# **City of Fort Lauderdale**

City Hall 100 North Andrews Avenue Fort Lauderdale, FL 33301 www.fortlauderdale.gov



# **Meeting Minutes**

Tuesday, February 6, 2018 1:30 PM

**City Commission Conference Room** 

# **City Commission Conference Meeting**

FORT LAUDERDALE CITY COMMISSION

JOHN P. "JACK" SEILER Mayor - Commissioner BRUCE G. ROBERTS Vice Mayor - Commissioner - District I DEAN J. TRANTALIS Commissioner - District II ROBERT L. McKINZIE Commissioner - District III ROMNEY ROGERS Commissioner - District IV

> LEE R. FELDMAN, City Manager JOHN HERBST, City Auditor JEFFREY A. MODARELLI, City Clerk CYNTHIA A. EVERETT, City Attorney

#### **ROLL CALL**

Meeting

**Present 5** - Commissioner Robert L. McKinzie, Commissioner Romney Rogers, Vice Mayor Bruce G. Roberts, Commissioner Dean J. Trantalis and Mayor John P. "Jack" Seiler

#### **QUORUM ESTABLISLHED**

**Also Present:** City Manager Lee R. Feldman, City Clerk Jeffrey A. Modarelli, City Attorney Cynthia A. Everett, City Auditor John Herbst and Sergeant at Arms Jeff Brull

No e-comments were submitted for this meeting.

# **CALL TO ORDER**

Mayor Seiler called the Commission Conference Meeting to order at 1:39 p.m.

# **CITY COMMISSION REPORTS**

Members of the Commission announced recent and upcoming events and matters of interest.

Commissioner Trantalis requested item R-2 on the tonight's Commission Regular Meeting Agenda be removed to allow negotiations between the Lake Ridge neighborhood and the Villa Medici community. He explained the details involving the Lake Ridge Civic Association (Lake Ridge) and Villa Medici Homeowner's Association (Villa Medici). Villa Medici wants to open up gates to allow ingress and egress through the Lake Ridge neighborhood. This was not part of their original site plan and will impact the neighborhood. Commissioner Trantalis requested allowing both parties come to a compromise. City Manager Feldman explained the reason it is on the Agenda. Further comments and discussions ensued on this topic. Commissioner Trantalis confirmed he would step out of this meeting, contact the parties involved and advise the Commission.

Vice Mayor Roberts requested City Manager Feldman work with Staff to ensure funding awards from the Metropolitan Planning Organization (MPO) are coordinated.

Commissioner Rogers commented on the success of the ribbon cutting for South Side Cultural Arts Center (formerly South Side School) in

coordination with the State of the City Address. In addition to Parks and Recreation Staff being located at the South Side Cultural Arts Center, Commissioner noted the Riverland Park facility will be staffed by personnel from Parks and Recreation. Discussions ensued on retrofitting the facility at Riverland Park to make it ADA compliant.

Commissioner Rogers commented on positive input from stakeholders involved in the 17th Street Mobility Plan Meetings and its top nine priorities. He commented on Staff's work with FDOT on timing the lights along 17th Street and resequencing of the traffic light at 15th Avenue. Mayor Seiler commented on the positive cooperation from the County. Commissioner Rogers stated that they will discuss the bypass road at the next 17th Street Mobility Plan Meeting.

In response to Commissioner Rogers' inquiry about an email received from a constituent regarding the damaged sidewalk at the playground in Riverside Park, City Manager Feldman confirmed he would address this issue. Commissioner Rogers also noted correspondence from a resident about issues relating to the rebuilding of the bridge over Lake Mayan near Lago Mar. City Manager Feldman confirmed he would have Staff reach out to this resident.

Commissioner Rogers announced the following Stormwater Master Plan Meetings: Southeast Isles on March 5, 2018 - City Hall Cafeteria; and Edgewood and Riverland Road March 15, 2018, - Church of the Nazarene.

Commissioner McKinzie commented on a series of successful police sting operations along Sistrunk Boulevard. Negative behavior along the Sistrunk Boulevard corridor has been addressed by the success of redevelopment and the actions of property owners. Discussions ensued on the need to draft an ordinance requiring visible contact information for investment properties when negative behavior takes place, similar to what was enacted for vacation rental properties.

Commissioner McKinzie discussed the need for City Manager Feldman, Parks and Recreation Staff and the Police Department to address negative issues in Lincoln Park, commenting that community parks such as Lincoln Park are not staffed. Further discussions ensued on possible future staffing and increased police presence at Lincoln Park and the small adjacent park to address negative activity. Discussions continued on activating the parks to a level high enough to discourage negative activity. Commissioner McKinzie confirmed the success of this approach at Provident Park in addressing these concerns.

