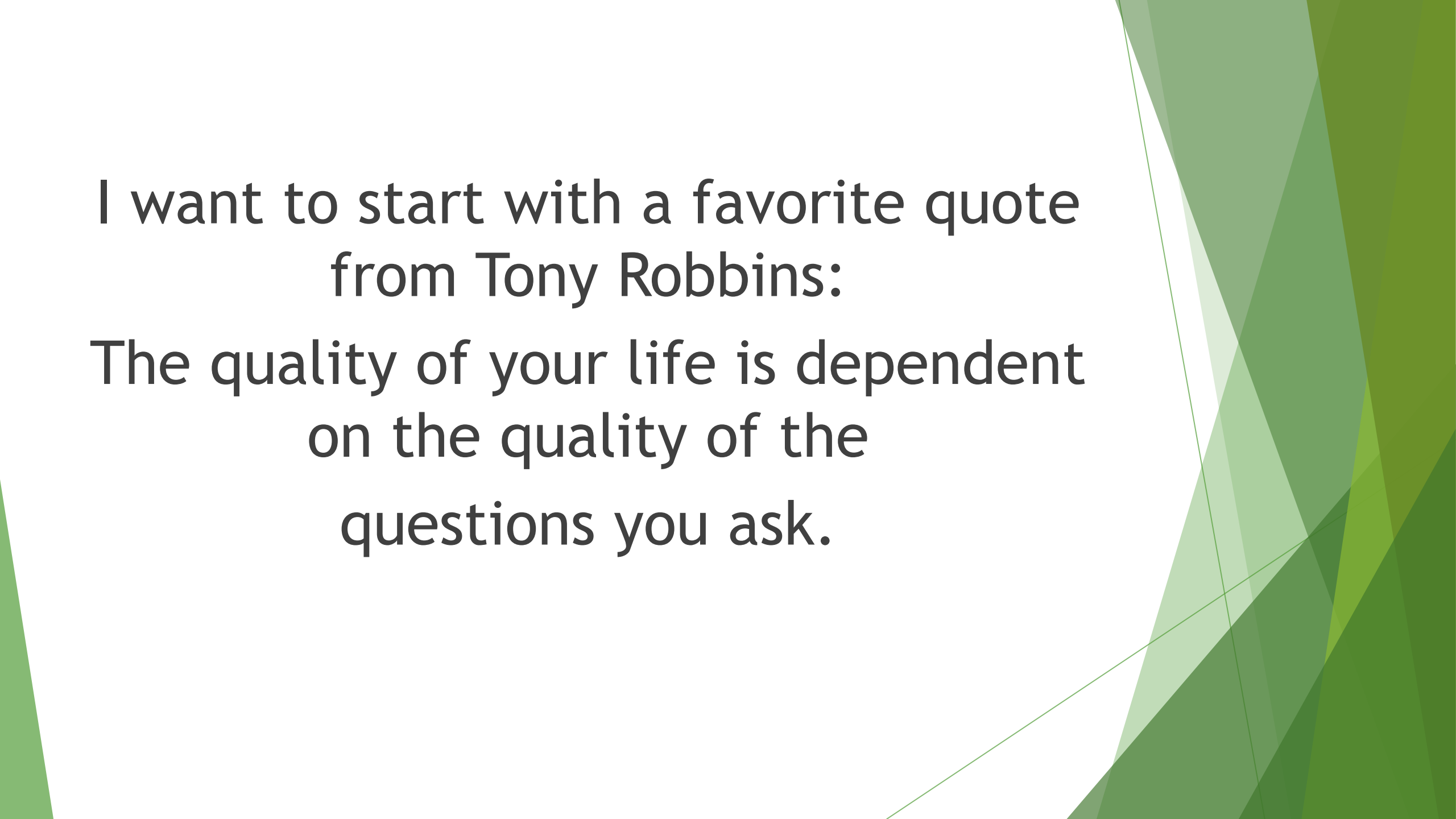


Economic Development with Real Community Benefits.

