Public infrastructure for an equitable future

A guide for philanthropy

EXECUTIVE SUMMARY

Christine Fry
Samantha Graff
Ang Hadwin

Onside Partners
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Public infrastructure is the connective tissue that enables – or impedes – so much of the societal good that philanthropy hopes to foster. Robust infrastructure should facilitate health, well-being, education, social connections, and economic opportunity for everyone. Instead, America’s deteriorating, and in some cases absent, infrastructure prevents children from doing homework, plunges families already on the margin further into poverty, hinders travel to jobs, interferes with access to healthcare, and pollutes communities. All of this adds up to billions of dollars in lost economic activity and indirectly costs the average family $3,400 per year. These costs are not borne equally. Due to a long legacy of discriminatory policies, today’s infrastructure perpetuates and enshrines in concrete and steel longstanding racial, economic, and geographic inequities.

Philanthropy is uniquely able to convene diverse interests, catalyze system change, and invest in new strategies that government or the private sector may not be ready to deploy. Philanthropy can hold a big-picture vision of equitable public infrastructure in focus and lead us toward solutions that address the COVID-19 pandemic, economic recession, and ongoing struggle for racial justice while securing an infrastructure future allowing everyone to thrive.

### Six dimensions of infrastructure inequities

Solutions to our infrastructure crisis should address six dimensions of inequity:

1. Basic infrastructure, like electricity or public transit, is completely unavailable in some high-poverty areas, especially rural and Native American lands.

2. Even where infrastructure is technically available, it is often unaffordable, which can mean going without broadband, water, or electricity.

3. Many communities, particularly low-income people, people of color, and rural communities, live with low-quality infrastructure, such as slow broadband or crumbling parks, that negatively affects daily life.

4. Infrastructure that is unsafe for those who are using it – including hazardous roadways or leaching water pipes – disproportionately harms low-income communities and communities of color.

5. Whether through polluting power plants, contaminated waterways, or highway emissions, infrastructure generates dangerous environmental impacts for those who live near it, who tend to be low-income people and people of color.

6. Public infrastructure is a source of good, stable jobs, but these jobs have not gone to economically marginalized communities.

### Roots of infrastructure inequities

Infrastructure inequities are not accidental but instead flow from three interrelated societal forces. Structural racism entails all the ways racism is baked into infrastructure systems, from the times of explicit residential segregation to the ongoing disinvestment in communities of color and exclusion of people of color from the infrastructure economy. Power has to do with who influences and makes infrastructure decisions and who does not. Culture pertains to the dominant narratives and debates about the role of individuals versus government that set the context for infrastructure decisionmaking. This causal framework depicts how those fundamental forces flow through decisions at the levels of government and policy, funding and financing, and day-to-day infrastructure operations, ultimately affecting communities’ health and wellbeing.
Three goals to achieve a vision of robust, equitable infrastructure

In order to achieve a vision of robust, equitable infrastructure, philanthropy can work toward three goals that address the dynamics depicted in the causal framework.

• Funding and financing systems allocate infrastructure costs fairly and ensure that all communities have access to affordable public and private capital
• Government at all levels has the capacity, will, and policies to provide and ensure equitable infrastructure
• Structural racism no longer permeates infrastructure systems and decisionmaking, and power is balanced fairly between corporations and communities, the wealthy and low- and moderate-income people, and white people and people of color

Philanthropy’s role in shaping our infrastructure future

To advance robust, equitable infrastructure, philanthropy is well-suited to play the following complementary roles to government, the private sector, and the civic sector:

• Convene diverse stakeholders to develop inclusive, viable solutions
• Fund civic sector groups advocating for equitable infrastructure
• Amplify and lend credibility to messages about equitable infrastructure in the public conversation
• Support and lift up the development of research and models that pave the way for equitable approaches to developing, running, and paying for public infrastructure
• Help launch and, where successful, replicate pilots and demonstration projects
• Evaluate programs to assess what does and doesn’t work
• Provide leadership development, technical assistance, and training to civil servants, elected officials, civic sector leaders, business leaders, and community members
• Participate in negotiations and dealmaking to balance the playing field
• Leverage investments to move public and private dollars where they’re needed most

Strategies for philanthropy to advance equitable infrastructure

From interviews with over 50 experts and extensive research, we winnowed hundreds of ideas for attaining equitable infrastructure into six solutions, each with multiple strategies, that are suited for philanthropic intervention. These solutions cut across both publicly and privately managed infrastructure in five major sectors: broadband, energy, parks and urban green space, transportation, and water. In our longer report, readers can find more information about our recommendations and numerous examples of how philanthropy and the larger civic sector have already pursued many of these ideas.

