



Recommendations to the Department of the Treasury Transition Team

From the International Downtown Association

As a deepening recession and financial crisis grips the nation, it is clear that bold and innovative steps can and should be taken by the Federal government to counteract the downward spiral in the economy and the massive loss of jobs that is currently occurring.

The Board of Directors of the International Downtown Association is grateful for this opportunity to offer recommendations to the Department of the Treasury Transition Team. On behalf of the Board and members of IDA, and as its president and CEO, I offer the following recommendations for your consideration.

GUIDING PRINCIPLES

IDA understands the need for the new administration to create as many good jobs as rapidly as possible. However, we believe that it is as equally important to retain existing jobs as it is to create new jobs; and we further believe that it is more important to create permanent jobs than temporary jobs.

We wholeheartedly endorse the position taken by the new administration that as many jobs as possible be created in “green” or sustainable industries and projects.

We strongly assert that cities in general, and downtowns in particular, are in themselves a major part of the answer, both in terms of job retention and creation, and in terms of combating climate change.

We should avoid a “one size fits all” approach and promote innovation and flexibility in whatever investments we make.

Finally, we believe that any stimulus program to create jobs should be designed around a long-range vision and with long-range goals in mind. A program that strengthens our core cities, rebuilds essential infrastructure, encourages changes in the way people move about, and leverages other dollars, both public and private, should be our highest priority.

GENERAL RECOMMENDATIONS

Job retention is a fundamental principle in any successful economic development effort. It costs much more to create jobs than save existing jobs; and it is very disruptive to people's lives to have factories and stores close, and to have viable businesses cease to operate, when a well-timed infusion of cash or credit could save these enterprises.

During past recessions, local governments often created flexible loan programs that were able to quickly address cash flow needs when commercial lenders will be unable or unwilling to do so. We are already seeing the demise of viable businesses in many commercial districts for one reason: their lines of credit have been frozen. Providing local units of government, such as economic development departments and urban redevelopment authorities, with substantial federal dollars geared specifically to address this need could have major job retention benefits. We do not recommend that the Small Business Administration administer this program. Simply put, SBA programs involve too much red tape.

Transportation is an essential ingredient in job creation and retention. Unfortunately, just when our cities need increased public transit, local transit authorities are finding their budgets cut, their rolling stock under-maintained and wearing out, and their support systems unable to keep up with increased demand. At the same time, investments in new "circulator" systems, such as buses and streetcars or trolleys, could make local transit systems more effective while reducing the need for private automobiles.

Closely related to transportation systems are transit-oriented developments. Many cities might use stimulus funds to help finance intermodal, mixed use developments that include affordable housing. Adaptive re-use of nearby commercial buildings is another sustainable strategy; rehabilitating existing structures generally creates twice as many jobs as new construction and necessitates transporting only half as much material to landfills.

We do not see the elimination of the need for private automobiles; rather, we strongly recommend strategies that maximize choice and convenience for those that can walk, bike, or take transit; and that connect highways and local roads to well-designed and well-placed parking structures that are part of intermodal facilities so drivers have to only "park once."

SPECIFIC RECOMMENDATIONS

Our cities and especially our downtowns and neighborhood commercial districts offer a plethora of "shovel-ready" projects. These include:

- Replacement of existing sidewalks that are essentially beyond repair, with well-designed, attractive, quality sidewalks that encourage walking, sidewalk cafes, and other activities that promote healthy, active lifestyles.
- Redesign and rebuilding of existing parks in urban areas, particularly in downtowns and business districts.
- Incentives for private property owners in business districts to retrofit existing commercial and office buildings with green technology, from green roofs to computer-controlled HVAC and lighting systems.
- Funding of business improvement districts (BIDs) to provide additional cleaning, maintenance, and safety personnel.
- Sufficient financing for local transit authorities to build, install and operate downtown streetcar or trolley systems.
- Incentives for cities to replace inefficient and outmoded single space parking meters with multi-space new technology meters, which support downtown retail and increase municipal revenues.
- Increase funding for “housing first” initiatives at the local level, thereby creating construction jobs and reducing homelessness, which in turn supports local business and job creation.
- Provide federal funding for signage and wayfinding systems; these create jobs in manufacturing and installation, and increase the viability of local business districts.
- Upgrade rail systems between nearby cities. For example, a high-speed rail between Chicago and Detroit could make a mid-point airport (near Kalamazoo or Battle Creek) a long-range solution to both Chicago’s and Detroit’s airport congestion.
- Conversion of one-way to two-way streets. The evidence is overwhelming that two-way streets contribute to viable downtowns; but many cities simply do not have the funding for the construction and traffic control equipment necessary to make these conversions.

CONCLUSION

All of our recommendations not only offer excellent opportunities to create jobs – good jobs – now; they contribute, in many cases, to the retention of existing jobs. None require long-range funding by the Federal government; they are essentially projects rather than programs. They all support, in one way or another, the administration’s goal to achieve sustainability; and they also contribute to the physical and psychological health of our nation. We believe we can deliver local support from both the public and private sector for these recommendations, and expeditious action at the local level when funding becomes available.