

WELCOMING THE ECONOMIC RECOVERY



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This edition of CDFA's *Development Finance Perspectives* marks the fourth volume of this highly acclaimed publication. I am so very proud to be part of this great magazine as it has opened up CDFA to the industry and expanded our presences within

development finance. For each edition, I write this opening commentary focused on the pressing policy questions facing our industry, but I wanted to take a step away from this approach for this piece. Instead, I will talk about how the past three years have affected what we do at CDFA and how we have weathered the storm. I will also look at the future and give you all some hope for things to come.

By all accounts, the past three years have been tortuous. The federal deficit has skyrocketed, unemployment has rapidly increased, bond financing volume has plummeted, and state and local governments have suffered. I have watched hundreds of close colleagues suffer along the way with job loss, program elimination, and general struggles to pump out economic development wins. It hasn't been pretty, and 2011 was perhaps the worst year from CDFA's standpoint.

Despite the strongest legislative efforts in our history, we watched as Congress remained inactive on updating the regulations and capacity of bond finance.

We witnessed stiffer regulation in the face of industry wide opposition, and we battled a very serious fight to preserve tax-exempt bonds. The CDFA Board of Directors, for the first time in a decade, reached into their limited Board reserve fund to finance CDFA's successful *Built by Bonds* publication. This publication was sent to over 18,000 development finance stakeholders throughout the country, and a customized copy was provided to every member of Congress.

The response was catalytic, with positive reactions across the nation and within the halls of Congress. Our phones and inboxes have been inundated with congratulatory responses, and we have received dozens of inquiries from members of Congress. CDFA is a major player today, thanks to this effort, and we are now influencing our federal leaders in a way not seen before.

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It is amazing how much of a difference a year can make. As 2012 has progressed, positive signs of economic recovery have blossomed everywhere. Make no mistake: we are sitting on the edge of our next great economic boom. Unemployment is falling rapidly. Factory orders are increasing exponentially. Bond volume has taken off in the first few

months of the year, and the development finance industry is accessing capital once again.

The federal leadership is hearing the message too and leading the way. Congress is looking for new ideas to improve and update bond financing regulations. The threat to tax-exempts has been mitigated in Congress for now, although the Obama Administration continues to attack this critical financing tool, despite widespread industry outcry. Members of Congress are contacting CDFA for answers and ideas, and we could not be in a better place to assist.

Despite all the struggles of the past few years, CDFA never wavered. Last year, over 7,000 industry professionals were engaged in our efforts. We provided 18 free, national webcasts on dozens of topics, and we provided technical assistance to countless communities. In a time when other national associations buried their heads and became insular, we expanded, invested, and came out shining.

I promised to end on a positive note, and as you can see, I am excited for our future. If you are not excited, then get engaged in something at CDFA, and we will turn your attitude around. Be part of something special happening at CDFA today. Join a free webcast, become a member, attend our National Summit in DC, buy a book, sponsor, or just call me. Let's talk progress. I promise you will be happy that you made the investment.