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NLC Tells Congress America's Cities Need More Funding to Fix Bridges, Infrastructure

by Sherry Conway Appel and
Carolyn Berndt

A proposal to fund a separate bridge program is a step in the right direction toward meeting the country's infrastructure investment needs and national goals, but a more comprehensive approach to infrastructure and bridge repair is critical for the long term, NLC Second Vice President Kathleen Novak, mayor of Northglenn, Colo., told a Congressional committee.

Cities and towns are striving to maintain and improve their highways and bridges, but they are struggling to fill the gap left by state and federal funding, Novak told the House Transportation and Infrastructure Committee last Wednesday.



NLC Second Vice President Kathleen Novak testifies before the House Transportation Committee.

"Our transportation system, built and maintained through an innovative federal-state-local government partnership and the private sector, continues to be, and may be now more than ever, the key to our nation's economic

growth, business competitiveness, quality of life, and national security," she said. "Federal support through the highway trust fund has sustained this intergovernmental partnership. Current levels of federal spending, however, fall far short of the actual costs of maintaining and improving our nation's infrastructure, and the shortfall is too large for local governments to make up on our own."

Novak added, "The American Society of Civil Engineers gave our nation's infrastructure an overall grade of 'D.' Being the mother of five children, I wouldn't be satisfied with that outcome, nor should our nation."

"To begin to address our nation's infrastructure crisis," Rep. James Oberstar (D-Minn.), chair of the committee said, "I

have proposed the National Highway System Bridge Reconstruction Initiative. This proposal provides dedicated funding to states to repair, rehabilitate and replace structurally deficient bridges on the National Highway System."

In her home state of Colorado, Novak said 4,790 bridges are owned by cities and counties with 3,757 under state responsibility. Colorado has a transportation budget of \$1 billion, but cities and counties, Novak said, contribute \$1.3 billion as well.

"Of the nearly 7 percent of the interstate system bridges that are structurally deficient, one Denver span is traveled by more than 139,000 motorists each day," Novak said. "Allowing our bridges to deteriorate is a

national calamity waiting to happen."

The Colorado Municipal League and Colorado Counties Inc., have estimated a total of \$31 billion for transportation improvements, maintenance and preservation needs through the year 2030 with \$1.7 billion for bridges alone.

With an estimated \$18.8 billion available, that leaves a \$12.2 billion shortfall, she told the committee.

"We continue to raise local taxes to fund that shortfall, but we cannot do it at the local level alone. We could use bonds, but that would be borrowing from the future to pay for something today that we should have done years ago," Novak said. "I know we are not unique. The federal
see page 8, column 1

Congress, President Consider Mortgage Reform

by Mike Wallace and Carolyn Coleman

Following a month of turmoil on Wall Street caused by rising mortgage defaults and home foreclosures, members of Congress returned to Washington with housing legislation high on their agenda, and the President greeted them with a housing agenda of his own.

Just before Congress returned to work, President Bush announced steps at the federal level to be taken to help homeowners facing the prospect of foreclosure keep their homes. In the announcement, the President asked the Department of Housing and Urban Development (HUD) to make administrative changes to give the Federal Housing Administration (FHA) more flexibility to help more families keep their homes.

The FHA is a government agency that provides mortgage insurance to borrowers through a network of private sector

lenders. With FHA insurance, lower income borrowers can access mortgages with more favorable terms and lower interest rates than typical subprime loans.

One initiative called for by the President will help homeowners who have good credit but who have not made all of their mortgage payments on time because of rising mortgage payments. With this FHA-Secure program, for the first time, FHA will be able to offer homeowners an option to refinance an existing mortgage, so they can make their payments on time and keep their homes. To qualify: (1) borrowers must be at least 90 days behind on their mortgages but still living in their homes, (2) the home in question must be the borrower's primary residence and (3) traditional mortgage loan underwriting standards will apply.

In another initiative announced, the HUD and Department of Treasury Secretaries will reach out to a wide variety

of groups that offer foreclosure counseling and refinancing options. The goal of this initiative is to expand mortgage refinancing options, identify homeowners before they face hardships and allow them to find a mortgage product that works for them.

In addition to these administrative initiatives, President Bush called on Congress to pass legislative proposals to modernize FHA and to change a key provision of the federal tax code, so it does not punish families who are forced to sell their homes for less than their mortgage is worth. Current tax law counts cancelled mortgage debt on primary residences as taxable income.

