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Community and Labor Benefits in Climate Infrastructure: Lessons for Equitable, Community-Centered Direct Air Capture Hub Development

By Catherine Fraser

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Introduction

The climate crisis necessitates rapid buildout of renewable energy and other sustainable infrastructure to limit warming to 1.5 C, in line with global climate targets. The [2021 Infrastructure Investment and Jobs Act](#) (IIJA) and [2022 Inflation Reduction Act](#) (IRA) made massive investments in the deployment and scaling of renewable energy infrastructure, carbon dioxide removal, and other climate priorities. The IIJA invested \$3.5 billion to build four direct air capture (DAC) hubs across the U.S. to scale carbon dioxide removal technologies, which [experts](#) say will be necessary to achieve global climate goals. The next step will be implementation — translating legislation and money into real projects and emissions reductions on the ground.

The Biden Administration continues to emphasize the need for social and economic benefits for communities, especially in the application of its [Justice40 Initiative](#) — where 40 percent of any benefits from federal investments go to historically marginalized and underserved communities — on new climate infrastructure projects. The Department of Energy’s recently released [funding opportunity announcement](#) (FOA) for the buildout of DAC hubs requires projects to embed community and labor benefits with a community benefits plan. The FOA’s community benefits plan requirements specifically aim to incentivize projects that conduct meaningful community and labor engagement, provide high-quality and good-paying jobs, and advance President Biden’s Justice40 and diversity, equity, and inclusion initiatives. Community benefits agreements and project labor agreements can be a means for DAC hub and other project developers to address historical injustice and develop successful community Benefits plans and projects by engaging communities in a meaningful way.

Development projects can face opposition from local communities due to a wide range of concerns. Apprehension around environmental impacts, property values, and lack of Tribal and community consultation [have stalled and stopped](#) new development projects across the country. Historically, development projects, like highways and industrial projects, [have been disproportionately sited](#) in low-income communities and communities of color, causing displacement, loss of property value, and adverse health and environmental impacts. In other instances, investment has been withheld from communities through [discriminatory policies](#) like redlining.

Often, developers parachute into communities, working to complete their projects as quickly as possible and then leaving once a project is complete, with communities receiving few localized benefits. Community engagement — if any occurs at all — typically comes at the end of the planning process of a development project, after a site is chosen and a permit is in hand. To build out DOE’s DAC hubs while addressing historical injustice in infrastructure siting, active and authentic community engagement processes must be at the forefront.

Community Benefits Agreements and Project Labor Agreements

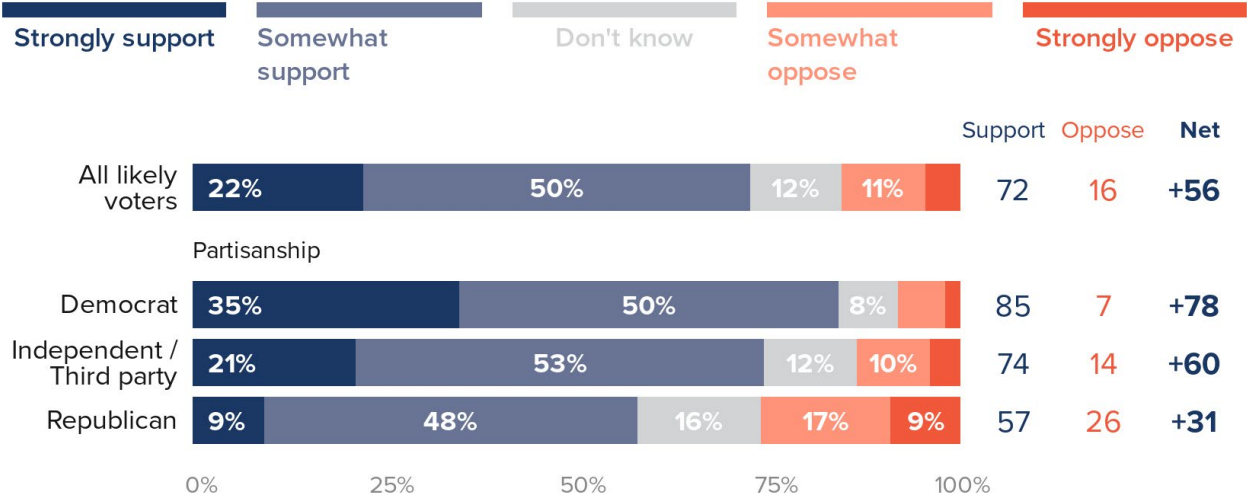
Community benefits agreements (CBAs) and project labor agreements (PLAs) offer communities and workers opportunities to reclaim power from historical injustices and level the playing field. A CBA is an agreement between a project developer and a coalition of community groups that specifies certain benefits a developer will give a community in exchange for community support for that project. CBAs can include guarantees to hire local workers on the project, pay workers a local living wage, contribute to local trust funds, fund job training and educational services, finance new community development projects like community centers, and more. PLAs, on the other hand, 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.

CBAs are popular. New Data for Progress polling finds that 72 percent of likely voters support the use of CBAs on development projects (a +56-point margin of support). And support for CBAs holds across partisan lines, with 85 percent of Democrats, 74 percent of Independents, and 57 percent of Republicans in favor. From a race and ethnicity standpoint, support is highest amongst Latina/o (86 percent) and Black (77 percent) voters.

Majority of Voters Support Using CBAs for Development Projects

A Community Benefits Agreement (CBA) is a legally binding agreement between a project developer and a community where a project will be built. The CBA describes the benefits a project developer promises to give to a community in exchange for the community's support for the project.

Do you support or oppose the use of CBAs on development projects?



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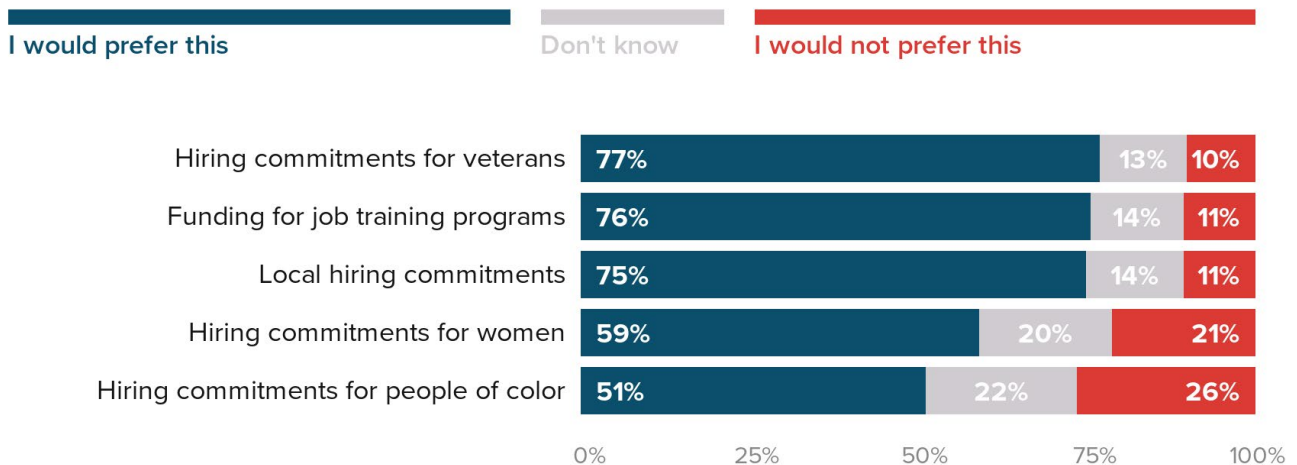
Types of Benefits That Can Be Included in a CBA or PLA



In fact, Data for Progress finds that 75 percent of likely voters support the inclusion of local hiring commitments and 76 percent support funding for job training programs within CBAs. Likely voters also broadly favor hiring commitments for veterans (77 percent support), women (59 percent support), and people of color (51 percent support).

