

# Community Economic Development and Environmental Justice

---

Sharing Environmental Justice and Community  
Economic Development Strategies

Timothy Capria

5/1/2013

## Introduction and Purpose

The link between Environmental Justice and Community Economic Development is widely recognized. The two are highly interconnected and raise issues common to one another, but Environmental Justice leaders and Community Economic Development entities would benefit from additional collaboration with each other. This white paper advocates that the cornerstones of Environmental Justice, such as community activism and grassroots efforts, be further utilized in Community Economic Development strategies. In addition, Environmental Justice leaders can be more proactive by being part of the planning stages of development, further increasing community involvement, and playing an active role in problem solving discussions with Community Economic Development groups and local government. This shift would lead to a focus on strengthening low-income communities by making them healthier and more sustainable.

## Background

### Environmental Justice

Environmental Justice embodies the value that all people should be treated fairly and have meaningful involvement in matters affecting the environment.<sup>1</sup> The Environmental Justice Movement began with the recognition of “environmental racism,” a term originating from Warren County, North Carolina.<sup>2</sup> Notably, Houston, Texas, was also a leader in the Environmental Justice Movement.<sup>3</sup> The *Bean v. Southwestern Waste Management* case, arising out of the siting of a waste

disposal facility in a northeast Houston community, was the first case to allege discrimination in an environmental lawsuit.<sup>4</sup>

An extension of the Civil Rights Movement, the Environmental Justice Movement recognized that traditionally oppressed groups, mainly African Americans at that time, were bearing greater environmental burdens while not receiving fair remunerations in return.<sup>5</sup> Examples of disproportional burdens include a myriad of undesirable “not-in-my-backyard” facilities such as water treatment, waste disposal, and energy production.<sup>6</sup> Movement leaders across the country organized protests, increased awareness, and filed lawsuits seeking to remedy and prevent further disparate environmental harm.<sup>7</sup>

The movement was largely successful, forming a model to which communities could look to in securing their environmental rights. In addition, the movement directly led to the passage of Executive Order 12898, “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,” signed by President Bill Clinton in 1994. The Executive Order directs federal agencies to incorporate Environmental Justice into their missions,<sup>8</sup> and a correlating Memorandum of Understanding was adopted and entered into in August, 2011.<sup>9</sup>

At present, a successful infrastructure and framework for Environmental Justice exists. In addition, Environmental Justice has expanded beyond race and color to include communities comprised of low-income, and frequently politically uninvolved, individuals.<sup>10</sup> While issues and instances of

Environmental Justice remain of critical importance and not fully resolved, the movement has been bolstered by its many successes.

### Community Economic Development

The Environmental Justice road is a viable and well-explored route to helping establish environmental equality. Community Economic Development can play an integral role in distressed communities, including communities which likely face the types of Environmental Justice challenges discussed above. Community Economic Development seeks to revitalize and strengthen low-income neighborhoods through:

- the creation and retention of jobs;
- expanding infrastructure;
- providing education and training to residents; and
- increasing a wide array of community resources, from access to competitive grocery stores, to start-up business capital.

Since its inception, Community Economic Development has sought to assist communities bearing more than their fair share of social burdens. Because of their focus on similar communities, the potential synergy between Environmental Justice and Community Economic Development is worth exploring further.

## **The Synergy Between Environmental Justice and Community Economic Development**

In general, Community Economic Development leaders are seeking to broadly improve the quality of life in identified communities. The environment clearly impacts the quality of life in every community. Thus, Community Economic Development actors should be, and likely are, cognizant of the environmental quality in their areas of focus.

In our highly industrialized time, increased economic activity, up to a point, is frequently accompanied by some type of environmental degradation.<sup>11</sup> Complicating matters is that traditional Community Economic Development initiatives can:

- create construction and rehabilitation activity;
- increase amount of short and long-term traffic; and
- produce types of air, water, and soil pollution.

The effects of an initiative vary widely based on the individual project's type and scope. For example, the creation of an urban green space may have a short and minimal construction impact, with lasting positive environmental consequences.<sup>12</sup> However, a new or expanded factory, while adding much-needed jobs to an area, may create less desirable environmental impacts, like increased truck traffic and noise pollution. It is important that Community Economic Development actors consider the

environmental impacts their proposals bring in light of Environmental Justice concerns, and sharing their core competencies with Environmental Justice groups.

Community Economic Development also presents an opportunity for the community and its representatives to be involved in the decision-making process regarding investments being made in their communities. Environmental Justice leaders should be a part of that voice. As grassroots movement leaders, they have already organized and manifested their desire for a healthy community through their Environmental Justice advocacy. In addition, Community Economic Development provides an additional forum in which Environmental Justice leaders can be involved. As fellow advocates for healthy communities, Community Economic Development leaders and organizations are likely to be supporters of the Environmental Justice Movement and be allies to its leaders and their affected communities.

