

ENSURING ECONOMIC DEVELOPMENT BENEFITS ALL

Community Benefit Agreements



Bayard Research Group, LLC
James Gilmore, PhD
Presenter

Objectives

- 1) To bring awareness about the opportunities and challenges of CBAs
- 2) To explore possibilities of utilizing CBAs
- 3) To Provide Examples of CBAs

Agenda

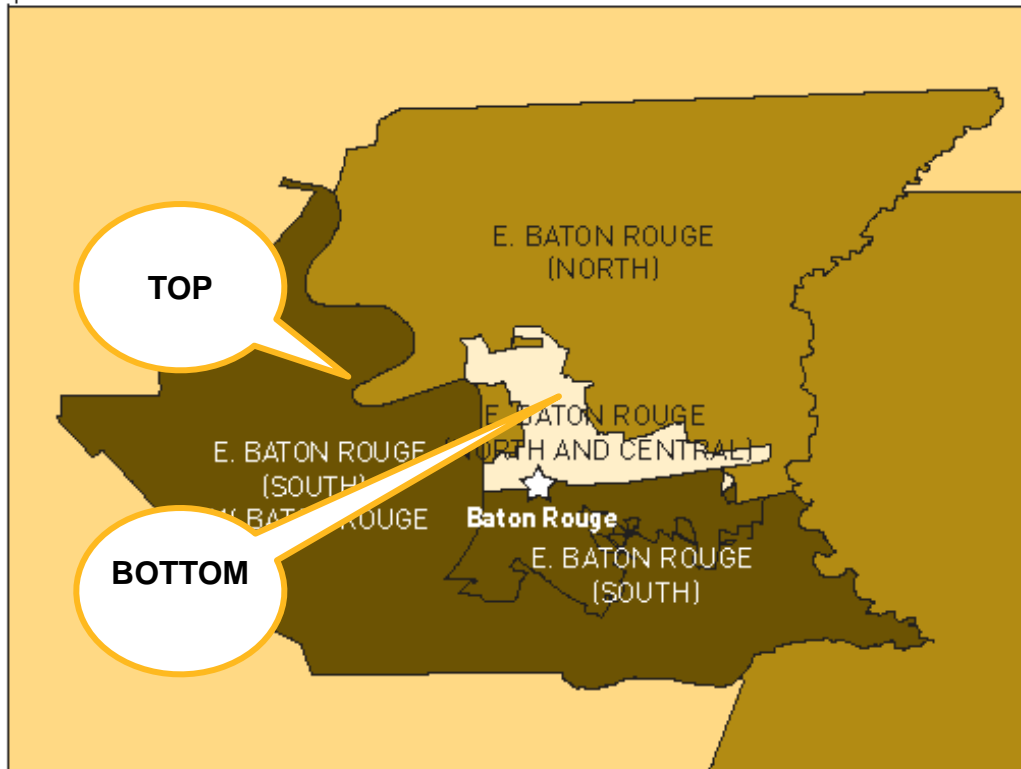
- **Policy Failures and Need for Policy changes**
- **Definition of Community Benefits Agreements (CBAs)**
- **Types of CBAs**
- **Monitoring and Evaluating CBAs**
- **Example CBAs**
- **Local Opportunities for CBAs**



Human Development Index

Composite Measure of Overall Well-being

Baton Rouge



A resident of South Baton Rouge/West Baton Rouge:

-] Lives nearly half a decade longer
-] Earns twice as much
-] Is almost 3 times more likely to have a B.A.
-] Is 3 times less likely to be a HS dropout

than a resident of North and Central Baton Rouge.

Education Index

Educational Attainment and
School Enrollment



Baton Rouge



Range of adults without a
HS degree:

