

Business



Posted: Fri, Jul. 20, 2012, 3:00 AM

Mayors call for increased spending on infrastructure

By Patrick Walters
Associated Press

The economies of the nation's cities are starting to bounce back from the recession and grow again, but state and federal governments must increase their spending on infrastructure to help that growth continue, according to the U.S. Conference of Mayors, which released an economic report Thursday.

The report, prepared by IHS Global Insight, forecasts that 300 of the country's 363 metropolitan areas will undergo real economic growth by the end of the year. The total gross metropolitan product grew by 1.7 percent last year and expanded in 267 metropolitan areas. This year, the report predicts, the average growth of all 363 areas will be just below 1.8 percent.

Philadelphia's gross metropolitan product last year was \$352.7 billion, up \$8.9 billion. Its average annual growth since 2001 has been just 3.9 percent.

Fifty metropolitan areas are expected to grow 3 percent or more, led by Austin, Texas, and Houston. More than 100 areas are expected to grow by 2 percent or more, including Phoenix, Denver, Boston, and San Francisco.

But mayors at the conference's summer meeting in Philadelphia pleaded with federal and state governments, and both presidential candidates, to increase funding for infrastructure — including roads, bridges, water and sewer systems, and other transportation investments. Public spending on U.S. infrastructure has fallen to 2.4 percent of gross domestic product, the group said, something that must increase for growth to continue.

Mayor Nutter, president of the conference, noted that infrastructure spending had been at 3 percent of GDP not long ago.

"It's going in the wrong direction," he said, adding that the



YONG KIM / Staff Photographer
U.S. mayors want state and federal governments to provide more money to invest in bridges, roads, and more. Above, the Benjamin Franklin Bridge at Penn Treaty Park.

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change was due to the "ineffectiveness of many members of Congress."

Frank C. Ortis, mayor of Pembroke Pines, Fla., and Scott Smith, mayor of Mesa, Ariz., also called on state and federal governments to increase infrastructure spending to help city economies.

"Our cities need help," said Ortis, a Democrat. "We want action."

Said Smith, a Republican: "We believe we are falling behind."

The nonpartisan conference pointed out that metropolitan areas are home to 90.7 percent of the real gross domestic product, 89.9 percent of wage and salary income, 85.8 percent of jobs, and 83.7 percent of the population.

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