

Greening Equity

Richmond, California



Achieving Equity in Green Economic Development
A publication of the Richmond Equitable
Development Initiative (REDI)

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The Richmond Equitable Development Initiative (REDI) is a coalition effort between Asian Pacific Environmental Network (APEN), Association of Californians for Community Empowerment (ACCE), Communities for a Better Environment (CBE), Contra Costa County Interfaith Supporting Community Organization (CCISCO), East Bay Alliance for a Sustainable Economy (EBASE), Contra Costa FaithWorks!, Greater Richmond Interfaith Project (GRIP), and Urban Habitat.


Since its inception in 2003, REDI has been employing research, policy advocacy, and organizing strategies to ensure that the growth and development of Richmond, Calif. benefits the city's low-income communities and communities of color. REDI organizations represent thousands of Richmond's diverse residents.

REDI's vision for Richmond is a community in which every resident has access to affordable housing, and safe, reliable public transit that connects them to living-wage jobs, quality education, a clean environment, health care, and other essential services.



Urban Habitat staffs and coordinates REDI. See www.urbanhabitat.org for more information.

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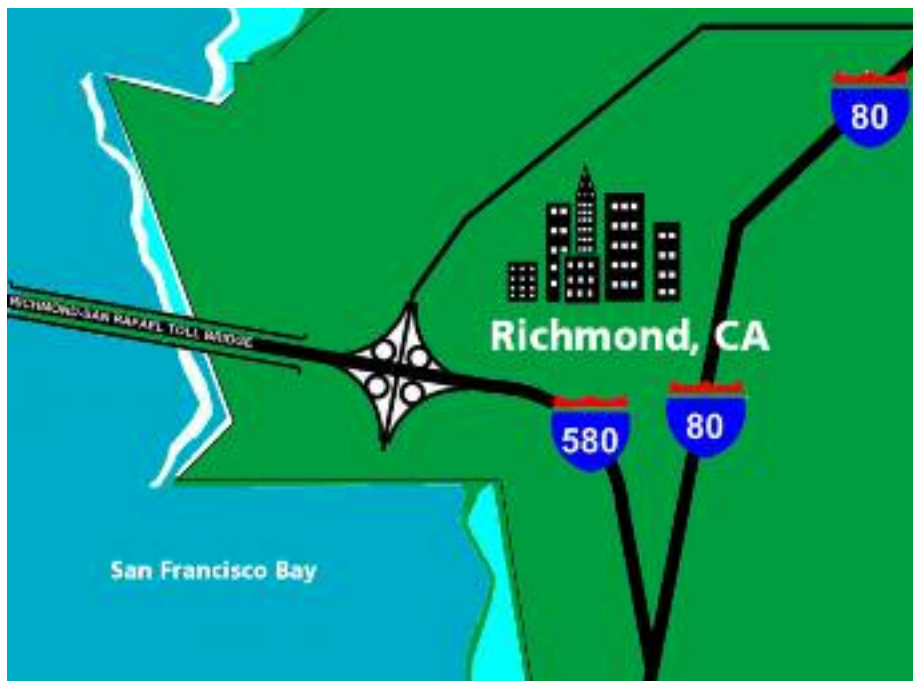
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Executive Summary

The Greening Equity Report for Richmond, California is the result of the early community outreach and research efforts of the Richmond Equitable Development Initiative (REDI) to understand the state of the green economy in the greater Richmond area. The overarching goal of this report is to inform community members, local stakeholders and especially city officials and local leaders so that they can promote and support activities, programs, and policies that will advance equitable green economic development with an emphasis on the following areas:

- Creating opportunities to grow green collar employment and businesses
- Ensuring that new green jobs offer livable wages and benefits
- Connecting residents to employment and/or training opportunities
- Promoting efficient and environmentally-friendly land use decisions
- Leveraging federal, state, and local funds to enhance economic opportunities for residents
- Supporting policies that create new markets for green products and services.

For this report, REDI interviewed political leaders, green employers, City of Richmond staff, and community members about their visions for Richmond. Overall, stakeholders expressed high enthusiasm for building a green economy and many expressed a strong commitment to ensuring that equity considerations play a central role.

Respondents often connected a green economy with better quality of life for Richmond residents. Many community leaders brought up the need for an economy that can support good schools and improve health for residents and workers. City staff suggested opportunities for rehabilitating the existing housing stock, building quality new housing, providing healthy food, and furthering toxic remediation. Community members wanted to ensure that residents—especially low-income

and people of color—had access to the new more equitable economy they want to build and spoke of a need to bridge the “eco divide” that separates these people from the environmental movement and the green economy.

Stakeholders stressed that economic health should be measured by job growth as well as job quality. Career ladders, mentoring, and opportunities for advancement were mentioned as core equity indicators within the green economy. Community members and city staff alike insisted that the jobs created by city programs and policies must fit the skills of local residents and address the needs of those with barriers to employment, such as parolees and people with limited education. There was also a strong interest in owning and operating green businesses. Finally, community members voiced their support for specific priority goals, such as greening vacant foreclosed homes to make them more energy efficient, thus saving money for homeowners and renters while simultaneously creating jobs for locals.

The emergence of the green economy provides an opportunity to decrease pollution and environmental degradation, which disproportionately affect low-income communities of color. As the nation continues to struggle to overcome the collapse of our economy, it is especially crucial that systems, infrastructure, policies, and funding streams are in place to ensure that low-income people, who are suffering the most, gain access to high quality “green jobs” and a cleaner, healthier environment.

To address this ambitious goal, REDI is committed to working with city residents, elected officials and leaders from both, the public and private sectors, to advance a set of coordinated policies, programs, and practices for equitable green economic development.

Making Equity a Priority

Richmond has a variety of natural and human assets that relate directly to the city’s goals for developing a green economy—specifically one

that includes concrete opportunities for low-income residents. With a small but dynamic and diverse set of existing green companies, economic development policies that support green growth, access to port and rail facilities, affordable industrial land, and an expansive shoreline, Richmond has many of the elements needed to create a vibrant, equitable green economy. It has found a way to do workforce development that successfully transitions “difficult to employ” residents into green collar jobs, which helps to close some of the income and inequality gaps that plague the city.

In order to realize its vision of growing an equitable green economy held by many local stakeholders, Richmond must first face up to some serious challenges, as expressed by some of its policy-makers, workforce development representatives, business association, green jobs advocates, and green employers:

- Richmond’s low-income unemployed who could benefit the most from a green “pathways out of poverty,” often times also have low educational attainment and face multiple barriers to employment—making it difficult for them to compete in the current economy.
- The city’s economy is currently heavily dependent on the fossil-fuel industry.
- The city’s image as a hotbed of violent crime can keep potential employers away.
- Policies related to environmental, economic, and social goals have not been well coordinated.

Most of these challenges can be addressed by developing a set of coordinated policies, standards, and programs. An equitable green economic strategy, moreover, will increase policy coordination, reduce dependence on the fossil-fuel industry by promoting green sectors, lower crime by tackling the root causes of poverty and unemployment, and build a more desirable reputation for the city based on green social justice policies and accomplishments.

REDI’s key recommendations for achieving an equitable green economy are:

- Adopt a targeted sector-based approach to green economic development

- Implement strategies for attracting targeted green sectors
- Ensure the creation of quality jobs with career ladders
- Encourage and require green companies to hire locally and prepare individuals with barriers to employment for green collar jobs
- Rebuild Richmond focusing on foreclosed properties for energy retrofits and other upgrades.

Create Strategies for Green Economic Development

Taking its current strengths into consideration, the city should focus on supporting and expanding sectors that have the potential to grow and create jobs. Based on the analysis, REDI recommends the following:

- Support and expand sectors in energy efficiency, green manufacturing, solar, transportation, and hazardous materials cleanup.
- Develop strategies for “greening” manufacture-related facilities by: (a) upgrading existing green facilities, such as recycling, to incorporate more green technology and energy efficiency, while also improving the overall environmental health and safety impacts caused by recycling; (b) retooling traditional manufacturing facilities to make their processes and products more environmentally friendly.
- Support and create local policies and incentives that encourage more assembly and small scale manufacturing related to solar, as well as to energy and water efficient products and services.

Implement Strategies for Attracting Targeted Green Sectors

- Establish a green business incubator. In collaboration with the East Bay corridor, Richmond should consider the establishment of a green business incubator to support regional efforts to attract and sustain green industries. It should also develop

programs to bring home the incubated businesses once they are established.

- Provide more loans for energy efficiency upgrades. Façade improvement loans tied to energy efficiency retrofits could help retain businesses, save money in energy bills, and boost local demand for green services. The program could also be tied to the hiring of a specified percentage of people per project from a local workforce program, such as RichmondBuild.
- Take advantage of existing incentive zones. The Recycling Market Development Zones (RMDZ) should be a major asset in attracting environmentally sustainable recycling industries, especially if the city can actively connect businesses with RMDZ incentives. (Business incentives should be distinguished from demand incentives, such as the solar thermal rebate, which REDI supports.)
- Create a strategic plan for industrial land use and maintain infrastructure. Assess available industrial land, its current uses and toxicity levels. Develop criteria for decisions regarding the retention of industrial land or its conversion to other uses and weigh the benefits of conversion vs. retention of industrial land in terms of local living wage jobs, affordable housing, and neighborhood-accessible parks.

Ensure Quality Job Creation

To truly develop an equitable green economy, Richmond will need to support the stability and growth of quality green collar jobs. The city should continue to maintain its current living wage law and encourage firms to provide affordable health benefits to employees. Union participation being key to collective bargaining for improved wages, benefits, and working conditions, strong green-sector labor unions with a guaranteed right for workers to organize will help ensure the quality of employment in green industries.

Prepare Workers for Green Collar Jobs

Richmond is becoming a leader in green collar training and as the green economy continues to grow, looks poised to become a major player in preparing its residents for green collar jobs. But first, the city needs to take steps to address the issues that prevent many—especially low-income individuals and those with multiple barriers to employment—from entering into sustainable jobs and careers. REDI has the following recommendations for the city: (a) Improve job readiness skills and environmental literacy competencies; (b) Support first-source hiring; (c) Develop and enhance programs that provide consistent case management.