Community Benefits are a Two Way Street

“Community benefits” are assets available through economic development that meet real community needs, including the following: good wages and benefits for all workers.

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light to dark, creating a modern and dynamic visual effect.

I want to start with a favorite quote
from Tony Robbins:
The quality of your life is dependent
on the quality of the
questions you ask.

This applies to individuals, organizations and most important municipalities and political leaders when it comes to negotiating a Community Benefits Plan that accompanies large projects in Nevada.

The Problem

- ▶ Too often, major development projects do not deliver the tangible benefits to local residents and the trickle down benefits don't always reach those most in need.

The Solution

- ▶ We should focus on the following five core strategies:
 - ▶ Demand strong community benefits in government agreements with developers;
 - ▶ Encourage negotiation of private community benefits agreements between developers and community coalitions;
 - ▶ Enact ordinances and policies establishing baseline community benefits for future projects;
 - ▶ Incorporate community benefits into land use planning and policy; and
 - ▶ Convene key stakeholders to reach agreement on community benefits principles for future projects.

Successful and Meaningful Negotiations are a 2-way Street

- ▶ To arrive at successful, measurable, and accountable Community Benefits Plans, all stakeholders must be involved.
 - ▶ Citizens
 - ▶ Universities
 - ▶ Unions
 - ▶ Advocacy groups: for example those who advocate for disabled workers
 - ▶ Small Business Administration
 - ▶ Trade Schools

Examples of a good Strategy in Action

Many agreements pertaining to large development projects have included some community benefits requirements.

One recent example comes from Oakland, CA, where the Jobs Policies for the \$800 million redevelopment of the Oakland Army Base established requirements for:

- Local hire,
- Disadvantaged hire,
- Living wages,
- Limitations on use of temp workers,
- And community oversight and enforcement.

The Jobs Policies resulted from extensive work between city staff, city councilmembers and a broad range of community stakeholders.

The background features abstract, overlapping green geometric shapes in various shades, including light sage, medium forest green, and dark olive green. These shapes are primarily located on the left and right sides of the frame, creating a modern, layered effect.

Case Study: The Raiders Stadium

Raiders CBP

- ▶ Community Benefits Plan
- ▶ Pursuant to Senate Bill 1 of the 30th Special Session of the Nevada State Legislature, a Community Benefits Plan was created to ensure the greatest possible participation by all segments of the local community in the economic opportunities available in connection with the design, construction and operation of the National Football League stadium project.

II. COMMUNITY BENEFITS

- ▶ Developer understands how critically important community participation is.

Developer is committed, both through its own efforts and through the efforts of its contractors, to provide opportunities to participate in and benefit from the design, construction, and operation of the Project to a broad and diverse membership of the community. This Plan is a multi-faceted program to achieve participation in the Project by the local community, including people of color; women, minority and women owned businesses, veterans and other targeted members of the community (the "Targeted Groups").

This Plan includes the following benefits directed at such Targeted Groups within

- ▶ **the community: (1) local small, woman and minority business enterprise participation; (2) community engagement; (3) workforce diversity; and (4) technical assistance and an**
- ▶ **internship program**

The Devil is in the details.

