

Technical Assistance for Brownfields EPA Region 1

# Displacement in Brownfields: Community Benefits Agreements

*Rupal Parekh, PhD: Assistant Professor, UConn School of Social  
Work & UConn TAB Community Engagement Coordinator  
University of Connecticut*

October 8, 2024



# Webinar Outline

- Anti- Displacement Strategies
- What is a Community Benefits Agreement (CBAs)?
- Key Features of CBAs
- Benefits of CBAs
- Why do Stakeholders need CBAs?
- How are CBAs created?
- How are CBAs implemented?
- Traditional Development Agreements vs CBAs
- Grant Applications – Effective Language and Strategies
- Examples of Successful CBAs
- Questions
- Resources



# Anti-Displacement Strategies

<b>Community Benefits Agreements</b> <ul style="list-style-type: none"><li>• Contract between community members and private developer</li><li>• Outlines community needs and desired outcomes</li></ul>	<b>Community Land Trusts</b> <ul style="list-style-type: none"><li>• When a non-profit organization purchases housing/land to sell to residents at affordable price</li></ul>	<b>Inclusionary Zoning</b> <ul style="list-style-type: none"><li>• A local policy that requires a certain amount of affordable housing units within a community</li></ul>	<b>Small Business Preservation Programs</b> <ul style="list-style-type: none"><li>• Programs that support small businesses through funding, workforce development, etc.</li></ul>	<b>Tax Abatement</b> <ul style="list-style-type: none"><li>• Financial programs and tax reductions aiming to protect residents/businesses from rising costs of living</li></ul>
---	---	---	---	---

# What is a Community Benefits Agreement?



A community benefits agreement (CBA) is a legally enforceable contract between a developer and a community group, in which the developer agrees to provide specific benefits to the community in return for its support. CBAs are instrumental in enhancing the quality of life for local residents and minimizing the impact of major development projects.



A CBA outlines the benefits a developer will offer to the community in return for the support of community representatives for the proposed project.

# Key Features of CBAs



**Negotiated Terms:** CBAs are the result of negotiations between the developer and community representatives. The terms are tailored to the specific needs and concerns of the community.



**Tangible Benefits:** The benefits outlined in a CBA can include a wide range of commitments, such as:

Affordable Housing: A certain percentage of new housing units may be set aside as affordable housing.

Local Hiring: The developer may commit to hiring a specified percentage of workers from the local community.

- Construction
- Permit Jobs
- First source hiring system

Living Wages: Jobs created by the development might offer living wages or benefits.

Financial support for specific community needs

- Job training
- Childcare



# Key Features of CBAs



**Environmental Protections:** The project might include measures to protect the environment, such as green space preservation or pollution reduction.



**Community Amenities:** Developers may agree to fund or build amenities like parks, community centers, or public infrastructure.

# Key Features of CBAs

- **Enforcement Mechanisms:** CBAs typically include enforcement mechanisms to ensure that the developer fulfills their obligations. This might involve regular reporting, penalties for non-compliance, or third-party oversight.
- **Community Participation:** CBAs empower community members by giving them a direct say in how a development project impacts their neighborhood. This participatory approach helps to balance the interests of the developer with those of the local community.
- **Transparency and Accountability:** Because CBAs are public documents, they promote transparency and allow community members to hold developers accountable for their commitments.



# Benefits of CBAs- *reducing risk maximizing benefits & building support for implementation*

- **Reduces Displacement:** By securing affordable housing and local hiring commitments, CBAs can help mitigate displacement and gentrification.
- **Promotes Equity:** CBAs ensure that the benefits of development projects are shared with the communities most affected by them, often focusing on historically marginalized groups.
- **Fosters Positive Development:** By addressing community concerns, CBAs can lead to more sustainable and socially responsible development.
- **Representation:** It's essential that the community coalition represents the diverse voices and interests of the entire community, not just a select group.





# Why do stakeholders need CBAs?



Ensures that stakeholders get their priorities into development agreements



Development agreement is only a contract – not a law



Historically bad track record on implementation of community benefits.

# How are CBAs created?

## 5-steps

1. A diverse group of local community organizations, including non-profits, advocacy groups, labor unions, and residents, come together to form a **coalition**.

2. Approaching the developer or the developer might initiate this as well to gain **community support**

3. Meetings between parties including **city/government support** to ensure mutually agreed upon supports

4. **Drafting agreement** detailing the obligations of both the developer and the community and reviewing agreed-upon benefits by community and local government.

