

DEC 2022

MAKING

THE



MOMENT

FINAL WHAT-WE-HEARD REPORT



SHAUNA SYLVESTER
EXECUTIVE DIRECTOR

On December 6, 2022, a group of over 50 representatives of city-serving organizations, equity organizations, foundations, government agencies, community organizations and think tanks met virtually to build a collective understanding of the opportunities provided by the Inflation Reduction Act, the Infrastructure Investment and Jobs Act, and other federal initiatives for communities advancing equity and climate action.

The process for this three hour virtual dialogue, entitled ***From Naming the Moment to Making the Moment***, was developed collaboratively through advanced scoping interviews and the compilation of a discussion **primer**. Through three dialogue sessions, participants ‘named and framed’ the moment and identified a series of ideas to maximize the historic opportunity and scale individual, organizational, and collective action. To encourage a free flow of ideas, the session was governed by Chatham House Rule¹.

I want to thank my colleagues and USDN advisors for supporting this process as rapporteurs and facilitators. I would also like to thank the dozens of people who helped to shape the process design, provided the names and contacts for the collectively-built invitation list, offered thoughtful feedback on the discussion primer and participated in the dialogue.

Our goal at USDN was to stimulate thinking, joint analysis and coordinated action. As a network of local government equity, resilience and sustainability practitioners, we will be working closely with other city-facing organizations and community partners to advance related recommendations for action that emerged from this dialogue. We will also ensure that the final dialogue report reaches federal and state agencies and our member network.

This “What We Heard” report belongs to all of those who participated in the dialogue. We encourage you to develop summaries targeting specific audiences that you might engage and we invite you to share the report with your communities and identify your next steps in advancing the ideas for action.

¹When a meeting, or part thereof, is held under the Chatham House Rule, **participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed**

This dialogue was the first step in strengthening our collective learning and analysis of this “opportunity of a generation”. We hope that it will lead to many individual and collective actions that strengthen equity and climate action locally, regionally and nationally.

On behalf of the dialogue facilitators and rapporteurs, thank you again for sharing your insights, energy and brilliance.

Best wishes,



Shauna Sylvester
Executive Director, USDN

Credit:

The final report discussion primer was compiled by Shauna Sylvester, Cynthia McCoy, Simone Mangili, Amber Weaver, Peter Plastrik and Jude Crasta. Both the discussion primer and the final report were designed by Jude Crasta. We would like to acknowledge the support of our USDN dialogue facilitators and technical hosts, Julia Peek, K. Baja, Lauren Bradley, Jon Crowe, Natalie Narotsky, Drew Woodward and Shauna Sylvester and all of the individuals who participated in the dialogue. We would also like to thank Berenice Pacheco for her logistical support.

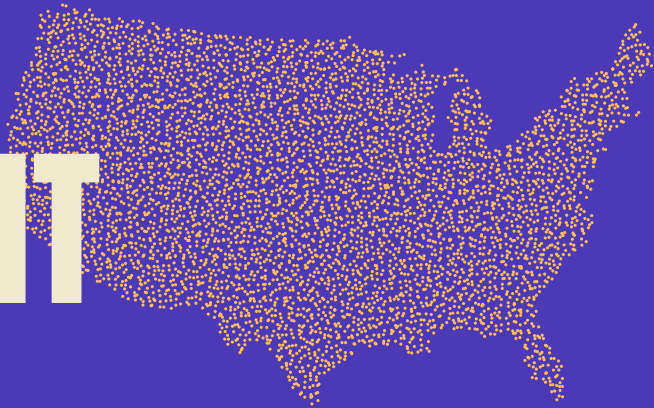
Disclaimer: The views expressed in this report primer do not represent the views of USDN, its partners or affiliates. They are ideas that surfaced through the December 6 dialogue. In accordance with Chatham House Rule, there has been no attribution except where information was derived through published works.

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NAMING THE MOMENT



The new federal support provides an opportunity like no other. While the scale is massive, the pace is fast and the urgency is high, the goals of centering equity and creating community solutions and buy-in require processes that need to move at the speed required for authentic engagement, collaboration and trust-building.

Who names and frames a problem will often determine the effectiveness of the response and how people feel about it. In our dialogue **primer** (P.4) which was based on pre-interviews with participants we identified five different frames for how groups are approaching this opportunity.

“ WE NEED TO BRING A 'BOTH/AND' MINDSET IN OUR WORK - ADDRESS URGENCY AND BUILD TRUST AND CENTER COMMUNITIES ”

Through our exchange and dialogue, participants were much more emphatic about the nature of this opportunity. The adoption of the Inflation Reduction Act has definitely taken this far beyond support for the status quo.

It is a **Once in Our Lifetime Opportunity** to work together to build civic infrastructure, address climate, create resilience and ensure that the most impacted and underserved communities are the architects and beneficiaries of this federal support.

It is an **Inflection Point**, an opportunity to imagine and implement, to disrupt and transform, to advance climate justice and accelerate a just transition. Doing this, however, requires we put together the puzzle pieces to build trust and invest in the capacity of individuals who are on the front lines of communities, local governments, state agencies and the intermediary organizations, community-based organizations and the coalitions that serve them.

