



The Community Infrastructure Program Creating Jobs, Rebuilding Communities

November 23, 2009

The United States is experiencing the worst economic recession since the Great Depression. Although the Recovery Act has helped to stop the economy from its free fall, millions of families are still struggling from the devastating effects of high unemployment.

The Center for Community Change and partner organizations are developing a proposal to immediately address the current crisis of unemployment, as well as the longer term crisis of joblessness, crumbling infrastructure and disinvestment in vulnerable communities.

The Community Infrastructure Program would create one million jobs at the community and neighborhood level, and put both recently and long term unemployed workers back to work in good jobs that pay living wages, provide benefits, and create stronger, more vibrant communities across the United States.

The Devastating Impact of the Recession on American Families and Communities

This October marked twenty-two straight months of job loss – the longest uninterrupted stretch since 1939. More than 35% of the 15.7 million people counted as unemployed have been looking for work for twenty-seven or more weeks – the highest percentage on record since 1948. The unemployment rate is currently 10.2%, and the most comprehensive unemployment measure – including people who want to work but are discouraged from looking and those working part time for economic reasons – was over 17% in October.

Already vulnerable communities show deepening levels of distress. In neighborhoods across America, homes are empty and the real estate market remains sluggish. Across the country, 10.6% of rental properties are vacant. One of every eight mortgages is in default or in foreclosure.

Family incomes are at their lowest levels in more than a decade, with the largest single year decline on record last year. Almost every American has been touched in some way by the recession and rising unemployment. However, minority communities are particularly hard hit. The African-American unemployment rate in August was 15.7%; unemployment among Hispanics was 13.1%. ***More than one-third of African American children are now living in poverty.***

“A... policy challenge that we face is the likelihood that labor market conditions will remain painfully weak through 2010....current forecasts do not predict substantial employment gains in 2010, and unemployment is unlikely to end [in] 2010 much below its current levels. The suffering and potential permanent damage that such a sustained period of high unemployment will bring is likely to spur calls for further action to stimulate employment growth and cushion the effects of unemployment.”

*Christina Romer, Chair,
Council of Economic
Advisers, October 2009*



Community Infrastructure Program Design

The path forward lies in reinvesting in our communities. The Community Infrastructure Program would provide resources to local governments to create jobs in the public or non-profit sector and potentially in small businesses that provide public services.

- Projects would create immediate opportunities for employment for community residents, the unemployed and the underemployed, and provide jobs with good wages, benefits, and support services. Jobs would be designed to develop participants' skills and open pathways to future employment.
- Jobs would address the deterioration in services and infrastructure that have resulted from long term neglect in neighborhoods across the country, and change the trajectory of the economy – visibly and tangibly, locally and nationally. For example, jobs would be created to: improve the environment; promote public health services; upgrade physical infrastructure, including new construction and rehabilitation; provide education and child care; and engage out-of-school youth.
- All jobs would be subject to strict non-displacement requirements, and no individual would be employed at any employer where there is a collective bargaining agreement in effect covering the same or similar work, except with concurrence of the union.

The Community Infrastructure Program would be authorized for three years.

- During the first 6-9 months, the program would develop FAST TRACK jobs. Projects would be limited to certain activities, to allow for quick implementation and scale.
- After 9 months, the program would move into the full implementation phase, and projects would be identified based on a planning process that would involve community input.

We anticipate that \$35-40 billion dollars would fund the creation of approximately one million jobs. Funds would be administered at the federal level by the U.S. Department of Labor.

Over the long term these investments will (1) create job opportunities that foster participants' readiness to work and impart job-related skills that will make residents more employable once the economy has turned around, sustaining long term local economic development; and (2) strengthen the social and economic infrastructure of low-income communities – filling gaps in public services, providing the resources and workers to rebuild community institutions, and expanding the capacity of community-based non-profits, which will contribute to a more productive, stable national economy.

In every crisis there is an opportunity. Now is the time to reinvest in our nation's distressed communities and to create jobs for those who need them, in order to reduce economic insecurity, stimulate the economy, and help unemployed workers build new skills for the future.