

From Resilience Planning to Action: Small Towns and Big Costs

by Bill Zoellick, James H. Fisher, and Janna Richards

Following the publication of *Maine Won't Wait*, more than 125 communities have developed or are now in the process of developing climate vulnerability assessments or action plans with financial support from the Community Resilience Partnership and other state programs. With assessments and plans in place, many rural communities are now struggling with transitioning from planning to action. In this commentary, we share what we learned in conversations with nine towns that are currently wrestling with that transition.

Certainly, one of the difficulties in transitioning from resilience planning to action is the substantial cost of capital expenditures required to prepare town roads and other infrastructure for higher seas and larger storms. Investments of that scale are not an easy fit into a rural town's budget. However, our experience working with small towns suggests that other factors also contribute to making the problem more tractable or more complex.

We explored the transition from climate planning to action in semi-structured interviews with town staff and leading volunteers in each of the nine communities. We focused on coastal communities with fewer than 3,000 people and organized as towns. All are in Hancock County, had completed a climate vulnerability assessment or had one underway, and experienced substantial, costly damage in the January 2024 storms.

ABOUT THE TOWNS

We focused on small communities because we live and work in them, but also because we conjectured that small towns might encounter problems tied to their size that might not exist, or exist in the same way, in larger communities.

Apart from being small, small towns differ from each other. To capture those differences, the selection of towns for this study was purposeful. The sample includes towns that differ in population, physical size, and municipal services and infrastructure. For example, some towns have their own police department, others do not. The same is true for EMS services, sewer and public water systems, and other municipal services. Table 1 summarizes key demographic, physical, and financial characteristics of the towns we interviewed.

TIGHT BUDGETS AND SUBSTANTIAL EXTERNAL COSTS

Despite the differences, there are commonalities. For example, most of these communities commit more than half of their spending to education. In most cases, the bill for education services comes from a school district over which the town has no direct control.

With more than half of their revenues allocated before they can divide up what remains to cover the costs of running the town, all these towns shared stories about having to make difficult decisions. For example, annual expenditures for road maintenance typically account for about 10 percent of the entire town budget, which means that, once assessments for education are accounted for, routine road maintenance consumes approximately 20 percent of the remaining funds. A few towns informed us that they cannot afford to allocate that much for road maintenance, given their other pressing needs. One town is allocating only 4 percent of its total budget for roads. It

TABLE 1: **Demographic, Physical, and Financial Characteristics of the Towns in the Sample**

	Smallest	Largest	Median
Population	279	2,792	1,544
Land area (sq. miles)	4.0	62.5	26.7
Property tax revenue (millions of dollars)	\$1.4	\$8.2	\$4.1
Property tax contribution to total revenue (%)	50	89	79
Annual town expenditures (millions of dollars)	\$1.8	\$10.7	\$5.7
Road maintenance expense as a % of total spending	4	17	10
Education expense as a % of total spending	30	72	59

is noteworthy that this town’s required payment to its school district consumes 72 percent of its total spending, leaving only 28 percent for other uses. This town’s commitment of 4 percent of its spending to roads is more than 14 percent of the portion that it controls. Even so, it is not enough. The town manager told us that one of the town’s principal roads has not been ditched for the past 25 years. There is simply not enough money.

Vulnerability assessments and action plans generate lists of tasks that are in addition to everything else a town is already paying for. Design work and preliminary engineering studies for climate resilience projects can cost hundreds of thousands of dollars, and construction can cost 10 times more. This mismatch in scale between routine, year-to-year town spending and the spending required to address sea level rise and storm surge is undoubtedly one of the reasons that towns are having difficulty moving from planning to action. Yet, some towns are making progress. What makes that progress possible?

CAPITAL PROJECT EXPERIENCE

Our interviews consisted of conversations with people in leadership positions who were familiar with the town’s vulnerability assessment and climate resilience work. We usually spoke with the town manager or administrator, but sometimes with a select board member or another leading volunteer. Among other things, we asked, “How experienced do you feel your town is in planning and implementing capital initiatives?” The responses, which were on a scale ranging from one to five, varied widely (Figure 1).