“ **SUPPORTING THE CIVIC INFRASTRUCTURE TO DREAM BIG, CENTER IMPACTED COMMUNITIES, SHIFT POWER, CO-CREATE SOLUTIONS, AND ENSURE THAT THIS MOMENT RESULTS IN A PARADIGM SHIFT** ”

This is a **10-Year Bet on America**. It requires deep collaboration among sectors with support from philanthropic entities to address the gaps that exist in funding and support from federal programs, new and innovative financial arrangements that can invest in workforce transitions and local climate action, and targeted actions to accelerate the Justice40 imperative.

And, it is a **Downpayment on a Long term Approach** that must be renewed. To achieve a just transition requires sustained investment in civic infrastructure, multilevel government collaboration, workforce development and new market approaches that center equity and climate.

MAXIMIZING THE OPPORTUNITY



If this is an “Opportunity of a Generation”, then how do we maximize this opportunity? We are straddling different approaches and timeframes - from accelerating current efforts to reduce carbon and transition to clean energy to taking transformative actions that advance equity and systemic change. In this next section, participants identified key investments, actions and strategies in three key areas of interest:

| Capacity Building

**{ Developing a
Project Pipeline**

**} Market
Transformation**

Following each thematic dialogue, groups were asked to make a pitch to an audience of their choice. These pitches reflect targeted ‘asks’ that will advance the actions identified under their areas of interest.

Capacity Building: Talent, Skill and Capabilities

- **Expand Technical Assistance (TA)**
 - To build capacity we need to coordinate with multiple partners to cover multiple geographies/regions. Regionality is key.
 - Build capacity within communities, find influencers.
 - Power is concentrated in government and TA advisors. Partners need to make a commitment to change. The inertia of success of how we have always done it is there. Community ownership includes holding these individuals accountable.
 - Huge chunk of money must go to TA, capacity building, and job training for Community Development Financial Institutions (CDFIs) and Community Based Organizations (CBOs). Electeds, frontline staff, and technical staff need capacity building, and each of that looks different.
 - Many communities cannot and do not have capacity to write grant applications and the federal government needs to provide TA to help them so that they can access the funding.

- **Invest in Equity and Diversity**

- The number of places that produce the practitioners are limited, and we do not see diversity shifting in our field. There aren't many young people coming into this field. It often feels like the same people coming out of the same institutions, saying the same thing. Yet there are young people from a diverse set of backgrounds active in the climate and environmental justice movements. How can we engage and support them in careers that advance climate resilience inside and outside of advocacy?
- Need to train local government staff in equity practices to have a cultural shift.

- **Strengthen Apprenticeship Programs and On the Job Training**

- Capacity building for a new workforce will look different and the teams providing the capacity building need to look like the people they will be training.
- This is a big part of the puzzle for diversifying along racial and class lines. Culture change includes the entire spectrum of people contributing to climate work. Everyone from applied researchers to people who are working in landscaping and Green Infrastructure installation.
- Need more career pathways (starting at K-12) and career information systems that they can choose. No matter what they choose, there is a space for them to be contributing in the climate field.

- **Assess Readiness**

- There are community-based organizations and local governments who do not have the capacity to manage large amounts of funding. There are other organizations that have a track record and capacity to deliver large scale funding to underserved communities (e.g. Justice40 Accelerator groups, The Solutions Project, Greenlining, etc). We need to determine who in the community has the capacity to lead and which organizations need organizational support to build long-term capacity. There is no one prescription for the country.
- Educate people with technical assistance to effectively use the money, so that states with significant control over how some passthrough funds get spent locally, counties, and local governments do not use it for projects that undermine the purpose of the funding.

THE PITCH

TO PHILANTHROPY

If people in communities don't have the capacity to track development, engage with partners and constituents, and can't lead for their communities, we will not get to where we need to go. We have a three-tiered pitch: First, **diversify the career pipeline, from K-12 to higher education**. We need career paths into climate and resilience at all levels and sectors. Second, **funds must go directly into the hands of local communities to build capacity and technical assistance over time. Regionality is essential**. This is starting and the models are there; we need to build this over time and not throw money at the issue all at once. Third, it is imperative that we **build equity practice capacity** so that technical partners, local governments, and other decision makers can **learn how to center equity and shift power to community-based organizations**. We need to learn to **build true partnerships that distribute and democratize power**, and must be held accountable to what community ownership really means.

Capacity Building: Infrastructure

- **Governance**

- How are we thinking about how the federal government or other levels of government are structured? What are the process pieces and what are the innovation opportunities?
- Start with a vision, and then implement that vision. We are in a moment to do as much as possible in a finite period of time. We may not have much more time. The pressure will be to go towards what is executable.
- If we are to maximize the gains there must be performance-based outcomes for the federal government to put into action.
- There needs to be significant accountability around what infrastructure is, who it's for, who is deciding and why. Which infrastructure needs to be in place for the federal government to design programs that center equity, getting past entrenched interests and getting beyond carbon to make sure that the programs are set up correctly. Are the feds set up for that?
- What is the necessary movement infrastructure, how do you strengthen community, the grassroots that create the knowledge? Those organizations/communities have spent the last 15 years building the models and coalitions at the local and state level – how much of the federal funds are actually going to be passed to the state and local levels? Answering that question will help us focus on where to strengthen at the state and local level, or scramble to build infrastructure at the federal level. There is already so much knowledge after being flat-footed on the ground after ARRA.

