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U.S. Mayors Hope for a 'Golden Moment' for Infrastructure.

PHILADELPHIA — After the presidential election, the United States may see a “golden moment” to push for increased federal and state spending to fix America’s crumbling infrastructure, according to Democratic mayors speaking at a policy meeting at Philadelphia on Tuesday.

The briefing, sponsored by the National League of Cities and Build America Mutual, was held at City Hall in the shadow of the Democratic National Convention.

Former Pennsylvania Gov. and Philadelphia Mayor Ed Rendell, New York City Mayor Bill DeBlasio, Atlanta Mayor Kasim Reed, Tampa Mayor Bob Buckhorn, and Pittsburgh Mayor Bill Peduto all talked about the importance of renewed and increased infrastructure spending and the benefits it holds for both the economy and for the American people.

Also on a panel discussion were Franklin Templeton’s Sheila Amoroso and New York City Transportation Commissioner Polly Trottenberg. The group also heard from NLC President Melodee Colbert Kean, NLC CEO Clarence Anthony and BAM CEO Sean McCarthy.

McCarthy laid out the scope of the problem, saying that the American Society of Civil Engineers recently estimated that there is a \$1.4 trillion gap between the nation’s infrastructure funding needs over the next 10 years and the current resources being made available to pay for them.

But he was optimistic that this will change.

“Don’t let the scale of the numbers that we are talking about scare you,” he said, “This is a problem that can be solved.”

Rendell said that “we need to start spending money soon,” recommending a plan of \$2 trillion over 10 years, which includes state, federal and private funds. “We can do this,” he said, adding that the best method for financing infrastructure was through the sale of municipal bonds.

Rendell also touted Build America Bonds, saying the BABs program created by the federal government as part of the fiscal stimulus package during the Great Recession was “very successful.”

De Blasio stressed the urgency of moving forward in 2017, during the first year of a new presidential administration and a new Congress.

“I think we have an extraordinary opportunity ahead of us,” he said. “I can say there’s a combination of factors that could come into play that might be a ‘golden moment’ for a new level of infrastructure development. There are outcomes that could open the door for a reconsideration of a federal role in infrastructure.”

De Blasio said there’s a chance to get at least a core few things on the federal agenda that might be acted upon during this “golden moment.”

Mayors of both parties are banding together to push the message to state and federal officials that

the nation must greatly increase its infrastructure spending or it won't be able to compete economically, de Blasio added.

"What we need we need right now is will and ability," Reed said. "You need the political will to decide that we really aren't going to wait on the federal conversation, we are going to do both at the same time. And I think that you need the ability because we're going to need a partnership between the public and private sector."

Reed said the federal government has "an amazing role to play, but we need to be more focused, from our own standpoint, on these public-private partnerships."

Buckhorn said "infrastructure matters" and that the United States will be economically weaker if it doesn't invest in fixing and maintaining its roads and bridges, sewers, tunnels, ports and airports. He said infrastructure means employment, citing the Port of Tampa, which directly or indirectly supports 80,000 jobs.

Peduto said the changing nature of technology was an important component in infrastructure planning. Advances such as the rise of driverless cars, will change infrastructure needs of cities in the future.

Amoroso said that "infrastructure financing in the United States is vitally important."

She said that "two thirds of the infrastructure in the United States is built using municipal bonds and it is a market that is heavily retail driven, that is unlike any another market where they're primarily institutional investors."

She also stressed importance of Congress preserving the tax-exemption for municipal bonds for these investors. She described the tax-exemption as a circle of life, which "encourages individuals to invest in their communities where they earn a return that helps keep financings costs low. So it's a win-win situation for the state and local governments."

The Bond Buyer

By Chip Barnett

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