**City Commission Conference** 

Meeting

Commissioner Rogers requested City Manager Feldman ensure that Staff is sensitive to safety concerns regarding events that block off areas along the Riverwalk, requesting that these areas remain open.

Commissioner Rogers commented on safety issues relating to adolescents riding bicycles across the heavily traveled Sunset Boulevard corridor, police efforts to deter this behavior and for education about the dangers involved. Commissioner McKinzie noted the background regarding this behavior and discussions ensued on ways to address this safety concern.

Commissioner McKinzie commented on the positive progress in addressing infrastructure issues in District III, giving a brief status update and confirming there would be street clean-up from overflows after infrastructure work is completed. He said that neighborhood homeowner associations in District III are pleased with the direction of the District.

Discussions ensued on the date of the memorial service for Judy Scher, past member of the Central Beach Alliance, the Beach Redevelopment Board, and President of the Birch Crest Condominium Board. The correct date was confirmed as February 25, 2018.

Mayor Seiler thanked David Armstrong, President of Broward College, who in conjunction with the Broward Center produced the 2018 Speaker Series featuring notable speakers from a variety of media backgrounds to educate and enlighten students and the community. Mayor Seiler thanked Staff involved in the successful City picnic. He also acknowledged the successful Riverwalk events. Mayor Seiler thanked Commissioner Rogers for his leadership and fortitude in ensuring the completion of South Side Cultural Arts Center a/k/a South Side School. Discussions ensued on the success of the ribbon-cutting event.

Mayor Seiler commented on efforts at the state legislative level to preempt local control of vacation rentals, commenting that the proposed legislation will revert to 2011 standards. It will allow modifications to ordinances in place prior to 2011 only if it makes it less restrictive on vacation rental property owners. He noted the need to monitor issues relating to local government preemption.

<u>18-0142</u> Communications to the City Commission

Parks, Recreation, & Beaches Board Minutes Wednesday, January 24, 2018

#### Communications to the Commission

Motion made by David Itskovich and seconded by Bill Schonlou for the City Commission to repeal the state's preemption of local smoke-free air and other tobacco-related laws, and restore the right of local governments to enact and enforce smoke-free air and other tobacco-related laws. In a voice vote, the motion passed unanimously.

Mayor Seiler confirmed the City's official position in support of regulating smoking in City-owned parks.

Mayor Seiler recognized Dr. Barry Hummell, Pediatrician, and Chair of the Tobacco Free Partnership of Broward County. Dr. Hummel updated the Commission on State House and Senate Bills. He recommended that the Commission take action on the Clean Indoor Air Act in order to have a position on the record. He discussed the importance of being aware that the biggest influencer of smoking on children is the visual of seeing other people smoke. Allowing smoking in public places indirectly encourages children to take up smoking. Mayor Seiler concurred with the Parks, Recreation, & Beaches Board's recommendation.

Commissioner Rogers noted if cannabis is legalized, the same smoke-free zones would apply. Regarding cannabis, Dr. Hummel confirmed the way the state law is currently written no outdoor smoking is permitted.

Motion made by Karen Polivka and seconded by JoAnn Smith that whereas recognizing there are no state laws governing the usage of e-cigarettes and other smokeless tobacco products in public places, the board therefore asks the City Commission to enact an ordinance prohibiting the use of e-cigarettes and other smokeless tobacco products in public places. In a voice vote, the motion passed unanimously.

Mayor Seiler recognized JoAnn Smith, Parks, Recreation, & Beaches Board member. Ms. Smith said that vapor cigarettes (e-cigarettes) are more addicting than traditional cigarettes. Dr. Hummell explained the contents of cigarettes and e-cigarettes, the symptoms it causes and the impact of second-hand smoke and e-cigarette vapor on those in the vicinity. He reiterated the visual impact of e-cigarettes on children. Further comments and discussions ensued on the health impact of second-hand smoke from traditional cigarettes and e-cigarettes in public places.

Mayor Seiler asked about implementing a prohibition on e-cigarettes without violating state preemption. Mayor Seiler requested Dr. Hummell to forward research on this issue to City Attorney Everett. Dr. Hummell confirmed makers of e-cigarettes do not define their action as smoking and state law does not define e-cigarettes as smoking. Further discussions ensued of this issue.

City Manager Feldman noted that the City's current ordinance includes smokeless tobacco, asking the Commission to be mindful of enforcement. Mayor Seiler confirmed the need to communicate the message that tobacco should not be in public places.

