

Recommendations for Community Benefits Agreements

Purpose

Community Benefits Plans (CBPs) or Community Benefits Agreements (CBAs) outline how a project will meaningfully benefit the residents in its service area. When done well, they also help to enhance community support and trust and contribute to successful project implementation by addressing the concerns of the community and integrating stakeholders' requests for modifications or other benefits. They also play a crucial role in ensuring that the implementation of energy projects align with environmental justice and equity principles by fostering inclusive participation and ensuring the benefits and burdens of the transition are shared fairly.

Community Benefit Plans (CBPs)

Non-legally binding roadmaps reflecting how a developer is engaging with communities across project stages and their plan for community benefits. Although they often don't include enforcement mechanisms, they can help pave the way for legally binding agreements.

VS

Community Benefit Agreements (CBAs)

Legally binding agreements between a developer or company and local community organizations. The agreements direct the benefits from a project to local communities and are negotiated based on a community's priorities.

Components

These guidelines recognize that the scale of commitments should correspond to the size of a project. While these are suggested best practices, this is by no means an exhaustive list. It's important to emphasize that CBAs and CBPs are completely up to the community and their needs will vary considerably from one place to another.

Community description:

- Describe the community and their values. What is the demographic makeup of this community, what are they known for, what are their strengths and challenges?

Energy allocation:

- **Community solar:** Ideally income-qualified homeowners, community buildings, or non-profit groups receive energy credits for subscribing to the project which results in discounted energy bills.
- **Utility-scale solar:** While explicitly connecting the energy to lower electricity bills is more challenging with utility-scale solar, funds for energy assistance programs or agreements with the utility to lower bills in host communities should be considered.
- Community members should decide who is prioritized or eligible for the program keeping in line with or exceeding minimum standards set by state or regional governments.

Location:

- Ideally community members get a say in where it's placed, along with the size of the project.
- Recommend building projects on 'disturbed land' first — landfills, brownfields, parking lots, and large rooftops, before considering green space: forests, farmland, fields, etc. If siting a project on agricultural land, consider agri-solar practices that support local farmers, especially beginning farmers and graziers looking for access to land.
- Where applicable, create a good neighbor agreement (GNA) with surrounding residents and/or communities that includes some benefits to neighbors that might be impacted but don't directly benefit.

Meaningful community benefits: adjacent community members get a fund to support some other town initiative/priorities, decided on with survey input on ideas, meetings and voting

- **Financial:** one time payment per MW or annual fee per MW to the town or community members. This can also be structured as a Payment in Lieu of Taxes (PILOT) or into a formal Economic Development Agreement (EDA) if the community chooses.
- **Education:** provide educational opportunities for community members both during construction and once construction is complete - including community presentations, community art, signs by the site, etc.
- **Infrastructure and public service investments** such as: roads, utilities, green space, schools, public services, shelters, or local community-based organization
- **Workforce Development:** Funds can also be reserved to support worker retraining for job loss if a power plant is being retired or closed down in the area or a scholarship fund for communities traditionally excluded from the green workforce.
- **Health and Safety:** must repair roads, or other damage caused by construction.
- **Environmental:** Must remediate any pollution caused by construction and replant any loss of habitat and/or create new green space in the community.

Agriculture:

- If project is in a rural area, identify the community priorities related to preserving prime agricultural land.
- List community priorities for agri-solar for the project such as grazing livestock, cultivating pollinator habitat, harvesting annual crops in the setbacks, etc.
- Create a fund to support displaced farmers for agreed upon time period, especially in cases where tenant farmers lose access to land that is part of a solar lease or are subject to inflated rent prices.

Workforce development and training:

- Contractor must pay prevailing wages to employees working on the project.
- Contractor must hire locally and train apprentices submitting reports on hiring results.
- Collaborate and leverage partnerships with trade schools, community colleges, unions, Tribal colleges, historically Black colleges and universities (HBCUs), and minority-serving institutions (MSIs).
- Contractor should contract with organized labor via the Tri-trades agreement wherever possible.

Stakeholders: Describe the stakeholders or community members who will be most affected by the project and who were involved in the process of creating the plan or agreement.

Decommissioning: Create a plan for the end of life of the solar array including recycling or donation of decommissioned panels, dismantling, land restoration or replacement of panels.

Accountability Measures

- Regular report on how recommendations were implemented — the frequency of these updates can be decided by the community.
- Regular listening sessions or community meetings so developers and community members can discuss various stages of the project.
- Agreed upon payment schedule for any fund or financial benefits given to the community.

Transparency

Communities should have access to the data from the project - how much clean energy is being produced, who is receiving the energy, who's paying for it, how much savings have occurred etc.

- Timelines for each benefit should be included. For example, 3 apprentices will be hired in 2025 through 2027.
- Clearly outline Milestones of the project. For example, 50 MW solar project expected to begin in 2026 and completed by 2027.

Process

- Ideally CBAs and CBPs are **co-created with the community through a series of meetings** and stakeholder workshops which explain the project components and give specific areas where the community can have input and decision making power. This especially ensures those disproportionately burdened by environmental harms are centered in the decisions that affect them.
- These meetings should start early in the project development process and be **publicly accessible** in a central location for the community with virtual options available and advertised a few weeks in advance. Ideally these meetings should provide food, and other provisions as deemed necessary by the community to include as many voices as possible. For example: childcare services, transportation, etc.
- Depending on the community, these community members can be formalized into a **Community Advisory Board or Council** that meets regularly or the meetings can be separate sessions in which any member of the public can attend. Either way **community participation stipends** should be distributed to value community members time and expertise.
- In addition to recognizing the immediate needs of the community, once the project is complete, the city/town/state/developer should formally recognize the contributions of the community members in developing the project through some sort of ceremony or public proclamation of their efforts.
- Solar United Neighbors can coordinate and facilitate these community meetings and support the creation of a Community Advisory Board and community benefits plans/agreements.

Examples

- [**WRI Database of community benefits frameworks**](#)
- **Community Benefits Plans**
 - [Buffalo Community-Led Solar Community Benefits Plan](#)
 - [Department of Energy Community Benefits Plan Template](#)
- **Community Benefits Agreements**
 - Town of Ripley and Connectgen Chautauqua County LLC [Host Community Benefits Agreement](#) (see also town resolution [here](#))
 - Maui County and Kahana Solar LLC [Settlement Agreement](#) (with community benefits)
- **Additional Resources**
 - [Understanding Community Benefit Plans in Empowering Rural America](#)
 - [Reimagine Appalachia: Part I: Community Benefits Plans: How do they work?](#)
 - [Reimagine Appalachia: Part II: The Department of Energy's New Approach to Community Benefits Plans](#)
 - [Columbia University Community Benefit Agreement Database](#)
 - [Massachusetts Office of Environmental Equity and Justice Standards and Guidelines for Community Benefits Plans and Community Benefit Agreements](#)
 - [The People's Justice 40+ Community Benefit Playbook](#)

Still have questions?

Email the SUN Team at:
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