



# Recommendations to the Gulf Coast Ecosystem Restoration Task Force

Enhancing the resilience of the most vulnerable communities and building the restoration economy



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# Executive summary

Restoration of America's Gulf Coast, damaged not just by hurricanes Katrina, Rita, Gustav, and Ike and the BP oil spill, but also by decades of degradation from human impacts and natural disasters, is essential for protection of the region's communities and cultures. Protection of these resources is critical at the national level as well, playing vital roles in our nation's waterways, commerce, and economy. As the Gulf Coast Ecosystem Restoration Task Force ("Task Force"), created by an executive order of President Barack Obama, develops its comprehensive restoration strategy, Oxfam and its partners Bayou Grace Community Services, Bayou Interfaith Shared Community Organizing (BISCO), Coastal Women for Change, STEPS Coalition, Terrebonne Readiness and Assistance Coalition (TRAC), and Zion Travelers Cooperative Center—grassroots groups representing coastal communities in the lower Mississippi River Delta—offer the following recommendations to ensure that the region's most vulnerable residents are active participants in revitalizing our coastal resources and beneficiaries of the new restoration economy. These recommendations represent a call to action for a bold, innovative, and integrated solution involving federal, state, and local governments and industry and community stakeholders.

We believe that increasing the resilience of socially vulnerable communities to coastal erosion and environmental hazards should be a top priority. Low-income coastal communities and disadvantaged Native American, African American, Vietnamese, Laotian, and Hispanic populations across the region depend on a healthy Gulf for their lives and livelihoods. As explained in Oxfam's 2009 publication *Exposed: Social vulnerability and climate change in the US Southeast*,<sup>1</sup> the most vulnerable communities are in areas with the highest risk of extreme hazards (sea level rise, hurricane-force winds, flooding, and drought) and social and economic characteristics that reduce a community's capacity to respond to, cope with, recover from, and adapt to environmental hazards. The Gulf Coast experiences the most coastal land loss of any region in the country and is situated in a high-risk hazard zone. It also has historically high unemployment and poverty rates and relatively undiversified economies across many coastal communities.<sup>2</sup> Because of this critical combination, the area has been identified as one of the most vulnerable regions of the country.

*Exposed* helped us understand, after working together for equitable recovery post-hurricanes Katrina, Rita, Gustav, and Ike for five years, that even if affordable, quality housing were made available, many lower-income communities, particularly historically marginalized communities of color, would still be disproportionately vulnerable to the next storm and a host of other natural and manmade hazards. We launched the Coastal Communities Campaign in early 2010 to catalyze

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increased resilience of socially vulnerable communities. The BP Deepwater Horizon oil disaster (“oil disaster”) on April 20, 2010 brought an immediate and terrible urgency to this work.

The Task Force began to recognize the intersection of these long-term, socioeconomic, and environmental hurdles by defining its first goal as “Enhanc[ing] Community Resiliency” in its restoration strategy.<sup>3</sup> It has set out to develop decision-making tools, techniques, and implementing programs in ecosystem restoration to achieve this goal. Additionally, the Task Force identified “effectively supporting communities in their efforts towards ecosystem restoration, and to connect them with...economic recovery services” as a part of this goal. In this document, we propose a number of actions the Task Force could take to not only promote ecosystem restoration efforts to reduce the risks of the most vulnerable coastal communities, but to do so in a way that supports economic recovery and addresses the socioeconomic factors that amplify the impacts of these risks.

The potential billions of dollars in restoration and recovery funding from the Natural Resource Damage Assessment, proposed legislation on Clean Water Act fines such as the RESTORE the Gulf Coast Act (S. 1400) and offshore oil revenue-sharing in the Gulf of Mexico Energy Security Act provide an opportunity to build a framework to tackle these challenges jointly. A prospect exists to coordinate investments, technical assistance, and outreach to develop an inclusive restoration economy creating tens of thousands of jobs, prioritizing socially beneficial restoration projects and supporting the participation of community-based organizations to ensure that the restoration strategy is designed and implemented to benefit all communities, ecologically as well as economically.

The following recommendations contain specific actions and implementation mechanisms as well as existing and potentially available federal resources in pending legislation (S. 1400) to support those actions.

## 1. Develop sector-based workforce development initiatives

Restoration could create tens of thousands of jobs at a time when underemployed and disadvantaged workers and their families are searching for ways to recover. The Task Force should partner with the Department of Labor to promote skills training and develop career pathways in coordination with ecosystem restoration projects. Such programs should address industry needs and reduce social vulnerability by prioritizing collaboration among community, industry, and training organizations; targeting low-income, disadvantaged, and underemployed workers; and providing geographically, culturally, and linguistically accessible programs and support services. A key first step would be deploying a team of specialists to work with local stakeholders to provide technical assistance, develop market research and curriculum, foster partnerships, and identify resources to implement programs. The Task Force should leverage existing federal resources to put in place pilot programs in coordination with early restoration projects and encourage states to invest a portion of potential funds from proposed restoration legislation such as the RESTORE the Gulf Coast Act (S. 1400) in ecosystem restoration

worker training. If agencies select projects with long-term, holistic benefits but short-term, negative employment impacts, such as certain types of sediment diversions, they should consider implementing targeted training and rehiring of impacted workers and communities as an economic mitigation.

