

A Community Benefit Agreement for the Buffalo Niagara Medical Campus

What is the Buffalo Niagara Medical Campus?

The Buffalo Niagara Medical Campus is a consortium of health care, life sciences, medical education institutions and community interests created in 2001. The campus is rapidly expanding and has grown from 7,000 employees in 2003 to more than 12,000 employees in 2012, with an expected 17,000 jobs in 2017, by which time the John R. Oishei Children’s Hospital and the SUNY Buffalo Medical School will have moved to the campus.¹ The Buffalo Niagara Medical Campus, Inc. is the non-profit corporation that the member institutions formed to help spur, guide, and manage the development of the campus.

BNMC Member Institutions Include

- Buffalo Hearing and Speech Center
- Buffalo Medical Group
- Center for Hospice & Palliative Care
- Hauptman-Woodward Medical Research Institute
- Kaleida Health
- Olmsted Center for Sight
- Roswell Park Cancer Institute
- University at Buffalo
- Upstate New York Transplant Services (UNYTS)

What is a Community Benefit Agreement?

A community benefit agreement is a tool used to make sure that communities benefit from large scale developments, particularly when those developments are financed with public money. There are now more than 30 community benefit agreements around the country.² Each one is different, but, in general, they consist of legally binding contracts between community groups and the developers of big projects. In some cases, the developers are private development companies; in others, they are government agencies or non-profit corporations, or some combination of the three. Typical CBA provisions concern issues like affordable housing, local and minority hiring, local and minority business opportunities, and green design and operations.

There has not yet been a legally binding CBA in Buffalo, but, in 2013 the Erie Canal Harbor Development Corporation adopted a set of “high road” development principles after negotiating with the Canal Side Community Alliance; this agreement, while not legally binding, includes many provisions typical of CBAs. In addition, PUSH Buffalo has negotiated community benefit provisions regarding hiring and workforce development with a number of local contractors and developers.

Why a CBA for the BNMC?

The BNMC is the region's largest economic development project. Clustering health institutions together on one campus creates many collaborations and efficiencies and increases the potential for spin-off job creation. Inevitably, however, any large scale development also includes some negative side effects for the community, particularly those who live nearest to it. Traffic and air pollution increase. Parking becomes a problem on nearby residential streets. As streets are removed and large buildings rise up, a residential neighborhood can start to feel cut off and overshadowed. A hot real estate market fuels speculation and leads to higher rents and property taxes, which means increased costs and, often, displacement for long-time residents. A CBA offers tools to remove or reduce some of these burdens.

In this case, a CBA is particularly appropriate for three reasons: the compelling needs of the BNMC's near neighbors; the dedication of BNMC institutions to public purposes; and the dramatic amount of public money that is fueling development on and near the campus.

Neighborhood Needs

The neighborhoods feeling the most negative impacts from the BNMC, especially the Fruit Belt, have already suffered from decades of discrimination, segregation, disinvestment, and neglect. In the 15 census tracts within a mile of the BNMC, where 44,000 Buffalonians live, the poverty rate is 36%.³ In census tract 31, which encompasses most of the Fruit Belt, 42% live in poverty and 53% of households are paying more than 30% of their income toward housing costs.⁴ Many of these residents are suffering from bad health as a result of pollution, deteriorated housing stock, inadequate opportunities for recreation, poor access to healthy food, and all the other impacts of living in a high-poverty neighborhood.

In the Shadow of the BNMC

In census tract 31, directly east of the BNMC, 42% of residents live in poverty, and over half lack affordable housing.

BNMC Missions

All the institutions on the BNMC are dedicated toward improving the health and welfare of the community, and many of them are legally required to do so in various ways. Therefore, it is especially appropriate for them to join hands with the community to reduce the negative impacts of their developments and increase the positive ones. While many BNMC organizations have aided the community, there is room to do much more. Parking congestion, fears of displacement, and a lack of access to health services and job opportunities on the campus remain major concerns. Regarding employment, we were able to get census information for 7,616 of the employees on the campus. Of those, in 2011, only 5.4% lived within one mile of the campus. Only 25 lived in census tract 31.⁵

Other health and educational institutions around the nation have made deep investments in their nearby communities. The Mayo Clinic in Rochester, Minnesota made an initial investment of seven million dollars that was used to build 875 units of affordable housing. In Baltimore, the Bon Secours Health System has been acquiring and renovating abandoned and severely dilapidated row houses near the hospital and has made over 400 affordable apartments available.⁶

Syracuse University began a large community collaboration in 2007 with the Near Westside neighborhood, which has some of the highest rates of poverty, vacancy and blight in the city.⁷ The Near West Side Initiative has acquired 74 vacant properties and developed 38 residential properties. Seventy percent of the residents who were first time home buyers were previously renters from within the community.⁸ In addition, students and faculty from the University’s geography, architecture, engineering, and design programs helped to create landscaping, wireless hot spots, bike paths, outdoor art, and a redesigned park.⁹ In a separate, “Connective Corridor” initiative, the University dedicated an impressive range of financial, staff, and student resources to completely revitalizing the transit corridor that connects its campus to downtown.

Yale-New Haven Hospital CBA

In this CBA, a university hospital agreed to a range of community benefits when it was building a new cancer center, including affordable housing, traffic and parking relief, eco-friendly operations, funded health outreach positions for uninsured residents, local hiring, and a five year career ladder program.

