



November 3, 2017

The Honorable Mitch McConnell
Majority Leader
U.S. Senate

The Honorable Paul Ryan
Speaker
U.S. House of Representatives

The Honorable Charles Schumer
Minority Leader
U.S. Senate

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives

The Honorable Orrin Hatch
Chairman, Committee on Finance
U.S. Senate

The Honorable Kevin Brady
Chairman, Ways & Means Committee
U.S. House of Representatives

The Honorable Ron Wyden
Ranking Member, Committee on Finance
U.S. Senate

The Honorable Richard Neal
Ranking Member, Ways & Means Committee
U.S. House of Representatives

Dear Majority Leader McConnell, Speaker Ryan, Minority Leaders Schumer and Pelosi, Chairmen Hatch and Brady, and Ranking Members Wyden and Neal,

Tax-exempt **Private Activity Bonds** are a crucial and instrumental financing tool that spurs local economic development, private sector investment and job creation. We the undersigned write to urge you to protect **Private Activity Bonds**, a century old development finance tool that is set to be eliminated in the Tax Cuts and Jobs Act. **Private Activity Bonds** have been in existence since 1914, and in their 103 year history they've assisted in financing our nation's most critical and important public facilities and infrastructure, including hospitals, schools, highways, bridges, railways, water and sewage facilities, energy facilities, low-income housing, and countless others.

By eliminating **Private Activity Bonds**, the ability of communities around the country to finance these projects will also be eliminated, as governments and project sponsors will be forced to borrow at higher interest rates. Industry experts have estimated that interest rates for borrowers would increase by 1.5 – 2.5% for bond transactions of varying levels of credit quality if **Private Activity Bonds** are eliminated. Conservatively, such a rise in interest rates would cause the cost of borrowing for state and local governments to increase by as much as 25-35%.

We understand the importance of streamlining the tax code and growing revenue; however, any tax reform legislation that eliminates **Private Activity Bonds** would be devastating to economic development at the state and local levels, and would undermine the purported economic gains of any tax reform. While low-cost capital access remains the primary strength of **Private Activity Bonds**, job creation is one of the most critical elements in the use of this important tool for economic development purposes.

State and local governments have established thousands of issuing authorities to directly work with manufacturers, hospitals, non-profits, food banks, clinics, schools, recycling centers, airports, sewage/water treatment plants, and many others on projects that expand taxes, production, development, revenue, markets, and employment.

Without **Private Activity Bonds**, state and local governments would not be able to partner with the most important economic engines of their communities to retain and create jobs. In light of the ongoing economic struggles in our country, it would be shortsighted to eliminate the most reliable, affordable, and accessible means of low-cost financing for thousands of projects nationwide.

On behalf of thousands of communities and the entire economic development finance industry, we ask that you reject any provisions that curtail or eliminate **Private Activity Bonds** from the Tax Cuts and Jobs Act. **Private Activity Bonds** are a staple of economic development efforts nationally, and our cities and states would be dramatically and disastrously impacted by their loss.

We stand ready and willing to assist you in these efforts. Thank you in advance for protecting and preserving tax-exempt **Private Activity Bonds**.

Sincerely,



Toby Rittner, President & CEO
Council of Development Finance Agencies
trittner@cdfa.net

National

Council of Development Finance Agencies
Center for Creative Land Recycling
International Economic Development Council
National Association of Local Housing Finance Agencies
National Community Development Association
National Council of State Agricultural Finance Programs
National Development Council
National Housing Trust
National Multifamily Housing Council
Opportunity Finance Network (OFN)
Public Finance Authority
The Bank of New York Mellon
U.S. Bank

Alabama

Balch & Bingham
Bellwether Enterprise Real Estate Capital

Alaska

Alaska Industrial Development and Export Authority

Arizona

Academy of Math & Science
Arizona Association for Economic Development
ESI Corporation
Greenberg Traurig LLP
Industrial Development Authority of Gila County
Industrial Development Authority of the City of Phoenix
Kutak Rock LLP
Lion-S Financial Group, LLC
Maricopa County Industrial Development Authority
NewGen Worldwide
Rusing, Lopez & Lizardi, PLLC
Solterra
Southeast Arizona Economic Development Group
Town of Payson, Arizona
TransEquity Development, Inc.
Tucson Industrial Development Authority
Ziegler
Zions Bank

