

# MINUTES

Mayor's Sustainable Business Initiative Task Force  
Bascom-Tykeson Room—Eugene Public Library  
Eugene, Oregon

September 27, 2005  
1:30 p.m.

PRESENT: Dave Funk, Rusty Rexius, co-chairs; Lisa Arikin, Josh Bruce, Julie Daniel, Roger Ebbage, Lynn Feekin, Kartar Khalsa, Mark Miksis, Deb Noble, Scott Pope, Jack Roberts, Randy Ross, Claire Syrett, Claudia Villegas, members; Mayor Kitty Piercy; Bob Doppelt (Institute for a Sustainable Environment), University of Oregon; Mary Walston, Jan Bohman, Eugene City Manager's Office.

ABSENT: Terry McDonald, member.

## 1. Welcome and Introductions

Mr. Funk called the meeting to order and welcomed those present. Task force members introduced themselves.

## 2. Items from Task Force Members

Mr. Funk solicited items from the task force members. Mr. Ebbage offered to share a video entitled "End of Suburbia: Oil Depletion and the End of the American Dream," with interested members, and further noted that Richard Heinberg, author of the book The Party's Over: Oil, War, and the Fate of Industrial Societies, would be in Eugene on January 10 to speak.

Mr. Funk noted the upcoming "Bioneers" conference occurring October 14-15, at which Ms. Arkin would discuss precautionary principles.

## 3. Approval of Minutes of July 28, 2005

Ms. Syrett, seconded by Ms. Noble, moved to approve the minutes of July 28, 2005, as submitted. The motion passed unanimously.

## 4. Discussion of October Roundtables and Community Meetings

Mr. Doppelt called members' attention to the schedule for the upcoming roundtables commencing on October 4.

Mr. Doppelt shared an overhead to illustrate the three levels of citizen involvement in the Sustainable Business Initiative, the task force, the technical advisory committee (TAC), and the roundtables. He noted that a meeting of the TAC was scheduled for September 29 at 2 p.m. at Fire Station #1.

In regard to the roundtables, Ms. Syrett suggested that Mr. Doppelt solicit the involvement of workers involved in the fields in question. Mayor Piercy endorsed the suggestion and emphasized her desire to be inclusive in regard to the participation for all the roundtables. Mr. Doppelt indicated he would follow-up to identify workers in the upcoming roundtables.

Mr. Doppelt indicated the public survey was complete and copies would be sent to members of the task force and TAC soon so they could test the instrument. He confirmed, in response to a question from Mr. Miksis, the survey was not scientific and those who filled it out would be self-selected. He explained the survey was intended as an alternative for those who could not attend the roundtables or who had ideas not identified in the sector.

## **5. Presentation and Discussion of Social Equity/Capacity**

Mr. Doppelt recalled the presentation the task force heard on the “Triple Bottom Line,” which included the Financial Bottom Line, the Social Bottom Line, and the Environmental Bottom Line. He asked the task force to consider how it wished to approach the issue of equity, social sustainability, and social capacity. He said the Social Bottom Line was the most difficult to measure and to document and consequently was often the most ignored aspect of the Triple Bottom Line. He said that the Triple Bottom Line focus meant the task force must consider all three forms of capital (human, social, natural) at one time in order to meet the definition of sustainability established by the United Nations’ Brundtland Commission (“Development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.”)

Mr. Doppelt said the term “social capital” created discomfort for some because for them the term “capital” conveyed the sense people were a resource to be retained or discarded like a piece of equipment. Other terms, such as “social equity,” “social capacity,” and “social sustainability” were frequently employed instead. He suggested the task force might wish to discuss the terminology it wished to use. Mr. Doppelt suggested that business owners were aware of the need to enhance the social capacity of employees and residents in general because all economic wealth was created by the productivity and innovation of people. The only purpose of economic development was to provide people with the goods and services they wanted and needed. He said actions that enhanced social equity almost always enhanced the social, environment, and economic conditions of communities and organizations.

Mr. Doppelt said that social equity capacity enhancement required that equity be applied throughout the entire “value chain” of a business or organization, in the context of one’s supplies, distributors, customers, and the ultimate disposition of the product. It also involved equity between generations. He cited climate change as an example of failure to address social equity in that context.