8.8 percent in South
EBR/ West Baton Rouge

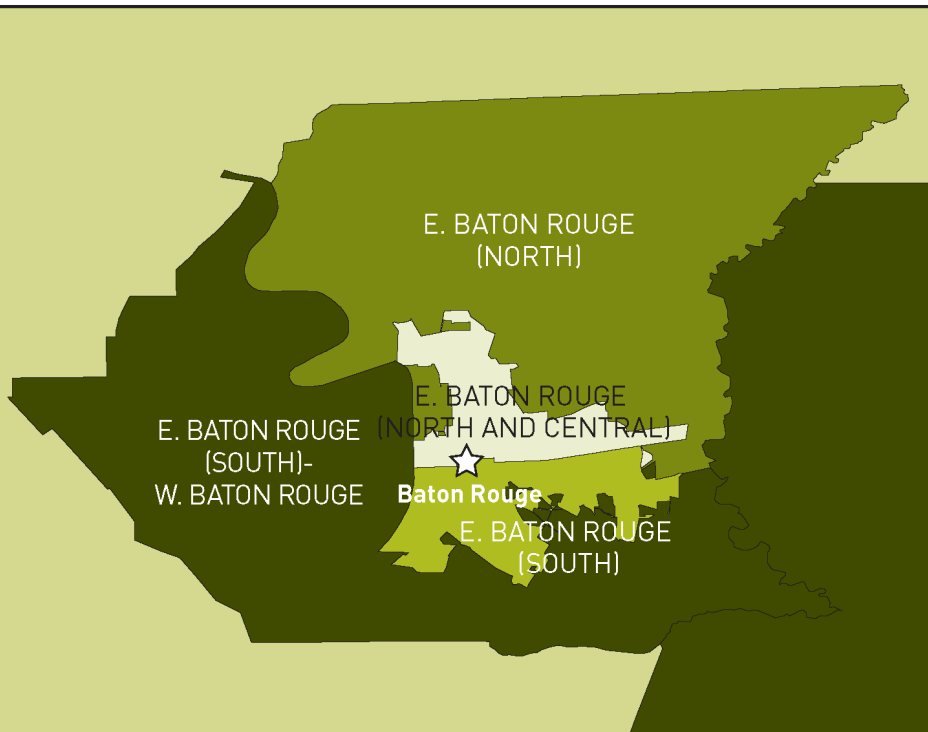
• **26.7 percent** in North
and Center EBR



Income Index

Median Earnings

Baton Rouge



Median personal earnings span from:

- **\$16,398** in East Baton Rouge (North and Central)
- **\$32,631** in neighboring East Baton Rouge (South)–West Baton Rouge.

Policy Failure



- Millions spent on economic, education, and infrastructure development
- Benefits of these projects are not felt by poor communities

Proposed Policy Change

- ▶ **Community Benefits Agreement**
 - Legally enforceable contract
 - Signed by community groups and developer
 - Sets forth a range of community benefits in exchange for community support and approvals by elected officials.

- ▶ **This policy change will:**
 - Ensure that benefits of public incentives and investments generate the benefits that the community needs
 - Enhance the flexibility in the development process
 - Provides incentives to encourage greater investment in poorer communities

Definition

- Community Benefits Agreements address the mismatch between economic development projects and the government incentives and investments they receive; and the lack of benefits that accrue to poor and less developed communities.

Definition of CBA

- Agreements between developers and coalitions of community organizations, addressing a broad range of community needs — are safeguards to ensure that affected residents share in the benefits of major developments.

Opportunities & Challenges

□ **Opportunities**

- The CBA negotiation process provides a mechanism to ensure that community concerns are heard and addressed.
- Creates economic opportunities targeted towards disadvantaged populations
- Addresses business retention concerns by addressing community issues
- Ensures that the developer's promises regarding community benefits are legally enforceable.

□ **Challenges**

- Setting forth community benefits in an enforceable legal document will usually require community groups to employ an attorney.
- Building and maintaining coalitions is difficult, especially if the developer is seeking to peel off some groups.

Ten (10) Steps to Community Organizing

1. Assess the community (get to know the community and issues)
2. Orientation with the community (general meeting about issues and plans)
3. Build relationships
4. Invite community participation
5. Identify leadership team / Develop core group
6. Develop common vision
7. Develop strategy/develop action plan
8. Mobilize to action
9. Implement plan
10. Evaluate results

Stakeholders and Building Public Will

- Stakeholder identification is an essential step
- Stakeholders are a diverse group of CBOs and individuals with vested interests in area
- Stakeholders should be committed to establishing, implementing, evaluating and enforcing a CBA
- Stakeholder Engagement

Identifying Issues

- Assessing community needs is an important aspect of a successful CBA
- Strategies for organizing a community
 - ▣ 10 steps for community organizing
- Strategies for assessing community needs
 - ▣ Community needs assessment tool

Identifying Issues

- What do you see as the three major issues currently affecting the quality of life for area residents?
- What do you see as the three major assets in our community for residents?
- Is there an adequacy of resources/services in our community for addressing each issue.

