Maximizing value

A policy blueprint to help communities leverage green investments

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Executive summary

Our economy, our communities, our workforce, and our environment are at a crossroads. Low-road development practices—based on low taxes, big incentives, and little oversight—have not produced the promised job growth. Instead, these policies have left our workers behind, our communities impoverished, and our environment polluted. Ohio communities need a better approach, one that fosters economic growth while also protecting the environment and supporting local businesses and workers. This is why the City of Oberlin, in partnership with Oberlin College and the city's municipal utility have launched "The Oberlin Project" to make Oberlin the greenest little city in the U.S., grow the local economy in the process, and become a national model for sustainable economic development. This report is a policy blueprint to help Oberlin, and all Ohio communities, drive demand for clean energy while leveraging green investments to secure maximum value to the community. The four key components of this comprehensive strategy are designed to balance the three E's of sustainable economic development—environment, economy, and equity.

Drive demand for clean energy and create good jobs

By thinking of clean energy policies as potential drivers of economic development and job creation, communities can realize the full potential of these investments and create a pipeline of local workers equipped with the right skills for the job. By adopting energy strategies we can also boost energy productivity (get more bang for our energy buck), save energy and money, promote greater energy independence, keep more of our dollars local, invest in our communities' infrastructure, reduce emissions, improve our health and create good jobs. The first step in developing a sustainability strategy is conducting a community energy assessment. By identifying how energy is used and where emissions come from, the community can better understand what needs to change. After reviewing Oberlin's energy use and emissions, several policy options and best practices were identified for five energy-using and emission-producing sectors: (1) upgrading the electricity system, (2) greening the commercial and industrial sector to reduce energy costs for firms, (3) enabling anchor institutions in the community to reduce energy use and cost, (4) making the transportation system more sustainable while promoting smart growth and complete street principles, and (5) promote energy savings for Oberlin residents in their homes. By adopting policy options and best practices, communities can spur local investments in the green economy. Doing so will increase demand for certain existing occupations and require enhanced skills in others. Emerging industries will need new workers with new skills.

Maximize community value from green projects

Investment in the emerging clean energy economy has the potential to revitalize our state through increased job growth. However, a green job does not automatically mean a ticket into the middle class for workers. In the past, public resources have often been used to support economic development initiatives that rely on out-of-state labor, pay low wages, provide minimal benefits, and involve low-quality work. Without pro-active policy, new green investments may perpetuate old exclusionary patterns. Communities should carefully consider how they approach economic development, including green development, and leverage their investments wisely by engaging community stakeholders, adopting community benefit policies,

employing best value contracting principles, and supporting community benefit agreements on green projects. See page 7.

Support local business entrance to green markets

Communities can maximize investments in green energy demand by targeting local businesses for new opportunities. Key policies that can help engage and support local businesses include: forming sustainable business networks, creating a pool of prequalified responsible contractors, forming local green pathways advisory councils, supporting green credentials and seals, and identifying training needs. Targeted outreach efforts to engage local employers as well as efforts to support their entrance into emerging green markets can help maintain continued enthusiasm and support for greening the community while ensuring green resources are targeted to support the local economy. See page 11.

Ensure residents have access to jobs created

Investing in the green economy is a sustainable development approach only if communities are also making policy decisions and implementing best practices that ensure local residents have access to the jobs. A well-trained workforce is key to attracting and retaining employers. Many options can help local workers skill-up and access green jobs, including: enacting targeted hire provisions, supporting on-the-job training for local workers, increasing use of apprenticeship and pre-apprentice programs, creating "bridge" programs, and accessing existing resources to support workers while completing training. See page 14.

Ohio was once known as a state that produced good jobs and strong communities. However, decades of economic development built on tax cuts and incentives, along with declining wages, have undermined the stability of our communities. At the same time, we are spending more than one of every 10 dollars we make for fossil fuels purchased largely outside Ohio, putting additional pressure on our already strained budgets and degrading our environment. Fortunately, we can reverse course by taking a holistic approach to community development, which includes investments in the clean energy economy, support and training for local workers and businesses, and a commitment to engaging community stakeholders. Real sustainable development can only happen when the economy works for everyone.

Introduction

Our economy, our communities, our workforce, and our environment are at a crossroads.
Practices and policies of the conventional energy economy have produced vast amounts of waste and low-road economic development that have left our workers behind, our communities impoverished, and our environment polluted. At the same time, more than one of every 10 dollars we make in this state goes toward fossil fuels purchased outside Ohio, putting additional pressure on our already strained budgets and economy. Ohio's energy productivity—the amount of goods and services we produce per unit of energy consumed—trails most other states and developed countries. For a state beleaguered by a decade of economic downturn, these are dollars we cannot afford to waste.

Keys for the high road
• Drive demand for clean energy and create good jobs;
• Maximize community value from green projects;
• Support local business entrance to green markets;
• Ensure that local residents have access to jobs created.

This is why the City of Oberlin, in partnership with Oberlin College and the city's municipal utility have launched "The Oberlin Project" to make Oberlin the greenest little city in the U.S., grow the local economy in the process, and become a national model for sustainable economic development. Oberlin shares the state's history of economic distress. In fact, with more than one in four Oberlin residents in poverty, poverty rates approximately double statewide figures. Leaders in the Oberlin community hope to preserve what is so compelling about Oberlin—its appealing town square and lively campus—while reversing negative economic and environmental trends in Oberlin and surrounding areas. And they hope to share what they learn with other communities.

In order to balance "the three E's" of sustainability—environment, economy, and equity—a community should foster economic growth in a way that protects the environment, benefits the community, supports local businesses and promotes career pathways for local residents. In this report we provide a blueprint to help communities construct high-road development strategies around public investment in the growing clean energy economy. There are four key components to the overarching strategy:
- Drive demand for clean energy and create good jobs;
- Maximize community value from green projects;
- Support local business entrance to green markets;
- Ensure residents have access to jobs created.