Mr. Doppelt shared a list of primary focuses of most social equity programs, which included access to educational opportunities, affordable housing, participatory government, active neighborhood organizations, creation of conditions where the positive aspects of different cultures were valued and protected, access to safe employment opportunities, fair wages, effective and fair legal and police systems, affordable accessible health care, and environmental quality.

Mr. Doppelt discussed the efforts of companies and communities working on sustainability. He said the company Interface focused on what it termed the “Five Ps”: People, Process, Products, Places, and Profits. The company acknowledged that the issue of social equity had been the most difficult to address, but it attempted to do so through giving employees more time off, educating their employees about sustainability and how to apply it to their lives, partnering with nonprofits on homeownership, and community donations. Mr. Doppelt said that Norm Thompson Outfitters had focused on its suppliers, ensuring that the factories and companies it bought from adhered to fair labor practices and that the materials they used did not harm the environment or indigenous culture. Norm Thompson Outfitters also supported the communities where the products were made.

Mr. Doppelt noted the work done by Burlington, Vermont, on the issue of social equity. That work included outreach to populations traditionally excluded from the political process and economic mainstream, such as construction training for women, collaboration with nongovernmental organizations (NGOs), adoption of a living wage ordinance that covered contract work with the City of Burlington, racism circles, and the establishment of an “Eco-Info” web site.

Mr. Doppelt discussed the Global Sullivan Principles for Corporate Responsibility, saying that companies that adopted the principles were expected to provide information and be transparent in their commitment to the principles. More than 100 large companies had endorsed the principles. He said that more information about the principles was available through the Internet.

Mr. Doppelt invited comment from Ms. Arkin and Ms. Syrett. Ms. Syrett thought the language issue was an important one. She said the terms “social equity” and “social capital” were hard to define. She saw the issue as being one of sustainable jobs that supported families, who could then support businesses, who could then support the community. Ms. Syrett suggested that the terms the task force used were less critical than the goals it was trying to achieve. If the work of the task force did not result in employment that gave residents a reliable income and voice in the work place, it would not be able to convince residents of the importance of conservation or environmental protection because they would be too busy paying their mortgages and feeding and clothing their children.

Ms. Arkin said the workplace was not a finite geographic spot because workers go home and take part of that environment with them. What happened in the work place affected the community. She cited asbestos contamination as an example of a workplace hazard that could affect the entire family.

Mr. Doppelt asked Kristin Karl of Saint Vincent de Paul to speak to the subject and the work the agency did in regard to social equity. Ms. Karl emphasized the agency’s focus on meeting the needs of low-income residents through a variety of programs, including emergency services, camping program, food box distribution, affordable housing, jobs training, and First Family Place Center. Ms. Karl said Saint Vincent de Paul worked to address the needs of the most vulnerable residents.

Speaking to the agency’s jobs training programs, Ms. Karl said the agency employed about 230 people and all workers started above minimum wage. Those working more than 32 hours weekly received full benefits. Many of those employed had never been in a structured work environment before. Saint Vincent de Paul worked to create job opportunities in overlooked sectors. She urged the task force to include low-income residents in its discussions of sustainability.

Mr. Doppelt asked Ms. Feekin to comment.

Ms. Feekin referred to the Global Sullivan Principles, in particular the principle calling on employers to respect their employees' freedom of association. She said if the task force was to consider quality of life in the work place and how it translated to quality of life in general it should keep in mind the work unions did to raise the standard of living in a community and contribute to quality of life. Ms. Feekin said ensuring freedom of association was critical to making communities sustainable.

Ms. Feekin noted increasing community poverty, a lack of affordable housing, and a lack of affordable health care, and said when one examined the differences in union and non-union work places, it became clear that there was a huge difference in the percentages of workers with health care and those who could purchase a home. She said it was important not to lose sight of the "third leg" of the Triple Bottom Line.

Ms. Syrett said that free association for workers created a democratic mechanism in the work place that allowed workers to have a voice in the decision-making process. It also leveraged the creativity and knowledge of the workers in a way that might not otherwise have happened.

