



Safety, Growth, and Equity: Infrastructure Policies That Promote Opportunity and Inclusion

by Victor Rubin

Introduction

Except in times of crisis, most people seldom think about infrastructure and how roads, schools, parks, bridges, and sewer systems are part of a comprehensive system that supports communities and regions. The devastation that followed Hurricane Katrina thrust the word "infrastructure" into the consciousness of the nation and left many wondering about its meaning in the Gulf Coast and curious about its significance in their own communities.

Events in the Gulf Coast were, of course, triggered by nature, but the death and destruction that followed also had roots in policy and budget decisions about infrastructure—levees, mass transit, and other factors—made years, even decades earlier. Why didn't the levees hold? Why was there no public transportation to move people out of harm's way? In the wake of the catastrophe, such questions have been debated on talk shows, websites, and in newspaper opinion pieces, and have spawned numerous studies. The heightened attention makes it all too clear just how infrastructure issues, despite their critical importance, are often regarded like a

computer program running in the background that is taken for granted until something happens—water mains break, bridges collapse, or levees don't hold—and suddenly infrastructure is a very real concern.

In the wake of disasters, their passing ought to reinforce the need for ongoing scrutiny of infrastructure. Long-term patterns of under- and misguided investment can lead to major facilities shortages, serious economic impediments, inequitable outcomes, and unacceptable levels of risk even without a catastrophic event. In California, infrastructure has become a front-page, high profile issue for all these reasons and after decades of relative neglect, the electorate was faced this year with a wide range of choices to fund new capital projects.

The immediate crisis in the post-Katrina Gulf Coast region and the ongoing challenges in fast-growing, increasingly diverse California provide contrasting lenses for viewing how equity relates to infrastructure in the United States.

Rebuilding the Gulf Coast. As plans proceed for massive reconstruction throughout the Gulf Coast, fair and inclusive policies should be put in place so that the unprecedented federal infusion of more than \$100 billion will be allocated equitably. Policymakers can take this unique opportunity to locate affordable housing throughout the city and the region, rather than reestablishing concentrated poverty in below-sea-level neighborhoods or near Superfund sites. Infrastructure and land-use policies can create conditions for more sustainable development through greater coastal restoration, to lessen future storm damage, and incentives for alternatives to sprawl. The massive spending on public works and other construction could provide broad and inclusive access to jobs. Displaced residents should be part of the reconstruction planning and decision-making and given first priority for jobs with livable wages and benefits. See the PolicyLink website for the "Ten Points to Guide Rebuilding in the Gulf Coast Region" and news of the ongoing efforts to ensure equity in state legislation, regional planning, and neighborhood recovery at <http://www.policylink.org/EquitableRenewal.html>.

Facing Infrastructure Problems

Infrastructure is the skeletal support of communities and regions, and it requires effective, transparent government policies to guide its planning, spending, building, and maintenance. Growing populations, resource-intensive development patterns, new technology requirements of a rapidly changing economy, and several decades of underinvestment have combined to create a large backlog of infrastructure projects all over the country—in urban, suburban, and rural areas. Over the next two decades, the need for substantial infrastructure investments is expected to increase. Building or maintaining schools and colleges, water systems, highways, roads, mass transit, telecommunications systems, and parks require infusions of financial support that compete with other services for limited federal and local funds. Decisions must be made about when and where to allocate these dollars.

Like so many other aspects of life in America, decisions about infrastructure are fraught with persistent disparities of race and class. Answering the questions, who benefits, who pays, and who decides provide scrutiny to infrastructure decision-making. In a democratic society, it is unfair to make plans without considering the impact on all of a region's residents. Decisions about what needs will be addressed and how they will be paid for should not

result in low-income people and people of color bearing the brunt—as witnessed most starkly in Louisiana—of a failure to apply equity principles to infrastructure planning. Why were most of the victims of the infrastructure failure in Louisiana poor and black? What can be done differently in the future to avoid similar post-Katrina tragedies in the wake of the inevitable next storm? Beyond the particularities of the Gulf Coast region lie such questions as: How can America's cities, towns, and communities stand strong and whole? How can infrastructure decisions and spending be equitable so that low-income communities and communities of color are assured the same protections and services as everyone else?