## 2. Promote the hiring of local workers in grants and procurement

The Task Force should develop standards for contracts and grant-making to promote the hiring of local residents on restoration projects, including those who are participating in or have recently completed training programs targeting disadvantaged populations, to the greatest extent possible. State agencies should be urged to develop similar standards. Because of the short-term nature of ecosystem restoration jobs, the Task Force should encourage the development of workforce programs that provide technical assistance for contractors to interface with workforce systems and effective referral systems, in partnership with community organizations and other stakeholders, to identify, prepare, and qualify workers within project timelines. Even without legislative action, federal and state agencies should consider resources for technical assistance and grant solicitation criteria to promote the participation of local workers and the creation of new career pathways.

## 3. Help local small and disadvantaged businesses compete

Local and disadvantaged firms, including women-, veteran- and minority-owned businesses, can provide economic opportunities in coastal economies. The Task Force should support restoration projects that ensure compliance with equal opportunity laws and principles by developing standards for set-asides of contracts for local small and disadvantaged businesses and appropriate preferences for firms that include them in their subcontracting plans. Agencies should be encouraged to combine these goals by leveraging existing programs such as the Small Business Administration's 8(a) and HUBZone programs focusing on educating local small and disadvantaged businesses and helping them overcome hurdles to compete for contracts with assistance from the Small Business Administration, Minority Business Development Agency and agency-level offices of Small and Disadvantaged Business Utilization.

## 4. Promote diversification and innovation as a path to resilience and economic development

Concentrated employment in industries linked to tourism, oil and gas development, and seafood meant that Gulf Coast communities suffered additional economic pain in the aftermath of the oil disaster and other disasters. Potential restoration legislation may allow for a certain portion of funding for economic development and Centers of Excellence, some of which may be

influenced by the Task Force's restoration strategy. It is important that the Task Force, and any successor entity, urge that any such funds not be used to expand coastal communities' reliance on these industries or to support projects that threaten the sustainability of coastal communities. Funds should be used in the coastal areas to diversify local economies, especially in socially vulnerable communities, to ultimately build a more disaster-resilient region. The Task Force should prioritize projects that seek to turn the region's liabilities—in particular its eroding coastline and disaster vulnerability—into assets by working to build a globally competitive, cutting-edge set of industries around coastal restoration, water management, and disaster mitigation techniques. Such investments, and other potential federal resources, should seek to promote regional innovation clusters and shared economic benefits. The Task Force and member agencies such as the National Oceanic and Atmospheric Administration, should promote projects that foster unconventional partnerships among economic, research, and community stakeholders and build economic development infrastructure surrounding research facilities to deploy innovation through incubators, technology transfer programs, seed funds, business development, worker training, and entrepreneurial training.

## 5. Prioritize investments in protecting and engaging socially vulnerable communities

While social factors do not determine who will be hit by disasters, they do determine a communities' ability to prepare, respond, and recover when disaster does strike. The Task Force's strategy should prioritize ecosystem restoration projects, such as wetlands and barrier islands, which build resiliency to disaster. Incorporating the social vulnerability index, a measurement described in *Exposed*, that reflects 32 economic and social variables that contribute to a community's ability to cope with hazards, into its risk analysis can give the Task Force a fuller picture of the potential costs of a disaster. Targeting investments toward mitigating physical vulnerabilities and designing policies to address these social and economic factors can reduce risks. One key factor in social vulnerability is limited access to political power; it is therefore crucial that the Task Force and any successor bodies continue to invest time and resources in community engagement, particularly in the implementation phase. These efforts should include fully integrating the Citizens Advisory Committee, announced by EPA Administrator Lisa Jackson, into the decision-making process of the Task Force and identifying opportunities to fund technical assistance, planning, and outreach to community-based organizations in socially vulnerable areas to be better equipped to participate in environmental decision-making.

# Detailed recommendations

## 1. Develop sector-based workforce development initiatives

There is important work to be done to better prepare both the Gulf Coast's residents and the region's worker training systems to develop and deliver the skills and opportunities necessary to create a well-prepared and equitable ecosystem restoration workforce. Initial research indicates future investments related to the oil disaster liabilities could create tens of thousands of jobs in ecosystem restoration at a time when Gulf Coast working families are searching for ways to recover.<sup>4</sup> According to various estimates, every million dollars invested in restoration could create as many as 28 jobs. Eventually, increased productivity and new markets could create still more demand for skilled workers and workforce development. This provides an opportunity to assist underemployed workers impacted by the oil disaster, low-income, and vulnerable individuals, including indigenous, African-American, and new immigrant communities, who may have lacked access to post-secondary skill training in the past, to find new opportunities for decent wage work.

A number of jobs within the restoration economy use skills similar to those in current coastal jobs. Boat and heavy equipment operation, welding, pipefitting, dredge operation, maritime, and forestry services are all familiar occupations. Other skills like environmental sampling, monitoring, and surveying can be taught quickly in classrooms and on-the-job settings. Given the likely increased demand from firms engaged in restoration contract work and the supply of underemployed and disadvantaged local workers with relevant skills for working on the water, especially among commercial fishers and their families, the region could significantly benefit from a sector-based workforce development model.

Such models are industry-specific efforts to examine and address both the needs of businesses across a sector, in this case ecosystem restoration, and the challenges faced by workers. They often bring together multiple firms, training, and community partners to address systemic workforce issues key to an industry's growth. These initiatives tackle education and skills training, placement, and building career pathways for workers and/or job seekers, and may additionally involve organizational restructuring, marketing, and support service development. The goal is to improve job quality and prospects for workers while altering the labor market to better serve businesses.