Mr. Bruce said the task force needed to keep the size, scope, and scale of businesses in mind. He said there were particular challenges small businesses faced. He said that such companies might have a sustainability ethic or goal, but struggled to merely stay in business. Incorporating the principles in those companies' structures could be challenging and costly.

Ms. Syrett concurred with Mr. Bruce. She said the same was true of the environmental aspect of the Triple Bottom Line. The environmentally sustainable approach was frequently more expensive than the nonsustainable approach. She believed there would always be conflicts to work through. Ms. Syrett suggested the value of the task force was that it could identify ways to support small businesses in applying the principles.

Mr. Ross commended the work done by Saint Vincent de Paul for its efforts in job training and the quality of its products. He said the agency worked actively in recycling, its products were competitively priced, and its participatory work force could be a model for other companies and agencies.

Mr. Pope suggested processes such as the task force were creating social equity. He said another local example was OUR Credit Union, which offered free personal finance classes for low-income residents. He thought there were other community examples to point to. He recalled Mr. Rexius' remarks about the higher short-term costs of green buildings as perceived from a banker's perspective, and said the life cycle analysis of those costs revealed the social equity element of the expenditure through the value added to the community through the green construction method. Mr. Pope said that often people attempted to attach a financial value to things that were difficult to quantify in that manner, which was where the social equity component of the equation came up.

Mayor Piercy noted the high health care costs faced by Saint Vincent de Paul, and its commitment to solving the problem. She said that agency Director Terry McDonald had been seeking a way to reduce health care costs through group purchases while retaining benefits.

Mr. Rexius said a challenge facing the task force was how to overcome disagreement from those who did not share the sentiments of task force members, such as in regard to the issue of freedom

of association as an inherent right, which was not shared by all. He noted the tension he faced in regard to the topic as a business owner. He suggested the task force needed to be careful with the language that it used and talk about the issues in a way that made sense to everyone and respected their positions.

Speaking to the issue of freedom of association, Ms. Feekin emphasized the key word for her was “freedom,” and the right of workers to choose without interference. She said that she did not believe that every employer needed to be unionized to be fair. She said that when employees were allowed to participate in the work place and shape the working conditions, the effect rippled out into the community through less employee turnover and high homeownership levels.

Mr. Khalsa said that one would think that a business would want to work with its employees in a way that avoided interest in a union. He agreed the task force should be careful about the language it used and avoid polarization. Mr. Khalsa said that when he considered social equity in regard to his business, he believed the business was in place to serve its surrounding community, but if it did not serve its employees, they would have a hard time serving others in the community at large.

Mayor Piercy noted the challenges faced by nonprofits when it came to the question of unions. She cited HeadStart as an example of an agency that believed it was working well with its teachers and its management took it very hard when the teachers wanted to unionize. It took a long time for management to change its perspective and understand that the effort represented the teachers’ interest in having a voice in how choices were being made.

Ms. Syrett said that Mr. Rexius might not always own his company, and unions protected workers from changes in management, making their fate not to up the whims of who ever was in charge. In regard to Mr. Rexius’ remarks about the need to be sensitive to other views in regard to the subject, she suggested the same was true in regard to environmental issues. The word “sustainable” was challenging to some people. She encouraged task force members to be leaders in regard to dealing with those challenges.

Mr. Doppelt asked Shawn Winkler Rios of the Lane Microenterprise Center to discuss his experience in applying the principles of social equity in the field of business development. Mr. Winkler Rios noted his work teaching migrant workers sustainable harvest practices and how to develop their own sustainable businesses. He emphasized the challenge of achieving social equity. The conditions underlying most social equities were complex and there was no silver bullet. Mr. Winkler Rios said defining social equity was also a challenge. Social equity typically involves some sort of condition with an attached inequality.

Mr. Winkler Rios briefly noted the work done by the center with the growing Latino population, saying communication was a significant barrier. Training and resources were additional challenges, as was securing land for a business. He said that microenterprises faced the same challenges as macroenterprises in terms of entrepreneurship. However, Latino residents, low-income residents, and disabled residents faced additional significant challenges. Challenges in the work place facing those populations also needed to be addressed. Mr. Winkler Rios said there were many targets for social equity, and urged the task force to choose the one with the most impact.