This policy brief examines such questions and poses answers that support equitable infrastructure policies and practices based on a two-year review conducted by PolicyLink of infrastructure challenges in the state of California. Issues confronting California can profoundly influence responses to infrastructure questions in other parts of the country. The key themes and principles of equitable infrastructure investments described in this document are also informed by a PolicyLink review of research and advocacy efforts from around the country. In the coming months, PolicyLink will release several papers that will provide greater detail and deeper analysis of

Rebuilding California. The Golden State is facing an infrastructure crisis that results from sustained high rates of growth, diminished capital spending, challenges to building and financing in innovative ways, and growing recognition that the next epochal disaster is waiting to happen. The Katrina disaster and a large levee break in the Sacramento River Delta last year led to a heightened awareness of the destruction that would occur from a major collapse of California's inadequately maintained levee system. Traffic congestion has reached heights that raise public receptiveness to financing new roads, bridges, and transit. School facilities in overcrowded, low-income neighborhoods and fast-growing suburban tracts need massive amounts of modernization and new construction. Californians sometimes hear back to a presumed "golden age" in the 1960s and 1970s when this kind of infrastructure was built at a rapid pace and comprised a much larger share of the state budget. The November 2006 statewide ballot included five infrastructure bond issues, and was a critical test of public support for transportation, levees, other water storage, parks and open space, school facilities, and affordable housing. All of the bond issues were approved, as were some county transportation sales taxes and a strong proportion of other local bonds and taxes. What are the equity concerns raised by this upcoming burst of new investment? How can the spending be allocated in a way that gives low-income communities a fair share and promotes sustainable development? The campaigns were not principally focused on these questions, so the period of implementation will be even more critical for equity advocates.



ideas presented here. The essential principles of this and future PolicyLink infrastructure reports are:

Principle 1: Infrastructure decisions have widespread impact on housing, development, investment patterns, and quality of life and the outcomes of those decisions must be fair and beneficial to all.

Principle 2: Infrastructure plans should not have to compete with health, education, and human service needs but should be recognized as equally critical governmental and societal responsibilities that produce equitable results.

Principle 3: Budget priorities within infrastructure areas (for example, repairing levees versus restoring wetlands to insure storm protection; more buses versus new rail systems to improve transportation options; building hospitals versus community clinics to address community health needs) should be thoroughly assessed using an equity lens.

Principle 4: Services and opportunities created by infrastructure decisions should be available and

accessible to everyone in all types of communities.

Principle 5: Employment and economic benefits associated with building and maintaining infrastructure should be shared throughout the region.

Principle 6: The means for collecting revenues to support infrastructure improvements should be determined and applied in ways that are fair and do not disproportionately burden those with lower incomes.

Principle 7: Infrastructure decision-making should be transparent and include mechanisms for everyone to contribute to the planning and policymaking process.

Adding Equity to the Infrastructure Conversation

Infrastructure is vital for sustaining and reinforcing community. The networks, roads, sewer systems, pipelines, facilities, and properties that comprise public infrastructure define neighborhoods, cities, and regions: where housing is located, the kind of housing that can be built, transportation to jobs, the quality of schools, and the maintenance of basic public health and safety. Infrastructure issues can be as fundamental to human health as the safety of the water supply, as necessary to the economy as the expansion of an airport, or as seemingly esoteric as the constantly shifting regulatory environment for newly-invented telecommunications technologies. Sometimes the construction of new infrastructure, or the failure of an existing one, brings intense public scrutiny. Most often, however, critical and expensive infrastructure decisions are made in settings removed from public questioning and media scrutiny, and thus lack the informed debate and attention that supports equitable decision-making. Advocates need to be aware of the impact of infrastructure on a variety of issues and be prepared to bring them before the public. Advocacy efforts should focus on economic efficiency, social justice, and political support as criteria for equitable infrastructure decisions and spending.

- **Economic efficiency.** Major urban public works projects such as airports, highways, and power plants—are not specific to one neighborhood or city and require the cooperation of adjacent communities in planning, implementation, and addressing the environmental and economic impacts of project development. Further, regional economic efficiency and growth depends on the provision of adequate infrastructure, not only for firms to move goods or operate offices and factories, but for improved education, affordable housing, effective transportation systems, and other means to provide a capable workforce and promote public health and safety.
- **Social justice.** All residents are entitled to basic standards of public services and facilities. Efforts to

eliminate racial and economic disparities should also address inequities in infrastructure plans and spending.

- **Political support.** Equity can be important in securing voter approval of development projects or public financing. Focusing on equity concerns, particularly as they relate to infrastructure design, location, and funding through bond or tax initiatives, can influence the outcome of policies or projects.

Budget discussions and the need to raise revenues are part of infrastructure planning. Because much infrastructure spending is for large projects—retrofitting bridges, expanding water systems, maintaining roads, or building schools—the amount of money that must be raised is huge and will often be spent over many years, even across several generations.¹ Needed revenue is often raised through the issuance of bonds.

Many agencies charged with responsibility for infrastructure planning are adopting a "work smarter" concept that includes creative approaches to revenue collection, construction planning, and demand management. These agencies often draw on practices from other countries, regions, or the private sector to determine "work smarter" ideas that might apply in their jurisdictions. Choices about which concepts to adopt are not solely technical decisions, though they may be promoted as such. Instead, they may reflect the biases of the decision makers, and give rise to significant controversies. Implementing smart practices and securing more funds alone cannot guarantee equity. Instead, there needs to be acknowledgement that equity has been missing from the conversation and recognition that its absence leads to the kinds of disparities that hurricanes and flooding made apparent in the Gulf Coast.

