FACT SHEET:
Community Revitalization Fund Would Invest in Nation's Civic Infrastructure

The President's Build Back Better agenda will ensure that all of America benefits from a robust economic recovery. It will invest directly in rural, tribal, suburban, and urban communities that have been underserved for too long, create quality jobs, and open opportunities for residents, small businesses, and entrepreneurs to help Build Back Better. As we build infrastructure such as roads, transit, housing, and broadband, we must also invest in civic infrastructure—the physical spaces that support a community's social, economic, and civic fabric.

That is why the Build Back Better agenda calls for a new Community Revitalization Fund based at the Department of Housing and Urban Development (HUD) to support community-led redevelopment projects that create innovative shared amenities, spark new local economic activity, provide services, build community wealth, and strengthen social cohesion.

The Fund will build on the Choice Neighborhoods program—a proven model of community investment that provides funding both for development and implementation of community-driven plans. While the current Choice Neighborhoods program is focused on public housing, the Fund will invest in comprehensive civic infrastructure projects. It is expected that these projects may look different in rural, tribal, suburban, and urban communities. What is important is that they intentionally support the local community and its residents and, where relevant, proactively stem forces of displacement and gentrification that can come with increased investment.

The Community Revitalization Fund will:

Invest Directly in Community-Led Projects That Benefit Residents. The Fund will provide planning grants and implementation grants for community-led redevelopment efforts. These grants will flow directly to community-based organizations, non-profits, and community development corporations (CDCs) that are expected to lead projects at every stage of planning and construction, with nonprofits—including community development financial institutions (CDFIs) and philanthropy—and/or local government serving as partners or fiduciary agents. The Fund will center the community as direct recipients of funds and direct drivers of project outcomes.

While community-based organizations know their mission and neighborhoods well, some may not have experience in implementing projects with federal funding. The Fund is committed to meeting communities where they are in the planning process and building the capacity of organizations through comprehensive training and technical assistance as part of grant delivery, including trainings on civic infrastructure models and the federal regulatory framework during the application phase. HUD's National Disaster Resilience Competition included such trainings during the application period and throughout the implementation process, serving as a model for technical assistance delivery. The Fund will also support key pre-development steps such as needs assessment and community engagement, and allow for multipurpose projects that catalyze sustainable growth and investment.

Activate Vacant Land and Buildings to Create Community Amenities. Every community has strengths to build on—both people and places. Underutilized sites like brownfields, old school buildings, or shuttered warehouses can become new physical, economic, and social anchors. The Fund will support places to live, work, and gather, including: upgrading access to natural areas, restoring vacant buildings and storefronts to provide low-cost space for services and community entrepreneurs (such as health centers, arts and cultural spaces, job training centers, business incubators, and community marketplaces), or removing toxic waste and building new parks, greenways, urban agriculture, and community gardens.

Target Funds Towards High-Need Communities and Reinforce Local Capacity. The Fund will use a data-driven approach to identify areas for equitable investment—focusing on persistent poverty counties, high-poverty census tracts, and areas both at risk of or rapidly gentrifying—while ensuring broad geographic diversity.[1] Within areas that are gentrifying or at risk of gentrifying, investments will be targeted to strategies that prevent displacement and contribute to wealth-building for existing residents. Additional factors such as access to capital and broader socioeconomic health[2] will be used to inform selection, assess a project's potential, and develop a process to show results. Success of the program will be measured through an evaluation and data collection framework on the front end, with a portion of the dedicated funding will be used for data collection and monitoring and evaluation.

Recognizing that a legacy of underinvestment may mean some communities lack capacity to build complex projects or even apply for federal grants, the Fund will seek partnerships with philanthropy, CDFIs, and local government to provide fiduciary backing, technical assistance, and capacity-building support. The Fund will also consider consortia and partnership models to bolster implementation capacity. However, the Fund is committed to community leadership and ownership and will define principles of such through an engagement process with potential applicants prior to launch of the program. Such principles will include, but are not limited to: 1) community-wide involvement in planning process, 2) evidence of community members involved in decision making, and 3) threshold percentage of community members on the boards of the community-based organizations.

Strengthen Social Cohesion and Build Community Wealth. Without stable neighborhoods where residents create and benefit from economic and social opportunity, and a safe and healthy environment to raise their families, many low-income communities and communities of color will not realize the benefits of broader growth and recovery. The Fund will prioritize projects that strengthen social cohesion and/or build community wealth and equity for existing residents. Civic infrastructure projects help build key social and economic links so that neighborhoods

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[1] According to Government Accountability Office analysis, persistent poverty counties (20% or higher poverty rate over past 30 years) and high poverty census tracts (20% or higher poverty rate over past 5 years) account for 13% of all counties and 28% of all census tracts. For the purposes of the Community Revitalization Fund, areas at risk of or rapidly gentrifying include census tracts where household income was below a certain percentile of all census tracts in the metro area as of 2010, and have since experienced significant changes in metrics including household income, racial demographic composition, median rent, and college education.

[2] The Urban Institute Investment Score measures commercial, multifamily, single-family, and small business lending by census tract, offering one potential proxy to identify undercapitalized communities. The Economic Innovation Group's Distressed Communities Index used a series of socioeconomic indicators to measure overall prosperity by zip code, finding that 108 million people lived in "distressed" or "at-risk" communities (2018). The Center for Disease Control's Social Vulnerability Index measures socioeconomic stresses to identify communities most vulnerable to emergency health and disaster events.

become places of opportunity, where residents can afford to live and wealth that is created in the community remains in the community. The Fund will encourage innovative approaches to achieve these goals, including land acquisition, new business creation, stronger connections to employment centers, community investment trusts and similar wealth-building models, and projects that provide for intercultural and intergenerational mixing.

Spark New Local Economic Activity and Unlock Private Capital. Civic infrastructure projects make neighborhoods more attractive places for all types of investment—including housing, businesses such as manufacturing, and other key Build Back Better agenda priorities—while driving development that is responsive to the needs and strengths of each community. The Fund will seek projects that exhibit potential to spark new local commercial activity and unlock private investment for further equitable development, with a strong vision of continued community benefit. The Fund will encourage collaboration with CDFIs to leverage additional resources, and coordination with other federal resources such as New Markets Tax Credits, Low Income Housing Tax Credits, and Community Development Block Grants to drive sustained impacts and upward economic mobility. The Fund will also support pilot projects, tactical urbanism projects, pop-up spaces for local retail, and other smaller-scale interventions that build momentum for continued revitalization.

Incorporate Equitable and Climate-Resilient Design. The Fund will promote the best of American design, built for people and for the future. Communities will be encouraged to use design to advance equity and climate resilience, promoting a strong link between past and future. This includes adaptive reuse of historic buildings, projects that celebrate cultural heritage, in-fill development that reknits areas damaged by urban renewal, and the revitalization of commercial corridors with locally-owned businesses and services. The Fund will also seek to align with the Biden-Harris Administration’s Justice40 climate goals by prioritizing projects that advance resilience and sustainability and remediate environmental health risks in disadvantaged communities.