Most Voters Support Hiring Commitments in CBAs

Community benefits agreements (CBAs) can specify a wide range of benefit types that communities will receive in exchange for community support of a development project. Please indicate whether you would prefer or not prefer to include each of the following benefits in a proposed CBA in your community:



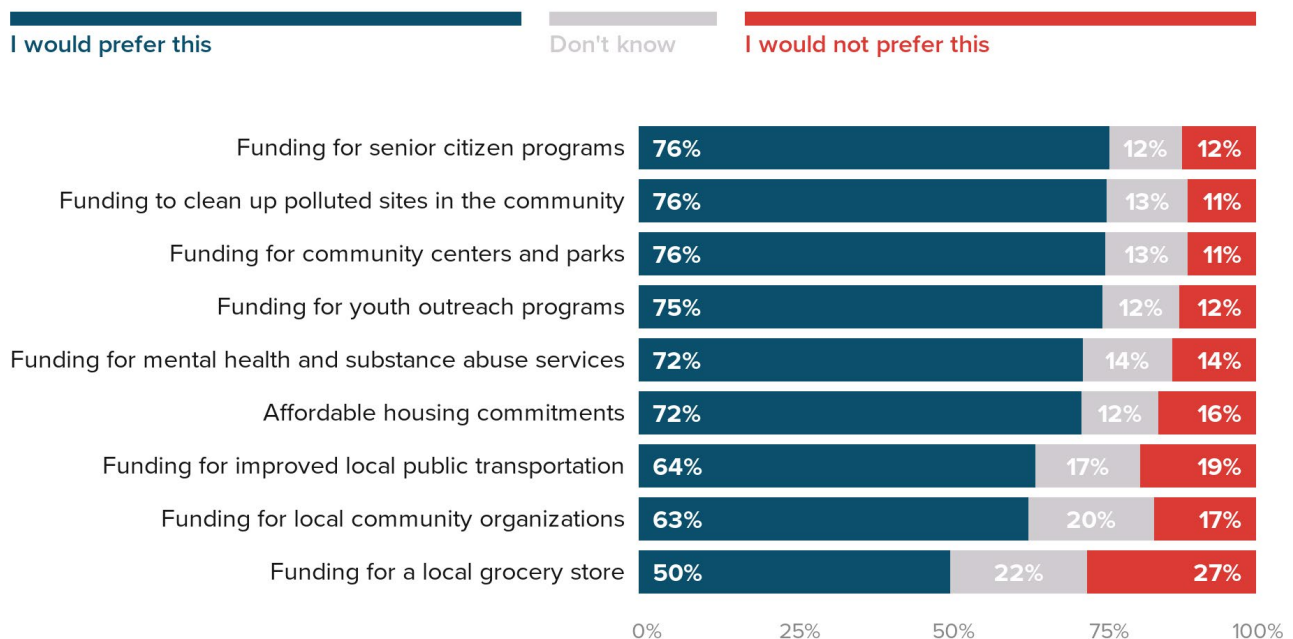
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Beyond labor benefits, voters also strongly support the use of CBAs to provide funding for senior citizen programs (76 percent), community centers and parks (76 percent), cleaning up polluted sites (76 percent), youth outreach programs (75 percent), mental health and substance abuse services (72 percent), affordable housing (72 percent), public transportation (64 percent), local community organizations (63 percent), and a local grocery store (50 percent).

Majority of Voters Support Using CBAs for Local Programs

Community benefits agreements (CBAs) can specify a wide range of benefit types that communities will receive in exchange for community support of a development project. Please indicate whether you would prefer or not prefer to include each of the following benefits in a proposed CBA in your community:



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Examining preferences among Black and Latina/o respondents, we find these voters strongly favor affordable housing commitments (81 and 77 percent, respectively), as do female voters (76 percent).

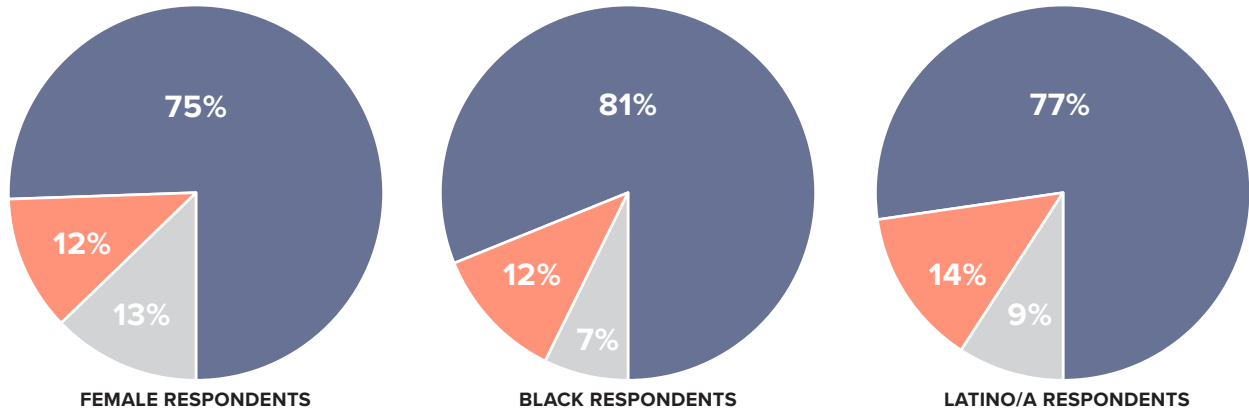
Among Black and Latina/o voters, funding for a local grocery store is more popular (62 percent and 57 percent, respectively) relative to topline respondents, as well as funding for public transportation (75 percent and 79 percent, respectively).

Majority of Voters Support Using CBAs for Local Programs

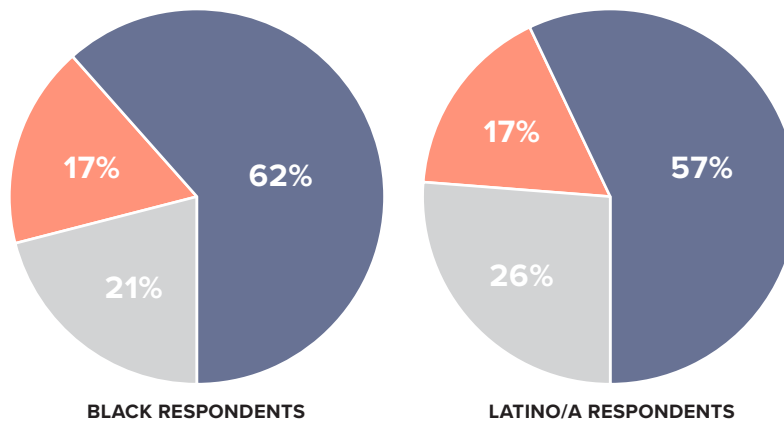
Community benefits agreements (CBAs) can specify a wide range of benefit types that communities will receive in exchange for community support of a development project. Please indicate whether you would prefer or not prefer to include each of the following benefits in a proposed CBA in your community.

