

AMERICAN JOBS PLAN

The American Jobs Plan Will Provide the Department of Housing and Urban Development with New Resources to Strengthen Communities, Expand Access to Affordable Housing, and Create Jobs

Even after the COVID-19 pandemic, tens of millions of Americans will struggle to access affordable, safe, energy efficient, and resilient housing and too many communities will continue to suffer from the effects of years of disinvestment. Across the country, 11 million families pay more than half their income on rent, 3 million families with children under six reside in homes with lead paint, thousands of working families are displaced every year as a result of extreme weather fueled by climate change, and millions of families face ever-increasing barriers to homeownership. Entire communities are economically distressed, lack essential services and amenities, and are denied opportunities to build wealth. These challenges are even more severe in low-income communities and communities of color, which have been segregated, excluded, and neglected for generations.

The Biden-Harris Administration is proposing a bold investment in America's housing and community infrastructure through the U.S. Department of Housing and Urban Development (HUD) that will make housing more affordable for working and middle-class families. The American Jobs Plan would invest nearly \$150 billion in HUD programs, providing the agency with the tools and resources it needs to build and modernize millions of affordable and sustainable places to live and revitalize communities nationwide. This proposed investment is paired with complementary expansions of federal tax credits and other programs that will enable greater levels of affordability in more – and higher-opportunity – places across the country.

Along the way, these investments would create and sustain hundreds of thousands of good-paying jobs – the majority of which won't require a college degree – with a free and fair choice to join a union and bargain collectively. As President Biden has said, we need a blue-collar blueprint to rebuild our economy and ensure that all Americans have the opportunity to share in its prosperity. These investments will ensure local community members, including workers of color, can fill these jobs, and they will provide employment and economic opportunities for residents of assisted housing. Stable, affordable housing serves as the foundation on which working families build their lives and invest in their children's future. Through the American Jobs Plan, HUD will:

- **Create good, middle-class jobs for local community members.** The housing investments in the American Jobs Plan will create tens of thousands of good jobs, with a free and fair choice to join a union, for workers around the country as they build, upgrade, and retrofit homes in their communities. Employers will be required to pay workers prevailing wages; enter into project labor, community workforce, and local hire agreements; and use workers from registered apprenticeships and other labor or labor-management training programs. Employers receiving funding would also be required to remain neutral when their employees seek to organize a union and bargain collectively and may not require their employees to agree to mandatory individual arbitration. And, the American Jobs Plan includes \$10 billion to provide federal enforcement agencies with the tools they need to ensure employers are providing workers with good jobs – including jobs with fair and equal pay, safe and healthy workplaces, and workplaces free from racial, gender, and other forms of discrimination and harassment.
- **Produce and preserve more than one million housing units.** Affordable housing development often requires multiple public subsidies to become financially feasible. The Biden-Harris

Administration is proposing a historic \$35 billion investment in HUD's HOME Investment Partnership program and a \$45 billion investment in the Housing Trust Fund to address housing needs in communities across the country. Together with an expansion of the Low Income Housing Tax Credit and an innovative new tax credit through the Neighborhood Homes investment Act, these funds will produce and preserve more than one million affordable, sustainable places to live for low-, very-low, and extremely-low income families. The American Jobs Plan would also restore project-based rental assistance for privately-owned rental housing with an initial \$2 billion investment, extending housing opportunities to even more communities.

- **Address longstanding public housing capital needs.** Nearly two million people across the country live in public housing—families with children, older Americans, and people with disabilities. Like roads, schools, and power grids, public housing is critical infrastructure that directly impacts the health and viability of our communities. Yet nearly half of the nearly 1 million units of public housing are over 50 years old and many contain lead paint, mold, and other health hazards. The American Jobs Plan calls for a transformative investment of \$40 billion to rehabilitate and preserve public housing, addressing residents' critical health and safety concerns. This is not just a safety issue but a racial justice issue, as approximately three in four public housing residents are people of color.
- **Remove lead-based paint from homes.** Over three million homes with children under six years of age have lead-based paint hazards, including more than 1 million low-income households. The American Jobs Plan proposes a \$3 billion investment to fund the inspection and removal of lead-based paint from 175,000 housing units.
- **Incentivize the removal of exclusionary zoning and harmful land use policies.** For decades, exclusionary zoning laws – like minimum lot sizes, mandatory parking requirements, and prohibitions on multifamily housing – have inflated housing and construction costs and locked families out of areas with more opportunities. President Biden's plan seeks to help jurisdictions reduce barriers to producing affordable housing and expand housing choices for people with low or moderate incomes. The American Jobs Plan will create a \$5 billion incentive program that awards flexible and attractive funding to jurisdictions that take concrete steps to reduce barriers to affordable housing production.
- **Create more climate-resilient communities.** Every year, thousands of American families are displaced in the wake of extreme weather events fueled by climate change. The Biden-Harris Administration has proposed a more than \$2 billion investment for a new Community Development Block Grant Program for resilience activities in communities vulnerable to climate change. HUD would target funding to low- and moderate-income areas with increased risk from climate related disasters.
- **Develop and operate affordable housing for older Americans.** More than half of renters over the age of 65 are cost-burdened, meaning they spend more than 30 percent of their income on housing expenses. The American Jobs Plan would invest \$2 billion in HUD's Section 202 Supportive Housing for the Elderly program, increasing the supply of affordable housing with supportive services for very low-income older Americans.
- **Meet tribal communities' housing needs.** Tribal communities face outsized housing shortages and a dire need for infrastructure. The American Jobs Plan will invest \$2 billion to expand the development and rehabilitation of affordable housing, build supportive infrastructure, and spur

green, climate resilient community development in Indian Country.

- **Establish an energy efficiency and resilience retrofit program for multifamily housing.** Most HUD-assisted housing was built decades ago and is less energy efficient and resilient than modern technologies and practices allow. As most of these properties lack the resources to update to higher standards, the American Jobs Plan would provide \$500 million in grants and low-interest loans to help renovate tens of thousands of multifamily homes, making them more energy and water efficient and more resilient to extreme weather events. Research suggests these investments could save utility costs and create healthier indoor environments for residents.
- **Build affordable housing and supportive infrastructure in small towns all across America.** Many of America's small towns face shortages of affordable housing for households experiencing poverty and for lower-wage workers. The American Jobs Plan would devote \$250 million towards a new Main Street Revitalization Program that would provide grants to communities for renovating their downtown business districts and adding units of affordable housing while, retaining the area's traditional and historic character.
- **Revitalize the physical assets that build community connectedness and spark innovation.** Across the country, too many low-income communities and communities of color have suffered from years of disinvestment. The American Jobs Plan proposes investing \$10 billion to support community-led redevelopment projects that create innovative shared amenities, spark new economic activity, provide services, build community wealth, and strengthen social cohesion. The proposed Community Revitalization Fund would support a wide range of transformational places to work and gather, including but not limited to: upgrading access to natural areas, restoring vacant buildings to provide low-cost space for services and community entrepreneurs, and removing toxic waste and building new parks, greenways, and community gardens.

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