This report is part of a series designed to assist stakeholders in the Oberlin Project, while at the same time serving as a toolkit for other communities interested in replicating the work being done in Oberlin. The first report, "Local Sustainability: A Menu of Options," described in Section, 1, is available on the Policy Matters Ohio website, where all additional toolkit reports and briefs can be found.[1] In this report, we focus on high-road economic development policies and practices to be used in conjunction with green investment policies.

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[1] www.policymattersohio.org/ high-road-toolkit-2011

Drive demand for clean energy

Understanding how your community uses energy and where its emissions come from is an important first step toward developing a comprehensive sustainability strategy tailored to local needs and assets.[2] After taking a closer look at Oberlin's energy use and emissions, we suggested building a strategy that crosses the five energy-using and emission-producing sectors. We put together a menu of policy options and best practices designed to:

- Update the grid to reduce emissions in the electric power sector. Our electrical grid needs an overhaul since 70 percent of energy is lost during generation and transmission of electricity;
- Green the commercial and industrial sector to reduce what our manufacturing, construction and agricultural sectors spend on energy, making them more competitive;
- Enable local government and anchor institutions in the community to reduce their energy use and lead by example;
- Support development of a sustainable transportation system and employ smart growth principles, including investments in public transportation, freight rail, and next generation automobiles;
- Promote energy savings opportunities among Oberlin residents. Ohio's older housing and building stock, combined with our cold winters, means home weatherization can yield big returns in energy use reductions.

There are many ways to support community-wide green development across these five sectors through various policy mechanisms. By adopting policies and practices that support these strategies we can boost our energy productivity (get more bang for our energy buck), save energy and money, promote greater energy independence, keep more of our dollars in the local economy, invest in our communities' infrastructure, reduce emissions, and create good jobs.

Best practices across from across the nation can be found in "Local Sustainability: A Menu of Options" online at www.policymattersohio.org/oberlin-menu-of-options2011, starting with a recommendation that other communities take a similar energy and emissions inventory.

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[2] These concepts and associated strategies are in the first report discussed in the green pathways toolkit, "*Local Sustainability: A Menu of Options*" available at www.policymattersohio.org/local-sustainability-menu-of-options.

Green investments can create good jobs

In addition to helping communities improve infrastructure, reduce waste, generate savings, and other benefits, investment in the emerging green economy also has the potential to help revive the state's eroded manufacturing base, jump start our ailing construction sector, and provide residents with jobs offering good pay, benefits, and career opportunities. A 2009 study by the Pew Center on the States study found that over the last decade, clean energy jobs were already growing faster than jobs in other sectors.[3] Clean energy jobs grew by slightly more than 9 percent. By way of comparison, total jobs grew by less than 4 percent. Recently, the Ohio Department of Jobs and Family Services (ODJFS) reported that more than 783,000 Ohioans, representing about 15 percent of the total non-farm workforce, were employed in green industries in 2009.[4] Ohio also led the nation in green jobs created with Recovery Act dollars.[5]

Energy sector and job development overview. Many of the jobs created by the transition to the green economy are the kinds of jobs that historically lifted blue-collar workers into the middle class; jobs that provide full-time work and family sustaining wages and benefits.[6]

ODJFS found most of Ohio's green jobs fall into one of four industry sectors and account for the lion's share: construction (169,628 jobs, representing 21.6 percent of all green jobs); manufacturing (150,653 jobs, 19.2 percent); professional, scientific, and technical services (148,272 jobs, 18.9 percent); and management of companies and enterprises (104,362 jobs, 13.3 percent).[7] While construction and manufacturing jobs have long provided a pathway to the middle class, it is important to note that nationally, fewer than 9 percent of construction workers are women and fewer than 6 percent are African American.[8] In manufacturing, 28 percent of workers are women, and African Americans make up about 10 percent of the workforce, slightly below their overall proportion in the economy (12.6 percent of the U.S. population is African American). The Department of Labor predicted what occupations will be in greater demand and will need increased or enhanced skills. Table 1, from the Working Poor Families Project, identifies top occupations in green energy sectors.

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[3] http://www.pewcenteronthestates.org/uploadedFiles/Clean_Economy_Report_Web.pdf pg 3

[4] http://ohiolmi.com/green/reports/Pt2Potential.pdf pg. 2.

[5] http://www.policymattersohio.org/ARRA_OhiosWorkforce2011.htm

[6] Currently there is no specific industry or occupational taxonomy for green or clean energy jobs. Industry taxonomies are standardized by the North American Industry Classification System (NAICS). Occupation taxonomies are found in the Standard Occupational Classification System (SOCS). http://ohiolmi.com/green/reports/Pt1Obstacles.pdf pg. 3. The Bureau of Labor Statistics has created a classification system based on whether the production output or end service is green. The BLS has classified 333 industries as green job industries. This report relies on BLS data and adopts the BLS output based definition of a green industry. However, it should be noted that as industries incorporate green or clean energy into their production systems are not captured under this system.

[7] ODJFS green study.

