





400 La Crosse Street | La Crosse, WI 54601 | P: (608) 789-7512

Memorandum

To: Climate Action Plan Steering Committee

From: Erin Smith, Sustainability Intern CC: Common Council Members

Date: May 6, 2021

Re: Green Economic Development Recommendations

The City of La Crosse set a goal in its 2009 *Strategic Plan for Sustainability* "to encourage economic development including the green economy sector" (goal 4G, p. 22). For the purposes of this memo, the green economy sector is defined as jobs that benefit the environment and equality. La Crosse's poverty rate, not including college students, is 16.2% (American Community Survey 2016 5-year estimates), which is above the <u>national average of 10.5% in 2019</u>. Many cities, counties, states, and countries are formulating strategies to address climate change that also support equitable economic development. These strategies are frequently broadly labeled as a Green New Deal. Adopting a Green New Deal for La Crosse could help it achieve carbon neutrality while also alleviating poverty through job creation. The Common Council passed a resolution to become carbon neutral by 2050. It also passed an ordinance to add sustainability principles to its <u>Economic Development code</u>, modeled after the sustainability requirements in <u>Middleton's TIF Policy</u>. Both policies could benefit from reviewing case studies to refine the city's strategies.

This memo includes research from communities that have created goals and actions that will stimulate an equitable economy while combatting climate change. It reviews Federal legislation, State-, County-, and Citylevel planning, and municipal legislation that can serve as road maps to developing a greener economy in La Crosse. Finally, the memo recommends specific SMART green economic development goals and actions to achieve these goals—using criteria that are specific, measurable, assignable, realistic, or time-related.

Federal Context

Rep. Alexandria Ocasio-Cortez of New York and Sen. Edward Markey of Massachusetts introduced the <u>Green New Deal</u> (GND) legislation in February of 2019. The overarching purpose of the GND is to reduce greenhouse gas emissions in order to avoid the worst consequences of climate change while also trying to fix societal problems like economic inequality and racial injustice. It sets forth goals for equitable green economic development, including: 1) establishing millions of high-wage jobs and ensuring economic security for all; 2) investing in infrastructure and industry; 3) securing clean air and water, climate and community resiliency, healthy food, access to nature, and a sustainable environment for all; and 4) promoting justice and equality.

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The GND goes on to identify actions to achieve those goals. Skilled workers will be needed to build a smart power grids that enable customers to reduce their power use during peak demand periods. Existing and new buildings will need to be upgraded or built to achieve maximum energy and water efficiency. Pollution and greenhouse gas emissions will need to be removed from the transportation and agricultural sectors. Hazardous waste and abandoned sites will need to be cleaned up. Higher education, high-quality health care, and affordable, safe, and adequate housing will need to be provided to all.

Wisconsin Context

While a Green New Deal has not been implemented at the Federal level, it has encouraged states and municipalities to draft and implement their own versions. Wisconsin and some of its larger cities and counties give an idea of what could be possible for La Crosse.

Governor Evers' Task Force on Climate Change Report (2020)

Governor Evers ordered the creation of the Task Force on Climate Change in October 2019. It was comprised of a bipartisan group with representatives from agriculture, the business community, Native Nations, utility companies, labor groups, youth, and other industries and communities from across the state. The Task Force Climate Change Report contains 55 climate solutions. These solutions lay the foundation for the state to better adapt to and mitigate the effects of climate change, while also seeking economic opportunities in renewable energy and conservation. The Climate Justice & Equity and Clean Economy sectors of the report are the most relevant to this research. The Climate Justice & Equity solution that is most applicable to this memo is mandating a racial disparity impact study. The Clean Economy solutions focus on creating and deploying workforce transition plans, creating new conservation and green energy sector jobs, and creating a Green Grant and Loan program through the Wisconsin Economic Development Corporation (WEDC). These can serve as a guide for La Crosse to implement parallel policies and practices which will help the City take advantage of State funding and research.

Dane County Climate Action Plan (2020)

County Executive Joe Parisi created the Office of Energy and Climate Change in 2017 and tasked it with the creation of a climate action plan. The <u>Dane County Climate Action Plan</u> was released in 2020, and collected input from local governments, public utilities, businesses, and organizations. Their six guiding principles were equity/justice, economic benefits, health benefits, resiliency/security, bridging the urban and rural divide, and ecosystem benefits. The plan's ultimate goals are to: 1) result in major economic and health benefits; 2) address racial and economic equality to ensure the benefits of carbon reductions are equitably distributed; and 3) lead to energy security and greater resilience to the harmful impacts of our changing climate. The Climate Action Plan's recommendations focus in on what equitable green economic development would include. For example, it states that Dane County should implement an energy efficiency program for homeowners, renters, and businesses that prioritizes the most vulnerable communities and neighborhoods. It also recommendations

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prioritizing actions such as alternative transportation solutions for communities of color, low-income neighborhoods, and otherwise vulnerable citizens.

