



Corridors of Opportunity

**MN District Council
September 16, 2010
Maureen McAvey**

Federal Update

- **Transportation Reform**
- **Infrastructure Bank status**
- **Stimulus funds**
- **Labor Day announcement**
- **Going from here**



Transportation Reform

- Reauthorization is stalled
- Using continuing resolutions to fund HTF
- HTF authorization expires 12/31/'10
- Likely to pass another 6-8 month extension
- FY'10 balance \$31 billion
- Solvent through FY'12



Reauthorization

- Size of bill very uncertain
- Oberstar: \$500 billion/6 yr, very unlikely
- Administration: 4 yr/\$60 billion/yr total:\$240 billion
- How to pay for?
 - *Gas tax on decline*
 - *General revenue appropriation*



+’s and –’s –’s

On the plus side

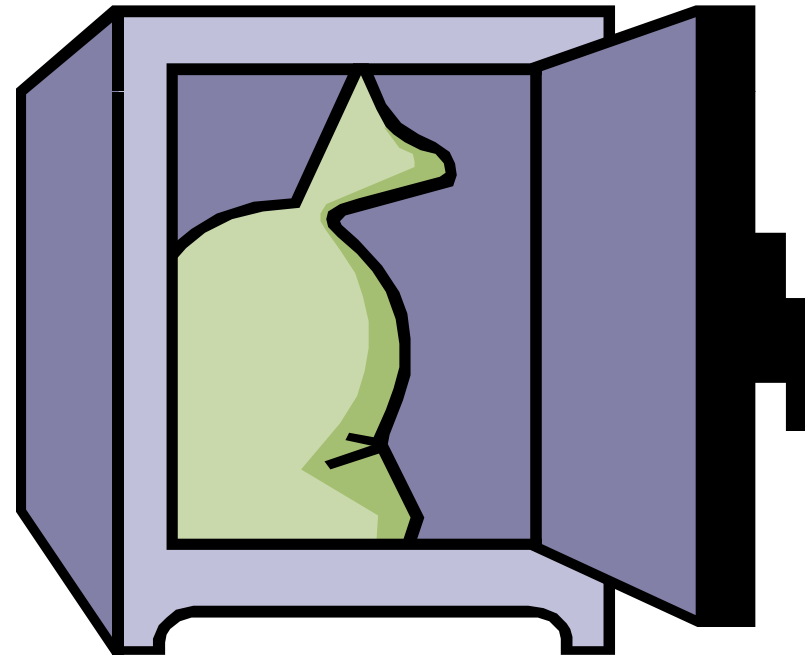
- Rising interest in infrastructure
- EPA/HUD/DOT effort to coordinate and breakdown silos
- Businesses look internationally to competition

On the minus side

- Unclear priorities
- Rising deficit concerns
- Ultra-partisanship
- Competition is not asleep

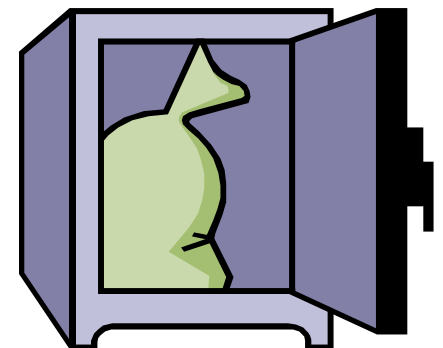
Infrastructure Bank

- Suggested for over 20 yrs
- Current bill introduced in House by Rosa DeLauro (CT), Keith Ellison (MN), 43 co-sponsors
- Senate Banking Hearing on 9/21
- Obama boosts in Labor Day speech, no details
- Republicans immediately reacted
- Slim prospects, short term



Key Issues

- A true bank with serious underwriting criteria
 - *Broad policy directives, then let the bank run!*
 - *40-50 year paybacks*
 - *Multi-jurisdictional projects*
 - *Large scale projects (airports, HSR, ports, roads etc.)*
 - *Array of borrowers eligible*
 - *50-60% of total project costs*
- Broad and flexible authority
- Level of capitalization
 - *Multiple year funding*



Stimulus Funds

- Jury is still out on total infrastructure dollars
- Large \$\$ still in pipeline
- Obama sees jobs more than national agenda/strategic plan
- Republicans, and some Dems see deficits
- Public sees road construction everywhere

