

Bond Case Briefs

Municipal Finance Law Since 1971

NYC's Rising Migrant Costs Won't Destroy Its Finances, Bondholders Say.

- **City has \$8 billion reserve to help cover \$5 billion price tag**
- **General obligation bonds are rated AA by S&P and Fitch Ratings**

New York City Mayor Eric Adams says the migrant crisis “will destroy” the city. Not so, say credit analysts and bondholders.

The cost to shelter and care for tens of thousands of migrants is projected to add nearly \$5 billion in spending to the city's \$107 billion budget for this fiscal year and an additional \$6 billion the following year, according to Adams. But the city has \$8 billion in reserves to help cushion against the extraordinary expense.

“New York comes into this in great financial condition,” said Dan Solender, head of municipal debt at Lord Abbett & Co. “It’s a concern if it becomes something that shows up in the financial statements. So far, it’s not at that point.”

[Continue reading.](#)

Bloomberg CityLab

By Martin Z Braun

September 12, 2023