● I WOULD PREFER THIS ● I WOULD NOT PREFER THIS ● DON'T KNOW

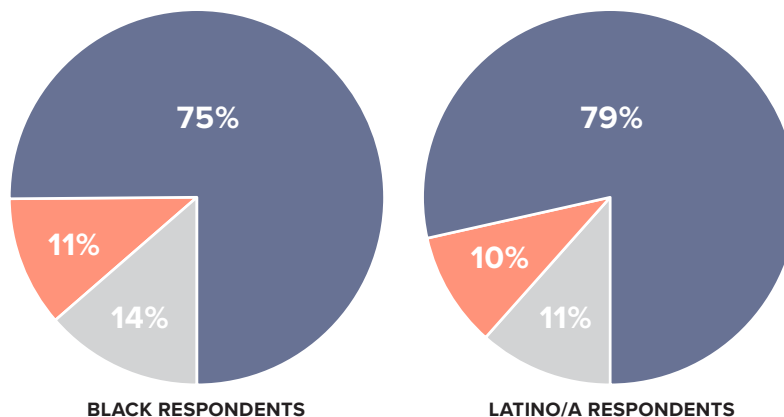
Affordable Housing Commitments



Funding for a Local Grocery Store



Funding for Improved Public Transportation



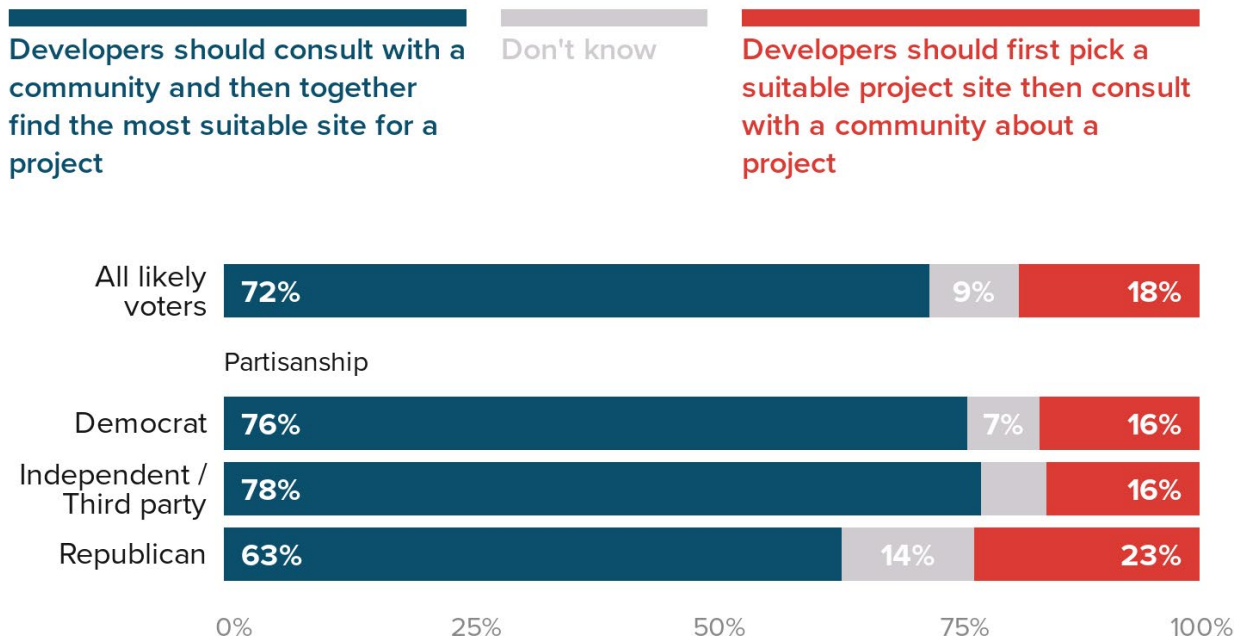
In addition to CBAs and PLAs, host community agreements (HCAs) and consent-based siting practices also offer a means to ensure communities benefit from and consent to any development project. Different from a CBA, an HCA isn't necessarily negotiated between community groups and a project developer. Instead, a developer often negotiates with the municipality where a project will be sited. As a result, HCAs do not have the same level of accountability to community members and groups, and can be co-opted by developers or municipalities operating in poor faith to shepherd a project through without meaningful community engagement. Some states (like New York) and municipalities have begun incentivizing or requiring HCAs for renewable energy infrastructure and other development projects — policies that, while a step in the right direction, could be improved upon by specifically incentivizing CBAs and PLAs that better empower communities.

Consent-based siting aims to identify communities that are open to a given development project, understand that community's needs, and adapt a development project to address community concerns. The Department of Energy is currently examining how consent-based siting can best be used for new nuclear energy development and waste disposal. Consent-based siting practices can be incorporated within community engagement projects and CBAs, and developers should aim to co-determine project sites with communities.

Data for Progress finds that 72 percent of likely voters favor a community consultation process that allows a community to work with a developer to find the best site for a project.

Most Voters Believe Developers Should Consult Communities Prior to Site Selection

When it comes to determining where a new development project should be located, which of these statements best matches your view, even if neither is exactly right?



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Moving forward, communities, DAC developers, and other stakeholders can learn from past CBAs and PLAs. This memo will focus on three main case studies: Vineyard Wind Farm in Massachusetts, New Flyer electric bus factories in California and Alabama, and Block Island Wind Farm in Rhode Island. These case studies offer best practices and suggestions for future CBAs and PLAs, particularly those for DAC facilities and other climate infrastructure projects.

Case Studies: Community Benefits Agreements for Renewable Energy Development and Electric Bus Infrastructure

The following case studies showcase CBAs and PLAs developed for climate infrastructure projects. Two of the cases, Vineyard Wind and Block Island Wind, focus on offshore wind development, and highlight the power of CBAs and PLAs to ensure community and labor benefits in the nascent offshore wind industry and future infrastructure projects. The case study on Greater Birmingham Ministries and Jobs to Move America’s CBA exemplifies how a CBA can intentionally address historical racial and gender disparities and discrimination in manufacturing and other industries. These CBAs and PLAs are notable examples for future agreements that seek to prioritize diversity, equity, and inclusion, and address historical harms. Though each case is unique in its location and situational context, they collectively offer insights into best practices for developers and communities working to deploy equitable, community-centered DAC hubs.

VINEYARD POWER AND VINEYARD WIND: THE FIRST CBA FOR AN OFFSHORE WIND FARM IN THE U.S.

In 2015, Vineyard Wind signed the nation’s first CBA for an offshore wind farm with Vineyard Power. Formed in 2009, Vineyard Power is an energy cooperative, owned and run by members of the Martha’s Vineyard community. Vineyard Power set out to achieve carbon neutrality on Martha’s Vineyard by 2050 and “produce electricity from local, renewable resources while advocating for and keeping the benefits within [its] island community.”

After witnessing the controversy around a proposed offshore wind project off nearby Cape Cod, Vineyard Power members set out to get ahead of any proposed wind farm in close proximity to their shores. They hired a consultant to help their organization navigate the legal and technical complexities of the offshore wind industry and what it could mean for Martha’s Vineyard.