Milwaukee City-County Task Force on Climate and Economic Equity (2020)

The City of Milwaukee and Milwaukee County resolved to create a joint Task Force on Climate and Economic Equity in 2019. It was charged with "making recommendations on how to address the ongoing climate crisis, ensure Milwaukee meets the obligations set by scientists for necessary greenhouse gas reduction, and mitigate racial and economic inequity through 'green' jobs" (p. 8 of the task force preliminary report). The task force's preliminary report includes jobs and equity as one of its four focus areas. It includes recommendations for a planning process (p. 32) as a path to achieve ambitious medium- and long-term climate and equity goals. Short-term jobs and equity projects (p.34) include addressing barriers to a diverse workforce, training for energy efficiency jobs, planting trees, addressing food waste and food insecurity, greening schools and playgrounds, and combining decarceration with reforestation and conservation.

City Legislation Around the Country

Cities across the U.S. have embraced goals that are similar to the Green New Deal and have come up with actions that are feasible within their cities. Many of them are larger cities, such as New York City, Portland, OR, Seattle, WA, and Los Angeles, CA.

New York City <u>set goals</u> to attract and train works in new and innovative sectors through workforce development programs that partner with employers, industry and trade organizations, unions, and nonprofits. It is promoting inclusive growth through greater diversity and fairness in hiring, evaluation, and pay as well.

Portland passed a <u>ballot referendum</u> to <u>update its municipal code</u> to create a <u>Clean Energy Community Benefit Fund</u>. This fund charges a fee on big retailer profits and raises millions of dollars each year for energy efficiency, renewable energy, job training, affordable housing, regenerative agriculture, and green infrastructure projects. A task force of city stakeholders decides the fund's beneficiaries, with at least half going to low income communities and communities of color.

Seattle's <u>GND resolution</u> (<u>summary</u> and <u>condensed list of specific actions</u>) sets goals to make the city free of climate pollutants by 2030 and to advance an equitable transition from an extraction-based economy to one based on regeneration and cooperation. It prioritizes investment in communities historically most harmed by economic, racial, and environmental injustice, and ensures that those with the least amount of power and wealth are positioned to lead during the transition. Seattle plans to create stable, living-wage jobs that prioritize local hiring and protect jobs through project labor agreements and labor harmony agreements as well.

Los Angeles's <u>Green New Deal/Sustainability City Plan</u> includes the creation of a Jobs Cabinet to bring city, labor, educational, and business leaders together to support their effort to create 300,000 green jobs by 2035 and 400,000 by 2050. It also sets a goal to plant and maintain at least 90,000 trees citywide by 2021 and increase tree canopy in low-income, severely heat impacted areas by at least 50% by 2028.

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Smaller cities are beginning to implement their own Green New Deal legislation. For example, Ithaca, NY, (population: 30,500) mandated the creation of a "Green New Deal" and a climate action plan. While none of the goals explicitly addressed economic development, one goal of the climate action plan will be to ensure that benefits of the plan are shared among all local communities to reduce historical social and economic inequities.

Recommendation

A SMART goal for an equitable green economy could be for the City's Economic Development Planner to run a program that incentivizes the creation of 100 livable-wage green jobs by 2030. These jobs may include energy auditors, soil and plant scientists, environmental engineers and scientists, bus drivers, solar photovoltaic installers, and wind-turbine service technicians. There could also be work planting trees, growing food and composting, and creating school gardens. Jobs such as electricians, construction managers, industrial engineers and technicians, and software developers with expertise in sustainability could also be considered.

Additionally, this program should prioritize communities of color, low-income neighborhoods, and otherwise vulnerable citizens. The Economic Development Commission could bring together governmental, educational, major employers, industry and trade organizations, unions, and nonprofits to find solutions to the challenges of attaining a diverse workforce. This may include collaborating on training and certification, changing policy, and investing in communities that are historically most harmed by economic, racial, and environmental injustice. Not only could the work be done by marginalized groups, but it could be done to benefit those same groups.

If the WEDC does create a Green Grant and Loan program, the Economic Development Planner should consider preparing now to develop an equitable green job program so that it will be ready to implement when the grant and loan applications are being accepted. Likewise, cluing in businesses and organizations in the area about this funding source could also benefit the community. This recommendation may not directly help the City reach its carbon neutrality goal by 2050, but the more people it can get to do sustainability-related work, the more likely La Crosse will be able to minimize its impact on the climate.