



# Community Benefit Agreements

Webinar: Carbon Dioxide Removal and Communities: Benefits, Negotiations, Oversight, and Enforcement

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# What Do We Mean by “Community Benefits”?



# Pros and Cons of CBAs

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## Pros

- 1) Mechanism to ensure residents share in the benefits of major developments in their communities
- 2) Community benefits can be tailored to specific community needs without a nexus to the development
- 3) Can shift the balance of power in economic development from developers and local government to the community
- 4) Can help hold developers accountable for their promises

## Cons

- 1) Participating community groups generally must give up their right to oppose a project, even if they believe it may harm the community
  - 2) It is not always clear who gets to negotiate and make decisions on behalf of the “community”
  - 3) The process can be co-opted by more well-connected and well-resourced interests
  - 4) Can create division within the community if there is not alignment on whether to enter into a CBA or on CBA conditions
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# What Makes an Effective CBA?

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1. Community interests are well-represented
2. Process is transparent, inclusive, and accessible
  - Clear decision-making process
3. Concrete, meaningful benefits deliver what community needs
4. Clear enforcement mechanism to ensure developer accountability
  - Dispute resolution process
  - Conditions incorporated into land use permit or development agreement
  - Steering Committee or governing body

Term	Definition
Community Benefits Agreement	A CBA is an agreement signed by community groups or coalitions and a project developer, identifying the community and/or labor benefits a developer agrees to deliver in return for community support or workforce availability for a project to help ensure that measurable local benefits will be given to a community. They are <u>enforceable, legally binding contracts for all parties</u> . They typically specify responsibilities, reporting, and remedies.
Good Neighbor Agreement	A GNA is a negotiated agreement between community groups and an <u>existing company</u> to reduce harm and address community needs. GNAs typically include polluting industry concessions to reduce negative community impacts in exchange for community commitment to stop litigation, a permit challenge, or other form of activism against the company.
Community Benefit Plan	CBPs are <u>non-legally binding</u> agreements <u>created by developers</u> in collaboration with community organizations, outlining developer's commitments. "The Department of Energy (DOE) requires Community Benefits Plans (CBPs) as part of all Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) funding opportunity announcements and loan applications.
Project Labor Agreement	PLAs are agreements between a developer and labor unions that set the terms for any labor on a given project. These agreements can guarantee the quantity and quality of jobs on a project by setting wage floors and work hours and conditions, while ensuring a developer hires unionized workers.
Community Workforce Agreement	A CWA is a PLA that includes community-oriented commitments relating to equitable workforce development, social justice, small business support and/or other issues. Negotiating a CWA brings unions together with the project user/owner, the general contractor, and community organizations to jointly develop the terms of the project.

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# Department of Energy

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## Priority Areas:

- Community and Labor Engagement
- Job Quality and Workforce Continuity
- Diversity, Equity, Inclusion and Accessibility Advancement
- Justice40 Initiative