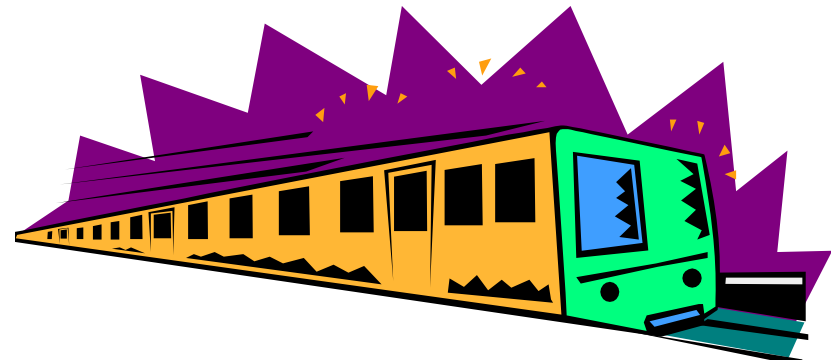
Labor Day Announcement

- \$ 50 billion
- Roads, rails, ports, airports
- Infrastructure bank
- Few details
- Republicans immediately object
- Prospects uncertain



Going From Here

- Gridlock for next several years
- Slow economy
- Very strong international competition
- Creativity/leadership moves to State, Local and Private business sectors
- NO TIME TO WASTE



Things to Watch

Regional infrastructure Banks

- California, South Carolina

Maximizing existing tools

- Port Authorities
 - Redevelopment Authorities
 - Industrial Revenue Bonds
 - SIBs
 - Get planning/approvals done
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- Move to the **FUTURE**



Things to Watch

- Birth rate slowing
- Immigration down
- Regulation up
- Business friendly?
- Eds and meds future?

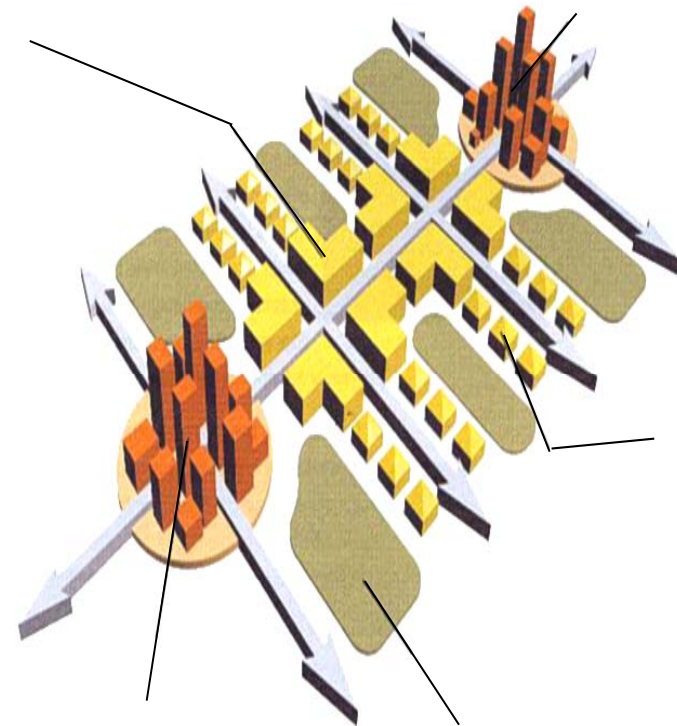


- Transit here
- Transit ready
- Related land uses
- Complete streets



Benefits

- Housing + transportation=livability
- Financial benefits
 - *Tax base*
 - *Sustainability*
 - *Value, both residential and commercial*
- Life cycle of residents



Who Pays?

- Users
 - *Tolls*
- Value Capture
 - *Residential*
 - *Commercial*
- Transfer payments
 - *Increased license fees*
- General obligation
 - *Sales tax transfer*
 - *General revenues*
- Public/private partnerships
- Revenue Bonds
- State Funding
- Local capital improvements
- Special taxing districts
- Infrastructure bank

It's all about land use:

- Connectivity
- Appropriate density
- Diversity
 - *In housing*
 - *In travel modes*
 - *In jobs*



In real life

It's all about

- People
- Livability
- Community
- Partnerships
- Quality



2010 ULI Fall Meeting
and Urban Land Expo



Washington, D.C.

Walter E. Washington Convention Center
October 12–15, 2010

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