

## **Appendix C.3**

### **Disadvantaged Community Benefits**

Proposers should consult the following categories of benefits when designing their commitments to ensure that members of Disadvantaged Communities share in the economic and other benefits that will result from the Project (“Disadvantaged Community Benefits”). These categories may be modified or expanded based on the mutual agreement between NYSERDA and the Proposer.

#### **C.3.A Project-Specific Expenditures (Category A)**

This category includes expenditures associated with the construction, operation, and maintenance of the Project, including:

- Construction payroll-related expenditures benefiting Disadvantaged Communities, including wages and benefits;
- Administrative and general payroll-related expenditures benefiting Disadvantaged Communities, including wages and benefits;
- Financial, legal, technical, and other consulting services, including wages and benefits;
- Purchases of goods and services benefiting Disadvantaged Communities associated with construction, general project-related activities, and supporting consulting services (including sales tax where applicable);
- Payroll expenditures associated with operations and maintenance, plant management, and long-term project development;
- Land use payments associated with the Project; and
- Host community payments for those municipalities that host the Project.

Benefits in Category A will be measured based on the methodology below, it being understood that the Proposers and NYSERDA shall reasonably cooperate to revise the methodology as necessary.

Table C.3. 1: Category A Measurement Methodologies

Type of Benefit	Methodology
Taxes / PILOT/Capital Improvement	<ul style="list-style-type: none"> <li>• All taxes or payment in lieu of taxes (PILOT) payments made to a municipality or to a school district within a municipality that is all or partially identified as a DAC.</li> <li>• The percentage of taxes or PILOT payments made to a county/city/town/village that is equivalent to the proportion of the population<sup>1</sup> that lives in the DAC(s) within the municipality.</li> <li>• The percentage of taxes or PILOT payments made to a school district that serves a population from a DAC will be eligible based on the student population (<i>e.g.</i>, if 20% of the student population lives in a DACs then 20% of the school district payments would be counted as Disadvantaged Community Benefits).<sup>2</sup></li> <li>• Any portion of an investment in a DAC that funds an enhancement or capital improvement project that goes above and beyond typical restoration normally required as a result of project activities to re-establish pre-existing conditions or bring the restored area into jurisdictional compliance, will be considered a DAC benefit (<i>e.g.</i>, adding sidewalks, street lamps, or bike lanes) to the extent its programmatic cost is not already a designated DAC benefit (<i>e.g.</i>, services rendered by a non-DAC located firm to design the sidewalks <i>etc.</i>).</li> </ul>
Labor	<ul style="list-style-type: none"> <li>• Proposer will determine whether individual workers reside within a DAC to the extent commercially practicable and in accordance with law. Wages and benefits paid to those workers residing within a DAC will count towards Disadvantaged Community Benefits for all phases of the Project.</li> </ul>
Materials / Equipment / Services	<ul style="list-style-type: none"> <li>• Materials, equipment, goods and services that are sourced from businesses (or divisions of businesses) located within a Disadvantaged Community during pre-construction, construction and on-going operations and maintenance will count towards Disadvantaged Community Benefits. This includes financial, legal, technical, and other consulting services and encompass all phases of the Project.</li> </ul>

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<sup>1</sup> Based on Census Tract population data as identified and updated by the US Census Bureau Table DP05. See the US Census Bureau Table DP05, <https://data.census.gov/cedsci/table?q=population%20of%20New%20York&y=2019&tid=ACSDP5Y2019.DP05>.

<sup>2</sup> See footnote above.

Type of Benefit	Methodology
Land Purchase, Easements or Lease	<ul style="list-style-type: none"> <li>Land use payments (<i>e.g.</i>, option payments, easement payments, lease payments) that are paid to owners who reside in, or businesses located in, a Disadvantaged Community or for properties located in a Disadvantaged Community will count towards Disadvantaged Community Benefits.</li> </ul>

**C.3.B Community Focused Investments (Category B)**

This category includes investments and expenditures made to support Disadvantaged Communities, including economic development activities, approaches to improve access to clean energy solutions, opportunities to address existing environmental justice issues, or the adoption of community host benefit agreements.

**C.3.C Climate, Public Health and Other Intrinsic Benefits (Category C)**

This category includes benefits beyond those outlined in Categories A and B, above, that accrue to Disadvantaged Communities as a result of the Project, including intrinsic benefits to Disadvantaged Communities resulting from reduced fossil fuel generation. Such intrinsic benefits include corresponding emissions reductions and associated public health benefits.

The measurement of benefits in Categories B and C will be separately agreed by the Proposer and NYSERDA.