

COMMUNITY BENEFITS AGREEMENTS

**Options for connecting development
and community benefits in St. Louis**

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Community Benefits and Development

Many cities are exploring ways to ensure that development projects, especially those receiving public incentives, provide direct benefits to the community in which they are located. A variety of tools are available, ranging from private agreements between developers and community groups to city-administered funds that collect and distribute development fees. Community Benefits Agreements (CBAs) are a prominent tool that can be adapted to fit private and public approaches to providing community benefits. This reports provides a synopsis of CBAs and other options and approaches to community benefits that St. Louis could consider.

Part One, CBA 101, discusses what distinguishes a CBA from other approaches and provides some guiding principles and factors to consider in its design. The CBA spectrum plots where each approach falls on the public/private and ad hoc/coordinated axes, and the decision tree maps possible ways to analyze the options.

Part Two further describes the five approaches to community benefits: traditional private CBAs, CBAs with a city party, CBA ordinances, a community benefits framework, and a community benefits fund. Part two also includes examples where available and some evaluation factors for each approach.

PART ONE

CBA 101

WHAT MAKES A CBA?
GUIDING PRINCIPLES
DESIGN CONSIDERATIONS
CBA SPECTRUM
DECISION TREE
SUMMARY OF OPTIONS

CBA 101: WHAT MAKES A CBA?

To be a CBA, an agreement must have three components: community input, community benefits, and a binding agreement. (Otherwise, the provisions fall under alternative models for providing community benefits, like non-binding promises, frameworks, and funds.)

1.  Community

Community representatives have a seat at the negotiating table and input on the development project, content of agreement, and enforcement of terms. CBAs involve community actors even if they are not all parties to the final contract.
2.  Benefits

The benefits included in a CBA should address community needs as defined by the community. These frequently include infrastructure, local hire and wage guarantees, and affordable housing.
3.  Agreement

A CBA is more than a promise: it is a binding agreement between parties that lays out the terms that must be met and provides a remedy for breaching those terms.

CBA 101: GUIDING PRINCIPLES

Three principles should inform any community benefits process, be it a private CBA or an approach with more city involvement.

1.  Community Engagement

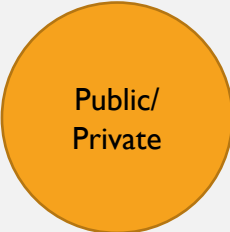
CBA negotiations should provide a procedural mechanism for a community voice in development decisions. This may require technical assistance for community groups to support full participation.
2.  Accountability


Accountability is a central factor driving community interest in CBAs. Binding agreements and reporting mechanisms ensure that promises made at the outset of a development (by both public and private actors) are substantially delivered as the project proceeds.
3.  Transparency


The rights and responsibilities of the developer and the community should be clearly communicated and final agreements should be easily accessible. Reporting and monitoring information should be provided to the public.

CBA 101: DESIGN CONSIDERATIONS

Central factors to consider when developing a community benefits process include the degree of public involvement, the level of coordination/institutionalization, and the degree to which the process outcome will be binding.

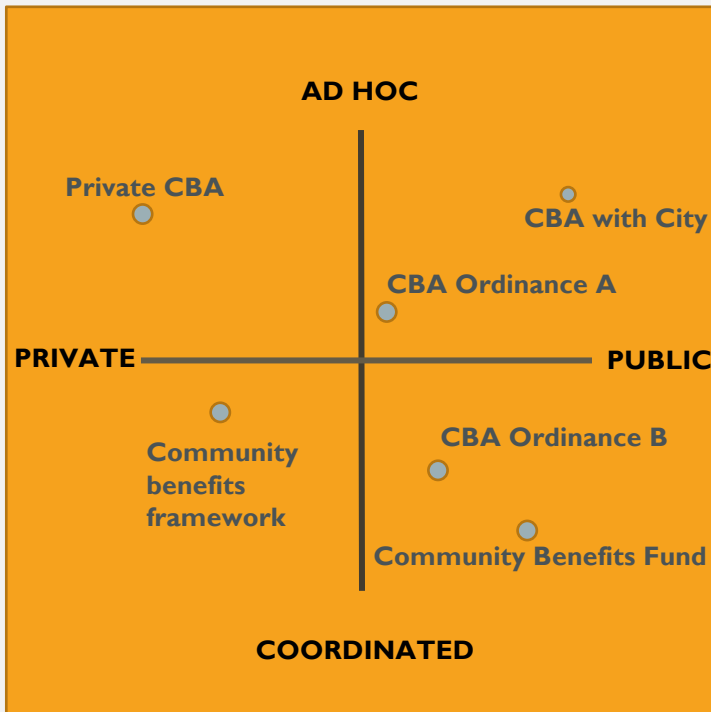
1.  Public/
Private

A CBA can be comprised of only private actors or involve city/public entities. The degree to which the city will be involved is a central question.
2.  Coordinated/
Ad Hoc

A private CBA can be limited to a single project and depend solely on community organizing. A system can also be developed that applies to all major projects and offers more technological and institutional support to community groups.
3.  Approach/
Mechanism

Will it be a contract? Will there be an ordinance? The approach defines how and to what degree the final product will be binding upon the parties. The end goal of a CBA is to have some sort of binding agreement.

