

Invest Well Erie

A Community Benefits Agreement

**Ensuring the New Erie County Sports
Stadium Reduces the Social Determinants
of Health**

By Erie County Legislator

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Chairwoman / District 2



Opportunity vs. Obstacle

On September 9, 2019, Erie County Executive Mark Poloncarz, accompanied by community stakeholders, announced the “Live Well Erie” initiative: a data-driven, collaborative approach to human services that provides county residents with access to resources that can improve their quality of life. Its guiding principle was the idea that Erie County should leave no one behind. Live Well Erie broke new ground in Western New York with its focus on addressing the social determinants of health while also considering the role that health behaviors have on populations.

According to the Centers for Disease Control and Prevention (CDC), the social determinants of health are the condition of the environments where residents live, learn, work, and play. These conditions have an impact on a wide range of health and quality-of-life factors. The World Health Organization also provides a definition of social determinants of health, stating social determinants of health are the conditions in which people are born, grow, live, work and age. ***These circumstances are shaped by the distribution of money, power, and resources at global, national, and local levels.***

In creating Live Well Erie, County Executive Poloncarz stated: “Live Well Erie is a new way of thinking about public health, addressing the factors that cause premature death and also the social determinants - like safe housing and access to educational and job opportunities - that contribute to negative health results. The strategy brings Erie County departments together with community partners to learn more about what is affecting the health of our residents while using that knowledge to improve outcomes. In the new Erie County we will not leave anyone behind and this plan will focus on meaningful improvements in the lives of children, working families and seniors so that all may reach their full potential.”

In order to truly achieve the vision of Live Well Erie, Erie County must make bold financial investments into marginalized communities. In order to position Erie County as an attractive community for growth and investment, we must explore every opportunity to eliminate poverty, as poverty costs taxpayers hundreds of millions annually, weakening our profile in the global marketplace.

I believe that for every public dollar that Erie County spends, another dollar must be invested into the upward mobility of our neighborhoods.

In recent years, Erie County has begun to consider the impact of County government spending proposals on marginalized communities. This racial equity lens has guided county investment in blighted zip codes in the City of Buffalo’s urban core.

For example, in 2020, Erie County provided \$4.4 million of our CARES Act federal COVID-19 funding to the Buffalo Public Schools, which are, according to New York State Department of Education data, the County’s lowest performing school district, with a minority student population of 24,840 and as of the year 2020 a graduation rate of 76%. Erie County established the Back to Business program in 2020, which provided \$19 million in grants to small businesses. The county contracted with an independent entity to oversee an application process that prioritized businesses owned by women and minorities, as well as those in impoverished zip codes who did not receive the federal Paycheck Protection Program.



This metric resulted in 30% of the small business grants being awarded to minority business owners and 48% of the grants awarded to businesses in the City of Buffalo. A few months later, when the federal government issued the first portion of Erie County's American Rescue Plan stimulus package, \$10 million dollars of the \$86 million in funding was delivered to small businesses, infrastructure improvements and programing servicing the east and west sides of Buffalo, where the City's poorest zip codes are located.

These piecemeal, one-off investments - while beneficial in the short term - cannot truly mend centuries of systemic neglect. The public assistance offered by the Erie County Department of Social Services and the Workforce Investment Board helps the poor subsist, but they are ultimately bandages placed over the lesions of starvation, homelessness, misery, anger, violence, and ultimately disease.

There have been very few annual County budget allocations with a targeted investment in neighborhood development in Erie County's poorest zip codes because neighborhood development has traditionally been ceded to the jurisdiction of the City of Buffalo government.

A better model can be found in the county's 2015 establishment of the "Poverty Committee" and the regular appropriation of funds from 2017-2020 and the County Legislature's 2019 creation of the Urban Initiatives account to invest county dollars into infrastructure needs within the county's three cities. These programs will be included in Erie County's budgets annually.

Erie County now has the opportunity to achieve the goal of the Live Well Erie initiative. Working in conjunction with state officials, we must couple services and programs with equitable investments into traditionally underserved neighborhoods.

As Erie County prepares to invest and negotiate with the State of New York and Pegula Sports & Entertainment on a successor to Highmark Stadium, we should remain steadfast in our vision in respect to the Live Well Erie commitment. We must identify opportunities for ways that this once in a generation investment can bring value to all the residents of Erie County. Especially those most in need of help in achieving a *Life Lived Well*.