Rebuild with Energy Efficient Homes for All

REDI recommends an expanded program of energy retrofits and a comprehensive program to rehabilitate or condemn, demolish, and remediate housing that is abandoned, blighted, or contains building code violations that affect health and safety. The goals would be to: (a) Retrofit 80 percent of the homes to meet state-of-the-art energy efficiency standards by 2020 for an average energy savings of 50 percent per home; (b) Bring every home up to code on all features that affect safety and the value of other properties; (c) Redevelop land and buildings that have been abandoned or allowed to decay; (d) Get the retrofitting, demolition, and construction done using graduates from the Richmond training programs and pay them a living wage.

Conclusion

Richmond is well poised to participate in the growth of the green economic development, provided it starts shaping its policies in ways that enhance the human and natural environments.

While many of the elements in this report will take years to accomplish, effective leadership and an engaged community can enable Richmond residents to benefit from the changing industrial landscape that will come as climate change becomes ever more central to both, government and corporate planning. ■



Photos: © 2008 Scott Braley



Introduction

This report is the result of the early community outreach and research efforts of the Richmond Equitable Development Initiative (REDI) to understand the state of green economic development in the greater Richmond area. Its goal is to provide information for Richmond's city officials, community members, and other local stake holders to promote activities, programs, and policies that will advance equitable green economic development.

Equitable green development is defined as an approach which:

- Invests in emerging growth industries based on new clean technologies that generate less pollution and waste
- Targets and prioritizes investment in low-income communities and communities of color, providing the skills and training needed to create permanent, living-wage jobs
- Trains and brings in workers from traditionally marginalized groups into the mainstream of the new growth sectors
- Boosts the creation and growth of locally

owned and managed green businesses

- Provides jobs to local people, especially those currently jobless

Equitable green economic development has three broadly defined goals:

- Creation of quality, living-wage jobs
- Creation of job training programs
- Local business ownership linked to eco-friendly industries and sectors so that all—in particular, low income and communities of color—can participate in and benefit from the economic activity.

Richmond has a variety of natural and human assets that relate directly to the city's goals for developing a green economic development strategy: the availability of industrial land, an expansive shoreline, access to port and rail facilities, recent strides in environmental policy, a successful green jobs training program, and a growing political will to green the economy. Despite these positive attributes, Richmond still lags behind neighboring cities in terms of the number and quality of green jobs. In fact, the city faces several challenges that

must be addressed in order to realize the equitable green ideal that local stakeholders aspire to.

Based on interviews with policymakers, green employers, workforce development representatives, business groups, and green jobs advocates, the greatest challenges facing the growth of Richmond's green economy in comparison to other cities in the region appear to be: a larger number of low-skilled and low-educated residents with barriers to employment; an economy that is heavily dependent on the fossil-fuel industry; a broad perception that the city has high levels of violent crime; and poorly



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integrated past policies on environmental, economic, and social goals. While these challenges are daunting, REDI believes that there is room for optimism.

Achieving equity in green economic development has the potential to increase policy coordination, reduce dependence on the fossil-fuel industry, lower crime by tackling the root causes of poverty and unemployment, and help Richmond build an alternative image based on green and social justice policies.

REDI is part of a growing movement of social, environmental, and economic justice coalitions and organizations around the country that are creating and advocating green and equitable economic development policies and programs. Greening the economy through strategies that promote equitable development can help create the systems, infrastructure, policies, and funding streams needed to ensure that low-income people, who are suffering the most, gain access to high quality “green jobs” and lasting economic opportunities. Moreover, equitable green development can lead to a cleaner, healthier environment by decreasing pollution and environmental degradation, which disproportionately affect low-income communities of color.



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The overarching goal of this report is to provide recommendations to Richmond’s local leaders so that they can support activities, programs, and policies that will advance equitable outcomes in the following areas:

- Creating opportunities to grow green-collar employment and businesses;
- Ensuring that new green jobs offer livable wages and benefits;
- Connecting residents to employment and/or training opportunities;
- Promoting efficient and environmentally-friendly land use decisions;
- Leveraging federal, state, and local funds to enhance economic opportunities for residents;
- Supporting policies that create new markets for green products and services.

Summary of Interview Findings

As part of this research study, REDI interviewed political leaders, green employers, City of Richmond staff, and community members about their visions for an equitable green economy. Overall, stakeholders expressed high enthusiasm for facilitating green economic development and many expressed a strong commitment to ensuring that equity considerations play a central role in city policy.

Above all, community members wanted local residents, especially low-income residents and people of color, to have access to the new more equitable economy they wanted to build.

Respondents often connected a green economy with better quality of life for Richmond residents. Many community leaders brought up the need for an economy that can support good schools and improve the health of Richmond residents and workers. City staff suggested opportu-

nities for rehabilitating existing housing stock, building quality new housing, providing healthy food, and enhancing toxic remediation efforts.

While stakeholders emphasized their goals for businesses that provide quality jobs, city staff wanted environmental goals to be combined with strong equity-focused language in any pending legislation to encourage businesses that believe in environmental and social justice goals. They all emphasized both volume and quality in job creation. Several political leaders made it clear that green economic development policies and programs must include the creation of quality jobs for low-income people and hoped that it would present a chance to bring back the quality manufacturing jobs that Richmond has lost. Career ladders, mentoring, and opportunities for advancement were also mentioned as critical for equity in the green economy. Richmond residents echoed this sentiment and a desire to see the city create and expand green job opportunities for all residents.

Above all, community members wanted local residents, especially low-income residents and people of color, to have access to the new more equitable economy they wanted to build. Community members spoke of bridging the “eco-divide” between low-income and people of color on the one hand, and the environmental movement and the green economy on the other. Community members and city staff alike insisted that the jobs created by city programs and policies must fit with the skills of local residents and address the needs of residents who have barriers to employment, such as parolees and those with limited education. Community members were also interested in opportunities to become entrepreneurs and own green businesses and voiced their support for greening vacant foreclosed homes to make them more energy efficient, thus providing local jobs while saving money for homeowners and tenants.

REDI also interviewed Richmond employers, particularly those that provide “green



Community garden in Richmond. © 2006 Urban Habitat

collar” job opportunities, about the city’s potential to provide low-income Richmond residents with “living wage, manual labor jobs in businesses whose goods and services directly improve environmental quality.”¹ The focus was specifically on manual labor jobs because historically they have provided the most pathways into the United States economy for those with barriers to employment.

All of the insights provided by city officials, political leaders, and community members have been instrumental in shaping REDI’s analysis and recommendations. ■

Endnotes

1. Pinderhughes, Raquel. *Green Collar Jobs: An Analysis of the Capacity of Green Businesses to Provide High Quality Jobs for Men and Women with Barriers to Employment. A Case Study of Berkeley, California.* 2007.



(Top) © 2008 Scott Braley; (Bottom) Foreclosed home in Richmond. © 2008 Urban Habitat



A Strategic Time for Action

Global warming is internationally recognized as the leading threat facing our planet. While the scale of this problem is daunting, there is a real opportunity to be forward-thinking and solution driven. California is playing a leadership role in the development and implementation of innovative solutions that reduce the state's carbon footprint and grow a greener economy.

The clearest manifestation of that resolve is the Global Warming Solutions Act (AB 32), which sets a cap on total greenhouse gas emissions from all sources for the state. AB 32 requires the state's greenhouse gas emissions (GHG) to be reduced to 1990 levels—a roughly 25 percent reduction under business as usual estimates—by 2020, and allows the California Air Resources Board to be responsible for monitoring and reducing the emissions. Concurrently, Senate Bill 375 (SB 375) tries to provide the means for reaching goals set by AB 32 for cars and light trucks, which alone generate about 30 percent of GHG emissions.¹

SB 375 connects GHG reduction from cars and light trucks to land use and transportation policy by aligning three critical policy areas of importance to local government: (1) regional long-range transportation plans and investments; (2) allocation of city and county obligations to zone for housing; and (3) a process for the transportation sector to achieve GHG targets.²

To achieve the stated emission reduction goals, California needs to develop a family of new industries, including renewable energy sources, such as wind turbines, solar heat, and electricity; liquid biofuels and biogas; green buildings that produce as much energy as they consume; clean cars; and cleaner, more durable materials over all. The state also needs to greatly increase its public and private investment in the affected sectors to make this transition.

The time for this injection of economic growth and job creation is now. In October 2009, unemployment in California reached a record 12.2 percent and Richmond, which usually exceeded that figure by about two-and-a-half percentage points in past years, gained nearly six percentage points. Largely because of the mortgage crisis, Richmond's unemployment today stands at an alarming 18.2 percent—its highest level since the Great Depression.

Richmond, with its diverse population of 100,000, has a budding green economy that already provides significant green collar job opportunities.

Although equitable green development alone is not enough to solve Richmond's high unemployment and poverty rates, with the right public policies it can play an important role in bringing growth industries to the city, building workforce skills, providing good jobs with living wages, and creating cleaner, safer and more affordable neighborhoods.

Richmond's Current Policies and Priorities

Richmond, with its diverse population of 100,000, has a budding green economy that already provides significant green collar job opportunities.

Located in the northeast corner of San Francisco Bay, it can boast of major assets in its natural beauty, a rich manufacturing history, and engaged residents. The city encompasses more than 6,300 acres of parks and open space and its nearly 40 miles of shoreline are the most of any city in the Bay Area. Thanks to its critical role in providing materials support for the Pacific Front during World War II, Richmond became a major

center of manufacturing on the West Coast and continues to host a high concentration of the Bay Area's manufacturing and industrial space, as well as industry-related rail and seaport infrastructure—both crucial attractive features for potential green manufacturers.