As the Bureau of Ocean Management (BOEM) assessed sites for offshore wind off the southern coast of Martha’s Vineyard from 2010 to 2014, BOEM engaged community members and other stakeholders to help define lease zones for offshore wind. Vineyard Power and other stakeholders stressed the importance of ensuring that those most impacted by offshore wind development would receive benefits from any such project. And in 2015, ahead of BOEM’s offshore wind lease sale to which Vineyard Wind won the rights, Vineyard Power and Vineyard Wind signed their CBA. By signing the CBA ahead of the lease sale and partnering with Vineyard Power, Vineyard Wind was able to get a 10 percent discount on its leasing bid from BOEM, ultimately bidding \$166,000 for the lease. Similar arrangements could allow developers to save money on lease sales and project bids for signing community benefits and project labor agreements with community organizations and labor groups.

Vineyard Power and Vineyard Wind's CBA established a set of obligations for both parties. The community and developer agreed to explore how jobs could be created locally as a result of offshore wind development, and how Vineyard Power could finance, purchase, own, or take equity in up to 100 MW of offshore wind capacity. They also agreed to work together to secure power purchase agreements that would enable the development of offshore wind off the coast of Martha's Vineyard while providing energy to the local community. Notably, new energy projects don't necessarily provide energy to the communities in which they are sited, and power purchase agreements are one tool to define who will purchase and use any power generated. Future renewable energy projects should prioritize providing local power, thus keeping the benefits of renewables local with cheaper energy bills and pollution-free power. Moreover, the CBA required Vineyard Wind to consult regularly with Vineyard Power to receive input from community members throughout the planning and development process, and to continually adapt the project to maximize local community benefits.

Vineyard Wind also agreed to provide reimbursement for up to \$100,000 of Vineyard Power's operation costs in 2015. Finally, as a result of the CBA, Vineyard Power agreed to advocate for and support offshore wind at the state legislature through education and outreach campaigns, and by advising Vineyard Wind throughout the offshore wind development process.

Unlike other CBAs, which set specific job guarantee numbers or set aside money for new community infrastructure like grocery stores, Vineyard Power's CBA didn't set specific terms for an offshore wind development. However, Vineyard Power was able to position itself early during the BOEM site assessment process as a key partner for any entity looking to develop offshore wind near Martha's Vineyard. The CBA set the terms for the continued involvement of Vineyard Power during Vineyard Wind's development process. Importantly, a level of trust between the developer and Vineyard Power, and the political and social capital of the community on Martha's Vineyard — a majority of whom are white and earn above the national median income — were key in the success of this community benefits agreement. In most communities and contexts, CBAs must set specific, enforceable terms and benefits, especially in communities that don't have the financial and legal resources available to many in Martha's Vineyard. CBAs like the one initially signed by Vineyard Power could give loopholes to developers not operating in good faith and fail to gain traction in the communities and contexts where there's a lack of trust between a developer and community, particularly due to legacies of injustice and discrimination. All told, Vineyard Power's CBA offers valuable insights as the first of its kind for an offshore wind farm.

Since signing the CBA, Vineyard Power has delivered the community benefits it laid the foundation for. For example, Vineyard Wind partnered with the Massachusetts Clean Energy Center to disburse workforce development grants to local universities, community colleges, and unions. One such workforce fund grant enabled Vineyard Power to join with the Martha's Vineyard Center for Education and Training and Bristol Community College to establish an offshore wind technician certificate program for Martha's Vineyard residents.

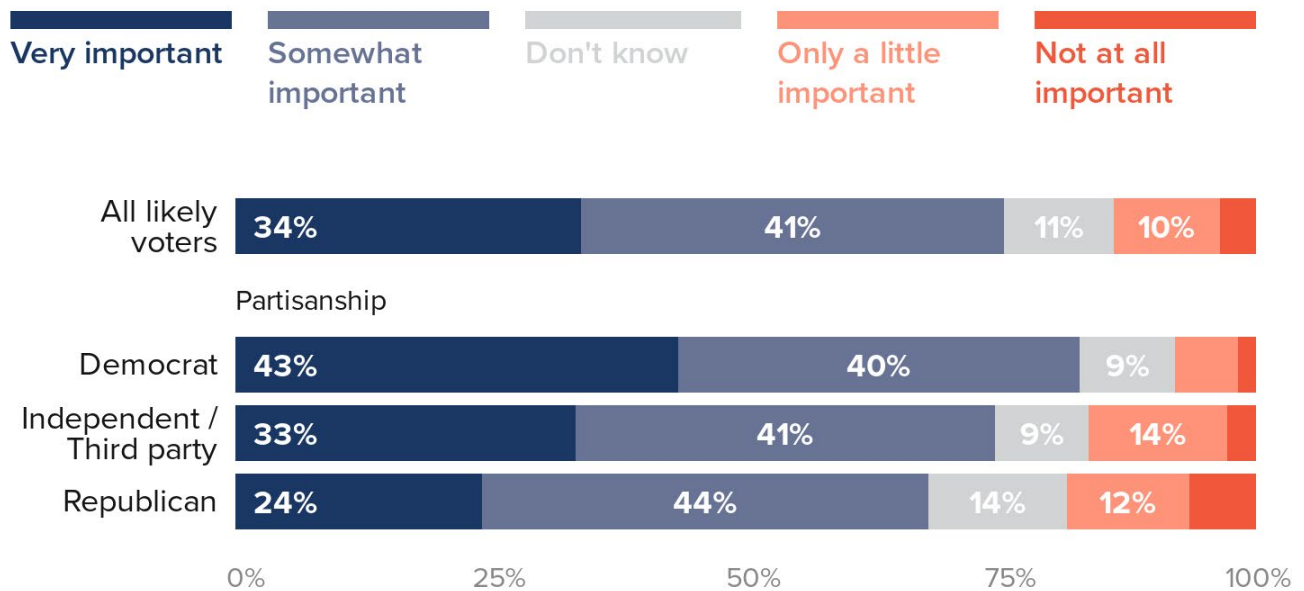
And in 2019, in line with the terms of the CBA, Vineyard Wind announced a resiliency and affordability fund in cooperation with Citizens Energy Corporation and Vineyard Power. Vineyard Wind committed \$1 million annually for 15 years to projects that benefit low-income people and community members on Martha's Vineyard. The fund distributed an initial \$500,000 contribution to serve as a revolving loan fund to make energy efficiency improvement to multifamily and low-income housing. The fund aims to

enhance distributed battery energy storage in the community, finance energy storage and solar projects for public buildings, and provide ratepayer relief through bill credits for low-income residents. Such a loan fund could enable CBA benefits to adapt to changing community needs. Data for Progress finds that voters overwhelmingly think CBAs should be adaptable to changing circumstances and community concerns.

Voters Believe CBAs Should Be Adaptable Based on Community Concerns

Sometimes rising project costs, extended project timelines, and unexpected changes can impact project development. Some community benefits agreements (CBAs) give community groups the ability to adapt the CBA created for a development project to fit these changing circumstances – such as by guaranteeing a community will receive more funding from a developer if a project misses completion by its original deadline.

If there was a CBA created for a development project in **your community**, how important or not important is it that community groups have the ability to adapt the CBA in case changes happen during the development project?



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In addition to these benefits, Vineyard Wind agreed to locate its operations and maintenance facility on Martha’s Vineyard and to ensure all of its staff would be residents of Martha’s Vineyard within five years of wind farm operation. Many Martha’s Vineyard residents recognize the need to transition their existing energy system to address climate change, and Vineyard Power’s CBA and subsequent negotiations are building the energy system and workforce of the future while keeping benefits local. Vineyard Wind can be a model for climate infrastructure projects that aim to do the same.