**CCS Projects**

Carbon Capture Storage projects

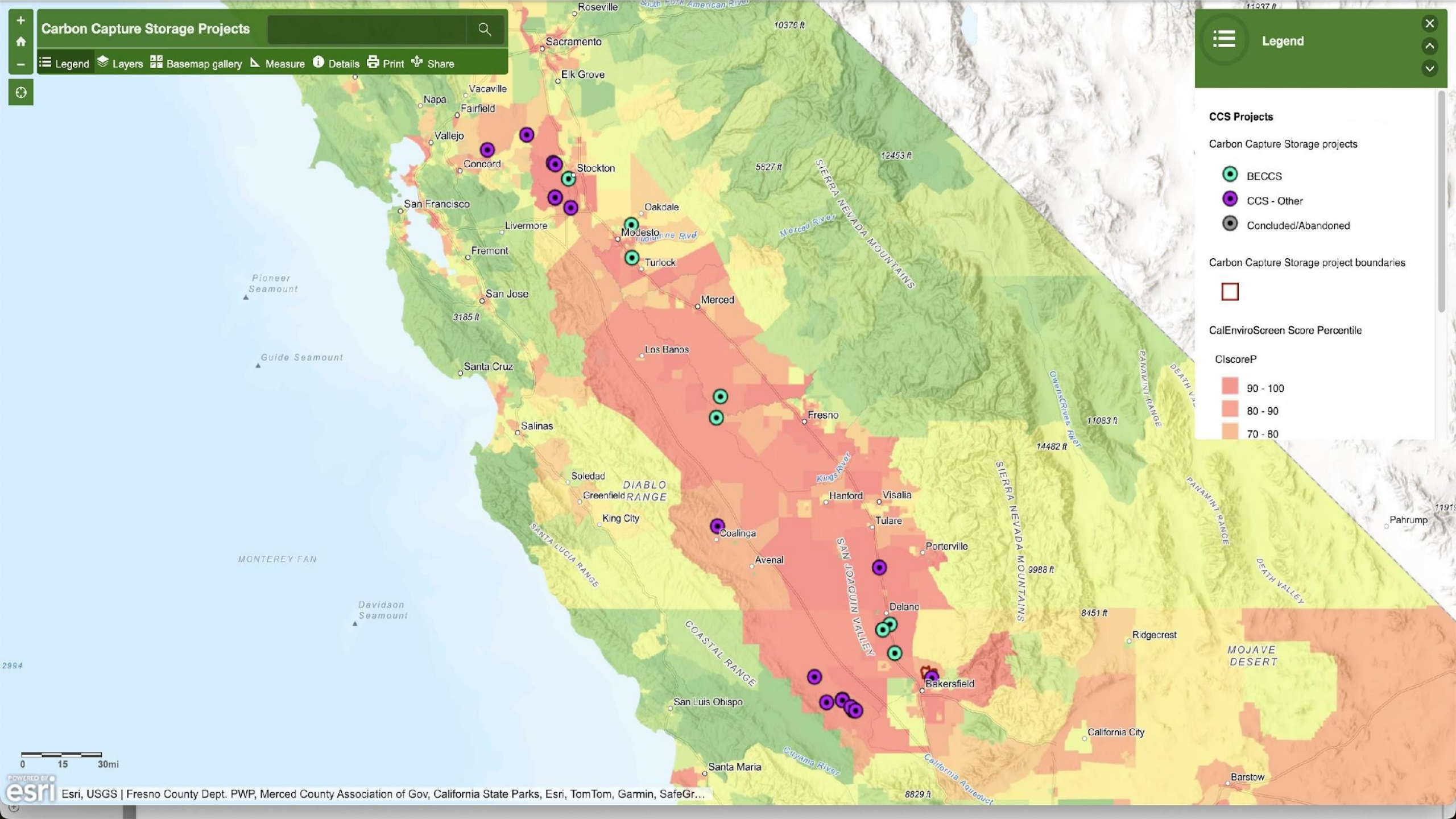
- BECCS
- CCS - Other
- Concluded/Abandoned