Principles of Infrastructure Equity

Viewing infrastructure through an equity lens is an opportunity to examine, who benefits, who pays, and who decides. When natural disasters (like floods, hurricanes, and storms), events (such as water main breaks, bridge collapses, or tunnel erosion), or plans for the future (for example, new school construction to accommodate overcrowding or plan for increased populations) occur, the time is ripe for guaranteeing that everyone participates and shares in the outcomes of planning and decision-making. Seven basic principles can result in greater infrastructure equity.

Principle 1: Infrastructure decisions have widespread impact on housing, development, investment patterns, and quality of life and the outcomes of those decisions must be fair and beneficial to all.

Infrastructure can support or inhibit a particular pattern of development, such as sprawl and low density, or smart growth and urban infill.

Development patterns have long-term consequences that result in particular housing types and affordability, economic and racial inclusiveness, and access to economic opportunity. Homes, businesses, and communities cannot be developed and sustained without water, roads, and utilities, and ongoing infrastructure planning is necessary for continued growth. In California, for example, infrastructure supports the state's predominant form of development—single-family, low-density suburban communities.

Such development, which requires bringing water from distant sources and securing public financing for highways, has been a principal political agenda of the development industry. Yet, while infrastructure spending was a necessity, for decades it has been a passive development factor rather than a proactive tool used strategically by government to define community building terms. In the last two decades, debates have raged about water (could or should it be provided to sprawling developments) and roads (could or should highways receive support at the expense of public transportation), giving rise to hotly-contested arguments about the politics of land use and development.

Advocates and many policymakers are increasingly seeking ways to apply infrastructure investments to broader land use, housing reform, and equity. Many communities have begun to directly address the equity components of infrastructure decisions by attaching development and investment criteria to the consideration of new infrastructure proposals. Such criteria can serve to encourage more equitable investments in communities and promote healthier, more socially and economically integrated communities.

A number of offices within the California state government have instituted ways of predicated investments, grants, and loans to local governments or businesses on smart growth and urban reinvestment principles. The state's allocation of federal Low Income Housing Tax Credits, for example, includes strong incentives for building near transit and otherwise promoting infill development; several other California lending authorities managed by the Treasurer have aggressively pursued similar priorities.² AB 857, passed in 2003 right before the gubernatorial recall, called for applying principles that promote urban reinvestment, provide incentives for infill development, and encourage the reuse and rehabilitation of existing infrastructure as a condition of state infrastructure financing to cities. The process started by AB 857 was halted with the change in administration. However, elements of AB 857 were evident in Governor Arnold Schwarzenegger's early statements about growth and development, and in recommendations of such influential groups as the Urban Land Institute, though both tended to speak more of "incentives" and less of "mandates" than the previous administration.

The value of integrated neighborhood infrastructure planning is frequently one of the arguments made by environmentalists, regional planning agencies, and a sizable segment of the development industry in support of more financial and regulatory support of infill development. Their priorities reflect a greater recognition, supported by a growing number of studies and successful marketing of new properties, that infrastructure for urban infill housing and

commercial development can be more efficient and less expensive than building on greenfield suburban sites.³ Equity advocates can have common cause with proponents of infill and urban reinvestment, but only if the new developments create sufficient affordable housing, minimize displacement, and otherwise meet the needs of existing residents as well as new arrivals. Equity criteria are increasingly described in campaigns for community benefits agreements with developers of major new urban housing, commercial, and mixed use projects in metropolitan areas around the state.⁴

Since Hurricanes Katrina and Rita, debates have raged about how to rebuild the Gulf Coast region and address such pre-existing conditions as the location of housing in flood zones and areas of concentrated poverty. As the debates continue, the equity implications of infrastructure decisions must be carefully considered. "New urbanism," for example, would counter sprawl with communities that are mixed-income, mixed-use, and walkable. The concept received a surprisingly positive first impression from even very conservative leaders along the Mississippi coast, who saw in the ideas some ways to maintain traditional architecture and street forms while improving the previously predominant highway strip mall forms. But new urbanism ideas have been challenged as nostalgic throwbacks that frequently fail to consider and engage racial and ethnic diversity as plans are discussed.

Questions about how and where affordable housing will be built will be shaped not only by design guidelines and land-use decisions but also transportation, utility investment choices, and environmental issues related to levees and coastal restoration. But already, prominent experts are making the case for mixed-income as well as mixed-use development, and for avoiding the re-concentration of poverty. However, this approach is fraught with challenges as African-American residents of historic neighborhoods, such as the Lower Ninth Ward fear being unable to return and the subsequent loss of their communities and their place in the life of the city where many have lived for generations.

