

Infrastructure Investment & Retail Real Estate

Our Position

Safe and efficient infrastructure is critical to the Marketplace Industry and the communities we serve. We rely on roads and transit to get consumers and workers to our properties and we need reliable routes to get products to our stores.

ICSC members are a catalyst for road, transit and utility upgrades in our communities, contributing \$390.6 billion annually in property and sales taxes and billions in impact fees associated with commercial real estate development. We work closely with municipalities to update water, electrical and other types of infrastructure to increase community connectivity and best serve the needs of consumers and neighbors. Furthermore, access to retail is a key component of successful transit-oriented development (TOD).

This is an exciting time in the continuum of the built environment where places are being reimagined to provide the amenities that key demographics are seeking. In light of the blending of uses, from retail to residential and office to industrial, to the development of automated and shared transportation sources, infrastructure needs for the future should be reconsidered.

Areas of Policy Focus

- 1. Modernize Federal Infrastructure Funding to Reflect Market Practices:**
ICSC members support efforts to ensure that there is sufficient dedicated revenue to maintain the solvency of the Federal Highway Trust Fund. We believe that there is opportunity to expand funding sources through improvement of infrastructure-oriented Private Activity Bonds (PAB) and community focused public-private partnerships (P3s).
 - Strengthen the effectiveness of P3s by restoring the federal tax exemption of certain grants. (IRC Section 118 – Contributions to Capital).
 - Enhance existing federal development financing programs (BUILD grants, TIFIA, etc.), allowing for greater flexibility in infrastructure development.
- 2. Integrate and Rationalize Permitting:** ICSC members support efforts to streamline permitting for infrastructure projects in order to decrease costs and bring infrastructure-related projects to market faster. Transparency, upfront communication and accountability should be increased; jurisdictional overlap and duplicative impact studies should be reduced to provide better outcomes for our communities.
 - Streamline federal permitting, especially for TOD.
 - Incentivize state, regional and local efforts to shorten decision time and reduce redundancies.

ICSC Congratulates Congress and the Biden Administration on Passage of the Infrastructure Investment & Jobs Act (IIJA)

Transit Oriented Development (TOD)

TOD maximizes the amount of residential, business and leisure space within walking distance of public transport. A TOD typically includes a central transit stop (such as a train station, light rail or bus stop) surrounded by a high-density mixed-use area, with lower-density areas spreading out from this center.

By incorporating economic development into a transit plan a project can maximize the success of all components and take advantage of existing construction and development expertise.

Retail Real Estate and Infrastructure by the Numbers

\$516

Annual average cost to a motorist driving on bad roads. Money that could be spent supporting the local economy.

\$1.7 Trillion

Funding gap needed to get U.S. infrastructure to a B grade. Public-Private Partnerships could help close that gap.

\$390.6 Billion

Amount shopping centers contribute annually to property and sales taxes to help states and municipalities pay for infrastructure.

\$3.7 Trillion

The estimated cost associated with permit delays.

Sources: American Society of Civil Engineers 2017 Infrastructure Report Card; Common Good Updates the Cost of US Infrastructure Delays.

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