Invest Well Erie

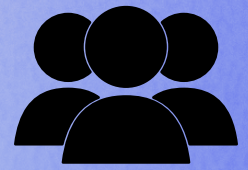
Economic development should bring measurable and permanent improvements to the lives of local residents, particularly those in low-income neighborhoods. A billion dollar+ infrastructure investment heavily supported with public dollars should produce the creation of living wage jobs, affordable housing, and neighborhood services that improve the quality of life for all residents.

The idea that over a billion dollars will be invested into a sports and entertainment stadium wherein only residents who have access to discretionary income will partake in the benefits of such a lofty investment is inequitable, and also veers from the new racial equity lens Erie County has in recent used to distribute federal stimulus funding during the COVID-19 pandemic.

Barrier free access for families in neighborhoods far too often boxed out of the indulgence of live entertainment and sports excursions will complement the benefits accessed by the potential; longtime lease holders. An article by local sports journalist, Pat “Mighty Oba” Freeman states; *“The Buffalo Bills are one of the leading franchises in public subsidizing receiving more than \$28 million dollars per season in tax breaks. The very suggestion of such (new stadium development) plan also suggests increasing this amount along with the state and county footing the bill for construction of a stand-alone facility that only benefits the franchise. The cost for building new facilities is going up each day and most franchises tap into NFL stadium financing programs. The newest NFL loan program — which will be called “G-4” — ups the maximum loan level to a maximum of \$200 million dollars”*. As the final number on subsidies to the lease holders unfold, the County must consider what subsidies are being provided for those who are not billionaires, but could be bystanders as public dollars that could improve their quality of life, are allocated into leisure-based infrastructure they have limited opportunity to experience.

Proposed Community Benefits Agreement (CBA) for Buffalo’s Impoverished

Erie County government is the local branch of government that has a direct impact on residents' survival. County government is responsible for molding the development and shaping land patterns with innovation. In designing the roadmap toward a state-of-the-art new stadium, we should challenge conventional thinking and offer a broader vision of the value a new stadium can bring to all points of our region. Such vision requires intentionally planning on how the stadium will tangibly create a better and healthier life for communities. A community benefits agreement (CBA) as defined by The Partnership for Working Families is an economic empowerment mechanism by which stakeholder organizations can negotiate directly with developers for the benefits most important to them – shaping urban development projects to improve lives for local residents, most frequently communities of color.



We have seen the benefits of Pegula Sports & Entertainment's ("PSE") investment in the community thus far, from the Buffalo Bills Foundation strong support of youth programming with the various Boys and Girls Clubs across Erie County to its partnership with Habitat for Humanity to increase affordable housing. PSE is also lending its hand to the small business community by supporting Open4, a collaborative effort to catalyze systemic changes and help minority and women entrepreneurs realize their ambitions. It is clear from these commitments that PSE understands the importance of being a strong community partner on the pathway to eliminating disparities in Erie County and that the benefits outlined in this proposal are in line with the community-based work they've performed over the past few years.

The New Stadium CBA Precedent

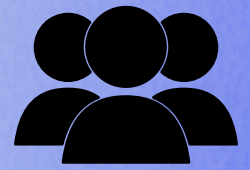
There are several notable examples of community benefit agreements between large and small municipalities and major sport franchises.

In 2008 Pittsburgh entered into a CBA with the developers and operators of the PPG Arena, home to the Pittsburgh Penguins. The agreement benefited city residents with job training, outreach to minority business owners and first source referrals for jobs in the arena.

In Atlanta, their city council passed a community benefits plan that resulted in Falcons owner Arthur Blank investing heavily in the economically ravaged neighborhoods in Atlanta, including set-asides for affordable housing units.

In Milwaukee, a CBA was established with the owners of the Milwaukee Bucks during the construction of a new arena that includes increases that will bring the minimum wage to \$15 per hour by 2023 for workers in the new arena, and ensures hiring at least 50 percent of employees from neighborhoods with high unemployment, and affirms the right of employees to unionize. Additionally, a new organization was launched to recruit, screen, train, and place upwards of 1,000 Milwaukee-area workers in living-wage jobs at both the new arena and in its surrounding district.