[8] 2010 BLS data- www.bls.gov/cps/cpsaat18.pdf

Table 1			
Top clean energy jobs			
	Increased demand	**Enhanced skills**	**Emerging occupation**
Renewable Energy Development and use of energy sources (e.g. solar, wind, geothermal, and biomass)	Power distributor	Power plant operator (geothermal, hydro, utility)	Biomass plant technician; Solar photovoltaic installer; Wind turbine service tech
Energy Efficiency Activities related to increasing efficiency and making energy demand response more effective.	Boilermaker* Insulation worker*	HVAC mechanic/ Installer	Energy auditor* Weatherization installer/tech
Green Construction New green buildings, retro- fitting residential and commercial buildings, and installing other green construction technology.	Carpenter; Electrician; Welder*	Roofer (cool roofing) Plumber (green) Pipe fitter (green)	
Manufacturing Industrial manufacturing of green technology as well as energy efficient manufacturing processes.	CNC operator Millwright	Machinist (wind turbine) Technician (solar, PV)	Mfg production technician* Logistics analyst*
Source: Working Poor Families workingpoorfamilies.org/pdfs/wpfp_policybrief_spring2010.pdf			

Local sustainability strategies can create jobs

As table 1 shows, investments in the green economy will increase demand for existing occupations as well as some new occupations and skills. By thinking of clean energy policies as potential drivers of economic development and job creation, communities can realize the full potential of these investments and create a pipeline of local workers equipped with the right skills for the job. The local job impact of a particular clean energy policy will necessarily depend on the policy and associated investment. For instance, investing in transit could create jobs for streetcar manufacturers, rail-layers, or bus drivers. Each policy option listed in the driving demand section has its own job creation potential.

Upgrading the outdated, inefficient electrical grid will create work for electricians, laborers, roofers, and construction workers. In Ohio, half of all carbon emissions come from the electric power sector. In addition to creating jobs, upgrading transmission lines, promoting distributed generation from renewable energy sources such as wind, solar and biomass, and recovering waste heat will reduce emissions significantly.

One of Oberlin's greatest assets is its community-owned electric utility that operates in the best interest of its citizenry rather than for profit maximization. Oberlin Municipal Light & Power is working to reduce its carbon footprint and is on track to secure 90 percent of its energy from local renewable energy resources by 2015, one of the most aggressive portfolios in the nation. They will do this largely by capturing landfill gas and turning it into useful energy, creating work in methane/landfill gas collection and energy generation for engineers, installers, project managers and operators, while also stabilizing customer rates, promoting greater reliance on local energy sources and keeping the community's energy dollars in the region.

Greening the commercial and industrial sector will help retain existing jobs by achieving greater productivity of energy inputs, create jobs in energy management and new work for electricians, plumbers, roofers, and other contractors. Innovative ideas such as eco-industrial parks with zero waste goals—where efficiency, waste management, and energy services are provided to local businesses—also can create jobs in refuse and recyclable material collections, water/wastewater and energy engineering, green marketing, and sustainability.

Oberlin's local government and its anchor institution, Oberlin College, plan to lead by example. The city and the college are analyzing their energy use, setting goals to increase renewable energy use, promoting energy efficiency, and developing green, local and efficient purchasing standards. The city recently completed a climate action plan, the Oberlin school district is studying the concept of a consolidated, green school building, and the Oberlin public library has undergone a green retrofit. The college is securing two megawatts of solar energy, investigating geothermal heat pumps to replace its coal-fired plant, and has adopted building standards.

Making the transportation sector more sustainable, and employing smart growth principles, will create jobs for rail-track layers, bus drivers, train operators, and dispatchers, as well as for manufacturing workers producing next-generation automobiles and transit vehicles.[9] Smart growth principles help—fixing existing infrastructure, creating vibrant town centers, preserving natural land, promoting agricultural activities, and supporting efforts to process rural resources. Job implications include work for local farmers, conservation workers, and construction workers.

Visions of a multi-modal transportation system that could include electric vehicle infrastructure, light rail, street cars, bike-able walk-able streets, and car-sharing services are being discussed in Oberlin. Substantial work has already gone into promoting smart growth. Oberlin College is developing a 13-acre green arts district in the town square and efforts are underway to establish a 20,000-acre greenbelt around the community to grow the market for local foods and explore agricultural bio-gas opportunities.

Work retrofitting homes and businesses to be more energy efficient, incorporating renewable energy, and building to green standards creates jobs for energy auditors, carpenters, electricians, heating, ventilation, air conditioning technicians, insulation installers, and others.

The city has been grappling with the implementation of a community-wide residential retrofit programming that features a one-stop shop for efficiency services and financing mechanisms that involve repayment through the customer's utility or property tax bills. In addition to construction work, such a comprehensive efficiency program will generate work for energy agents, home energy assessors, and financial consultants.

Unlike fossil fuels, which are limited, non-renewable resources, clean energy technology is a manufactured science designed to capture value from potentially unlimited resources. If Ohio and the nation demand green products, someone has to supply them.[10] Because of its industrial infrastructure, skilled workforce, and historical strength in insulation, part manufacturing, glass making and more, Ohio is well positioned to manufacture many of these products.

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[9] Energy Information Administration, Motor Gasoline Consumption, Price, and Expenditure Estimates by Sector, 2008.

[10] Sue Helper, Economic Policy Institute Briefing Paper, *Renewing U.S. Manufacturing: Promoting a High-Road Strategy* (2008) at http://www.sharedprosperity.org/bp212/bp212.pdf.

