

HELPING COMMUNITIES MAKE THE MOST OF HISTORIC PUBLIC INVESTMENT

BROOKINGS METRO'S FEDERAL-LOCAL BRIDGE IN 2023-2024

Brookings Metro has launched a major initiative to act as a bridge between local leaders and federal decisionmakers, so that generational national investments in infrastructure, economic vitality, and climate action yield transformative and equitable impact in communities—and powerful learning at the federal level.

Background

As U.S. cities and regions emerge from the COVID-19 crisis, their leaders are navigating a complex web of challenges. The pandemic itself exacted a significant human and financial toll on communities which may permanently alter aspects of their economic and social structure. At the same time, the disproportionate impacts of the crisis on lower-wage workers, people of color, and disinvested regions and neighborhoods exposed long-standing fault lines—income and wealth inequality, racial injustice, and legacies of public austerity—that demand deeper, enduring remedies.

Fortunately, Washington has responded to the moment. In 2021 and 2022, the Biden-Harris Administration and Congress approved historic levels of new spending through a series of major bills including the American Rescue Plan Act (ARPA), the Infrastructure Investment and Jobs Act (IIJA), the CHIPS and Science Act, and the Inflation Reduction Act (IRA). These laws establish a powerful platform for investing in a competitive, inclusive, and sustainable future.

Now, state and local public sector officials, together with partners in the business and civic sectors, have a once-in-a-generation opportunity to deploy these resources toward transformational change. Yet several potential obstacles could imperil that promise, including the traditionally siloed methods by which the federal government will deliver most of these dollars; the limited capacity many state and local governments have to plan and execute bold multi-sector initiatives; and the fragmented governance structures that too often misalign the interests of state, regional, and local officials.

Opportunity

As the responsibility for implementing major legislation now shifts beyond Washington, Brookings Metro's Helping Communities Make the Most of Historic Public Investment initiative will help leverage unprecedented federal investment to rebuild more prosperous, just, and resilient American communities. As part of this effort, over the next two years, Brookings Metro will focus on three interrelated opportunities for learning and impact:

- 1. Building inclusive regional economies.** After decades of growing economic divergence among places, ARPA, IIJA, and the CHIPS and Science Act represent a federal recommitment to investing directly in underdeveloped places and regions. As our analysis details, these bills provide nearly \$80 billion to catalyze new markets, support new technologies, and improve economic and social outcomes in parts of the country left behind by recent waves of growth. By chronicling and informing the implementation of programs such as the Economic Development Administration's Build Back Better Regional Challenge, the Commerce Department's CHIPS for America Fund and Regional Technology and Innovation Hub program, and the National Science Foundation's Regional Innovation Engines, Brookings Metro will help fuel a new generation of investments in inclusive innovation and talent development that benefit more people and places.
- 2. Advancing competitiveness and inclusion through infrastructure investment.** While IIJA provides upwards of \$850 billion in new federal support for building and maintaining roads, transit, telecommunications, water, and energy infrastructure in U.S. cities and regions, the law continues to give states overwhelming control over investment decisions. This underscores the urgency for local and regional leaders to not only pursue the federal funding they can compete for directly but also direct their energy toward informing and shaping state policies and priorities. By mapping state infrastructure policies and practices that advance economic inclusion and environmental justice, codifying success principles of locally led state infrastructure campaigns, and detailing how regional and state leaders can use IIJA dollars to equip a diverse new generation of infrastructure workers, Brookings Metro will help local leaders bend infrastructure spending toward more transformative and inclusive priorities.
- 3. Accelerating equitable climate action.** The enactment of IIJA and IRA, alongside increasingly frequent extreme weather events, highlight the opportunities and imperatives to address the growing costs and injustices imposed by our prevailing land use, insurance, and infrastructure planning and finance systems—while unleashing inclusive, low-carbon economic growth. Public policy must pursue climate mitigation and adaptation simultaneously, while prioritizing the leadership, creativity, and protection of heavily impacted low-income communities and communities of color. Brookings Metro will contribute by framing the need for community-led solutions to sustainable local development, creating reliable measures of the “payoff” from resilience-focused investments, demonstrating how the public sector can tap emerging data sources to better partner with investors and consumers, and bolstering local capacity to deploy federal investment toward equitable, climate-smart outcomes.

Across all of these efforts, Brookings Metro's **Helping Communities Make the Most of Historic Public Investment initiative** will help build a stronger foundation for continuous learning and adaptation within our federalist, cross-sector system of governance and delivery. Within each focus area, Brookings Metro will:

- **Track implementation**, using our policy expertise and relationships with federal decisionmakers to demystify the contents of new bills and regulations for local audiences, including implications for governance and strategy. These include tools such as our [Local Government ARPA Investment Tracker](#) (a joint project with the National League of Cities and National Association of Counties), our [Federal Infrastructure Hub](#) (breaking down the hundreds of programs in IIJA and IRA), and our initial [guide to place-based industrial policy](#) across the new bills.
- **Identify solutions** by lifting up existing and emerging innovations across these focus areas that offer models and inspiration for both federal and local officials. Our [Transforming Cities Lab](#) has highlighted locally-led approaches to leveraging American Rescue Plan dollars for longer-term equitable development. And our profiles of [Syracuse's Community Investment Framework](#) and Ohio's [statewide higher education consortium](#) offer powerful examples for how the CHIPs and Science Act could maximize the impact of new semiconductor industry investments on inclusive regional development.
- **Create feedback loops** that convene key local, state, federal, and national actors in public and private formats to share knowledge and perspectives, pressure-test ideas for innovation and reform, and provide direction for ongoing efforts of the Helping Communities Make the Most of Historic Public Investment initiative. Brookings Metro has convened a host of recent public conversations featuring federal officials and local innovators on topics such as [pipelines to energy careers](#), [bolstering apprenticeships in the tech sector](#), [accelerating city climate planning and action](#), and [supporting inclusive regional economic clusters](#). We regularly converse with federal policymakers and local implementers, enabling us to continually translate insights in both directions to improve decision making on topics such as leveraging semiconductor investments for local prosperity, utilizing federal inter-agency collaboration to support regional workforce leaders, and creating inclusive procurement practices through infrastructure and climate spending.

Brookings Metro's Helping Communities Make the Most of Historic Public Investment initiative will provide timely, relevant, and grounded insights, and forge stronger relationships across local leaders and with their counterparts in Washington. We will help leaders at all levels address pre-pandemic structural challenges, reform outdated program delivery systems, and integrate funding and execution to ensure this generational moment yields more prosperous, just, and resilient communities.

ABOUT BROOKINGS METRO

Founded in 1996 as part of the world's premier public policy think tank, Brookings Metro collaborates with local leaders to translate original insights into policy and practical solutions that scale nationally. Our vision is for every community in our nation to be prosperous, just, and resilient, no matter its starting point.

STATEMENT OF INDEPENDENCE

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