However, one notable challenge to Environmental Justice and Community Economic Development is that the most environmentally deleterious projects are not those being supported by community development organizations or funds. Instead, the projects are backed by municipalities or private developers. A potential solution to this problem is that by allying with one another, Environmental Justice and Community Economic Development leaders can increase their bargaining power with these formidable parties.

Because of the holistic nature of communities and their health, this white paper advocates that Environmental Justice leaders become involved with Community Economic Development actors in their area and form alliances with one another. Community Economic Development entities, particularly those which are not solely funding intermediaries, would also benefit by the kind of grassroots involvement Environmental Justice leaders bring.

## **Combining Environmental Justice and Community Economic Development Activism – Two Cases for Improvement**

### Convent, Louisiana

The University of Michigan conducted two case studies in which proposed projects were at odds with Environmental Justice.<sup>13</sup> Its case study pertaining to a proposed chemical manufacturing plant in Convent, Louisiana is particularly interesting from an Environmental Justice and Community Economic Development standpoint, because of the Environmental Justice issues implicated and the opportunity it presented for Community Economic Development groups to become involved.

In Convent, Louisiana, a large chemical manufacturing facility was proposed in a predominately African American area, and evidence suggested that it would further contribute to the already high levels of pollution to which residents were subjected.<sup>14</sup>



**An aerial map depicting the site of the Louisiana Department of Environmental Quality Ambient Air Monitoring Network in Convent, Louisiana.<sup>15</sup>**

The facility was slated to receive incentives for siting in Convent, mainly in the form of tax credits and property tax concessions.<sup>16</sup> It was projected that only a few of the 165 permanent jobs which were estimated to be created by the facility would go to community residents.<sup>17</sup> Ultimately, the plant did not proceed because of community opposition and political pressure.

Could something have been done to bring the chemical plant to Convent, Louisiana while furthering the health of the local community? Possibly. Consider some additional possibilities which could have been explored by a collaboration between Community Economic Development organizations, Environmental Justice leaders, and local government:

- an education or training program specifically tailored towards preparing individuals in the local community to work at the proposed facility;

- more stringent pollution standards and accompanying enforcement procedures for the facility;
- a remediation program to clean-up existing pollution in the community;
- a retrofit program to reduce pollution from other, existing facilities in the area;
- an adequate buffer zone between the proposed plant and the community; and
- a community benefits agreement to address other outstanding needs of the community.

It is unclear whether such terms would have been viable for Convent. However, such inquiries demonstrate the potential benefits of bringing together Environmental Justice and Community Economic Development leaders. Jointly, they could have advocated for increased involvement by local government to offer incentives to community residents and business – meeting their needs and making Convent a better place to live and work. Lastly, a collaboration between Environmental Justice and Community Economic Development leaders would likely have brought the concerns of the community and make them part of the problem solving solution sooner than what had happened. With more time, the parties involved could potentially have worked to reach a solution that benefited the Convent community and the region.

### [New York, New York](#)

The next case study focuses on an environmental organization, WE ACT, which targets improving the environment in Harlem, a northern Manhattan neighborhood of New York City. WE ACT has been

highly successful at collaborating with local municipalities and third parties to achieve its mission of “. . . build[ing] healthy communities by assuring that people of color and/or low-income participate meaningfully in the creation of sound and fair environmental health and protection policies and practices.”<sup>18</sup> However, by bridging the gap with Community Economic Development, WE ACT could be an even stronger advocate for its community.

WE ACT was initially formed to oppose the North River Sewage Plant.<sup>19</sup> Disturbingly, due to its design and operation flaws, the Sewage Plant was discharging levels of pollution well above initially projected levels.<sup>20</sup> In 1988, WE ACT brought an action against New York City, alleging that the North River Sewage Treatment Plant was being operated as a public and private nuisance.<sup>21</sup>



**A North River Sewage Treatment Plant smokestack actively discharging.**<sup>22</sup>

The case settled in 1994, and WE ACT was able to use funds from the settlement proceeds to hire permanent staff.<sup>23</sup> In addition, the city agreed to make

improvements to the sewage plant to decrease odor and pollution problems.

WE ACT has remained proactive in defending the quality of life of its community through resident organization, grassroots involvement, and legal strategies. In addition to staying involved with current neighborhood events and proposals, WE ACT reaches out to its area population by teaching them to be politically active.

WE ACT could leverage its success by bridging the gap between Environmental Justice, Community Economic Development, and local government. Because it has an established infrastructure to advocate for its community, WE ACT, and similarly situated organizations, are ideal Environmental Justice groups to be involved in Community Economic Development.

