Funding and Financing Community Resilience in Maine: Challenges, Tools in Use, Opportunities for Greater Access

Prepared by
Resilience Works, LLC, for the
Maine Governor's Office of Policy Innovation and the Future

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Introduction

Following the release of *Maine Won't Wait* in 2020, Maine has made substantial investments in helping communities prepare for climate impacts through funding, technical assistance, and state programs, including the Community Resilience Partnership, which has awarded more than $25 million in grants statewide. However, aging infrastructure and increasingly severe weather events challenge communities throughout Maine to prepare for, withstand, and recover from the impacts of climate change and extreme weather.

Maine *Won't Wait* (updated in 2024) and *A Plan for Infrastructure Resilience* (issued by the Infrastructure Rebuilding and Resilience Commission in 2025) highlight these challenges, recommend mitigation and adaptation actions, and call for additional work to sustain, enhance, and advance resilience funding and finance.

In 2026, Maine is building on the momentum of the past five years by developing long-term resilience funding and financing strategies as recommended in *Maine Won't Wait* and *A Plan for Infrastructure Resilience*.

This report is meant to inform that work. The next phase of resilience funding and financing efforts focuses on strengthening the understanding, effectiveness and efficiency of existing programs while exploring new funding and financing mechanisms to support Maine communities' priorities.

This report is designed to guide statewide efforts to improve communities' access to resources for planning, funding, and implementing infrastructure and resilience projects. It does so by providing an understanding of community-level resilience needs and the current capacity of municipalities and Tribal governments to plan for, access, and implement resilience investments. This report is intended to help communities and the state with design considerations for funding and financing mechanisms that are accessible and meet the needs of communities that are diverse in terms of population size, location, financial capacity, prior experience with non-local funding, and other characteristics that warrant consideration.

By continuing to invest in resilience and to help communities seek, secure, and administer multiple sources of public and private funding and financing, the State of Maine will improve and sustain its long-term resilience.

Methodology

This report is based on findings from interviews with municipal officials and responses to an online survey. Both were conducted in May and June 2026.

An email sent to 87 municipalities (18% of Maine's 482 municipalities) invited one of the municipality's elected or appointed municipal officials to participate in a Zoom or telephone discussion of funding and financing. The 87 municipalities were selected based on geography (all 16 counties), population size and demographic metrics associated with social vulnerability.

Officials in 36 of those municipalities (41%), including municipalities in all 16 counties, responded to the request for a 15-minute Zoom or telephone discussion of three questions:

1. What are the biggest budgeting challenges associated with community resilience that your community faces — and will face during the next 10 years?

2. To what extent does your community rely on local property-tax revenue to pay for the infrastructure and resilience investments that you will need to make? To what extent has your community explored paying for those costs through loans, bonds, and other tools that help spread the cost of a project over time?

3. To the extent that the State could realistically improve the funding/financial environment for infrastructure and community resilience investments in Maine during the next 5–10 years, what outcomes should Maine resolve to improve to increase the ability of Maine communities to seek, secure and implement funding for community resilience?

Simultaneously with the interviews, a survey was circulated throughout the state to municipal officials and community leaders and was highlighted in several newsletters and listservs to encourage participation.

The survey generated responses from 100 municipal officials and community leaders. The survey's 34 questions asked respondents to identify current community resilience challenges as well as their familiarity with, use of and interest in learning more about various mechanisms for funding and financing community resilience.

Respondents anonymously identified their current or former role (paid or volunteer) and length of experience (in years) in community government. Most respondents categorized their role as staff member (36%), primary governing body member (32%), or governing body volunteer, e.g., budget committee, planning board (29%). Respondents were nearly evenly distributed across a range of experience: 3 years or less (26%), 4 to 7 years (26%), 8 to 15 years (20%), and 15 years or more (28%).

Geographic region and community population size varied more widely. Respondents largely represented Southern and Midcoast communities (32%, respectively), followed by Western

(16%), Eastern (15%), and Northern (5%) communities.[1] Most respondents reported a community population size between 1,001 and 5,000 people (49%), followed by a population size greater than 5,000 (35%) and less than 1,000 (16%).

Analysis of the interviews and survey results proceeded simultaneously but separately by different team members. At the end of the parallel research paths, results were contrasted and compared.