While some agencies in the Task Force have experience with worker training, the implementation of a regional strategy could benefit from the added capacity of the Department of Labor (DOL). Numerous models exist of mission-driven agencies



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## The Gulf Coast Workforce Initiative

### Building effective public-private partnerships

After hurricane Katrina, Federal Coordinator for Gulf Coast Recovery Donald Powell identified the lack of a skilled construction workforce as a major hurdle to recovery. Together with DOL and the nonprofit Business Roundtable, they assembled policymakers, industry leaders and job training providers at a Construction Contractors Forum in New Orleans. They built a cross-cutting coalition of contractors, trade associations, training providers, labor organizations and government officials to tackle recovery challenges.

They formed the Gulf Coast Workforce Development Initiative, an effort combining free, intensive skills courses with job placement in the construction industry. In most cases, participants were trained in local community and technical colleges or approved apprenticeship programs. An outreach network of local contractors assisted with job placement, resulting in a reported placement rate of 80 percent for program graduates (Castellani, 2007).

partnering with DOL to leverage limited resources linking science, jobs, and training. For instance, USDA and the Department of Interior work with DOL to help local workforce and public lands agencies expand work and learning opportunities for low-income youth on federally-managed public lands.<sup>5</sup>

With assistance from DOL, the Task Force could attempt to work with industry and stakeholders to fill key gaps in research, planning, and development:

- Potential labor market demand generated through projects in the restoration strategy;
- Skills and experience needed to enter and advance in restoration-related professions;
- Necessary industry-supported, post-secondary course work and credentials to enter and advance in these jobs; and
- Delivery systems that provide on-ramps to new livelihoods and pathways to career advancement for workers, including disadvantaged and underemployed workers.

The experience of the Office of the Federal Coordinator for Gulf Coast Recovery (OFC) after Hurricane Katrina in the construction industry provides a great example. OFC partnered with DOL to deploy a technical assistance team of Employment and Training Administration analysts/program managers to work with industry and training agencies to address construction workforce needs. They cultivated a consortium of stakeholders interested in pairing reconstruction with a regional economic development strategy to diversify their economy and create more high-skill and high-wage opportunities for workers in the construction industry. Eventually, the effort produced the Gulf Coast Workforce Initiative (GCWFI), a program combining a DOL National Emergency Grant with state and private funding from area contractors and the Business Roundtable to train and place 20,000 workers utilizing community colleges and worker centers across Mississippi, Louisiana, and Texas by the end of 2009.<sup>6</sup>

The creation of a job training program is not enough to ensure such programs tackle poverty and social vulnerability. Success will require efforts to directly connect with and address the needs of disadvantaged coastal communities and under-employed workers. GCWFI was emblematic of this challenge. While it successfully trained and hired workers, it was initially difficult to access for low-income residents in New Orleans' hardest hit neighborhoods until the AFL-CIO developed a locally accessible pre-apprenticeship program many months later.<sup>7</sup>

In addition to the lack of financial resources to absorb losses, defining factors of social vulnerability to disasters include the lack of access to public resources, limited social capital and networks, cultural and language barriers, and lack of infrastructure density.<sup>8</sup> As such, effective workforce programs must address the roots of these challenges by ensuring that programs are geographically accessible, utilizing referrals to support services, conducting outreach to disadvantaged and underemployed populations and building effective relationships with industry.

## FUNDING

Still, creating new training programs will require investments of federal funds. A number of resources within and outside of the Task Force member agencies exist which could be used to train and place Gulf Coast workers in restoration jobs. Through proper coordination, these funds could lay the groundwork for a regional, sector-based restoration workforce program.

**Department of Labor National Emergency Grant (NEG):** DOL awarded \$27 million in NEG funds across Alabama, Florida, Louisiana, and Mississippi to provide retraining and employment services, including subsidized work for workers impacted by the oil disaster.<sup>9</sup> A significant portion of this funding, which the states have until June 2012 to spend, remains unused. Hurdles on definitions of uses within the program have made it difficult to spend, but there are examples of innovative uses, sometimes utilizing waivers, with proper state and federal cooperation. In addition, states and local workforce investment boards receive funds annually through the Workforce Investment Act for services for adults and dislocated workers.

**Environmental Protection Agency Environmental Workforce Development and Job Training:** This grant program funds nonprofit organizations and other eligible entities (\$6.2 million in FY11) to recruit, train, and place predominantly low-income and minority, unemployed and under-employed residents surrounding Brownfield sites in environmental remediation and skills such as green construction or ecosystem restoration. To date, the program has trained more than 4,000 workers, more than 2,500 of whom obtained employment in the environmental field, earning an average starting hourly wage of \$13.88.<sup>10</sup> Houma, Pointe a la Hache, New Orleans, Gulfport, Mobile, and Pensacola are among the eligible locations which also felt spill impacts.

**National Institutes of Environmental Health Minority Worker Training Program:** NIEH gives grants to support the recruitment and training of young persons who live near Superfund sites (3,166 to date) to obtain work in the environmental field.<sup>11</sup> This program was utilized extensively to train cleanup workers during the oil disaster and also has funded programs in New Orleans and the River Parishes through Dillard University's Deep South Center for Environmental Justice.

**Economic Development Agency Public Works:** Annually EDA has budgeted millions for public works programs, which include a range of planning and infrastructure investments to promote job creation. A relatively new program, the Global Climate Mitigation Fund focuses on supporting investments to foster sustainable industries and jobs through techniques that acknowledge energy efficiency, reduce pollution or other environmental benefits in addition to supporting job creation.

