## **Community Benefit Planning - Fact Sheet**

**Community benefits** are the positive contributions and improvements brought to the local community from a development project. These benefits can include economic, social, environmental, and infrastructural enhancements. They are usually negotiated between developers and community groups or local governments.

Community Benefit Plans (CBP) have gained recent attention because the <u>Department of Energy is requiring a CBP</u> for all applications for funding from the Bipartisan Infrastructure Law and Inflation Reduction Act.

#### **Definitions**

"Community Benefit Plan" is a broad, non-legally binding strategy or framework developed by a developer, sometimes in collaboration with the community, to ensure that a project provides social, economic, and environmental benefits to the local community. DOE is requiring CBP's as part of their funding application process.

"Community Benefit Agreement" is an enforceable, legally-binding agreement negotiated by community organizations and a developer. They identify the community benefits a developer agrees to deliver, in return for community support of the project. They are the direct result of substantial community input.

Other mechanisms to secure community benefits might include, Development Agreements, Good Neighbor Agreements, Project Labor Agreements, and more. These agreements vary in terms of formality, enforceability, and scope.



#### Potential Benefits to Include in a CBP and CBA

# • Local Employment:

- Job creation with hiring preferences for local residents.
- Apprenticeship and training programs to build local workforce skills.

### • Economic Development:

- Funding for local businesses or community projects.
- Investments in local infrastructure improvements.

#### • Environmental Protections:

- Measures to mitigate environmental impacts, such as pollution controls and habitat preservation.
- o Implementation of green space or community gardens.

# • Community Services:

- Contributions to local schools, healthcare facilities, and recreational areas.
- Support for community programs and non-profit organizations.

#### • Infrastructure Investments

 Contributions to infrastructure improvements, including roads, public transportation, broadband, energy, and community facilities.

## • Energy Benefits:

- Access to clean energy at reduced rates for local residents.
- o Programs to improve energy efficiency in community buildings and homes.

#### Resources

- DOE's Community Benefit Plan Website with templates
- DOE's Community Benefit Agreement Toolkit
- DOE's Community Benefit Agreement FAOs
- <u>Center for Rural Affairs Empowering Rural Development through Community Benefit</u>
  <u>Agreements</u>
- Good Jobs First's <u>Community Benefits Agreements- Making Development Projects</u> <u>Accountable</u>
- Reimagine Appalachia Community Benefits Plan Blog
- Reimagine Appalachia Summary of Community Benefits Summit
- Invest in Neighborhood's Community Benefits Agreement Toolkit
- RMI's Community Benefits Plans: Driving Equitable Clean Energy Development

#### Steps to Negotiate a CBA

# 1. Organize Your Community: Form a Coalition and Set Goals

- Gather community members, local organizations, and stakeholders.
- Ensure diverse representation to address various community needs and perspectives.

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- Identify key benefits the community wants, such as job creation, environmental protections, or infrastructure improvements.
- o Prioritize these goals based on community consensus.

## 2. **Research and Prepare:** Understand the Project and Identify Potential Benefits

- Gather information about the clean energy project, including its scope, timeline, and potential impacts.
- Learn about the developer's background and other projects they have completed.
- Look at CBAs from other communities for ideas.
- Consider benefits such as local hiring, job training programs, environmental safeguards, and contributions to local services or infrastructure.

# 3. Engage with the Developer: Initiate Contact and Build a Relationship

- Reach out to the developer early in the project planning process.
- Express the community's interest in negotiating a CBA and outline the key benefits you seek.
- Maintain open, respectful communication.
- Highlight the mutual benefits of a CBA, such as community support and smoother project implementation.

### 4. Negotiate the Agreement

- Select representatives from the community coalition to lead negotiations.
- Include individuals with diverse expertise, such as legal, environmental, and economic knowledge.
- Meet regularly with the developer to discuss terms.
- Be clear about the community's priorities and be prepared to compromise on less critical points.
- Work with legal professionals to draft the CBA.
- Ensure the agreement is clear, specific, and legally enforceable.

## 5. Finalize and Implement and Monitor the Agreement

- Present the draft CBA to the broader community for feedback.
- Make necessary revisions and obtain formal approval from both the community coalition and the developer.
- Establish a monitoring committee to oversee the implementation of the CBA.
- Ensure there are clear mechanisms for addressing any non-compliance by the developer.