The general congruence between interviewees' comments and survey respondents' responses indicates that both groups identified mutually reinforcing perceptions of needs and challenges, as well as similar use of existing funding and financing tools and their interest in learning more about a number of tools. The general agreement among interviewees and respondents provides a level of confidence in the validity of the findings in this report.

Findings

Community Resilience Needs and Funding Challenges

Five key resilience funding and financing challenges emerged from the interviews and survey responses. Municipal officials who were interviewed ("interviewees") and municipal officials and community leaders who responded to the survey ("respondents") said the greatest resilience challenges their communities face are:

1. The cost of maintaining, upgrading or replacing aging infrastructure, e.g., bridges, causeways, culverts, docks, landings, piers, roads, water-supply and wastewater-treatment systems and wharves;

2. The impacts of climate change and extreme weather events that accelerate the need to adapt infrastructure to new risks;

3. Municipalities' financial and fiscal constraints that compound the challenges of adapting infrastructure to climate risks and maintaining infrastructure in a state of good repair;

4. Meeting the rising cost of providing basic municipal services, including fire protection and solid-waste management, with generally static municipal property tax and excise-tax revenue; and

5. Adopting and implementing policies and programs that stimulate and maintain the economic well-being of the municipality and enable the conditions for affordable housing for the workforce that supports community resilience, e.g., municipal employees, firefighters, teachers and tradespeople.

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[1] Eastern, Midcoast, Northern, Southern and Western refer to Maine's Department of Transportation regions. The survey included a map of Maine DOT regions, enabling respondents to characterize their location accordingly.

Interview Responses

Interviewees shared priority resilience needs in their communities. They cited municipal infrastructure that is vulnerable to natural disasters and climate change, and roads that need paving, causeways that are prone to flooding, culverts that cannot handle increased precipitation-event stream flow, water mains and sewer mains that have exceeded their useful life (or soon will reach that point), and deteriorated sidewalks that impede mobility.

Aging infrastructure is particularly vulnerable to climate hazards. The cost of replacing and upgrading aging infrastructure puts pressure on the municipality's tax base that already faces the strain of rising municipal operating costs. For example, interviewees cited the higher cost of providing employee benefits, particularly employee health insurance. They also cited the cost of raising funds to support school budgets and county budgets. Interviewees noted that they face the challenge of defraying these costs on the basis of a generally static tax base, particularly in municipalities that have experienced the departure of industries that once supported the municipality directly through tax revenue and indirectly through employee payrolls.

Municipal buildings and municipal vehicles constitute another financial challenge. Municipal buildings require maintenance and, in some communities, replacement. Infrastructure upgrades, such as the installation of heat pumps and energy-efficient lighting, offer long-term efficiency gains but require upfront investment.

The cost of maintaining fire-protection and fire-response rises to the fore in many municipalities. Replacing outmoded fire trucks/engines is a challenge that municipalities face as equipment nears the end of its useful life. A specific need is acquiring vehicles that meet current life-safety regulations. New vehicles typically are equipped with an automatic transmission and, as such, provide the added benefit of being able to be operated by all firefighters rather than only those in the aging cohort of firefighters who know how to operate standard-transmission vehicles.

In many municipalities, water mains installed in the 1970s and 1980s have exceeded or soon will reach the end of their useful life. Upgrades and replacements are important for supporting the health, safety and wellbeing of communities.

Because wastewater treatment facilities typically are located on riverine or coastal waterfronts to gain the cost efficiencies of gravity-flow operation, municipalities are increasingly attentive to the greater intensity, duration and frequency of rain events, astronomical high tides and the rise in sea level – all factors that entail the cost of adapting wastewater treatment facilities to new water levels and increased risk of flooding.

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Municipalities find it increasingly expensive to dispose of trash, garbage, debris and hazardous substances and materials. Because community members typically disfavor locating landfills in their community, transporting solid waste to distant disposal facilities adds pressure on municipal budgets.

For some municipalities, county taxation was cited as proportionally higher than the value of services; those municipalities question the extent to which services provided by county government warrant the level of local property tax that is paid to the county.