One respondent ranked the town as a “1” because it does not currently

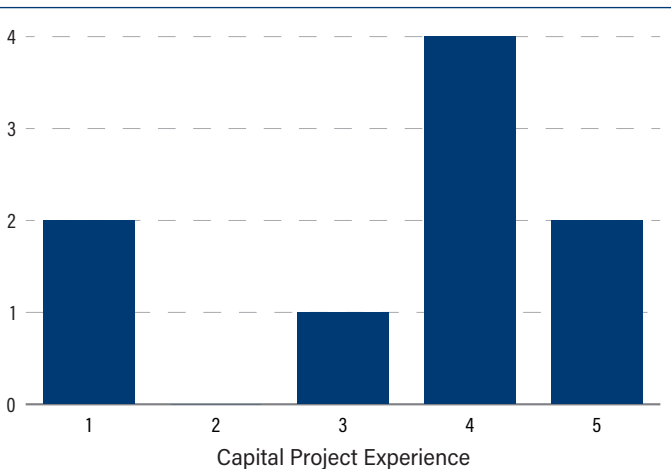
engage in capital planning. It makes significant capital expenditures when necessary, but does not plan for their replacement or recurring expenses.

In another town, residents have stated that they do not want to make capital expenditures because they cannot decide how to allocate a limited budget among competing projects and interests. This town’s respondent ranked it as a 1 in terms of experience in planning and implementing capital initiatives.

VOLUNTEERS CAN BRING NEEDED EXPERIENCE

We found that participation by volunteers with special expertise makes a significant difference in a town’s ability to plan, secure funding for, and implement capital projects. A member of one town’s select board had decades of experience in large-scale finance, including mergers and acquisitions, before retiring and volunteering his time to the town. A volunteer in another town retired from a career in finance and insurance. One town’s budget and climate resilience committees include a volunteer with an engineering background, now retired from a career overseeing large and small water infrastructure projects from planning through regulatory approvals and construction. In yet another town, a volunteer with experience in nonprofits

FIGURE 1: Level of Experience in Implementing and Planning Capital Projects



and accounting assists with proposal writing and project management for climate resilience projects. For each of these towns, the person representing the town ranked its capital project experience toward the upper end of the scale. In general, these towns are also making more progress in the transition from planning to action.

COMPETING CAPITAL SPENDING DEMANDS

All the towns in this sample have substantial capital project wish lists that include items such as new fire stations and other infrastructure not directly related to climate vulnerabilities. Many of these potential projects fall within the \$4 million to \$6 million range. Expenditures of this size are substantial relative to the annual revenues in these towns. These “hoped for” capital projects are in addition to planned, periodic expenditures for replacing vehicles and other more financially manageable capital purchases.

The January 2024 storms brought these coastal communities face-to-face with a new set of capital needs that

were not on their radar a few years ago. For example, towns with wastewater and sewer systems now have capital investment needs in the millions of dollars. Some of this planned spending is directly related to climate change. One town estimated that it would spend approximately \$2 million on its wastewater treatment infrastructure due to sea level rise and about \$4 million to address obsolescence and repairs that had been put off for too long.

One town manager noted that the town's vulnerability assessment identified numerous town-owned roads that require elevation of 2 to 3 feet. He started to say, "And that means, well..." and his voice trailed off. What it meant was imponderable.

SAVING, FINDING, OR BORROWING THE FUNDS

The towns in our sample either save up the money they needed, find the money by applying for grants, or borrow the money. In this small sample, it appears that what might make the difference between more successful and less successful programs is how well and how intentionally they track and integrate these approaches.

Saving

All the towns use reserve funds that set aside money from each year's budget for particular uses. When problems are simple, reserve funds are a simple solution. For example, if the town knows that it needs to replace a vehicle every five years, it sets aside a fifth of the vehicle's anticipated cost each year and is all set. Establishing reserve funds for climate response is essential, but it is complicated because it is more difficult to anticipate the timing and costs. This is where planning and intention come into play. One problem with reserve funds is that saving goes slowly. One town in our sample has,

over five years of town meetings, set aside about \$400,000 in a reserve fund for a new building. However, the anticipated cost of the new building is several million dollars.