Principle 2: *Infrastructure plans should not have to compete with health, education, and human service needs but should be recognized as equally critical*

governmental and societal responsibilities that produce equitable results. The most basic expression of a government's priorities is the distribution of its overall budget across broad issue areas. Even though this distribution usually changes only incrementally from year to year, over time the patterns of allocation reflect the prevailing influences, if not always the popular will. Sometimes infrastructure decisions are framed as contrasting visions of the state's primary role. Is the need greater, for example, for prisons or for schools? On some occasions, attempts to prioritize infrastructure spending are based on arguing that the proportion of the current budget that goes to infrastructure today is very small compared to 40 years ago. And at other times, infrastructure conversations pit current allocation needs for human services and education against fiscal responsibility for future needs.

The comparison of funding for prisons versus schools has long had great ideological salience. Some activists have simplified and framed the argument as "Books not Bars," and the priorities are often dramatized with comparisons of the costs-per-person of incarceration versus those of high school or college educations per individual. Sometimes these comparisons between two infrastructure categories are focused on the capital costs: the dollars spent building prisons compared to building campuses and schools, even if those construction priorities were driven by law enforcement policies such as the "Three Strikes" laws or drug sentencing practices that swelled prison populations in recent decades. With many schools, community colleges, and state university campuses experiencing serious overcrowding and growing student bodies from communities of color, the "prisons versus schools" contrast can have great particular resonance.

Allocation choices are also made about the percentage of budget spent on infrastructure in comparison with other state government responsibilities. California has witnessed attempts made to position the debate as a contrast between a previous Golden Age—when huge commitments to a burgeoning middle class could be fulfilled—and a future when the needs of a rapidly changing population will have to be addressed with services and capital expenditures but with no consensus about how the necessary fiscal capacity will be achieved.

Seeking Funds for Infrastructure on the Ballot. Proposition 53 in the 2002 California election would have allocated a minimum percentage of state funds to a permanent infrastructure fund, but it was defeated overwhelmingly at the polls. Some voters turned away from the initiative due to the lack of transparency in the way it would operate. Further, no effort was made to create a new alliance of unlikely supporters. Instead, the usual stakeholders aligned with infrastructure projects, predominantly local governments and the construction industry, pushed the initiative forward. With no new tax or bond proposed, the public was uncertain about which other programs could experience funding cuts as a result of this proposition. In November 2006, infrastructure advocates took a different approach, pushing for more than \$40 billion in new bonds through five separate measures. These campaigns drew strong support from the customary supporters, but the participation of equity advocates depended on the particular situations. School equity proponents strongly supported the educational facilities bond, which had provisions they had helped to craft, but some transit and environmental groups opposed the transportation bond because they perceived it as too dominated by highway development. All of the bond measures were approved.

The decline in spending on infrastructure as a proportion of the overall state budget has fueled previous infrastructure bond campaigns. Proponents of the recent Prop 53 (see text box, above) tried to use nostalgia to gain support in 2002 by referencing the 1950s and 1960s as a time when public facilities—schools, universities, water systems, and highways—were built rapidly and continuously with broad public support. Infrastructure spending in that period amounted to as much as 15 percent of the state budget, compared to three percent currently.⁵ This year, as the governor initially suggested that nearly \$200 billion would be needed for infrastructure expansion and upgrades, early reactions from defenders of health and human services and education, and some advocates for social and racial justice, questioned infrastructure spending if it were to result in reductions in the state funding of services they support. Until state revenues improved in 2006, there was an ongoing tug-of-war over whether funds allocated for transportation would be used solely for that, for example. It is not clear yet whether, when, and in what form such a basic trade-off—infrastructure versus human services—will be necessary, but the equity-related choices within the realm of infrastructure spending have yet to be addressed, therefore it is not surprising that such basic concerns are fueling the debate.

Responses to broad allocation choices among categories of government spending represent the public's attitudes about what they are willing to spend in taxes, fees, and bond financing for infrastructure. In practice, tradeoffs between competing budget allocations are rarely made explicitly and directly, but they reflect the priorities of government and the electorate, which are not always

the same. Issues related to race are very prominent in these broader political dynamics. Because of the state's large immigrant population, current California voters are not as demographically diverse as the state's population as a whole, thus underscoring the necessity of building a shared sense of community and common vision for the future to ensure that everyone benefits from the state's resources.

State and local governments throughout the Gulf Coast are facing decisions that are accompanied by huge tradeoffs on spending among several categories: restoration of wetlands for storm protection, construction of adequate levees, other major capital projects for transportation and economic development, housing assistance, and human services. Even a year after the storms and floods, circumstances in the region remain unsettled if not chaotic, as questions continue to arise about the ultimate extent of the federal contribution to rebuilding and the need to ensure that principles of equity guide decisions on how to proceed.