Richmond has a strong commitment to policies that form a basis for growing green markets. As of May 2008, they included a green building standard for municipal structures; a commitment to creating green jobs; efforts to protect sources of local drinking water; and the Richmond Redevelopment Agency's program to finance photovoltaic solar panel installation on a limited number of Richmond homes.

The city has also adopted many symbolic or preparatory green measures, which include signing a commitment to the Urban Environmental Accords, adopting GHG emissions targets required by AB 32, signing the United States Mayor's Climate Protection Agreement, becoming a member of Local Governments for Sustainability, and adopting the Ahwahnee Principles.

In addition, Richmond has conducted a municipal and community-wide greenhouse gases inventory (the first step towards implementing reduction targets), incorporated an Energy and Climate Change element in its updated General Plan, and is joining many of its neighbors in exploring Community Choice Aggregation. Two of the leading developments in the greening of Richmond, however, occurred in 2009 with the following initiatives:

Solar Thermal Rebate Program

Passed in early 2009 by the Richmond City Council, this program will underwrite \$1,000 per solar thermal system for 25 rooftops. Each

subsidized installation must employ at least one graduate of a local green jobs training program, such as Solar Richmond (the original advocate of the rebate), Richmond-BUILD, Grid Alternatives, and Solar Living Institute, which means that the program will generate at least 25 installation jobs, each with at least one Richmond-BUILD graduate. (Since current training focuses on photovoltaic cells, local solar thermal

manufacturer, Heliodyne, will assist with the development of a new curriculum.) In passing this initiative, Richmond became the first city in the country to link thermal rebates to job training and placement, thus showing that the city's stakeholders are already incorporating equity components into green work.

Green Building Ordinance

Submitted to the City Council by city of Richmond staff and the Economic Development Commission, this initiative attempts to expand on the already existing municipal green building ordinance. As proposed, the ordinance requires commercial buildings to follow the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) guidelines and would apply to all commercial and residential new construction. It would also apply to additions and renovations to commercial buildings over 5,000 square feet and all additions to resi-



REDI Forum, July 2007. © 2007 Urban Habitat



REDI Forum, July 2007. © 2007 Brooke Anderson

dential buildings. Residential buildings would follow the Build It Green program.

The Economic Development Commission report cites a recent Santa Rosa study that showed cost increases from \$2,671 to \$12,487 per house for “very green” residential projects and increases of \$2 per square foot for commercial buildings.

Larger commercial and residential buildings would need to achieve higher ratings to comply. Compliance will be enforced by the city’s Planning and Building Services Department rather than by the U.S. Green Building Council or Build It Green. Commercial projects will require LEED accredited professional staff on the project.

Some affordable housing advocates worry that green building techniques will increase

construction costs. The City of Richmond staff and the Economic Development Commission report cites a recent Santa Rosa study that showed cost increases from \$2,671 to \$12,487 per house for “very green” residential projects and increases of \$2 per square foot for commercial buildings. These upfront costs are small when compared with the savings from reduced utility, maintenance, and waste disposal costs and increased productivity over the lifetime of the building.

Estimates of these long-term savings range from \$67 to \$71 per square foot. However, because credit is not easily available to many low-income residents of Richmond, the upfront costs may pose a significant barrier to ownership. City supported financing programs could begin to solve this problem by providing residents with low-interest, fixed rate loans to make energy efficient renovations to their homes. ■

Endnotes

1. California State Association of Counties, 2009.
2. Ibid., 12.



REDI Forum, July 2007: (Top) © 2007 Brooke Anderson; (Bottom) © 2007 Massey Media



A Sector-Based Approach to Green Economic Development

Taking into consideration the city's assets, REDI recommends a sector-based approach to directing Richmond's green economic development, since such an approach would facilitate a deeper understanding of the needs and relationships in specific sectors, especially in regards to the contribution of the workforce to local competitiveness. In practical terms, it would mean that workers, employers, businesses, educational facilities, training programs, and labor unions, among others, would come together locally to build better connections between employers and workers, and also help prepare the next generation of workers in that sector.¹

Social justice groups like Green For All and the Ella Baker Center advocate for labor-intensive sectors—which serve the local market and have the potential for creating jobs that cannot be off-shored.

Based on interviews conducted, it is apparent that different stakeholders prioritize green sectors and policy approaches differently. In general, city officials tend to favor export-based cleantech sectors like solar energy manufacturing and biofuels research, which help build the economic base. Whereas, social justice groups like Green For All and the Ella Baker Center advocate for labor-intensive sectors—energy efficiency retrofits and solar installation, for example—which serve the local market and have the potential for creating jobs that cannot be off-shored.

Using feedback from stakeholders, REDI came up with the following criteria for the city to consider while choosing sectors for development:

- Good prospects for growth.
- Number and quality of jobs generated.
- Potential to create high-quality jobs.
- Accessibility for low-income residents with opportunities for career advancement.
- Viability of assets like land and transportation.

The following five sectors meet one or more of the criteria outlined by REDI:

- Energy Efficiency
- Solar Installation
- Green Manufacturing
- Transportation
- Hazardous Materials Cleanup

The rest of this report explains the ways in which each of these sectors meets the criteria for living wage manual labor or green collar jobs, which provide opportunities for low-income Richmond residents.

Prospect for Growth

The creation and expansion of jobs in each of the sectors will be largely determined by the demand generated through city and state policies in effect. At the state level, Assembly Bill 32 (AB 32) and Senate Bill 375 (SB 375) are driving the demand in all three sectors. At the city level, Richmond's Solar Thermal Rebate program introduced in January, 2009, ties a \$1000 rebate per rooftop (up to 25 rooftops in the pilot program) to the hiring of locally trained labor.

Richmond currently has the potential to generate green collar jobs in three main sectors: Energy Efficiency, Green Manufacturing, and Solar Installation.

Energy Efficiency: At the conclusion of our research, there were no energy efficiency, weatherization, whole home performance, or green building

firms in Richmond. But given the recent tax incentives to retrofit residential, public, and commercial buildings for better energy efficiency and weatherization, the employment growth opportunity in this sector is high. Some recommendations on how to help spur growth of this key sector are in a later section of this report.

Solar Installation: Richmond’s solar sector includes solar thermal and solar photovoltaic (PV) industries, both of which have become the “face” of the green economy. Using the model training programs already in existence, this sector has the potential to provide many Richmond residents with living wage green collar jobs.²

Information gathered from the two solar thermal firms in Richmond indicates that of the 12 job categories in this sector, six are set to grow by at least one job. While this is not a huge gain, it does point to an underlying growth potential. A study done by proxy using office space leased as an indicator of jobs provided estimates that solar panel companies in Richmond employ a few hundred people. Also, secondary investor data for SunPower Corporation shows that while the manufacture of its solar component products is done in the Philippines, research, development, and sales to installers and resellers happens out of Richmond.

It appears then that at present, solar companies do not offer a large number of green collar job opportunities in Richmond but public policies and incentives could reverse that trend by encouraging more assembly and small-scale manufacturing, coupled with an increased demand for solar installation by city residents.

Green Manufacturing: There are two subsectors to green manufacturing in Richmond. They are small but diverse and dynamic.

- Green building supply and manufacturing shows the most potential with a growing number of companies settling in Richmond. Jobs in this sector include assemblers, warehouse workers, sanders, and machine operators.
- Recycled materials manufacturing has a concentration of jobs, but the growth potential is questionable with only four job categories out of 15 reporting an increase of at least one part-time job. ■

Endnotes

1. Aspen Institute, Sector Strategies in Brief Report. 2007.
2. We interviewed two solar thermal firms. The two solar panel firms in Richmond declined to be interviewed. Where appropriate, we use secondary sources to understand the solar panel industry in Richmond. Interviews were conducted in 2008. There may have been some changes to this information since then.



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Strategies for Attracting Targeted Green Sectors

Once specific green sectors are identified and targeted, the next challenge is how to attract them. Richmond is already engaged in a variety of strategies, including building the local market for green products and services, providing incentives, financing, technical assistance, basic infrastructure and tenant matching, and gearing land use and zoning laws towards the needs of targeted green businesses. The following section looks at what Richmond and other Bay Area cities are already doing and the lessons that Richmond can learn from its neighbors.

Building the Market

Cities can support and expand the market for green products and services by focusing on energy efficiency and through environmental regulations, technology mandates, and subsidies for green products.

Greening and Energy Efficiency: Many cities are starting by greening their own operations through preferential procurement policies, municipal green building ordinances, green landscaping, storm water mitigation, and efforts at weatherizing houses and buildings.

San Francisco, Oakland, and San Leandro have citywide ordinances requiring the recycling of construction debris. In addition, San Francisco implemented an ordinance in 2008 that imposes green building requirements on new residential and commercial buildings of a certain size and on renovations to existing buildings; Berkeley requires builders to consult with the Berkeley Green Building Coordinator; and Oakland, which already has a green ordinance for civic buildings, is considering expanding it to all buildings. Oakland also has an incentive

program that provides fast-track permitting and technical assistance for LEED certified buildings. Green building ordinances and the drive to be more energy efficient could potentially generate more jobs for local residents, especially in areas, such as weatherization, solar panel installation, and building construction.

Several Bay Area cities, including Oakland, San Jose, and San Francisco have established far-reaching goals for greening themselves through comprehensive sustainability plans, which are driving the demand for energy efficiency, green building, and solar installation. Some of the most common goals are GHG reduction targets, zero waste goals, and open space commitments.

San Francisco's Sustainability Plan, in place since 1997 and updated with a strategic plan every three years, provides the most explicit connections among environmental, economic, and social goals. The plan looks to the recycling, urban agriculture, and energy efficiency sectors to provide "useful work for people of limited education and training." Eco-environmental goals include full-cost pricing to capture the true costs of production, while socio-economic goals include increasing the number of worker-owned businesses. In addition, the Plan focuses on improving human health and identifying environmental contamination, and also has among its goals the training of the city's poorest residents in basic and technical job skills required by new and existing sustainable businesses and industries.¹

Financing Solar Installation and Energy

Efficiency: One of the largest obstacles to market growth in sectors, such as solar and energy efficiency, is the large upfront costs that



many are not prepared to pay, even though most costs will be repaid through energy savings in the long-term. Some innovative financing plans have emerged, like the Berkeley First Sustainable Energy Financing Initiative program, which provided fixed rate loans for residential solar installation that will be repaid over time with property taxes, thus transferring to a new owner when a house is sold.