In addition to facing the challenge of aging infrastructure, municipalities face the impact of an aging population. Community members who volunteer their time, experience, expertise and financial contributions support the work of municipal governments. Without an influx of younger volunteers, municipalities find it difficult to maintain and expand core functions, notably firefighting and emergency response.

Particularly in county seats and service-center municipalities that are the location of multiple non-taxpaying entities, e.g., hospitals, educational facilities, and non-profit organizations, taxpayers bear the cost of lost tax revenue. Although community members in those towns gain the benefit of proximity to the services that non-taxed entities provide, property-tax payments that those community members pay subsidize the services for neighboring communities.

Survey Responses

Responses to the survey closely matched comments by interviewees.

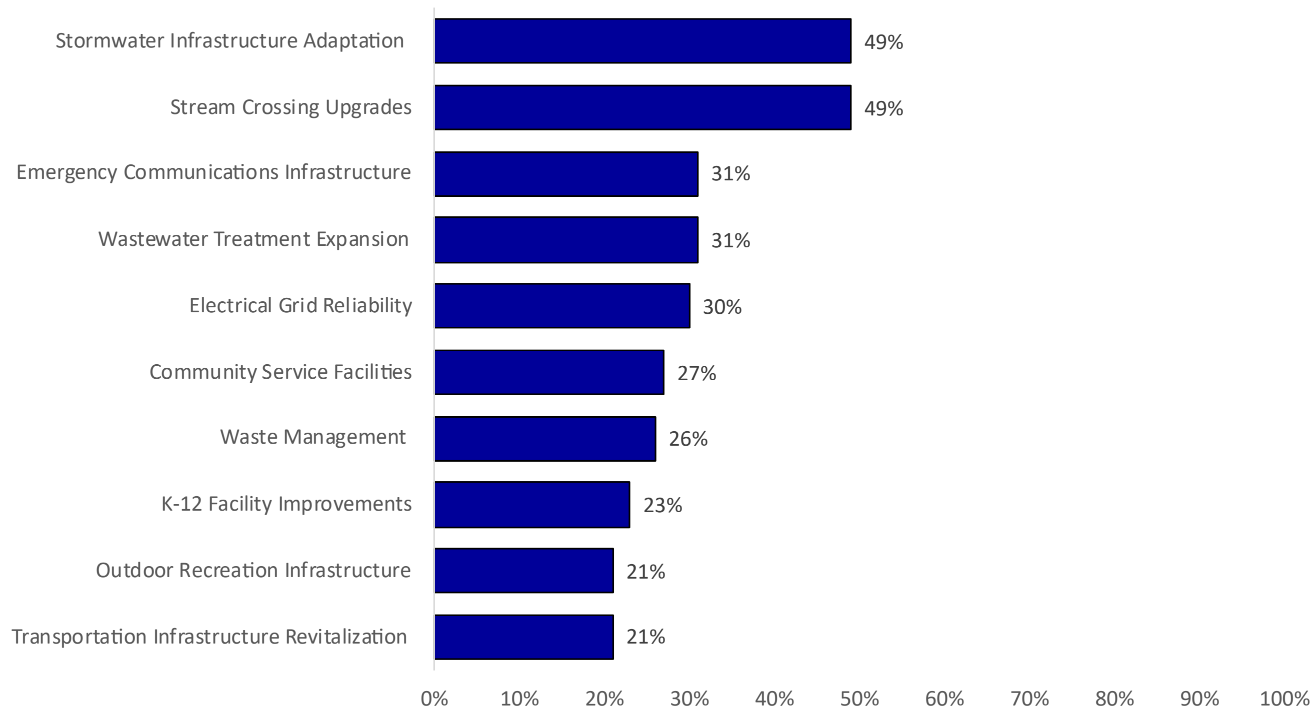
The survey asked respondents to identify their greatest resilience needs regarding the built environment and the natural environment.

Regarding the built environment, adapting stormwater infrastructure and upgrading stream crossings ranked highest, as shown in Chart A.

Respondents were asked: “From your perspective working for your community, what are the top built environment challenges that your community faces?”

The most frequently identified needs and challenges are shown, with additional needs or challenges included where ties occurred at the cutoff (top 10). Values represent the percentage of respondents who identified each need or challenge. Respondents could provide multiple responses.