Historic Preservation Board (HPB) January 2, 2018

Communication to the City Commission

Motion made by Ms. Mergenhagen, seconded by Mr. Figler, to:

- Thank the Commission for supporting the position for which Ms.
   Logan was hired and to acknowledge the good job Ms. Logan was doing, and
- 2. To alert the Commission to the fact that there is a trend in applications from the City to the HPB that are inferior to those from private citizens regarding compliance.

In a voice vote, motion passed unanimously.

Mayor Seiler recognized Trisha Logan, Historic Preservation Officer. Ms. Logan explained the HPB's desire to have City-owned properties' HPB applications be submitted to her first to review guidelines and to determine what is suitable for the project. This should occur prior to being submitted to Procurement and Budgeting. She cited Warfield Park and the Police Station's location, both within historic designation areas, as examples.

City Manager Feldman commented on the previous experience going through the HPB process when the Police Department's windows were replaced. Discussions ensued on carving the Police Station out of the Sailboat Bend Historic Area Designation.

#### CONFERENCE REPORTS

# CF-1 18-0100 Central Beach Master Plan Public Improvement Projects Update

Commissioner Trantalis made the Commission aware of conversations with an applicant about soliciting a proposal for the Aquatic Complex, confirming he informed City Manager Feldman about this potential opportunity. Commissioner Trantalis expounded on his recommendations with the applicant, confirming at this point it is premature to take any action. Further discussions ensued on the applicant, the group involved and previous conversations with the Commission.

Mayor Seiler commented on an email received from a Mr. Roberts. City Manager Feldman confirmed ownership of the Elbow Room and adjacent property is owned by an entity named 46th Brooklyn. In response to Mr. Roberts' inquiry about funding for these properties, City Manager Feldman confirmed the Beach Community Redevelopment Agency (CRA) does not participate in those types of incentive programs. Brief comments ensued on this topic.

# **OLD/NEW BUSINESS**

# BUS-1 <u>18-0086</u>

Discussion Regarding FY 2018 Federal Legislative Priorities and Funding Requests for the City of Fort Lauderdale

Mayor Seiler recognized the City's federal lobbyist, Maurice Kurlander, Alcalde & Fay Ltd, Inc. Mr. Kurlander gave the Commission an overview of federal and administration priorities, commenting on his meeting earlier today with City Manager Feldman and Staff department heads. He stated the current priority of the administration is transportation and infrastructure, expounding on this point. Mr. Kurlander passed out a handout to the Commission.

#### A copy of Mr. Kurlander's handout is attached to these minutes.

Mr. Kurlander confirmed both political parties are in agreement on the need to address all aspects of the nation's transportation and infrastructure needs, confirming the high cost and importance of focusing on the details as to how it will be financed. In response to Commissioner Trantalis' question, Mr. Kurlander explained Public/Private Partnerships, citing the example of taking a public asset and turning it into a toll project that would be managed by a private entity. Maintenance, reinvestment and profit would be received through the toll revenue generated. He

noted that this would not be viable for all projects and certain rural areas would need direct federal funding.

In response to Mayor Seiler's question regarding clarity on this topic, Mr. Kurlander discussed current priorities and expects that by mid-February a detailed plan for infrastructure should be forthcoming from the White House. In response to Commissioner Trantalis' question, Mr. Kurlander confirmed infrastructure priorities include, seaports, airports, highways and water, confirming it could be broader. Vice Mayor Roberts commented on the current federal grant in the amount of \$50,000,000 for Port Everglades. He noted the changing nomenclature for "shovel ready" projects, the need for a strategy and a concept to move projects forward with bipartisan support. Discussions ensued on the funding sources coming from other federal programs.

In response to Commissioner Rogers' inquiry about an increase in the federal gas tax, Mr. Kurlander commented there is strong opposition though it has not been increased in 25 years. State and local gas taxes were briefly discussed. Mr. Kurlander discussed proposed earmarks for transportation, infrastructure projects and overall appropriations which will allow a direct way to go after federal dollars for the City's needs.

In response to Vice Mayor Roberts' inquiry about funding for sea level rise, Mr. Kurlander said this has not been specifically addressed in current infrastructure discussions, reconfirming these discussions have been very broad. Discussions ensued on flood and disaster mitigation efforts and its impact on infrastructure.

In response to Commissioner Rogers' question about the future of grants, Mr. Kurlander gave his viewpoint and noted they may be renamed. He noted the President's budget should be forthcoming by mid-February, commenting on the subsequent opportunity for Congress to make changes.

