

## **Term Sheet for the Community Environmental Benefits Agreement of New Haven (The City) and Global New Haven Terminals LLC (Global Partners)**

### **RECITALS**

Global Partners and the City share an interest in the long-term environmental health, economic vitality, and quality of life of the neighborhoods surrounding the New Haven Harbor, including the Annex, Fair Haven, Fair Haven Heights, Long Wharf, and Wooster Square (collectively, the "Port Area Neighborhoods").

Global Partners acknowledges the concerns raised by the City and Port Area Neighborhood residents regarding the cumulative environmental burden historically borne by these communities and the conduct of prior operators in the harbor area. Global Partners is committed to operating Tank 123 and its broader New Haven facility in a manner that reflects current best practices in safety and emissions control as well as the company's values related to community partnership and engagement.

Global Partners has maintained a long-standing presence in Connecticut and the New Haven community, including charitable, educational, and civic partnerships independent of any regulatory or permitting requirement. Nothing in this Agreement is intended to limit, replace, or define the scope of those separate and ongoing community activities, which Global Partners expects to continue and grow over time, so long as it maintains a commercially viable facility.

### **AGREEMENT**

This Agreement is entered into in connection with the conversion of Tank 123 from distillate (diesel) to motor gasoline service and is intended to satisfy the community benefits plan requirements applicable to that change in service.

#### **1. Mitigation Funding**

At least 15 days prior to loading gasoline into Tank 123, Global Partners shall contribute \$50,000.00 to the City of New Haven for the purpose of maximizing the air quality, environmental quality, and public health benefits in the Port Area Neighborhoods and New Haven ("Mitigation Funds"). Every year thereafter that Global Partners stores gasoline in Tank 123, Global Partners shall contribute to the City additional Mitigation Funds in the amount of \$40,000.00 (or prorated in the event Tank 123 is in gas service for only a portion of the year). The City shall invoice Global Partners and payment shall be due on or before the

anniversary of the initial payment of Mitigation Funds. Starting at the third year of Tank 123 operation in gas service, a 2.5% cost of living adjustment will be assessed to the CEBA Mitigation Funds.

The Mitigation Funds shall be administered by the City such that the City shall determine the use of half (50%) of the funds to support the purpose of this CEBA through investments in City operations that improve air quality or environmental quality. The other half (50%) of the funds will be managed and controlled by a tax-exempt entity designated by the City and shall have the purpose of maximizing the air quality, environmental quality, and public health benefits in the Port Area Neighborhoods.

At present, the City anticipates establishing an account to be known as the Harbor Area Public and Environmental Health Fund (HAPEHF) for purposes of holding the portion of Mitigation Funds to be managed and controlled by a tax-exempt entity. The City shall be responsible for determining an equitable process by which the funds contributed to the HAPEHF (or similar entity) will be allocated and may not utilize such funds except for the purposes of improving air quality or environmental quality, or addressing public health issues linked to air quality or environmental quality. These purposes may include activities to reduce particulate matter and smog forming pollution, to monitor harmful emissions and air quality indicators, increase tree coverage, improve public spaces, or invest in City assets to reduce pollution. The City will determine the use of funds based on further engagement with the public and community members from the Port Area Neighborhoods. The City will ensure that governance of the HAPEHF will include Port Area Neighborhood representatives.

The City shall publish a brief annual summary of expenditures and outcomes.

## **2. Monitoring**

Global Partners shall comply with monitoring obligations for Tank 123 as directed in its Title V Operating Permit, and requirements set forth in the New Source Review permit, as required by CT DEEP, including requirements to monitor the vapor concentration above the floating roof annually to check that levels are at or below 25 percent of the LEL. If the annual inspection of the roof identifies defects or LEL concentrations above 25 percent or if CT DEEP determines an inspection failure or excess emissions event has occurred at Tank 123, Global Partners shall report to the City corrective actions proposed and approved, and confirmation that such corrective action has been implemented.

## **3. Communications and Community Engagement**

Global Partners shall designate a Community Liaison as a point of contact for members of the local community. The Community Liaison shall maintain an outreach plan to facilitate ongoing communication between Global Partners and the local community. Such plan will provide for annual updates to the City

regarding compliance and emission monitoring related to Tank 123 and include outreach to neighborhoods in the Port Area.

Global Partners shall make its representatives available with reasonable notice as requested, but not less than annually, for the purpose of updating the City and interested community members about any issues related to the operation and maintenance of Tank 123.