

For California to reach its climate goals, including a target of net zero GHG emissions by 2045, a variety of private- and public-sector approaches are necessary; among them is the construction and permitting of numerous clean energy infrastructure projects, such as [offshore wind developments](#), which will play a key role in balancing the state's [clean energy portfolio](#) by producing clean power at night and during the winter when solar output is low or zero.

While regulatory processes seek to avoid and minimize the harmful effects of clean energy and infrastructure projects on host and coastal communities, it is not always possible to eliminate impacts, and California offshore wind projects may have real ramifications for port residents, fishermen, tribal nations, and other groups. Community benefits mechanisms provide a valuable tool to counter projects' residual impacts, to move projects forward, and to achieve an equitable clean energy transition by creating economic opportunities and community assets and by empowering communities to have a voice in project design and implementation. These mechanisms include [community benefits funds](#), which empower neutral administrators to disburse developer contributions to impacted communities.

California has begun the process of developing offshore wind off its coast, and part of that process has been the establishment of a working group of developers, stakeholders, and regulators tasked with hammering out a framework that ameliorates the impacts of offshore wind developments on California fisheries and fishing communities. That framework, the [Statewide Strategy for the Coexistence of California Fishing Communities and Offshore Wind Energy](#), includes guidance on benefits for fishermen, along with other processes and provisions. These benefits will predominantly take the form of financial compensation, and include what is essentially a community benefits fund.

The Strategy was required by state legislation ([Senate Bill 286 \(McGuire\)](#)) and the California Coastal Commission's [conditional concurrences](#) to the federal California offshore wind energy areas. The California Offshore Wind Energy Fisheries Working Group is [composed of nearly 30](#) fishermen, tribal representatives, developers, and agency staff who met numerous times over 22 months to draft the Strategy. Commissioners will vote on whether to adopt the document at the April 16th [CCC board meeting](#).

A central component of the Strategy is a series of frameworks for disbursing payments to the fishing community to offset the negative impacts of offshore wind development after avoidance and minimization measures have been implemented.

In setting out these frameworks, the Strategy covers significant ground, navigating topics such as socioeconomic analyses of California fisheries; best practices for communication, data gathering, and avoiding and minimizing impacts; structures for compensatory mitigation for fisheries; and unique considerations for tribal fisheries.

In addition, the Strategy offers program principles, structures, and processes that could be a model for those thinking about community benefits funds and infrastructure and energy projects in California. Monetary compensation for fishermen is divided into three different categories:

- Gear loss and damage (claims processes that assist fishermen who have suffered impairment to their fishing equipment);
- Direct compensation (payments to commercial fishing businesses that have not fully recovered their earnings or that are facing increased costs because of displacement, additional travel to fishing grounds, or other factors related to offshore wind farms); and
- Resiliency funds (intended to apply more widely and provide affected fishing communities with compensation to enable them to respond and adapt to offshore wind development).

Gear loss claims will be paid by offshore wind developers and although the Strategy provides instructions on structuring the gear claims process, it does not outline specific amounts. The total amount for direct compensation and resiliency funds will be determined by both socioeconomic analyses of fisheries impacts and negotiations between offshore wind developers and the CCC during regulatory review.

The Strategy's design for resiliency funds includes a neutral fiscal and administrative body (the Resiliency Administrative Entity (RAE)) and a body composed of local fishing community representatives who determine how resiliency funds will be invested (the Regional Resiliency Committees (RCC)). This structure may offer a good template for communities interested in negotiating local community benefits funds on infrastructure development projects. The Strategy also outlines helpful design and operating principles, including the following:

- “A consistent framework for a resiliency funds program should be applied across offshore wind projects, avoiding the creation of multiple, different project-specific programs”

- “Decision-making on funding priorities must be led by fishermen and reflect the priorities of the fishing communities impacted by offshore wind development”
- “Fund management must be transparent, with clear reporting and oversight mechanisms in place”

By substituting “local community representatives” for “fishermen” and “fishing communities,” local leaders could apply these principles to community benefits funds on other infrastructure and similar projects.

Communities uncertain about how to spend community benefit funds can look to the Strategy’s suggestions—the document includes potential applications for [resiliency fund monies](#) but does not prescribe any particular investments. The Strategy also provides [template agreements](#) for resiliency funds and for financial compensation, as well as for agreements addressing tribal fishing interests.

A particularly important component of the Strategy’s resiliency fund is the commitment to a fishermen-led process, which is critical to ensure that projects are durable, effective, and able to reach completion. The Strategy emphasizes that funding decisions should be led by fishermen and that impacted fishermen and communities should be sufficiently represented. The Strategy also devotes a chapter to special considerations for tribal fishermen and best practices for offshore wind developers when interacting with tribes.

In a separate but related vein, the Strategy’s socioeconomic analyses (which will begin during [NEPA](#) review) might be a helpful feature to advocate for, or independently conduct, as part of formulating community benefits proposals in other contexts. To the extent that impacts are calculable, advocates could make the case that an independent socioeconomic analysis should be included as part of the NEPA (or CEQA) process and/or a developer’s commitment to a community benefits process, as it could help the parties agree on appropriate benefits. Alternatively, advocates could argue that a community needs assessment is a more workable solution in situations where impacts are unknown or difficult to quantify (e.g., in the case of a project’s potential health impacts).

Lastly, the Strategy demonstrates ways in which state agencies (with significant commitments of time and staff) can foster problem solving and mutually-agreed-upon solutions between developers and impacted communities. Although the

Strategy's working group was established through the CCC's California Coastal Act authority and by targeted state legislation, other California agencies could think about permitting processes that could create parallel conditions or similar openings for multi-party talks and solutions. The CCC is conducting socioeconomic analyses, for example, as part of its NEPA review and federal consistency review authority; many other agencies also possess NEPA (and [CEQA](#)) regulatory review authority, which could perhaps provide comparable opportunities.

The Strategy clearly required a tremendous amount of work and represents what must have been difficult negotiations between developers, fishermen, and tribal representatives, but it sets a strong precedent for others seeking to establish monetary community benefits on infrastructure and other projects. Especially in the context of state legislative proposals and other attempts to thread the needle between meeting California's decarbonization goals and reversing the burden on environmental justice, frontline, and other vulnerable communities, the Strategy is resounding proof that establishing community benefits isn't impossible—it just takes work.