



LOCAL-MOTIVE TOUR

INFRASTRUCTURE AVALANCHE

HOW TO MAKE THE BEST USE OF STATE AND FEDERAL FUNDING

Build Back Better legislation represents an opportunity for local governments to make solid local investments in infrastructure, but also a risk that the money is spent badly, making the community poorer for the effort.

HERE ARE FOUR THINGS TO CONSIDER AS YOUR COMMUNITY PREPARES TO RECEIVE THIS FUNDING

1

RECOGNIZE

Recognize this is one-time money. This is not ongoing support. Local governments must treat state and federal infrastructure funding like a windfall payment, something not expected to occur again. Use it wisely, like water in a desert. Don't treat it like just another budget item, business as usual.



2

DO NO HARM

The temptation with a windfall payment is to reach for the shiny object, the thing that is out of reach but for the windfall money. Local leaders need to resist that temptation. Don't saddle the community with a long-term obligation it can't support. Don't gamble on chasing windfall growth. Do no harm to your long-term financial solvency.





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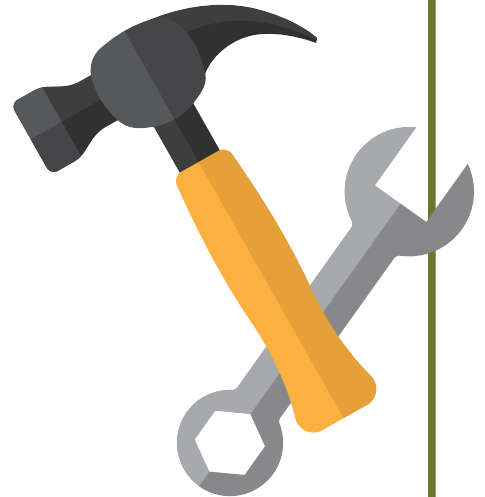
3

DEFAULT TO RESILIENCE

With huge backlogs of infrastructure maintenance, the best thing to do with a windfall payment is to shore up your existing systems. Buy your community time to get stronger. That means:

- Prioritize maintenance over expansion.
- Prioritize underground infrastructure over aboveground.
- Prioritize older neighborhoods over newer neighborhoods.

Defaulting to maintaining underground infrastructure in pre-1940s neighborhoods is a strategy with a lot of upside and very limited downside.



4

FINESSE STRATEGIC INVESTMENTS

(WHERE POSSIBLE)

The types of projects that qualify for state and federal funding are generally large, centrally-directed, and focused on systems instead of people. This is why they typically make for poor local investments.

Squeeze more value out of these projects by adding high-returning, human-scale elements to them. For example, federal funding might not pay for a new bike lane, but it might pay to maintain an existing bike connection. Adding trees and stormwater amenities can sometimes qualify for funding and turn a simple engineering project into something that builds local wealth and prosperity. Take your funded project and find ways to make it a better community investment.