Table 2		
Greening homes, businesses, grid, transportation creates jobs		
Greening the Grid Increasing efficiency in electric generation, and getting power from local renewable energy sources	Upgrading the grid, reducing waste heat	Energy engineers, Electricians, Electrical Power-Line Installers and Repairers, Boilermakers, Power Distributors and Dispatchers, Stationary Engineers and Boiler Operators, Pipe Fitters and Steamfitters, power plant operators, Service Unit Operators, Service Unit Operators, Storage and Distribution Managers
	Wind and Solar Power	Environmental, mechanical, and electrical engineers and technicians, electricians, installation technicians, helpers, managers, laborers, construction operators and managers, iron and steel workers, millwrights, sheet metal workers, metal fabricators, welders, machinists, electric equipment assemblers, construction equipment operators, industrial production managers, first-line production supervisors, industrial truck drivers, solar assessors
	Methane Digesters, Geothermal, Fuel cells, Water power	Methane/landfill gas collection and Capturing, generation System Engineers/Installers/Project Managers and operators, Geothermal Production Managers and technicians, Fuel Cell Engineers and technicians, Hydrologists, Hydroelectric production managers, and Plant Technicians
	Cellulosic Biofuels	Chemical engineers, chemists, chemical equipment operators, chemical technicians, mixing and blending machine operators, agricultural workers, industrial truck drivers, farm product purchasers, agricultural and forestry supervisors, agricultural inspectors, Biomass Plant Engineers, managers, and technicians. Farm and Ranch Managers, hands.
Greening homes and businesses	Energy Services One-Stop Shop	Energy agent (advocate), Home and Farm Energy advisors, financial advisors, energy auditors, energy assessors and raters, energy/sustainability managers, Greenhouse Gas Emissions Permitting Consultants and report verifiers, Environmental Certification Specialists, Customer Service Representatives,
	Home and Commercial Building Retrofits	Weatherization Installers and Technicians, electricians, heating/air conditioning installers and mechanics, carpenters and carpenter helpers, construction equipment operators, roofers, insulation workers, construction managers, building inspectors, sheet metal workers, Refrigeration Mechanics and Installers, Plumbers, Pipe Fitters and Steamfitters, industrial truck drivers, remediation/deconstruction
	Eco-Industrial Parks	Energy Managers/Sustainability officers, Green Marketers, Refuse and Recyclable Material Collectors, Hazardous Materials Removal Workers, Brownfield Redevelopment Specialists and Site Managers, Commercial and Industrial Designers, Industrial engineers, architectural drafters, Landscape Architects, Soil and Plant Scientists, water and soil conservationists, Marketing Managers, supply chain manager, Electrical and Electronics Repairers, Commercial and Industrial Equipment, Industrial Production Managers, Industrial Ecologists, and sustainable design specialists, Water Resource Specialists, and water/wastewater engineers, Industrial Machinery Mechanics, Transportation Managers, Logistics Analysts, engineers, and managers, Production, Planning, and Expediting Clerks, Shipping, Receiving, and Traffic Clerks, Transportation Vehicle, Equipment and Systems Inspectors, Maintenance and Repair Workers, Helpers--Installation, Maintenance, and Repair Workers
Sustainable Transportation	Mass Transit and freight rail	Civil engineers, rail track layers, electricians, welders, metal fabricators, bus drivers, Bus and Truck Mechanics and Diesel Engine Specialists, first-line transportation supervisors, dispatchers, Railroad Conductors and Yardmasters, Laborers and Freight, Stock, and Material Movers, engine assemblers, production helpers
	Energy-efficient automobiles	Computer software engineers, electrical engineers and technicians, welders, transportation equipment painters, metal fabricators, computer-controlled machine operators, engine assemblers, production helpers, operations managers
	Smart Growth	Urban and Regional Planners, Transportation planners and Engineers, Forest and Conservation Technicians and workers
Sources: Pollins & Wicks-Lim, Political Economy Research Institute (PERI), UMass, Job Opportunities in the Green Economy (2008); Bureau of Labor Statistics at http://www.bls.gov/green/greencareers.htm#greendata		

Maximize community value from green projects

While investments in the emerging green economy have the potential to revitalize our communities, it is not automatic. In the past, public resources have often been used to support economic development initiatives that rely on out-of-state labor, pay low wages, provide minimal benefits, or involve low-quality work. This pattern of low-road development leads to an unsustainable economy since the benefits are not fully felt or utilized at the local level. Investment in the green economy is prone to the same pitfalls and is further complicated by the fact that white, male workers have dominated some of the industries most likely to create substantial numbers of green jobs. This creates potential for new green investments to perpetuate old exclusionary patterns of hiring. And the notion that any job is a good job can lead to declining wages, growing inequality, and increased poverty. Communities should carefully consider how they approach economic development, including green development, and leverage their investments wisely.

Truly sustainable development requires a conscious effort to ensure the green workforce is diverse, quality workmanship is required, and local businesses and residents have access to the work generated. In this section we highlight some of the strategies policymakers, anchor institutions, and community organizations can employ to foster inclusive and sustainable development and build a local economy that works for all. High-road development strategies for local governments and anchor institutions can help create an accessible, transparent, sustainable development process that generates real community benefit for the public investment dollar. The following tools can be used to give the community a voice in the development debate and ensure community needs are met when public investment is made in expanding the green economy.

Transparent community development decision-making. Local governments and anchor institutions, such as universities and hospitals, can promote more inclusive and sustainable economic development simply by adopting transparent policy-setting processes and encouraging community participation in the development conversation and decision-making process. Key stakeholders, including training institutions, faith leaders, unions, and neighborhood advocacy organizations can be valuable allies in the development process. These stakeholder groups know the needs and the assets of their community.

Community benefit agreements. CBAs incorporate community demands into a specific development project. CBAs are established through a voluntary process in which developers and community groups sit down and work out mutually agreeable terms for development. CBAs give local stakeholders and residents a place at the negotiating table ensuring that their needs are not overlooked by development projects. In exchange, CBAs give developers community support, which is important when projects need government subsidies or zoning approval. Because a community-based coalition negotiates the agreement with the developer, the contract terms can address the community's specific needs.[11] The process of building a coalition dedicated to securing community benefit agreements has the immediate impact of opening up avenues for genuine community comment and participation on the front end of development.

