Capacity Building Grants
2015
The Just Transition Fund is a new, philanthropic vehicle designed to allow national and regional foundations to strategically and nimbly invest in energy and economic transition issues to assist coal-impacted communities. Created by the Appalachia Funders Network and the Rockefeller Family Fund, the Fund was philanthropy’s response to President Obama’s Partnerships for Opportunity and Workforce and Economic Revitalization (POWER+) Plan, which provides federal funding to help communities adapt to the changing energy landscape. Launched in April with seed funding from several national foundations, the Just Transition Fund recently completed its first round of grantmaking, providing roughly $400,000 in catalytic funding to support coalfield and power plant communities undergoing transition.

BACKGROUND

The United States is in the midst of a historic and rapid energy transformation. Low natural gas prices, tightening clean air and carbon regulations, and the increasing cost competitiveness of renewable energy all contribute to a shift away from coal. Although these changes reflect progress toward a clean energy economy, they have left many regions and communities in a state of transition. In 2015 alone, 85 coal plants are expected to retire, with more closures coming in 2016.

In addition to these pressures, Appalachia’s coal industry has experienced its own unique set of challenges. Since 2011, coal mining jobs have plummeted, with more than 14,000 job losses in Kentucky and West Virginia alone. Coalfield communities in Central Appalachia have always had a challenging economy, but the structural changes in the coal industry have led to growing awareness that the region must transition to a more just and sustainable economy.
In response, President Obama outlined the Partnerships for Opportunity and Workforce and Economic Revitalization (POWER)+ Plan. The program, which includes $55 million for communities impacted by the coal industry in fiscal year 2016, aims to invest in workers and jobs, while also addressing important legacy costs in coal country. In March, the White House announced that it will begin implementing the plan in 2015 by awarding funds through a competitive grantmaking process. The POWER Initiative, which is the first phase of this larger plan, is a coordinated effort among multiple federal agencies to align and leverage federal economic and workforce development programs. The grants will help communities negatively impacted by changes in the coal industry and power sector. Appalachian communities impacted by coal mine closure, as well as communities impacted by coal plant retirements, are eligible for funding.

THE JUST TRANSITION FUND

Philanthropy has an unprecedented opportunity to respond and help elevate energy and economic just transition conversations to the national level. To provide immediate assistance and help these communities take advantage of POWER Initiative funding, the Appalachia Funders Network (AFN) and the Rockefeller Family Fund (RFF) created a new, pooled fund called the Just Transition Fund.

Since its inception in April, the Fund nimbly, strategically, and rapidly awarded capacity-building grants to nonprofit organizations grappling with transition. The Just Transition Fund has also connected its grantees to expert, federal resources for research, planning, and technical assistance in order to help these organizations develop effective plans and submit competitive proposals. In the coming months, the Fund plans to convene grantees in order to promote learning across regions to help communities share best practices and lessons learned.

In short, the Just Transition Fund is helping Appalachian and other coalfield communities develop economic and workforce development plans that reflect the interests and needs of a broad range of community stakeholders. By connecting communities to best practices for inclusive planning and to strategies that support a just and sustainable economy, the Fund is working to ensure that economic development does not revert to business as usual. Although philanthropy is not often known for its ability to respond quickly, the Just Transition Fund has responded in real-time to take advantage of a national opportunity and provide catalytic funding for transition.

In June 2015, the Just Transition Fund announced its first awards and provided $411,500 in funding to the following 18 organizations working on both coalfield and power plant transition.
COALFIELD COMMUNITY GRANTS

APPALACHIAN VOICES
BOONE, NC

Coal mining employment and coal production in Southwest Virginia has declined 23.5% and 30.7% respectively since 2011. Further contraction in the coal industry is prompting the region to explore economic development strategies that will promote shared prosperity while protecting the air, water, and land of central and southern Appalachia. Working with key statewide partners, such as Virginia Organizing, Appalachian Voices will provide funds to convene forums and gather grassroots input from Virginia coalfield communities to ensure the economic development planning process builds community-level power.

