

NATIONAL LEAGUE of CITIES



HELPING CITY LEADERS BUILD BETTER COMMUNITIES

AGENDA FOR ECONOMIC GROWTH

2011

CDBG | TRANSPORTATION | IMMIGRATION



America's hometowns are where we come together as neighbors and fellow citizens to solve problems and get things done. They are where we create new industries, businesses, and jobs, and where families reach their full potential. And they are where we get an early, firsthand view of the full array of challenges and opportunities facing our nation.

The future of America's hometowns is bound up with the future of our nation. On behalf of America's city leaders, the National League of Cities looks forward to working with the President and Congress this year to build a better future for all of us.

While the nation's economy may be recovering from the worst economic downturn since the Great Depression, the consequences of the recession will be playing out in America's cities and towns and in the lives of families for years to come. Since the onset of the economic downturn, city leaders have been forced to make tough choices in an effort to provide essential public services and to bolster their local economic engines while responding to large and often persistent budget shortfalls. With the nation's unemployment rate hovering around nine percent, more than eight million jobs lost since the recession began in late 2007, falling home prices, and the surging cost of oil, families are being forced to do the same.

As the President and Congress continue to grapple with a host of difficult national challenges, we call on them to partner with America's city leaders to create good jobs and to help cities preserve programs essential to quality of life in the short term.

AGENDA FOR ECONOMIC GROWTH

1. SUPPORT CDBG, CREATE HOMETOWN JOBS

For nearly four decades, the Community Development Block Grant (CDBG) program has served as a catalyst for financing housing, infrastructure, and economic development in America's cities and towns. Any cut to this essential program will severely hamper local efforts to put people to work and spur local, regional, and national recovery.

The importance of CDBG grants to local economic recovery cannot be overstated, especially in fiscally challenging times. When fully funded at \$4 billion, 7,000 local governments—*large and small, urban and rural*—use these funds annually to address their own unique employment, housing, and neighborhood revitalization needs. Though cuts to the CDBG program will have little real impact on reducing the federal budget deficit, they will slow and eliminate thousands of projects that leverage public and private funds into new jobs and developments of lasting worth to the community.

CDBG funding does not stay in city hall. In fact, it goes to local businesses, builders and contractors, and service providers who transform the neighborhoods in which they do business. Every dollar of CDBG funding a city or town receives leverages an additional \$1.62 in non-CDBG funding. Full funding for CDBG connects private sector growth to the revitalization of entire communities.

NLC Request of Congress

- Maintain level funding at \$4 billion for CDBG for Fiscal Year 2012.



2. INVEST IN TRANSPORTATION INFRASTRUCTURE

The condition of our nation's infrastructure is vital to our economic recovery and growth. As local governments continue to struggle under mounting budget shortfalls, federal support for infrastructure is even more critical, not only to fund overdue repairs but also to put individuals and communities back to work.

Recently, the Government Accountability Office noted that the federal approach to transportation programs has not been updated since the 1950's when the programs were created. It is time to update these programs to address current challenges and reflect the central role of transportation to metropolitan economic growth and vitality.

Federal investments in infrastructure made available over the last several years were an important down payment, providing cities and towns with resources to make short-term upgrades and to explore innovative, sustainable long-term solutions. Moving forward, a strong intergovernmental partnership is key to advancing national transportation goals and priorities. If we continue to allow our infrastructure to deteriorate through lack of investment and proper maintenance, we put America's economic success – and the success of our hometowns – at risk.

NLC Request of Congress

- Partner with local governments to meet America's pressing transportation infrastructure needs by authorizing a new federal surface transportation program that recognizes the central role of transportation to metropolitan and regional economies, includes the local voice in planning and project selection, and chooses the best mix of transportation options to fit the needs of the region.
- Provide full funding for federal transportation programs and give priority to those that promote long-term outcomes, protect the environment, create jobs, and help the economy recover.



3. FIX THE NATION'S BROKEN IMMIGRATION SYSTEM

America's immigration system is broken, and the nation's hometowns are suffering the consequences. The inability of government at all levels to reach consensus on a solution to immigration has created financial, cultural and political strains in communities across America. Comprehensive reform is needed to fix the system and to provide cities and towns with the support they need to integrate immigrants into American communities.

NLC Request of Congress

- Provide greater border security and enforcement.
- Recognize the human and civil rights of both citizens and non-citizens.
- Strengthen penalties against employers who knowingly employ undocumented workers.
- Create a program for the admission of temporary workers based upon the needs of the economy who, over time, can qualify for legal permanent residency.
- Provide adequate fiscal support for city and state governments that are disproportionately shouldering the costs of the current broken immigration system.
- Establish a process whereby the 12 million undocumented immigrants currently living in the United States may earn legalized status through, among other activities, payment of appropriate fees and back taxes, background checks, and "waiting their place in line."



CORE PRINCIPLES

FUND FEDERAL MANDATES

When requiring state and local activity in a given area, the federal government should provide adequate funds to address the fiscal impact of those policies. Federal policies should not mandate new costs for local governments without considering the increased financial liabilities and including reimbursement mechanisms to minimize disproportionate responsibilities.

RESPECT LOCAL AUTHORITY

Activities such as franchising, zoning, issuing permits and licenses, and establishing local codes are fundamental responsibilities of local governments. Federal policies should respect these activities and not preempt local authority to protect the health, safety and welfare of local residents. Additionally, the federal government should defer to municipal authority regarding fundamental employment decisions and mandating specific working conditions.

PROMOTE THE INTERGOVERNMENTAL PARTNERSHIP

A well-functioning intergovernmental system offers significant opportunities for all levels of government to serve the nation's citizens more effectively. Federal grant programs, regulatory requirements, funding formulas and other practices should promote cooperation at the local and regional levels. The intergovernmental partnership must be strengthened to provide a framework for economic growth that also preserves important principles of freedom.

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