Larger-scale programs are underway in Sonoma County and Boulder County, Colorado. Sonoma County funded a range of energy efficiency projects, including double-pane windows and solar hot water as reported in the *East Bay Express*.

“We did a limited pilot, they did a market-sized program,” Neal De Snoo, who heads Berkeley’s office of Energy and Sustainability, explained. “The Sonoma County project, for example, attracted 1,200 applicants and 900 of them have taken advantage of the program, according to program spokeswoman Amy Bolten. “Cities and other stakeholders are currently exploring similar financing mechanisms for energy efficiency.”²

Working Partnerships USA is working on a financing initiative similar to Berkeley’s for energy efficiency retrofits for residential and small commercial buildings. The loans will likely be paid back through property taxes or utility bills over a period of five to 10 years. Innovative financing for energy-efficient appliances and residential retrofits is another important component in terms of increasing access to green products and the cost-saving benefits of efficiency for low-income individuals. Last, but not least, ensuring that workers are hired locally and paid a sustainable living wage to do the energy efficiency work would make it a winning situation for all.

Business Incentives

Business incentives offered through local tax policy, local financing, and state and federal programs are traditional strategies for attracting, retaining, and growing local businesses, green or otherwise.

They are most relevant to export-based industries, such as alternative energy component manufacturing. When pursuing a business incentive strategy, it is important to make sure that the benefits outweigh the costs and that the incentives especially are tied to social outcomes, such as local hire, living wages, and community benefit standards.

Tax Policy

Tax policy—in the form of lower taxes for green businesses or taxes on pollution—is the most obvious type of business incentive in Bay Area cities. San Francisco has a Clean Energy Technology Business Exclusion, which exempts renewable energy enterprises from paying the city’s relatively high payroll tax. Most other Bay Area cities claim that they cannot afford to offer such business attraction incentives. However, many do offer some tax credits and incentives through Enterprise or Military Base Recovery Zones.

Most of Richmond’s stakeholders interviewed by REDI opposed city-funded incentives or tax exemptions for green businesses because of the potentially high costs, preferring other strategies for business attraction. The city’s current policy is to give no benefits to businesses, although it will pay for some infrastructure improvements or zoning variances in specific cases and can take special steps to reach out to particular businesses to connect them with state or federal government incentive programs. But incentives are often associated with attraction more than retention, making them less popular. One interviewee noted that incentives “are not why businesses come to Richmond.” Another wanted the city to “focus on supporting the small businesses already here and building on current strengths.”



Children's murals in Richmond. © 2007 Urban Habitat

State and Federal Incentive Zones

Richmond's Enterprise Zone (EZ) and Recycling Market Development Zone (RMDZ) provide access to state and federal incentives for businesses that qualify. (These programs are also available in some parts of Oakland and Berkeley.) According to one city staff member, the EZ is the most helpful tool for attracting, keeping, and growing businesses in Richmond, which received re-designation for all of its EZs in 2009. The city focuses these resources on business retention and helping businesses qualify for EZ state tax credits, which require local hiring through the workforce development department. The credits can pay up to half of an employee's salary and cover machinery and other qualified expenses.

Several studies, however, find that on the whole, Enterprise Zones in California have not led to job growth, increases in manufacturing employment, or decreases in unemployment.³ The reason may be that businesses generally do not take advantage of the tax credits unless they are already in the zone. Some businesses within the EZ may not even be aware of the program. Moreover, proactively educating businesses about the incentives may not always attract them to the area, particularly if they have specific infrastructure or workforce requirements that are not met within the zone.

A better strategy for Richmond would be to take greater advantage of several federal and state programs. Richmond also encompasses a large portion of the Contra Costa County RMDZ, which under a state program, provides low interest loans, technical assistance, and marketing

benefits to manufacturers that add value to materials diverted from the landfill. Like the EZ, the RMDZ is targeted at economically distressed regions, but unlike the EZ, it is a specifically green program. Participating firms have created around 9,000 jobs in the state since 1990 and the California Integrated Waste Management Board has recently moved to expand the program to boost the green economy.

Land Use

Land zoned for industrial use is a key asset to the growth of the green collar economy.⁴ Careful consideration should be given as to how present and future land use processes and decisions will impact the city's ability to use its land asset to grow, support, and attract green collar firms.⁵ At the same time, the city's industrial land policy should help ensure that uses involving hazardous or toxic emissions are zoned away from residential areas and schools and that adequate buffer zones are created.⁶

Of the eight Richmond firms that provide green collar jobs interviewed by REDI, two are located on general or regional commercial parcels and the rest are on industrially zoned land—three on light industrial parcels, two on marine industrial parcels, and one on a heavy industrial parcel—which further supports the importance of commercial and industrial land in a green economic development strategy.

Given the potential conversion of industrial land in Richmond, firms that lease space are more vulnerable than those that own. Among the firms interviewed by REDI, none of the "green collar" ones owned their space and only two "green" firms

Submarket	Warehousing Average Asking Rate	Manufacturing Average Asking Rate
Richmond	\$0.49	\$0.40
Newark	\$0.63	\$0.33
Oakland	\$0.36	\$0.38
San Leandro	\$0.42	\$0.42
Union City	\$0.44	\$0.38
Hayward	\$0.42	\$0.39
Fremont	\$0.62	\$0.46
Emeryville	\$0.87	\$0.51
Berkeley	\$0.88	\$0.83
Totals	\$0.47	\$0.40

Industrial Lease Rates in the East Bay (Fourth Quarter, 2009)
 Source: NAI-BT Commercial Market Summary

owned theirs. At the time of the interviews, seven out of 11 interviewees planned to stay in Richmond when their lease expired, six have leases that will expire soon, and four plan to stay at the same site.

At present, Richmond is facing some environmental issues over land preserved as industrial, while simultaneously being under pressure to convert older, seemingly underutilized industrial land for commercial and residential use. So, the question is: How can Richmond’s industrial land be better planned and organized to support a small but growing cluster of green collar companies?

Firms interviewed by REDI use their industrial space in a variety of ways—about half use it for storage and two use it for production and manufacturing.⁷ According to Dr. Raquel Pinderhughes of San Francisco State University’s department of Urban Studies and Planning, businesses that provide green collar jobs can expect to benefit from industrial land in the following ways:

“The characteristics of industrial land that are needed by green collar firms include a range of activities that are compatible with industrial uses and reduce land use conflict with residential uses and can accommodate noise, hours, and odors. Other important features include available parking, close proximity to freeways, physical space, and land affordability.”

Based on the interviews, the top four reasons why firms chose to locate at a specific site in

Richmond were: (1) physical space and building stock; (2) proximity to the freeway; (3) loading space for trucks; and (4) affordability.

Many green collar firms also mentioned the advantages of being located near similar businesses and Richmond’s opportunity to turn around its reputation over industrial pollution and encourage more green businesses.

Affordability of land is a key advantage that Richmond has over other cities in the East Bay. According to NAI-BT Commercial, Richmond has the cheapest lease rates per square foot for warehousing (\$0.33) as compared to the average for the rest of the East Bay’s Interstate 80/880 corridor.⁸ For manufacturing uses, Richmond is the fourth most affordable (at \$0.47 per square foot), behind Union City, Oakland, San Leandro, and Hayward according to the same source.

Several employers from green-related firms within Richmond and outside it remarked on the affordability of industrial land in Richmond, as compared to other parts of the Bay Area. According to one company, “The Bay Area keeps losing industrial space, so price(s) are going up everywhere.”⁹ Regarding the General Plan and potential changes, one employer noted that “zoning changes would make land more expensive”¹⁰ while another pointed out that “light industrial is actually less polluting and more affordable than residential /commercial zoning.”¹¹

Employers realize the importance of industrial land to their business and future in Richmond. Asked about Richmond's assets, they mentioned the "vacant land ready for development"¹² and said "commercial space is the largest asset."¹³ One employer noted that "There are very few places left to do manufacturing. There is still industrial land available [in Richmond], which is not true of the rest of the Bay Area."¹⁴ Another employer outside of Richmond bet that "Richmond could beat Oakland which is already starting to lose industrial land for residential."¹⁵

Several companies interviewed are expecting to outgrow their current space in the next couple of years and are looking for a larger space. Some were unsure whether they would grow in Richmond. One suggested that the city aggregate its existing industrial land for green business as a strategy to attract more green business.

Although Richmond does have the more affordable and available industrial sites of the East Bay, it does not have the large-scale plots—in the hundreds of thousands of square feet—of the South Bay. But green collar companies already in Richmond may

not need to consolidate their space and uses in the same way as other sectors, meaning storage may remain in Richmond while administrative and production functions continue to be located in other cities.

Manual labor jobs in the green economy can provide real pathways out of poverty to those who have low levels of education and little work experience.¹⁶ But in most cases, the growth of green collar job opportunities will be limited unless they are directly linked to a strategy that either offers incentives or ensures that the firms providing these jobs will be able to locate, stay, and expand in Richmond.