CBA 101: SPECTRUM



CBA approaches involve different levels of public and private participation, as well as different degrees of centralized coordination.

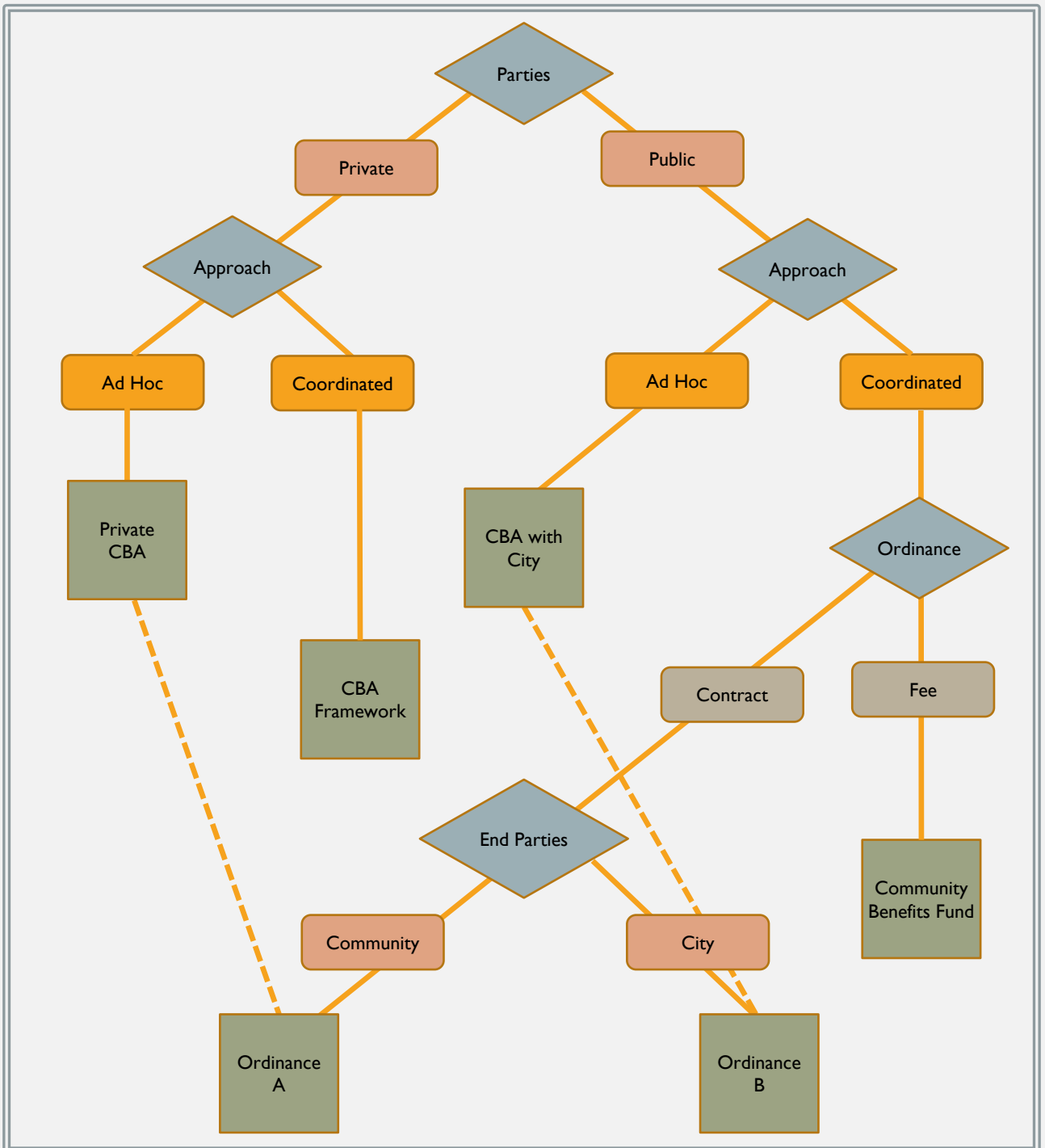
In addition to these axes, approaches may also contain varying degrees of enforceability.

The primary options are described below.

1. **Private CBAs** are contracts between private actors, and are done on a project-by-project basis with different sets of community representatives. Developers directly fund the benefits.
2. **CBAs with a city agency** are still project-by-project, but involve either a three party contract between the developer, the community group, and a government entity or a two party contract between the developer and the city.
3. **A CBA ordinance** would be passed by the city government, and as such has a strong public component. An ordinance can either have a strong private component by mandating negotiation of a CBA between the developer and a community group or a strong public component where the city is a party to the final agreement.
4. **A Community Benefits Framework** provides a coordinated set of best practices for CBAs, and may be developed by a governmental or quasi-governmental organization, but the framework is not an ordinance. It provides guidance, not a mandate, and may lack enforcement authority.
5. **A Community Benefits Fund** is the most centralized public option. Developers pay mitigation fees into a fund managed by the city, and projects apply for funding from the CBF (not from individual developers).