Remaining NEG funds in particular could be deployed quickly. With cooperation from federal and state workforce agencies and the Natural Resource Damage Assessment (NRDA) trustees, these funds could provide underemployed commercial fishers and other impacted workers valuable economic opportunities with the \$1 billion in slated early restoration projects.<sup>12</sup> Regarding the other listed funds, the federal government has the ability to attach preferences for areas experiencing economic downturn or for certain sectors, as it did for automotive industry strong-

holds and renewable energy for instance, in its grant solicitations. Preferences can also be applied to new, more targeted solicitations in order to leverage existing funds to meet emerging priorities. Additionally, each of the Gulf states have their own state-run workforce development initiatives which could be leveraged to support such programs.

Lastly, the current form of proposed legislation on the use of Clean Water Act violations of the responsible parties in the oil disaster, the RESTORE the Gulf Coast State Act of 2011 (S. 1400), includes worker training and job creation as fundable activities under two different portions of funding. One would finance plans submitted by each state in alignment with a restoration strategy developed by a federal-state Gulf Coast Ecosystem Restoration Council.<sup>13</sup> This Council largely parallels the Gulf Coast Ecosystem Restoration Task Force in make-up and must incorporate the recommendations of the Task Force. The bill also urges the Council to “take particular actions” to address the needs of economically and socially vulnerable communities.<sup>14</sup> The legislation echoes US Naval Secretary Ray Mabus’s recommendation that funds be used to build resiliency of “disadvantaged, underserved, and resource constrained communities.”<sup>15</sup> The Task Force has an opportunity to recommend that a small portion of these funds be used to create restoration training initiatives in the states to train and place disadvantaged and underemployed workers in new, good-paying restoration jobs as a tool for enhancing community resiliency and supporting the restoration industry.

Additionally the Task Force should work with academic institutions and industry to support the use of cooperative research in existing and future science programs and hiring and training of coastal residents in environmental monitoring and sampling jobs. This work typically has been fulfilled by over-qualified graduate degree holders and, according to interviews with engineers, fishers, and other coastal residents with minimal training as environmental technicians could conduct monitoring and sampling, likely at a cheaper yet living wage, providing significant cost savings and new opportunities for coastal residents.

Mitigations are another potential revenue stream for training. Some projects supported by the Task Force may have negative impacts, despite their long-term holistic value. For instance, sediment diversions may economically dislocate shrimpers and oyster harvesters or put certain homeowners at risk. Previously, agencies such as the Army Corps of Engineers have implemented mitigations in some projects to compensate populations for losses by providing targeted job training and hiring or community improvement grants.<sup>16</sup>

## RECOMMENDATIONS

- Partner with DOL to:
  - Promote meaningful skills training and develop career pathways in ecosystem restoration, including deploying a Restoration Workforce Solutions Team to provide technical assistance to agencies and local stakeholders;
  - Evaluate labor demand generated by the restoration strategy and work with stakeholders to identify necessary skills, credentials and short-term curricula to enter and advance; and

- Conduct outreach and offer technical assistance to promote sector partnerships among industry, training agencies and community nonprofits to train and place workers in ecosystem restoration jobs.
- Examine federal and state grants and solicitations for strategic opportunities to direct existing funding to Gulf Coast restoration workforce programs, including:
  - Identify necessary waivers for NEG funds with DOL and work with NRDA Trustees to find opportunities to link NEG-funded training programs to early NRDA projects; and
  - Include grant criteria for workforce development funds to enhance community resiliency:
    - Prioritize collaboration between community, industry, and training organizations;
    - Target programming for low-income, disadvantaged, and underemployed workers; and
    - Provide geographically and linguistically accessible programs and support services.
- Encourage states to use a portion of funds available under proposed legislation (S. 1400) for worker training using the above criteria.
- Encourage universities and industry to train and employ local residents and commercial fishers in cooperative research and monitoring programs.
- Consider socioeconomic mitigations including targeted training and rehiring on ecosystem restoration projects as a strong option on projects likely to induce social and economic losses.

## 2. Promoting the hiring of local workers in grants and procurement

In response to recommendations from US Naval Secretary Ray Mabus, S. 1400 allows procurement officers to “give a preference to individuals and companies that reside in, are headquartered in, or are principally engaged in business in, a Gulf Coast State”.<sup>17</sup> Specifically, the proposed Gulf Coast Ecosystem Restoration Council (“Council”), which must incorporate the Task Force’s recommendations, must develop standard contracting and grant terms to accomplish this goal under the proposed legislation and take particular action to address the needs of the socially and economically disadvantaged as well.

Implementing these provisions by developing standards for contractors to hire a certain portion of local residents and targets for hiring local workers participating in or having recently completed training programs targeting disadvantaged populations could help to create a pipeline for local workers into the restoration economy and begin to address the needs of vulnerable communities. This could allow major ecosystem restoration contractors—especially those with significant presence along the Gulf who may wish to hire locally but lack the incentives—to benefit their communities while remaining competitive in bidding. Existing state and municipal models for local hiring set goals of 20 to 50 percent of local residents and 10 to 20

percent of local trainees/apprentices for workable hours on a construction project.<sup>18</sup> The definition of “local” provides some difficulty as selecting a relevant geographic area can make a significant difference in implementation. Initial discussions facilitated by Oxfam with industry leaders have shown some interest in such rules for the construction and operations phases of restoration projects, though it may be more difficult in the design phase due to the highly specialized

## Key criteria for success in the Gulf

### Elements of effective workforce development programs

Existing local workforce programs offer powerful examples of how state and federal funds can provide disadvantaged workers effective on-ramps to economic opportunity. Partnerships with community-based nonprofits to successfully integrate such programs should be essential in future solicitations for funding worker training in ecosystem restoration along the Gulf Coast.