Equitable infrastructure provides entry points for funders focused on a range of issue areas, including public health, good governance, social and racial justice, community power building, environment, housing, community economic development, and individual infrastructure sectors. The interconnected nature of our solutions and strategies calls for an ecosystem in which philanthropies work together across sectors and areas of expertise. It is also important for funders to keep in mind that using equitable processes is as important as setting equitable goals.

Solution 1: Fund and finance infrastructure adequately and equitably

Infrastructure requires a commitment of dedicated, long-term funding to meet the $4.6 trillion 10-year projected need. Funding and financing determines what infrastructure gets built, where it’s built, how well it’s maintained, and who can access it. However, decades of discriminatory financial systems and government policies have created an imbalanced playing field when it comes to accessing capital for infrastructure. This means individual users, low-income communities, communities of color, and smaller local governments often shoulder a disproportionate level of expense and can be caught in cycles of poverty and underinvestment. Philanthropy is well positioned to employ strategies that lower barriers to accessing capital and shift available public and private dollars to communities where they are most needed.

ii The Robert Wood Johnson Foundation, the funder of this report, selected these sectors as part of a larger exploration of the role of infrastructure in creating social and economic opportunity and improving health equity in the United States.

iii Funding refers to “money received from a source without expectation of payback.” Financing means “money received from a lender with the expectation of payback, usually with interest or other benefits, such as ownership or development rights.” Debra Knopman et al., Not Everything Is Broken: The Future of U.S. Transportation and Water Infrastructure Funding and Finance (RAND Corporation, 2017), https://doi.org/10.7248/R1739.
Strategy 1.1: Improve long-term budgeting and planning for equitable infrastructure
- Support efforts to build long-term dedicated funding for infrastructure
- Provide accurate tools for projecting needs
- Encourage lifecycle planning
- Promote equitable and participatory budgeting

Strategy 1.2: Ease access to public funding for under-resourced communities
- Improve public funding conditions and criteria
- Provide incentives to direct public funding where it is most needed
- Shore up under-resourced communities to compete for public funding

Strategy 1.3: Make public bond and private financing markets more equitable
- Serve as a model investor
- Support research to bolster social equity in private infrastructure investment
- Develop equitable underwriting and credit rating alternatives
- Build public sector capacity to access private investment at fair terms

Strategy 1.4: Recalibrate how government raises revenue for infrastructure
- Develop strategy through policy and economic research
- Supply policymakers with actionable research on equitable revenue generation
- Fund and connect advocates for fairer revenue generation
- Shift mindsets about infrastructure investment

Solution 2: Strong federal and state agendas
Federal and state policy, funding criteria, and oversight shape much of what is possible for infrastructure. National and state leadership on equitable infrastructure is essential, given the scope and cross-jurisdictional nature of infrastructure. We need a broad, national agenda that captures the public’s attention and sparks coordinated action in states and communities. As key regulators and funders, state leaders should also be making robust, equitable infrastructure a clear policy and budget priority. Stakeholders within and outside government can inspire and move national and state leaders to action.

Strategy 2.1: Establish a national vision for equitable infrastructure
- Co-create a national vision for equitable infrastructure
- Stoke momentum for federal government action
- Encourage influential national organizations to center equity in infrastructure

Strategy 2.2: Encourage states to prioritize equitable infrastructure
- Develop comprehensive, equity-centered state infrastructure agendas
- Strengthen advocacy to influence the design and implementation of state agendas
- Establish a state resource exchange for equitable infrastructure

Regional and local leadership on infrastructure must accompany federal and state leadership, and, amidst current gridlock, much of the promise for spearheading progress lies in lower level jurisdictions. Therefore, an equitable national or statewide infrastructure agenda would have to remove existing constraints on the ability of lower levels of government to finance, fund, own, and manage infrastructure under their purviews (see Strategies 1.4 and 4.3). While we focus here at the federal and state level, the other five solutions contain numerous strategies to bolster the capacity of regional and local agencies and individual public servants to manage infrastructure effectively and fairly.
Solution 3: Regional and cross-sector collaboration

Infrastructure is a set of interconnected systems that function regionally across jurisdictional lines. This requires unified, not compartmentalized, decisionmaking and management to avoid inefficiencies, high costs, and inequitable distribution of benefits and harms. Better regional coordination among governance bodies and infrastructure sectors would allow adjacent and overlapping jurisdictions to pool resources, share costs, and align services to everyone’s needs. Involving adjacent sectors, such as housing, community development, and public health, will allow for holistic solutions that address the inequities people face in their day-to-day lives.