- **Power**

- Modern community development was born in the 70s in this country, in opposition to federal programs and projects. And this is not well known. 75% of the money is brokered by states and is not intended to be transformative but to unblock backlogged programs and projects. There is a real disconnect between where and how these programs were designed. The power was/is concentrated in institutions that sit far from communities, creating significant risk of reinforcing inequitable systems. The process we envision must be implemented in order to promote a just transition.

- **Accountability**
 - States view this money as entitlement. They do not want a national agenda. They'll go along with it until they get the money. Accountability needs to be centered.
 - Government is risk averse. Priority communities are viewed as risks. The money never lines up.
 - Tension between the goals, the ideation process and the mechanisms of the programs.
- **Asset Management**
 - Move to thinking beyond capital to asset management. How do we look to nature-based solutions to be inspired to think about infrastructure that enables sustainability through biomimicry?
- **Polyfunctional Infrastructure**
 - The average lifecycle of infrastructure is 50 years (specifically for water). How do we create and maximize co-benefits? Need to prioritize thinking across sectors.
- **Lighthouse Projects**
 - If the money flowed directly to communities, they would have a hard time spending it because of a lack of capacity. What could be very effective in maximizing the reach of this funding is national demonstration projects that remove barriers, integrate mobility and welfare, and aim to achieve multiple benefits - equity, resilience, health and environmental quality.
- **Partnerships**
 - We need to create the opportunity for the public and private sectors to work together.
 - There is so much we know about inclusive procurement, deeply inclusive employment and how to hire. It's extensive multi-faceted work, not just one thing, but we have roadmaps and models to build on. It is time to join up and transfer knowledge.
- **Communications**
 - What is the successful infrastructure we need to form quickly in order to be successful? IRA money is tax incentives. How do we get the word out, what communications infrastructure do we need, especially to reach priority communities?
- **Timing**
 - Time is of the essence if we are to be successful in the next 18 months then we can make progress in the next 10 years.

THE PITCH

TO DONORS

Enable conditions and **take more risk**. **Borrow lessons** from built up sectors like **community development** to ensure that we are not just working around the urgency of now. Be **eyes wide open** at all levels of government, **where decisions are made**, **where decision processes are already designed**, and **where others are in design**.

“TRUST BUILDING IS KEY! TAKING TIME FOR IT, INVESTING IN IT. THERE ARE NOT ALWAYS CORRESPONDING METRICS!”

Capacity Building: Collaboration and Partnerships

- **Invest in Multi-year Operating Funds for Community**
 - Investment in community and civic infrastructure has been lacking. **Invest in MY GOD grants** (Multiple Year Generating Operating Dollars) to enable community groups to come together to bridge and create solutions needed.
 - Provide support to TA intermediaries.
- **Invest in Climate Justice Partnerships**
 - Invest in partnerships that are building capacity by leading with climate justice principles and recognition that environmental resources are shared community wealth.
 - Recognize and value the expertise and experience that community leaders bring.
 - Expand who should be in the conversation, especially actors that are regionally based. Work with those outside sustainability, professional associations, county commissioners, cities, organizations and institutions who are not yet informed or involved etc. (engage beyond the same groups that come to the table).
 - Move beyond Return on Investment (ROI) assessments. Invest in leadership to build bench strength and capacity so that when people leave their roles there are new leaders in the wings ready to step in and seamlessly pick up the work. This will help us advance a more mature, consistent transition.
- **Invest in Models of Collaboration for Effective Implementation**
 - Collaboration must lead with co-creation to advance the work (not just shared information) - between local governments and states, local governments and community based organizations etc. Recognize that this takes time and money and begins with design and flows through to policy development.
 - Develop strong and trusting relationships that move from local to state to national so that the needs on the ground are lifted up and exposed.
 - Support and resource communities of practices between government agencies, CBOs and philanthropy. Invest in building skills and practices for collaborative governance and co-creation for both government and communities.
 - Create the space to allow for local governments to change and shift how they address climate, equity and justice plans.
 - Invest in partnerships that support communications/storytelling, technical assistance, federal engagement and advocacy.
 - Recognize that given some of the tighter timeframes, federal agencies need flexibility to fund early-stage collaboration directly.

- **Scale through Intermediaries**
 - Tap into intermediaries and networks - network of networks - to get to scale and build influence. State and federal agencies need to work with these networks to ensure policies are shaped to support effective, equitable implementation (e.g. Justice40 implementation)
 - Build relationships horizontally (i.e., at the level of individual communities, programs, projects) and vertical partnerships (e.g., between organizations working locally and state-level or regional efforts)
 - City-focused networks must collaborate and create shared work products and priorities to improve the capacity of their members and broaden the scope and types of cities benefiting.

- **Advance J40 at State and Local Levels**
 - We need to push J40 at the state and local levels. This means ensuring money flows to where it needs to be - actual money, not just benefits. Good money in bad systems can lead to bad outcomes. Assess wealth building opportunity for underserved and most impacted communities.
 - Position people who face barriers to have access to the resources. Set them up for success by making them aware of the opportunity, supporting them in writing grants, helping build their skills for working effectively together and with government agencies etc.