Community Economic Development groups, through their core competencies, can help bring sustainable and healthy economic activity to low-income communities. Because Environmental Justice and Community Economic Development focus on the same communities, they should find common-ground goals and use each other’s strengths to achieve them. WE ACT could utilize the core strengths of Community Economic Development to proactively achieve its mission.

## **Combining Environmental Justice and Community Economic Development Activism – A Model Example**

[Moore County, North Carolina](#)

Moore County, North Carolina, is one of many areas plagued by municipal underbonding.<sup>24</sup> Municipal underbonding occurs when predominately minority neighborhoods are systemically excluded from being annexed into growing municipalities, resulting in a lack of services, such as municipal water and sewer, for individuals living in those communities.<sup>25</sup> Municipal underbonding presents a problem in both the Environmental Justice and Community Economic Development senses; it furthers environmental inequality by keeping minority communities reliant on inadequate water and sewer systems, and inhibits economic growth in distressed communities.

Moore County's population has been expanded, mainly as a result of its numerous high-quality golf courses, which have attracted golf tournaments and publicity.<sup>26</sup> As incorporated municipalities expanded to include and provide services to these new affluent developments, existing Black communities have been excluded from annexation.<sup>27</sup> This effectively resulted in the denial of services to residents in excluded areas. To combat the inequality, Community Economic Development organizations took an active role alongside Civil Rights lawyers.<sup>28</sup> Their successful collaboration can serve as a model to Environmental Justice and Community Economic Development leaders.

The communities formed 501(c)(3) nonprofit organizations, including the Southern Moore Alliance for Excluded Communities ("SMAEC"), in order to organize, advocate for the community, and

to address municipal underbonding.<sup>29</sup> In December, 2005 SMAEC and other similar organizations received substantial grants to refurbish community centers. In addition, local Community Economic Development leaders fostered discussions between excluded communities and the excluding municipalities. In a grassroots movement, community members spoke with local elected officials about the importance of communication between the community and excluded municipalities.

Soon after formation, SMAEC persuaded North Carolina and the nearby town of Southern Pines to provide water and sewer services to residents.<sup>30</sup> Pivotaly, SMAEC collaborated across Environmental Justice and Community Economic Development groups, including the North Carolina Rural Communities Assistance Project, the Center for Civil Rights at the UNC School of Law, and the Cedar Grove Institute for Sustainable Communities.<sup>31</sup> SMAEC's organized grassroots community activism, which enabled it to effectively communicate with local public officials.

SMAEC leveraged its success in combating municipal underbonding to undertake other grassroots initiatives that were traditionally more the role of Community Economic Development groups, including "micro-lending program, setting the foundation for a credit union, and operating a community-based radio station."<sup>32</sup> SMAEC successfully combined the core competencies of Community Economic Development with those of Environmental Justice in order to be a holistic advocate for its community.

## **Additional Considerations**

### The Unique Needs of Rural Communities Compared to Urban Communities

While the WE ACT case study arises from a community in a highly urban area, the Convent case study arises in a rural community. It is important to recognize that Community Economic Development and Environmental Justice issues can be highly variable between rural and urban communities. Urban communities benefit from being able to organize more easily due to their concentrated populations and urban infrastructure. In addition, the types of development proposed in urban and rural areas differ greatly, for example, the siting of concentrated animal feeding operations being primarily limited to rural communities versus the urban municipal bus depot to which WE ACT was opposed.<sup>33</sup> The synergies between Community Economic Development and Environment Justice groups are likely strongest when both have experience with the specific type of community being served.

### Forming Alliances

The Environmental Justice and Community Economic Development networks are rich and vibrant, with many individuals taking an active interest in both subjects.

Environmental Justice and Community Economic Development entities and leaders should capitalize on their respective passions, share ideas with one another, and create action plans to bring those ideas to fruition. WE ACT was established to address a concrete problem – the North River Sewage River Treatment Plant. It

then continued its momentum of success by expanding the scope of its focus and continuing to involve and educate its community. However, if it has not does so already, WE ACT could ally itself with Community Economic Development groups to further its mission and be the type of advocate for its community that SMAEC is to Moore County, NC.

### Problem-Solving and Proactivity

The goals of both the Community Economic Development and Environmental Justice benefit by actively identifying challenges and brainstorming possible solutions. For example, when a new proposal is announced or voted on, groups can brainstorm leverage opportunities which could result in a healthier and more vibrant community. In the case of a cited manufacturing facility, a proposal could be that the facility pays for local residents to gain access to city or county water. In addition, both private and public funding sources and incentives should be explored as conditions to accepting the proposal, including:

- tax credits as incentives for existing businesses to reduce pollution
- money for clean-up programs
- establishing job-training programs; and
- infrastructure improvements.