Principle 3: *Budget priorities within infrastructure areas (for example, repairing levees versus restoring wetlands to insure storm protection; more buses versus new rail systems to improve transportation options; building hospitals versus community clinics to address community health needs) should be thoroughly assessed using an equity lens.*

Determining how to spend limited dollars is a challenge facing municipalities throughout the country and should be guided by an intention to serve low-income communities and communities of color so that resources are shared equitably across constituencies.



Litigation Achieves Equity for Public Transit Riders. In 1994, the NAACP, representing a coalition of the Bus Riders Union, a project of the Labor/Community Strategy Center; the Korean Immigrant Workers Advocates; and the Southern Christian Leadership Conference, brought suit against the Los Angeles County Metropolitan Transit Authority for violation of the 1964 Civil Rights Act. The legal strategy sought to highlight the disparity between funding for heavy rail transit and bus transit, which is used primarily by communities of color and low-income residents. The lawsuit resulted in a settlement establishing the Federal Civil Rights Consent Decree, effective 1996-2006. The decree obligates the Metropolitan Transportation Authority (MTA) to reduce overcrowding, maintain equitable fares, and create a five-year plan for county-wide new service to break down transit segregation. The MTA has appealed virtually every order the

courts have made to remedy the problems of overcrowding and service disparities, and the courts have consistently reaffirmed the requirements and legitimacy of the consent decree. In 2004, the MTA was ordered to add at least 145 new buses, and 381 buses for fleet modernization to reduce overcrowding. The MTA appealed this order. The Bus Riders Union, with over 3,000 dues-paying members and 50,000 self-identified members, continues to press for full implementation of the consent decree, including a demand for purchase of a clean fuel bus fleet of 4,000 and a freeze on rail spending. (See www.busridersunion.org.)

Transportation planners, for example, have a wide variety of options to choose from in addressing the transportation needs of local residents. Will preference be given to highways or local roads, automobile transportation or mass transit, or heavy rail or buses? How are the lines between capital and operating costs for transit systems drawn? Who benefits from those priorities, and who loses? Social and political priorities are reflected in choices of support for one mode of mass transit over another (see text box, above) or between highways and transit, local streets and freeways, or between a "fix it first" approach and an emphasis on new construction.

School facilities are accompanied by similar questions related to modernization of existing facilities versus new construction, such as: Where will school facilities monies be spent, in suburbs or inner cities? How will these decisions be made? In debating fund allocations for transportation, schools, or countless other infrastructure needs, equity principles can ensure that the answer to who decides, who pays, and who benefits, is everyone.

Principle 4: *Services and opportunities created by infrastructure decisions should be available and accessible to everyone in all types of communities.* Infrastructure policy decisions influence how

neighborhoods and cities gain and lose investments and opportunities, and have resulted in inequitable treatment of urban and rural low income-communities of color. Such inequities emerge from differences in property, wealth, income, or race. For example, states that require school districts to fund the construction of facilities based on local property taxes contribute to the continuation of a system that creates newer, or more modernized facilities in wealthy communities, and substandard facilities in low-income communities. Ohio has attacked this disparity by developing an Equity List, which it uses to allocate a greater share of state construction funds to the lowest-wealth districts.

In California, contrasts in infrastructure spending are numerous, deeply embedded in the identity of cities and neighborhoods, and raise such questions as: Where does the funding go for capital projects? What conditions or criteria are attached to allocations that shape the distribution of projects across communities? How do geography and population characteristics influence the decision-making process? The dominant pattern of infrastructure financing and development has significantly influenced land-use decisions and future growth patterns and thereby fueled sprawl at the expense of existing communities. As this process has become more widely understood, advocates of more compact development and of

Equity Requires New Formulas for School Construction Funding in California. In California, 90 percent of students in overcrowded schools are children of color, two-thirds of them Latino. The majority of these students are also low-income and their schools are in urban communities. These schools should have been eligible to receive a portion of the \$4.1 billion the state set aside to mitigate overcrowding, but they were ineligible due to a requirement to project enrollment growth exceeding capacity over five years. Because of temporary measures taken by many schools, such as portable classrooms for students on playgrounds, busing students to other neighborhoods, and creating multitrack year round calendars, the projection formula identified these overcrowded schools as having sufficient capacity. Suburban areas, however, did very well under this formula, as they had little history of overcrowding and thus fewer temporary capacity measures in place. Further, the formula allowed the proliferation of new, sprawling housing developments to supplement district enrollment projections. Although some urban communities were also experiencing growth, the allocation formula had no mechanism to capture the data.



urban reinvestment have begun to fashion new tools to redirect infrastructure priorities.

The devastation of the greater New Orleans region brings a new dimension to the conversation about geographic disparities in infrastructure among communities of different races and incomes. Prior to Katrina, New Orleans was one of the poorest central cities in one of the nation's most highly segregated regions. Rebuilding offers an opportunity to create a more equitable distribution of parks, school facilities, transportation investments, and other community infrastructure, and to use capital projects to shape neighborhoods that avoid the concentration and isolation of the area's lowest income residents.