- **Change How Federal Funds are Dispersed**
 - Recognize that the current money flow is fractured. Federal, state, local and philanthropic funding channels need to be opened and curated.
 - Change the flow of how Federal Funds get dispersed so more money reaches local communities. Focus on power building for future capacity.
 - Explore the role that national groups could play to help disperse and move funds to where they need to be [thereby reducing bureaucracy].

- **Invest in the Training of Government Agents**
 - Support leadership and collaborative skills of government practitioners at all levels so that they can advance (rather than undermine through policy and practice) community-led and co-created processes.
 - Provide equity training to state and government agents.

- **Target Philanthropy Dollars to Address Gaps, Seed Innovation and Leverage Funds**
 - Support collaborative processes to build application bandwidth in a resourced, thoughtful way so that bigger federal funding can be secured by grassroots organizations that typically lack capacity to access funds.
 - Support intermediaries, communities of practice, communications firms to amplify opportunities, legal experts to help understand tax credits/green banks/IRA provisions.
 - Rapidly increase capacity with value-aligned actors inside and out of government to adequately support the work for next 2 to 3 years and set up for long-term deployment.
 - Invite place-based funders and community foundations to provide general operating funds and impact investments to community co-created projects.



THE PITCH

TO PHILANTHROPY

Reimagine partnerships between community and philanthropy. **Philanthropy needs to be led rather than lead.** Communities have the solutions. **Philanthropy needs to think about how to support, honor, contribute to building capacity, serve as an ally, and a partner of people experiencing trauma.** Identify the gaps where resources, relationship building, and TA are needed in community. **Philanthropy needs to expand the tent of who is part of the conversation at a regional level.** We need to look at models that are unique to applicants, rather than national models. **Trust base philanthropy!** Look at workforce opportunities and anchor institutions like Historically Black Colleges and Universities (HBCUs) and Hispanic Association of Colleges and Universities (HACUs) for workforce development/transition.

Project Pipeline

- **Educate about the opportunity**
 - There are multiple audiences e.g. states, local governments, tribes, community based organizations, philanthropic organizations that are eligible to be applicants to IRA funding.
 - To develop a strong pipeline we need to have strong marketing, outreach and education about what is available to these audiences.
- **Create a new way to develop the project pipeline...**
 1. Pre-development stage of projects - take ideas to shovel ready;
 2. For those projects that are more shovel ready, provide TA to submit a competitive application

Create a community of practice with projects at both stages.
- **Aggregate projects**
 - There are hundreds of climate related projects in cities. We need to aggregate these to reach scale to attract new and patient capital. These aggregators can work at regional scale or through local regional city networks E.g. Mississippi River
 - *Cities have hundreds of climate-related projects queued up | The Bond Buyer*
- **Leverage Federal Funding**
 - Full stack capital can accelerate projects far beyond federal money available.
 - Are there mission-aligned intermediaries that have lending capacity e.g. Community Development Financial Institutions (CDFIs) that could be eligible for federal funding and have the purview to grow?
 - If the GHG Reduction Fund is a source of flexible risk capital, it can provide a potential for new local partnerships.
- **Create a source to pool and hold funds** (perhaps through a philanthropic entity)
 - If a state chooses not to participate, funds could go back to the larger pool.
 - Some communities and CBOs may not be immediately ready to manage the funds. As their capacity is built, communities and organizations can draw down as they are ready.
- **Invest in good models of collaboration**
 - The challenge for local governments will be open ended outreach with community members in a non-prescriptive environment.

- Philanthropic agencies can assist with supporting community partners to participate in city decision making (e.g. In Fresno, CA, the local government secured a \$70m grant from the state. Philanthropy resourced the community partners to participate in city decision making. This process put the brakes on a city plan and co-created a better plan).
- While these processes may take longer, they will better design projects that advance community buy-in, equity and climate action.
- **Acknowledge that innovation means we fail sometimes**
 - We need it to be okay for local officials to take risks. The path of least resistance and status quo are not acceptable fallbacks.
 - We need to reduce the risk or fear of failure should projects not work.
- **Recognize the current limitations of the law**
 - Funds are needed for staff, operations etc. The current law is missing key components that would allow meaningful projects. Select a few places where there are deep partnerships/trust and build the project pipeline to be able to understand what to add to the next federal infrastructure law.

**“MONEY IS THE
THING THAT GETS
PEOPLE TO
COLLABORATE.
IT’S THE MEANS
TO THE DESIRED
END RATHER THAN
THE THING WE
CHASE AROUND”**

THE PITCH

TO PHILANTHROPY

In a moment of urgency there is great inspiration. There is also a glaring need for **long-term assistance in communities** to allow for transformation to take root, and establish community infrastructure. This investment is a **downpayment for tomorrow**. If not done right, it will be a missed opportunity, and we will need to do it again. Learn from previous experiences in infrastructure investment. **Philanthropy has a role to play in inserting power and resources into community,** otherwise there will be an imbalance. Need help from **Philanthropy to help communities to draw down money, and to hold it for those who need to catch up to those who already have the capacity to use the money. Need to act with urgency but with patience on strategy, with people. Patient urgency!**

Market Transformation

“ ON SYSTEM CHANGE: IF A SYSTEM IS A BRICK HOUSE, THEN YOU HAVE TO BE EXACT ABOUT WHAT INTERVENTION YOU’RE TRYING TO MAKE AND WHAT TRANSITION YOU’RE TRYING TO ENCOURAGE. WHAT WINDOWS ARE WE TRYING TO BREAK? ”

It doesn't matter how many banks we have if lenders perceive a risk to be too high. How do you lower the risk?