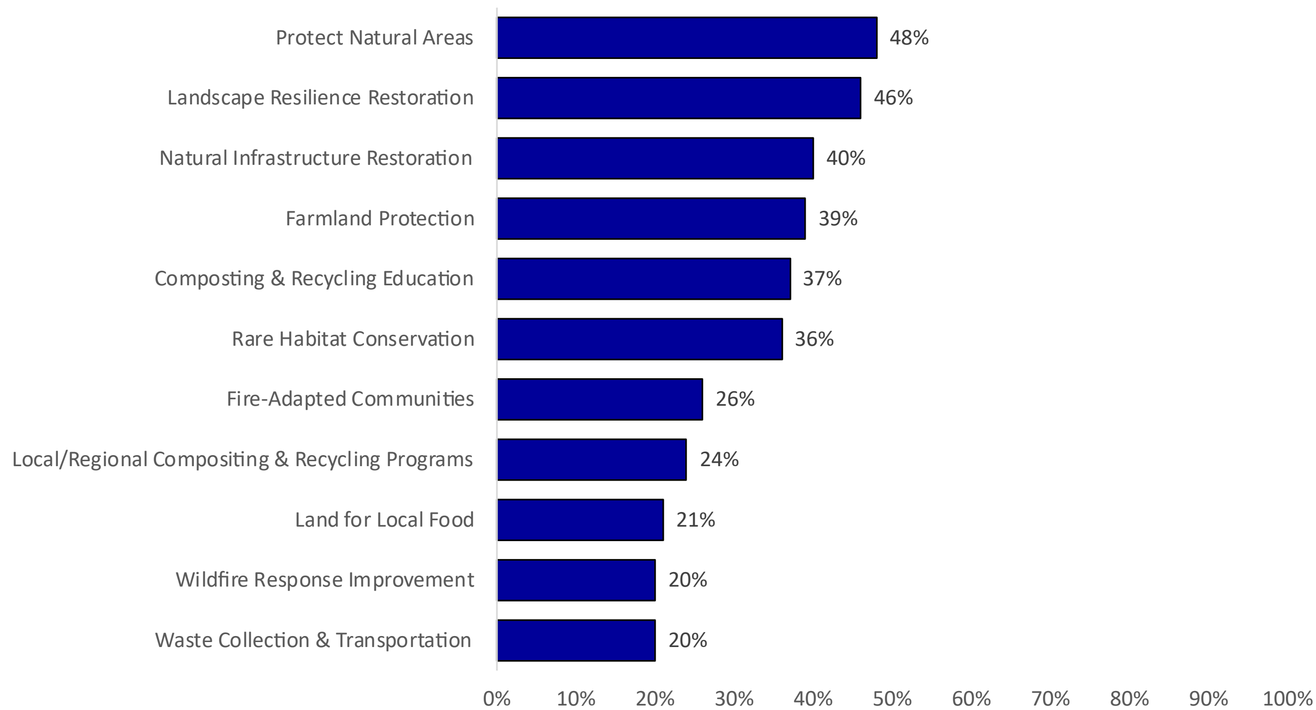
Chart A: Built Environment Needs and Challenges Most Frequently Reported by Respondents



The survey also asked respondents: "From your perspective working for your community, what are the top natural environment challenges that your community faces?"

The most frequently identified needs and challenges, with additional needs or challenges included where ties occurred at the cutoff (top 10), are shown in Chart B. Values represent the percentage of respondents who identified each need or challenge. Respondents could provide multiple responses. Protecting and restoring natural areas and natural infrastructure ranked highest.

Chart B: Natural Environment Needs and Challenges Most Frequently Reported by Respondents



Having identified their communities' needs, a subset of respondents elaborated on funding and finance challenges that their communities face. Several themes emerged, as shown in Table 1.

The two highest-reported challenges were the adequacy – or inadequacy – of local property taxation and other revenue sources to meet new challenges and, consequently, municipalities' heavy reliance on that mechanism of funding community needs.

Concern with tax reliance was consistent across all community sizes. Respondents from large municipalities (population greater than 5,000) and medium municipalities (population 1,000 to 5,000) were most concerned with the adequacy of current funding. Respondents from small municipalities (population less than 1,000) were most concerned with challenges specific to small municipalities, such as spreading fixed costs – e.g., maintenance and repair of municipal roads and buildings, operation of municipal government – over a small tax base. Similarly, the ability to provide a local match for federal and/or state funding was a higher concern for small communities than for medium-size and large communities.