Carbon Capture Storage project boundaries

CalEnviroScreen Score Percentile

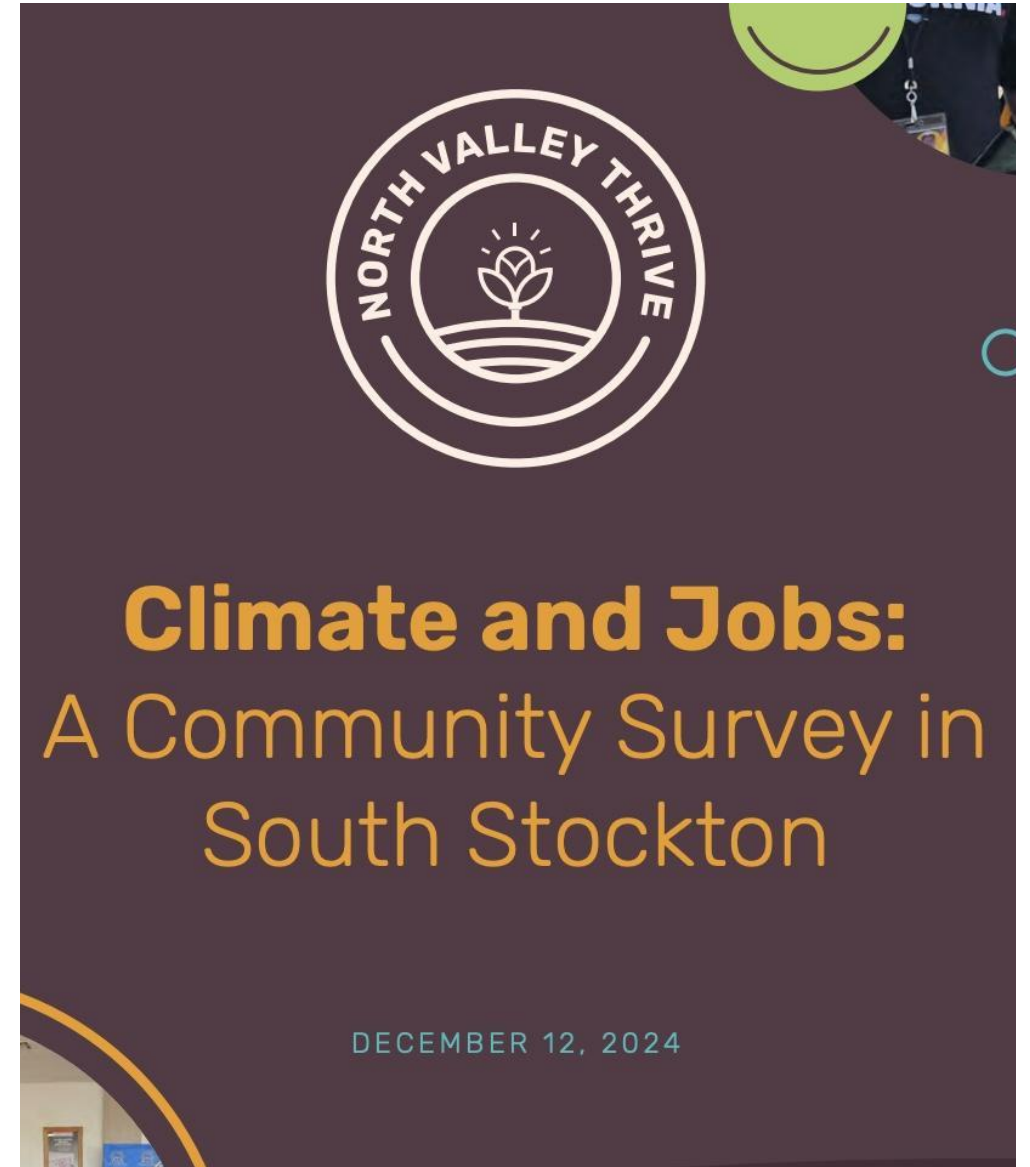
ClscoreP

- 90 - 100
- 80 - 90
- 70 - 80



**Table 3. Are you familiar with these new energy and carbon**

<b>Energy/Carbon Technology</b>	<b>Yes</b>
<b>Solar power</b>	95.7% (381)
<b>Wind power</b>	69.3% (275)
<b>Biofuels</b>	54.8% (216)
<b>Hydrogen energy</b>	52.4% (208)
<b>Carbon capture and sequestration</b>	22.5% (89)
<b>Direct air capture of carbon</b>	21.4% (85)
<b>Dairy digestors</b>	21.2% (84)
<b>Biomass carbon removal and storage</b>	20.5% (81)





# Lessons Learned

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1. Lengthy process – Each took several years
2. Process worked due to pre-existing engagement of community members and community trust in organization that supported CBA negotiations
  - May be less complicated in small, organized communities
  - Few organizations have resources to support this work – community organizers/attorneys
  - Very few successful CBAs in the Central Valley
3. Take time to understand community interests
  - Community Needs Assessments
  - Meet internally often; provide space for voting and discussions;
4. Community members needs to decide whether to engage and when to walk away
5. Negotiations required a good understanding of interests and leverage
  - What are likely outcomes if groups negotiate and if groups do not negotiate
  - What is likely achievable through a CBA

# Benefits Obtained

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1. Community fund – per tonnage payment
  - Signatory Community groups select projects for funding
2. Environmental impact reductions
  - Odor minimization plan
  - Litter removal
3. Project design elements – emission reduction technology
  - 80% reduction in VOC emissions
4. Transparency, communication, and reporting
  - Community Steering Committee
  - Annual report
  - Quarterly meetings
  - Complaint hotline
5. Jobs
  - Local hire commitment

# Types of Leverage

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- Litigation
  - California Environmental Quality Act
  - National Environmental Protection Act
  - Other environmental or civil rights laws
- Permitting Processes
  - Land use permit (City or County)
  - Hazardous waste permit (DTSC)
  - Class VI Permit (EPA)
  - Air Permits (SJV Air District)
- Grants and Subsidies
  - Department of Energy
- Media/Public Perception



Questions?