- We need to **establish a loan loss reserve** to effectively intervene on the risk calculus so that we can leverage 4X capital for new green businesses.
- If we don't de-risk the investments and enable more renewable energy providers into the marketplace, the tax rebates and incentives may not be taken up.
- Often, federal awards are time and materials contracts, not grants. The **federal government pays extremely slowly** so success is going to mean **receivables financing** to build capacity to capture the opportunities.

Invest in human capital

- Through ARRA we were able to land investments in technology and dramatically reduce the cost of renewable energy. We now need to leverage what we learned through the tech transition and apply it to workforce development and building the human capital for the green and circular economy.

Invest in cluster development programs with the aim of addressing equity. The manufacturing sector is more reflective of the diversity of the US population. What is the barrier for someone who worked in manufacturing for 25 years to start a business in that sector? Generally it is startup capital, capacity building and access to networks.

- **Create a fund for targeted loans** for small business clean technology start-ups (with climate and equity goals)
- Match this with **cleantech grants** to support additional **capacity building** support to the small businesses

Broaden procurement rules to enable small businesses, social enterprises and community groups to access government contracts. If we want to restructure the workforce we need a procurement system that will take risks.

Educate small businesses, public utilities and others **on the provisions within the IRA** that provide greater access to capital and market infrastructure. The IRA through its “direct pay” has now **enabled tax exempt entities to tap into market infrastructure** and the strategies that have been used by the private sector. This is enabling utilities and other public entities to access capital and opportunities that they previously could not.

Avoid the ARRA cliff. Through ARRA there was an influx of cash 10 to 12 years ago and then it dropped off. Need to ensure these funds are sustained.

Explore community benefit agreements on new green infrastructure. How can we ensure the money stays and is owned by or benefits communities over the long term.

Examine how we bring the Energy Efficient and Conservation Block Grants - **EECBG to consumers.**

The federal government needs institutionalization. The outside needs to deliver some wins so that the inside can institutionalize. Congressional oversight is a key factor that affects decision making. People need to be able to see, touch and feel what a transformed future looks like. We need to **put some regional infrastructure in place to stand between the federal and local governments.**

THE PITCH

TO PHILANTHROPY

Federal resources are more available than ever. We need Philanthropy to be willing to **fund process change, to fund local governments and utilities to change processes, purchasing, and contracting.** Don't just fund the road, but also the processes of how the rubber meets the road.

TO FEDERAL GOVERNMENT

We need **government financing programs to be structured flexibly and clearly** so that there is no uncertainty in who can participate and under what terms. Be able to function as direct or intermediary programs. We need to **bundle Build Back Better programs with other programs.**

TO ORGANIZATIONS AND VOTERS

We need to ensure that we have a **Congress and lawmakers that are aligned with climate and justice goals.** Let us demonstrate and communicate the meaningful impact of these programs. Make sure that laws are written well. Elect climate candidates, people to write the laws that will focus on climate and innovation.

“ FUNDING AND FINANCE IS NOT ENOUGH TO GET US WHERE WE NEED TO GO - WE NEED BOTH PUBLIC AND PRIVATE FUNDING AND FINANCE TO **WORK TOGETHER. AVAILABLE FUNDING FOCUSES ON MARKET TRANSFORMATION, BUT WE NEED **CULTURAL TRANSFORMATION** IN ORDER TO TRULY SHIFT POWER TO LOCAL COMMUNITIES TO CENTER JUSTICE AND EQUITY IN THE WORK. IF WE'RE NOT LOOKING AT FUTURE CLIMATE CONDITIONS WHEN WE DESIGN PROJECTS, THEY WILL BE MALADAPTIVE ”**

MAKING ~~THE~~ MOMENT



Next Steps

Scaling up our individual and collective efforts

Building on the investments and ideas for action outlined in maximizing the opportunity, we identified some of the key next steps in making this moment. We recognize that as we scale our efforts we hold many tensions. We identified several tensions through our conversations, such as the need to:

- Act urgently versus working at the speed of trust
- Deploy funds to shovel ready projects versus investing in processes to create transformative projects
- Work with those who are ready versus investing in groups with little to no capacity to respond
- Working with immediate federal timelines versus setting communities up to respond to this and future funding opportunities
- Educate and profile the opportunity versus advocating for changes to address the shortcomings of the federal programs
- Take the time to co-develop projects that center equity and climate action versus losing the moment to groups that have capacity to respond quickly but are not committed to our values

While we acknowledge these tensions, we recognize that federal leadership has created an unprecedented opportunity which requires a response and capacity at the local level. We want to articulate a vision with north star ambitions that is specific and possible and create *supercharged nodes* for action.

North Star Ambitions:

- **Power Shifting to Communities**
- **Center Equity and Advance Justice 40**
- **Build a Local Economy (not apply for a grant)**
- **Embed Resilience**
- **Build Capacity for Collaboration**
- **Build for Long-term Community Transformation (equity/climate resilience)**

In addition to the actions and recommendations we identified in the “maximizing the opportunity” section above, these are some of the key next steps:

Use mapping, with J40 criteria, to set priorities. Identify the needs, risks and assets of the 27,000 communities in front of us, then put a supportive network around them. A barrier to prioritization is the complexity of the opportunity, but we have existing tools that can be employed to help us map. A Justice40 lens will safeguard against the exploitative potential of mapping and not further isolate underserved communities.