In applauding the President's actions, NLC President and Indianapolis Mayor Bart Peterson cautioned that President Bush's proposals alone were not enough.

"We also must work toward a fairer, more transparent and understandable mortgage finance system," Peterson said.
see page 8, column 1

IN THIS ISSUE

- National teen summer employment rate falls to historic low, *page 3.*
- NLC gang project advisory committee chair to direct California's anti-gang efforts, *page 4.*
- Making your city successful by 'connecting the dots,' *page 5.*
- Branding: understanding the who, why and how, *page 6.*
- Effective leaders look at world through multiple frames, *page 7.*

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Branding: Understanding The Who, Why and How

by *Don R. McEachern*

The following is a preview of one of the topics to be covered during Leadership Training Institute seminars at the Congress of Cities and Exposition in New Orleans, November 13-17.

What adjectives do tourists, residents and businesses use to describe your city? Is your city known for something? Is there a buzz around your community? In other words, what is your brand?

Once the sole jurisdiction of retail products like Coca-Cola or Molson Beer, branding is now being embraced by municipalities, counties, communities, provinces and states alike. Experts on the subject are coming out of the woodwork. Companies have emerged with the sole purpose of branding communities. And articles on branding fill the pages and airspace of magazines and the Internet.

Despite its growing popularity, many community leaders are secretly scratching their heads wondering, "What exactly is branding?" Better yet, "Does my municipality really need a brand?" And finally, "Whose job is it to determine the brand, anyway?"

All excellent questions.

Think of destination branding like a literal brand that marks a community with a certain image conjured up at the mere mention of the city's name. Its goal is clear: an appealing brand (and yes, some are not so appealing) can help communities compete for visitors, economic development, residents, the creative class, the arts, a better education system — everything that makes a city profitable and desirable.

At its best, a destination's brand hones in on the city's edge, creating an emotional connection with people that makes them want to spend their money, their time, even their lives there. At its worst, a brand works so hard to say everything and appeal to every one that it leaves no impression at all. So, does your community need a brand?

The Role of Government

Despite the almost formulaic steps that define a solid branding campaign, more than a few communities are investing big marketing dollars in branding efforts that yield limited results. For many of these destinations, the problem is a lack of leadership from municipal government. Others develop visions that fail to include the voice of the consumer/community, a necessary step in order to reflect a balanced reality.

It is critical that government leaders be involved for a number of reasons. First, to be effective, a city's brand must be incredibly far reaching. Branding is more than a tag line. It must infiltrate every nook and cranny of the community — from the psyche of service providers to signage, from marketing efforts to education, from residents' attitudes to leadership decisions. Your city becomes a literal canvas for reflecting the brand. Painting your logo on the city's water tower is an obvious example. A less apparent application is the use of themed artwork in the vacant storefronts of redeveloping areas. Both are city property. So without the OKs of government leaders, the brand message will never make it to the tank or the storefront.

Municipal leadership also can use its authority to keep branding efforts from becoming bogged down "in committee." Branding is not about compromise or even consensus. It is about determining the strong singular message that will define your community. It is about creativity and, yes, even risk. When all the sub-voices within a community clamor to contribute their two cents regarding the brand message, the end result too often is watered-down pabulum. Strong leadership can help navigate the brand through the rough waters of special interest subgroups.

Branding is not a one-size-fits-all process. You may be starting from scratch or merely refining a brand that has successfully defined your community for years. You may be striving for tourists, clamoring for the creative class or struggling to attract new business. Your brand campaign may involve the entire city or a single public agency. Regardless of its final form, branding is more than the marketing buzz word of the day. It is more than a tag line or ad campaign. A strong brand is the best of your city. It is a revenue-producing asset. And, trite as it may sound, it is vital to compete and win.

Details: McEachern will lead Leadership Training Institute seminar L14, titled "Community Branding: Whose Job Is It?," on Wednesday, November 14, from 9 a.m. to noon. For more information or to register for Leadership Training Institute seminars, visit www.nlc.org.

Don R. McEachern, president of North Star Brand Strategies, combines research, strategy and creativity to help communities discover their optimum brand positioning and leverage their equity in that brand through initiatives and communication.