

The Four “E”s: An Overview to Implementing ARPA and IIJA

March 31, 2022



Speakers



Mark Funkhouser is president of Funkhouser & Associates and a municipal finance expert who has spent decades in government service. As a longtime auditor and the mayor of Kansas City during the Great Recession, Mark's experience and compassion has made him a trusted and credible advisor to government officials across the country.



Liz Farmer is an award-winning fiscal policy writer, author of the Long Story Short newsletter and a consultant at Funkhouser & Associates. She writes regularly for Forbes and Route Fifty, and has been published in the Wall Street Journal, Bloomberg, and other top publications. Liz is also a research fellow at the Rockefeller Institute of Government.

This session will cover...

- Key provisions in the American Rescue Plan Act
- Key provisions in the Infrastructure Investment & Jobs Act
- The four “E”s approach to funding
- Challenges and opportunities

Engagement

Equity

Environment

Evidence

- How are you including your residents in the decision-making process? Are you getting feedback from those who will be impacted/helped?
- In what ways will this help historically disadvantaged groups in your community? What gaps are you seeking to close?
- Does your project improve air or water quality? Does it target an environmental injustice?
- How do you know your project/idea will work? Are you measuring the outcomes?

ARPA Timeline

March: ARPA passes

January: Final rule released (fiscal recovery funds)

