

# **Bond Case Briefs**

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## **Pence Touts Big Infrastructure Bill; Poll Finds Tolls Not Supported.**

DALLAS - Vice President-elect Mike Pence tried to sell to the nation's mayors on the infrastructure plan to be proposed by the new Trump administration, just before a national poll showed there is little support for the tolls on which the plan would rely.

Speaking at the US Conference of Mayors' winter meeting in Washington, D.C., Vice President-elect Mike Pence said the new Trump administration will propose a robust infrastructure bill with the ample funding needed for large projects. "I called him [President-elect Donald Trump] this afternoon to tell him I was coming by," Pence told the approximately 300 mayors on Tuesday. "In addition to urging me to send along greetings, he said, 'Tell 'em we're going to do an infrastructure bill, and it's gonna be big.' "

Pence provided no additional details to Trump's proposal from late October that would use \$137 billion of federal tax credits to leverage \$1 trillion of private investments in infrastructure over 10 years.

"It will have the funding to help communities and states all across America meet the needs that face too many communities and often times stifle growth," he said of the infrastructure bill.

Trump's proposed reliance on tolls from revenue-producing infrastructure projects to provide an attractive return on investment for private investors found scant support in a new Washington Post-ABC News poll of 1,005 respondents carried out from Jan. 12 to Jan. 15.

The tolling plan was strongly opposed by 44% of those polled and somewhat opposed by 22%. Only 11% said they strongly supported the Trump proposal and 18% were somewhat supportive.

The new administration will work with city and state officials to fund infrastructure projects that deliver results, Pence said.

"This administration is going to be a friend to America's mayors," he said. "I can assure you, our president-elect understands that America's mayors are facing serious challenges you can't always solve on your own."

Trump's experiences as a developer showed him the significant economic benefits that can result from large infrastructure projects, Pence said.

"Our president-elect believes, as I do, that the federal government can play a critical role in helping our cities thrive," he said.

"That's probably why he spent so much time in the campaign highlighting many issues that are facing America's cities," Pence said. "Remember, after all, he's a New Yorker, through and through."

Trump last week appointed two well-known New York City developers to leadership of a panel that

would oversee the nationwide infrastructure plan.

Steven Roth of Vornado Realty and Richard LeFrak of LeFrak Organization have agreed to head up the infrastructure council, Trump told the Wall Street Journal last week.

“They’re pros,” Trump said. “That’s what they do. All their lives, they build. They build under budget, ahead of schedule.”

Vornado will merge this year with The JBG Cos to form JBG Smith, which is one of four groups to be short-listed by the General Services Administration for redevelopment of the FBI headquarters in downtown Washington.

The GSA intends to pay for a new FBI building in part through the swap of the 6.7-acre J. Edgar Hoover Building site to a private partner who would build a larger, more secure facility on one of three sites outside the city.

The total federal contribution to the project has been capped at \$2.11 billion, which does not include the estimated \$500 million value of the Hoover Building.

Mick Cornett, the Republican mayor of Oklahoma City who is president of the mayors group, said infrastructure funding is a bipartisan issue.

“Our nation’s highways need work,” he said. “America’s people deserve an investment in their infrastructure. We’re ready to go.”

Transportation Secretary-designate Elaine Chao said at her Senate confirmation hearing last week that Trump would be agreeable to more direct federal funding of state and local projects than is contained in the five-year Fixing America’s Surface Transportation Act adopted in 2015.

## **The Bond Buyer**

By Jim Watts

January 18, 2017