



Building Sustainable Communities

The 2011 Federal Policy Agenda



LISC

*Building Sustainable
Communities*

Building Sustainable Communities: A Policy Perspective

Comprehensive community development can be life-changing for struggling low-income families and the places they live. It creates jobs, energizes local and regional economies, and supports virtually every aspect of a community's quality of life.

With it, kids have access to decent schools and play in parks free from gangs and drugs. Commercial corridors bustle with entrepreneurs, shoppers, and staff. Blighted, mold-ridden housing is replaced by attractive rental and for-sale homes that anchor community stability. Streets are safer. Businesses are more successful. Residents are healthier. And, families can build assets and plan for the future.

None of this happens in a vacuum, of course. Comprehensive community development—what the Local Initiatives Support Corporation (LISC)

calls Building Sustainable Communities—requires a strong public-private partnership that recognizes the value of locally driven redevelopment plans, encourages it with significant technical assistance, backs it with flexible financial resources, and measures and manages its long-term success.

The federal government, through agencies like the Department of Housing and Urban Development (HUD), the Department of Agriculture (USDA), the Department of Health and Human Services (HHS), and the Department of Justice (DOJ), has always been integral to that effort. Indeed, the Administration and Congress have moved decisively through the economic downturn to bolster the federal government's impact on economically distressed communities.

Thanks in part to that support; LISC was able to invest \$1.1 billion in grants, loans and equity in low-income urban and rural communities during 2010. That brings our total community commitment to \$11.1 billion since 1980, which has fueled \$34 billion of broad-based redevelopment activity. The impact includes 277,000 homes for disadvantaged families, 139 schools offering an improved educational outlook for 50,000 kids, 164 child care centers for nearly 18,000 of our youngest neighbors, and 241 athletic fields, giving residents the chance to take advantage of health and recreation programs that otherwise might not exist. All told, it includes 44 million square feet in commercial and community space for health clinics, retail hubs, cleaned up industrial sites, senior centers, community arts programs, and financial literacy and employment programs. Our goals are clear-cut but by no means simple.

Our goals are clear-cut but by no means simple. Through *Building Sustainable Communities* LISC works to:

- 1. Expand Investment in Housing and Other Real Estate**
- 2. Increase Family Income and Wealth**
- 3. Stimulate Economic Development**
- 4. Improve Access to Quality Education**
- 5. Support Healthy Environments and Lifestyles**



Goal 1: Expanding Investment in Housing and Other Real Estate

The built environment is the most visible sign of a decaying community or of one marked by growth and opportunity. Redeveloping housing and other real estate provides the early fuel for broad-based revitalization by preserving affordability, improving the physical surroundings, providing space for essential services and amenities, and stimulating new investment.

LISC works toward this goal through:

The National Equity Fund, Inc. (NEF), a LISC affiliate, is the leading national syndicator of low-income housing tax credits (LIHTCs).

LISC's Affordable Housing Preservation Initiative focuses on the critical issue of rental housing preservation by developing innovative technical and financing solutions; and the **LISC Housing Authority Resource Center** supports creative approaches to improving the condition of public housing.

LISC Foreclosure Response Team helps mitigate the impacts of the foreclosure crisis by providing training to community-based nonprofits and provides loans and grants to rehab and resell homes.

Rural LISC builds the capacity of resident-led community-based organizations to improve the quality of life in underserved rural areas.



Related Policy Priorities:

- HUD Section 4 Capacity Building Program bolsters non-profit community development corporations and their ability to drive lasting change.
- Modifications to the Low Income Housing Tax Credit and fully funding the Community Development Financial Institutions (CDFI) Fund would attract additional investment capital.
- Affordable housing programs, such as HOME, McKinney-Vento Homeless Programs, and National Housing Trust Fund, lay the groundwork for affordable housing development.
- Fully fund project-based Section 8 to preserve HUD-assisted housing, and the Veterans Affairs Supportive Housing Voucher Program.
- The Choice Neighborhoods Program will support the revitalization of distressed public and assisted housing and surrounding neighborhoods.
- Fully fund the USDA rural development programs, including the Section 502 Direct Homeownership Program, the Self-help Housing Program and the Rural Community Development Initiative.



Goal 2: Increasing Family Income & Wealth

Better physical surroundings are just the beginning of stable neighborhoods. Building the assets and incomes of struggling families, including improving employment skills and access to living-wage jobs, is a second critical element of LISC's strategy for Building Sustainable Communities.

LISC works toward this goal through:

LISC's Family Income and Wealth Building program connects low- to moderate-income families to the financial and labor mainstream, helping them build lasting prosperity. Fifty-seven **Financial Opportunity Centers** nationwide provide workforce training, job placement services, long-term financial coaching and counseling, and assistance in accessing public benefits. As a result, thousands of families are working to stabilize their financial position and raise their standards of living.