Mr. Kurlander reviewed the Funding Principles included in his handout, commenting that things in Washington, D.C. should begin to accelerate.

In response to Commissioner Trantalis' question on the DACA immigration issue and funding the government, further discussions ensued on the administration's position on funding border security issues.

Commissioner Rogers asked about the repercussions of action by Governor Scott regarding the return of \$400,000,000 in transportation

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funding. Mr. Kurlander noted the reaction to these funds going to other states. Mayor Seiler asked about the possibility of transportation funding being repurposed to state and local governments, citing the example of The Wave. Mr. Kurlander stated this would face significant opposition, noting the clarity and specificity with which the funding was awarded and its intent for shovel ready projects intended for economic recovery. Discussions ensued on returning or repurposing federal funding and the difficultly involved.

In response to Mayor Seiler's question about the status of Sober Homes, Mr. Kurlander confirmed Congresswomen Lois Frankel continues to lead efforts to request cities to change their ordinances based on guidance from the Department of Justice in resolving this issue. The opioid crisis has overshadowed this issue, commenting on current efforts and bi-partisan support on a national level concerning opioids.

In response to Mayor Seiler's questions regarding efforts to preempt municipal efforts to pursue Multi-District Litigation (MDL) against opioid manufacturers and distributors, Mr. Kurlander confirmed he has not seen any action in this regard, confirming he would monitor this issue.

Mayor Seiler confirmed he would contact Mr. Kurlander when he attends meetings about the Federal Court House in Washington, DC at the end of the month.

Mayor Seiler recognized Michael Rajner, P.O. Box 2133. Mr. Rajner commented on the need to include the issue of civil rights of all types of individuals in the listing of the City's Federal Priorities. He also commented on the revenue received from the LGBT community from both residents and visitors, and the future possibility of this group losing their civil rights. Mr. Rajner encouraged the Commission to incorporate the protection of the rights of the LGBT community in its list of Federal Priorities, similar to Broward County's state and federal legislative priorities. Mayor Seiler stated Broward County's Ordinance on protecting LGBT rights also applies to the City.

#### **BOARDS AND COMMITTEES**

# **BD-1** 18-0141 Board and Committee Vacancies

In response to Commissioner Trantalis' question, City Clerk Modarelli confirmed receipt of the names for board and committee appointments. Discussions ensued on upcoming board and committee appointments.

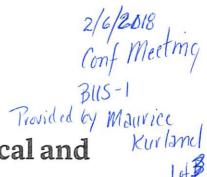
# **CITY MANAGER REPORTS**

None.

# **ADJOURNMENT**

Mayor Seiler adjourned the Conference Meeting of February 6, 2018 at 3:45 p.m.

CQ NEWS Feb. 1, 2018



# Trump's Hint at Tolls Reveals Political and Practical Obstacles

Feb. 1, 2018 - 5:00 a.m. By Jacob Fischler, CQ

President Donald Trump's call for a \$1.5 trillion infrastructure program that would be sparked by a much smaller federal component has encouraged the view that toll roads are likely to be at least part of the proposal.

The idea is generating strong resistance, especially from Democratic lawmakers, some of whom see it as a plan to turn public transportation assets over to private investors who will collect tolls and pocket the profits. But the idea also runs up against experience and practical questions about states' willingness to establish tolls and drivers' willingness to pay them on roads that they have driven freely for years and even decades. Investors may be reluctant to take the risk of operating a toll road that drivers may opt to avoid.

Trump provided no details in his State of the Union address Tuesday, but he has long said \$200 billion in federal spending over 10 years could leverage much more from state, local and private sources. He put that total amount at \$1.5 trillion Tuesday, increasing it from \$1 trillion during his campaign and most of the first year of his presidency.

But the administration appears to be considering tolls, according to a leaked document published last month by Axios and Politico. "Allow states flexibility to toll on interstates and reinvest toll revenues in infrastructure," that document said.

The administration didn't confirm or deny the authenticity of the document. It has also missed several deadlines to deliver its infrastructure proposal that has long been promised. The White House signaled another delay Wednesday, when an official told Roll Call that "certain realities of the legislative calendar ... have caused a slight delay in the public rollout of his [Trump's] plan, but he looks forward to sharing it with the American people in the coming weeks."

The administration also called for removing a qualified ban on tolling interstate highways in its fiscal 2018 budget request.