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[11] This excludes commitments that are negotiated between a redevelopment agency or civic association and a developer, or a politician or political body, and a developer, or any single community organization and a developer for that matter…it *must* be negotiated by a broad coalition.

For this reason CBAs are often used to win policy victories when the traditional development process is not compatible with worker and community interests.

Below are five common provisions that have emerged as staples of the community benefits movement:
- Family sustaining wage requirements,
- Local or "first source" hiring requirements,
- Affordable housing protections,
- Environmental remediation requirements, and
- Set-aside funding for community programs, such as health outreach, community gardens, or workforce training.

Community benefit agreements, however, can be closely tailored to fit the particular needs and goals of the community. Many of the policy options detailed later in this blueprint can be incorporated into a community benefit commitment campaign. For example, a CBA could contain a provision that required a percentage of construction workers to be apprentices, construction using green building techniques, or adoption of greener methods of heating and cooling buildings. As an example, the Amos Project – a federation of congregations in Cincinnati, Ohio, dedicated to promoting justice and improving the quality of life for all residents, successfully advocated for job training and minority employment on the Banks project, a major redevelopment of the Cincinnati waterfront.

Case study: The One Hill Coalition
The importance of coalitions and data in CBA campaigns

The One Hill Coalition, made up of faith leaders, unions, and community groups began organizing in the Hill District of Pittsburgh in 2008. The coalition had identified several community needs, such as increased local employment, work opportunities for women and minority workers, and recreation and learning opportunities for youth. Until the coalition reached out to neighbors and started collecting information and data, they overlooked one of the neighborhood's biggest needs: access to healthy and fresh foods. Ultimately, the coalition secured a community benefits agreement that included funding for community job training programs (and hiring out of it), targeted pre-bid outreach to minority-owned businesses, assistance to develop a local recreation center, and funding to bring a full service grocery store to the district. Read the One Hill CBA and related fact sheets produced by the Partnership for Working Families.

Community benefits policies. Individual CBAs hold a lot of promise for communities, but they are time and resource intensive. Rather than fighting the battles on a project-by-project basis, it may be preferable to establish a slate of community benefits policies (CBPs) that cover a select geography or are linked to projects of a particular size or receive particular government subsidies. Rather than capturing the benefits in a single contract as with CBAs, CBPs extend benefits through policy that applies more generally to all or some projects. CBPs are typically adopted by local governments through ordinances but can be adopted by large institutions engaged in many projects as well, such as Oberlin College. These policies can cover a range of

projects and encompass an entire geography or jurisdiction instead of a single development. The Atlanta BeltLine Project CBA, detailed below, began with an ordinance passed by city council to require community benefits on the total development project. A CBP campaign may be easier or more challenging to win based on the size of the community, the political disposition of the municipality, and the community's experience with activism and advocacy. For instance, a CBP may be easier to secure in a rural community where a small coalition of neighbors could have a big impact on local government.

There are different types of community benefit policies. Local governments can steer development in their jurisdiction by enacting:

- **Multi-parcel standards.** These CBPs take the provisions typically found in a CBA and apply them to parcels of land to be developed. If the land is publicly owned, then the standards can be incorporated into the request for proposals connected to the property.[12]

- **Community benefits standards** are community benefits policies applied to all development within the government entities jurisdiction. Living wage ordinances and targeted/local hire provisions are typical examples of community benefit standards. These standards can lift thousands out of poverty while making the development process more predictable and fair to the community subsidizing the project.

- **Community impact report ordinance.** Creates a process through which everyone – community leaders, developers and local officials – has access to the development process and to information. These ordinances can establish formal processes for considering the public cost of proposals and create real avenues for community participation.

- **Best-value contracting (versus low-cost bidding).** This high-road process seeks to ensure the greatest return on taxpayer investment while still controlling for costs. It awards the work to responsible contractors based on qualifications of contractors, overall project cost, project impact, and quality of work. That means awarding contracts to contractors employing sustainable practices, offering training, and doing high-quality work with a well-paid, diverse, and skilled local workforce. Past practices involving the low-cost bidding system effectively rewarded or subsidized contractors that paid low wages with few or no benefits and engaged in low-quality building practices. But communities indirectly pay the price of such low-road contractors, since low-quality work results in higher energy bills, more rapidly degrading infrastructure , rising poverty rates, fewer roads to the middle class, and increased use of public work support systems to supplement low wages. Conversely, research shows that high-road contractors—responsible contractors that comply with workplace laws and provide quality training, wages, and benefits—are more productive and skilled, and provide quality work that results in savings to taxpayers in the long run.[13]

Other types of community benefit commitments. In addition to community benefit agreements and policies, other types of agreements can create positive commitments to the

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[12] http://www.communitybenefits.org/section.php?id=156

[13] Sonn & Gebreselassie, NELP, *The Road to Responsible Contracting: Lessons from States and Cities for Ensuring that Federal Contracting Delivers Good Jobs and Quality Services*, at http://nelp.3cdn.net/985daceb6c3e450a10_pzm6brsaa.pdf (2009).

community. Like CBAs, these agreements are typically the result of coalitions of community organizations, neighbors or labor unions negotiating directly with project developers.

- *Project labor agreements* are negotiated between employers and unions and set wages and work rules prior to bidding on projects. Non-union contractors may bid on the project, but they must pay the wages and benefits outlined in the agreement.

- *Community workforce agreements* are PLAs that include additional provisions designed to benefit the community and go beyond the project's work rules. Essentially, CWAs are PLAs that go beyond wages and work rules to include other high-road practices like targeted hire and support for training programs. For example, University Hospitals Health System in Cleveland entered into a community workforce agreement with the Cleveland Building and Construction Trades Council (CBCTC) for the $1.2 billion Vision 2010 plan.[3] The agreement established a goal that 20 percent of work hours be performed by Cleveland residents.