CBA 101: DECISION TREE

1. How much city/public involvement ? (Private or city parties? Ordinance?)
2. Will the approach be project-by-project, or more coordinated?
3. Will there be an ordinance? Will it be contract- or fee-based?
4. If CBA ordinance, who will be the end parties to the agreement?



CBA 101
SNAPSHOT OF
OPTIONS

1. Private CBA
2. CBA with City
3. Community benefits framework
4. CBA ordinance
5. Community Benefits Fund

OPTION 1: PRIVATE CBA(S)

Private contract between developer and community group

- Little/no city involvement
 - No city action required (may be marginally involved)
 - CBA not a result of city policy
 - City does not provide monitoring or technical support
 - City not required to have seat at table
 - CBA is independent of development agreement
- Project-by-project process
 - Developer proposes or begins work on project
 - Community voices concerns about project impacts and organizes a coalition
 - Community approaches developer to negotiate for community benefits
 - Depends on community group's ability to apply political pressure
 - Developer and community group representatives sign private CBA contract

OPTION 2: CBA WITH CITY

Community benefits included in development agreement

- Direct city involvement in negotiation
 - Represented by city or development agency representative
 - Does not require adoption of city-wide policy
 - May or may not include community participation (will impact legitimacy)
 - *Best practice: convene community forum(s) and facilitate organization of community group that actively participates in negotiation and needs assessment*
- Project-by-project process
 - Developer proposes project that requires some kind of city approval
 - City seeks concessions on community benefits
 - Community benefits built into development agreement

OPTION 3: CBA ORDINANCE

BOA adopts ordinance requiring CBA for major projects

- Requires CBA for large projects that receive development incentives
 - Creates tier system for when ordinance applies

A

- Require CBA between developer and community group
- City designee facilitates meetings with community groups
- Create Community Benefits coordinator position to facilitate
- Nonprofit coalition can provide technical assistance city-wide
- Community groups developed through organizing at local level

B

- Require CBA part of development agreement with city
- Neighborhood Advisory Committee chosen from community and city actors
- Committees consider input from community meetings
- Community Benefits Committee appointed to monitor implementation

OPTION 4: BENEFITS FRAMEWORK

Adopt framework to guide CBA processes

- City involvement in policy, facilitation, monitoring
 - City sets (nonbinding) framework adopting goals and objectives for community benefit provision
 - Principles could include accountability, transparency, inclusiveness, consistency
 - Establish community benefits committee and/or standing community advisors; designate community benefits specialist
- Applied City-wide
 - Encourage community benefits when developer requests public support
 - Remains flexible on project size and specific requirements
- Negotiations would still result in CBA (modeled on Options 1 or 2)
 - Purpose/goals/process guided by framework, specific terms negotiated between city or community parties
 - Monitoring by community benefits committee

OPTION 5: COMMUNITY BENEFITS FUND

Small-scale (focused on a particular development area)

- Modeled after Forward Fund managed by Cambridge Redevelopment Authority with fees from Kendall Square Kendall Square Urban Renewal area
- Development fees fund micro grants for civic and physical improvement projects; applicants can be individuals, nonprofits, small businesses
- May be possible to create project-specific fund as part of CBA or in lieu of other benefits
- Funds could be used outside immediate neighborhood (ex. development in Central Corridor, grant in Hyde Park)

City-wide*

- Imposition of development fee system (by ordinance) – would need to decide on a fee structure, collection mechanism, to what projects it would apply
- Establishment of a centralized fund to hold fees for community benefits grants
- Board of Aldermen sets funding priorities informed by needs assessment
- Community Benefits Committee manages fund and selects grant recipients (per priority areas)

* Mandatory development fee programs may be seen as exactions that are subject to unconstitutional conditions/takings claims; these should be examined if designing a new fee system.

QUESTIONS FOR IMPLEMENTATION

To the right are some of the questions that may arise when mapping out an approach to community benefits.

These and other questions can be informed by looking at the stakeholders, interests, goals and purpose, and options that follow.

Community

- What do we mean by community? Census tract? Neighborhood? Whole city?
- Who represents the community?
- What form will community engagement take?

Needs/benefits

- Who defines what benefits the community?
- How are needs assessed?

Tiers

- What is a 'major development' that would require a CBA?
- Which kinds of public support would trigger a requirement?
- What if the development is in an already-affluent community?

Enforcement

- What will be the enforcement mechanism?
- Who will have standing?
- How will monitoring/enforcement be funded?
- Will there be a claw back provision?
- How will information be made available?