**Active outreach:** The Louisiana Green Corps brings together partners with expertise in training and industry as well as community nonprofits with the networks and cultural competencies to access and screen participants with developmental and intellectual disabilities and low-income, minority, underemployed, and court-involved youth. This has allowed them to prepare workers for a range of green careers that they would otherwise likely never have accessed. In addition to disadvantaged communities, such as low-income, women, indigenous, African-American, Vietnamese, Laotian, and Cambodian populations, potential restoration workforce programs should target commercial fishing and seafood industry workers, who continue to suffer from the oil disaster and loss of natural resources. Industry associations can help identify potential workers interested in such opportunities.

**Industry relationships:** Limitless Vistas, a program founded through EPA’s Brownfield Worker Training Program, leverages the knowledge of its founder, Patrick Barnes, CEO of BFA Environmental, to include a number of industry-valued certifications as part of the training. His firm’s work in the region and his relationships with others in the industry have helped to form partnerships to place many of his graduates.

**Geographic access:** For coastal communities with low population density, such as Point a la Hache, LA or Bayou la Batre, AL, the workforce and community college systems are often difficult to access. Residents often have difficulties traveling long distances to access worker training. During the oil disaster, thousands of workers received training in an array of settings like community centers and churches through collaboration with local governments, contractors, and fishing associations. For courses requiring technical facilities workers traveled to area community colleges and universities. While the quality of these trainings was critiqued, these types of partnerships and use of existing facilities provide new examples for how to reach these communities with restoration training, particularly for coastal workers connected to fisheries.

**Language access and supportive services:** In addition to linking participants to support services such as affordable childcare, transportation, and healthcare, language access is increasingly important for workforce development programs along the Gulf Coast, especially for the existing Vietnamese, Laotian, and Cambodian populations and emerging Latino population. One interesting model supported by the Mississippi State Department of Employment Security used a portion of their \$5M in National Emergency Grant to contract with Asian Americans for Change to provide case management, information about community resources, recruit clients, and make workshops and other training options available to residents with low English proficiency. (MS DES, 2010) Asian Americans for Change is supplying translators as caseworkers and identifying bilingual trainers.

nature of that work. The Task Force has an opportunity to bring together stakeholders in industry, training agencies and coastal communities to define appropriate definitions, standards and accountability measures. The U.S. Department of Agriculture's US Forest Service's experience using procurement to create opportunities for local workers to work in ecosystem restoration and stewardship may also hold interesting implications for Gulf Coast implementation, including its work developing a toolkit for procurement officials and partners.<sup>19</sup>

Because of the short-term nature of many of the jobs connected to ecosystem restoration, especially in the construction phase, research has recognized significant benefits from technical assistance for contractors and effective referral and training systems to identify, prepare, and qualify relevant workers within project timelines.

Without the legislation, current law restricts the use of preferences for hiring local workers on federally funded projects. Still, a number of federal agencies have used technical assistance, and grant solicitations criteria to promote participation of local workers in federally funded projects.

EPA and DOT have promoted the creation of career pathways connected to their grants and projects by providing technical assistance on their Brownfield and Surface Transportation initiatives respectively.<sup>20</sup> Additionally, though they could not be the sole source of hiring, state and federal grant recipients have implemented partnerships in the past with state social service agencies as a source of employment referrals to meet welfare-to-work requirements, which could provide a model without legislation. National Oceanic and Atmospheric Administration's Marine and Coastal Restoration grants solicitations prioritized projects maximizing job creation as the heaviest weighted sub-factor in its requests for proposals.<sup>21</sup> This pushed conservation groups and their contractors to form new partnerships to maximize economic benefits.<sup>22</sup>

Since the states will be doing a significant amount of procurement within the proposed legislation, the Task Force should consider whether the states adopt similar measures and consider developing partnerships to implement similar standards based on best practices to benefit local coastal communities economically in contracting and grant-making.

## RECOMMENDATIONS

- Develop grant and procurement guidelines to assess the extent to which applicants will partner with local job training grantees or other efforts to promote hiring of local residents, including underemployed and disadvantaged workers, in restoration work.
- Conduct outreach and provide technical assistance to promote inclusive local worker referral systems as a first source of hiring, encouraging collaborations of interested industry, local and/or state government, training, and community agencies.
- If possible under legislation, give preferences in source selection to firms willing to agree to hire no less than 30 to 50 percent residents and no less than 10 to 20 percent of workers in construction and monitoring phases of projects

in the immediate parish or county of the project, or, if not, the coastal zone who are currently participating or have just completed training, apprenticeship or other job creation programs.

- In areas where projects impact commercial fishing or social factors, encourage mitigations that agree to hire impacted workers and members of impacted communities as a first source for restoration construction and monitoring.