Principle 5: *Employment and economic benefits associated with building and maintaining infrastructure should be shared throughout the region.* Capital projects are one of the most important ways in which government spending creates jobs and stimulates economic growth. Distributing these opportunities is a basic function of politics and government, and decisions in this realm reflect government's stance toward overcoming past and ongoing racial, gender, and community disparities.

Infrastructure is an extremely important driver of local and regional economies, and awarding contracts for construction and maintenance are important

expressions of political power. Given the obvious connection between more capital spending and the welfare of their sector, it is not surprising when construction firms and building trades unions advocate for infrastructure projects. However, large investments that will need to be made in the coming years provide an excellent opportunity to create a broad equity agenda that ensures access to jobs and contracts.

For example, a broad-based coalition of labor unions, school districts, faith-based groups, and environmental advocates joined together in 2004 to reach a \$500 million Community Benefits Agreement with Los Angeles World Airports, the government agency that operates the Los Angeles International Airport (LAX). LAX, the world's fifth busiest airport, and second largest industrial smog source in the LA area, borders Lennox, a predominately low-income Latino immigrant neighborhood. The community benefits agreement (CBA), a legally binding document, ensures neighborhood protection from noise pollution through sound proofing of homes and schools in Inglewood and Lennox; pollution reductions through regulation of diesel emissions from construction equipment, in addition to studies of air toxic emissions, diesel truck traffic, and upper respiratory and hearing problems; job training and a First Source hiring program for impacted residents; increased opportunities for local small businesses to participate in the modernization; and guaranteed



Disaster Cleanup Jobs and Contracts for Local Businesses and Workers. Rebuilding efforts in the Gulf Coast have raised questions about who is getting work and the conditions under which they are operating and living. A large number of Hispanic immigrants have taken on much of the dirtiest and most dangerous construction-related work and appear to have few rights and fewer options with regard to their housing. There have been frequent reports of local firms being left out of FEMA-funded recovery and construction projects dominated by national companies, and great anxiety about the awarding of subsequent contracts. The long-term process will present the opportunity to reverse these features of the emergency period and provide local firms and local workers with a fair shot at obtaining work. The massive amount of infrastructure repair and construction should also generate local job training and support services and financing for the development of local small businesses.⁶

community access to the implementation process for all these measures. In addition, community benefit agreements can help to ensure that local community residents share in the benefits of major developments.⁷

Employment and economic benefit criteria enable federal, state, and/or local agencies to attach employment and/or labor conditions to planned infrastructure projects and thus promote more equitable communities or address past inequities. Such conditions include the payment of local living wages for workers, the promotion of affirmative action programs, and set-aside programs for disadvantaged and minority-owned firms, among others.⁸

Principle 6: *The means for collecting revenues to support infrastructure improvements should be determined and applied in ways that are fair and do not disproportionately burden those with lower incomes.* The costs associated with infrastructure development necessitate critical payment decisions that can extend across generations, to current users, multiple jurisdictions, and by direct versus indirect beneficiaries. A primary concern in delivering infrastructure projects in a fair and equitable manner is the degree to which they conform to a standard of revenue equity among a community's residents or the population of the state as a whole.

Considerations of fiscal options are complex and can be heavily constrained, often by past voter initiatives. Rarely do new revenue sources emerge on the proverbial blank sheet of paper, ready to make the most of equity, efficiency, or the amount of revenue. It is critical to ask tough questions about the impact on different income levels of proposed taxes, fees, bond issues, tolls, and rates that will generate funds for infrastructure operations and expansion. These questions should include: Do the taxes or fees associated with an infrastructure project represent a progressive, neutral, or regressive form of revenue collection? Are large groups of individuals shouldering the financial burden in delivering specific services that benefit only a small minority? As innovations in pricing are considered to manage demand and improve conservation, are the impacts across the distribution of income being taken into consideration?

Voter Approval for Transit Improvements. In 2004, San Francisco Bay Area voters approved a \$1 bridge toll increase that will raise \$125 million annually for transportation improvements. The increased revenue will be used to encourage the use of public transit and promote smart growth by streamlining and integrating public transit systems and enhancing alternative transportation programs like City CarShare. Projects expected to receive funds from this increased revenue include an expanded express bus system, seismic retrofit of the BART tube, night BART service, Bus Rapid Transit service in the East Bay area, and a new Safe Routes to Transit program. The toll increase provides a steady funding source that avoids the use of a regressive sales tax or state general funds.

