

August 5, 2009

An Open Letter to Chevron and the City of Richmond From Mechanics Bank

For almost 100 years, Mechanics Bank has proudly called Richmond its home. As an organization that is committed to helping build prosperous communities as their trusted financial partner, we have always supported Richmond's businesses, non-profits, and provide employment to many of its residents. In the spirit of that commitment, we add our voice today to the growing chorus of those calling for an end to the impasse over Chevron's refinery upgrade project. Richmond, which calls itself the "City of Pride and Purpose," is in danger of losing both if it cannot find a way to reach a swift and equitable agreement that allows it to move forward.

With the city's unemployment at its highest level since the Great Depression - estimated to exceed 17% -and the state's financial difficulties about to lead to a loss of millions from its redevelopment funds, Richmond is facing one of its greatest challenges. By bringing the refinery project to a halt, Communities for a Better Environment and its allies may think they have won the day, but from our viewpoint, it appears to be a hollow victory. A century of serving this community has taught us that opportunities such as that posed by the Chevron plant upgrade don't come along very often--and they are especially rare in a time of recession. A failure to find a compromise that is fair to all would squander a chance to revive Richmond's struggling economy, and likely would eliminate future jobs and prosperity, too.

Because no agreement was reached, more than 1100 local workers have lost their jobs. Their families have lost healthcare and other benefits. The city itself stands to lose over \$61 million in promised community benefits to support a variety of much-needed programs. From job training for low-skill workers to funding that bolsters desperately needed police and fire services, from support for free and subsidized health services to construction of the missing link of the Bay Trail, and much, much more, Richmond comes out a loser.

Worst of all, the reason given for opposing Chevron's plant upgrade doesn't stand up to scrutiny. Despite opponents' claims of environmental degradation, the City of Richmond, the State Attorney General's office, and the Bay Area Air Quality Management District concluded after four years of review that the refinery upgrade would actually reduce emissions!

We did not speak with Chevron prior to preparing this letter, nor did they request that we take a position on the dispute. But given our deep roots in this community we felt it was imperative to speak out. Richmond has been a big part of the growth and success of Mechanics Bank, for which we will always be grateful. Together, we've survived the Great Depression and a dozen other boom-and-bust cycles. We have always believed in a bright future for this city, but if the naysayers kill this opportunity, it may well be decades before Richmond makes up what it will have lost.

It is imperative for our community that all parties reach a swift, reasonable resolution so that Richmond and its citizens can get back to work quickly.

Sincerely



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