### 3. Local small and disadvantaged firm business development and contracting

Local and disadvantaged firms, including women-, veteran-, and minority-owned businesses, help provide economic opportunity in local economies. When a local or disadvantaged firm wins a contract or participates as a sub-contractor, they are more likely to hire disadvantaged workers and benefit substantially from employing certain populations, bringing added economic and social benefits. For this reason, the Task Force should support restoration projects which ensure compliance with equal opportunity laws and principles by supporting small businesses, including disadvantaged business enterprises. Existing laws allow federal agencies to set aside certain types of contracts for these businesses and grant a preference to firms that include them in their subcontracting plans. The RESTORE the Gulf Coast State Act (S. 1400), allows for procurement officials to give preference “to individuals and companies that reside in, are headquartered in, or are principally engaged in business in, a Gulf Coast State.”<sup>23</sup> This, in addition to bill language on the need to support disadvantaged communities, can help agencies support policies to ensure local small and disadvantaged businesses can best compete for contracts.<sup>24</sup> Numerous laws and guidance practices require that small and disadvantaged firms be placed on solicitation lists. Additionally, entire federal agencies, such as the Small Business Administration and Minority Business Development Agency as well as agency level

## The Nature Conservancy encourages community recovery through contracting

NOAA’s Marine and Coastal Restoration grant program began including criteria on creating local jobs in 2009, a policy that is influencing major ecosystem restoration projects, including those led by the Nature Conservancy (TNC). After the oil disaster, TNC, in Alabama, on a NOAA funded oyster reef restoration project in Mobile Bay encouraged its prime contractor to subcontract with Boat People SOS, a nonprofit, to identify, hire, and supervise crews of local South Asian workers who had

been laid off en masse from local seafood processing shops to bag oyster shells for the construction of artificial reefs. Similarly, in St. Bernard Parish, LA, TNC’s contractor developed a short-term training program with Nunez Community College for welders to construct technology involved in the project. Pleased with the results of these efforts, TNC has expressed interest in continuing to encourage its contractors to form these kinds of partnerships for community benefits.

offices of Small Disadvantaged Business Utilization, provide an array of services to assist business owners in accessing capital, bonding and technical assistance to obtain federal contracting opportunities.

In states where state law does not allow for these kinds of set-asides, they should be required to give local small and disadvantaged firms adequate opportunity for consideration, even if a set-aside is not possible.

## RECOMMENDATIONS

- Work with coastal zone management committees, levee districts and public officials to create reliable sources of information on projects up for bid.
- Work with SBA's district offices and Task Force member agencies' offices of Small Disadvantaged Business Utilization to:
  - Identify capable and qualified small business sources at the local level and
  - Provide technical assistance to capable small and disadvantaged firms interested in contracting on ecosystem restoration work.
- Work with procurement officials to allow contracts, to the maximum extent feasible and practicable, to be set aside for award to local business concerns. For existing set-aside programs such as 8 (a) and HUBZone, preference should be given to businesses that are local and meet program specifications.
- Prioritize regular monitoring and reporting on small and disadvantaged business utilization and use in subcontracting plans.
- Encourage states' procurement officials to adopt similar initiatives.
- Ensure that federal and state agencies place qualified small and minority businesses and women's business enterprises on solicitation lists and take steps to divide total requirements, when feasible, into smaller tasks to permit maximum participation by small and disadvantaged business enterprises.

## 4. Promote diversification, innovation, and resilience through economic development

Concentrated employment in industries linked to tourism, oil and gas development, and seafood meant that Gulf Coast communities suffered additional economic pain the aftermath of the oil disaster and other disasters.<sup>25</sup> The region must diversify beyond its traditional economic base toward new and diverse industries to reduce its vulnerability to economic and environmental shock. A sustainable strategy for the Gulf Coast would involve turning the region's liabilities—in particular its eroding coastline and disaster vulnerability—into assets by working to build a globally competitive, cutting-edge set of industries around coastal restoration, water management, and disaster mitigation techniques like home elevation and hardening. In the long term, it would ideally involve diversifying the region's economy into include the industries of the future, such as clean energy technology, and away from risky extractive industries.

## A tale of two local hire systems

### Port of Oakland modernization vs. BP's Vessels of Opportunity

The modernization plans at the Port of Oakland provide an excellent example of the implementation of a local hiring policy. The project had high standards, aiming to hire 50 percent of workers from the city and surrounding region, and 20 percent of labor done by local apprentices. They established a partnership of community, labor, training, and industry leaders to assess the obstacles to inclusion of disadvantaged workers and distributed grants to nonprofits to conduct outreach, recruitment, and pre-screening of workers for training programs--primarily union apprenticeships. They supplied contractors with labor (Mulligan-Hansel, 2008). The committee also worked with contractors to resolve compliance problems informally before resorting to penalties. While a Gulf Coast model would

look different, needing to include open and union shops, and a diversity of training providers, this example demonstrates the power of partnership.

The BP Vessel of Opportunity program demonstrated the challenges of local hiring and referral programs that lack accountability and diverse stakeholder participation. Although intended to help out-of-work fishermen in clean-up work, it endured criticism of inequity, lack of focus on placing actual residents and transparency in how hiring decisions were made (Sage, 2010). Thousands trained and applied for jobs, but only a fraction received work (GNO Inc, 2010). Nonprofits reported that the program left out deckhands who were not necessarily given access to jobs on their old boats, as captains used their families as crew to make up for lost revenues, creating additional inequities.

The RESTORE the Gulf Coast States Act (S. 1400) would allow for a certain portion of funding for economic development, including one block of funding which would finance plans submitted by each state in alignment with a restoration strategy developed by the proposed Restoration Council. It is important that the Task Force lay out a set of recommendations for the use of these funds to properly advise the Council on using these funds in ways that build on local assets and take advantage of emerging markets to diversify local economies, especially in socially vulnerable coastal areas, to ultimately build more disaster-resilient communities.