Equity Principles Guide Urban Park Development. The Cornfield in Los Angeles, a 32-acre open space, was slated for warehouse development before an historic alliance of over 35 community, civil rights, environmental justice, religious, business, and civic organizations came together to block the deal. The Center for Law in the Public Interest (CLPI) helped spearhead the effort to convince the state to purchase the site for a public park. Centered in a predominately Latino community where 30 percent of the residents live below the poverty line, a fully integrated park and recreation site at the Cornfield will improve the quality of life for residents locally and across the region. CLPI has continued to work with the city and county of Los Angeles to guide the conceptual design of the Cornfield to ensure that development brings about open space for exercise, recreation, and tourism, in addition to creating job opportunities, economic revitalization, and an increase in local property values.

Current fiscal concerns in the Gulf Coast states understandably revolve mainly around determining the federal government's share, and until that is settled most state and local decisions regarding taxation and spending on infrastructure are on hold. The long-term strategy for borrowing and spending for capital improvements will hopefully not rely only on the more regressive taxes and user fees but will explore uncommon strategies that address the ability to pay and distribute costs equitably across the residential, commercial, and industrial sectors.

Principle 7: *Infrastructure decision-making should be transparent and include mechanisms for everyone to contribute to the planning and policymaking process.* Infrastructure decisions have traditionally been a closed arena where the voices of low-income communities have not been heard. Public participation in infrastructure decisions can greatly affect the prospects for an equitable outcome, and advocates are finding new ways to scrutinize and shape plans and policies. For example, bond allocation formulas can be highly technical, the province only of those most deeply embedded in the state or school district bureaucracies. California's two most recent School Construction Bonds, Propositions 47 and 55, started out that way, but a small number of equity-focused researchers and advocates have come to understand and disseminate key information about the system and its consequences. Only upon in-depth analysis of raw data about applicants and recipients of the funding was it apparent that low-income urban districts were not receiving funds that had been set aside for them.

In transportation, most notably, such obscurity is no longer the norm, as many transit advocates and environmental justice activists in California have become alert, expert, and effective participants in numerous planning, regulatory, and legislative venues

once attended mainly by industry insiders. The range of issues and arenas that lack a consistent "equity voice" is still large, however, and includes not only city and county governments but regional agencies and state departments and commissions. Community advocates could make greater use of the opportunities represented by regional authorities to consider the overall needs of the region over the narrow and often shortsighted objections of one municipality when it comes to affordable housing. They could build on the current efforts to represent low-income consumers and communities in regulatory settings where prices and distribution of utilities from water to broadband technology are being guided.

In the Gulf Coast, the challenge of engaging residents displaced by disaster in the policy decisions that will affect their communities is an enormous one. In Louisiana, the variety of ad hoc arrangements, such as meetings of New Orleans local groups and even governmental bodies in Baton Rouge or Houston, give witness to people's persistence and commitment. The ensuing months have seen an unprecedented use of telecommunications and internet infrastructure for the establishment of a network across the hurricane diaspora. Such a network will address not only residents' immediate personal needs but planning and policy decisions about the rebuilding of New Orleans. Most of the grassroots effort is understandably going into neighborhood-level planning and recovery efforts, but there will also be a strong need for community involvement in upcoming regional and state infrastructure decisions.⁹

Promising Practices

Infrastructure policy is a relatively new and complex field for many equity advocates. New resources on the PolicyLink website, available in the late fall of 2006, will provide opportunities to learn about such specific advocacy and equity planning practices from around the country for parks, schools, transportation, and water.¹⁰ Tools for assessing infrastructure-related efforts are organized into five interrelated categories.

- *Standards, measurement, and assessment:* Basic, minimum standards are the basis for evaluating infrastructure adequacy and should inform policymaking.
- *Target resources to high-need areas:* Effective governance dictates that funds should be directed to areas with deteriorating and inadequate infrastructure due to age, overuse, and government neglect.
- *Increase funding overall:* The massive scale and cost of infrastructure projects will require large increases in public funds, usually through the issuance of government bonds and/or passage of user fees.
- *Efficient use of resources, including joint use and creative reuse:* Development projects should take

advantage of pre-existing infrastructure in urban areas, and wherever possible allow for multiple uses in order to avoid the costly duplication of infrastructure and inefficient use of land.

- *Community participation in policy and programming, including local activism, coalitions, and litigation:* Public participation in infrastructure decisions helps achieve equitable policies, and can occur through grassroots organizing, participation in government committee meetings, and when necessary, public advocate litigation.

Each month for four months, beginning November 2006, the PolicyLink website (www.policylink.org) will introduce a new section on promising practices in advancing infrastructure equity, including chapters on school facilities, transportation, parks and open space, and water. Also available on the website early in 2007 will be a full framing paper on infrastructure equity, providing more detailed analysis of the issues explored in this policy brief as they are playing out in California.