NEW FLYER, GREATER BIRMINGHAM MINISTRIES, AND JOBS TO MOVE AMERICA: A CBA FOR ELECTRIC BUS MANUFACTURING

In May 2022, Jobs to Move America and Greater Birmingham Ministries announced a landmark CBA with New Flyer, the largest manufacturer of electric buses in North America. Jobs to Move America represented community organizations, community members, and workers in two different cities — Anniston, Alabama, and Ontario, California — where New Flyer has factories. The CBA came as part of a settlement agreement after Jobs to Move America filed suit on behalf of New Flyer workers, who alleged that the company failed to fulfill commitments it made in 2013. New Flyer had committed to hire at least 50 full-time workers and pay them between \$11 and \$50 an hour in order to win a \$500 million contract to provide nearly 900 buses to the Los Angeles County Metropolitan Transit Authority in 2013.

The CBA is a significant step forward in creating living wage jobs and remedying the historical exclusion of women and people of color from manufacturing jobs. As part of the agreement, New Flyer agreed that at least 45 percent of its new hires and 20 percent of future promotions would go to women, people of color, and veterans. The CBA also creates job training programs to offer career development opportunities to historically marginalized groups, establishes safety training by an independent third party, expands hiring protections for formerly incarcerated applicants, and increases capacity to ensure materials, communications, and staff are bilingual in English and Spanish. The CBA also designates one community organization to help workers with any discrimination or harassment claims.



In May 2022, Jobs to Move America and Greater Birmingham Ministries announced a landmark CBA with New Flyer, the largest manufacturer of electric buses in North America. Pictured above: Buses in Los Angeles, where New Flyer previously had committed to hire at least 50 full-time workers and pay them between \$11 and \$50 an hour in order to win a \$500 million contract to provide nearly 900 buses to the Los Angeles County Metropolitan Transit Authority in 2013. Photo by Amy Chen via Unsplash.

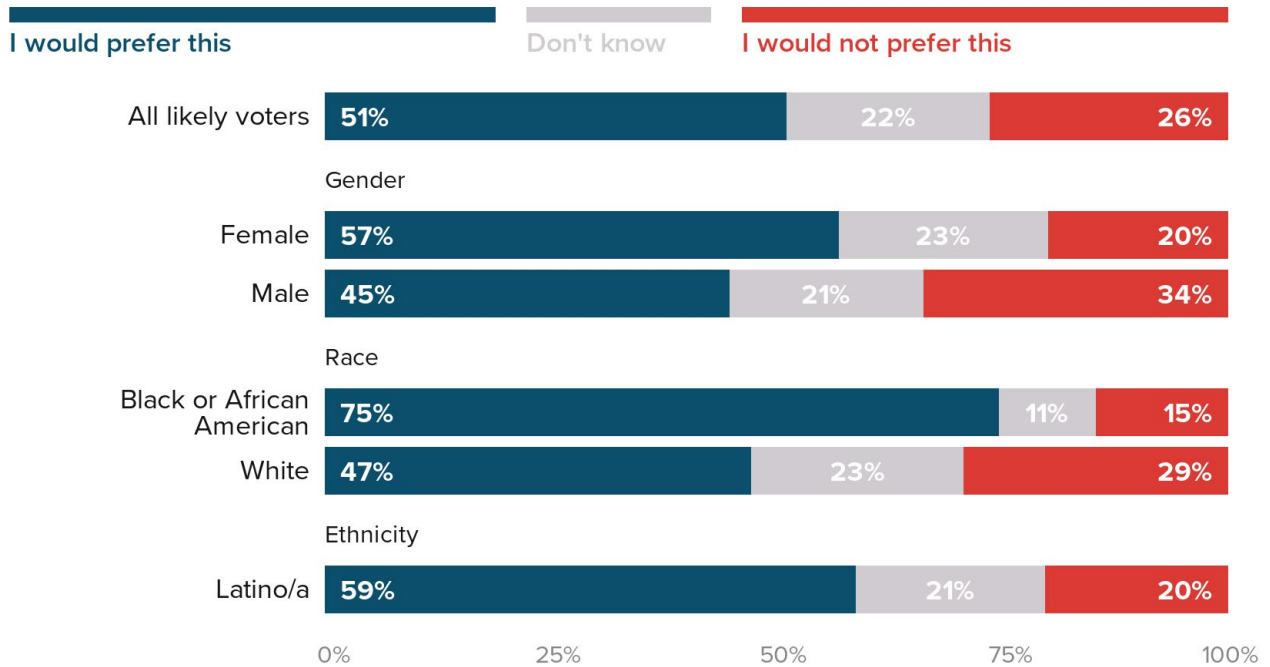
A poll from Data for Progress finds that hiring commitments for people of color are supported by a majority of voters, especially those who identify as Black, Latina/o, or women.

Voters Support Hiring Preferences for People of Color

Community benefits agreements (CBAs) can specify a wide range of benefit types that communities will receive in exchange for community support of a development project.

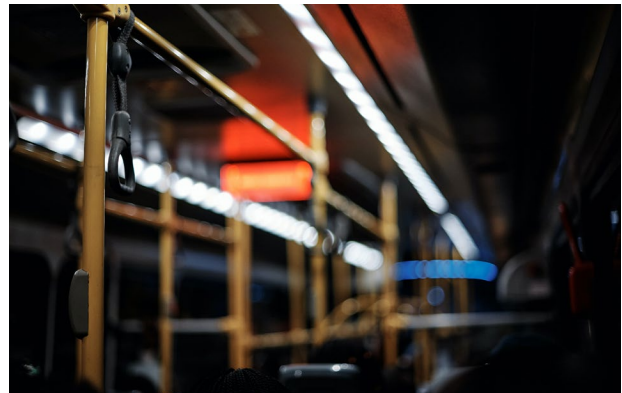
Please indicate whether you would prefer or not prefer to include each of the following benefits in a proposed CBA in **your community**:

– Hiring commitments for people of color



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Photos by Emmanuel Ikwuegbu via Unsplash.