Rep. John Garamendi, D-Calif., said Wednesday he was open to tolling in limited uses, but would oppose efforts to toll existing free roads. Tolls for certain uses like expanded lanes or bridges were acceptable, he said, but tolling of entire long stretches of interstate, like those in place on turnpikes in Pennsylvania or Massachusetts, are not.

"To turn the entire transportation system in the United States into a toll doesn't make sense to me," he said. "It depends what you're doing, how it's done."

Senate Minority Leader **Charles E. Schumer**, D-N.Y., used the term "Trump tolls" last year to criticize administration signals about using public-private partnerships to provide a major part of an infrastructure funding.

But Patrick Jones, the president and CEO of the International Bridge, Tunnel and Turnpike Association, said many tolling entities are run by public agencies. Several states and local authorities collect tolls that are then returned to the road itself, he said. Jones said knee-jerk opposition to tolls is a reaction to people being asked to pay for something they had perceived as not costing anything. "If people can get something for free, they will gladly take it," he said Wednesday.

When drivers are asked to pay for the use of a previously non-tolled route, they could see it as an added burden on top of what they already pay in taxes, Jones said. But that view ignores the reality that everything – including roads – must be paid for, he said.

"That I would say could be construed as a natural reaction of people who feel that they're already overburdened by taxes, expenses and fees," he said.

"But if you allow people to think about it for just a minute, they know there's no free lunch and there are no free roads. So tolling is just another way to pay for something that is essential to American life."

A major priority for IBTTA is lifting the ban on tolling interstates. Jones said the group doesn't necessarily want every road to be tolled — only to give states another option to raise the necessary money.

Slapping tolls on roads that have long been freely driven, however, is a political risk for elected officials and a financial risk for investors considering a public-private partnership. None of the three states authorized by Congress in 1998 to experiment with tolling on interstates did so.

Tolls are generally banned on interstate highways, though exceptions exist, particularly on the East Coast. The 1998 surface transportation law (PL 105-206) allowed the pilot program. Congress decided in its 2015 surface transportation authorization (PL 114-94) to give the states three years to try the experiment, or lose the right to do so. The three states that were included in the pilot program — Missouri, North Carolina and Virginia — all relinquished their spots.

# **Toll Resistance**

One reason for the reluctance is the fierce resistance.

"Trump wants to sell off our roads and bridges to rich Wall Street donors, so families pay tolls to Wall Street just to drive home from work," said Sarah Badawi, a senior lobbyist with the Progressive Change Campaign Committee.

Stephanie Kane, a spokesperson for the Alliance for Toll-Free Interstates, said in a written statement that an emphasis on tolls represents a reversal for Trump from a focus on American workers because toll revenue is often associated with corporate profits.

"If Trump relies on the private sector and forcing states and localities to come up with their own funding, Trump's infrastructure plan could result in a patchwork of tolls that span coast to coast," Kane said. "Although then-candidate Trump campaigned against lining the pockets of Wall Street and promised to be the voice for the working class, a plan pushing tolls would do the opposite."

The tolling idea also raises a question about its effectiveness in raising revenue to deliver the money needed nationwide for transportation infrastructure.

In addition to the unpopularity of tolls, public-private partnerships don't work on "99 percent" of roads and bridges, American Trucking Associations President and CEO Chris Spear said. Private investors would demand a return on investment, and wouldn't receive one in non-urban areas, he added.

"I'm not dismissive of P3s and their effectiveness. It's just not going to work for roads and bridges," he said. "They're not going to fund a major interchange or major interstate tolling project if ... they've done the [calculations] in advance and they're not going to make that decision knowing full well it ain't going to be profitable."

Tagged: Highways, Infrastructure, Interstate Highways, P3s, State of the Union, Transit

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# **Maurice Kurland**

From:

Maurice Kurland

Sent:

Monday, February 5, 2018 9:06 AM

To:

Maurice Kurland

**Subject:** 

re: Transportation/Infrastructure - Increase in Federal Gas tax?

# Consideration of federal gas tax - some open to an increase, but continued opposition

February 2, 2018

The Trump administration will soon release its plan to generate \$1.5 trillion in infrastructure spending and streamline the permitting process.

Rep. Bill Shuster of Pennsylvania pressed fellow conservatives to consider upping the federal gas tax in a meeting with Gary Cohn, director of the National Economic Council, during the recent Republican congressional retreat.

While Gary Cohn said the administration is open to all options for drumming up revenue, Sen. John Barrasso of Wyoming voiced opposition to a gas tax hike.

The issue first came up in May, when President Donald Trump said he might support a gas tax increase to underwrite investments in U.S. infrastructure, a statement the White House later walked back. Cohn reportedly told lawmakers in October they would have an opportunity to raise the federal fuel levy during infrastructure negotiations.