Grants

The administration of Governor Mills has prioritized addressing climate change. Consequently, it has provided municipalities with grants to undertake vulnerability assessments, reduce carbon emissions, and prepare for rapid climate change. The size of the grants has increased over recent years and can now reach \$75,000. This amount is more than sufficient for assessment and planning studies, and when combined with a local match, can advance a project into the engineering design and permit application phase. However, construction costs can easily require 10 times the amount of money needed for design and permitting. Understandably, grants to provide such substantial sums of money are more competitive and harder to come by. As we describe below, harder to come by has recently taken on new meaning.

Borrowing

Some of the towns in our sample are not accustomed to borrowing money for town uses. One town, with no sewer or public water system, recalled difficult past experiences with loans and, only reluctantly, secured a recent, relatively small loan to complete emergency repairs. Towns with sewer and public water systems have had more experience with general obligation bonds, revenue bonds, and other debt instruments. They are more comfortable incorporating borrowing into their capital planning mix.

Integration and Intentionality

The towns in our sample that are making progress toward addressing climate vulnerabilities are using a

combination of saving, grant-seeking, and borrowing to maintain that progress. More importantly, they are making decisions about reserves, grants, and borrowing within the framework of a capital investment plan (CIP) that integrates these revenue streams. This framework is not just an accounting system that enables seeing how all the pieces fit together (or not). It also expresses a set of shared beliefs about what is important to the town and its people.

CHANGE AND UNCERTAINTY

Recent changes in priorities at the federal level have reshaped the funding landscape for rural communities and climate change response. Last year, six of the communities in this study had work underway with FEMA and other federal agencies to cover most of the cost of transitioning from planning to action. Now, given dramatic cuts in funding and staff at FEMA, NOAA, and other federal agencies, communities are rethinking their climate resilience plans.

For example, one town applied to FEMA's BRIC (Building Resilient Infrastructure and Communities) program for a project scoping and design grant to raise municipal harbor infrastructure by 3 feet. The scoping and design work would cost about \$250,000, with the town paying 25 percent of that cost and FEMA covering the rest. Early this year, the town received notice that its grant request had been awarded and transferred to the Maine Emergency Management Agency (MEMA) to handle contract arrangements. Then, the town learned that the BRIC program had been cancelled. MEMA assured the town that the money would be available; however, the town now faces the decision of whether to enter into a contract with MEMA. The

original plan had been that the project design and scoping would be the first phase of a longer-term relationship where BRIC might eventually cover 75 percent of the project's \$2 million to \$3 million construction costs. The town is now wondering whether it makes sense to spend approximately \$60,000 for its share of the design and scoping work for a project that it could never complete without help from the federal government or some other entity.

This example is not an isolated, unusual instance. Many of the towns in our sample that had reached the engineering and design phases of their projects had similar stories to tell.

SUGGESTIONS FOR TOWNS

Reflecting on what we learned from our conversations and work with these towns and others, we have identified patterns and reasons for hope that lead to suggestions about how small rural towns can transition from planning to action.

Recruit and Support Volunteers

One of the most striking findings from our conversations is that engaging volunteers with substantive financial and professional experience in a town's planning and decision-making is associated with greater success in moving climate-related capital projects from planning to action. Because Maine has an unusual depth of professional experience among its retirees and remote workforce, volunteer expertise is readily available to most towns. In our experience, successfully recruiting, sustaining, and deriving value from volunteers requires active recruitment and systems to keep volunteers informed about what is happening. The town must value and be willing to depend on its volunteers.

Join the Community Resilience Partnership

The Community Resilience Partnership (CRP) provides access to grants with reduced match requirements and other benefits.

Use Regional Resilience Coordinators

Towns enrolled in the CRP have access to regional coordinators who can provide project development, technical assistance, and grant-writing and management services.

Think Regionally

Climate-related challenges transcend municipal boundaries. In Hancock County, subregional organizations, including the Blue Hill Peninsula Tomorrow, MDI League of Towns, and Schoodic Area League of Towns, enable municipalities to share resources and leverage external support. Other counties have similar organizations.