Ms. Villegas said the task force needed to acknowledge the fact of illegal immigration and the fact those living here illegally also supported the community. They worked and they bought from local businesses. She said the community needed to provide illegal immigrants with equal

opportunities and offer them educational opportunities not limited to teaching them English but teaching them how to live in Eugene. She suggested it would be useful if more businesses that employed Spanish-speaking employees and had Spanish-speaking customers had supervisors and employees with some Spanish language skills.

Mr. Bruce asked if there were metrics that were commonly used to measure social equity. Mr. Doppelt said that before the next meeting he would develop a short paper summarizing the various measurements and indicators he had found in his research for the task force's review. He said the systems he had seen were place-based or issue-based and focused on a certain set of criteria. The task force would need to decide on those criteria. Mr. Bruce said the goal was important but he questioned how the task force could demonstrate or measure improvements in social equity.

Mr. Ross suggested that more direction on the issue of social equity would come from the upcoming roundtables. He said task force members needed to take responsibility for getting information like the video mentioned by Mr. Ebbage to the community. He believed that the community would be open to discussion of social equity and noted the work done by the University in regard to the topic. He said that how the information generated by the task force was used by members of the public would be a personal choice. However, he believed the more education people had about sustainable practices the better off all residents would be, even if they did not start a business. Mr. Ross suggested that residents of his neighborhood were already engaged in sustainable practices like organic gardening and were open to the information.

Mr. Ross noted the importance of programs that promoted social equity to his own life, saying that without such programs it was unlikely he would have moved to Eugene.

Mr. Khalsa suggested that the task force's main and most measurable objective was to expand sustainable businesses in Eugene and bring in new such sustainable businesses. He asked the mayor how she saw the social equity element fit in with that goal. Mayor Piercy said that whenever the community looked at building a niche or at sustainable practices, it should consider how the people who worked here were affected as a filter. She wanted people who lived in Eugene to be able to have wages and benefits that allowed them to take care of their families. Mr. Khalsa expressed interest in how the task force would define social equity and use it as a filter for its decisions. Mayor Piercy said that she wanted to "move the bar" but recognized that not everyone could reach it at the same time. She wanted to know how to do that in a way that recognized the different situations businesses found themselves in but still kept the community moving toward the goal of sustainability.

Mr. Khalsa emphasized the importance of communicating to the business community that the task force was working on a process to help them reach the goal of sustainability, as opposed to drawing a hard line that represented success. Mayor Piercy agreed. She said that when she discussed sustainable business niches, she was not saying other niches were not fine, but that she believed a focus on sustainable businesses was good and natural for Eugene and met many interests the community had. That did not mean that business not fitting a sustainable business niche did not count. She thought, however, that sustainable business was a natural focus for Eugene.

Ms. Noble noted the difficulty that businesses frequently had in paying a living wage, must less health care benefits given the high cost of health insurance.

Mr. Doppelt summarized the discussion, saying that the task force discussed the need to first define social equity for the purpose of the process. Then it would decide how it would approach the issue, in an integrated or separate manner, and if social equity was a filter for further discussion. The task force also discussed the need to identify its priorities and how to measure progress toward achieving those priorities.

## **6. City of Eugene Sustainability Initiatives**

Ms. Muir provided a PowerPoint presentation highlighting City of Eugene Sustainability Initiatives. She noted the origin of the City's sustainability efforts in a City Council resolution adopted in February 2000. The resolution included a definition and statement of intent regarding the application of sustainability principles to the City of Eugene. A subsequent 2004 evaluation of City efforts indicated progress had been made in regard to environmental stewardship, but social equity and sustainable economic development were identified as challenges. The evaluation helped City staff to identify some next steps in improving City sustainability efforts.