The federal government currently taxes gasoline at the pump at 18.4 cents per gallon, a level that has not changed since 1993. Funds raised through the charge go to the Highway Trust Fund and pay for road construction and investments in mass transportation.

The odds of raising the gas tax look remote right now because the GOP just passed massive tax cuts and the party doesn't want to give the impression of burdening the middle class, according to Republican sources.

Some general approaches to an infrastructure bill as discussed by Cohn:

- Give special funds to governors for rural projects
- Spend more on credit programs provided under TIFIA (Transportation Infrastructure Finance and Innovation Act)
- Create incentives for states to have infrastructure revenue sources that are sustainable

# **Funding Principles**

- I. Infrastructure Incentives Initiative: encourages state, local and private investment in core infrastructure by providing incentives in the form of grants. Federal incentive funds will be conditioned on achieving milestones within an identified timeframe. Accounts for 50% of total appropriation.
  - A. Applies to: surface transportation, airports, passenger rail, maritime and inland waterway ports, flood control, water supply, hydropower, water resources, drinking water facilities, storm water facilities, Brownfield and Superfund sites
  - B. Eligible entities: States or groups of states, Puerto Rico, U.S. territories, metropolitan planning organizations, units of local government or a group of local governments, special purpose district or public authority responsible for maintaining infrastructure facilities, public utilities, non-profits, tribal governments, multijurisdictional group of eligible entities, private entities with sponsorship from an eligible public entity.
  - C. Core infrastructure projects are eligible. The lead federal agency administering the initiative will define eligible costs and conduct audits to ensure funds are used appropriately.
  - D. The lead federal agency will solicit applications every 6 months. Criteria includes:
    - 1. Dollar value of project (weighted at 10%)
    - 2. Evidence supporting how applicant will secure and commit new, non-federal revenue to create sustainable, long-term funding (weighted at 50%)
    - 3. Evidence supporting how applicant will secure and commit new, non-federal revenue for operations, maintenance and rehabilitation (weighted at 20%)
    - 4. Updates to procurement policies and project delivery approaches to improve efficiency in project delivery and operations (weighted at 10%)
    - 5. Plans to incorporate new technology (weighted at 5%)
    - 6. Evidence to support how project will spur economic and social returns on investment (weighted at 5%)
      - a. Calculated by multiplying the weighted score by the percentage of non-federal revenues used to fund the project
      - b. Lookback period:

Years Passed	New Revenue Credit
	Score Multiplier
>3 years	0%
2-3	30%
1-2	40%
0-1	50%
After Jan. 2018	100%

- E. Grant awards can't exceed 20% of total project cost. Any individual state can't receive more than 10% of the amount available
- II. Transformative Projects Program: makes available federal funding and technical assistance for innovative and transformative infrastructure projects based on competitive basis to viable projects unable to secure financing through private sector due to the uniqueness of the program. Applicable projects must be exploratory and ground-breaking ideas that have more risk than

standard infrastructure projects but offer a larger reward profile. Covered sectors include: transportation, clean water, drinking water, energy, commercial space, and telecommunications. Accounts for 10% of total appropriation.

- A. Dept. of Commerce chairs administration of the program.
- B. Eligible entities: States or groups of states, Puerto Rico, U.S. territories, metropolitan planning organizations, units of local government or a group of local governments, special purpose district or public authority responsible for maintaining infrastructure facilities, public utilities, non-profits, tribal governments, multijurisdictional group of eligible entities, private entities with sponsorship from an eligible public entity.
- C. Funding tracks: Applicants could apply for all or specific tracks.
  - 1. Demonstration: funding provided for planning, construction, deployment and evaluation of demonstration trials. Can't be used for applied R&D activities but instead where a prototype is operated at or near full scale. Federal funding may be used for up to 30% of eligible costs.
  - 2. Project Planning: funding provided for final pre-construction activities i.e. final design and engineering. Demonstration trial must have occurred and been successful. Must demonstrate construction would begin within a reasonable time frame. Federal funding may be used for up to 50% of eligible costs.
  - 3. Capitol Construction: funding provided for capital projects having independent utility and ready for intended use upon completion. Federal funding may be used for up to 80% of eligible costs.
    - a. Under this track, applicant required to enter into a financial partnership agreement with the Federal Government requiring that if a project begins to generate value, the Federal Government would have rights to share in the project value. The Federal Government would not assert first claim under any such agreement, would not accept a seat on any company's board of directors, and all partnership agreements would provide that the company retains ownership of any and all intellectual property.
- D. Minimum match requirements in the form of equity investments by private or non-profit organizations. Applicant must demonstrate equity is committed and available.
- E. Federal technical assistance available in addition to funding tracks, but no funding provided.
- F. Dept. of Commerce would administer the program with an interagency selection committee. A notice of funding opportunity would be published in the federal register soliciting applications on an annual basis. Cost benefit analysis is required and applications are limited to one per lead applicant, although there would be no limit to the number of applications on which an applicant could be listed as a partner applicant.
- G. Applicants selected would enter into a partnership agreement with the Federal Government which would specify terms and would not exceed 7 years to outlay funds. Milestones and schedules included in the agreement, the progress for which the lead Federal agencies would conduct regular audits.
- III. Rural Infrastructure Program: designed to encourage investment to enable rural economies, facilitate freight movement, improve access to reliable and affordable transportation, etc. States are incentivized to partner with local and private investment for completion and operation of projects under this program. Accounts for 25% of total appropriation.
  - A. Eligible entities rural programs include:

- 1. Transportation roads, bridges, public transit, rail airports, and maritime and inland waterway ports;
- 2. Broadband and other high-speed data and communication conduits;
- 3. Water and waste drinking water, waste water, land revitalization, and Brownfields;
- 4. Power and electric governmental generation, transmission and distribution facilities; and
- 5. Water resources inland waterway ports, flood risk management, maritime ports and water supply.

# B. Funding:

- 1. 80% of funds made available for states would be provided to the Governor of each state via the following formula:
  - a. Ratio based on total rural lane miles in a state in relation to total rural lane miles in all states and a ratio based on the total adjusted rural population of a State in relation to the total adjusted rural population of all states.
- 2. 20% reserved for rural performance grants
  - a. States encouraged to do so within 2 years of enactment
  - b. Grants available for up to 10 years after enactment or until funds run out.
  - c. To qualify, states must publish a comprehensive rural infrastructure investment plan (RIIP) within 180 days of receipt of formula funds.
- 3. Funds made available would be distributed as block grants without Federal requirements, but must be used for projects in rural areas with a population of less than 50,000.
- 4. Provides investment designed to address infrastructure needs on tribal lands and U.S. Territories.
- IV. Federal Credit Programs: designed to increase the capacity of existing Federal lending programs to increase investment. *Accounts for 7.05% of total appropriation*.
  - A. Would establish the (1) Transportation Infrastructure Finance and Innovation Act, (2) Railroad Rehabilitation and Improvement Financing, (3) Water Infrastructure Finance and Innovation Act, and (4) United States Department of Agriculture Rural Utilities Lending Programs under which specific funds would be set aside and appropriated to the relevant U.S. agency and would remain available until 2028.
- V. Public Lands Infrastructure Fund: would create a new infrastructure fund in the U.S. Treasury called the Interior Maintenance Fund comprised of additional revenues from the amounts due and payable to the U.S. from mineral and energy development on Federal lands and waters.
- VI. Disposition of Federal Real Property: would establish through executive order the authority to allow for the disposal of Federal assets to improve the overall allocation of economic resources in infrastructure investment.
- VII. Federal Capital Financing Fund: creates a funding mechanism similar to a capital budget but that operates within the traditional rules used for the Federal budget by establishing a mandatory revolving fund to finance purchases of federally owned civilian real property. Once approved in an Appropriations Act, the revolving fund would transfer money to agencies to finance large-dollar real property purchases. Purchasing agencies would then be required to repay the fund in 15 equal annual amounts using discretionary appropriations. Accounts for 5% of total appropriation.

- VIII. Private Activity Bonds: would amend 26 U.S.C. 142 to allow broader categories of public-purpose infrastructure, including reconstruction projects, to take advantage of PABs would encourage more private investment in projects to benefit the public.
  - A. Elimination of the AMT provision and the Advance Refunding prohibition on PABs
  - B. Elimination of the transportation volume caps on PABs and expend eligibility to ports and airports
  - C. Removal of state volume cap on PABs
  - D. Provide change-of-use provisions to preserve the tax exempt status of governmental bonds
  - E. Require public attributes for core public infrastructure projects
  - F. Provide change-of-use cures for private leasing of projects to ensure preservation of tax exemption for core infrastructure bonds