APPALACHIAN SUSTAINABLE DEVELOPMENT
ABINGDON, VA

Southwest Virginia has experienced a significant decline in coal production over the past 25 years. As a result, the region is undergoing a dramatic loss in coal employment that is contributing to the rise of poverty in the region. But coal is not the only source of income for this region. There is an excellent opportunity for landowners and residents in Southwest Virginia to become part of Virginia's largest industry by addressing the lack of supply of local foods in the area. Grant funds will support Appalachian Sustainable Development’s work with stakeholder-partners to develop a regional strategic plan that will focus on creating a diverse array of economic and workforce opportunities in agriculture and supporting industries. The plan will emphasize resource development and the importance of gaining access to small local and larger urban markets; skills building for displaced coal workers, veterans, and formerly incarcerated persons; and will aim to attract more youth to this vital industry.

APPALSHOP, INC.
WHITESBURG, KY

Southeastern Kentucky is known as a rich land with poor people. As the region readies itself for a departure from the coal industry, on which it has relied for the past century, employers in the region have discovered employees lack the critical skills to be viable 21st century recruits. To address this gap, the Fund will support Appalshop’s partnership with the Southeast Kentucky Community & Technical College and employers in the region to provide a two-year immersive certificate program in technology and media skills. This training, which will be offered in some of the region’s poorest counties, will help meet immediate and long-term workforce development needs and will help foster economic stability in the region.

BRUSHY FORK INSTITUTE
BEREA, KY

Eastern Kentucky has been reeling from the loss of coal jobs. Since 2010, the region has experienced a 51% decline in mining related jobs and more job loss is expected in the years ahead. These statistics, coupled with low educational attainment and a lack of economic development, create seemingly insurmountable challenges for youth in eastern Kentucky. With the Fund’s support, the Brushy Fork Institute will focus on youth between the ages of 16 and 24, and bring together key stakeholders to devise and implement a comprehensive impact strategy for eastern Kentucky. The plan will focus on practical economic and workforce development strategies, including education and job training, to interrupt the multi-generational cycles of poverty experienced by youth and their families.

CITY OF HUNTINGTON WV
HUNTINGTON, WV

Sitting at the gateway to Appalachia, this former transportation and logistics hub has undergone a major economic decline with the contraction of the coal industry. The city has lost thousands of jobs and nearly 40% of its population. Despite these trends, Huntington is focused on resiliency and a future that is more economically diversified and sustainable. The Fund’s support allows Huntington to collaborate with regional philanthropy and private sector leaders to conduct market feasibility and implementation planning studies as it prepares to undertake three revitalization initiatives that include a polymer manufacturing center, solar installation facility, and an advanced manufacturing and agricultural program. These ventures, all of which will serve as training grounds for displaced coal workers, are part of a strategy to diversify Huntington and the greater Appalachia region with new, sustainable jobs for more highly skilled workers.

CLINCH RIVER VALLEY INITIATIVE
ABINGDON, VA

The Clinch River Valley in Southwest Virginia is home to some of the most beautiful landscapes in North America. Located in central Appalachia, the area has an abundance
of valuable natural resources. Juxtaposed to this wealth, however, is endemic poverty and poor health indicators that consistently ensure the region is ranked among the lowest in Virginia and the nation. In addition to these trends, a shrinking population, forced school closures and consolidation, ongoing job loss and significant budget shortfalls brought on by declining coal severance revenues have significantly and adversely impacted local communities. To address these problems, the Clinch River Valley Initiative will use grant funds to work with partners to develop a POWER+ proposal to accomplish the goals identified in their regional economic development action plan. Goals include the development of a state park, trails and campgrounds along the Clinch River, revitalization of the downtown area, and enhanced water quality for the Clinch River.

**COALFIELD DEVELOPMENT CORPORATION**
**WAYNE, WV**

Generational cycles of impoverishment define the demographics of counties in West Virginia, as evidenced by consistently high rankings in unemployment and educational attainment. As the region transitions from a coal-based economy, the livelihoods of West Virginians are tenuous, particularly in counties long reliant on extractive mining. Working with a diverse group of public and private entities, Coalfield Development Corporation will use grant funds to expand its workforce development model in the following areas: agriculture, green construction, transportation and manufacturing, and tourism, in order to best prepare future generations for the region’s promising business development sectors.