A concerted and planned industrial land strategy would ensure that Richmond's critical land asset is used wisely by including criteria and standards for conversion and creating buffer areas that separate heavy industrial uses from residential communities and schools.¹⁷ Ultimately, the land use strategy needs to coordinate with and build upon Richmond's workforce training programs and local hire and living wage requirements for the jobs created or preserved. ■

Endnotes

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3. Neumark, David and Kolko, Jed. "Do Enterprise Zones Create Jobs? Evidence from California's Enterprise Zone Program," NBER Working Papers 14530, National Bureau of Economic Research, Inc. 2008. and Carroll, David, California Enterprise Zones Miss the Mark. *State Tax Notes*, Vol. 40, No. 13, 2006.
4. Pinderhughes, 2007.
5. EBASE and REDI. Memo to the Richmond Planning Department: "Industrial Land and the General Plan Update, Analysis of Land Use Options." May 14, 2008.
6. REDI Draft Recommendations for the City of Richmond's General Plan Update Process. Proposal for the Economic Development Element (Pg 10). "Implementation Measure A7.1: Examine the possibility of buffer zones, which can protect both residential neighborhoods from industrial pollutants and industrial areas from encroachment by residential uses, for all areas where heavy industrial and residential uses are located within one mile of each other." 2007.
7. Employees were able to choose more than one answer for how they use their industrial space.
8. The Interstate 80/880 corridor includes nine cities from Richmond to San Leandro. See NAI-BT Commercial, "East Bay Corridor I-80/880: Warehouse Report, Quarter 1, 2009."

Even with the most affordable rates, vacancy rates in Richmond for warehousing are the fourth among nine. This points to other challenges to attracting companies to Richmond, including perceptions of crime and the permitting process, as cited in our interviews.

9. Interview by REDI, conducted January 16, 2009.
10. Ibid. December 4, 2008.
11. Ibid. November 21, 2008.
12. Ibid. November 21, 2008.
13. Ibid. December 8, 2008.
14. Ibid.
15. Ibid. January 16, 2009.
16. Pinderhughes, 2007.
17. REDI Draft Recommendations for the City of Richmond's General Plan Update Process. Proposal for the Economic Development Element (Pg 42). "Implementation Measure D1.2: Adopt clear criteria for conversion of industrial land to other uses. These criteria include assessment of the economic contribution of the subarea (in terms of jobs), proximity to neighborhood services, and net fiscal impact on the city; Implementation Measure D1.3: When land is converted to other uses, require community benefit outcomes, including high cleanup standards, provision of affordable housing or funding for affordable housing, local hire for on-site jobs and construction, targeted workforce investment, and hiring trainees for new or expanded projects." 2007.

Providing Accessible, Quality Jobs in Green Manufacturing

Vetrazzo is a Richmond-based manufacturer of recycled glass surfacing for residential and commercial remodeling projects that in many ways represents the opportunities that a green manufacturing economy based on recycled materials has to offer, including the growth of accessible quality jobs.



With a 40,000 square foot manufacturing facility in the converted Ford Building in Richmond, Vetrazzo has become an example of how older industrial space can be used for the growth of green industry. Chief Creative Officer Olivia Teter explains that the company's decision to locate in Richmond after looking at several Bay Area cities was largely based on the quality, character, and location of the warehouse space in a landmark building near the water, which also offers some "mostly intangible benefits." It is Teter's hope that Richmond's Green Corridor Initiative will attract more manufacturing companies and she thinks that Richmond ought to aggregate its available industrial space for promotion as a package to green employers.

While clearly invested in the space Richmond provides, Teter also values the importance of investing and participating in Richmond's community, both in terms of economic opportunity and environmental benefits. So, in addition to striving for "constant improvement" in environmental impact and waste reduction, Vetrazzo also strives "to build up and enhance Richmond, and demonstrate a better way of doing business;" a commitment that comes through in the accessible job opportunities provided by Vetrazzo's manufacturing operations. More than half of the company's 14 production technicians—jobs which require a high school diploma but no work experience—are Richmond residents. Vetrazzo provides on-the-job training to all its 35 employees; hiring for character in addition to skills and emphasizing cross-training in various aspects of the production process. All employees receive full benefits, including health care coverage and paid time off.

Teter is interested in working with local workforce development agencies to find candidates with basic electrical and mechanical skills who are also dedicated to working in the green economy. Currently, much of the hiring for production positions happens through word of mouth, but in the future, she hopes to network through community organizations and churches, in order to reach a wider range of Richmond's population. ■



Ensuring Quality Jobs

Despite the significant amount of public investment in expanding green economic development, there is a keen awareness that jobs that improve environmental quality alone will not inherently provide pathways out of poverty or real opportunities for low-income Richmond residents. One study puts it this way:

“Given how much is at stake, the transition [to a green economy] must be approached with care. One of the greatest risks is that, in our haste to create a large quantity of new green jobs, we pay little attention to their quality.”

—*Good Jobs First*

Cities pursuing green economy jobs must ensure that such jobs provide family-sustaining wages and benefits. Promoting green collar jobs is one way to do that. Richmond has already adopted some of these strategies, but should continue to support and expand job quality efforts at both city and project levels.

High Job Quality in Green Collar Sectors

In 2001, Richmond passed a living wage policy that applies to firms that have a financial relationship with the city—whether through contract, lease, or subsidy. Currently, the living wage rate is \$15.19 per hour with the provision of healthcare, and \$16.69 per hour without healthcare.¹ While most green firms in Richmond are not subject to the living wage, it is still a useful wage benchmark from which to assess job quality within those firms. Richmond’s living

wage is one of the highest in the region and shows the city’s leadership in establishing ways to ensure that public dollars are invested in good quality jobs.

However, even though Richmond’s living wage is one of the highest in the region and at \$16.69 per hour (without healthcare) more than double the current California minimum wage of \$8 per hour, working families in the East Bay need to earn more to pay for their basic needs. Two working parents in the Bay Area each need to earn at least \$19.10 per hour to support a family of four without public assistance.² One parent working to support two children and a spouse needs to earn \$26.31 an hour to support a family without public assistance. Therefore, the living wage should be considered a starting or entry-level wage. Workers who earn this lower wage level need to be provided with opportunities to move up a career ladder and gain increasing skills, levels of responsibility, and pay, in order to continue to adequately provide for themselves and their families.

Among the green collar firms included in this study, many had livable starting wages—the average was \$18 per hour for the 48 job categories with wage information—for people with barriers to employment who need to get a step into the labor market and establish themselves as workers before pursuing career pathways that lead to family-supporting wages. The average starting wage for manual labor green collar jobs that require less than a high school diploma was \$17 per hour (out of 30 job categories that met this criteria).³ Hence, the average starting wages for manual labor jobs within the green collar firms interviewed are higher than Richmond’s living wage and provide good entry-level job

opportunities that have the potential to lift workers out of poverty. A full-time worker earning \$17 per hour would earn a gross salary of \$35,360 a year but jobs offering less than that would not have the same potential, given the cost of living in the Bay Area. More needs to be done, however, with green collar jobs starting as low as \$12 an hour—through training, support for the workers’ right to organize for better wages and benefits, and through policy.⁴

Of the sectors reviewed, solar installation and green manufacturing showed the greatest promise for providing quality green collar jobs. The average starting manual labor wage in solar was \$17.30 an hour (among three job categories), and in green manufacturing it was \$17.80 an hour (among 17 job categories).⁵

Support for a living wage is strong among the Richmond City Council, with one councilmember commending the city for having “taken steps to make sure low-income people and people of color are included in economic growth.” On the other hand, Chamber of Commerce representatives worry—not surprisingly—that the city will end up paying too much. One city official also

expressed concern that imposing living wage requirements on businesses would induce them to simply move into a neighboring city without the same requirement. However, studies of established living wage policies show little significant relocation of businesses owing to such policies. If anything, living wage policies actually appear to reduce costs for employers. Multiple studies done in Baltimore, Boston, Los Angeles, and San Francisco show that firms enjoy lower turnover among employees as a result of the living wage ordinance.⁶

Richmond is not unlike many other Bay Area cities that already have living wage ordinances in place—cities, such as Berkeley, Emeryville, Oakland, San Francisco, San Jose, and San Leandro. Emeryville also has a voter-approved living wage law that applies to the hospitality industry, and Berkeley’s living wage policy is one of the first location-specific living wages in the country. San Jose and Oakland were the first cities in the region to pass living wage ordinances in 1998. San Francisco’s wage and benefits laws are more inclusive, with a citywide minimum wage applying to all businesses, not just those



Photo courtesy of Solar Richmond



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with a city subsidy, contract, or lease. Before the passage of the city's living wage law, researchers at the San Francisco Department of Public Health concluded that instituting a living wage would result in substantial public health benefits.⁷

Health Benefits as Part of Living Wage

The provision of healthcare benefits is a critical indicator of job quality and is a necessary complement to sustainable wages. Seven out of eight green collar firms interviewed in Richmond provide some form of health benefits—to full-time and other workers—showing a level of commitment to providing an important benefit for employees and also to reducing healthcare costs overall so that more small businesses can afford to provide this benefit. Firms that do not offer employee benefits would need to pay considerably more than \$17 an hour if their jobs are to function as pathways out of poverty.

San Francisco is the only county in the nation that attempts to provide universal health insurance coverage. The Health Care Security Ordinance requires all employers to either provide

healthcare benefits to workers or pay into a municipal health insurance benefit fund. Several cities also require that workers receive the prevailing wage for their particular occupation when it is higher than the standard living wage.

Getting Labor Unions Involved

Although none of the green collar firms in Richmond interviewed for this report are union, studies show that labor union membership helps raise wages and benefits and unions are key to improving working conditions. National data shows that union workers make on average 27 percent more than non-union workers. The benefits and wage differential also varies for different groups and skill sets. For example, among African American workers, union wages are 27 percent higher but for Latinos, the differential is 41 percent; and unionized construction workers make 52 percent more than their non-union counterparts.⁸ Unions also play a vital role in job training and apprenticeship and ensuring that workers receive important benefits like health insurance. Along with local hiring and job train-

ing, supporting the right of workers to organize is key to ensuring high quality jobs that are accessible to the community.

Developing strong green-sector labor unions and guaranteeing the right for workers to organize will help ensure the quality of employment in green industries. An organized workplace enables workers to negotiate collectively for better wages and conditions. Unions can also provide their members with advanced skills training for career advancement. Many green jobs are in sectors, like commercial construction, that are already heavily unionized, while others, such as renewable energy, have historically had little union connection, but offer new opportunities for organizing. Labor unions should be involved in building coalitions with government and industry to design effective green jobs training programs and promote job quality standards. Coordinating with labor unions directly will help ensure that city and non-profit pre-apprenticeship programs link directly to union apprenticeships.