California

Alameda County Small Business Development Center
Bridwell Sargent, LLC
California Association for Local Economic Development
California Bank of Commerce
California Department of Veterans' Affairs
California Infrastructure and Economic Development Bank
California Pollution Control Financing Authority
California State Communities Development Authority
California State Treasurer's Office
City of Burbank
City of Buena Park/Economic Development Department
City of Carson
City of Lakeport
City of Los Angeles Economic and Workforce Development
City of Oceanside
City of Selma
City of Union City
Claggett Wolfe Associates
Community Wealth Builders
County of Monterey Economic Development
Daehnke Cruz Law Group
Decro Gamma Corporation

Del Norte Economic Development Corporation
DeSola Capital Group
Development Planning and Finance Group, Inco
Dowdell Consulting Group
Drew School
Family Service Association
Fresno County Economic Development Corporation
G8 Development
Gauntlet Private Investments
Housing on Merit
Hutchinson, Shockey, Erley & Co.
Innovative Housing Opportunities
InSite Development
Integrity Housing
Irvine Ice Foundation
Kutak Rock LLP
Kosmont Transactions Services
Laura Cole Rowe Consulting
Levy Affiliated
Locke Lord LLP
Manhattan Regional Center
Menke & Associates, Inc.
Novogradac & Co. LLP
Oppenheimer & Co.
Orange County School of the Arts
Orrick
Project Finance Advisory Ltd.
Red Stone Equity Partners
Small Business Development Corporation of Orange County
Strategic Development Solutions
Sutter Health
Tierra West Advisors
Urban Futures, Inc.
Vesta Development Group
Wahlstrom & Associates
Wells Fargo
WNC & Associates

Colorado

Butler Snow LLP
Colorado Educational and Cultural Facilities Authority
D.A. Davidson & Company
Dwelling Development
Economic Development Council of Colorado

Kutak Rock LLP
Metro West Housing Solutions
Morgan County Economic Development Corporation
North Slope Capital Advisors
Norton Rose Fulbright US LLP
Robert W. Baird & Co.
S.B. Clark Companies
Solterra
The Neenan Company
Universal Structured Finance Group, Inc.
Wells Fargo
Wells Fargo Securities
Zions Bank

Connecticut

Partners in Health Communities

Delaware

Delaware State Division of Small Business, Development & Tourism

District of Columbia

The Binnick Group
Bryant Miller Olive
Capitol Peak Asset Management
District of Columbia
Nixon Peabody LLP
Squire Patton Boggs

Florida

Bryant Miller Olive
Carras Community Investment, Inc.
City of Oldsmar
City of Tampa
Club Ciudad Perdida Inc.
Florida Development Finance Corporation
Locke Lord LLP
Miami Regional Chamber of Commerce
Miami-Dade County Florida
Miami-Dade County Industrial Development Authority
Sea Vee Boats
Soho Advisory

Georgia

Bryant Miller Olive

Butler Snow LLP
Camden County Joint Development Authority
Cedar Ventures, LLC
CSG Advisors
Georgia Department of Community Affairs
Georgia Economic Developers Association
Georgia State Financing and Investment Commission
Holland & Knight LLP
Kutak Rock LLP
Legacy Community Housing Corporation
PFM
The Steedley Firm, Inc.