LISC AmeriCorps is part of the national service network, administered by the Corporation for National and Community Service. LISC AmeriCorps members are



unique in that they typically come directly from the low-income communities we serve, and therefore give back to the places where they live. They work with our partner CDCs to support affordable housing development and provide home ownership counseling to prospective first-time low-income homebuyers. They spur community engagement, work on issues connected to economic development, jobs and health, and help families tackle financial challenges and stabilize their outlook.

Related Policy Priorities:

- Fully fund AmeriCorps administered by the Corporation for National and Community Service.
- Fully fund the Social Innovation Fund—an Obama Administration priority that seeks to bring innovative programs to scale—which LISC is using to extend the reach of the Financial Opportunity Centers to thousands of additional residents.
- Reauthorize the Workforce Investment Act, and enhance its ability to better serve low- and moderately skilled workers.



Goal 3: Stimulating Economic Development

Economic vibrancy is crucial to the recovery of disinvested communities. Residents want to shop for goods and services in their own communities, and the businesses that provide them services also create jobs, contribute to safer streets and encourage other investment in the neighborhood. By supporting small business development and revitalizing commercial corridors LISC is not just Building Sustainable Communities, we are helping strengthen regional economies as well.

LISC works toward this goal through:

New Markets Tax Credits (NMTC) are a crucial tool for helping attract private capital to distressed communities. LISC is the country's largest New Markets allocate, with \$693 million in investment authority from the CDFI Fund, more than \$550 million of which is already invested.



LISC's **MetroEdge** is a commercial market toolkit, combines innovative market research, on-the ground assessments, and grassroots community engagement to correct misperceptions of urban markets, identify hidden assets, and help communities exercise more control over their economic futures.

Transit Oriented Development (TOD) is critically important in rebuilding communities and improving the outlook for low-income families. LISC's TOD work seeks to leverage major public investments in order to create access to regional economic opportunity, while stimulating the neighborhood economy.

Related Policy Priorities:

- Extend the New Markets Tax Credit and fully fund the Capital Magnet Fund, within the CDFI Fund.
- Fully fund the Community Development Block Grant Program
- Pass the Livable Communities Act, and fully fund HUD's Sustainable Communities Initiative.

Goal 4: Improving Access to Quality Education

Education is the clearest pathway out of poverty. That's why access to quality education is a defining characteristic of a sustainable community. LISC works with school districts, parent-teacher groups, child care providers, youth development and afterschool programs to help make local education a force for family stability and community improvement.

LISC works toward this goal through:

LISC's Community Investment Collaborative for Kids (CICK) improves the supply and quality of early education in low-income communities by helping fuel the development of affordable facilities in disadvantaged areas. CICK offers technical assistance, financial support, and advises state governments, funders, and others on crafting and improving early childhood facility initiatives.

LISC's Educational Facilities Financing Center (EFFC) supports the development of quality public charter and alternative schools in areas of need. The program provides technical assistance and financing to local facilities and fosters public policy initiatives by identifying replicable financing mechanisms, consulting, and best practices.



Related Policy Priorities:

- Support the creation of a child care facilities financing program, which would establish a capital and technical assistance fund in HHS to develop early childhood facilities.
- Support full funding of the Credit Enhancement for Charter Schools Facilities Program in the Department of Education.
- Support the reauthorization of the Credit Enhancement for Charter Schools Facilities Program and other charter school financing initiatives.



Goal 5: Supporting Healthy Environments and Lifestyles

Residents can't improve their quality of life if they live in food deserts marked by gangs, dilapidated playgrounds, contaminated brownfields and graffiti. At LISC, **Building Sustainable Communities** connects safe streets; quality athletic fields and youth programs; parks and greenspace; and access to healthy food through full-service grocery stores and farmers markets. These are just as important to sustainable community growth as affordable housing and economic development.

LISC works toward this goal through:

LISC's Green Development Center (GDC)

drives healthier development efforts across the country through funding and technical expertise. At LISC, going green is not just about cutting edge technology. It is about weatherization of aging homes, green jobs and other basics of environmentally sound design.

LISC's Community Safety Initiative (CSI)

helps low-income communities deal with the blighting influence of crime in lasting and creative ways. CSI supports strategic alliances between community developers, law enforcement, and other stakeholders to attract new investment to troubled neighborhoods by making them safer for families and businesses.



Related Policy Priorities:

- Long-term funding, through the Edward Byrne Memorial Fund in DOJ, for programs that enhance community safety through collaborative crime problem solving and investments in the built environment—such as CSI.
- Full funding of the Department of Energy's Weatherization Program, and efforts to make the program more accessible to multifamily housing developments.
- Full funding of the Environmental Protection Agency's (EPA) Brownfields program and the program's reauthorization to include non-profit eligibility for all Brownfield grant funding.
- Authorization and full funding of the Healthy Foods Financing Initiatives in HHS, USDA, and Treasury.





For more information on LISC's Building Sustainable Communities

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