A number of unions have already made a commitment to green jobs training and contract provisions. The Blue-Green Alliance is a partner-

ship between labor and environmental organizations that works to promote green jobs training nationally. Union members of the alliance include the Communications Workers of America (CWA), the Laborers International Union of America (LIUNA), the Service Employees International Union (SEIU), and the Teamsters (IBT), all of which have active programs on green jobs. The SEIU has also released a manual for “negotiating green,” which encourages locals to promote the use of green cleaning products, the provision of alternative transportation modes, and the establishment of Environmental Labor Management Committees.⁹

Job Ladders and Certification for Higher Job Quality

An important aspect of job quality is the opportunity for workers to advance within a given field, ensuring that jobs do not become dead-end. Jobs with explicit career ladders should also provide workers with the continued workforce development opportunities to gain the skills necessary to move to the next level. Labor unions can be an important part of establishing these pathways and providing the necessary training. Over the past year, the East Bay Green Corridor Partnership and the Oakland Partnership have worked together to create the Green Academy Workforce Initiative, whose goal is to collaborate across institutions to coordinate green jobs training programs and align them with the needs of a variety of green industries. Part of the Green Academy’s responsibility is to design a green “pathways” schematic to identify workforce needs at various skill levels and establish clear lattices for career advancement. It has also compiled a comprehensive list of local training programs, which can be accessed through their website.¹⁰

In the South Bay, the Silicon Valley Leadership Group, made up of private industry managers and CEOs, has created SolarTech, a solar industry initiative that has partnered with com-



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munity colleges to develop a more standardized solar training curriculum. One major stumbling block in these efforts has been the proprietary nature of much of the technical knowledge in solar manufacturing, which makes it not easily transferable. Also, as Working Partnerships USA points out, without guarantees from employers, the trainings have had mixed results with job placement.

Despite these challenges, there are several examples of successful certification programs throughout the region. Oakland's Laney College offers certification in Environmental Controls Technology for students trained in the latest technologies in HVAC systems and building efficiency. The Northern Cali-

fornia Carpenters Union is developing a LEED certification program to train project managers and construction foremen to work on green building projects.¹¹ At the national level, the North American Board of Certified Energy Practitioners (NABCEP) has developed a certification program for photovoltaic (PV) and solar thermal installers using standards developed through a stakeholder process that includes representatives from the solar industry, labor, and government, plus educators, and installers.

For further discussion on local workforce development initiatives and the importance of pre-apprenticeship programs, see the following section. ■

Endnotes

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3. The minimum job requirements were ranked less than that of a high school diploma: less than one year on-the-job training, less than one year work experience, and one month on-the-job training.
4. The minimum starting wage for manual labor green jobs was \$12 an hour, up to a maximum of \$25 an hour.
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Creating Quality Jobs, Career Pathways in Solar Installation

Sun Light & Power (SL&P) is a rapidly growing Berkeley-based solar installation company that designs and installs both photovoltaic (PV) and solar thermal systems for commercial and residential clients throughout the Bay Area's nine counties. SL&P



stands out in the region for its strong commitment to hiring and training a local workforce in the East Bay. Currently, five of its employees are graduates of the Solar Richmond program, approximately a third of its 60 employees is from the city of Berkeley—with the rest from the member cities of the East Bay Green Corridor, and 10 percent of its employees are under 24 years old.

According to SL&P's marketing representative, the company's commitment to hiring locally is both, an environmental and an equity issue. Hiring locally not only provides economic opportunities for resident communities, it also enables employees to walk, bike, or take public transit to work, thus reducing the pollution created by long auto commutes. In addition to hiring locally, the company takes pride in handling all aspects of an installation job with its own employees rather than subcontracting. SL&P also provides ongoing training opportunities on-site and in its Berkeley-based warehouse facility where soldering and welding demonstrations are held.

While it is not unusual for SL&P installers to have college degrees from top tier universities, the company recognizes the value in hiring a diverse workforce and providing career pathways that start with entry-level green collar jobs. Level One Solar Installers start at a reasonable hourly rate and are often promoted through the ranks if they show initiative and leadership. The company prefers to promote from within, so most of its crew leaders, project managers, and other upper level field staff started out as installers on the roof. Employees also move from field staff positions to administrative and technical positions, and several of the company's supervisory positions are filled by women. In addition to livable wages, SL&P provides health care, a retirement program, paid time off, and supplemental benefits to all full-time equivalents.

Recognizing the importance of making solar energy accessible to local low-income communities and households, SL&P has partnered with Go Solar SF to promote financial rebates for solar energy system installations at low-income and multifamily residences in San Francisco. In Richmond, SL&P has helped Crescent Park become the largest solar-powered affordable housing community in the country through the installation of a 900-kilowatt solar energy system. ■

Preparing Richmond's Workers for Green Collar Jobs



The City of Richmond is positioning itself as a leader in green collar job training. RichmondBUILD has become a nationally recognized training program, preparing men and women with barriers to employment for sustainable jobs in construction and solar installation. Established in April 2007, RichmondBUILD has quickly become a model of effective and broad-ranging public/private partnership focused on developing talent and skills in the high-wage construction and renewable energy fields. It provides trainees with workforce preparation and job readiness skills that contribute to their success in specializations, such as Solar Richmond's solar PV installation training and the newly created Green Energy Training Services (GETS) program developed by Rising Sun Energy Center. RichmondBUILD's training will soon expand to include environmental literacy and has the opportunity to grow further as cities focus on energy efficiency.

In the Bay Area, there are some innovative attempts to incentivize firms to work with graduates of job training programs, such as RichmondBUILD. Richmond's own Solar Thermal Rebate program, which encourages each subsidized installation to utilize at least one graduate of a local green jobs training program, is a good example. In San Francisco, Go Solar offers a substantially higher rebate to customers who work with solar firms that hire workers from community-based organizations that serve low-income residents.

In addition to job training programs, cities also need commitments from employers to hire locally—particularly firms that benefit from public contracts, leases, or subsidies. The City of Richmond expanded its local hire policy in 2006 to mandate local hire rates of 30 percent for permanent jobs and 20 percent for construction jobs. Like the living wage policy, the local hire policy applies to projects or businesses with a financial relationship with the city. Although most green

firms do not have such relationships with the city and are not subject to these policies, the 30 percent local hire goal is a useful benchmark to measure outcomes at green collar firms.

Among companies interviewed for this report, only 34 employees out of a total of 187 (18 percent) were Richmond residents—far lower than the city's stated goal of 30 percent for non-construction jobs. Firms gave workforce challenges as the main obstacle to hiring locally, including "difficulty in finding the right people" or finding qualified, job-ready candidates. None of the Richmond companies mentioned workforce as an asset to locating in the city, and only one firm from outside of Richmond mentioned the city's workforce as an asset. These are important findings because they show the crucial role that high-quality job training programs can play in providing green firms with a well trained, job-ready local workforce to help meet local hire standards. At present, there appears to be a mismatch between RichmondBUILD and local employers' needs in Richmond and the program needs to expand its training to meet local demand.

A majority of green collar firms (five out of eight in Richmond) provide some entry-level jobs that do not require a high school diploma, the interviews revealed. Thirty-three out of the 144 jobs (about 23 percent) at green collar firms are entry-level manual labor jobs that would be accessible to the 21 percent of Richmond residents who do not have a high school diploma or equivalent. Thirty-one percent of the jobs—both manual labor and white collar—at green collar firms (i.e. 44 out of 144 total) are accessible to those with less than a high school diploma. An additional 19 percent (32 out of 144) of the jobs at these firms are available to those with a high school diploma or equivalent. So it appears that investing in education and GED programs for residents with barriers to employment would make more green collar and other jobs accessible to them.

Specifically, transportation, solar, and green manufacturing appear to be the most promising sectors in terms of generating accessible green collar jobs for low-income residents. In transportation, job types related to hauling and driving do not require high levels of education; in solar, assemblers, braziers (those who work with copper), and solar thermal installers are mostly entry-level positions. While sales and administrative work also exists within the solar thermal sector, the concentration of manual labor positions versus sales and administrative positions is more balanced than one might expect. Nevertheless, companies cited a difficulty in finding qualified local candidates across all job categories.

Within the green building supply sector of green manufacturing it is somewhat of a mixed bag when it comes to job accessibility. One firm hires mostly “white collar” employees, while the other has some craft and production jobs, such as shipping and receiving, sanding, and warehousing that do not require a high school diploma. Entry-level jobs in this sector include contractors, and those with a high school diploma can attain jobs as production technicians and operators.

Asked about their experience with the employment programs supported by Richmond, employers stated that the city-sponsored RichmondWorks was not helpful, but expressed interest in working with RichmondBUILD. Finding job-ready local candidates through the RichmondWorks system was difficult, they mentioned. Two employers from Richmond and one from Oakland, however, were interested in connecting with RichmondBUILD once the program was explained.

Some employers expressed concerns about the job readiness of candidates from Solar Richmond—the solar installation intermediary connected to RichmondBUILD—and the significant

support needed to help them. Also, RichmondBUILD’s new training areas in energy efficiency and storm water management can benefit from the lessons learned from its previous green training efforts. Given the significant number of working age residents (21 percent) of Richmond without a high school or equivalent diploma, it is critical that all job training programs have strong job readiness, academic, and environmental literacy training components.

For youth and young adults under the age of 24, the green collar employers interviewed offer only limited opportunities. Only 10 percent of the employees (19 out of 187) are younger than 24 years. Given the higher rates of unemployment among recent high school dropouts and young adults with limited work experience, this area deserves more investigation to understand how green collar jobs in Richmond can better connect to youth and young adults.