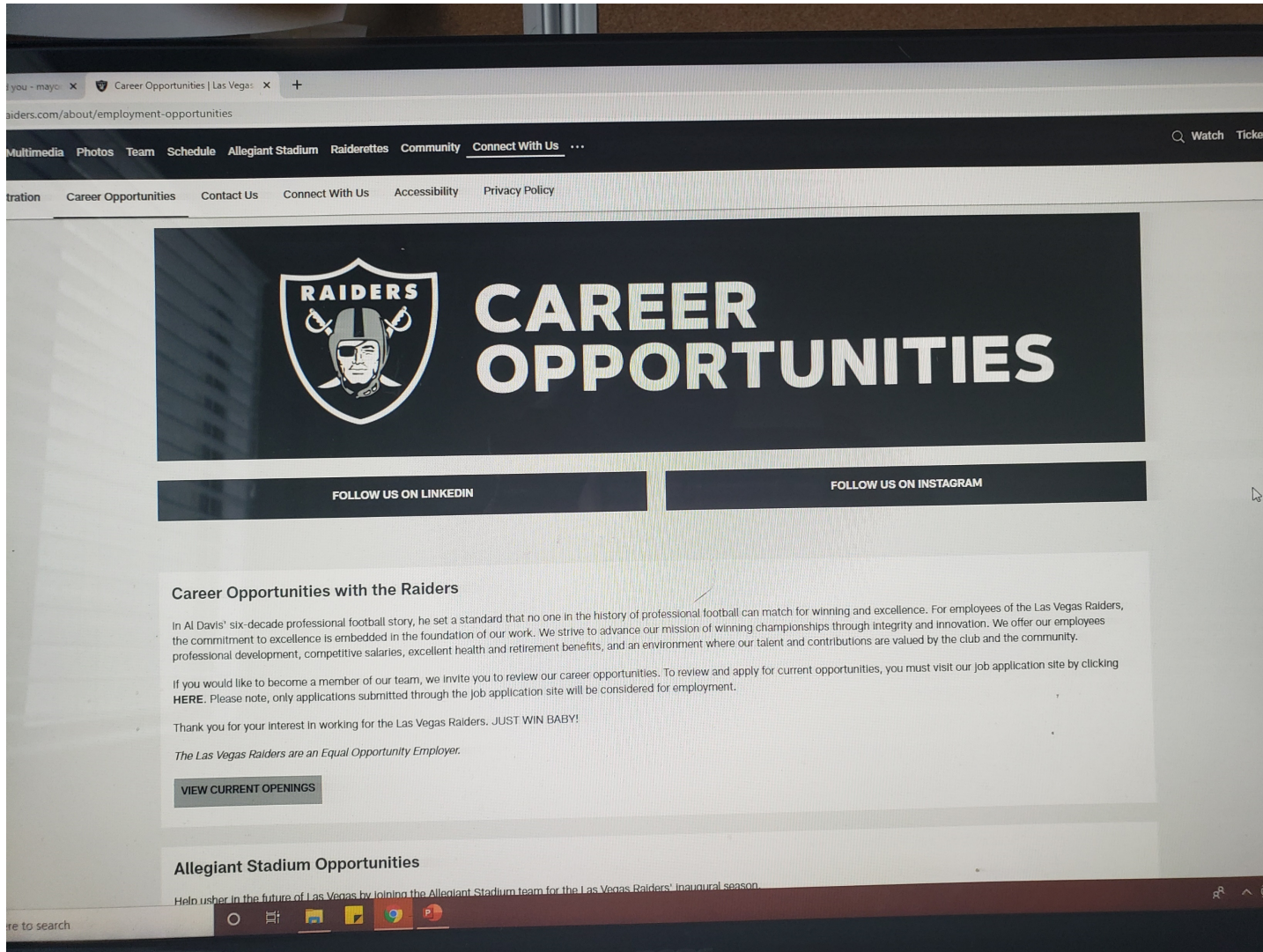
- ▶ Definition of "Local Small Business Enterprise". A "Local Small
- ▶ Business Enterprise" is defined as: (1) an independent business; (2) has been in operation
- ▶ for a minimum of 4 years; (3) its principal place of business is in a fixed location in the
- ▶ state of Nevada; (4) has all necessary Nevada licenses and registrations; and (5) annual
- ▶ revenues in each of the immediately preceding three fiscal years has not exceeded: (i)
- ▶ **\$20,000,000 in public works projects, (ii) \$10,000,000 in other construction, goods,**
- ▶ **materials, equipment and general services contracts, (iii) \$2,500,000 in professional**
- ▶ **services, including, without limitation, architectural and engineering services, or (iv)**
- ▶ **\$3,500,000 in trucking.**