Dec. 31: Deadline for allocation of recovery funds



2021

2022

2023

2024

2025

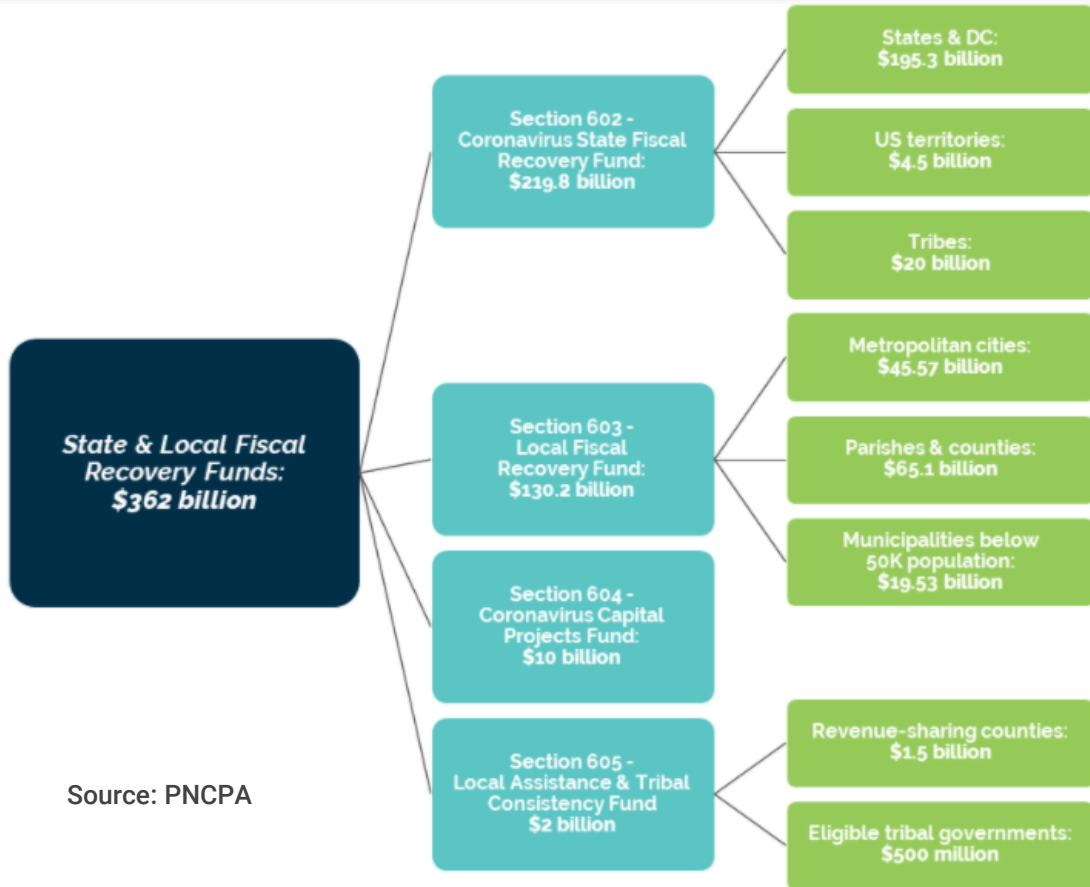
2026

May: Interim rule released; first tranche of funding starts flowing

May: Second/final tranche of funds start flowing

Dec. 31: Deadline for spending recovery funds

American Rescue Plan funding overview



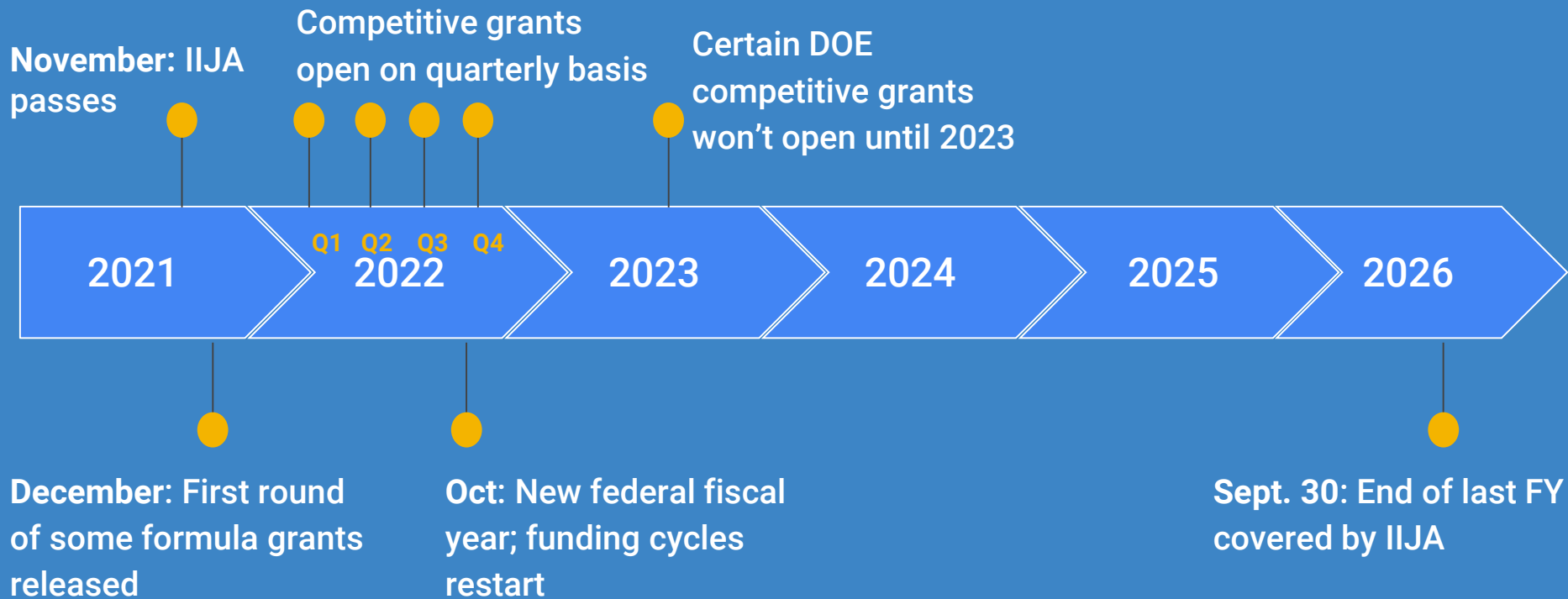
Source: PNCPA

The final rule EXPANDS flexibility so you can target ALL low- and moderate-income households for spending programs.

Eligible uses include

- Affordable housing
- Parks
- Mobility
- Hospitals/Healthcare facilities
- Early childhood learning
- Broadband affordability
- Data analytics

IIJA Funding Timeline



Getting ready

Federal-aid Highway Formula Funding and Bridge Formula Program

State Departments of Transportation receives funds, then selects projects for funding through statewide and metropolitan transportation planning processes. Contact your state DOT for additional information on its process.

~ \$720 billion

Competitive Grant Programs

Potential recipients should begin to work with stakeholders to develop a list of priority projects that would be suited for applications for competitive grant funding programs such as the Bridge Investment Program, RAISE, MEGA, and INFRA.

~ \$480 billion

Leveraging ARPA to make IIJA dollars go further

In many ways, communities can get a head start on their IIJA projects.

Some opportunities to pair ARPA projects with the infrastructure bill.

ARPA final rule allows funds to be used for...

- Non-federal funds match for some IIJA broadband projects
- Dams and reservoirs
- Schools and other educational facilities/ equipment
- Broadband affordability
- Modernization of cybersecurity for broadband networks
- Improving neighborhood health and safety (i.e. parks, recreational facilities, crosswalks, etc.)
- Childcare, daycare, and early learning facilities
- Secure and improve vacant/abandoned properties

Engagement

“Delivery won’t fix bad policy, but very good policy can be undercut if it isn’t designed and executed to meet people where they are.” - Power to the Public (2021)

Durham, NC’s Equitable Community Engagement Blueprint

- A guide to address systemic barriers to public engagement
- How to seek input from communities most adversely impacted by projects.
- Community Partner Development Course



The plan in action

In 2021, Durham provided \$100,000 to four community organizations to implement the plan, starting with the GoDurham Better Bus Project.

