



# Community Benefits Agreements for Solar Development Resource Guide

The Great Plains Institute (GPI) has developed a resource guide to help local government staff and officials create community benefits agreements (CBAs) for proposed solar projects. A nonpartisan, nonprofit organization, GPI accelerates the transition to net-zero carbon emissions for the benefit of people, the economy, and the environment. This guide is intended to aid local governments and community groups in assembling a CBA coalition, communicating with developers, and drafting a CBA.

## What are community benefits agreements?

Community benefits agreements (CBAs) are legally binding contracts between developers and host municipalities and/or local community groups that can mitigate the local impacts of large infrastructure projects and other types of development. These agreements can be tailored to support the host community's specific priorities and frequently mitigate a project's specific impacts. The host community typically receives a combination of monetary and non-monetary benefits, while the developer typically benefits from increased community support and less uncertainty in the permitting/approval process.

## Why are CBAs important for solar projects?

CBAs can ensure that host communities capture socio-economic opportunities afforded by development while fostering public support for renewable energy development. While community- and large-scale solar projects build tax bases and create jobs like any other form of development, it is frequently unclear how the development otherwise benefits the community. CBAs allow communities to directly link development to their priorities, in many instances addressing needs that would be difficult to meet without solar development.

## What are the benefits of solar CBAs?

CBAs can include provisions that may or may not apply directly to the solar project but always address community priorities. These priorities include local and targeted hiring commitments, wage requirements, educational partnerships and funding, support for small local businesses, support for affordable housing, creation of new recreational facilities, and more.

## Potential benefits of solar project CBAs include the following:

- Using construction practices, permanent native ground cover, and operation practices that enhance soil health and create habitat and water quality co-benefits.
- Incorporating agrivoltaics and contracting with local producers to operate on the site.
- Providing clean electricity for residents or businesses.
- Prioritizing local labor pool before hiring outside of the area.
- Sponsoring a training program at a local college and providing apprenticeship programs for photovoltaic technicians.
- Directly dedicating tax revenue or payments in lieu of taxes (PILT) to new infrastructure, services, or schools.

## Case study: Solar CBA in the Town of Lockport, New York.

“The Town of Lockport, New York and Renewable Properties, the developer of a 7 MW solar project, developed a PILOT (payment in lieu of taxes) agreement and Host Community Benefit package. Benefits include a one-time direct payment of \$125,000 to the town and a 25-year agreement for annual direct payments of \$6,000 per megawatt. From the direct payment, \$2,500 will go towards the town’s development authority as part of the PILOT agreement, and the rest to the town itself.”

Source: [Community Benefits Programs & Clean Energy](#) (Clean Air Task Force, September 2023).



## Drafting a solar project CBA

1. **Review the resources** and guidance below. A number of organizations have created step-by-step processes for creating and administering CBAs. [Clean Energy Task Force has created a guide](#) communities should reference when developing CBAs for clean energy projects.
2. **Convene community stakeholders** to identify concerns regarding the project and community priorities that could be incorporated into a CBA. Fair Shake provides [meeting agenda samples](#) for community meetings developing CBAs.
3. **Ensure the inclusion of diverse community voices** and accessible engagement in community discussion (decision makers, business owners, faith leaders, school representatives, parents, individuals, agricultural representatives, etc.), recognizing who might have interests or concerns regarding the solar developer’s proposal. The Columbia Climate School and Clean Air Task Force [offer insight into this topic in their CBA guide document](#).
4. **Identify specific requirements and enforcement mechanisms.** CBAs are an effective tool for generating community benefit from and support for solar projects. However, without careful planning and diverse engagement, they can fail to meet the needs of the community. [A resource from the Initiative for Energy Justice](#) provides guidance to ensure CBAs are appropriately designed and implemented.
5. **Engage with the solar developer** to form a positive relationship and invite them to be a part of your discussions. The US Department of Energy [offers advice on engaging with developers on page 7 of their CBA guide](#).
6. **Use a CBA template** to form the first draft of your agreement. The Sabin Institute offers a [database of solar CBAs](#) currently in use.

## Resources

A number of organizations have provided guides for host communities to reference when assembling and implementing CBAs. The following list focuses on guidance documents relevant to renewable energy project CBAs.

## Guides

[Guide to Advancing Opportunities for Community Benefits through Energy Project Development](#) (US Department of Energy): A comprehensive overview of how to get started planning and implementing your CBA.

[A Community Benefits Menu and Process](#) (Fair Shake): A case study about community benefits in Beaver County, Pennsylvania, along with resources and ideas of how you can adapt the Beaver County process to fit your community's needs.

- Offers agenda samples for different types of CBA meetings.
- Includes examples of community benefits and options that communities can develop and adapt to fit their unique needs.
- Helps local governments understand what information is useful to committee members and identifies potential red flags.

[CBA for Clean Energy Guide](#) (Clean Air Task Force): A fact sheet that breaks down the potential characteristics and structures of CBAs to convey how they could achieve the following:

- Be structured to fit the needs of the community and the project
- Improve outcomes for communities and developers
- Build progress toward larger climate and clean energy goals

[CBA Guidelines for Renewable Energy Projects on Tribal Lands](#) (Red Lake Nation/Indigenous Energy Initiative): A comprehensive report to start planning and implementing a CBA. The report provides examples from the CBA process in the Red Lake Nation.

[Energy Justice in Community Benefit Agreements and Plans](#) (Initiative for Energy Justice): A set of recommendations to advance energy justice through community benefits policies.

[Empowering Rural Development through Community Benefit Agreements](#) (Center for Rural Affairs): A guide to create a CBA, along with utility-scale solar and wind success stories.

## Templates and examples of CBAs

[CBA Template](#) (Fair Shake): A CBA template to get you started on your own agreement.

[CBA Database of operational CBAs](#) (Sabin Center for Climate Change Law): A database of publicly available CBAs for solar and other renewable energy projects.

[Community Benefits Agreements: Case Studies, Federal Guidelines, and Best Practices](#) (Climate Equity Initiative and Clean Air Task Force): This report provides nine case studies on different types of communities and energy infrastructure. It includes one case study in Minneapolis, Minnesota.

[Good Neighbor Agreement](#) (Grange Solar Grazing Center): A guide that explains the “Good Neighbor Agreement,” which is similar to a CBA. This type of agreement offers direct financial benefits for project neighbors.

## Articles

[Solar, with Benefits! \(Or, the Co-Benefits Approach to Solar Development\)](#) (the Great Plains Institute): Describes how to utilize the land in solar farms between the panels to reap multiple benefits for the host community beyond just solar energy (solar co-benefits).

[Solar Energy and Agriculture: New Analysis Shows Why Local Context is Key for Planning](#) (the Great Plains Institute): Using Illinois as an example, the article illustrates the magnitude of the risk posed by solar development to agricultural land and production at the county scale. The article builds on our previous analysis of the potential footprint of solar across the US.