

Community Benefits Agreements: Tools for Rebuilding Urban Economies

Kathleen Mulligan-Hansel

Minneapolis Federal Reserve Bank
Community Development Forum

December 14, 2007





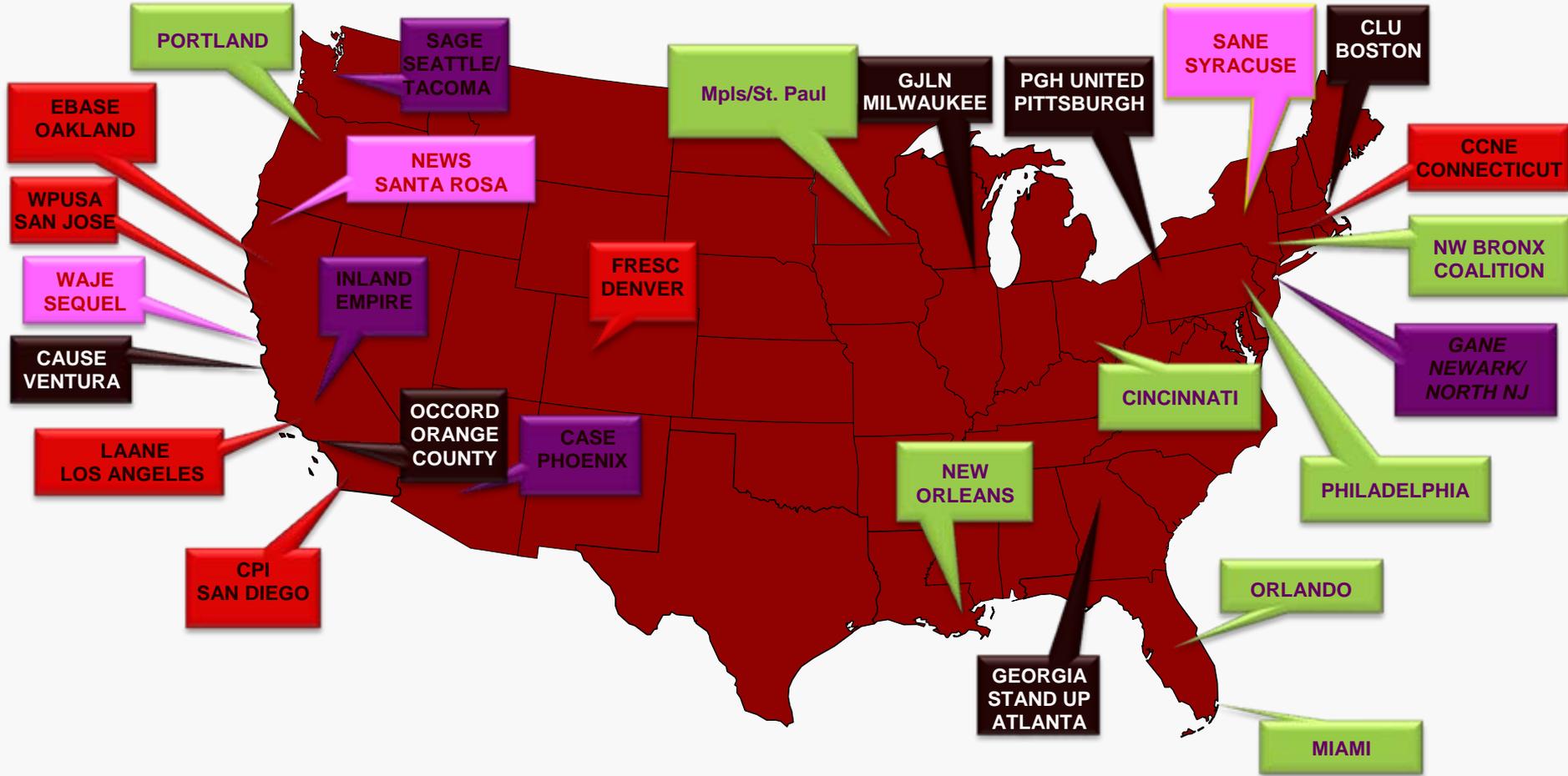
The Partnership for Working Families promotes innovative local organizing strategies and new economic policy models that transform the standard of living for workers and communities.

Who We Are

- **National partnership of over twenty local Partner organizations and coalitions in urban areas around the country.**
- **Partnership organizations build coalitions of communities, churches and unions in a shared vision for the equitable revitalization of American cities, and focus on accountable economic development.**
- **The Partnership provides national support to coalition efforts through peer networking, campaign planning & support, internet-based communications and the Community Benefits Law Center.**

THE PARTNERSHIP

for Working Families



Community Benefits Agreements in the PWF Network

- Partner organizations have negotiated 12 CBAs to-date.
- Partner organizations have passed 3 CBA policies.
- Nine ongoing CBA campaigns are underway.
- Wide range of CBA-related initiatives – including campaigns for standards-policies, sunshine/disclosure, etc.