Illinois

Applegate & Thorne-Thomsen, PC
B.C. Ziegler
Chicago Community Loan Fund
City of Pittsfield
Dubin Guru Group
First American Bank
Greenberg Traurig, LLP
Hutchinson, Shockey, Erley & Co.
Ice Miller LLP
International Trade Association of Greater Chicago
Invest Aurora
Kane McKenna and Associates
Locke Lord LLP
MB Financial Bank, N.A.
National Main Street Center
Rockford Local Development Corporation
Winthrop & Weinstine
Ziegler

Indiana

Covance
Ice Miller LLP
Krieg DeVault LLP
Pedcor Investment, LLC
Riley Area Development Corporation

Iowa

Gronen Development
Iowa Finance Authority

Kansas

Avant Strategic Partners, LP
City of Pittsburg
Kansas Development Finance Authority

Kentucky

Coats Rose, P.C.
Frost Brown Todd
Kerrick Bachert PSC
Wyatt, Tarrant & Combs, LLP

Louisiana

Alembic Community Development
Foley & Judell LLP
HRI Properties
Jefferson Parish Economic Development and Port District
Louisiana Community Development Authority
Louisiana Economic Development
Louisiana Business Loans, Inc. CDC
New Orleans Business Alliance
Open Doors Louisiana Inc.

Maine

Eaton Peabody
Finance Authority of Maine

Maryland

Ballard Spahr LLP
Cardinal Court Capital
Carding Group
CohnReznick
Edgemoor Infrastructure & Real Estate
Maryland Department of Commerce
McKennon Shelton & Henn LLP
Miles & Stockbridge
The Henson Development Co
Tiber Hudson LLC

Massachusetts

Arup
Boston Industrial Development Financing Authority
Capital Link, Inc.
Community Health Center Capital Fund
Davis Malm & D'Agostine PC

ICON Architecture
LifeStream, Inc.
Locke Lord LLP
Massachusetts Association of Community Development Corporations
Massachusetts Development Finance Agency (MassDevelopment)
Merrimack Valley Workforce Investment Board

Michigan

Venture North Funding & Development
Detroit Economic Growth Corporation
Development Consulting
Monroe County Business Development Corp

Minnesota

Briggs and Mmorgan P.A.
Community Reinvestment Fund
Duluth Economic Development Authority
Economic Development Association of Minnesota
GE Government Finance
Kennedy & Graven, Chartered
Midwest Minnesota Community Development Corporation
Minnesota Rural Finance Authority
Northland Securities
Real Estate Developer
Springsted Inc.
Winthrop & Weinstine, P.A.
Worthington Regional Economic Development Corporation

Mississippi

Arbitrage Rebate Counselors
Balch & Bingham LLP
Butler Snow LLP
Mississippi Business Finance Corp

Missouri

Carmody MacDonald P.C.
Commerce Bank
George K. Baum
Husch Blackwell LLP
Industrial Development Authority of Jefferson County
Kingsway Redevelopment
Kutak Rock LLP
Missouri Agricultural and Small Business Development Authority
Missouri Economic Development Financing Association

ND Consulting Group
Shiple Communications LLC
St. Louis Development Corporation
St. Louis Economic Development Partnership
Stern Brothers & Co.
Stifel
Thompson Coburn LLP
UMB Bank
Valdes & Moreno, Inc.
White Goss Law Firm

Montana

Montana Facility Finance Authority

Nebraska

Kutak Rock LLP
Sac and Fox Nation of Missouri in Kansas and Nebraska

Nevada

City of Henderson
Fennemore Craig
LIKA.Plan

New Hampshire

Communities by Design
New Hampshire Business Finance Authority

New Jersey

The Michaels Organization
Court Street Group Research
Greater Newark Enterprises Corporation
McManimon, Scotland & Baumann LLC
Phoenix Advisors, LLC

New Mexico

H2Phusion

New York

Akerman, LLP
Barclays
Buchanan Ingersoll & Rooney PC
Community Loan Fund of the Capital Region, Inc.
County of Chautauqua Industrial Development Agency
County of Oswego Industrial Development Agency

Genesee County Economic Development Center
Hawkins Delafield & Wood LLP
Hirschen Singer & Epstein LLP
Janney Montgomery Scott
Kroll Bond Rating Agency, Inc.
Landair
LISC New York City
Locke Lord LLP
Muni Credit & Compliance Advisors LLC
Oppenheimer & Co. Inc.
Paparone Law PLLC
Red Stone Equity Partners
Robinson & Cole LLP
Sustainable Capital Advisors, LLC
The Carding Group
ThinkForward Financial
Thompkins County Industrial Development Agency
Wells Fargo
Yates, Mauck, Bohrer