In 2018, a coalition of community, labor and faith-based groups in Nashville negotiated a CBA in response to a proposed Major League Soccer project that would include a 10-acre mixed use development adjacent to the proposed \$275 million 30,000-seat stadium. Items in the Nashville CBA include affordable housing set-asides, a wage floor of \$15 an hour, a first-of-its-kind targeted hiring program in Nashville with dedicated staff that will connect individuals with barriers to employment to future job opportunities at the stadium. There were also guarantees to establish micro-unit retail spaces for artisans and local small businesses at a reduced rental rate, construction careers for individuals with barriers to employment, especially from disadvantaged neighborhoods and inclusion of minority contractors.



And most recently in LA, the construction of a new stadium for the LA Clippers will provide an economic benefit to the area generating about 10,000 construction jobs and 500 permanent jobs, with local hire components in place to fill 30 percent of available construction jobs with local labor and 35 percent of the available arena operation jobs will be filled by local residents. This CBA will also create benefits for local businesses inside the arena with retail and vending benchmarks for local, small businesses. The developer will also invest in community programming and affordable housing to the tune of \$100 million.

The Agreement: Buffalo & Erie County

An agreement for a new stadium in Erie County should see benefits for the community both inside and outside the stadium, as well as immediate, short-term benefits during the stadium's construction, and long-term benefits during the stadium's operation.

An Inclusive Stadium Experience

Historically, the unemployment rates of Black and Brown persons in Erie County has been double the unemployment rate of White people (White: 3.0%, Black: 5.8%, Hispanic/Latino: 7.7% US Census Bureau - ACS 2019). The benefits below seek to reverse those historic trends by emphasizing diversity, equity, and inclusion on the construction and operation of a new stadium in Erie County.

Employment & Working Conditions – Construction

The construction of a new stadium must have a benchmark of utilizing Minority and Women-Owned Businesses for 30 percent of its contracting costs.

Within this MWBE Goal, the following benchmarks shall apply:

- 50 percent of the MWBEs utilized shall come from disadvantaged communities
- 30 percent of total labor hours performed on new stadium construction shall be performed by disadvantaged workers. A disadvantaged worker is defined as an Erie County resident who has a household income below 50 percent of the Area Median Income ("AMI"); or has been released from prison within the last 10 years; or participates in the Temporary Assistance for Needy Families program; or participates in the Supplemental Nutrition Assistance Program; or has been unemployed for at least 12 consecutive months; or who resides in a zip code with a poverty rate of 20 percent or higher.
- 15 percent of total labor hours performed shall be performed by workers participating in an Apprenticeship Program. An apprenticeship program is defined as a company having a New York State Certified Worker Training Program.
- 50 percent of apprentices shall be disadvantaged workers.



Employment & Working Conditions - Post-Construction

Opportunities for Erie County's small businesses and vendors shall be made available for participation in retail, vending, and service operations at the new stadium. At least 30 percent of retailers, vendors, and service companies used in the new stadium's operations shall be MWBEs and 50 percent of those MWBEs shall be from disadvantaged zip codes.

Culture Race/Racism

Recently we have seen an intense focus on community police relations, both locally and nationally, particularly around the sensitivity to direct interactions between law enforcement and people of color.

Currently, security at Highmark Stadium is handled by a mixture of the Erie County Sheriff's Office, the Buffalo Bills Security Team, and private security firms. As reported by the Erie County Police Reform Citizen Task Force, the Erie County Sheriff's Office Police Services Division (which provides security to the stadium) currently only has two police officers of color on their staff out of the 146 officers in this division.

This agreement seeks to improve the gameday experience for all fans by requiring the utilization of an MBE owned and operated security firm to improve the cultural and racial sensitivity on the stadium grounds.

Transportation

Currently there is no public transportation within 1 mile of the current stadium location on weekends (the closest bus stop is over 2 miles away), which severely limits the class of workers that can utilize stadium jobs, as well as residents that can attend events at the stadium.

This agreement shall require that the Niagara Frontier Transportation Agency (NFTA) expand its public transportation within walking distance ($\frac{1}{4}$ mile) of a new stadium. In the absence of new bus routes or shuttles provided by the NFTA, this agreement would require last mile transportation be made available by the leaseholder on days there are events at the new stadium to allow for public transportation users to seek jobs at the stadium, and for event goers to be able to travel to the stadium by public transportation.

Childhood Experiences

This agreement seeks to increase the accessibility for all Erie County residents by designating one of the suites in the new stadium as a "Community Suite." The Community Suite would be exclusively for use by low-income families to provide the excitement and thrill of a Bills game that is otherwise financially out of their reach. Use of the suite would be determined by raffle and families can enter the raffle by application.



