

# BOND MARKETS & RACIAL EQUITY

## ISSUER TECHNICAL ASSISTANCE & GRANT PROGRAM



### KEY DATES

**March 13, 2023**

Application Opens

**April 17, 2023**

Applications Due

**April/May 2023**

Issuers Selected & Notified

**May/June 2023**

Technical Assistance Program Commences

**September 2023**

Technical Assistance Program Concludes

### ABOUT THE PROGRAM

The Public Finance Initiative (PFI), PFM Group Consulting LLC (PFM GC), PFM Financial Advisors (PFM FA, collectively with PFM GC, PFM), and the Government Alliance on Race & Equity (GARE) are pleased to announce the launch of the technical assistance and grant opportunity for the Bond Markets and Racial Equity Project (“the Program”), a bold effort to create a new framework that centers racial equity in municipal bond-funded projects and capital investments funded with the support of the Robert Wood Johnson Foundation.

### TECHNICAL ASSISTANCE OVERVIEW

The Program will bring together an initial cohort of government leaders to receive free technical assistance, led by PFM – a first-of-its-kind opportunity for municipalities, state authorities, and other bond issuers and borrowers who want to enhance how they center racial equity in a bond issuance. GARE will provide a data workshop for participants to help them measure and assess indicators of social equity in their jurisdictions using ARCGis Esri’s Social Equity Analysis Tool. Issuers who join the program will be contributing to an extremely relevant and impactful movement within the public finance sphere and will have the opportunity to share promising emerging practices in the field of racial equity with other municipal market participants.

In addition to achieving the issuer's initial goal, PFM prioritizes capacity building where possible, and will provide each issuer with ample documentation on methodology, findings, and recommendations to support them. Issuers selected for the Program will also be encouraged to share the results of their project and lessons learned with the field via case studies and other story-telling opportunities.

# Issuers Selected for the Program will receive the following benefits:

- Be matched with an **expert at PFM**, who will work with them **at no cost** to develop a customized plan and schedule for the delivery of technical assistance to achieve the issuer's goal for their jurisdiction.
- The opportunity to apply for **Grant funding** to advance the goal they identify for technical assistance, via the new grant program described below.
- The opportunity to join a **Social Equity data workshop led by GARE**, described later in this document, that produces a place-based analysis of social equity in the issuer's jurisdiction, leveraging ARCGIS mapping technology, to assist the issuer in assessing alternative scenarios for new infrastructure projects incorporating a racial equity lens.
- Early access to a free technology tool, designed by the **Urban Institute** for this project that will produce a report for the issuer that assesses the **racial equity impact of a bond issuance**.
- The opportunity to participate in **engagements with other issuers**, including an in-person convenings and periodic virtual educational and collaborative sessions to share progress, lessons, and practices in real-time, with travel costs covered. Issuers may invite any members of their staff, deal teams, and their counsel and financial advisors to join them in program sessions.

## GRANT PROGRAM OVERVIEW

Issuers who are selected to receive technical assistance, and join the first cohort, will also be offered the opportunity to receive a grant of up to \$50,000 from the Public Finance Initiative, with funding provided by the Robert Wood Johnson Foundation. Issuers can propose to use grant funds to advance the project that forms the heart of the technical assistance engagement with PFM or for a project aligned to the GARE data workshops. A range of purposes can qualify for funding, including procuring services to strengthen, test, or pilot a racial equity strategy for the deal, creating measurement and reporting frameworks, and engaging investors in novel ways in the financing.

## SAMPLE PROJECTS THAT MAY QUALIFY FOR THIS PROGRAM

Issuers can propose any project that seeks to center racial equity in a bond issuance or capital project, aligned to the vision of this Program. Sample projects include, but are not limited to, the following:

- Creating or enhancing data and reporting strategies (such as GIS mapping) to measure racial equity impact or risks associated with municipal bond deals that have already sold, or which are coming to market.
- Expanding new investor audiences for an issuer or their deals that center racial equity, to achieve lower costs of capital, or which provide novel avenues for the market and investors to consider how racial equity can be centered in a deal.
- Piloting or testing innovative approaches to integrate racial equity in the plan of finance for a municipal bond deal.
- Building the capacity of borrowers who are small-to-mid size communities to increase their access to state revolving fund loans to enable them to fund projects in disadvantaged communities that enhance environmental justice outcomes.
- Developing, enhancing, or hosting community engagement practices in connection with the projects to be funded by bond proceeds focused on improving conditions for residents and communities of color.
- Supporting borrowers of small-to-mid size cities increase their participation in bond bank programs.
- Developing racial equity criteria, definitions, and reporting structures for a multi-year capital plan.
- Developing and testing approaches to score and measure the potential racial equity impact of a bond issuance.

