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Think Tank Calls for Governments to Remove Obstacles to Private Investment In Public Infrastructure.

Although business leaders and a growing number of government agencies favor private participation in building and maintaining public infrastructure projects, daunting obstacles are hindering developers' efforts to pursue them. They include the absence of a pipeline of projects that are suitable for private investment, a lengthy and time-consuming permitting process, and the constant risk that unexpected political decisions could change or kill a project without warning, the nonprofit [Bipartisan Policy Center](#) points out.

However, there are steps governments can take to address these challenges, the think tank says in a new report, "[Bridging the Gap Together.](#)"

State and local officials should identify and be prepared to educate constituents on the public benefits of proposed projects — including reductions of front-end expenses and life-cycle costs — and the economic consequences of forgoing construction. "Their conclusion mirrors [recent data](#) published by the American Society of Civil Engineers, which suggests that failing to address the nation's vital infrastructure needs could cause a drop of almost \$4 trillion in gross domestic product (GDP), leading to the loss of 2.5 million jobs in 2025. Agencies also should maintain inventories of the physical and economic condition of all public assets and set up expert coordinating offices dedicated to recruiting private investment.

The federal government, meanwhile, should commit to speeding up and simplifying permitting and environmental review processes, which the report calls "one of the most significant deterrents to private capital investing in U.S. infrastructure projects."

The report urges the public and private sectors to collaborate in developing model forms and standardized documents and contract language that help investors to assess the viability of potential projects and to increase the number and types of investment vehicles that could stimulate a project pipeline. The center also calls for efforts to ensure, when possible, that those who benefit from a project help to pay for it through user fees or project-specific taxation.

The report singles out for praise several successful projects that were developed through public-private partnerships that illustrate how effective opportunities for these types of collaboration can be, including the Pennsylvania Rapid Bridge Replacement Project.

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