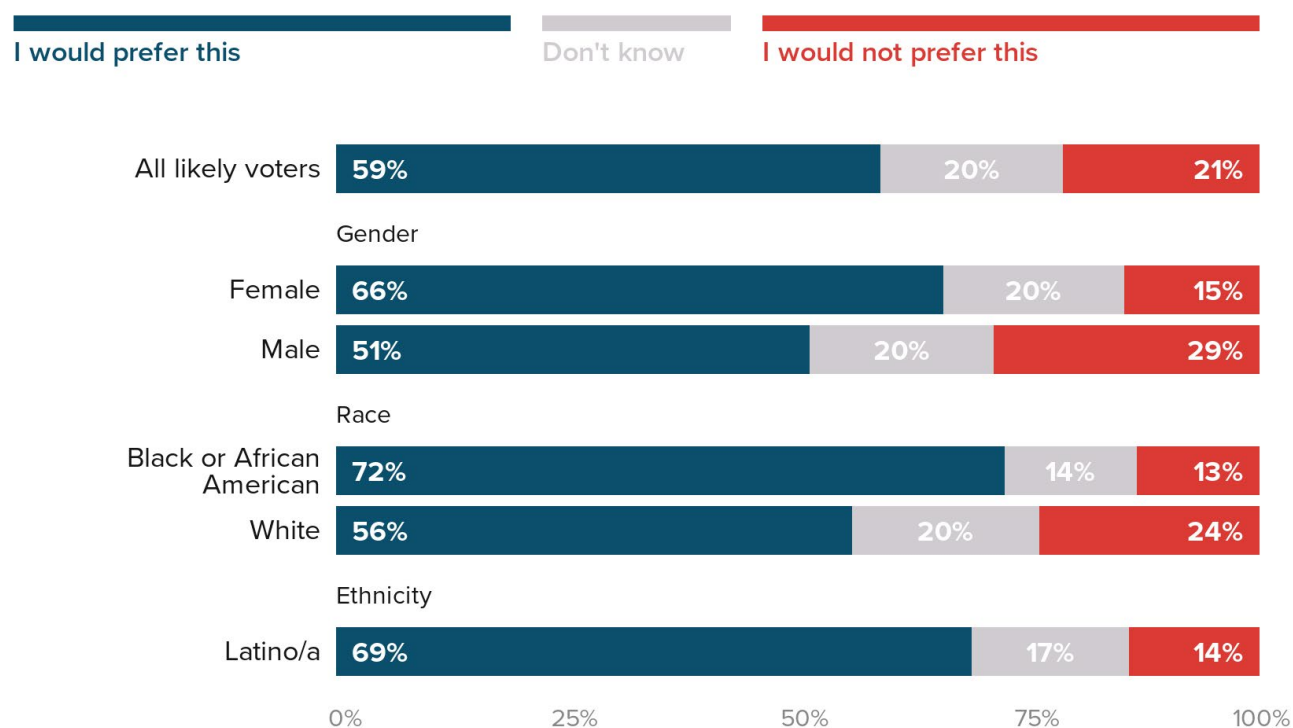
Moreover, DFP also finds that voters widely support hiring commitments for women, with support particularly high among Black, Latina/o, and women voters.

Voters Support Hiring Preferences for Women

Community benefits agreements (CBAs) can specify a wide range of benefit types that communities will receive in exchange for community support of a development project.

Please indicate whether you would prefer or not prefer to include each of the following benefits in a proposed CBA in **your community**:

– Hiring commitments for women



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Importantly, the CBA requires New Flyer to report on the success and outcomes of the CBA’s employment provisions for the next five years. These provisions will be important to hold New Flyer accountable for its commitments. The agreement also requires New Flyer to repay Jobs to Move America the \$7 million the organization paid in legal fees during its initial lawsuit against New Flyer.

This CBA is particularly historic when considering the legacies of industry and injustice in the cities where New Flyer factories are located. Anniston is known for its role in the civil rights and environmental justice movements. In 1961, white supremacists firebombed a bus full of Freedom Riders in Anniston. At the same time, Anniston was home to a Monsanto chemical plant. Monsanto was found to have concealed its contamination of Anniston with cancer-causing polychlorinated biphenyls (PCBs) in the 1960s and 1970s. To this day, residents are still getting sick and vegetation has yet to return to Anniston’s contaminated “dead zones.” Today, the U.S. Environmental Protection Agency designates parts of Anniston as a Superfund site, due to toxic PCB pollution that has yet to be cleaned up.

Anniston is a majority Black city, yet only about one-third of New Flyer workers at the factory identify as Black, and even fewer as women. Racial and gender disparities are even more stark in leadership and management positions.

A majority — 70 percent — of Ontario residents identify as Latina/o. Reflecting national trends, racial and gender disparities persist in Ontario’s manufacturing industry, with women and people of color facing a slower job gain rate than men and white workers.

Ontario lies within California’s “Inland Empire” — the metropolitan area that stretches from Los Angeles’ easternmost border to the western edges of San Bernardino and Riverside counties — where diesel-powered trucks and the expansion of warehouses, manufacturing, and industry have polluted the air for decades. Local environmental justice groups highlight how people of color bear the brunt of this pollution, and several are advocating for the transition to zero-emissions heavy-duty trucks and electric trucks in California.

The CBA with New Flyer is a step in beginning to redress past environmental and worker injustice and discrimination. Electric buses and vehicles will be critical to decarbonize the United States’ leading source of greenhouse gas emissions: transportation. One CBA will not right centuries of injustice, but can offer lessons for future CBAs and similar agreements that seek to advance equity, dignified work, and justice. Electrifying transportation is key to achieving the United States’ climate goals, and additional renewable energy capacity — like offshore wind — is necessary to power electric buses and vehicles, and transform our energy system.

BLOCK ISLAND WIND: A CBA AND PLA FOR OFFSHORE WIND IN RHODE ISLAND

Before the Block Island Wind Farm was built, residents of Block Island had some of the highest energy bills in the country — about three times higher than those on the mainland on average. Disconnected from the mainland grid, the island’s residents relied on loud, diesel-fueled generators to power their lives. Diesel was ferried to the island from the mainland, and brownouts — where the electric voltage load delivered to households is lowered — were common.

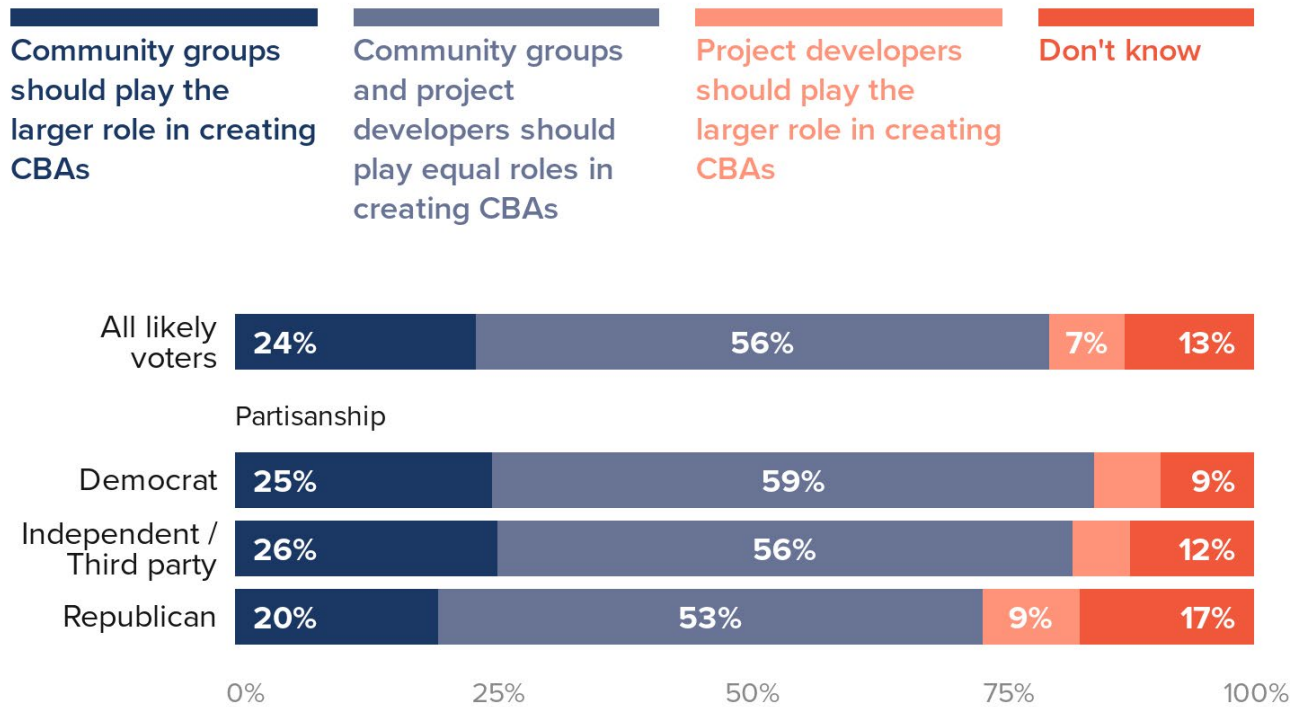
Deepwater Wind’s proposed Block Island Wind Farm presented an opportunity to change all of that. Completed in 2016, Block Island Wind Farm is the first offshore wind farm built in the United States. The project consists of five 6 MW wind turbines, which provide Block Island with all of its energy from their perch about 4 miles south of the island. In 2018, Ørsted acquired the project from Deepwater Wind.