Case study: The Atlanta BeltLine project

In 2005, Georgia Stand-Up and the North Georgia Labor Council successfully moved the Atlanta City Council to require community benefit provisions for the Atlanta Beltline project, the largest public infrastructure project in the nation. The BeltLine creates a 22-mile transit system, doubles Atlanta's green space, and creates more than 37,500 permanent jobs, 48,000 construction jobs, and 5,600 affordable housing units. The project secured additional community benefits:
- Citizen participation framework to institutionalize community participation;
- Preference in employment opportunities for local residents;
- Utilization of pre-apprenticeship programs and apprenticeship programs, and;
- Prevailing wage requirements.

By creating partnerships between labor and community organizations, neighbors can leverage community power to achieve concrete wins in political climates that are otherwise hostile to organized labor. To learn more about the Atlanta BeltLine project, visit **Georgia Stand-Up.** To read the BeltLine agreement, please visit the **Partnership for Working Families.**

The Partnership for Working Families is the definitive source for information on community benefit agreements and policies. The project includes scholarly articles defining a CBA, videos of advocates discussing their community campaign, and model language for common CBA and CBP provisions.[14] More information about these kinds of agreements and policies is also available on the Policy Matters website in *The ABCs of CBAs*, a short slide presentation based on the Partnership's work.[15]

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[14] Go to http://communitybenefits.org/article.php?list=type&type=163.
[15] Go to www.policymattersohio.org/high-road-toolkit-2011.

Support local business entrance to green markets

Green development should target local businesses for opportunities generated by investment in the clean energy economy, particularly businesses that support high-road principles. Many local businesses are unprepared to take advantage of green opportunities, but could do so with help. Targeted outreach to engage local employers and support their entrance into emerging green markets can maintain enthusiasm for greening the community while ensuring green resources are targeted to support the local economy.

An employer survey conducted with the Ohio Department of Jobs and Family Services and Wright State University found the most commonly cited barrier to producing green products or services was lack of green knowledge and skills, scarcity of workers with other skills needed, and lack of training programs (35 percent).[16] The following skills were identified: how to use green materials (66 percent), knowledge of environmental policies/regulations (59 percent), principles of energy conservation (56 percent), energy auditing (56 percent), innovative clean technologies and processes (54 percent), entrepreneurial skills (53 percent), life-cycle costing (47 percent), waste minimization (47 percent), energy efficiency skills (41 percent), pollution reduction and control (35 percent), alternative energy (35 percent), green information technology (34 percent), and systems for collecting, analyzing, and interpreting data (27 percent). The following policy options can help build bridges between the emerging green economy and local businesses.

Form Sustainable Business Networks. Bring together local businesses that can benefit from the clean energy economy. Encourage networking and sharing of best practices, and provide services to contractors willing to commit to high-road principles. For instance, create an eco-industrial park where efficiency, waste management, workforce training, supply chain networking opportunities, green credentialing, and other support services are provided.

Create and support a pool of prequalified responsible contractors. A community can award or direct work from community-supported projects to a group of contractors meeting a pre-qualification review. Provide additional support to the group such as workforce training and green credentialing. This is a method of rewarding responsible contractors who achieve a threshold level of points or can certify they comply with certain standards. In the example of the pre-qualification point system, points are awarded to contractors for items such as compliance with workplace, tax, and labor laws, achievement of equal opportunity goals, green credentials, use of apprentices, and payment of prevailing wages.[17] See the case study of Portland below.

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[16] http://ohiolmi.com/green/reports/Pt3SkillsTraining.pdf

[17] Sonn & Gebreselassie, National Employment Law Project, *The Road to Responsible Contracting: Lessons from States and Cities for Ensuring that Federal Contracting Delivers Good Jobs and Quality Services* (2009) at http://nelp.3cdn.net/985daceb6c3e450a10_pzm6brsaa.pdf.

Case study:
Work and support directed to a pool of responsible contractors

Clean Energy Works Oregon (CEWO) was formed to save energy, reduce carbon emissions, improve home comfort and values, create new sustainable jobs and create long-term business opportunities for Portland residents. To achieve both environmental and community benefits, Portland set a goal that 80 percent of workers participating in CEWO projects will be residents, participating businesses will be locally owned, and at least 30 percent of trade and technical related work hours will be performed by women or people of color.

Clean Energy Works Oregon only employs contractors who agree to abide by high road standards. Partners — including the City of Portland, Energy Trust of Oregon, Conservation Services Group, and the Stakeholder Committee — developed a combination of require-ments, incentives, and policies for contractors. While some high-road practices are non-negotiable (paying living wages, hiring from designated training programs), the program incentivizes other community workforce objectives (providing health care insurance, employing a diverse workforce, working with historically-underutilized business, forming mentor-sub relationships). The program also offers business support services designed to increase the capacity of local contractors, who must use best-value contracting principles to become eligible.

Contractors must score a minimum threshold level of points based on desired attributes:
* Good record of customer service;
* Track record in hiring and retaining women and people of color. Newer contractors can provide a detailed plan for how they will hire, maintain, and welcome diversity in their workforce in the immediate future;
* A "team" plan identifying relationships with sub-contractors owned by women or minorities;
* Participation in quality training programs such as registered apprenticeship and other credential-granting programs;
* Employer-paid health coverage for employees and their dependents;
* Employer-paid training benefits for employees to earn new credentials.