Negotiating Community Benefits Agreements

- What is the time frame for the commitment to be fulfilled?
- Who will monitor performance?
- How and when will information on performance be made available?
- What will happen if the commitment is not fulfilled?

Monitoring and Evaluating CBAs

- Required reports should be no less frequent than once a year, should be publicly available, and should be due by a particular date each Year
- One possible compromise is to empower local government officials to verify reports and/or investigate complaints.

Type of CBAs

- Living Wages
- Targeted Hiring
- Housing
- Environmental
- Infrastructure Development
- Human Services

EXAMPLES COMMUNITY BENEFIT AGREEMENTS



Examples

- **Yale-New Haven Hospital CBA (New Haven, CT):** Negotiated in March 2006 by Connecticut Center for a New Economy (CCNE), this agreement set aside money for housing, economic development, youth programs and job training, included strong environmental standards, and a job training & local hire program, and addressed neighborhood & community concerns.

www.ctneweconomy.org/CORD.html

Examples

- **SunQuest CBA (Los Angeles, CA):** Negotiated in October 2001 by LAANE. The CBA for this largely industrial project included strong environmental mitigations, community participation in the design, and set aside funds for public art, a neighborhood improvement fund and a youth center. www.laane.org/policy/cbas.html

Examples

- **Ballpark Village CBA (San Diego, CA):** Negotiated in September 2005 by the Center on Policy Initiatives (CPI), the agreement requires adherence to environmental building & design standards, establishes a living wage for service contractors, sets aside \$1.5 million for job training programs, requires participation in a local hire program and designates additional funding for youth, arts & cultural programs.

<http://www.onlinecpi.org/article.php?list=type&type=131>

Examples

- **CIM Project CBA (San Jose, CA):** Negotiated in April 2003 by Working Partnerships USA (WPUSA). WPUSA's efforts yielded an agreement that established living wage protections for parking garage employees, set aside space for locally owned small-businesses on site, and required the developer to seek living wage jobs for grocery, retail or hotel dimensions of the project. Strong affordable housing requirements round out the CBA. www.wpusa.org see also www.communitybenefits.org/article.php?id=568

Examples

- **Staples Center CBA (Los Angeles, CA):** Negotiated in May 2001 by LAANE. This prominent, groundbreaking CBA included a comprehensive range of developer commitments, including a living wage requirement, first source hiring program, and a seed fund for job training.
www.laane.org/policy/cbas.htm.

Getting Affordable Housing Right

- Project Presented Before Planning and Zoning
 - ▣ NO Citizens Were Present
 - ▣ Faith Leaders & Developer
 - ▣ City Council Member Opposed
 - ▣ SO DID I

The screenshot shows a web browser displaying a news article on The Advocate website. The browser's address bar shows the URL: <http://theadvocate.com/news/business/3579343-123/getting-affordable-housing-right>. The website header includes the date "THURSDAY EDITION November 8, 2012 Updated continually" and the location "Baton Rouge, LA Fall - 73° Fall forecast". The main navigation menu includes categories like NEWS, NEW ORLEANS, BUREAUS, SPORTS, FEATURES, ENTERTAINMENT, CLASSIFIEDS, JOBS, HOMES, WHEELS, SHOP, and PETS. The article is titled "Getting affordable housing right" and is categorized under "BUSINESS". The byline reads "BY CHAD CALDER Advocate business writer August 25, 2012" with "1 COMMENTS". The article text begins with "When a 50-home Plank Road subdivision billed as The Gardens came before the city-parish Planning and Zoning Commission last November, its demise was as swift as it was unexpected." and continues with "The commission unanimously rejected the tax credit-funded affordable housing development just south of Hooper Road after Metro Councilwoman Ronnie Edwards told the commission she feared The Gardens would consist of cookie-cutter rent houses crammed together on small lots." and "She and Commissioner Audrey Nabors Jackson raised the specter of a". To the right of the article is a photograph of construction workers. Below the article are two advertisements: "Enroll in AARP® Essential Premier Health Insurance, insured by Aetna." and "Earn 15,000 Points Plus Citi ThankYou® Preferred Card". The Windows taskbar at the bottom shows several open applications, including "CBAPresentation_S...", "GSAEDD Economic...", "GARDENS COMMU...", and "Getting affordable...". The system clock shows "1:38 PM".