Technical assistance is key (see above). Many intermediary groups are engaged in technical assistance, but they are insufficiently funded to do this work and/or fragmented. There are many small, movement-aligned consulting groups and individuals who can be deployed early on to build capacity in cities and communities to get them ready to access this funding. The technical assistance needs better coordination, targeted resources and values-aligned organizations that know what they are doing to reach those most impacted and traditionally underserved:

- Create a mechanism for technical assistance (TA) in smaller communities of people under 50,000 who qualify for Justice40 but do not have the capacity to put a proposal together. Develop proposals to access funding (e.g. the equitable infrastructure initiative from US Water Alliance).
- Currently there are 7 different federal funding tracker tools online, but it is extremely difficult for communities to navigate what they can use. TA has to provide support to local governments, tribes and community groups directly in connecting the dots, identifying the pathways to funds and supporting with proposal development and coaching. This is high touch and those providing this technical assistance need to be resourced or the funds will not be deployed. This is about building long-term capacity.
- Ensure technical assistance infrastructure embodies regional approaches and links to states, tribes, local governments and community organizations.

Focus on the project pipeline. Many more things are possible now: climate resilience projects in under-resourced communities, reparative projects, etc. Advance the conversation on what **workforce** definition, development and transformation looks like in the context of these projects. Support good projects that emerge from good processes and partnerships.

Embed “nature-based solutions and resilience in the “build back better” funding. Ensure the money is having a long-term impact. (e.g. San Francisco is adopting nature-based solutions in infrastructure projects to address sea level rise). Explore beyond FEMA and the EPA to see how the federal climate resilience funding can build project pipelines.

Convene city-facing organizations (e.g. USDN, C40, Climate Mayors, ICLEI, National League of Cities, National Forum for Black Public Administrators etc.) to support collaboration and technical assistance, to help funders and audiences understand their strengths and their lanes, and co-create and leverage each other’s work thereby decreasing fragmentation.

Deepen partnerships. Lean in with community partners without worrying about making mistakes. We need to stop worrying about who we are as individuals and organizations, we need to break silos through transparency and openness and de-prioritize ownership.

Request of **philanthropy** to support conversations between the public sector, community and frontline organizations and the private sector to ensure we are able to develop **community benefit plans** and respond to the opportunities that are emerging. We need to recognize that timing will impact who can respond. Philanthropy can support communities to do the preparatory work and have a vehicle to hold funds so they can access them when they are ready. Philanthropy can also leverage AAA funds and bring more money to the table. And it can support collaborative processes, standardization and identification of best practices and help to communicate these out.

Communications. We need to **communicate what success looks like** and what is working so that people can touch it, feel it and want it in their communities. What are the scenarios for different regions, at the project scale and larger scales? We also need to **create a SWAT-like capacity to fight against ‘boondoggle projects’** – e.g. stadiums, car parks, etc. There is a potential that if we leave some local governments to themselves they’ll do the wrong thing. Oppositional work is crucial as states and governments respond to naming and shaming.

Raise ambition. We need to build political will, ambition and the vision of what's possible in order to reach our goals and do big things with this money. What does this look like at the governor's office level? The mayoral level? We need to get high quality conversations going now, a year ahead of a NOFO. Capacity is a political decision; many cities do have "capacity" to go after grants and projects, but sustainability isn't the priority for those resources. We need to make the case for prioritizing capacity and resources to meet this moment.

Use **Justice40 as a catalyst for transformation.** Justice40 is just a start, and we need to hold governments accountable for advancing Justice40 processes and outcomes.

Data will drive scalability. It will drive finance and decisions in communities. **Collect, mine and disaggregate the data to identify pathways to action and empower communities.** The tools we have today are not sufficient. (e.g. No one is quantifying asthma data and using it to fund decarbonization. There needs to be understanding what it holistically costs to put a dirty power plant near a largely Black or Hispanic community). By collecting **data on decarbonization and communities** we can create buy-in and develop impactful solutions.

Recognize that burnout of practitioners is real and we need to ensure that we are promoting **wellbeing and care among community actors.**

“ MUCH OF THE MUSCLE AND HABIT HAS BEEN DEVELOPED, BUT IN ADJACENT SPACES, ESPECIALLY COMMUNITY DEVELOPMENT, BUT THIS HAS BEEN LARGELY DISCONNECTED FROM CLIMATE ADVOCACY AND ACTION. THIS NEEDS TO SPREAD AND SCALE AND BE NORMALIZED ”

CLOSING

WHAT WILL YOU DO DIFFERENTLY?