Community Benefits Agreements

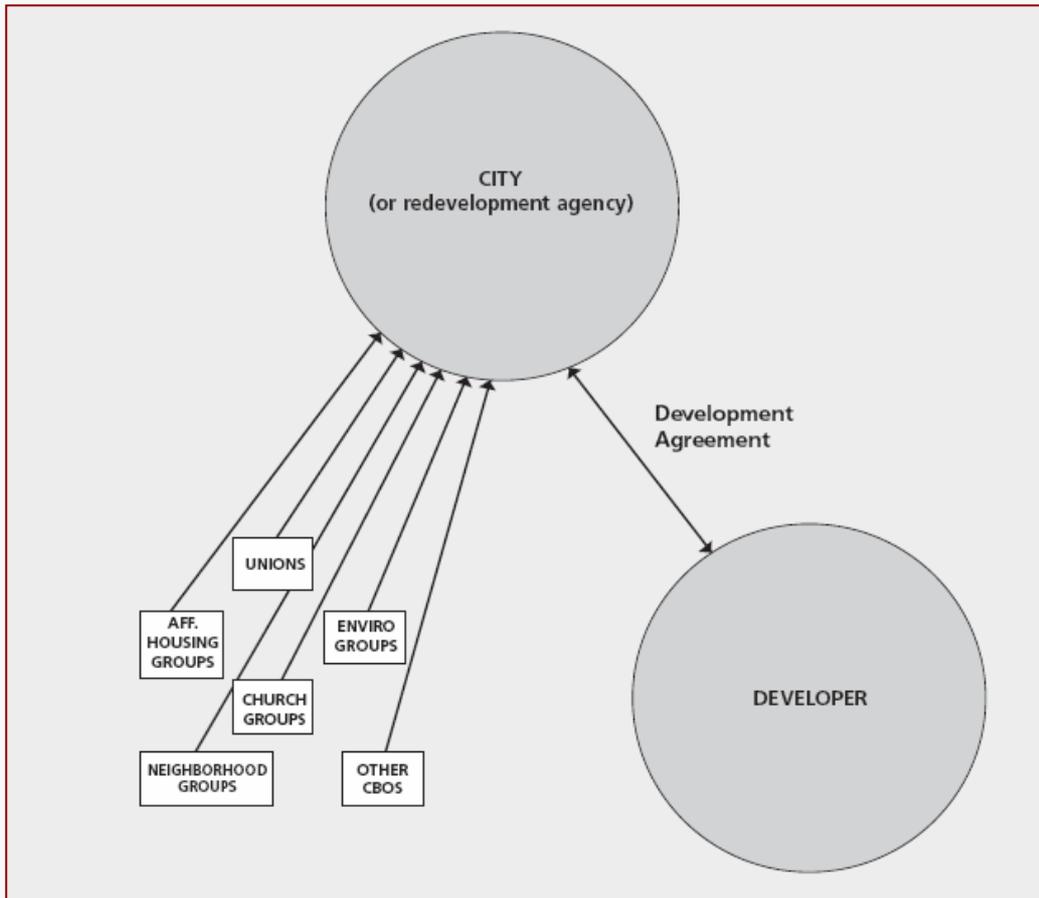
- Legally binding agreements, policies, and principles between developers and community coalitions addressing a broad range of community needs.
- Intended to mitigate the social, economic and environmental impacts of development.