Strategy 3.1: Promote regional governance of infrastructure

- Create demonstration projects testing regional infrastructure oversight bodies
- Study and share effective mechanisms for regional cooperation on infrastructure
- Encourage regional consolidation of small, struggling infrastructure providers
- Promote the need for regional infrastructure governance among civic sector organizations, anchor institutions, and local philanthropy

Strategy 3.2: Provide opportunities to collaborate and learn across sector boundaries

- Foster interagency collaboration across sectors
- Convene broad-base local and regional collaborations for equitable infrastructure
- Model cross-sector collaboration

Solution 4: Community power and leadership

To ensure everyone benefits from public infrastructure investment, frontline communities should play a leadership role in setting priorities and making key decisions, from the early stages of planning infrastructure through its long-term operations and maintenance. Building the power and leadership of communities of color and low-income communities is crucial to ensuring infrastructure corrects historic inequities and effectively meets community needs. Local ownership and control of infrastructure can also contribute to increased power through shared prosperity and resilience.

Strategy 4.1: Invest in community organizing and coalition building

- Fund community organizing
- Cultivate community leadership in infrastructure
- Promote strategic coalition building
- Pursue voter protection, education, and registration

Strategy 4.2: Advance more inclusive decisionmaking processes

- Promote community-centered planning, decisionmaking, and implementation
- Make sure grassroots groups have the financial resources to participate
- Develop infrastructure decisionmakers who represent disinvested communities
- Explore the power of local ballot initiatives

Strategy 4.3: Increase the viability of local control and ownership

- Expand community ownership models
- Tackle policy barriers
- Help keep technical expertise local
Solution 5: Racial equity

Closing racial gaps across wealth and opportunity is not only a moral imperative, but also a means to greater long-term growth and prosperity for everyone. The pressing need to improve huge swaths of our nation’s infrastructure presents a chance to envision a new way forward that centers equity and dismantles structural racism in the governance, procurement, and provision of infrastructure. Identifying racism embedded in policy and systems, centering the leadership of people of color, and expanding the inclusion of communities of color in the infrastructure economy are essential to setting a course toward a more equitable future.

Strategy 5.1: Spotlight, eliminate, and correct for structural racism in infrastructure

- Educate infrastructure workers to identify, talk about, and correct structural racism
- Expand a culture of practice in infrastructure agencies to dismantle structural racism
- Center racial equity and leaders of color in civic sector organizations
- Support legal advocacy
- Build private sector alignment with racial equity goals

Strategy 5.2: Forge pathways for people of color to infrastructure leadership and jobs

- Expand the pool of people of color for infrastructure jobs
- Implement equitable procurement processes
- Protect and promote local and targeted hiring and contracting policies
- Invest in infrastructure-related businesses owned by people of color

Solution 6: Coordinated communication and research strategies

Broad support for public infrastructure provides a solid foundation to move public will toward investing in this century’s equitable version of the New Deal. Yet, finding consensus among policymakers and stakeholders on how to get there is a major challenge due to cultural divisions across political party, race, and national origin in the United States. An effective and tested communications strategy, operating in tandem with the other strategies highlighted in this report, needs to be backed by solid data that illustrates the problem of inequities as well as evidence-based solutions.

Strategy 6.1: Shift the public’s mindset on equitable infrastructure as a public good

- Help infrastructure agencies build trust
- Incentivize excellence
- Bolster campaigns to shift broad support for infrastructure into action and investment
- Elevate conversations to advance racial equity in infrastructure

Strategy 6.2: Fund a research agenda for equitable infrastructure

- Develop an infrastructure inequities clearinghouse
- Connect infrastructure inequities with broader social inequities
- Source research priorities from communities most affected by inequities
Endnotes


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