Table 1 synopsizes comments that respondents offered in response to open-ended questions in the survey instrument.

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Table 1: Elaboration on Current Challenges

Theme	% of Responses	Key Comments
Adequacy of funding/ financing	28%	• Limited funding for mitigation, community engagement, nature-based solutions, and social-impact projects • Hard to cover long-term implementation costs, especially as construction and labor costs have increased • Existing funding often falls short of the cost of large critical infrastructure repairs, upgrades, and replacements
Reliance on property taxes	26%	• Property taxes are the main funding tool for municipalities. Many municipalities and residents are focused on not increasing property taxes, therefore there is a need for alternative funding opportunities • The cost of funding schools leaves limited budget for other projects • Tax increment financing (TIF) only applies for new development, so it is not a relevant tool for many municipalities
Community size	16%	• Small communities have limited budgets and administrative capacity to access financing tools
Funding timelines	7%	• Misalignment of municipal budget cycles and grant timelines • Length of time for grant approvals • Reimbursement timings leading to cash-flow issues
Grant matching	7%	• Matching fund requirements are a barrier, especially for small towns
State mandates	5%	• Unfunded state mandates stretch municipal budgets

Tools that Communities are Using for Funding and Financing

Interviewees and survey respondents described how their communities are currently funding and financing their community resilience needs with existing resources.

As with the matter of challenges, discussed above, interviewees and respondents reported similarities in the practices that municipalities are using to fund and finance responses to those challenges.

There was considerable variation in the practices used across communities, regardless of geography or community size. Respondents suggested that differences in practice were influenced less by the size or location of a community and more by factors such as municipal financial literacy, the preferences and comfort levels of community leadership with various funding and financing mechanisms, and community leaders' familiarity with different mechanisms. In this sense, local capacity and preferences appeared to have a greater bearing on the practices adopted than geographic location or community size.

Interview Responses

Bonding

Financing an infrastructure project through the issuance of bonds or through borrowing from a revolving loan fund presents various decision points for municipal decision-making.

For example, financing a capital project spreads the cost of new municipal infrastructure across the useful life of the asset. Rather than requiring current taxpayers to bear the bulk of the burden, the cost is shared by future taxpayers who will enjoy the benefit of the municipality's investment.

Municipalities that opt for long-term indebtedness find that engaging community members in discussions early in the life cycle of a high-cost capital project builds taxpayer support as a project progresses from idea to concept to design through engineering and cost estimation to final design and the municipality's authorization to proceed to construction.

The disadvantage of financing, however, is that interest payments, added to principal repayment, increase the total cost of the project. Therefore, some municipalities prefer to "pay now" (in the form of raising taxes to pay for the project) instead of "paying more later" (in the form of paying interest throughout the duration of the indebtedness on top of the principal needed for the project).

Some local banks provide short-term loans and letters of credit to enable municipalities to initiate capital projects with start-up funding and to proceed with the comfort that a line of credit is available to help defray the cost of contingences that arise.

Municipalities in some cases temper the tax burden on current and future generations by developing and implementing infrastructure projects incrementally in phases.

Revolving loan funds

Another tool that some municipalities use to reduce financing costs is to use low-interest loans from two state programs: the Clean Water State Revolving Fund and Drinking Water State Revolving Fund – both of which offer advantageous interest rates.

Reserve accounts
Other municipalities that decide to "pay now" establish – or already have established and funded – reserve accounts for infrastructure projects. By adding funds to their reserve accounts, often on a yearly basis, those municipalities create the means to pay a portion or all of the cost of an infrastructure project. Their current taxpayers prefer to avoid long-term indebtedness by accepting higher yearly tax bills to replenish reserve accounts.

Creating reserve funds and replenishing them on a regular basis is a strategy that creates multiple benefits. Reserved funding can (a) lower that amount to be borrowed, (b) increase a municipality's bond rating and its attractiveness to lenders and (c) help constitute the local match that federal and state funders typically require.