5. **Ongoing oversight** – CBA may include penalties for non-compliance or require regular reports from the developer

# How are CBAs implemented?

*not a one-size fits all plan*



Depends on each of the commitments made in the agreement.



Members of CBA coalitions will likely work together for years to assure strong implementation of the commitments they negotiate



CBAs may establish oversight committees, which include community members who monitor the progress of delivery of benefits agreed upon.



Local, programmatic infrastructure would need to exist for each key provision of the CBA, to enable the successful delivery of promised benefits.



Example: a local or targeted hiring 8 provision will require support from multiple entities

# Traditional Development Agreement vs Community Benefits Agreements

## Traditional Development Agreement (No CBA)

**Step 1:** A public entity (such as a city council, county officials, or court) or key representatives engage with developers to discuss potential redevelopment opportunities.

**Step 2:** Negotiating the Development Agreement (contract). Stakeholders try to collaborate with city representatives to include key issues are addressed and incorporated into the contract. This is often challenging because of competing views/needs.

### Challenges:

- **Underrepresented stakeholders** often face difficulties in having their priorities included in the development agreement and ensuring those priorities are enforced.
- The Development Agreement is a contract, **not a law**.
- **Enforcement** is limited to the city and the developer, without broader mechanisms.
- Cities need adequate **resources and attention** to actively monitor and enforce these agreements.
- The agreement can be **amended** over time, potentially altering its original terms.

## Community Benefits Agreements

- **Step 1:** Formation of a **community coalition**. This group of advocates comes together to create a unified position statement, which they present to the city council.
- **Step 2: Negotiation** between the developer and the community coalition to establish a Community Benefits Agreement (CBA), a formal contract outlining commitments.

### What can the coalition do?

- Provide **support** during project approval hearings, which can help streamline the approval process.
- Commit to **withdrawing legal challenges** to the project, easing potential roadblocks.
- Foster **stronger relationships** between the developer, local partners, and the broader community as the project progresses.

# Grant Applications – Effective language and Strategies

## Grant Question about Advancing Environmental Justice

- **(b) Advancing Environmental Justice:**
- Discuss how this grant and reuse strategy/projected site reuse(s) will advance environmental justice and minimize the unintended displacement of residents and/or businesses among the community(ies) in the target area(s).

## Example: Community Wide Assessment grant

- For more than two generations, the residents in our Target Area have been forced to cope with environmental, economic, and health risks associated with their brownfield sites, which contribute to the environmental justice issues in this small urban community. In response, this grant will help propel redevelopment efforts that aim to promote environmental justice by engaging with underserved members of the community, allocating resources equitably, and mitigating environmental hazards.
- To ensure that the community's needs are prioritized, we will utilize a Community Benefits Agreement (CBA) to outline specific commitments from developers. This agreement will help address the diverse needs of local residents, including the minimization of displaced residents and businesses through measures such as affordable housing development supported by inclusionary zoning, tax abatement, land trusts, and business support provided by preservation programs.
- The reuse strategies will help local residents protect their homes by eliminating risks from adjacent brownfields and will provide new employment opportunities within their neighborhoods. Through the support of this grant, environmental justice issues will be addressed through the transformation of brownfields into social and economic assets, ensuring that all residents have a healthy place to live, work, and play.

# City of Salem and City of Salem & Salem Wind Terminal LLC

- **Project Description: Offshore Wind Terminal**
- **Benefits**



The developer will provide \$9 million in direct payments over the 25-year life of the agreement, including approximately \$4 million in education and workforce development investments, \$2.5 million in first responder training and equipment, \$1.25 million to fund a harbormaster position, \$850,000 in improving roadway intersections, and \$500,000 in climate action funding, in addition to funds for supporting local police and fire departments. The developer also agrees to develop and implement a strategy for seaport electrification to reduce air quality impacts.

# Monhegan Plantation et al. and Maine Aqua Ventis

---

- **Project:** 12-MW off-shore wind energy facility
- **Benefits:** Upfront payments include \$100,000 for an energy/broadband infrastructure fund to implement grant work; \$100,000 for a technical support fund; and \$2,330,000 for an energy/broadband infrastructure capital fund. Annual payments begin at \$40,000 and escalate by 2.5% each year. Targeted benefits include local hiring opportunities and University of Maine scholarships for Monhegan residents.





# Resources

- <https://tab.program.uconn.edu/>
- <https://climate.law.columbia.edu/content/community-benefits-agreements-database>



# Questions

