



Key Points

- *Abandoned properties cost communities in terms of increased crime, lower property values, and lower tax revenue.*
- *Needs for infrastructure investment are far outpacing the actual funding levels.*
- *The design and construction industry has lost 1.6 million jobs since the beginning of the recession.*
- *CDBG has demonstrated that it is a very effective job creation tool.*

Rebuild and Renew America's Communities

AIA Position

The American Institute of Architects (AIA) supports federal policies that help our nation's cities and towns recover from the economic crisis through investments in community assets that not only rebuild neighborhoods but create thousands of jobs in the design and construction sectors.

Action Sought

The AIA calls on Congress to provide funding for community rebuilding efforts through already-authorized programs such as the Community Development Block Grant (CDBG) so that funds can be distributed to communities as quickly as possible.

Explanation and Justification

Our nation's communities are suffering from the twin challenges of high unemployment and unprecedented levels of foreclosures and abandonment, not just in housing but in commercial and industrial properties as well. This will only increase as the number of commercial foreclosures rises. A 2005 study by the National Vacant Properties Campaign showed that vacant and abandoned properties lead to more crime, lower property values, and less tax revenue. Meanwhile, more than 17 percent of the architects, engineers, and other professionals in the design and construction industry are unable to find work.

The time to make federal investments in our communities is now. The Community Development Block Grant (CDBG) Program, administered by the Department of Housing and Urban Development, is a flexible and commonly utilized vehicle for providing quick, targeted funding to communities in need. The Brookings Institute has estimated that, by leveraging other funds and stimulating projects that would otherwise have never happened, CDBG-related funds create over 130 jobs for every \$1 million in federal outlays. Funding made available through a competitive grant process can prioritize the most worthwhile projects in the most disadvantaged regions of the country.

The CDBG has been utilized numerous times to respond to crisis. The American Recovery and Reinvestment Act (ARRA) provided funding for a Neighborhood Stabilization Program (NSP), a new type of CDBG funding vehicle. NSP has been administered in two phases and supported by approximately \$5.9 billion. In addition, the Disaster Relief Fund, a CDBG program, is used when major disasters overwhelm FEMA's capacity to respond. On more than 3 occasions recovery has been supplemented with funds in excess of \$6 billion.

The current fiscal disaster warrants the same attention. Using CDBG to construct or rehabilitate libraries, health facilities, bridges, streets, transit facilities, waste management centers, and other important public facilities, especially in communities hardest hit by the current economic crisis and those that have experienced long-term population losses, will not only create jobs in the short-term but will help communities stabilize and prosper in the long run.