To maintain reserve fund balances, some municipalities – at the end of their fiscal year – replenish reserve funds with funds remaining in the municipality's undesignated fund balance account.

Some municipalities augment their reserve accounts by leasing out municipal assets, including, for example, space on a cellular tower or in their municipal building for vehicles owned by a neighboring municipality.

Federal financial assistance
Interviewees cited the value of seeking and securing federal financial assistance from the following federal programs, a subset of a broader range of federal programs available to municipalities, e.g., funding from the Department of Energy, Department of Transportation and National Oceanic and Atmospheric Administration, to name a few:

a. Congressionally Directed Spending/Community Project Funding[2] for projects that members of Congress direct participating federal agencies to fund from existing programs

b. Economic Development Administration for capital projects

c. Environmental Protection Agency for funding environmental mitigation and brownfield development

d. Federal Emergency Management Agency for flood risk reduction projects and for Assistance to Firefighters Grants

e. Housing and Urban Development Department for its Community Development Block Grant program that funds neighborhood revitalization and energy efficiency programs

[2] Colloquially known as "earmarks," Congressionally Directed Spending is the term that the US Senate uses to describe the process by which Senators can direct federal agencies to spend a portion of appropriated funding to specific projects. Community Project Funding is the term for earmarks in the House of Representatives.

f. Northern Border Regional Commission for economic development projects in what it characterizes as "distressed" counties.[3]

State funding
Interviewees reported using the following state programs and state-supported entities for community resilience projects, a subset of other state programs such as:

a. Coastal Community/Municipal Assistance Program grants

b. Community Resilience Partnership – Community Action Grants

c. Efficiency Maine Trust

d. Land for Maine's Future

e. Maine Infrastructure Adaptation Fund

f. Working Waterfront grants

g. Village Improvement Program grants

h. Land and Water Conservation Fund

i. Maine Natural Resource Conservation Program

Municipalities find that such state grants are designed to address local needs.

Interviewees expressed no clear preference for seeking state or federal funding. For each municipality, that decision typically turns on multiple factors: the degree to which fund-eligible activities address specific municipal needs, the likelihood of successfully competing in a national grant round rather than a state funding program, the percentage of the total project budget that the funder requires for a local match, the eligibility of non-cash in-kind donated services to satisfy part or all of the local match, the alignment of application deadlines with the municipal governing body's calendar for approving application submissions and the commitment of local-match funding, the ability to leverage funding from multiple funding sources that have divergent application deadlines, and the level of effort required to seek, secure and administer federal or state financial assistance.

Relevant to municipal decisions regarding the application for – and use of – both federal and state financial assistance are the time and resources that municipalities need to administer grant awards. Receiving, recording, disbursing and accounting for funding places additional

[3] The Northern Border Regional Commission notes the following: "Eligible Commission Service Area: Only projects within the NBRC's service area are eligible for funding under 40 U.S.C. §15733. For 2026, the NBRC service area [in] Maine [is] Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Lincoln, Oxford, Penobscot, Piscataquis, Somerset, Waldo, and Washington counties.

burdens on municipal staff. In some municipalities, the prospect of adding grant administration to staff members' existing duties dissuades municipalities from seeking funding.

Tax increment funding ("TIF")
Municipalities in Maine are authorized to finance public or private projects within the municipality by using the incremental increase in property taxation that the projects will generate. Any portion of the new taxes may be used to finance public or private projects ("authorized projects") for a statutorily defined allowable period. "Authorized project costs" is broadly defined.

The municipality freezes the existing property tax value of a defined area, a Tax Increment Financing ("TIF") district. Taxes continue to be paid on this base value. Development in the district creates higher property values and a corresponding tax value, i.e., a tax increment. Municipalities use the tax increment as additional revenue.

Tax-increment financing has benefited some municipalities. Tax increment financing can generate additional municipal revenue when a municipality's developable land and staff level warrant the administrative and legal costs of creating and administering tax-increment financing.

Establishing a tax increment district and administering its operation requires a level of effort and expertise that dissuades some municipalities from using this potential source of revenue.

Survey Responses

Survey responses closely matched the comments of interviewees.

