

Quick Guide to Funding Sources for Health and Wellbeing

Funding Source	Description	Pros	Cons	City Examples	Keywords/ Search Tips	Links/ Resources
Property & Sales Tax	Combining multiple funding sources ((federal, state, private, philanthropic) into one pot (blend) or a coordinated “braid.”)	Provides general funds that can be directed based on city need. Relatively stable.	Can encounter resistance to new taxes. Need to ensure tax burden is not regressive.	Portland, OR: Arts Education & Access Income Tax Fund	“Property tax levy,” sales tax funding,” general revenue,” “local option sales tax”	National League of Cities: Municipal Finance Lincoln Institute of Land Policy: Introduction to Property Tax
Special Purpose Tax	Economic development strategies that focus on geographically concentrated industries to drive innovation, growth, and job creation.	Directs funds to high-priority projects.	Requires public approval and ongoing management.	Lawrenceville, GA: Tax Allocation District	“SPLOST,” “Sales Tax Funding,” “Local Tax Earmarks”	Local Government Revenue Sources – Cities
Social Impact Bonds (SIBs)	Involves leveraging multiple funding sources sequentially to maximize project funding.	Brings private funding to public programs. Minimizes public financial risk.	Requires robust outcome tracking and evaluation. Complex legal/ contractual obligations.	Denver, Colorado: Denver Supportive Housing Social Impact Bond Initiative	“Social Impact Bonds,” “Pay for Success,” “Outcomes-based funding”	Urban Institute Pay for Success Clearing House
Public-Private Partnerships (PPPs)	Collaboration between public and private sectors for large-scale projects.	Leverages private capital and expertise. Shares Risk	Requires strong legal frameworks and public trust.	Milwaukee, WI: Milwaukee Water Council	“Public-Private Partnership,” “Infrastructure,” “Private Investment”	National Council for PPPs
Foundation & Philanthropic Funding	Donations from foundations to support specific initiatives.	Flexible funding for community-driven projects. Often spurs innovation.	Often short-term and may require matching funds.	Boston, MA: SkillWorks	“Philanthropic Grants,” “Foundation Funding,” “Health and Housing Grants”	Council on Foundations: Community Foundation Locator
Federal & State Funding	Funding from federal or state governments through grants or dedicated funding. Can support a broad range of issues from infrastructure to health.	Large scale funding. May also include technical assistance and support.	Competitive. High administrative burden.	Tacoma, WA: Earn & Learn Program	“Federal funding,” “State Housing Grants,” “Local Infrastructure Funds,” “Community Engagement Funding”	Grants.gov State Government Websites

Source: Diversified Funding for Health & Wellbeing, National League of Cities 2025; nlc.org/resource/diversified-funding-for-health-wellbeing/