Labor/Community Coalitions

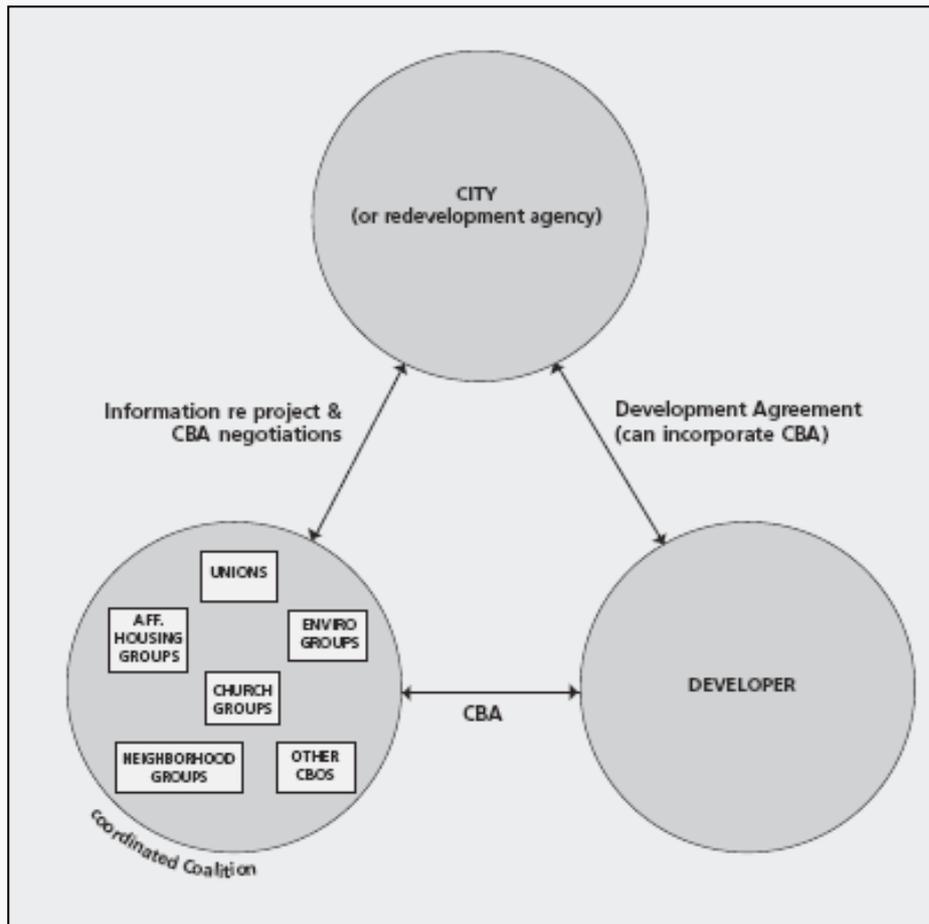
- **Unions:** Good Jobs; Organizing Rights
- **Faith Groups:** Local Hiring
- **Environmentalists:** Green Design; Environmental Justice; traffic/pollution
- **Community Groups:** Affordable Housing; living wage; local hire; neighborhood issues

Without a CBA



- Little or no direct communication b/w community groups and developer
- All developer commitments go into development agreement-city & developer draft language
- No coordination & shared power among community groups
- Community groups cannot enforce developer commitments.

With a CBA



- Developer commitments re community benefits go into CBA
- Coalition & developer draft language together
- Community groups can enforce developer commitments (City and agency can too, if CBA is included in the development agreement.)
- Community groups share information, have strength in numbers, and coordinate their advocacy.

Why are CBAs needed?

- Urban poverty on the rise
- Massive public investment in private development (>50 billion annually)
- Planning vs processing
- Cities generally have extensive land-use powers
- Countering the race to the bottom
- Community benefits = win-win

CBA Models

- Site Specific Agreements
- Community Benefits Standards That Apply to Multiple Developments

SITE SPECIFIC AGREEMENTS

Los Angeles Alliance for a New Economy

LAX Modernization

- \$500 million in Community Benefits
- Job Training
- First Source Hiring
- Environmental mitigation

LAANE leads the nation in CBA negotiations, having secured 7 agreements to-date, including the landmark Staples Center agreement signed in 2001.

Front Range Economic Strategy Center Denver, CO

Gates Cherokee Redevelopment

- Prevailing wage standard for construction
- Enhanced Local hiring
- 20% Affordable housing for low and very low income families
- Community participation in environmental remediation



Center on Policy Initiatives San Diego, CA

Ballpark Village Agreement 2006

- Local hiring
- Community outreach for construction jobs
- 180 units of affordable housing
- Maintain working, industrial waterfront



COMMUNITY BENEFITS STANDARDS FOR MULTIPLE DEVELOPMENTS

Good Jobs & Livable Neighborhoods Coalition Milwaukee, WI

Park East Redevelopment Compact

- Prevailing wage standard for construction
- Local hiring
- Affordable housing
- Green construction principles



Georgia Stand-Up Atlanta, GA



Beltline Tax Allocation District Policy

- \$11 Billion Project; 85,000 Jobs
- All development agreements must include community benefits language addressing prevailing wages, local hiring, responsible contracting, and enhanced apprenticeship and pre-apprenticeship programs

Working Partnerships USA San Jose, CA

Coyote Valley Development

- Secured 5000 New Affordable Housing Units, including 3000 for extremely low- and very low-income families
- Secured two affordable health clinics built into land-use plan
- Working for accessible public transit, preservation of open space, job quality in ongoing planning process

Challenges & Rewards

- **Coalition partners**
 - **Coalition building**
 - **Credibility on economic development issues**
 - **Connecting development to strategic regional vision**
- **Developers**
 - **Build in valuable amenities**
 - **Reduce element of surprise**
 - **Develop valuable new relationships**