Use of funding/financing tools

The 10 top-ranked tools that respondents reported using are:

1. State grants
2. Reserve funds
3. Federal grants
4. Funding a capital reserve
5. Excise taxes
6. Tax increment financing
7. Authorization to use bond financing
8. Congressionally Directed Spending
9. Capital planning
10. Partnerships with nonprofits

For further elaboration, excise taxes are fees that municipalities charge for licensing various activities.

Capital planning entails reviewing the anticipated useful life of municipal assets (buildings, vehicles, infrastructure, etc.) and planning how to fund and finance the rehabilitation or replacement of those assets, ideally spreading out the costs to avoid disproportionate cost increases in specific years.

Nonprofit organizations whose mission and delivery of services align with a municipality's operation of its state- and municipal-funded General Assistance programs can provide services that reduce the municipality's cost of providing those services.

Interest in Learning More about Tools

Respondents were asked to rank the funding and financing tools about which they wished to learn more. They are:

1. State grants
2. Federal grants
3. Partnerships with nonprofits
4. Community land trusts as providers of workforce housing
5. Congressionally Directed Spending
6. Excess taxes dedicated to community resilience
7. Capital stacking
8. Revolving loan funds
9. Property-owner surcharge dedicated to community resilience
10. Reserve funds

The Survey responses also provide an additional level of information: a distinction between using a tool and being interested in learning more about using the tool.

Chart C illustrates the variances between use and interest in learning more. Values represent the proportion of respondents selecting agreement that each tool is actively used in their community or that their community is interested in learning more about the tool. Responses were collected using Likert-scale questions: “This funding and financing tool is actively used in our community” and “Our community is interested in learning more about this funding and financing tool.”

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Chart C: Respondent-Reported Use of and Interest in Funding and Financing Tools

Opportunities to Expand Communities' Access to and Capacity for Resilience Investments

During the interview process, community officials volunteered their experience and perspectives on resources, programs, policies, and partnerships that affect their ability to plan for, fund and implement infrastructure and resilience projects. Their perspectives highlighted both challenges and opportunities in accessing resources, building local capacity, and using existing and emerging approaches to support community resilience.

The following themes summarize those perspectives and illustrate areas where communities see opportunities to strengthen their access to resources and support their investment in resilience. These themes provide context for considering how state policies, programs, and investments can best support communities.

A. Reducing the Fiscal Burden on Municipalities

Municipalities face a range of fiscal and administrative pressures that affect their ability to participate in state and federally funded programs. Local-match requirements can be particularly challenging for communities with limited fiscal capacity, while the cost of borrowing can affect community support for capital projects. Similarly, the staff time and expertise required to identify funding opportunities, prepare applications, manage projects, and meet reporting requirements can create additional barriers, particularly for smaller communities.

Communities also experience budget pressures associated with costs and policies that extend beyond their direct control. Rising employee insurance costs and school-related operating expenses can compete with other local priorities, while programs such as conservation and tax abatements can reduce local property-tax revenue in exchange for broader environmental or community benefits. These issues point to an opportunity to better account for differences in community fiscal capacity and for the costs communities incur in advancing broader public goals. Greater alignment between funding structures, financing opportunities, and local fiscal realities could help broaden participation in public programs and reduce the extent to which municipalities must absorb costs that limit their ability to address other community priorities.

The use of payments-in-lieu of taxes and volunteer service programs can also help reduce a municipality's fiscal burden.

B. Reinforcing the value and availability of existing programs and policies

Maine already has a number of programs and policies that provide meaningful support to communities, creating an opportunity to build on approaches that demonstrate value and are familiar to communities. The Community Resilience Partnership, for example, provides communities with access to no-match funding for a broad range of resilience, energy efficiency, and emissions-reduction activities. Similarly, the Clean Water and Drinking Water State Revolving Funds demonstrate the value of state-supported, low-cost financing for community infrastructure. Existing programs and authorities, including delegated environmental permitting, economic development tools, and energy-efficiency incentives, also provide communities with mechanisms to address local priorities without relying solely on local resources.

Interviewees' experiences with these programs suggest opportunities to reinforce and broaden the value of existing state tools. This could include maintaining consistent access to successful grant programs, considering whether established financing and funding mechanisms could support a broader range of community needs, and examining whether eligibility or allowable uses within existing programs sufficiently reflect local priorities. There may also be opportunities to address gaps where existing programs provide substantial assistance but do not fully meet the costs faced by municipalities or residents. More broadly, reviewing existing policies for unintended effects could help identify where targeted adjustments might improve program effectiveness, reduce unnecessary burdens, and allow existing state investments and authorities to deliver greater benefit to communities.