**COMMUNITY FARM ALLIANCE**
**FRANKFORT, KY**

Poor health, hunger, under education, limited economic opportunities, and political marginalization are some of the issues that plague Appalachia, and eastern Kentucky communities in particular. According to the 2013 Gallup-Healthways Well-Being Index, high rates of obesity, diabetes, poverty, and poor nutrition place this region last in the nation in overall health and well-being. These figures and other reports indicate that eastern Kentuckian’s poor nutrition stems from a lack of access to fresh local food. Building on previous work on this area, Community Farm Alliance will use funds to convene a collaborative of food and agriculture stakeholders in order to help develop a local food system that will provide access to fresh food while creating new jobs for eastern Kentucky.

**NORTHERN WEST VIRGINIA BROWNFIELDS ASSISTANCE CENTER**
**MORGANTOWN, WV**

Communities throughout Central Appalachia are experiencing significant challenges as the country transitions from a coal-based economy. Nowhere are these challenges more evident than in the historically dependent coalfield communities of West Virginia, where contraction of the industry has created negative economic growth. Working in four coalfield communities—Fairmont, Pineville, Whitesville, and Richwood—Northern West Virginia Brownfields Assistance Center will organize stakeholders and inform local leaders about the POWER+ initiative, provide technical assistance on redevelopment opportunities, and lay the foundation for creating sustainable, economic transition plans for affected communities.

**WEST VIRGINIA COMMUNITY DEVELOPMENT HUB**
**CHARLESTON, WV**

During a two-year period between 2012 and 2014, more than 4,000 miners lost their jobs in West Virginia. The ripple effects of West Virginia’s employment decline in the coal industry has been dramatic, especially to the state’s dwindling tax base. To address the state’s economic challenges, the WV Community Development Hub will work with six southern coalfield communities to create comprehensive development programs that employ a multi-layered, holistic approach and connect communities with opportunities in a wide range of sectors.

**COAL PLANT COMMUNITY GRANTS**
**CLEAN AIR COALITION OF WESTERN NEW YORK**
**BUFFALO, NY**

The NRG Huntley coal plant in Tonawanda, New York is one of the last remaining coal-fired power plants in the state. A recent analysis found that the plant is losing $3 million annually due to low natural gas prices, decreased demand for electricity, and the increasing costs of coal. Moreover, a newly issued water permit, which limits Huntley’s operating capacity to 15%, ultimately renders the facility unprofitable. Huntley has a “Payment in Lieu of Taxes”* scheme with Tonawanda that is based on electricity production, thus affecting the town’s revenue and its ability to provide needed services to residents.
With Huntley’s retirement imminent, the Fund’s grant will support the Clean Air Coalition’s efforts to build support for a just transition by engaging stakeholders in a long-term economic development plan and working with the University of Buffalo Regional Institute to develop an application for federal just transition funds from the Economic Development Administration.

* Payment in lieu of taxes compensates a local government for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property.

**CLERMONT CHAMBER OF COMMERCE FOUNDATION**
**CINCINNATI, OH**

With the closure of the W.C. Beckjord Power Station in Southwest Ohio, Clermont County and neighboring communities lost approximately $3 million in annual tax revenue. In addition, 120 jobs were eliminated, further exacerbating the depletion of financial resources to these communities. The Foundation will organize a team of public and private community stakeholders to undertake a planning and implementation process that will guide future growth in Clermont County. Central to this work will be the submission of a POWER+ proposal for funding to develop, coordinate, and implement strategies and programs that capitalize on the assets of Clermont County to attract, retain, and expand business and industry within the County.

**DELTA INSTITUTE**
**CHICAGO, IL**

Coal plant transitions present significant economic challenges and opportunities for communities that surround them. Plants are often significant employers and contributors to the local tax base, and that economic loss requires coordinated planning. Plant closures also present a great opportunity for the local community to come together and define a new vision that meets their needs. Grant funds will allow Delta to use its sixteen years of brownfield redevelopment and community engagement experience with business, government and communities to create and implement innovative, market-driven solutions for communities that are transitioning away from fossil fuels. The Delta Institute will also play a key role by providing technical assistance to communities applying for Economic Development Administration Planning Grants.