As of March, 2011, more than $6 million has been invested to employ 15 participating Oregon contractors, 51 subcontractors, and hundreds of construction workers to do 434 home energy upgrades, providing an average wage of nearly $25 an hour, and nearly 2/3 of whom had health insurance. About 85 percent of workers resided in the Portland metro area, nearly half the hours worked were performed by people of color, and 8 percent by women. More than 20 percent of all project dollars went to minority- or women-owned businesses. Contractors hired a total of 29 new workers, 22 of which came from the qualified training program.

All of this information can be found on the Green for All website, greenforall.org, under the Toolkit for Residential Energy Efficiency Upgrade Programs.

Create and market a seal of approval for products and services that meet both environmental and economic standards. Create a recognizable brand marketable to socially conscious consumers interested in supporting products, services, and firms that meet well-defined sustainability criteria. More work has been done to create recognizable green seals than has been done in the workforce arena. Energy Star seals, for instance, have become well recognized, as have LEED standards for buildings. Green Seal provides seals for a wide wage of products and services produced sustainably.[18] Perhaps products stamped "Oberlin approved" could become known for meeting environmental, community and workforce criteria.

Help and encourage local businesses to acquire green credentials. Credentials represent value to potential employers. Standardized competency testing and curriculum development in tandem with employers can help create respected and portable credentials. Requiring or encouraging green credentials through best-value contracting principles incentivizes employers to attain them. The most commonly cited certificates by Ohio Employers are LEED, Sustainability Professional Certificate, ASHRAE, BPI, Association of Energy Engineers, American Council for Construction Education, NAHB Certified Green Professional, North American Technician Excellence, and National Institute for Certification in Engineering Technologies.[19]

Form Local Green Pathways Advisory Councils. Advisory panels can be formed in communities to encourage comprehensive training program development. This enables cross-department and multi-stakeholder communication to ensure an appropriate foundation in the skills necessary. Stakeholders involved in the council could include green employers, apprenticeship program directors and labor leaders, economic and community development groups, local low-income weatherization providers and/or community action agencies, community and technical schools, and adult literacy providers. A workforce intermediary will be necessary to bring together these stakeholders on a regular basis and to ensure continuous connections between economic and workforce development activities.

Identify training assets. Labor unions, community colleges and non-profit organizations have led the way in creating green job training programs. The Ohio Environmental Council in partnership with the Ohio Department of Jobs and Family Services completed a report and created a website detailing green training opportunities in public institutions throughout the state. Green industry employers in Ohio primarily use in-house and on-the-job training to prepare green workers (78 percent), but they also use vendor training (62 percent), apprenticeship training (30 percent), community and technical college (28 percent), university (25 percent), and a solid few hire only already-trained workers (13 percent).[20] But nearly half of employers said they would consider using community colleges and technical programs to meet green workforce needs not currently being met, while 37 percent would consider vendor training, 33 percent university, 31 percent in-house, 30 percent on-the-job training, 28 percent apprenticeship, and 15 percent would only hire workers already trained.

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[18] http://www.greenseal.org/AboutGreenSeal.aspx
[19] http://ohiolmi.com/green/reports/Pt3SkillsTraining.pdf
[20] http://ohiolmi.com/green/reports/Pt3SkillsTraining.pdf

Identifying training assets in your community

The Ohio Department of Jobs and Family Services created a Career Exploration tool at http://ohiolmi.com/asp/Career/JobTool.asp.   This site provides comprehensive data on occupations related to the green economy, wages associated with those occupations, and related training programs within Ohio's university system. To find jobs in a certain county you can either enter your zip code or view the economic development map. The next section lists the jobs and training opportunities from two broad categories, green training programs and all job-training programs. The occupations are at the bottom of this section. Once an occupation is selected, you can create a report that will show an average salary, projected annual openings, schools in your county that have training in that field and what kind of certification is offered.

The Ohio Board of Regents Ohio Green Pathways website (www.ohiogreenpathways.org/) is a user-friendly site detailing trends in the green economy and related training programs in Ohio's university system.

The United States Department of Labor hosts a database of registered apprenticeship programs, which can be filtered by county, many of which provide foundational skills needed to meet green standards. That site is http://oa.doleta.gov/bat.cfm.

Ensure local resident access to jobs

As communities invest in the green economy, policymakers should assess the skill needs of their community and promote policies that ensure local residents have access to jobs created and that they are prepared for the work. The brief overview of green jobs presented in Section 2 shows that many green jobs share skills with jobs in the traditional energy economy but may require additional training in specific green practices. Employers cited the following skills and knowledge needed for the new energy economy (in addition to foundational skills): how to use green materials (66 percent), knowledge of environmental policies/regulations (59 percent), principles of energy conservation (56 percent), energy auditing (56 percent), innovative clean technologies and processes (54 percent), entrepreneurial skills (53 percent), life cycle costing (47 percent), waste minimization (47 percent), energy efficiency skills (41 percent), pollution reduction and control (35 percent), alternative energy (35 percent), green information technology (34 percent), systems for collecting, analyzing, and interpreting data (27 percent). The overview of jobs also demonstrates that some occupations likely to grow are those traditionally held by white, male workers.

As we build efforts to train local residents, specific attention should be paid to the needs of those in poverty. Table 3 examines the percentage of people living below or at the poverty level in Lorain County, numbers that can be easily replicated for other communities. In Lorain County, unemployed women and single women with children make up a large portion of the people living at or below the poverty level; a high percentage of African Americans also live below the poverty level. These numbers emphasize the need for targeted efforts directed toward women and minorities for job and training opportunities in the new energy economy, whether through targeted hiring provisions, apprentice utilization requirements, or needs-based payments. Addressing community needs through community benefit agreements and policies will be critical to achieving equity goals.