Equity

"[W]hile there is deep truth to the saying that 'The best things in life are free,' the reality is that economic deprivation, discrimination, flaws in market rules, and gaping holes in the safety net deny tens of millions of Americans these familial joys." - Gene Sperling, White House Senior Advisor

Small Town, Big Goals



Community complaints about ADA compliance and the racial injustices that marked the beginning of 2020 pushed Livingston, MT to examine its own inclusion and equity practices.

- Police body cameras
- Fixed sidewalk transitions
- Moved services to ground floor in older buildings
- Purchased a new, ADA-compliant City Hall
- ADA-compliant website
- Online services

Environment

*“We must listen to science—and act. We must strengthen our clean air and water protections. We must hold polluters accountable for their actions. We must deliver **environmental justice** in communities all across America.” - President Joe Biden, Justice40 executive order (Jan. 2021)*

A dark blue rectangular graphic with white text. At the top, it says 'BIDEN HARRIS' in a bold, sans-serif font. Below that, in smaller text, it says 'THE BIDEN PLAN TO'. The main text reads 'SECURE ENVIRONMENTAL JUSTICE AND EQUITABLE ECONOMIC OPPORTUNITY'. At the bottom, there is a white rounded rectangle containing the text 'LEARN MORE →'. To the right of the text is a photograph of Joe Biden speaking at a podium. The podium has a sign that says 'Text UNITED to 30330 BIDEN HARRIS'.

The Justice40 Initiative

Deliver 40% of the benefits from federal investments in climate and clean energy to disadvantaged communities.

Free tools!

The Climate Justice Economic Screening Tool

DOT Disadvantaged Communities Definition and

Mapping Tool

Evidence

*“Governments with high capacity to use **data and evidence** to administer programs are more likely to be responsive to the needs of their community, more transparent about their community impact, and more resilient to emergencies such as the pandemic and its economic impacts.” - ARPA final rule*

“Cops and Clinicians”

- **Violence prevention** rooted in targeted outreach and addressing root causes.
- 911 diversion
- **Expand mental health services** to recreation centers, libraries, and other public spaces.



95% of individuals in crisis



Diverted from arrest



And connected to services



The four “E”s in grant programs

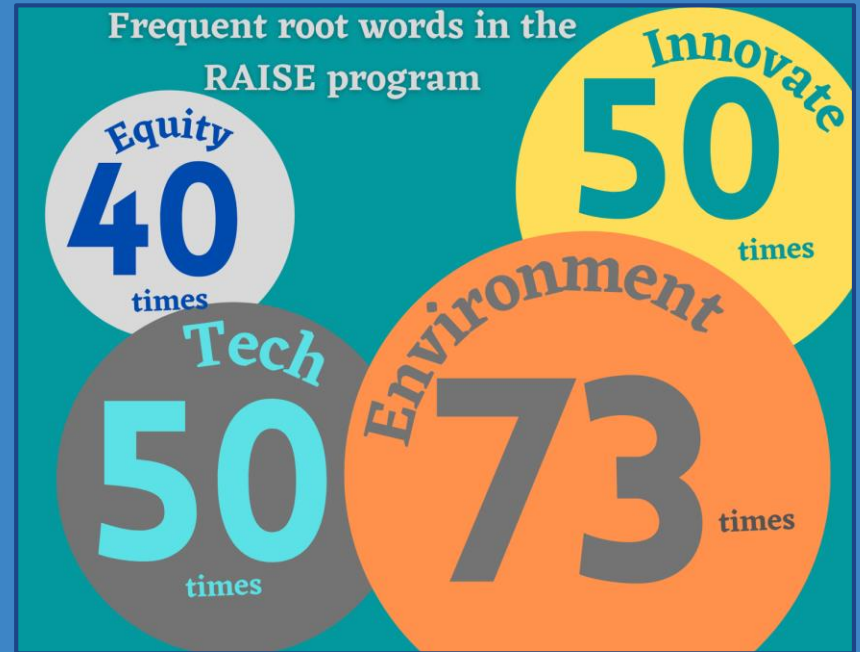
National Electric Vehicle
Infrastructure

Low or No Emission and
Grants for Buses and Bus
Facilities Program

Rebuilding American
Infrastructure with
Sustainability and Equity
(RAISE) discretionary
grant program

RAISE program competitive grants

- Target at least 40% of resources and benefits towards low-income/ disadvantaged communities.
- Show “how the project has or will engage communities affected by the project.”
- “Describe the anticipated outcomes...[and] provide evidence to support the claimed level of effectiveness.”



“Projects that have not sufficiently considered climate change and environmental justice in their planning...will be required to before receiving funds for construction.”

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Q&A

with Mark Funkhouser