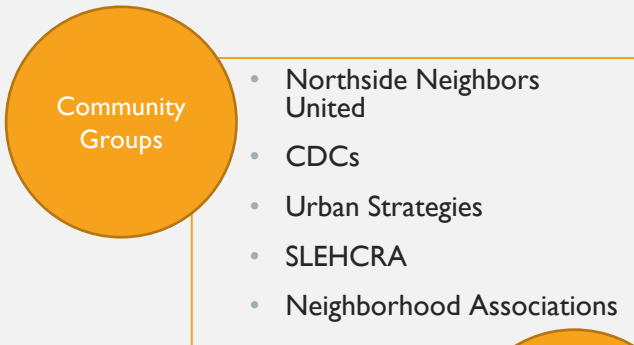
Distributive

- Who is missing?
- How does the approach advance racial equity?
- Who wins and who loses?
- How does the approach affect communities outside the central corridor?

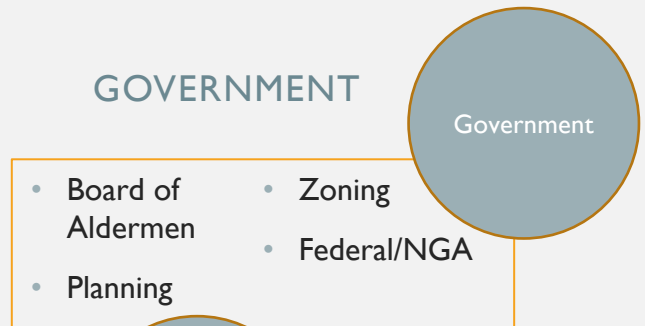
ST. LOUIS CBA STAKEHOLDER LANDSCAPE

Who is missing?

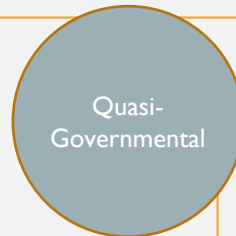
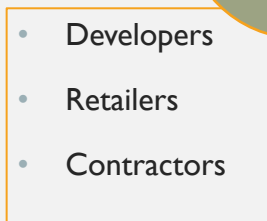
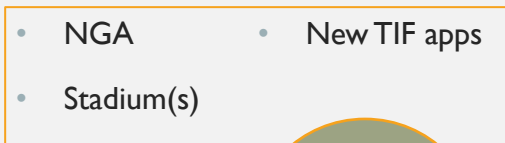
COMMUNITY



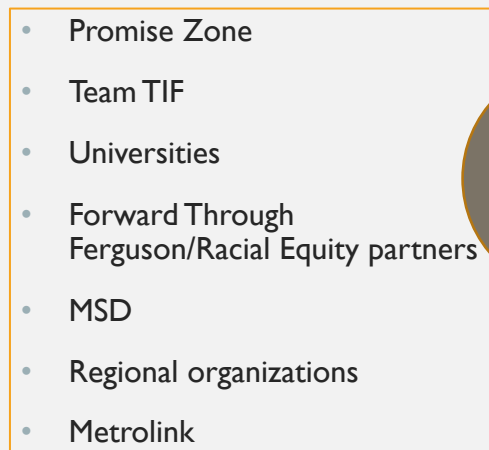
GOVERNMENT



PROJECTS



OTHER PARTNERS



ST. LOUIS CBA STAKEHOLDER INTERESTS

Who is missing?

COMMUNITY

Community Groups

- Direct representation in negotiations
- Jobs, infrastructure, affordability
- Gentrification concerns
- Technical assistance

Nonprofits

- Leverage Promise Zone, other funding streams

PROJECTS

- Timely project completion
- Stability in incentives

Private Actors

- Access to incentives
- Reduce liability
- Community support

GOVERNMENT

Government

- Compliance with regulations
- Consistency with development goals
- Economic growth

Quasi-Governmental

Predictability

Seat at table

- Minority/small business representation

OTHER PARTNERS

- Transparency
- Education opportunities
- Racial Equity Lens

Other Actors

A NOTE ON CBA GOALS AND PURPOSES: A BALANCING ACT

Different actors come to the CBA process with different goals in mind. Some actors will be focused on outputs (# of jobs, infrastructure \$), others may be focused on costs, predictability, voice and representation at the table, legal enforcement, or benefits for a specific geographical area. The terms of CBAs, including ordinances, are often a balancing act between the different actors and sometimes divergent interests in a community.

Some of these may include:

- Community engagement
- Building civic capacity
- Seat at the table during planning phase
- Ensure benefit to local population
- Private actors share in infrastructure costs
- Create predictable framework
- Spread the benefits of development
- Hold developers accountable
- Not hold back development projects with lengthy negotiations
- Avoid creating barrier to development
- Avoid liability

SAMPLE PURPOSE/VISION LANGUAGE

It shall be the policy of the City of Detroit to require, whenever feasible, proportional community benefits as a condition of significant public support for development in the form of subsidies, tax abatements, below-market priced land, or other enhanced public resources.