Renewed Investment in the Community

The construction of an estimated \$1.4 billion stadium is not just an opportunity to take our sports and leisure industry in Erie County to the next generation, but it is also an economic development opportunity to strengthen existing pipelines to sustainable careers and create new pipelines for upward mobility.

Community Oversight of Implementation

The benefits provided by this agreement will only go as far as the pressure applied to the stadium leaseholder to comply with the agreement. This agreement will call on the creation of an Erie County Stadium Community Benefits Oversight Board. The Board shall have the responsibility of reviewing data to ensure benchmarks are being met in all key areas, recommending and approving grants for community programming, affordable housing, and monitoring all deliverables outlined in this agreement.

Where there is no current regulatory oversight for any of the requirements of this agreement (community programming grants, community development lending, post-construction vending and employment, etc.), this Board shall have the authority to review compliance and issue penalties should the leaseholder be found non-compliant.

During construction of the new stadium, there shall be quarterly reports and subsequent meetings of the Erie County Legislature's Minority and Women Business Enterprise Committee to review the status of MWBE, apprenticeship, and disadvantaged worker benchmarks throughout the construction period.

Income & Social Status

In addition to the jobs and opportunities created on-site, the new stadium will bolster the business acumen and profiles for many of the current beneficiaries of professional sports in Erie County. It is vital that access to boardrooms and decision-making scenarios are provided to widen the net of who benefits from a billion-dollar economic development project.

This agreement will provide for financial support of small business assistance programs, and business incubators to expand their capacity to guide entrepreneurs to sustainability. Particularly, there is a need to provide resources and capital to underserved entrepreneurs. This effort shall also include mentorship from front office executives to lend their expertise to the next generation of business leaders.

Finally, this agreement calls for the creation of an Executive Sports Careers Internship Program to be housed within the stadium leaseholder's company. This program will emphasize a goal of improving diversity and inclusion in professional sports front offices to ensure all future vice presidents, general managers, and chief executive officers have a pathway to these positions, regardless of what zip code they were born in.



Physical Environments/Quality Healthy Living

Many neighborhoods in Erie County struggle with a lack of access to programming for its young people. In some neighborhoods, programs do not exist, or the barriers (costs, transportation, etc.) are too much of a burden to overcome for the residents. This agreement would expand the current grants made by the leaseholder to include financial and operational support to grow youth programming, with a focus on athletic programs, into neighborhoods where no programming currently exists, and neighborhoods where there is lack of access to transportation coupled with high poverty rates to ensure we are meeting our most vulnerable young people at a place where they are most comfortable.

Safe Neighborhoods/Social Supports & Healthy Behaviors

The New York State Division of Criminal Justice Services released a report in June 2021 indicating that, as a county, Erie County had the highest rate of violent crimes involving a firearm in 2020, per capita, across New York State. Data from the Erie County Crime Analysis Center data shows that homicides have increased in Erie County for the past four years, from 46 in 2017, to 58 in 2018, to 59 in 2019 and to 69 in 2020, with the vast majority of these having been committed through the use of a firearm.

Gun violence is a serious problem that needs all stakeholders involved in order to solve this complex issue. This agreement would call for the funding of an Erie County Anti-Violence Coordinator within the Department of Central Police Services to operate as a coordinator of all anti-violence operations happening in Erie County, both community-based efforts and governmental efforts.

Access to Housing & Healthy, Fresh, Culturally Appropriate Food

Stadiums have a significant impact on real estate markets. The absence of this level of investment in a highly dense neighborhood with significant older housing stock will weaken its impact on improving housing conditions. In the absence of that market-based impact in the City of Buffalo (i.e. maintaining the stadium in Orchard Park), the county should allocate resources to improve the health and safety of Erie County's oldest housing stock.

This agreement calls for investment by New York State, Erie County, and the stadium leaseholder into a program to provide low-interest loans for the acquisition, preservation, or development of affordable and mixed-income housing, with a particular interest in mixed-use developments that provide a basic community need, such as a grocery store or day care facility, to address the most basic needs of a disadvantaged community.



Conclusion

A new billion-dollar economic development project for Erie County's most beloved commodity will be a once in a generation accomplishment. Let's make sure that accomplishment is felt in a life-changing way by all of our residents, including those that have historically been left out of once-in-a-lifetime projects, to show our residents that we not only care about them, but will fight for them to benefit from this generational opportunity.