This effort should learn from the missteps of the Gulf Opportunity Zone bonding initiative. There, businesses utilized bonds to finance projects to spur post-Katrina economic development. Unfortunately, the most impacted areas of Louisiana (in this case low-income areas of New Orleans) received minimal assistance.<sup>26</sup> Instead, these funds largely financed previously planned projects outside what many would consider the heart of the disaster zone. Additionally, instead of investing in new industries to foster a diverse and resilient economy, the overwhelming majority of funds went to oil and gas projects, re-enforcing economic reliance on the industry.<sup>27</sup>

The Gulf region would benefit from investments focusing on innovation-led economic development. The cornerstone of this strategy is the concept of taking technology developed in universities and federal laboratories and working to commercialize and produce new technology within a particular region. The

strategy depends on public-private partnerships with leading industries in the region, along with small- and medium-sized companies, government, workforce, and economic development organizations, as well as community stakeholders. Together, these stakeholders can institute policies and programs that promote innovation-driven economic growth. The strategy is most often known as “cluster development” because of its focus on building up a “cluster” of related firms and institutions within a particular region. This is a deliberate departure from the 50-year-old tradition of industrial recruitment, where states compete with one another to lure firms with tax incentives, lower labor standards, and free land, toward one emphasizing “growing your own” or “economic gardening.”<sup>28</sup>

The policy brings together three different concepts:

- A regional approach based on actual industry and economic strengths, rather than one based on political and jurisdictional lines, i.e. spanning economic, workforce and business development, and research and development;
- Science and technology as drivers of innovation; and
- A focus on developing industry “clusters” that connect research institutions, manufacturing facilities, funders, and workforce and economic development officials in a way that leverages each institution’s strengths and creates an overall competitive advantage for the region

A section of S. 1400 allows for the creation of “Centers of Excellence” across a number of industries promoting innovations in sustainability, including in coastal and marine ecosystem restoration and technologies. While the language defining the goals of these Centers is rather undefined, the Task Force and Task Force member agency NOAA should work to craft a program that not only promotes world class science, but also seeks to develop cutting-edge economic and workforce systems to foster world class innovation.

Such a strategy often involves building relationships among economic and research stakeholders and developing an economic development infrastructure surrounding research facilities to deploy innovation through incubators, technology transfer programs, seed funds, worker training, and entrepreneurial training. This would spark new partnerships to bring cutting-edge services and products out of the laboratory and into the communities and international marketplace.

These Centers should support the expansion of firms and occupations associated with them. The Gulf Coast is already home to more than 330 research consortiums, laboratories, organizations, and programs working on coastal and marine sciences, numerous federal-state restoration plans, and more than 25 distinct federal programs supporting Gulf Coast recovery and restoration, providing a natural infrastructure to convene world-class innovation.<sup>29</sup>

## RECOMMENDATIONS

- Recommend that any requests for economic development funds submitted by states as part of proposed legislation meet the following criteria:
  - Limited to within coastal political subdivisions.

- Not create environmental impacts adverse to ecosystem restoration goals and do target industries that build the resilience of coastal communities and diversify the local economy away from reliance on natural resource extraction.
- Promote cluster-development, building on existing regional skill sets and businesses such as coastal restoration and protection, marine science, offshore oil safety and response and renewal energy.
- Recommend potential Center of Excellence funding as part of proposed legislation:
  - Launch a race-to-the-top, encouraging applicants to leverage existing funding and create linkages to current research and development activities and capacities, including in the private sector, with an intentional and inclusive economic development strategy.
  - Promote unconventional partnerships including disadvantaged business enterprises and small businesses and training programs incorporating disadvantaged workers.
- Examine future federal research investments and grant solicitations for strategic opportunities to direct existing funding to the Gulf region in support of Centers of Excellence.

## 5. Prioritize investments in protecting and engaging socially vulnerable communities

While social factors do not determine who will be hit by disasters, they do determine a community's ability to prepare, respond, and recover when disaster does strike. The Social Vulnerability Index, developed by the Hazards and Vulnerability Research Institute at the University of South Carolina and highlighted in the Oxfam America report *Exposed: Social vulnerability and climate change in the US Southeast*, shows how economic and social factors are significant in determining a community's

### Set-asides for local businesses

After Katrina, the GAO documented how few local small and disadvantaged local contractors were utilized in the federal response (Government Accountability Office, 2007). Of the \$20.5 billion spent by federal agencies nationwide between August 2005 and September 2009 to clean up and recover from Hurricane Katrina, small businesses in Alabama, Louisiana, Mississippi, and Texas received less than 14 percent of this work. Additionally, they found that some of the agencies awarding the largest recovery contracts, including the Army Corps of Engineers,

could not demonstrate that they consistently oversaw their prime contractors to meet subcontracting goals. Similarly in the oil disaster response, local, small, and minority contractors were underutilized. In response to hurricane Katrina, the Local Community Recovery Act allowed the federal government to use set-asides in funding under the Stafford Act for not just small and disadvantaged businesses, but explicitly for small and disadvantaged local businesses. Similarly, S. 1400 would allow federal agencies and states to give local firms preferences in contracting.

vulnerability to a disaster.<sup>30</sup> The social vulnerability index allows policymakers to see differences in capacity to respond and recover so they can determine where resources may most effectively be deployed to mitigate risks and impacts.