Detroit Prop A Sec. 14-12-1

The City is committed to community outreach and engagement that promotes transparency and accountability and ensures development projects in the city of Detroit benefit and promote economic growth and prosperity for all residents.

Detroit Prop B Sec. 14-12-1

Vision and Commitment

The Toronto Community Benefits Network envisions Toronto as an inclusive, thriving city in which all residents have equitable opportunities to contribute to building healthy communities and a prospering economy. Community Benefit Agreements (CBAs) are a proven approach to achieve this vision.

Objectives

1. Provide equitable economic opportunities that promote economic inclusion through apprenticeships
2. Contribute to the integration of skilled newcomers into Professional, Administrative and Technical jobs
3. Support social enterprises and other related vehicles to economic inclusion through commitments to social procurement
4. Contribute to neighborhood and environment improvements through building new infrastructure
5. Ensure clear commitments and accountability from all parties to deliver to the CBA

Toronto Community Benefits Network. Foundation Document. Vision, Commitment and Objectives for Community Benefit Agreements. (2013).

PART TWO

APPROACHES TO COMMUNITY BENEFITS

Cities have employed a number of different approaches to community benefits. Private CBAs have been the most used approach, but in recent years cities have been experimenting with other more coordinated options.

The following will explore the basics of each type of approach, key elements, some initial evaluation for each model, and a brief summary case study of how the approach is used in another city.

- I. KEY ELEMENT COMPARISON AND SUMMARY
- II. PRIVATE CBA
Case 1 - Los Angeles (Staples)
- III. CBA WITH CITY
- IV. CBA ORDINANCE
Case 2A - Detroit prop A
Case 2B - Detroit prop B
- V. CBA FRAMEWORK
Case 3 - Toronto
- VI. COMMUNITY BENEFIT FUND
Case 4 - Cambridge, MA

CBA APPROACH COMPARISON

	Option 1	Option 2	Option 3	Option 4	Option 5
Approach	Private CBA	CBA with City Agency	CBA Ordinance (A or B)	CBA Framework	Community Benefits Fund
Mechanism	Contract between community and developer (private parties) via community pressure/approval	Contract/ development agreement with city when need city approval	CBA requirement pegged to tier system; contract with community and/or city	Framework guidelines and contract with community and/or city	Development fees; Centralized fund; grant distribution
Scope	Single project; localized	Single project; localized	Projects \geq threshold amount of public subsidy	Major projects, flexible	All projects, proportional to size/impact
Parties	Developer and Community reps/orgs	Developer and City	Developer and Community group OR City	Any party may develop framework	City-managed fund, grants
Funding	Developer; Private enforcement	Developer City(enforcement)	Develop City(enforcement)	Developer; Enforcement varies	Development fees
Community Engagement	Self-organized community groups	City-selected	Committee or advisory council	Any combination of preceding	Nonprofit service providers
Benefits/ needs determination	Defined by community; could include jobs, environment, transit, housing	Set with city planning department and community input	Defined by community representative organization OR by City council/ development agency with community input	Defines vision and objectives, not specific terms Later contracts determine specifics	Needs assessment and City funding priorities
Implementa - tion	Developer; community partners	Developer; city monitoring	Developer; community partners; city monitoring	Developer; community partners; city monitoring	Community Benefits Committee, grant administration
Enforcement/ Remedies	Community group that contracted has standing to enforce; litigation; contract remedies	City enforces; Compliance monitoring, reporting, incentive \$ claw back or contract remedies	Community group that contracted has standing to enforce; contract remedies OR City can enforce, incentive \$ claw back	Framework is nonbinding; signed CBAs enforceable per Options 1 or 2	Fee collection through permitting, Committee evaluates project applications

PRIVATE CBA

Background

The Staples Center CBA in Los Angeles is often cited as the first comprehensive CBA.

It was negotiated in 2001 after community groups noted that the developer had failed to provide informally promised benefits after the first phase of development around the Staples Center arena near downtown LA.

Many other CBAs have been negotiated in cities around the country, including:

- LAX (Los Angeles)
- Hollywood and Highland (Los Angeles)
- Atlantic Yards (New York)
- Yankee Stadium (New York)
- Penguins Arena-One Hill (Pittsburgh)
- Ballpark Village (San Diego)
- Dearborn Street (Seattle)

Basics

- **Community Benefits Agreements** are private contracts that set out benefits a community will receive from a proposed development and remedies for failure to provide those benefits
- Most CBAs are negotiated between private parties consisting of a developer and a group/groups from the surrounding community
- Emphasis on community seat at the table during development planning
- CBAs are usually geographically-focused, specific to community in the immediate vicinity of the development
- CBAs apply to a single project and/or a phase of development
- CBAs can be limited or holistic in scope, focusing solely on employment or including other benefits

