental justice communities and this Board must consider the impacts from this conveyance on Kern County environmental justice communities.

We ask this Board to reject this proposed settlement agreement consistent with its climate and justice values and instead develop a Just Transition Plan, as required by City Ordinance #236-16 that explores—in collaboration with labor unions, community members, vocational schools and

academic institutions, community-based organizations, and other relevant stakeholders— a pilot program for prompt and stringent oil well decommissioning on the property as well as new job opportunities for local displaced oil and gas workers.

We appreciate the Board’s consideration of our comments and hope to engage in meaningful dialogue about the development of a Just Transition Plan for this property. Please feel free to contact us at the addresses listed below if you would like to have further discussions. All attachments to this letter may be found at this link: <https://bit.ly/3CANKIA>.

Sincerely,

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**Center on Race, Poverty and the Environment**  
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