North Carolina

Clean Source Capital
KPM Financial LLC
Moore & Van Allen
North Carolina Community Development Initiative
North Carolina Housing Coalition
RBC Bank
Redstone Equity Partners
The Energy Alliance Group of North America

Ohio

Blanchard Valley Port Authority
Cincinnati Union Co-op Initiative
City of Medina
City of Oberlin
City of Solon
Clearwater Economic Development Association
Columbiana County Port Authority
Columbus Landmarks
Community Development Corporations Association of Greater Cincinnati
Development Finance Authority of Summit County
Dinsmore & Shohl LLP
DiPerna Advisors
Economic Development and Finance Alliance of Tuscarawas County

Envision Group LLC
Erie County Port Authority
Frost Brown Todd
Greater Akron Chamber of Commerce
Hemingway Development
Ice Miller LLP
Locke Lord LLP
Mahoning Valley Economic Development Corporation
Ohio Economic Development Association
PNC Capital Markets
Porter Wright
Red Stone Equity Partners
Warren Redevelopment and Planning Corp.
Western Reserve Port Authority

Oregon

Clatsop County
Columbia Bank
Community LendingWorks
Greater Eastern Oregon Development Corporation
Michael W. Grainey Consulting LLC.
Miller Nash Graham & Dunn
Oregon State Treasurer's Office
RAIN Eugene & Coast to Crest Fund
United Fund Advisors
Urban Advisors Ltd

Pennsylvania

Adams County Industrial Development Authority
Arbitrage Rebate Counselors
Beard Law Company
Berks County Industrial Development Authority
CAN DO, Inc.
Chester County Industrial Development Authority
Clark Hill PLC
Delaware Valley Regional Planning Commission
Duane Morris LLP
Fourth Economy Consulting
Georgiadis Setley
Lehigh Valley Economic Development Corporation
Manufacturers Economic Development Financing Associates
Oppenheimer & Co. Inc.
Pennsylvania Developers Council
Pennsylvania Turnpike Commission

Philadelphia Industrial Development Corporation (PIDC)
Reading Redevelopment Authority
Redevelopment Authority of the City of Meadville
Roizman Development Inc.
Schuylkill County Industrial Development Authority (SCIDA)
Univest Bank and Trust Co.

Rhode Island

Locke Lord LLP
Oppenheimer & Co.
Rhode Island Industrial Facilities Corporation

South Carolina

City of Columbia
Homes of Hope
MuniCap, Inc.
Pope Flynn, LLC
SC Jobs-Economic Development Authority

Tennessee

Brightbridge Inc.
ComCap Partners
Raymond James & Associates, Inc.

Texas

Bracewell LLP
Calderon Economic Development Strategies, LLC
Community Development Associates
First Southwest Asset Management
Gulf Coast Authority
HBH Law Offices, PLLC
Locke Lord LLP
Mathis Economic Development Corporation
McCall, Parkhurst & Horton LLP
Pedcor Investments
Sates LLC
TCH Development, LLC
UMB Bank
Wells Fargo Bank
Wharton Economic Development Corporation

U.S. Virgin Islands

U.S. Virgin Islands Economic Development Authority

Utah

WSRP LLC

Vermont

Housing Vermont

Vermont Economic Development Authority

Vermont Housing Finance Agency

Virginia

Bingham Arbitrage Rebate Services

Capital Impact Partners

Crenshaw, Ware & Martin, PLC

Fairfax County Redevelopment and Housing Authority

McGuireWoods

National Apartment Association

Virginia Economic Development Partnership

Washington

Cowlitz Indian Tribe

Excel Supply Company

Housing Consortium of Everett & Snohomish County

Kutak Rock, LLP

Law Office of Floyd Chapman, PLLC

Public Facilities Group

Washington Higher Education Facilities Authority

Washington State Housing Finance Commission

Ziegler

Wisconsin

Husch Blackwell LLP

Quarles & Brady LLP

True North Consultants, Inc.

Vendewalle & Associates

Wisconsin Counties Association

Wisconsin Health & Educational Facilities Authority

Wisconsin Housing and Economic Development Authority