PRIVATE CBA ASSESSMENT FACTORS

PRO

- Limited in scope
- Developer gains community and political support for project
- Community voice at the table for local development project
- Local community decides what it most needs
- Builds civic capacity
- Doesn't require city resources

CON

- Limited in scope
- Unpredictable timeframe
- Community may struggle to find unified voice
- More organized communities may have more leverage
- Difficult to determine what demands are proportional
- Some argue can deter development
- City not at table

CASE #1

LOS ANGELES, CA (STAPLES)

Approach: Private CBA

Goals and Purpose: Provide for a coordinated effort between the Coalition and the Developer to maximize the benefits of the Project to the Figueroa Corridor Community

Mechanism: Community leverage/bargaining, pressure on public subsidy

Scope: Single project – Los Angeles Sports and Entertainment District (Staples Center)

Funding: Developer

Parties: Developer (L.A. Arena Land Company and Flower Holdings, LLC); Figueroa Corridor Coalition for Economic Justice

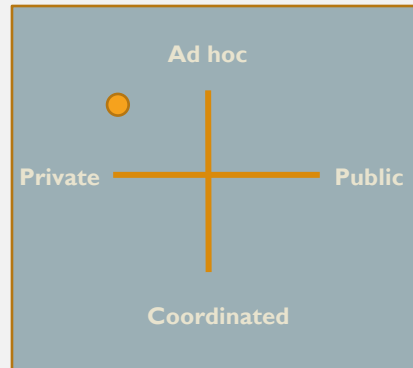
Community partners: 30 different community groups and labor unions, affected individuals, Actions for a Just Economy, LAANE, Coalition L.A.

Implementation: Coalition Advisory Committee, Developer, Community monitoring

Enforcement and remedies: Contract litigation by private parties

Benefit types

- Parks and Recreation
- Community Protection
- Living Wage
- Local Hiring and Job Training
- Service Worker Retention
- Responsible Contracting
- Affordable Housing
- Cooperative Development with Community Based Organizations
- Relocation Assistance
- First Source Hiring



CBA WITH CITY

Background

This option is similar to the previous private CBA, but the parties to the CBA contract are the developer and the city, not the developer and the community group.

This option is similar to the type of agreement that an Ordinance modeled on Option B would institutionalize.

Basics

A city can be party to a CBA the CBA is incorporated into an RFP and/or Development Agreement

A redevelopment agency or other economic development authority could negotiate the CBA on behalf of the city

Two- and three-party agreements are possible:

- Three-party agreements between the community, the developer, and the City
- Two-party agreement between the City and the developer

CBA WITH CITY ASSESSMENT FACTORS

PRO

- City can leverage development incentives
- City agency may have more enforcement power than private parties
- Centralized negotiation
- Predictable parties
- Can use CBA to further public policy goals
- Build public support for projects

CON

- May dilute community voice
- May not be seen as representative of community needs
- City responsible for monitoring
- Could take resources to enforce
- Could increase cost of development

CBA ORDINANCES

Background

Detroit is the only city to have passed a community benefits ordinance.

Two competing proposals were placed on the November 2016 ballot; ultimately Prop B won voter support and Prop A did not.

Both proposals envisioned amending the Community Development chapter of the city ordinances to include a section on Community Benefits. The City Code has not yet been amended to include the approved amendments.

The Pistons basketball practice facility will be the first major project to begin under the CBA ordinance.

Basics

Two options for ordinance design

Option A:

REQUIRE DEVELOPERS TO ENTER INTO CBAS WITH COMMUNITY GROUPS

- Tier system based on public incentives
- Individual CBAs are still negotiated between the community and the developer
- City role: legislative framework, and procedure, some oversight

Option B:

CREATE A PROCEDURE FOR COMMUNITY INPUT INTO DEVELOPMENT PROJECT IN A PROCESS MANAGED BY THE CITY PLANNING DEPARTMENT

- Tier system based on public incentives
- City facilitates meetings between developer and community committee
- CBA provisions are included in development agreements with the City

CBA ORDINANCE ASSESSMENT FACTORS

PRO

- Applies uniformly to all development projects above a given threshold
- Provides legal framework and remedies
- Common procedure, best practices
- Targets developments receiving the most public subsidy
- Institutionalizes a requirement that community have voice in development decision
- Builds public trust
- Provides transparency and accountability in development decisions

CON

- Enforcement requires resources
- Need to recruit evaluation board and committee members
- Legal questions: statutory authority, exactions
- Need agreement among political actors to pass
- May be over/under-inclusive or inflexible
- Can limit community involvement, depending on structure

CASE #2(A) DETROIT, MI PROP A

Approach: CBA between developer and community required by ordinance

Goals and Purpose: Require, whenever feasible, proportional community benefits as a condition of significant public support for development