Table 3	
Income disparities in Lorain County	
Population	**Percent living below poverty level**
Race	
White	9.6%
African American	46%
Educational attainment	
Less than high school	27.7%
High school graduate	10.9%
Some college, associate degree	9.8%
Bachelor degree or higher	1.8%
Employment Status	
Unemployed Men	22.2%
Unemployed Women	36.6%
Household	
Family with female householder, no husband present	36.1%
Family with female householder, no husband present (with children under 5 years only)	52.9%
Source: 2010 American Community Survey, American Factfinder	

The following policy tools and practices can help ensure the local workforce is primed and the emerging economy is open to all:

- **Targeted Hire Provisions.** Local governments use targeted hire provisions to require or encourage contractors to hire local residents, low-income individuals, minorities, or women for a certain percentage of work hours, apprentice or pre-apprentice hours, new hires, or project funds.[21] For instance, California, Illinois, New York, Washington, Wisconsin, and Wyoming require a certain percentage of work hours on publicly funded projects to be completed by apprentices from registered apprenticeship programs, typically from 15 to 20 percent of total work hours, or provide voluntary incentives for doing so.

- **Support green on-the-job training for local residents**. Green projects provide an ideal opportunity to create training opportunities—matching skill development with employer needs. To encourage local employers doing retrofit work to provide paid on-the-job opportunities to local residents, the City of Boston is providing employers with two-month wage subsidies and working to identify the right employee match to help ensure those workers stay employed post subsidy. To learn more about Green Jobs Boston, click here.[22]

- **Require or encourage use of apprentices, target local workers for opportunities.** Ohio's system of apprenticeship programs, an age-old training system, combines classroom training in foundational skills with paid work experience, requiring trainees to work closely on the job with highly skilled craftspeople. Nearly 40 percent of building trades professionals

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[21] *See Note above,* Altstadt, Working Poor Families Project, *Building Opportunity* (2010).
[22] http://sites.google.com/site/greenjobsboston/home.

implicated in emerging green industries—plumbers and pipefitters, construction managers, laborers, and carpenters, and electricians are within five years of being eligible for retirement. By creating apprenticeship opportunities on green projects and targeting low-income workers in the community for these opportunities, we can begin to train the next generation of blue-collar workers. Several states require that a certain percentage of work hours on publicly funded projects be completed by apprentices from registered apprenticeship or pre-apprenticeship programs, typically from 15 to 20 percent of total work hours, or provide incentives to encourage this practice.

- **Create a bridge program.** Many communities are fostering apprenticeship prep or pre-apprenticeship programs.[23] These programs are designed to address employment and income barriers that often prevent workers from participating in higher education or training.[24] The model combines classroom training and work experience to bridge the gap between existing skill level and the level needed to succeed in a registered apprenticeship program. They also provide help with income, childcare, and transportation while in training. These programs can play a critical role in building the green training pipeline and ensuring access for low-income, low-skilled workers, women, and people of color. To fund apprenticeship prep programs, some communities and states *s*et aside one half of one percent of infrastructure project dollars for skills development.[25] See the detailed report "*Construction Pre-Apprenticeship Programs: Results from a National Survey*" for best practices in pre-apprenticeship programs at http://aspenwsi.org/publicationdetailsdb.asp?pid=39.

- **Market, recruit, and assess local residents for employment and training.** Engage community partners to help identify local residents who may be interested. For instance, Community Action Agencies serve many low-income people and are a key resource for identifying and recruiting potential trainees. Minority and women's groups, like the NAACP, the Urban League, and Hard Hatted Women can be very helpful. Local Workforce Investment Act dollars for core and intensive services can be used for outreach, recruitment, assessment, supportive services, to assess eligibility for public programs, and to educate potential participants on pre-apprenticeship programs.

- **Access existing resources to support training program participants.** For low-income workers, the biggest barrier to upgrading skills is not being able to pay the bills while in training. Finding resources that help participants with expenses while in training enables greater participation. Some resources are easier to access than others. One great ally in this effort is the Ohio Benefit Bank, a public/private partnership that helps connect low-income people to public benefits, and can connect training participants to existing work support programs. For instance, Workforce Investment Act funds can be used for supportive services for transportation, childcare, dependent care, housing, books and supplies, and needs-related payments. WIA needs-based payments are cash stipends to help someone attend training. Supplemental Nutrition Assistance Program (SNAP) employment and training program dollars can be used for food assistance, training, childcare, transportation,

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[23] *See* The Aspen Institute, *Construction Pre-Apprenticeship Programs: Results from a National Survey* (July 2009) at http://www.aspenwsi.org/Publications/09-007.pdf, and Profiles of 13 pre-construction apprenticeship programs at http://www.aspenwsi.org/WSIprofiles-program.asp.

[24] Northwestern Ohio Construction Education Center proposal for the Constructing Futures Grant Project proposal.

[25] See Altstadt, *Building Opportunities*.

equipment, supplies, books, vision and dental expenses, and housing assistance. State and local governments must provide a 50-percent match with non-federal funds.

Summary

Sustainable development can only happen when the economy works for everyone. Community investments in the clean energy economy can create new jobs and the opportunity to employ local businesses and residents to do the work. Historically, however, Ohio has been known for implementing low-road development practices that may not employ local residents, consider community needs and assets, or be environmentally friendly. We can reverse course by taking a comprehensive approach to community development, one that includes investments in the clean energy economy, support and training for local workers and businesses, and a commitment to engaging community stakeholders. This report presents policies and practices designed to maximize the value of green investments in the community by giving community stakeholders input into the green development process, and memorializing that input in the form of community benefit agreements and policies.

This report is the second in a series of reports designed to assist community stakeholders participating in the Oberlin Project, while simultaneously serving as a toolkit for stakeholders in other communities interested in replicating their work. The toolkit is available on our website at www.policymattersohio.org/high-road-toolkit-2011.