# **Principles for Infrastructure Improvements**

# I. Transportation

# A. Financing

- 1. Allow states flexibility to toll on interstates and reinvest toll revenues in infrastructure
- 2. Reconcile the grandfathered restrictions on use of highway toll revenues with current law
- 3. Extend streamlined passenger facility charge process from non-hub airports to small hub sized airports
- 4. Support airport and non-federal maritime and inland water way ports financing options through broadened TIFIA program eligibility
- 5. Subsidize railroad rehabilitation and improvement financing for short-line and passenger rail
- 6. Provide states flexibility to commercialize interstate rest areas
- 7. Remove application of federal requirements for projects with de minimis Federal share
- 8. Expand qualified credit assistance and other capabilities for state infrastructure banks

#### B. Highways

- 1. Authorize federal land management agencies to use contracting methods available to states
- 2. Raise the cost threshold for major project requirements to \$1 billion
- 3. Authorize utility relocation to take place prior to NEPA completion
- 4. Refund of federal investment to eliminate perpetual application of federal requirements
- 5. Provide small highway projects with relief from the same Federal requirements as major projects

# C. Transit

- 1. Require value capture financing as condition for receipt of transit funds for major capital projects (Capital Investment Grants)
- 2. Eliminate constraints on use of public-private and public-public partnerships in transit
- 3. Codify expedited project delivery for Capital Investment Grants pilot program

#### D. Rail

1. Apply Fast Act streamlining provisions to rail projects and shorten the statute of limitations

# E. Airports

- 1. Create more efficient federal aviation administration oversight of non-aviation development activities at airports
- 2. Reduce barriers to alternative project delivery for airports
- 3. Clarify authority for incentive payments under the Airport Improvement program
- 4. Move oversight of AIP funds to post-expenditure audits

# II. Water Infrastructure

# A. Financing

- 1. Authorize Clean Water State Revolving Fund for privately owned public purpose treatment works
- 2. Expand EPA's WIFIA authorization to include flood mitigation, navigation and water supply
- 3. Eliminate requirement under WIFIA for borrowers to be community water systems
- 4. Authorize Brownfield rehabilitation and clean up of superfund sites under WIFIA
- 5. Reduce rating agency opinions from two to one for all barrowers
- 6. Provide EPA authority to waive the springing lien in certain lending situations
- 7. Increase the base level of administrative funding authorized to ensure EPA has sufficient funding to operate the WIFIA program
- 8. Remove the restriction on the ability to reimburse costs incurred prior to loan closing under WIFIA
- 9. Expand the WIFIA program to authorize eligibility for credit assistance for water systems acquisitions and restructurings.

# B. Water programs

- 1. Remove the application of Federal requirements for de minimis Federal involvement
- 2. Provide EPA infrastructure programs with "SEP-15" authorizing language
- 3. Apply identical regulatory requirements to privately owned "public purpose" treatment works and publicly owned treatment works

#### C. Inland waterways

- 1. Authorize all third party construction and operation arrangements as eligible expenses for inland waterways trust fund and treasury appropriations
- 2. Authorize non-federal construction and operation of inland waterways projects

### D. Water infrastructure resources

- 1. Authorize user fee collection and retention by the Federal government and third parties under the WRDA Section 5014 pilot program
- 2. Expend U.S. Army Corps of Engineers' authority to engage in long-term contracts
- 3. Authorize operation and maintenance activities at hydropower facilities
- 4. Deauthorize certain federal civil works projects
- 5. Expand authority for acceptance of contributed and advanced funds
- 6. Retain recreation user fees for operation and maintenance of public facilities
- 7. Amend the Water Resources Development Act to allow for waiver of cost limits

- 8. Expand WIFIA authorization to include Federal deauthorized water resource projects
- III. Veterans Affairs: designed to provide Veteran's with state-of-the-art facilities
  - A. Authorize VA to retain proceeds from sales of properties
  - B. Authorize VA to exchange existing facilities for construction of new facilities
  - C. Authorize pilot for VA to exchange land or facilities for lease of space
  - D. Increase threshold above which VA is required to obtain Congressional authorization for leases
- IV. Land Revitalization (Brownfield/Superfund Reform)
  - A. Replicate the Brownfield Grant/Revolving Loan Fund program for Superfund projects
  - B. Clarify EPA's ability to create special accounts for third party funds for CERCLA clean up response without state assurances
  - C. Provide liability relief for states and municipalities acquiring contaminated property through actions as sovereign governments
  - D. Provide EPA express settlement authority to enter into administrative agreements
  - E. Integrate clean up, infrastructure and long-term stewardship needs by creating flexibility in funding and execution requirements
  - F. Authorize national priority list sites to be eligible for Brownfield grants
  - G. Clarify risks to non-liable third parties that perform superfund cleanup.