Although the project faced some opposition from islanders, the pushback didn’t reach the same pitch as the nearby Cape Wind proposal, which died in 2017 after 16 years of controversy. Scholars¹ credit Block Island’s success to the state of Rhode Island’s selection of the site, near an island disconnected from the mainland power grid, and Deepwater Wind’s public engagement process. A Data for Progress poll finds that voters overwhelmingly agree that community groups should — at the very least — be on equal footing as developers in creating a project and a CBA.

1 The Cost of Contentiousness: A Status Report on Offshore Wind in the Eastern United States; Chains of trust: Energy justice, public engagement, and the first offshore wind farm in the United States; Penny wise or pound foolish? Compensation schemes and the attainment of community acceptance in renewable energy; Faring well in offshore wind power siting? Trust, engagement and process fairness in the United States; Will communities “open-up” to offshore wind? Lessons learned from New England islands in the United States; Threading a moving needle: The spatial dimensions characterizing US offshore wind policy drivers.

Majority of Voters Believe Community and Developers Should Have Equal Roles When Creating CBAs

When it comes to designing community benefits agreements (CBAs) for development projects, which group do you think should play a larger role in creating these CBAs?



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In 2010, Rhode Island developed a Ocean Special Area Management Plan (SAMP), which outlined the state’s coastal management plans and notably included considerations for future offshore wind production. Stakeholders from Block Island and across the state contributed to the SAMP, which proved to be an important resource in planning the Block Island Wind Farm and sharing information on the project and its potential impacts with stakeholders.

Recognizing the technical complexity of the proposed project, the town of New Shoreham (which makes up and is synonymous with the entirety of Block Island) hired consultants to analyze and disseminate technical aspects and information about the proposed project after the developer, Deepwater Wind, agreed to pay for them. Deepwater Wind also hired a staff member to serve as a liaison between itself and the community, hosting community informational meetings, answering questions on a daily basis, and facilitating community involvement in the project. A native of Block Island, the liaison had the respect of locals and an understanding of the community’s needs.

Public meetings, held regularly on the island and mainland by both Deepwater Wind and the state, gave stakeholders a forum to plan and discuss the progress of the wind farm. Through the public engagement process, Deepwater Wind reached an agreement with community members about the siting of the turbines as well as the transmission line that would connect the turbines and the island to the mainland. Looking back, local officials and stakeholders highlight the critical role of the consultants and community liaison in educating the community on the different parts of the project and empowering community members to negotiate the wind farm's development plans.

During these formal and informal meetings, Block Island residents solidified community benefits. Deepwater Wind agreed to include a fiber optic cable within the transmission line, giving the island access to high speed internet while allowing the island to send excess power generated to the mainland. In addition, the town of New Shoreham signed a CBA with Deepwater Wind in which the company agreed to pay for infrastructure improvements on the island where the transmission cable landed.

During the public engagement process, Block Island residents and fishermen raised concerns about potential fisheries impacts associated with the wind turbines, and the state mandated a third-party study of fisheries impacts of the wind farm once completed, which was paid for by Deepwater Wind. These benefits were additional to the initial promise of the project: clean, affordable energy that connected the island to the mainland electric grid. Deepwater Wind also signed a PLA, guaranteeing approximately 300 jobs for 10 different building trades unions and 30 unionized contractors and subcontractors. Block Island's CBA enabled the developer to address community concerns and ensure the project delivered tangible benefits to the community. Similar early and iterative community engagement processes can help adapt projects to address community concerns and tailor a CBA or PLA to community needs moving forward.

Best Practices from Vineyard Wind, New Flyer Buses, and Block Island Wind, Plus Recommendations

Vineyard Wind and Block Island Wind Farm offer two examples where community and labor benefits were guaranteed and co-developed by community members and the developer for offshore wind projects. Importantly, however, these two islands are majority white, with median incomes two to three times that of the average American. What works for communities like Martha's Vineyard and Block Island may not work elsewhere, where people may not have time, means, or social capital to form cooperatives, attend public meetings, provide public comments, access information, and more.

Jobs to Move America and Greater Birmingham Ministries were able to leverage a lawsuit to win a settlement deal with a CBA after New Flyer shirked its commitments to hire a certain number of workers at its factories in order to win a Los Angeles Country bus contract. Their CBA includes strong provisions to undo discriminatory hiring practices and address disparities in the bus manufacturing industry. These provisions wouldn't exist without Jobs to Move America's lawsuit or the ensuing CBA, and are not a given on any new development projects — especially those in historically marginalized and environmental justice communities, like Anniston.

As a result, the DOE has rightly included community and labor benefits as key pieces of several of its current funding opportunities, including DAC hubs. In the future, the federal government, as well as state and local government entities, should mandate the use of CBAs and PLAs on future development projects and consent-based siting practices to ensure all communities can extract community and labor benefits from any development project that they choose to accept, particularly as funding from IIJA and IRA is continuously rolling out the door. These three case studies demonstrate the power of a CBA to get strong and enforceable commitments from project developers while advancing environmental, worker, gender, and racial justice. These agreements all offer lessons and recommendations for the development of future CBAs and PLAs for climate infrastructure.