Public Dollars

BNMC institutions and real estate developers have benefited from massive public investments in and near the Campus. A prime example is the new Conventus building. It received over \$4.67 million in tax breaks from the Erie County Industrial Development Authority, even though County Executive Mark Poloncarz opposed the deal, arguing correctly that the developer was constructing the building anyway; the tax breaks were unnecessary.¹⁰ In addition, as part of the “Buffalo Billion,” the State plans to spend some \$75 million to build out and equip the Conventus building for AMRI and Athenex, two drug development firms.¹¹ Nearby projects that have received major tax breaks from the ECIDA include Pilgrim Village (over \$1.8 million) and the Phoenix Brewery (over \$300,000).¹² When the public invests so much, it should get a proper return on its investment. The developer of the Phoenix Brewery has pledged some of its revenue to Say Yes Buffalo. It would be fair to require all the large-scale developers profiting from the BNMC to contribute some of their revenue to a fund to mitigate the negative impacts of development on the Fruit Belt and prevent displacement of current residents.

Over \$80 Million in Public Money for One BNMC Building

The state of New York plans to spend some \$75 million equipping Conventus for two private companies, in addition to the \$4.67 million in tax incentives already provided by the ECIDA.

What is the Community First Alliance?

The Community First Alliance unites 19 groups dedicated to reaching a CBA with the BNMC. It includes neighborhood groups, labor organizations, business groups, and non-profit organizations with a wide range of experience and expertise (see Appendix A for a full list). The Alliance makes decisions as a group, striving for consensus but using a one-organization, one-vote process when voting is called for. To recognize the unique importance of the Fruit Belt, the Alliance has agreed that, on decisions directly affecting the Fruit Belt, a majority of the Fruit Belt partners must agree, as well as a majority of the groups as a whole. The Alliance welcomes input and collaboration with any individual or group interested in reaching a CBA.

What Types of Community Benefit is the Alliance Pursuing?

Working with a wide variety of individuals and groups, and drawing on experts on community benefit agreements from around the country, the Alliance has endorsed a list of 43 proposals regarding affordable housing, job and training opportunities, parking and traffic relief, community investment, historic and cultural preservation, and community power and representation. The overall thrust of these proposals is to make sure that local communities, especially the people currently living near the campus, benefit from the development instead of being burdened and displaced by it.

How Can I Get Involved?

You can contact any of the groups listed in Appendix A, or talk to the two community organizers working with the Alliance: John Washington of PUSH Buffalo, (561) 776-0668, john@pushbuffalo.org, and Harper Bishop, Coalition for Economic Justice, (716) 892-5877, harper@cejbuffalo.org.

Appendix A: Community First Alliance Members

Black Chamber of Commerce of WNY
Buffalo Federation of Neighborhood Centers
Buffalo Urban League
Coalition for Economic Justice
Communications Workers of America
The Foundry
Fruit Belt Advisory Council
Fruit Belt Coalition
Fruit Belt Homeowner & Tenant Council
Fruit Belt United
Local Initiatives Support Corporation
Mulberry Street & Friends Block Club
New York State Nurses Association
Open Buffalo
Orchard Community Initiative
Partnership for the Public Good
People United for Sustainable Housing
Restore Our Community Coalition
1199 SEIU

Notes

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- ¹ Buffalo Niagara Medical Campus, Master Plan Update (Buffalo Niagara Medical Campus 2010) iii. Available from: Buffalo Niagara Medical Campus, http://www.bnmc.org/wp-content/uploads/BNMC-Master-Plan-Update-FINAL_12-3-10.pdf.
- ² To learn more about CBAs and view the agreements reached in other cities, visit the Partnership for Working Families web site, <http://www.forworkingfamilies.org/resources/policy-tools-community-benefits-agreements-and-policies>.
- ³ U.S. Census Bureau ACS 2009-2013, 5 Year Estimates.
- ⁴ Ibid.
- ⁵ U.S. Census Bureau On the Map. These job estimates do not include jobs at some BNMC entities, such as the Innovation Center, the Olmsted Center for Sight, and the Center for Hospice and Palliative Care. In addition, the Census counts many U.B. employees as working at other UB locations, even if they work at the BNMC.
- ⁶ Bon Secours Health System, Inc., (February 29, 2016) available at <http://hso.bonsecours.com/healthy-communities-our-healthy-communities-maryland-southwest-baltimore-projects-housing.html>
- ⁷ “2010 City of Syracuse Housing Plan: Near West Side Neighborhood Profile,” available at <http://www.syr.gov.net/uploadedFiles/Departments/CommunityDevelopment/Content/Near%20Westside%20from%202010%20Syracuse%20Housing%20Plan.pdf>
- ⁸ Annual Report, 2014-2015, Near Westside Initiative, SALT District, available at http://issuu.com/nearwestsideinitiative/docs/ar_2015_final_/5?e=22793906/32260255 ; see also <http://www.saltdistrict.com/about/>
- ⁹ Supra, note 3
- ¹⁰ David Robinson, “Conventus building developer gets \$472,000 in additional tax breaks.” Buffalo News, July 16, 2014.
- ¹¹ “Governor Announces Major Expansion of Athenex,” Press Release, February 6, 2016, available at <https://www.governor.ny.gov/news/governor-cuomo-announces-major-expansion-athenex-creating-1400-jobs-western-new-york>; and “Governor Andrew M. Cuomo - The Buffalo Billion Effect,” available at <http://buffalobillion.ny.gov/sites/default/files/images/sites/all/default/files/media/The%20Buffalo%20Billion%20Effect.pdf>.
- ¹¹ Erie County Industrial Development Agency web site. See www.ecidany.com/app/file/271) and <http://www.ecidany.com/app/file/252>.