Mechanism: CBA requirement pegged to project size and public incentives

Scope: Tier system, only applies to developments that reach a certain size

Funding: Developer funded benefits

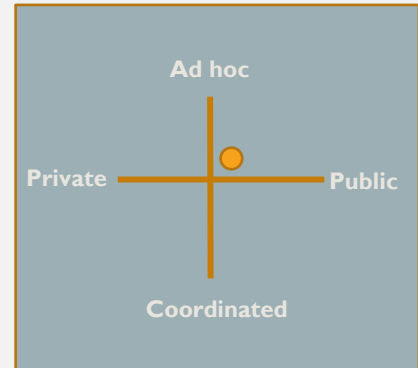
Parties: Developer contracts directly with community groups

Community partners: A number of community partners under the Rise Together Detroit umbrella

Benefit types: To be negotiated by the community and developer for each project

Implementation: Developer responsible for implementing programs agreed to in contract

Enforcement and remedies: Community has legal standing to enforce CBA; contract remedies



CASE #2(B) DETROIT, MI (PROP B, PASSED NOVEMBER 2016)

Approach: Ordinance mandating CBAS

Goals and Purpose: Ensures development projects in the city of Detroit benefit and promote economic growth and prosperity for all residents.

Mechanism: CBA requirement pegged to project size and public incentives

Scope: Tier system

Funding: Developer funded

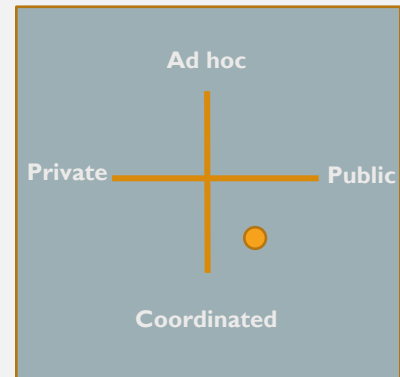
Parties: Mandatory between developer and City. Developer may also enter into voluntary agreements with community groups.

Community engagement: Neighborhood Advisory Council (NAC)

Benefit types: City- and Community-determined

Implementation: Developer, monitored by city and NAC

Enforcement and remedies: City has standing to enforce. Enforcement Committee comprised of various city agencies will monitor compliance. Claw back of development incentives.



SAMPLE PROCEDURES

Option A

1. Developer submits plan and request for public support
2. Development falls within a tier that triggers the CBA requirement
3. Host community meeting convened (census tract or neighborhoods)
4. Establishment of community representative organization
5. CBA negotiated between developer and community organization
6. Community organization monitors and has standing to enforce

Option B

1. Developer submits plan
2. Plan falls within tiers
3. City planning Director and councilmen meet
4. Neighborhood Advisory Council selected
5. Planning director facilitates at least two meetings with NAC and developer
6. Planning director submits Community Benefits Report to City Council
7. City incorporates Community Benefits concerns into development agreement
8. Enforcement Committee monitors, reports to Council and NAC

COMMUNITY BENEFITS FRAMEWORK

Background

Kansas City, MO adopted a resolution in August 2016 requesting that community benefit agreements be incorporated into future economic development agreements. This works much like a framework – the resolution requests that the city manager create a procedure but does not mandate CBAs by ordinance.

Toronto, Canada is also working from a framework approach. The Toronto Community Benefits Network (TCBN), a coalition of community and labor groups, developed a framework for CBAs for government-funded building and transportation projects. Toronto's transit agency, Metrolinx, agreed to build CBA concept into its projects.

The Eglinton Crosstown Light Rapid Transit line, a \$4.5 billion project, is the primary source of CBA-eligible projects. Community benefits language has also been included in recent in provincial (Ontario) legislation relating to infrastructure and transit improvements.

Basics

- Framework sets out broad vision and policy goals
- Non-binding, but final agreements reached under the framework are enforceable
- Build CBA concept into projects, develop protocols

City role can be expansive even without legislation

- Hire/designate Community Benefits specialist
- Establish Community Benefits working group
- Convene public meetings
- Liaison between developer and community
- Work with strong, coordinated community coalition across labor, education, community groups (even United Way)

COMMUNITY BENEFITS FRAMEWORK ASSESSMENT FACTORS

PRO

- Non-binding policy statement
- Define common goals
- Set up protocol, best practices, smooth future negotiations
- Allows for flexibility
- Lay groundwork for future ordinance

CON

- Not binding, broad language
- Takes time to develop, especially to solicit community input
- Creates expectation for future projects
- May limit community engagement, depending how structured
- Lacks the force of an ordinance or mandate

CASE #3 TORONTO, ON

Approach: Framework followed by CBA with city party

Goals and Purpose: Provide benefits for communities which are sites for major infrastructure investments

Mechanism: CBA rider for RFPs on state-funded infrastructure projects

Scope: Public building projects; transit and infrastructure project

Funding: Transit agency, contractors, provincial government funding through the Infrastructure for Jobs and Prosperity Act