Start Planning for Capital Investments

Towns without a CIP should begin work toward creating one for the next fiscal year. The CIP enables a town to transition from tracking a bundle of disconnected reserve funds to a plan that connects these pieces and ties them to the town's goals for the next 5 to 10 years.

Building the initial plan can be challenging because it requires the town to assign dollar values to projects that could be years in the future. Regional resilience coordinators can help with this work. Recognizing that the numbers for future costs are only approximate makes the planning doable. The key is to have future purchases and costs in the plan. As the town reviews and revises its CIP each year, the numbers for future years become better defined and more reliable.

Include Borrowing as a Financing Option

It is unlikely that the federal government will provide substantial financial support for the capital investment needs of rural communities over the next four years. On the other hand, construction costs are likely to increase at a brisk rate. Securing a low-interest loan to initiate a necessary project now, rather than later, can make sound financial sense. Maine towns have access to a variety of revolving loan funds targeted at specific kinds of capital projects. Regional resilience coordinators and organizations like the New England Environmental Finance Center can help towns connect with loan programs geared to their project needs.

Keep Moving Forward, Doing What Is Possible

A *can-do* attitude and orientation toward self-sufficiency is part of the cultural DNA in many rural communities. Given the diminished prospects for receiving grants for large projects, towns might focus on smaller projects they can finance through a combination of reserve funds, loans, and smaller grants. The current funding situation may improve, and until it does, it is essential to continue doing whatever is possible. Fortune smiles on those who are prepared.

SUGGESTIONS FOR THE STATE

The Maine Infrastructure Rebuilding and Resilience Commission's final report, *A Plan for Infrastructure Resilience* (MIRRC 2025), provides an excellent summary of what Maine can do to help communities, including small rural communities, move from resilience planning to resilience action. We would focus particular attention on the second of the six key messages listed in the plan's executive summary:

Maine Must Become More Active, Capable, and Self-Resourced

Our findings from this small study add a few suggestions about how Maine might focus its response to this message for small communities:

Support towns in learning to build and maintain capital investment plans

In this study, towns that made progress from planning to action had some form of CIP. Capital investment planning is not much more difficult than building annual budgets. However, it is different and requires a broader perspective, greater tolerance for uncertainty, and attention to different outcomes. Workshops where town managers and volunteers could work through a realistic example of a CIP, with guidance, could get them started on building their own CIPs. Maine should consider providing such opportunities to learn, perhaps through its network of Regional Resilience Coordinators.

Continue supporting regional coordinators

We outlined the value of this program in our suggestions to towns. We found that thinly stretched staff capacity and the need for specialized expertise in funding and managing resilience projects are hindering towns' progress. This program addresses both of those problems.

Create more revolving loan funds

As we have noted, the near-term prospects for federal funding to assist small communities in making climate-related capital investments are dim. This is why "Maine must become more active, capable, and self-resourced." State investment in revolving loan funds can be part of that process. We commend MEMA for its efforts to establish a fund for hazard mitigation with FEMA funds. Maine's legislature

could help by allocating more state funds to establish such funds. Small rural towns have a history of self-reliance. Revolving loan funds tap into that history and provide towns with a means to pay their way as they transition from planning to action.

REFERENCES

MIRRC (Maine Infrastructure Rebuilding and Resilience Commission). 2025. *Final Report: A Plan for Infrastructure Resilience*. https://www.maine.gov/future/sites/maine.gov/future/files/inline-files/Maine%20Infrastructure%20Resilience%20Plan_May2025.pdf.

Bill Zoellick is retired from the Schoodic Institute at Acadia National Park and now chairs Gouldsboro's Coastal Resilience Committee and works with the Shellfish Committee on shore access and mudflat restoration.

James H. Fisher is the Deer Isle town manager. His past positions include regional planner, assistant professor, research director, market analyst and Peace Corps volunteer. His research interests include public administration, regional planning, public health, and community development.

Janna Richards is the regional resilience coordinator for the Hancock County Planning Commission, working with the Maine Governor's Office of Policy, Innovation, and Future and the Maine Office of Community Affairs. She has a background in hazard mitigation planning, municipal planning, and community and economic development.