Summary

Infrastructure is the foundation of neighborhoods, communities, and regions and provides the supports necessary to insure that everyone—including residents of low-income communities and communities of color—has the opportunity to participate and prosper. The central equity questions—who decides, who benefits, and who pays?—should be applied to infrastructure as they are to health care, education, and other aspects of government. The specific kinds of questions to be considered include:

- How fairly are tax burdens shared?
- Which communities are well or poorly served by new services and facilities?
- Which population groups get connected to economic opportunity and which are isolated?
- How open and responsive are decision-making processes?

Equity concerns need to be addressed not only to achieve greater fairness and opportunity, but to create the conditions necessary to sustain economic growth. Organized efforts to bring equity into infrastructure planning, decision-making, and spending can build political consensus for new funding. This consensus can result in increased opportunity for everyone in the region and a more productive workforce, better circulation of goods and information, and more sustainable development practices.

The decisions about rebuilding infrastructure in the Gulf Coast and the allocations of new bond funds in California, will be critical opportunities to address equity directly. In a time of constrained resources, only a commitment to equity will ensure that the needs of everyone in the region are addressed.

Notes

¹Housing is sometimes considered to be infrastructure, especially in recent arguments that recognize "workforce housing" as an essential element of regional economic development and one that needs public financial support. If it is not seen as infrastructure, housing is a central part of the community that is defined, guided, and served by infrastructure. Both perspectives acknowledge that the amount, location, cost, and design of housing are shaped by public infrastructure investments. The November 2006 California state infrastructure "package" of five bond measures, each voted on separately, included one for affordable housing, so the basic link was made in that instance. The connection of affordable housing to the overall push for infrastructure improvement appeared to be a key to its success at the polls.

²Memo from Philip Angelides, Treasurer, State of California, "The Double Bottom Line: Investing in California's Emerging Markets: Investment Initiatives: Ideas to Action," September 9, 2004. See also, California Debt and Investment Advisory Commission, *Tools to Revitalize California Communities*, (Sacramento, CA: California Debt and Investment Advisory Commission, 2004).

³See Robert Puentes, et al., *Investing in a Better Future: A Review of the Fiscal and Competitive Advantages of Smarter Growth Development Patterns*, (Washington DC: Brookings Institution, 2004). See also, Arthur C. Nelson, *Toward a New Metropolis: The Opportunity to Rebuild America*, (Washington DC: Brookings Institution, 2004). See also, Smart Growth America, National Association of Realtors, *Homebuyers Favor Shorter Commutes, Walkable Neighborhoods*, News Release, October 20, 2004. See also, Funders' Network for Smart Growth and Livable Communities, *Energy and Smart Growth: It's about How and Where We Build*, Translation Paper No. 15, (Coral Gables, FL: Funders' Network for Smart Growth and Livable Communities, 2004). See also, Smart Growth Leadership Institute, *Smart Growth is Smart Business: Boosting the Bottom Line and Community Prosperity*, retrieved from <http://www.sgli.org/SGisSBfinal.pdf>, 2004.

⁴The recently approved 3,100 unit mixed-use waterfront development in Oakland, California known

as "Oak-to-Ninth" represents this kind of agreement, with 465 units of housing affordable to low wage families to be included on the site and agreements for training and hiring of local residents for construction and permanent jobs.

⁵For a compelling account of the changes over time and how they are perceived, see Peter Schrag, *Paradise Lost: California's Experience, America's Future*, (Berkeley, CA: University of California Press, 2004).

⁶David Bacon, "Eye of the Storm: Looking for Common Ground." *Color Lines*, vol. 9, no. 1, Spring 2006. Laurel E. Fletcher et al., *Rebuilding After Katrina: A Population-Based Study of Labor and Human Rights in New Orleans*. (Berkeley, CA: International Human Rights Clinic and Human Rights Center, University of California, Berkeley; and Payson Center for International Development and Technology Transfer, Tulane University, 2006).

⁷For more information, see Julian Gross, Greg LeRoy and Madeline Janice-Aparicio, "Community Benefits Agreements, Making Development Projects Accountable," Good Jobs First and the California Public Subsidies Project, 2002, retrieved from <http://www.goodjobsfirst.org/cbarelease.htm>; Also, Anna Purinton, "The Policy Shift to Good Jobs," Good Jobs First, 2003, <http://www.goodjobsfirst.org/pdf/jobquality.pdf>.

⁸Race-based preferences in government programs have largely been disallowed in California through Proposition 109.

⁹www.LouisianaRebuilds.info, a web portal created by a public/private partnership of local and national organizations, is the first comprehensive means for displaced Louisiana residents to information about rebuilding and important issues such as schools, voting, and housing. A toll-free telephone call center (1-877-LA-Rebuilds (1-877-527-3284)) and printed materials will bring the portal content to families and individuals without Internet access or for those who choose not to use it.

¹⁰For comparable information about promising practices in the production of affordable housing, please refer to the Equitable Development Toolkit, <http://www.policylink.org/EDTK/>.

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