RECOMMENDATIONS FOR CLIMATE INFRASTRUCTURE PLANNING, SITING, AND PERMITTING PROCESSES

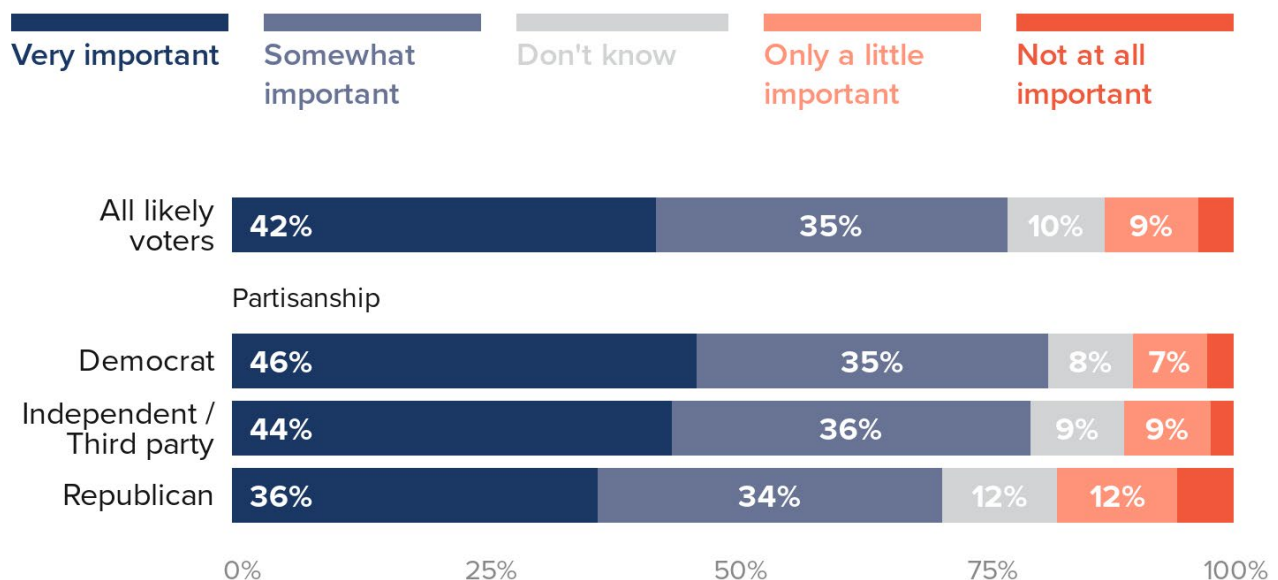
- **REQUIRE DEVELOPERS TO INCLUDE CBAS AND PLAS FOR ANY DEVELOPMENT PROJECT.** Vineyard Power positioned itself strategically during the BOEM siting process, securing a CBA before the lease sale occurred and ensuring community benefits were part of any wind development off Martha's Vineyard. Community and labor benefits should be a requirement for any new infrastructure development project, and any benefits should be developed by community members and organized labor, who best know what their communities and members need. The federal government, as well as state and local government entities, should require project developers to guarantee community and labor benefits when bidding on projects or applying for permits or government funds.
- **REWARD DEVELOPERS WHO CONDUCT ROBUST AND ITERATIVE COMMUNITY ENGAGEMENT PROCESSES.** As a result of its CBA with Vineyard Power, Vineyard Wind received a 10 percent discount from BOEM on its lease sale. When developers use consent-based siting practices, CBAs, and PLAs to ensure community and labor benefits, they can be rewarded with discounted leases, preferential applicant status, and more.
- **INVOLVE COMMUNITY AND LABOR GROUPS BEFORE THE PERMITTING PROCESS BEGINS.** Vineyard Power got involved early in the offshore wind development process and was able to negotiate a CBA with Vineyard Wind before any leases were sold or any permit was obtained. Similarly, community members and stakeholders were engaged early in the SAMP and offshore wind development processes on Block Island. This enabled state officials and the developer to find a site and develop a project with tangible and significant community benefits.
- **CO-DETERMINE PROJECT SITES WITH COMMUNITY GROUPS.** Vineyard Power, Martha's Vineyard residents, and Block Island residents were all able to participate in and inform the BOEM- and state-led site assessment processes, later helping to determine the ultimate siting of both wind projects. Working with communities to site projects is critical to ensure projects are developed to maximize benefits to communities and mitigate any undue harm.

- HIRE A THIRD-PARTY LIAISON AND EXPERT LOCAL CONSULTANTS.** For both offshore wind projects, communication with and education of community members was pivotal. Both Vineyard Power and Block Island community members and stakeholders relied on hired expert consultants to translate and explain complex, technical information. These experts allowed community members to make informed decisions and effectively shape both projects. Deepwater Wind also hired a community liaison, who was from Block Island, to work with community members on a daily basis. Hiring third-party experts and local, trusted community members to serve as consultants and liaisons is key to building trust between developers and communities while educating community members on the intricacies of development projects.
- EMPOWER COMMUNITIES WITH THE RIGHT OF REFUSAL.** Community members should have the final say in what happens in their community. Communities have a right to outright reject a project deemed incompatible with their needs, even if a project comes with significant economic or labor benefits. Just development processes must give communities the final say, given legacies of discriminatory policies and siting practices. Polling from Data for Progress finds that 77 percent of voters favor policies that give communities the right to refuse projects.

Voters Support Including Right to Refuse in CBAs

Some community benefits agreements (CBAs) give community groups the right to refuse, which gives community groups the final say and power to veto a project proposed by a developer.

If there was a CBA created for a development project in **your community**, how important or not important is it that community groups have the right to refuse a proposed development project?



January 6–9, 2023 survey of 1,218 likely voters

DATA FOR PROGRESS

RECOMMENDATIONS FOR STRONG CBAS AND PLAS

- **EMBED ITERABLE COMMUNITY BENEFITS.** The establishment of a community fund paid for by Vineyard Wind allowed Vineyard Power and other local groups to fund initiatives that would have the greatest impact and salience in their community. Their CBA enabled an iterative process, where community and labor benefits could be co-developed with the project. Other CBAs have established similar funds and community-run boards to oversee the disbursement of funds. Future CBAs and PLAs should consider such benefits, which can address community needs as they arise and change over time. Any such provision must be clearly defined and enforceable.
- **BUILD A STRONG FOUNDATION FOR NEGOTIATING CBAS.** Negotiations should ideally begin before a project developer has secured a land-use agreement with the government. The earlier community groups engage, the more leverage they will have during the negotiating process. Throughout CBA negotiations, it is important for community groups to have capacity to draft public and internal-facing communications about the process, rally community members, navigate the legal system, and research and incorporate best practices from earlier CBAs. To successfully negotiate a CBA, groups should ensure they have sufficient capacity in house or consult organizations well-versed in CBAs.
- **CENTER THE “COMMUNITY” IN COMMUNITY BENEFITS AGREEMENTS.** Benefits should be targeted to marginalized communities and used as a means of restorative justice. Depending on the context around a given development project, CBAs should strive to allocate at least 35 percent of benefits to communities of color, Indigenous peoples, low-income communities, and other marginalized groups. Jobs to Move America and Greater Birmingham Ministries’ prioritized historically marginalized groups, creating specific and enforceable hiring and promotion goals to increase diversity and equity in the New Flyer workforce and hiring process. Robust and effective CBAs are created by a representative and diverse group of stakeholders, including labor unions, environmental groups, community members, faith organizations, community groups, local businesses, and more. CBAs shouldn’t be just a tool for developers to gain community and governmental support to shepherd through a project without actually engaging with community groups and offering tangible and measurable benefits.
- **DESIGN TRANSPARENT AND ENFORCEABLE CBAS.** CBAs should be legally binding and enforceable, detailing how to measure and implement commitments made by project developers and including specific dollar amounts, dates for implementation, and other clearly designed and co-developed metrics. Jobs to Move America and Greater Birmingham Ministries’ CBA set clear targets that will enable the community coalition to hold New Flyer accountable for its commitments. A CBA should establish penalties for noncompliance and make clear who will be responsible for tracking and enforcing CBA commitments.

Conclusion

The IIJA and IRA offer an unprecedented opportunity to transition to a net-zero energy system and achieve our climate goals. In developing the necessary infrastructure for this transition, we need to prioritize improving the project development process. Community and labor engagement should be the starting point of any planning, siting, or permitting process. The CBAs and PLAs outlined in this memo offer lessons for the development of strong and meaningful benefits for communities and workers for DAC facilities and other climate infrastructure projects.

It will be critical to work with communities to understand what type and scope of a project would work in their community, and what benefits might come from it. There's enormous potential to leverage DAC and other clean energy and climate technologies to benefit communities and workers, and we can use CBAs and PLAs as a tool to that end.

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