The following ideas were identified by participants as specific next steps they would take following the dialogue:

- Convene city-serving networks to address how we can best respond collaboratively to the opportunity, build strategies to advance shared objectives and enable federal deployment.
- Address defragmentation by sharing where I think my organization can best add value (and where it cannot) to ensure we meet the moment.
- I will seek more partnerships to break down silos.
- More outreach for partnerships and collaboration and practice self-care (to avoid burn-out)!
- Make a connection with another organization and/or person after today's convening.
- I am going to reach out to several participants to learn more about their organizations and explore opportunities for collaboration and co-creation.
- Get more state, regional voices to the table.
- I'm looking forward to connecting more deeply with folks focused on decarbonization.
- Redouble efforts to co-create an "ecosystem map" of the local climate equity universe.
- Better center justice in this work, shift power building capacity in our networks of networks, and raise ambition by public sector leaders to support taking risks to realize a new future. And tell our stories!
- Publish viewpoint pieces that call out several specific things that need more attention and resources.
- Communicate with other funders the outcome of this dialogue to better coordinate our efforts to maximize this opportunity.
- Make the most of this moment to build infrastructure for what's needed for a successful launch of the federal climate initiatives aligned with the Justice 40 objectives. I will be asking pointed questions about what our organization can do differently, and do now, to take advantage of the federal initiatives we now have.

IN SUMMARY

It's amazing the ideas and insights that can emerge when over 50 smart leaders working with communities to advance equity and climate come together to collaboratively analyze and identify ways to maximize the moment we are in the US. While this was only a three hour dialogue, it delivered clear ideas for how government, city-facing organizations, community groups and philanthropists can scale up their individual and collective efforts to leverage the IJA, IRA and Justice Initiatives to create lasting community impact, particularly for underserved communities and those most impacted by climate and pollution.

At this stage, the ideas contained in this report provide ingredients for change. What we need now are the chefs to take and combine them into recipes, prepare the dishes and set the table for transformative change.

We invite you to review the collective thinking here and use the ideas to inform your government, foundation, financial institution or community actions. And please keep us informed so that we can amplify your individual and collaborative efforts.

**TO ALL WHO
PARTICIPATED IN
THIS DIALOGUE...**



**THANK
YOU**

APPENDIX

RESOURCES

Resources, handbooks, guides and collaboratives exist that help communities advancing equity and climate solutions as they navigate the recent federal support.

Handbooks, Guides and Tool Kits

ARPA Resources

[National League of Cities - Local Government ARPA Investment Tracker](#) - An online resource that compiles information from local governments to offer a detailed picture of how large cities and counties (with populations of at least 250,000) are deploying the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund dollars.

IIJA Resources

[White House - Building A Better America Guidebook for the IIJA](#) - This guidebook is for state, local, tribal, and territorial governments to help them know what to apply for, who to contact, and how to get ready for the funding opportunities available through the IIJA.

NACTO [Infrastructure Investment and Jobs Act \(IIJA\) Overview for Cities and Transit Agencies](#)

[Atlas IIJA Handbook for State and Local Government Leaders](#) - A handbook designed to empower state and local government leaders to navigate their way successfully through the uncertainty surrounding implementation of IIJA.

[IIJA Federal Investment Guide for Local Leaders](#) - Guide aims to bolster the efforts of local leaders to organize public, private, and civic actors in their jurisdictions to focus on big picture investments.

IRA Resources

[White House Releases a Guidebook to the Inflation Reduction Act's Investments in Clean Energy and Climate Action](#) - The guide provides clear descriptions of the IRA tax incentives and funding programs, including details about purpose, eligibility and matching requirements, and period of availability. What's really exciting - many of the program details include opportunities to stack with other federal funding. This resource will help state, local, territorial, and Tribal leaders, the private sector, non-profit organizations, homeowners, and communities better understand how they can benefit from these investments.

[USDN IRA Mini-Guide](#) - This guide provides a cheat sheet for the largest and most relevant IRA programs for local sustainability practitioners. The guide identifies the amount of funding in each program, which federal department is responsible, and when the funding is anticipated.

[C40 and Climate Mayors guide - Climate Action and the Inflation Reduction Act: A Guide for Local Government Leaders](#) - This guide provides cities with details on environmental benefits available through the historic \$369 billion in federal funding from the Inflation Reduction Act, along with guidance on the roles local governments must play to accelerate equitable and bold allocation of funds for climate action.

[NRDC Consumer Guide to the Inflation Reduction Act](#) - Guidance on how residents can save on electric vehicles, solar panels, heat pumps, and more via tax credits and rebates.

[Columbia University Sabin Center for Climate Change Law: Cities and the Inflation Reduction Act - Six Broad Ways Local Governments Will Need to Navigate the IRA.](#)

[National League of Cities summary of key programs in the Inflation Reduction Act](#) - Key programs for local governments to advance climate and clean energy goals and support community resilience in the Inflation Reduction Act.

[Senate Democrats Summary of the Energy Security and Climate Change Investments in the Inflation Reduction Act of 2022](#)

IRA Resources (continued)

[Guidance on the Inflation Reduction Act Plug-in Electric Drive Vehicle Credit](#) - Information on how the North America final assembly requirement will work so consumers can determine what vehicles are eligible and claim a credit.

- [FAQs on the Inflation Reduction Act's Initial Changes to the Electric Vehicle Tax Credit](#)

[All in on Building Decarbonization - In the Age of the Inflation Reduction Act](#) - RMI explains the over \$50 billion in building decarbonization provisions in the IRA, including rebates, tax credits, loans and grants, and other funding.

[Bipartisan Policy IRA Summary: Energy and Climate Provisions](#) - Provides a comprehensive breakdown of the energy and climate provisions in the IRA.