A significant part of the Task Force's strategy will be the ability of ecosystem restoration projects, such as wetlands and barrier islands, to build resilience to disaster. Incorporating social vulnerability into risk analysis gives the Task Force a fuller picture of the real costs of a disaster, especially when areas of high social vulnerability intersect with high physical vulnerability, a significant phenomenon across the Gulf Coast. Targeting investments toward mitigating physical vulnerabilities in these areas, as well as designing policies to address these social and economic factors as described above, can reduce these risks and create costs savings from future recovery spending. In addition to disaster risk, socially vulnerable communities along the Gulf are more often going to rely on natural resources for subsistence use; investing in the renewal of culturally important subsistence resources can ensure food security, especially in rural communities. Integrating the social vulnerability index into decision-making tools utilized by the Task Force to prioritize projects, especially in terms of incorporating risk analysis, could help ensure efficiency in investments to meet the goal of enhancing community resiliency.

Limited access to political power and representation is another key factor in social vulnerability. For this reason it is important that the Task Force and any successor bodies continue to invest time and resources in community engagement, particu-

## Energy regional innovation cluster

### A model for cluster development along the Gulf Coast

The Department of Energy's Regional Innovation Cluster (E-RIC) solicitation illustrates how federal funding can support innovation clusters. The E-RIC program aligned the science-driven mission of the Energy Department with the economic development and business development roles of the supporting agencies, creating an alignment of grants across four agencies at a value of \$129 million over five years. The winning proposal was the "Greater Philadelphia Innovation Cluster for Energy Efficient Buildings," a regional coalition of universities and private companies located primarily at the Philadelphia Naval Business Center. International companies, seeking to enter the U.S. energy-efficiency market have now established locations at the Naval Business Center. Over the past five years, local economic development organizations, led by Pennsylvania's nationally recognized Ben

Franklin Technology Partners Program, perfected the relationships and successfully competed for federal research-and-development and training programs, linking hitherto disparate resources into an "energy cluster." A key element in the strategy was bringing Penn State University, located four hours from Philadelphia, into the project as a key partner. Federal cluster initiatives, as demonstrated by the Philadelphia example, seek to provide a small amount of federal funding to leverage existing regional scientific and technical capabilities, and ultimately to drive economic development goals. This approach is particularly appropriate for the Gulf Coast, whose restoration is a national priority.

larly in the implementation phase. One key task will be fully integrating the Citizens Advisory Committee, announced by EPA Administrator Lisa Jackson, into the decision-making process of the Task Force.<sup>31</sup> That this body includes diverse, independent voices and is provided necessary access to decision-makers in the Council, along with science, analysis, and other available resources, will be key to its success. In addition to reviewing the planning and implementation of the regional strategy that best reflects coastal community values, the Committee should assist the Task Force in designing communications and capacity-building activities to help the citizens of the Gulf Coast, especially disadvantaged communities, better participate in environmental decision-making. The Task Force's efforts to conduct community engagement were hindered by the lack of capacity and resources of community advocates to attach their concerns and traditional knowledge to scientific evidence. If community organizations are afforded access to resources to engage their communities and connect community concerns with science, they can produce the kind of input that can be better integrated into the work of the Task Force and any successor organizations.

## RECOMMENDATIONS

- Incorporate factors of social vulnerability into decision-making tools and grant-making priorities.
- Support projects that make effective use of community-based organizations in connecting disadvantaged people with environmental decision-making and economic opportunities connected to restoration.
- Identify planning, development, and program management processes to increase communication, transparency, understanding, and capacity of citizens, especially disproportionately vulnerable populations, to be more effective as partners in environmental restoration.
- Identify opportunities to fund technical assistance, planning, and outreach to community-based organizations from socially vulnerable communities for environmental decision-making.
- Ensure that the Citizens Advisory Committee is a part of future Council decisions providing independent advice and recommendations related to the planning, implementation, and assessment of the work of the Gulf Coast Ecosystem Restoration Council, particularly on enhancing community resiliency, directly to the Chair of the Council.
- Highlight examples of best practices, tools, and models that are making a positive impact in communities, especially among socially vulnerable populations, and foster increased cross-sector collaboration and civic participation.

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## The Social Vulnerability Index

The Social Vulnerability Index (SOVI) brings together 32 economic and social variables, culled from national data sources, which research literature suggests contribute to reductions in a community's ability to prepare for, respond to and recover from hazards. These factors include poverty, single-female headed households, race, low English proficiency and special-needs residents. A number of agencies, including NOAA, the Army Corps of Engineers and states and cities have begun to incorporate social vulnerability into their risk analyses (Hazards Vulnerability Institute, University of South Carolina, 2011).



Cover photo Audra Melton / Oxfam America

Restoration of America's Gulf Coast, damaged by major hurricanes, the BP Deepwater Horizon oil disaster as well as decades of degradation from human impacts and natural disasters, is essential for the protection of the region's communities and cultures. Oxfam America and its community-based partners, Bayou Grace Community Services, Bayou Interfaith Shared Community Organizing (BISCO), Coastal Women for Change, STEPS Coalition, Terrebonne Readiness and Assistance Coalition (TRAC) and Zion Travelers Cooperative Center, are working together to advocate for policies that will ensure that socially and economically disadvantaged residents are active participants in efforts to revitalize coastal resources and beneficiaries of the new restoration economy.

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