One additional challenge in this economy for residents with barriers to employment is their ability to compete in a job market filled with college graduates who are also eager to enter into the field. Several employers mentioned that while a high school diploma or advanced degree is not required for certain entry-level positions, low-income Richmond residents coming out of Richmond’s stellar training programs are ultimately still competing with college graduates.

Based on her study of employers at green firms in the Bay Area, Dr. Pinderhughes concludes that considerably lower levels of job readiness skills and environmental literacy competencies are at the core of this competition. Strengthening both those areas at RichmondBUILD and all other job training programs is the key to helping Richmond residents with employment barriers compete for green collar jobs. ■

Recommendations



Richmond has a variety of natural and human assets that relate directly to the city’s goals for facilitating green economic development—specifically one that includes concrete opportunities for Richmond’s low-income residents. With a small but dynamic and diverse set of existing green companies, economic development policies that support green growth, access to port and rail facilities, affordable industrial land, and an expansive shoreline, Richmond has many of the elements needed to create a vibrant and equitable green economy.

Effectively tackling environmental degradation and poverty simultaneously is integral to building a more stable and stronger economy in cities like Richmond and green collar jobs provide the opportunity to do just that. By definition, these jobs offer a service or product that directly contributes to the improvement of environmental quality and have great potential to provide employment opportunities for the hardest to employ. Richmond already has found a way to do workforce development that successfully transitions “difficult to employ” residents into green collar jobs. So, when it comes to filling some of the income and inequality gaps that plague Richmond, green collar jobs offer the best opportunities for residents who most need them.

In order to realize this vision of growing an equitable green economy held by many local stakeholders, Richmond must first face up to some serious challenges, as expressed by some of the city’s policy-makers, workforce development representatives, business association, green jobs advocates, and green employers.

Richmond’s low-income unemployed residents who could benefit the most from a green “pathways out of poverty” approach often times

also have low educational attainment and face multiple barriers to employment—making it difficult for them to compete for green jobs in the current economy.

The city’s economy is currently heavily dependent on the fossil-fuel industry. There is a perception that the city has high levels of violent crime, making it difficult to attract employers who could provide quality accessible jobs. Policies related to environmental, economic, and social goals have not been well coordinated.

Most of these challenges can be addressed by developing a set of coordinated policies, standards, and programs to ensure that Richmond’s strategies for green economic development benefit all of its residents. Moreover, a green economic strategy will increase policy coordination, reduce dependence on the fossil-fuel industry by promoting green sectors, lower crime by tackling the root causes of poverty and unemployment, and address perceptions about violence in the city by building an alternative reputation based on green social justice policies and accomplishments.

REDI’s key recommendations for achieving an equitable green economy are:

- Adopt a targeted sector-based approach to green economic development
- Implement strategies for attracting targeted green sectors
- Ensure the creation of quality jobs and career ladders
- Encourage and require green companies to hire locally, and prepare individuals with barriers to employment for green collar jobs
- Rebuild Richmond focusing on foreclosed properties for energy retrofits and other upgrades.

Type	Number	Total Grants (in millions)	Average Grants (in millions)
Regional Innovation Clusters	23	\$50	\$2.2
Business Incubators	13	\$37	\$2.8
Green Jobs	14	\$27	\$1.9
Global Trade Promotion (e.g. port improvements)	5	\$11	\$2.2

U.S. Department of Commerce, Economic Development Administration Grants in 2009¹

Adopt a Sector-Based Approach to Green Economic Development

Given Richmond’s current strengths, the city should focus on supporting and expanding sectors that have the potential to grow and create jobs for local residents. Based on the analysis, REDI recommends the following:

- Support and expand sectors in energy efficiency, green manufacturing, solar, transportation, and hazardous materials cleanup. These five sectors meet at least one of the criteria for building an equitable green economy, and will be critical for the future expansion and growth of green collar jobs in Richmond.
- Develop strategies for “greening” manufacture-related facilities by: (a) upgrading existing green facilities, such as recycling, to incorporate more green technology and energy efficiency, while also improving the overall environmental health and safety impacts caused by recycling; (b) retooling traditional manufacturing facilities to make their processes and products more environmentally friendly. Increased federal and state legislation—such as, AB 32 and SB 375—regarding climate change and pollution reduction will be a motivating factor for local facilities to invest in greening their processes and products.
- Support and create local policies and incentives that encourage more assembly and small scale manufacturing related to solar, as well as to energy and water efficient

products and services. While existing sectors like solar companies conduct most of their manufacturing overseas, there is a growing movement to create smaller-scale manufacturing in cities with a strong industrial base. This type of strategy could help expand and create a bigger market for solar companies in Richmond, thus increasing green collar job opportunities for residents.

- Establish a green business incubator. Richmond, in collaboration with the East Bay corridor, should consider the establishment of a green business incubator to support regional efforts to attract and sustain green industries. The city should also develop programs to bring home the incubated businesses once they are established.

Last year, the Economic Development Administration (EDA) provided nearly \$150 million in grants to business incubators, green jobs programs, regional technology hubs, and transportation initiatives that strengthen connections to global markets. (See table above.)

An analysis of the many types of construction grants supported by the federal government shows that investment in business incubators creates more local jobs than any other kind of investment: 46 to 69 jobs created per \$10,000 of investment, or roughly, an average of one job per \$180 invested. The wider implication here is that an EDA Grant of 2.8 million (the average for an incubator) could generate as many as 16,000 jobs.

Green technology incubators are rapidly becoming an acknowledged subtype of all business incu-



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baters with their own industry organization and more than 30 in operation, including several that started in 2009. The country's oldest green incubator—Environmental Business Cluster (EBC)—located in nearby San Jose has helped launch more than 120 businesses in its 13 years of operation. CleanStart near Sacramento is another green incubator not far from Richmond.

Implement Strategies for Attracting Targeted Green Sectors

Identifying specific green sectors to target is important and Richmond is already engaged in a variety of strategies, including building a local market for green products and services, offering incentives and financing for green businesses, providing technical assistance, and improving basic infrastructure. The following key recommendations could assist Richmond in attracting green businesses:

Develop local policies to encourage growth and creation of new markets for green products and services. Local environmental policies have much to do with stimulating green economic development, as well as a demand for green goods and services. Richmond's green building ordinance proposal, solar thermal rebate, and solar financing program are important steps towards the green building, retrofit, and solar installation sectors identified as potential targets. The city would also do well to learn from its neighbors. For example: (1) incorporating Berkeley FIRST's financing strategy and exploring Community Choice Aggregation would allow for a renewable energy portfolio

standard higher than the one provided by PG&E, the local utility; (2) following Berkeley's existing building energy efficiency standards would reveal important lessons in implementation; (3) observing San Francisco's GoSolarSF—a solar photovoltaic installation program with strong local hire provisions—could help strengthen the local hiring component of Richmond's own solar thermal installation program. Richmond should also look into strengthening its recycling collection program to target the recycling and recycling materials manufacturing sectors.

Provide more loans for energy efficiency upgrades. A policy analyst at Green For All suggests that façade improvement loans tied to energy efficiency retrofits could help retain businesses, save money in energy bills, and boost local demand for green services. The program could also be tied to the hiring of a specified percentage or number of people per project from a local workforce program, such as RichmondBuild. Other wage and job quality standards and more expansive local hire provisions would further strengthen the equity component of the program.

Take advantage of existing incentive zones. The RMDZ should be a major asset in attracting environmentally sustainable recycling-related industries and the city can play an important role in connecting businesses with RMDZ incentives. (Business incentives should be distinguished from demand incentives, like Richmond's solar thermal rebate, which REDI supports.) The Redevelopment Agency already leverages its enterprise zone to retain businesses and give low-income local resi-

Recommendations



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dents access to jobs. Richmond should explore ways to tie these incentives to the greening of existing operations and targeting green businesses. Making energy efficiency or other environmental standards part of the qualification process for existing financing programs in Richmond would green this economic development approach by acting as a consumption stimulus as well as a business retention strategy.

Create a strategic plan for industrial land use and maintain infrastructure. REDI strongly advocates for the city to create a short- and long-term plan for its industrial land, which would include doing the following:

- Assessing available industrial land and its current uses.
- Assessing the toxicity levels of available industrial land.
- Developing criteria for deciding which land to retain as industrial and which to convert to other uses.
- Assessing benefits to residents from conversion or retention of industrial land, such as local hiring and living wage jobs, affordable housing, and neighborhood-accessible parks.

Moreover, basic infrastructural improvements—such as, filling potholes, upgrading old sewer and water lines, and with the recent foreclosure crisis, code enforcement of abandoned buildings and

homes—are critical to retaining and attracting businesses. Neighborhoods with vacant or dilapidated housing and buildings can quickly become overwhelmed with drug use, crime, and other deviant behavior, creating problems for those who live, work, and go to school in the area.

Richmond needs to make strategic investments in parks and open space that do not displace industrial land. A proper balance must be found which allows for quality parks and open spaces that can provide opportunities for community building, improve health outcomes, and help make Richmond a more attractive place to live, work, and raise kids in.

Ensure Quality Job Creation and Career Ladders

In order to truly be a leader in developing an equitable green economy, Richmond will need to support the stability and growth of quality green collar jobs. There are several essential components to developing quality jobs:²

Maintain and strengthen living wage and health benefits requirements. Richmond should continue to maintain its current living wage law and encourage firms to provide affordable health benefits to their employees.

Encourage labor union involvement. Union participation is key to collective bargaining for improved wages, benefits, and working conditions. Strong green-sector labor unions with a guaranteed right for workers to organize will help ensure the quality of employment in green industries. Unions

also play a crucial role in providing job training and apprenticeships and ensuring benefits like health insurance for workers. A local hire and job training policy combined with support for workers to organize is a sure way to make high quality jobs accessible to the community.

Partner with stakeholders to outline workforce development strategies leading to career pathways and certification. An important aspect of job quality is the opportunity for workers to advance within a given field so that jobs do not become dead-end. It's also important for jobs with explicit career ladders to provide workers with continued workforce development opportunities to gain the skills necessary to move to the next level.