## GARE SOCIAL EQUITY ARCGIS ESRI DATA WORKSHOP

GARE is a national network that supports racial equity leaders and practitioners to design and implement strategies that transform government to create an equitable society. Working with over 400 municipal, county, regional, and state governments, GARE is one of the largest and most effective networks of its kind.

In 2020, GARE partnered with Esri, the makers of ArcGIS, one of the leading geospatial analysis tools on the market to develop the Social Equity Analysis Tool, with the input of several governmental partners. Utilizing a place-based approach, coupled with an equity lens, the Social Equity Analysis Tool allows governmental decision-makers greater sophistication and insights to aid complex decision-making. The tool has widespread application across all functions of government, including public finance.

GARE will be working with a leading firm, RomosGIS, to provide a workshop for participants who join this Program, and will provide individual customized support to a cohort of issuers who want to create a comprehensive spatial data analysis of racial equity in their jurisdiction. Each selected issuer will inform both the scope and desired outcomes of their project with GARE and RomosGIS. With close collaboration and input, GARE/RomosGIS team will produce place-based analysis and mapping solutions to assist the issuer.

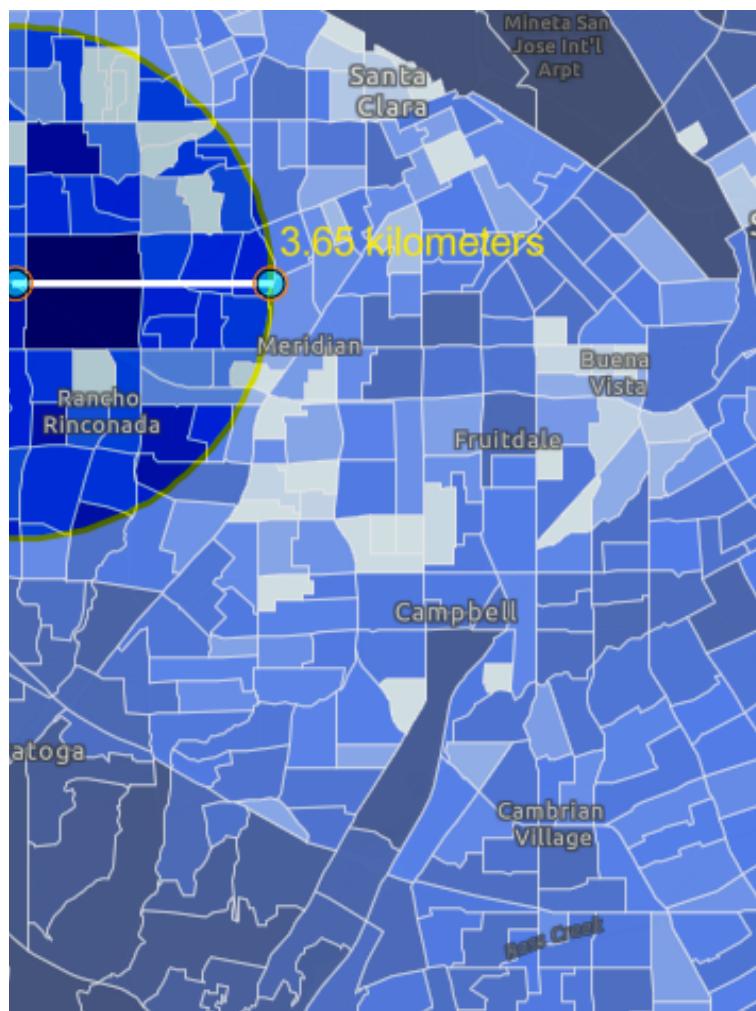


Image Source: Esri

## TECHNICAL ASSISTANCE & GRANT PROGRAM PARTNERS



## APPLY TO THE PROGRAM & LEARN MORE

To apply to join this program, please download an application at [www.publicfinanceinitiative.com/framework](http://www.publicfinanceinitiative.com/framework) and submit it by April 17, 2023 to [programs@publicfinanceinitiative.com](mailto:programs@publicfinanceinitiative.com). Issuers will be selected based on their submission, but the program team also reserves the right to conduct virtual interviews with issuers to understand their applications. If you have questions about this program, please email: [Programs@Publicfinanceinitiative.com](mailto:Programs@Publicfinanceinitiative.com) and visit our website to learn more: [www.publicfinanceinitiative.com](http://www.publicfinanceinitiative.com)