The Maine Office of Community Affairs recognizes the importance of providing a central location for finding information about current federal and state funding opportunities and grant rounds. Its funding finder has application deadlines, award amounts, and pulls both state and federal resources. [Search Funding Opportunities | Maine Office of Community Affairs]

C. Expanding technical assistance

Municipalities need sufficient technical capacity to identify funding opportunities, develop and manage projects, and make informed financial and capital-planning decisions. Grant development, project management, financial planning, and leveraging funding opportunities to secure additional resources can require expertise and time beyond what municipal staff and elected officials can provide. Community volunteers often fill this gap, but as experienced volunteers age out, maintaining access to technical assistance and specialized expertise is increasingly important to sustaining local capacity and advancing community resilience.

There is also an opportunity to strengthen municipalities' ability to anticipate and manage risks through more systematic approaches to asset management. Risk-based asset management can help communities identify vulnerabilities across infrastructure, buildings, equipment, and other municipal assets, prioritize investments based on risk and expected asset life, and better align capital budgets and reserves with future needs. Together, access to technical expertise and stronger planning tools can help municipalities move from responding to immediate needs toward more strategic, long-term management of community resources and resilience.

D. Evaluating future opportunities and technologies – upgrading now to save money later

Emerging technologies present opportunities for municipalities to improve the reliability and cost-effectiveness of essential services over time. The development and deployment of next-generation batteries is an example of how municipalities can invest in new and emerging technology as a way of reducing future costs.

To the extent that municipalities use batteries to back up operations during power outages, municipalities would benefit from being able to replace lithium-ion batteries with next-generation batteries.

Maintaining awareness of and access to emerging technologies could allow municipalities to incorporate innovations as they become practical and use them to reduce future operating and infrastructure costs. Support for upfront investment can make these technologies in reach for a greater number of communities.

E. Expanding the value of partnerships

Partnerships with nonprofit organizations, neighboring municipalities, and private-sector organizations can bring additional funding, expertise, and capacity to issues that intersect with community resilience and municipal responsibilities. For example, needs such as home-heating assistance, weatherization, and energy efficiency may align with philanthropic priorities, creating opportunities for municipalities and nonprofits to complement one another's efforts and leverage resources beyond those available through government programs. Municipal support can also help establish or strengthen these partnerships and demonstrate local commitment when organizations seek additional funding. Regional partnerships can similarly help communities address differences in costs and benefits across municipalities for regional services and institutions and defray costs by spreading them across more taxpayers.

Conclusion

Interviewees and respondents indicated a high degree of convergence in identifying the challenges they face in addressing the need for climate-ready infrastructure and community resilience:

1. The cost of maintaining, upgrading or replacing aging infrastructure;
2. The impacts of climate change and extreme weather events that accelerate the need to adapt infrastructure to new risks;
3. Financial and fiscal constraints that compound the challenge of adapting infrastructure hose risks and maintaining it in a state of good repair;
4. The rising cost of providing basic municipal services funded by a generally static municipal tax base; and
5. Adopting and implementing policies and programs that advance the economic well-being of the municipality and catalyze conditions to create affordable housing for municipal employees, firefighters, teachers and tradespeople.

Interviewees and respondents converged, too, in identifying tools for funding and financing adaptation projects.

Interviewees focus on borrowing funds for large-scale projects, on tax-increment financing for medium-scale projects and on payments in lieu of taxes to support operating budgets.

Respondents reported frequent use of state grants, reserve funds, federal grants, capital reserves and excise-tax revenue. They expressed interest in learning more about reserve funds, federal grants, partnerships with nonprofit organization community land trusts as facilitators of workforce housing and Congressionally Directed Spending.

The general congruence of the interviews and survey results indicates that interviewees and respondents identified mutually reinforcing perceptions of needs and challenges as well as the use of existing tools and their interest in learning more about a number of tools.

The general agreement among interviewees and respondents provides a level of confidence in the validity of the findings in this report.

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