- ▶ **Local Small Business Enterprise Resource Center.** To address capacity building of small local, women and minority owned businesses, Developer will **develop a Local Small Business Enterprise Resource Center as a tool to strengthen and expand local small, women and minority owned businesses in the community during the construction process.**
- ▶ The resource center will provide a knowledge base and technical assistance in all facets of the construction business, with Developer personnel and consultants utilized as construction experts providing guidance and support.
- ▶ The services of the resource center will be concentrated around business development, business administration, project management, and technical services for Local Small Business Enterprise firms to develop and enhance their capabilities and competencies for future growth. The center services would be available to firms involved with the Project.
- ▶ **3.4.2 Workforce Training and Development; Apprenticeship Participation.**
- ▶ **During the construction and operation of the Project,** Developer will work with local community partners, such as unions, prime contractors, applicable subcontractors, universities, its concessionaire, its stadium manager overseeing operations, and other organizations to train a diverse and competent workforce to prepare Targeted Groups to become pre-apprentices in the construction and operation-related trades (e.g., engineering, facility operations, sales and marketing, and information technology). Developer will provide support services for Targeted Groups taking classes.
- ▶ Developer shall consider training programs recommended by the BOC from time to time and shall specifically consider career workshop programs, individual employment, service plan programs, vocational skills training, work support services, and job placement services.

The FACTS on Jobs at the Stadium -Dana Gentry Sept. 18 2020

- ▶ State lawmakers who voted in 2016 to sink \$750 million in public funding into a football stadium said at the time they were sold on projections for the construction jobs the project would generate – 18,000 in all, including 11,000 direct “person-years of employment” to build the stadium itself.
- ▶ Now, with the stadium completed, a report from the contractor reveals the project generated just 2,719 full-time equivalent jobs, or approximately 900 in each of the three years of construction Through July 31, 2020.
- ▶ Former State Sen. Patricia Farley, who voted for the plan to use room tax revenue for the stadium in 2016, says she’s “highly disappointed” in the disparity between the reality and the projections, which she called “all lies.”

I checked this morning.....



Insist on Effective, Enforceable Measures.

- ▶ Even though it can feel like an accomplishment just to put some community benefits language in an agreement, the devil is often in the details.
- ▶ Merely aspirational standards and loopholes can render good intentions completely ineffective.
- ▶ Community benefits commitments are just as important as other deal points for the public entity, and give sufficient attention to that aspect of their negotiations with developers, using concrete input from stakeholders.
- ▶ Avoid weasel words that undermine real implementation, such as “good faith efforts,” “to the extent feasible and practicable,” “commercially reasonable efforts,”;

Actually delivering the right set of benefits to communities requires substantial community involvement. There are several ways that you can bring community into the process to achieve optimal results.

- **Front End Input.** Engaging with these stakeholders as early as possible also promotes **transparency around the project.**
- **Commitments to Community.**
- **Ongoing Community Involvement.** Often the community involvement phase of a process is at the front end, but the final deal (including many of the community benefits) is negotiated late in the day.
- **Community Oversight.** Agreements can be used to establish a monitoring and oversight committee, with community membership.
- **Community Enforcement.** Elected and appointed officials are often rightly concerned that future administrations may not be as committed to enforcing community benefits commitments.

Community groups and individuals can help ensure implementation and enforcement, if given the power. **Living wage measures routinely provide direct enforcement rights to covered workers. Similarly, some affordable housing requirements provide enforcement rights to individuals living in rent-restricted units. In legal terms, these are third-party beneficiary provisions, and local governments can include them in contracts with developers or in conditions imposed on projects.**

“There is a movement growing across the country of local elected and appointed officials who recognize that economic development with community benefits can transform local economies and create shared prosperity.”

The Partnership for Working Families