My CBA Requests

- 1. I am not in support of a 15 lease to buy program. I need it stated that this will not be an option.
- 2. I want about 15 to 20 homes to be homeownership opportunities, I need that stated in the CBA.
- 3. Two or more ways in and out of the development, stated in the CBA.
- 4. Different heights on roof tops, stated in the CBA.
- 5. A local property management firm will be hired. Minimum of 25 percent people hired from the district (street) to build this development.

My CBA Requests

- 6. The homes will not ALL look alike and have the same floor plan. Maybe every other 3 homes should be alike.

- 7. Larger square footage, especially for the homeowners.

- 8. I also would like to recommend a community meeting, to ensure the community is aware of the development and the compromises you all are attempting to make.

- 9. Lastly, every CBA has to include penalties if the developer breaches the contract. I will speak with an attorney but I think a financial payment to a local nonprofit that focuses on economic and housing development in the district should suffice if any CBA agreements are breached. There are several to choose from.

Community CBA Requests

- ❑ Individual security alarms in each unit
- ❑ Equipped playground
- ❑ 5' Wide Sidewalk along street that can be used as a bike trail.
- ❑ Underground utilities
- ❑ Community building/clubhouse/management office
- ❑ Community building to have vaulted cathedral ceiling, computer lab, and exercise equipment
- ❑ Full time onsite management and maintenance
- ❑ Green, LEED, and Energy Star, and Superior Design Project
- ❑ Security lights along the street
- ❑ Homes to be staggered distance from the street
- ❑ Garage, not carport with automatic door opener
- ❑ Secured outside storage in each unit
- ❑ Several different elevations, colors, brick, and roof lines
- ❑ Energy Star windows
- ❑ Brick exterior, Trim and soffits to be cement board for maintenance free exteriors
- ❑ Upgraded appliances (Energy Star)
- ❑ Upgraded hardware

Community CBA Requests

- ❑ Upgraded paneled doors
- ❑ Upgraded solid wood cabinets
- ❑ Upgraded, energy efficient light fixtures
- ❑ Upgraded, energy efficient and low water usage plumbing fixtures and water heaters
- ❑ 16 SEER air conditioning units (highest available)
- ❑ 9' ceilings, with vaulted cathedral ceiling in living room
- ❑ 25 year minimum roof
- ❑ Maximum insulation in exterior walls(R24) and attic (R49)
- ❑ Ceramic floors in all rooms except bedrooms & living rooms in each unit
- ❑ Wood look vinyl plank floors in bedrooms, closets, living rooms in each unit
- ❑ 8' wood fence along entire perimeter
- ❑ Community building will have full kitchen and bathrooms
- ❑ Internet, cable, and telephone outlets in living room and each bedroom
- ❑ Garbage disposals in each unit
- ❑ Microwave in each unit

Community CBA Requests

- ❑ High impact sheetrock walls in each unit
- ❑ Washer, dryer, disposal, and dish washer in each unit
- ❑ Widened sidewalk for bike trail
- ❑ Access to Rheema Christian Center Daycare
- ❑ Computer lab
- ❑ Fitness center
- ❑ Family counseling referrals
- ❑ Parenting seminars
- ❑ Grandparent involvement
- ❑ Summer activities for children
- ❑ After school activities for children
- ❑ Pro-active Neighborhood Watch program
- ❑ 8 units reserved for handicap/PSH tenants
- ❑ Coordination with Sheriff, Police, and adjoining civic associations
- ❑ Supportive services provided by State DHH/DSS for 8 handicap units

Community CBA Requests

- ❑ 15% of units to be rented at 30% AMI
- ❑ Development will accept qualified tenant referrals from the Housing Authority
- ❑ Will become active member of all applicable local non-profit agencies
- ❑ Financial and budgeting seminars
- ❑ Home buying training and seminars
- ❑ Preventive health care program referrals
- ❑ Birthday parties, pot-luck dinners, bingo and other recreational activities
- ❑ Mental health, physical health, and substance abuse referrals
- ❑ Job training referrals
- ❑ Mentoring program by local churches



**ALL REQUESTS WERE
HONORED AND
INCLUDED IN THE CBA!**

Thanks!

Jgilmore@bayardresearch.com

225-236-7692 (Phone)

James Gilmore (Facebook)