A proactive approach keeps community leaders involved rather than purely reactive to issues after they arise. Not only does such a cooperative approach give the community more time to organize, identify its needs, plan, and act, but it also may serve public relations by displaying leaders' commitment to their communities and the communities'

strong sense of cohesion, making future organization efforts easier.

## Conclusion

Environmental Justice and Community Economic Development are integrally connected and related. While the Environmental Justice Movement has had countless victories, it could benefit from strategizing and forming alliances with Community Economic Development entities and leaders. In addition, recognizing that

economic development often comes at environmental costs, Community Economic Development leaders would benefit from deploying the types of grassroots organizing that have been key to the Environmental Justice Movement's successes. Community Economic Development entities can continue to embrace the value of promoting holistic, healthy, and vibrant communities by working with Environmental Justice Leaders to help identify and solve problems proactively, rather than reactionary.

---

<sup>1</sup> See <http://www.epa.gov/environmentaljustice>, retrieved 3/22/2013 at 2:12 pm.

<sup>2</sup> <http://www.carrborocitizen.com/main/2007/11/08/the-grassroots-of-environmental-justice/>, retrieved 3/24/2013 at 9:40 am.

<sup>3</sup> See <http://www.nrdc.org/ej/history/hej.asp>.

<sup>4</sup> See *Bean v. Southwestern Waste Management, Inc.*, 482 F.Supp. 673 (S.D. Texas 1979).

<sup>5</sup> *Id.*

<sup>6</sup> See [http://www.washington.chenw.org/RIgroup/envirou\\_je.html](http://www.washington.chenw.org/RIgroup/envirou_je.html).

<sup>7</sup> The Environmental Justice Movement, Taylor and Dorceta, 18 EPA J. 23 (1992)

<sup>8</sup> Executive Order 12898, February 11, 1994.

<sup>9</sup> Memorandum of Understanding on Environmental Justice and Executive Order 12898.

<sup>10</sup> <http://www.epa.gov/environmentaljustice/>, *supra*.

<sup>11</sup> Economic Growth and Environmental Degradation: The Environmental Kuznets Curve and Sustainable Development. Stern et al. World Development, Volume 24, Issue 7, July 1996, pg.1153.

<sup>12</sup> See Modeling The Environmental Impacts of Urban Land Use and Land Cover Change—A Study in Merseyside, UK. Paulei et al. Landscape and Urban Planning, volume 71, issues 2–4, 28 March 2005, pg. 297, (“Secondly, these greenspaces can play an important ecological and environmental role. Recent research showed that private gardens can have an enormous richness in plant and animal species, and can therefore be important for urban nature conservation”) (citing Gaston and Thompson).

<sup>13</sup> <http://www.umich.edu/~econdev/environmentaljustice/index.html>, retrieved 3/12/2013 at 6:35 pm.

<sup>14</sup> *Id.*

<sup>15</sup> <http://www.deq.louisiana.gov/portal/Portals/0/AirQualityAssessment/images/Convent.jpg>, retrieved 3/24/2013 at 7:10 pm.

<sup>16</sup> [http://www.ejrc.cau.edu/convent\\_report.html#5-3](http://www.ejrc.cau.edu/convent_report.html#5-3), retrieved 3/21/2013 at 8:19 pm.

<sup>17</sup> *Id.*

<sup>18</sup> <http://www.weact.org/>, retrieved 3/25/2013 at 9:00 am.

<sup>19</sup> <http://www.weact.org/tabid/180/Default.aspx>, retrieved 3/25/2013 at 1:35 pm.

---

<sup>20</sup> <http://www.umich.edu/~snre492/ny.html>, retrieved 3/25/2013 at 1:45 pm.

<sup>21</sup> *Id.*

<sup>22</sup> <http://www.weact.org/Portals/7/Smokestack%20Smoking.jpg>, retrieved 3/25/2013 at 5:55 pm.

<sup>23</sup> <http://www.weact.org/tabid/180/Default.aspx>, *supra*.

<sup>24</sup> <http://www.law.unc.edu/documents/civilrights/briefs/invisiblefencesreport.pdf>, retrieved 4/2/2013 at 10:45 pm.

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*

<sup>29</sup>

[http://www.nlada.org/Training/Train\\_Civil/Equal\\_Justice/2009\\_Materials/092\\_2009\\_Standaert\\_Handout2](http://www.nlada.org/Training/Train_Civil/Equal_Justice/2009_Materials/092_2009_Standaert_Handout2), retrieved 4/06/2013 at 8:45 pm.

<sup>30</sup> <http://www.law.unc.edu/documents/civilrights/briefs/invisiblefencesreport.pdf>, *supra*.

<sup>31</sup> *Id.*

<sup>32</sup> *Id.*

<sup>33</sup> <http://www.weact.org/tabid/180/Default.aspx>, *supra*.