Ms. Muir discussed the City's sustainability efforts as they related to the economy, mentioning the City's mixed-use center policies, Downtown Plan policies, Business Development Fund loan program, City purchasing policies, green building education efforts, and wetlands mitigation bank. She briefly noted the City's sustainability efforts in regard to social equity as exemplified through its Parks and Recreation scholarship and volunteer programs, low-income housing programs, Human Rights Commission, homeless camping program, and investments to comply with the Americans With Disabilities Act. She highlighted the Parks and Recreation Open Space Plan, which included social equity as a core value, and the volunteer programs operated by the Parks and Open Space Division that allowed residents to contribute to their own parks. In addition, the City instituted a First Step Healthy Movement for employees that enjoyed a high level of participation.

Ms. Muir briefly overviewed the City's sustainability efforts in regard to the environment as exemplified by its Solid Waste Program, West Eugene Wetlands Program, City practices related to the use of printers, copying, and fire vehicle washing, the Wastewater Division's Environmental Management System, the metropolitan waterways study, shift to a green fleet, and sustainable land management practices.

Ms. Muir provided a brief description of the City's Green Building Program. She invited interested task force members to visit the City's Web site for more information.

Responding to a question from Ms. Syrett, Mr. Miksis discussed Arlie & Company's Crescent Village Project in north Eugene. He said that before the company sought the green demonstration building project status much planning had occurred, based on the goals established by the City for such mixed-use centers. He said that Arlie & Company hoped to secure a Bus Rapid Transit line to serve the project, which would be a center that included retail and commercial development as well as housing. He hoped that the center would take some of the automobile trips from Coburg Road. Mr. Miksis said the company was now working on to make the buildings more sustainable, and an eco-charette was planned to explore some opportunities in that regard.

Mr. Bruce discussed the Rainbow Valley project, saying the first phase was a rowhouse project near 15<sup>th</sup> Avenue and Walnut Street. Ground was broken the previous week for Phase 1. He said the project was the first in Eugene to employ the new R-1.5 Rowhouse zone, which allowed for a more compact development pattern. He had met with representatives of the United State Green

Building Council and Earth Advantage to discuss placing the rowhouses on the LEED for Homes Pilot Program.

Mr. Doppelt asked Ms. Muir to provide the task force with copies of the City's policies governing its green building and sustainable purchasing practices. Ms. Arkin suggested it would be useful for the task force to have a compendium of all the green and sustainable policies adopted by the City.

Mayor Piercy observed that the new low-cost housing project, West Town on 8<sup>th</sup>, was designed to provide residents with both housing and job training on-site, with connection to an actual job experience.

Responding to a question from Mr. Miksis, Ms. Muir indicated that 90 percent of the former Sears building was being recycled. She did not have the particulars as to the materials involved, but said she would provide that information to the task force. Responding to a follow-up question from Mr. Miksis as to whether the building to be placed on the site of the Sears building would be LEED-certified, Ms. Muir said City staff was working on that aspect of its agreement with the Oregon Research Institute, and she would know more in a few weeks.

Ms. Arkin asked Mr. Miksis if the buildings in Crescent Village would be LEEDS-certified. Mr. Miksis said that Arlie & Company would investigate the financial impacts of securing a LEEDS certification during the eco-charette. He added that much of the certification involved paperwork and demonstrating that one met the criteria. The company may still a building that was LEEDS certifiable but it may not go through with the paperwork needed for certification, which was costly. Mr. Miksis provided a brief description of LEEDS (Leadership in Energy and Environmental Design) certification process. He said there were several different green building certifications available, but LEEDS was the best known.

Ms. Karl suggested the task force schedule a roundtable on the subject of social equity. Mr. Doppelt said he had envisioned the topic would be incorporated into all the roundtables, but it was possible a separate roundtable would be scheduled.

Mr. Funk invited task force members to contact him or Mr. Rexius with ideas for roundtables, adding that given time constraints it could be difficult to fit all the suggested roundtables in the schedule.

Mr. Doppelt anticipated the next agenda would include presentations from representatives of the City of Portland's Office of Sustainable Development and its Economic Development Program.

## **7. Discussion of Presentations and Reading Materials**

There was no further discussion.

## **8. Wrap-up and Next Steps**

Mr. Funk adjourned the meeting at 3:35 p.m.

(Recorded by Kimberly Young)