**LITTLE VILLAGE ENVIRONMENTAL JUSTICE ORGANIZATION**
**CHICAGO, IL**

The South Lawndale section of Chicago had a serious problem. The community was plagued with a slew of respiratory illnesses that forced residents to miss numerous days of work and school. Studies linked their poor health outcomes to the Crawford coal-fired power plant that abutted the community. Little Village formed an alliance with faith, health, labor, and environmental groups to challenge the plant’s operation. After years of sustained pressure on the plant’s owners and local officials, the Crawford plant ceased operations in 2012. Little Village will receive funds to undertake planning for the redevelopment of the Crawford site and commission a health impact assessment.

**NORTHERN PLAINS RESOURCE COUNCIL**
**BILLINGS, MT**

The southeast region of Montana comprises part of the Power River Basin (PRB). The PRB houses the largest coal reserves in the United States and supplies approximately 40% of the country’s coal. The basin is also home to two coal-fired power plants that are central to the area’s economy. The Corette plant in Billings closed earlier this year, resulting in the elimination of 35 jobs and $1.8 million in lost property tax revenue. The impending closure of the steam generating station in Colstrip will have an even more dramatic effect on the town in which it is located, as the plant provides more than 535 direct and indirect jobs. Moreover, the neighboring Western Energy Company coal mine will also be impacted by Colstrip’s closure. Western employs 373 workers and generates 89% of its sales of low-sulfur subbituminous coal from the Colstrip plant. Recognizing that the closures of the plants present an opportunity to explore transition opportunities, the Northern Plains Resources Council will convene citizens to develop a sustainable redevelopment strategy for southwestern Montana with the Fund’s support. Northern Plains will also commission an economic analysis study to determine which sustainable development opportunities are most viable for southeast Montana, as the economic viability of the region’s coal power plants and coal mines decline.
RURAL ACTION
THE PLAINS, OH
There are over 90 surface and underground mines operating throughout Appalachian Ohio’s 32 counties. Heavily dependent on coal usage and coal plant power generation, the region consistently struggles with economics, weak markets, and limited financial capital, as well as a myriad of environmental problems. Reliance on coal and expanding Marcellus and Utica shale production is shuttering opportunities to explore new sectors for economic security. Rural Action, a regional member-based development organization will collaborate with partner organizations in Appalachian Ohio in an effort to address immediate and ongoing needs of communities concerned about the impacts of coal, shale, and power plant closings. Grant funds will enable Rural Action to host a series of convenings, as well as conduct outreach and research that will offer guidelines and recommendations for transition sectors submitting proposals for EDA funding.

SUPERIOR WATERSHED PARTNERSHIP
MARQUETTE, MI
The 60-year old Presque Isle Power Plant, located in Michigan’s Marquette County, will cease operations in 2019. The plant generates electricity to what locals call the “U” “P”—the Upper Peninsula area of Michigan, which is home to the Keweenaw Bay Indian Community and the 70,000 residents of Marquette County. With the plant’s closure looming, two energy companies propose building a new co-generation natural gas facility to provide electricity to the county. Uncertainty about the region’s energy ownership and consumption, as well as in-depth discussions and analyses about Presque Isle Power Plant’s closure are imminent. Superior Watershed will use grant funds to engage stakeholders about these issues and to devise a POWER+ planning proposal to support a comprehensive economic plan for Michigan’s Upper Peninsula.

STRONG MOUNTAIN COMMUNITIES AND DOWNSTREAM STRATEGIES
MORGANTOWN, WV
The Kanawha River and Glen Lyn coal fired power plants in Central Appalachia will be retired this year. All of the coal used to operate these plants is mined in West Virginia and Kentucky. The pending closures of these two plants present considerable challenges for the communities that rely on their operations. However, there are also opportunities. Strong Mountain Communities will capitalize on the economic shift taking place in Appalachia to conduct research on best practices for economic transition, engage a wide range of stakeholders on economic diversification efforts, and develop a POWER+ Initiative proposal to support regional transition activities.

For more information about the Just Transition Fund and its upcoming programs, please contact:

HEIDI BINKO
Executive Director & Co-Founder
Just Transition Fund
hbinko@justtransitionfund.org
434.244.0717

SANDRA MIKUSH
Consultant & Co-Founder
Just Transition Fund
smikush@justtransitionfund.org
336.748.9222