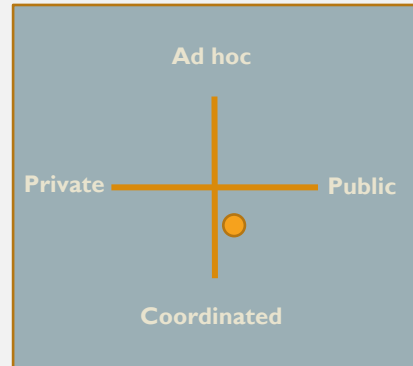
Parties: Metrolinx (Ontario government agency that plans and build public transit); construction contractors/developers; Toronto Community Benefits Network

Community partners: Toronto Community Benefits Network (coalition of over 60 labor and community groups); 5-sector model (community, labor, workforce development, government, industry); United Way; Dept. of Education

Benefit types: employment-related - employment equity groups and historically disadvantaged neighborhoods 15% of construction hours targeting equity-seeking groups

Implementation: Framework signed, detailed contract provisions not enumerated

Enforcement and remedies: per contract (still in development)



COMMUNITY BENEFITS FUND

Background

Cambridge, MA maintains a Community Benefits Fund to distribute fees from development projects to nonprofit community based organizations across the city.

In addition to the CBF, Cambridge maintains other funds for specific development areas/enterprise zones. The Cambridge Forward Fund, administered by the Cambridge Redevelopment Authority, reinvests development funds generated from the Kendall Square Urban Renewal Area through micro-grants for local projects.

Basics

- Funded through fees from zoning amendments, building permits, development mitigation fees
- Community Benefits Stabilization Fund makes grant and contract funding available to applicants city-wide
- Nonprofit Advisory Council to help administer the fund and select grant recipients
- Application process set by ordinance
- Funding priorities set by needs assessment and City Council

COMMUNITY BENEFIT FUND ASSESSMENT FACTORS

PRO

- Spreads development benefits across wider geography
- Possibility of strategic interventions
- Developers not required to provide programs/services
- Community Benefits Committee devoted to managing projects and outreach
- Centralized hub for community benefits decisions
- Can be combined with other project-specific agreements

CON

- Community not represented in initial development decisions
- Unequal benefit
- Unclear criteria for funding
- Constitutional issues if tied to zoning decisions or permits
- No contract with community or community-based enforcement
- Reliance on political decisions
- How high do fees need to be to generate meaningful project funding?

CASE #4 CAMBRIDGE, MA

Approach: Centralized fund that allocates grants and contracts for provision of services

Goals and Purpose: Identify community benefits needs of the residents, establish a fund to hold fees, evaluate and approve applications for funding from community based organizations

Mechanism: Property development fees.
Not based on contracts like CBA; fees collected from developers and held/administered by city. Services provided by community based nonprofits not by developer.

Scope: All projects seeking applicable permits

Funding: Developer fees held in Community Benefit Stabilization Fund

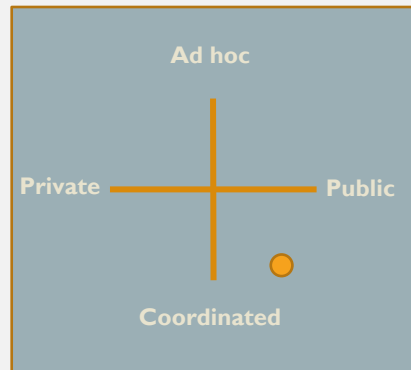
Parties: Developers, City Council, Community Benefits Advisory Committee, community based organizations.

Community partners: Cambridge Nonprofit Coalition

Benefit types: Varies based on needs assessment and priorities developed by City Manager and City Council (reviewed every 3-5 years)

Implementation: 13- members Community Benefits Advisory Committee (made up of nonprofit reps, city staff, residents, universities, developers, and the Community Foundation) administers the allocation of funds through needs assessment, application for funding, prioritization, and disbursement of grant/contract awards.

Enforcement and remedies: City enforces fees as part of planning process; CBA Committee evaluates proposals; annual public meeting held to hear input in priorities; other public meetings as needed to consider community impacts, etc. Political remedy (attempt to influence funding priorities at City Council level)



POTENTIAL LEGAL QUESTIONS

Depending on the options chosen, some of the following issues may be implicated. Many of the contract issues pertain to private party agreements; an ordinance-based system may need to pay special attention takings issues around exactions.

More research in these areas may be needed once an approach is selected.

- CBA enforceability, generally
- Contract parties/standing to enforce
- Adequate consideration in contracts
- Exclusionary and anti-equity uses of CBAs – contract to keep out low-income housing, like restrictive covenants
- Exactions, takings, unconstitutional conditions in land use decisions (Nollan/Dolan/Koontz)
- Litigation v. non-litigation enforcement options (ADR, committee monitoring, reporting)

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ADDITIONAL RESOURCES

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Community Benefits Blog. <http://communitybenefits.blogspot.com/>

Doing Development Differently in Metro Detroit <https://www.metrodetroitd4.org/>

Partnership for Working Families, Community Benefits Law Center

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