Prepare Workers for Green Collar Jobs

Richmond is becoming a leader in green collar training and as the green economy continues to grow, looks poised to become a major player in preparing its residents for green collar jobs. But first, the city needs to take steps to address the issues that prevent many—especially low-income individuals and those with multiple barriers to employment—from entering into sustainable jobs and careers. REDI has the following recommendations:

Improve job readiness skills and environmental literacy competencies. In her study of employers in Bay Area green firms, Dr. Raquel Pinderhughes concludes that inadequate job readiness skills and environmental literacy competencies pose serious challenges. Better training in these areas through programs like RichmondBUILD are essential to helping Richmond residents compete for green collar jobs.

Support for first-source hiring. A process like first-source hiring requires several weeks because employers first consider local candidates, some of whom may be from programs like RichmondBUILD, before casting their net wider. However, if a local trainee is hired by a company that also provides on-the-job training, the chances of its turning into a long-term successful working relationship are extremely good.

Develop and enhance programs that provide consistent case management. Consistent case management and ongoing support are very essential to the success of people with multiple barriers to employment. Studies show that one-on-one case management provided after completion of job training leads to more successful and sustained employment.³

Rebuild with Energy Efficient Homes for All

Although the green industry sector shows signs of rapid growth and promise for more growth with the potential to generate a great number of entry level jobs for unskilled workers, it is still too small a sector to help all of Richmond's 9,000 currently unemployed residents.

To address the situation, REDI recommends building on Richmond's current strengths by utilizing creative financing options to support (i) an enormously expanded program of energy retrofits and (ii) a comprehensive new program to rehabilitate, or condemn, demolish and remediate, stressed housing (defined as housing that is abandoned, blighted, or contains building code violations that affect health and safety or the property values of others).

REDI's proposal has three primary elements:

1. Retrofit 80 percent of the homes in Richmond to meet state-of-the-art energy efficiency standards by 2020 for an average energy savings of 50 percent per home.
2. Bring every home in the city up to code on all features that affect safety and the value of other properties, and redevelop land and buildings that have been abandoned or allowed to decay.
3. Get the retrofitting, demolition, and construction done using graduates from the RichmondBUILD training program and paying them a living wage.

Over a three-year period, REDI's proposal would move approximately 1,000 low-skill individuals into skilled-trade positions with long-term

prospects. In addition, it would serve to generate more unrelated employment in Richmond in two ways:

- By attracting large sums of money from several sources—including state and federal grants and utility and venture capital investments—into the city.
- By substituting locally-produced energy efficiency and renewable energy services and products for imported energy, thus saving on energy bills.

The combination of new investment from external sources, new jobs from reduced dependence on imported energy, and greater consumer spending released by improved efficiency and reduced housing costs creates additional “induced” employment throughout the local economy when the extra money is spent and re-spent locally. For Richmond to grow in a green and equitable way, REDI recommends that the city prioritize the following policies:

Pilot a program with PG&E to achieve the 2020 energy saving goal by 2015. Adopt a goal of 50 percent average reductions in purchased energy for the least-efficient 80 percent of the housing stock over the next three to five years. Measures to achieve this goal can include consumer education; thermal shell improvements through insulation, caulking, and repair or replacement of doors and windows; improvements to or replacement of old, inefficient heat, ventilation, and air conditioning equipment; replacement of inefficient appliances with state-of-the-art energy-efficient ones; and solar or renewable energy installations where appropriate.

Mandate energy quality audits for residential rental and low-efficiency homes. Identify the least energy-efficient 80 percent of buildings as measured by estimated carbon emissions per square foot of floor space and require such buildings to have an energy audit within 60 days of notice. (The city provides building area information and PG&E calculates average estimated greenhouse gas emissions for the previous year.) To facilitate audit logistics,

notices should be sent by neighborhood using a lottery system or in accordance with the city’s redevelopment plans. Audits should include not only energy efficiency, but also safety-related building code compliance and external features that affect neighborhood property values. Costs of the audits could be split between the city and PG&E proportional to the estimated average cost of the energy and non-energy portions of the audit.

Require retrofit of homes and residential rental properties. Offer audited residential properties a cost-effective way to be retrofitted for maximum energy efficiency and insist that repairs to building code violations identified as dangerous or blighting to surrounding properties be performed within a reasonable period of time, for example, 120 days. Give property owners the option of using a city-supervised RichmondBUILD team with the capacity to certify that the retrofit or repair was performed correctly. The city could then conduct spot checks at no cost to the property owner.

Provide low-cost financing for required retrofits. In cooperation with the California Public Utilities Commission and PG&E, develop low-cost financing options that allow consumers to borrow the cost of investments in residential renewable energy, energy efficiency, or CHP systems installed by RichmondBUILD teams and other local workforce training programs, and repay the loans through adjustments to the utility rate base.

The tie-in with the utility bill would provide a motive for the utility to aggressively promote such systems and provide least-cost installation and servicing. These investments, however, should only be allowed if the customer’s subsequent energy bills with the built-in loan repayments remain at or below their historic level. In the case of low-income customers, allow such investments to be financed by general rates rather than individual loans, provided that the energy systems installed follow the same assessment, decision, and installation guidelines as the others.

There is objection to the idea of utilities making money off an investment in energy efficiency that

they should have made in the first place. But the truth is, utilities have shown a lackluster performance in achieving energy efficiency relative to their performance in maintaining generation and distribution capacity that can be rate-based.⁴

Create nonprofit providers of energy-efficiency and rehabilitation construction services. Work with the state, other cities, and existing nonprofit structures to help the new service providers with:

- administrative backup (accounting, grant-writing, non-profit status, legal counsel, etc.)
- infrastructure (office-sharing, phone system, etc.)
- a mission statement for the service organization and its workers (for example, a church-based group might see the work as fulfilling a religious obligation of service to the poor, an advocacy group might see it as part of a larger struggle for better conditions, and an environmental group might see it as the local manifestation of a movement to protect the biosphere)
- a connection to the local community (helpful in maintaining a good relationship with government agencies, other non-profits, and the business community).

Benefits of Proposed Strategies

REDI proposes that the City of Richmond adopt a Residential Energy Conservation Ordinance (RECO)—similar to Berkeley’s but adapted to Richmond’s development priorities and foreclosure crisis—to expand energy efficiency programs citywide. RECO is a mechanism for saving households money over the long term, creating more comfortable spaces, reducing local greenhouse emissions, and creating new jobs for local residents.

RECO legislation requires a home energy inspection and energy upgrades before a home is sold, even a vacant foreclosed property. An

auditor or inspector identifies the steps to be taken to ensure that the property meets energy efficiency standards and estimates the cost for the improvements.

The legislation should also consider its impacts on low-to-moderate income households and include a hardship clause so that low-income sellers and buyers are not disproportionately impacted by the costs of making their home energy efficient. The program should include grants or rebates for households that fall under the hardship category so that all homes in all neighborhoods are upgraded and meet efficiency standards.

Last but not least, RECO legislation should be tied to local workforce development, contracting, and preference programs so that job training graduates and local contractors can perform the energy audits as well as conduct the retrofit work.

Quick action is required if Richmond is to enjoy the benefits of the strategies during the current economic crisis. Fortunately, Richmond is superbly positioned to take that quick action. The RichmondBUILD program has already established the necessary curriculum, and according to Program Director Sal Vaca, there are 10 qualified applicants for every available slot, and an adequate number of teachers for virtually any degree of expansion. ■

Endnotes

1. Testimony of John R. Fernandez, Assistant Secretary of Commerce, U.S. Economic Development Administration, before the U.S. House of Representatives, Committee on Transportation and Infrastructure, Subcommittee on Economic Development, Public Buildings, and Emergency Management (October 27, 2009). <http://www.eda.gov/PDF/71%20Subcommittee%20Testimony%20as%20of%2023%20Oct%20Final.pdf>
2. Foshay et al., 2009
3. Pinderhughes, 2007.
4. California’s vaunted “decoupling” of rate-based investment and utility profit has been greatly overstated by both—utilities and environmental advocates. Although it is true that the current procedures decouple profits and rate-based investments on a single-year time horizon, employing a multi-year time horizon reveals that most of that decoupling is undone if the utility is aware that savings achieved in one year reduce the baseline consumption for subsequent years.

Conclusion

Richmond is well poised to participate in the growth of the green economic development, provided it starts shaping its policies in ways that enhance the human and natural environments. An equitable green economic strategy will increase policy coordination, reduce dependence on the fossil-fuel industry by promoting green sectors, lower crime by tackling the root causes of poverty and unemployment, and address perceptions of crime by building an alternative reputation for Richmond based on green and social justice policies and accomplishments. If taken into consideration, the recommendations in this report should enable Richmond to:

- Lower energy bills and increase local investment in this sector because of the city's leadership role in implementing AB 32 targets in the housing sector;
- See more local jobs generated by retrofit and repair work, as well as an increase in household spending money through savings on energy bills;
- Create opportunities to grow green collar employment and businesses;
- Ensure that new green jobs are quality jobs offering living wages and benefits;
- Connect residents to employment and training opportunities;
- Promote more efficient and environmentally friendly land-use decisions;
- Leverage federal, state, and local funds to enhance economic opportunities for residents;
- Create and expand new markets for green products and services.

Greening the economy through strategies that promote equitable development can help create the systems, infrastructure, policies, and funding streams that are needed to ensure that low-income people, who are suffering the most, gain access to high quality “green jobs” and lasting economic opportunities. Moreover, equitable green development leads to a cleaner, healthier environment by decreasing pollution and environmental degradation, which disproportionately affect low-income communities of color.

While many of the elements in this report will take years to accomplish, effective leadership and an engaged community can bring Richmond to the fore in the state of California and enable Richmond residents to benefit from the changing industrial landscape that will come as climate change becomes ever more central to both, government and corporate planning. ■



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