[BlueGreen Alliance's User Guide to the Inflation Reduction Act](#) to learn how new investments will deliver good jobs, climate action, and health benefits.

[Evergreen Action](#) - Evergreen Explains: The Climate Impact of the Inflation Reduction Act

[Housing Provisions - National Housing Trust Summary](#) - The Inflation Reduction Act: opportunities to preserve and improve affordable housing through resilience.

[Just Solutions - Analysis of the Inflation Reduction Act](#)

General Resources

[Climate Program Portal](#) - A resource developed by Atlas Public Policy to track investments in climate initiatives funded through the Infrastructure Investment and Jobs Act (IIJA) as well as any other major future funding appropriated by Congress. Register with your local government email .gov account to be automatically enrolled.

[Justice 40 Accelerator Featured Funding Opportunities](#) - Database sortable by focus areas. Includes federal and private.

[Electrification Coalition EV Funding and Finance Guide](#) - A Guidebook for Funding and Financing Electrification

City Renewables [Federal Funding Opportunities for Local Decarbonization \(FFOLD\) tool](#)

City Renewables [Labor Considerations for Clean Energy Procurement](#) - This memo provides guidance for, and examples of, incorporating labor best practices in clean energy Request for Proposals (RFPs).

ASAP and Climate Resilience Consulting's [Ready-to-Fund Resilience Toolkit](#) - This toolkit describes how local government leads and partners can design more fundable projects by pulling specific policy levers, seeking key partnerships, using innovative accounting practices, inverting power structures, and rethinking and redesigning internal processes. It will help local government leads and partners operate within current finance and policy systems to better prepare themselves and their communities for climate resilience funding and finance.

[Bipartisan Infrastructure Law Technical Assistance Guide](#) - Identifies at least \$700 million in dedicated funding across more than 65 federal technical assistance programs, focused on helping communities apply for and deploy federal infrastructure funding.

ASAP [Funding and Finance Peer Learning Group](#) - ASAP's Funding and Finance Peer Learning Group, supported by Climate Resilience Consulting, meets monthly and focuses on defining strategies to help small and medium-sized local governments in the U.S. integrate key characteristics into their climate resilience projects to make them fundable. The group also explores cutting-edge ideas in climate resilience funding and finance and discusses law and policy changes needed to enable funding and finance to be more accessible to local communities.

ASAP [Policy Practice Group](#) - This group meets monthly to share policy updates, hear from experts, and produce comments and resources together. It helps climate leaders stay up to date on the rapidly evolving federal funding landscape and the broader federal, state, and local policy landscape.

Technical Assistance tools and programs to help cities navigate the federal funding landscape (continued)

National Coastal Resilience Fund Technical Assistance Program - The Field Liaison team, made up of Throwe Environmental, American Society of Adaptation Professionals, and Native American Fish and Wildlife Society, supports prospective applicants of the National Coastal Resilience Fund. The Field Liaison team is available for virtual and in-person events and presentations, as well as one-on-one project conversations. Interested potential applicants can reach out to the Field Liaison team (ncrf@throwe-environmental.com) to explore NCRF opportunities and get support.

Justice 40 Accelerator - The Justice40 Accelerator is privately funded and aims to support climate and environmental justice organizations in building their capacity, partnerships, and readiness to access government funding to implement community-designed solutions.

Just Transition Fund Federal Access Center - A resource hub to help coal-impacted communities secure public investment for local economic solutions as unprecedented levels of funding become available. Through capacity-building grants and technical assistance, the Access Center will lower the barriers that community-based organizations encounter when applying for federal funding.

University of Maryland Build America Center - Technical Assistance to Apply for Federal Grants

DOT Navigator - The DOT Navigator is a new resource to help communities understand the best ways to apply for grants, and to plan for and deliver transformative infrastructure projects and services. This resource information about DOT technical assistance resources.

USDOT Grant Application Resources -These resources provide general information on applying for federal grants and understanding some of the key requirements.

DOT Thriving Communities Program Technical Assistance Program - To provide technical assistance, planning, and capacity building support to communities that may lack the staffing or technical expertise to scope, fund, and develop infrastructure projects that advance broader community goals.

Technical Assistance tools and programs to help cities navigate the federal funding landscape (continued)

Bloomberg Philanthropies' new Local Infrastructure Hub is a national program to ensure that all cities and towns can access federal infrastructure funding to drive local recovery, improve communities, and deliver results for residents. The Hub will give cities across the country direct support, including 1:1 coaching, webinars, data analysis, guidance from issue experts, and easily accessible information on the rules and time frames for specific funding opportunities.

Emerald Cities Collaborative Emergent Community Capacity Building Program - The ECCB program provides training, technical assistance and grant funding for community-based organizations and coalitions to design and implement a local Energy Democracy/Energy Justice policy agenda and to develop a community benefits plan.

USDN Technical Assistance Program - To help members successfully apply to federal grants. This program offers advisory coaching and support, proposal review and editing, and submission process guidance to members pursuing federal funding for high-impact sustainability projects.

The Southeast Sustainable Recovery Centre - A program of the Southeast Sustainability Directors Network that supports local governments in the Southeast with the capacity to understand federal funding opportunities and access funds for local equity-centered sustainability and resilience projects. Support includes education about opportunities, support for project ideation and partnership development, and support for applications, and more.

